

Lawrence Garb, EVP-Administration

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form**Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, District of Delaware), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim.

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §§ 507(a).

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9)

State the value of any goods received by the debtor within 20 days before the date of commencement in which the goods have been sold to the debtor in the ordinary course of the debtor's business.

7. Credits:

An authorized signature on this proof of claim serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

8. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(10).

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim form is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §§ 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION**Acknowledgement of Filing a Claim**

To receive acknowledgment of your filing, please enclose a stamped self-addressed envelope and a copy of this proof of claim. You may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <http://www.bmcgroup.com/UrbanBrands>

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

PLEASE SEND COMPLETED PROOFS OF CLAIM TO:

Via Regular U.S. Mail Via Overnight Courier

BMC Group, Inc.
Attn: Urban Brands
Claims Processing
P.O. Box 3020
Chanhassen, MN 55317

BMC Group, Inc.
Attn: Urban Brands
Claims Processing
18750 Lake Drive East
Chanhassen, MN 55317

**ADDENDUM TO PROOF OF CLAIM OF HARTZ MOUNTAIN METROPOLITAN
(RESERVATION OF RIGHTS)
IN RE: ASNJ 10, INC., DEBTOR, CASE NO. 10-13056 (KJC)**

Hartz Mountain Metropolitan ("Hartz") is the owner of the property located at 100 Metro Way, Secaucus, New Jersey 07094 (the "Subject Property"). By lease dated August 1, 1995, Hartz, as Landlord, leased certain warehouse and office space at the Subject Property to Ashley Retail Stores, Inc. ("Ashley"), as Tenant (the "Demised Premises"). Said Lease subsequently was amended by Lease Modification Agreement dated September 12, 1995, Second Lease Modification Agreement dated May 15, 1997, Third Lease Modification Agreement dated March 10, 1999, Fourth Lease Modification Agreement dated October 26, 2000, and Fifth Lease Modification Agreement dated June 29, 2005 (collectively referred to herein as the "Lease"). By means of an Assignment and Assumption Agreement dated May 10, 1996, Ashley assigned its entire interest in the Lease, together with its entire leasehold estate thereunder, to ASNJ 10, Inc. ("ASNJ"). The Permitted Uses of the Demised Premises, as defined in the Lease, are "warehousing and distribution of non-hazardous materials and offices." ASNJ has continued to operate in the Demised Premises after filing for bankruptcy under Chapter 11 of the Bankruptcy Code. Certain of the charges on the "Statement in Support of Proof of Claim of Hartz Mountain Metropolitan" accompanying Hartz' Proof of Claim were billed during the post-petition period. These charges are claimed by Hartz as a post-petition expense/debt and Hartz takes the position they are post-petition expense/debt. However, all rights are reserved in the event the court finds these charges to be pre-petition. Hartz reserves the right to supplement or amend this claim at any time as allowed by law. The filing of this claim is without waiver of Hartz's right to file any additional claims, including but not limited to rejection damages claims, claims pursuant to 11 U.S.C. Section 365, and/or administrative expense claims.

Statement in Support of Proof of Claim of Hartz Mountain Metropolitan

1/5/2011

ASNJ 10, Inc.
100 Metro Way
Secaucus, NJ 07094

Filed Bankruptcy 9/21/2010 in Delaware
Lease Expires - 12/31/2015

Date	Description	Charges
03/12/10	Operating Expenses 2009	2,253.99
08/05/10	Fire Alarm Phone 7/19-8/18/10 + 15.00% o/h	64.85
08/05/10	Landscaping 7/10 + 15.00% o/h	602.03
08/05/10	Elevator maintenance 8/10 + 15.00% o/h	198.26
08/21/10	TX # 120015910301 RTU Remediation costs.	49,237.00
08/24/10	Overpayment - check # 340648	(87.11)
08/26/10	Install brown dyed mulch 7/22/10 + 15.00% o/h	1,343.71
09/01/10	cam - operating costs (09/2010) \$1,002.34/30 x 20	668.23
09/01/10	gas (09/2010) \$363.37/30 x 20	242.25
09/01/10	interest income (09/2010) \$244.25/30 x 20	162.83
09/01/10	fixed rent (09/2010) \$33,564.38/30 x 20	22,376.25
09/01/10	fixed rent (09/2010) \$36,552.75/30 x 20	24,368.50
09/01/10	fixed rent (09/2010) \$19,795.75/30 x 20	13,197.17
09/16/10	Fire Alarm Phone 8/19-9/18/10 + 15.00% o/h	65.09
09/16/10	Preparation of Summons and Complaint 9/15/10	200.00
09/23/10	Landscaping 8/10 + 15% o/h	602.03
09/23/10	Elevator maintenance 9/10 + 15% o/h \$198.26/30 x 20	132.17
09/30/10	Broken pipe repair 9/9, 9/10 & 9/11/10 + 15% o/h	1,875.16
09/30/10	Fire alarm maintenance 9/17/10 + 15% o/h	288.06
09/30/10	Fire alarm phone 9/19-10/18/10 + 15% o/h \$65.09/30 x 2	4.34
10/02/10	Real estate taxes 3rd quarter 2010	67,161.70
10/07/10	July 2010 Late Fee	1,062.85
10/07/10	Landscaping 9/10 + 15% o/h \$602.03/30 x 20	401.35
10/07/10	Liability insurance 8/1/10 - 1/31/11+ 15% o/h \$677.67/184 x 52	191.52
10/07/10	Lawn maintenance 8/11/10 + 15 % o/h	123.05
10/14/10	Late fee August 2010	2,037.12
	Total:	<u>188,772.40</u>

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 03/12/10

Payment: _____

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
3/12/2010	Operating Expenses 2009	C-570370	\$2,253.99	\$2,253.99
3/12/2010	Est. Oper. Exp. Adjustment 1/1 - 3/31/10	C-570371	\$261.33	\$2,515.32

Invoice Amount

\$2,515.32

HARMON COVE DEVELOPMENT - ASNJ 10 INC.
2009 CAM COST RECONCILIATION
SE100MET - ASNJ10

TOTAL DEVELOPMENT CAM COSTS	\$ 668,062.15
BUILDING PERCENTAGE	<u>1.52%</u>
BUILDING SHARE	10,145.98
TENANT'S PERCENTAGE	<u>100.00%</u>
TENANT'S SHARE	10,145.98
ADMINISTRATIVE OVERHEAD	<u>1,521.90</u>
TENANT'S SHARE PLUS ADMIN O/H	11,667.88
(LESS) AMOUNT BILLED PRIOR	<u>(9,413.89)</u>
TOTAL AMOUNT DUE (TO)/FROM TENANT	<u>\$ 2,253.99</u>

**HARMON COVE DEVELOPMENT
2009 COMMON AREA MAINTENANCE COSTS**

WATER	\$ 1,965.80
ELECTRIC	36,752.10
REPAIRS	207,728.33
LANDSCAPING	69,688.80
SUPPLIES	7,118.84
JANITORIAL	3,811.60
GARBAGE REMOVAL	4,883.29
DIRECT LABOR	267,678.61
MISCELLANEOUS	6,497.13
TELEPHONE	4,271.83
SNOW REMOVAL	57,443.79
INSURANCE	<u>222.03</u>
TOTAL DEVELOPMENT CAM COSTS	<u>\$ 668,062.15</u>

HARMON COVE ROADS

REVISED ESTIMATED OPERATING COSTS

2010

TENANT: ASNJ 10 INC.

CODE: ASNJ10/102/103

ROAD COSTS		\$688,062.15	
ESTIMATED INCREASE		<u>1.03</u>	
		\$688,104.01	
BUILDING SHARE		<u>1.52%</u>	
ESTIMATED INCREASE		\$10,459.18	
TENANT'S PERCENTAGE		<u>100.00%</u>	
		\$10,459.18	
ADMINISTRATIVE OVERHEAD		<u>115%</u>	
ESTIMATED COSTS	2010 \$	12,028.06 /12	\$871.60 PER MONTH
			<u>3</u>
1/1-3/31/10	ESTIMATED COSTS		\$2,614.80
LESS:AMOUNT BILLED			<u>(\$2,353.47)</u>
AMOUNT DUE THRU	3/31/10		<u><u>\$261.33</u></u>

AS OF 4/1/10 MONTHLY ESTIMATED ROAD COSTS OF
WILL APPEAR ON YOUR RENT INVOICE.

\$871.60

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 08/05/10

Payment: _____

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
8/5/2010	Fire Alarm Phone 7/19-8/18/10 + 15.00% o/h	C-588756	\$64.85	\$64.85
8/5/2010	Landscaping 7/10 + 15.00% o/h	C-588757	\$602.03	\$666.88
8/5/2010	Elevator maintenance 8/10 + 15.00% o/h	C-588758	\$198.26	\$865.14

Invoice Amount

\$865.14



Billing Date: 07/19/10 Page 1 of 4
Telephone Number : 201 330-9802
Account Number: 201 330-9802 169 17Y

HARTZ MTN INDSTRS INC

Account Summary

Previous Charges	\$ 56.97
Payment Received on Jul 08.	- 56.97
Balance	\$.00
New Charges	
Verizon (page 3)	\$ 56.39
Total New Charges Due Aug 13, 2010	\$ 56.39
Total Due	\$ 56.39

Seidmet 6012-2000
KC



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Verizon Fundraising Program!

Enroll 501C nonprofits in Verizon Velocity fundraising program. No direct selling, no inventory. Receive contributions when supporters order qualifying Verizon residential products. Visit verizon.com/velocity for full program details. Enrollment is free and takes just a few minutes!

Questions about your bill? Call 1 888 892-5200
See page 2 for all other Verizon contact information

Change of billing address?
Go to verizon.com/billingaddress or call us.

▼ Detach & return payment slip with your check, payable to Verizon



Account: 201 330-9802 169 17Y

New Charges Due: Aug 13, 2010

Total Due: \$ 56.39

210*118KDAI
00002786 1200000022221
33-NJ J172
2013309602 19991206

071910

Amount Paid :

\$

00002786 01 AT 0.357 HHJ20211 0013
HARTZ MTN INDSTRS INC
ATTN ROBERTA O'DOWD
PO BOX 1515
SECAUCUS NJ 07096-1515



Verizon
PO BOX 4833
TRENTON NJ 08650-4833



10920103309602169409312799000003000000000000000005639000000



Billing Date: 07/19/10 Page 3 of 4
Telephone Number : 201 330-9602
Account Number: 201 330-9602 169 17Y

MONTHLY SERVICE - BASIC (Jul 19 to Aug 18)

Description	Qty	Unit Rate	
1 Message Rate Line Service	1	14.89	14.89
2 Message Rate Service - Business	1	19.39	19.39
3 Federal Subscriber Line Charge	2	6.30	12.60
4 Federal Universal Service Fee	2	1.51	3.02
Total			\$ 49.90

RATE ADJUSTMENTS

Description	Qty	Amount	Days	
5 Rate decrease (Jul 1 to Jul 18)	2	\$.00555	18	CR .20
Federal Universal Service Fee				
Total				CR \$.20

BASIC SERVICE TAXES AND SURCHARGES

6 E911	1.80
Total	\$ 1.80

Verizon basic charges

\$ 51.50

ACCOUNT TAXES AND SURCHARGES

7 Federal excise tax	1.41
8 State tax	3.48
Total	\$ 4.89

Total Verizon charges \$ 56.39

Reference ID ARZDUOI330

For Your Information

Closed Captioning Concerns or Complaints?

If you are having a concern with closed captioning on a program you are currently watching, you may contact Verizon at 1-888-553-1555, via email at videoclosedcaption@verizon.com, or via facsimile at 1-888-806-7026. If you have a written closed captioning complaint, you may write to us at Verizon, P.O. Box 33052 821, 1st Ave N St Petersburg, FL 33701 Attn: Valerie DeCastro, Manager, fax 1-888-806-7026, or via email at videoclosedcaption@verizon.com

Important Customer Information

Effective on or about July 1, 2010, the Federal Subscriber Line Charge may change on your main phone line and on any additional phone line. This charge helps pay for the costs of providing and maintaining the local network.

In addition, your Federal Universal Service Fund (FUSF) surcharge may change effective on or about July 1, 2010. The FUSF surcharge, which is authorized by the FCC and reviewed quarterly, provides funding for programs to keep local telephone rates affordable for all customers and to provide discounts to schools, libraries, rural health care providers and low-income families.

Bankruptcy Information

If you are subject to pending bankruptcy proceedings or if you received a bankruptcy discharge, and if this statement includes charges for service prior to the filing of your bankruptcy petition, Verizon is providing the pre-bankruptcy charges for your information only and you should not pay those pre-bankruptcy charges.

Please direct all correspondence concerning any bankruptcy to PO Box 3037, Bloomington, IL 61702

BEST LANDSCAPING SERVICE, INC.
123 Huber Street
Secaucus, NJ 07094
201-852-1936

Invoice

DATE	INVOICE NO.
8/1/2010	9350

BILL TO

Hartz Mountain Industries
Property Management
400 Plaza Dr
Secaucus N.J. 07094-3688

TERMS	DUE DATE
	8/1/2010

DESCRIPTION		AMOUNT
LANDSCAPING MAINTENANCE for 100 Metro Way location PO#123013415001 for July CONTROL # _____ REC'D AP <u>AUG - 2 2010</u> VENDOR CODE <u>BESTLAND</u> PO# <u>13415001</u> CODE <u>SE100MET 600S-2000</u> EXT. CHECKED <u>R</u> FOW'D FOR APPROVAL <u>p.m.t</u> OFFICE _____ DEPT. HEAD _____ PAY DATE _____		489.25
Sales Tax (7.0%)		\$34.25
Total		\$523.50

201-852-1936

CESCO - Clifton Elevator Service Co., Inc.
4401 South Clinton Avenue
South Plainfield, NJ 07080
Tel: (908) 561-7077; 24hrs: (973) 772-6900
Fax: (908) 561-5950

INVOICE

Invoice #

38901

Bill To: Hartz Mountain Industries
400 Plaza Drive
PO Box 1515
Secaucus, NJ 07096-1515

Account: 100 Metro Way
100 Metro Way
Secaucus, NJ 07096-1515
Account #: 100METRO

Date	Aug 01, 2010	Terms	Net 30 Days	Job #	157
Inv #	38901	PO #	123012548001	Type	Maintenance

Quantity	Description	Taxable	Price	Amount
1.00	Regular Service CONTROL # _____ RECD AP AUG - 3 2010 IDOCODE CESCO _____ E _____ T C E CRE _____ OFFICE _____ _____ at Date _____	Yes	161.12	\$161.12

Invoice for scheduled maintenance for the period of August, 2010 per your contract.

Taxable	\$161.12
Non-Taxable	\$0.00
Sub-Total	\$161.12
Sales Tax	\$11.28
TOTAL	\$172.40

Page 1

PLEASE CUT THIS PORTION AND RETURN WITH PAYMENT



CESCO - Clifton Elevator Service Co., Inc.
4401 South Clinton Avenue
South Plainfield, NJ 07080

Account # 100METRO
100 Metro Way
Invoice # 38901
Amount \$ 172.40
Paid \$

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 08/21/10

Payment: _____

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
8/21/2010	TX # 120015910301 RTU Remediation costs.	C-591707	\$49,237.00	\$49,237.00

Invoice Amount
\$49,237.00

TELEPHONE
(201) 348-1200

Hartz Mountain Metropolitan
("PURCHASER")

TENANT EXTRA

P.O. Box 1515
Secaucus, NJ 07096-1515

No. 120 015910 301

TO:
ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

SHOW THIS ORDER NUMBER
ON ALL INVOICES AND
CORRESPONDENCE.

IMPORTANT - RETURN
SIGNED ORIGINAL COPY OF
THIS TENANT EXTRA TO THE
ADDRESS ABOVE.

05/28/2010	asnjrtn - ashley stewart nj rtu remediation	se100met 11300003	secaucus	88500
DESCRIPTION		QTY.	UNIT PRICE	TOTAL COST
This Tenant Extra is being issued for the RTU Remediation costs:			2,055.00	2,055.00
Engineering				
Steel reinforcing			18,222.00	18,222.00
Lifting of units, wood blocking, leveling, flashing of curbing			28,960.00	28,960.00
dl				
			TOTAL	\$49,237.00

AGREED TO

ASNJ 10, INC.
("TENANT")

BY

DATE

Hartz Mountain Metropolitan
("PURCHASER")

BY


John Comer

DATE June 3, 2010

CONDITIONS OF THIS AGREEMENT:

1. PRICE AS QUOTED HEREIN SHALL ONLY BE EFFECTIVE FOR 7 DAYS FROM DATE WRITTEN.
2. THIS WORK SHALL NOT COMMENCE, NOR SHALL MATERIALS BE ORDERED, UNTIL THIS AUTHORIZATION IS SIGNED, RETURNED AND ACCEPTED.
3. TERMS: NET 30 DAYS. INTEREST AT 1 1/2% PER MONTH SHALL BE CHARGED AND PAID AFTER DUE DATE.

120 015910 301

ACCOUNTS PAYABLE

Page 1 of 1

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 08/26/10

Payment: _____

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
8/26/2010	Install brown dyed mulch 7/22/10 + 15.00% o/h	C-591735	\$1,343.71	\$1,343.71

Invoice Amount

\$1,343.71



Jersey Mulch Products
48 Old Jacksonville Road
Towaco, NJ 07082
1-888-50-MULCH

Invoice

Date	Invoice #
7/22/2010	20007

Bill To
Hartz Mountain P.O. Box 1515 Secaucus, New Jersey 07096

Ship To

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			7/22/2010			
Quantity	Item Code	Description	Price Each	Amount		
28	Brown Dyed Install	100 Metro Way Sales Tax	39.00 7.00%	1,092.00T 76.44		
<p>CONTROL # _____ REC'D AP <u>Jul 26 2010</u> VENDOR CODE <u>JERSMULC</u> PO # _____ CODE _____ EXT. CHECKLD <u>[Signature]</u> FOWD FOR APPROVAL <u>[Signature]</u> OFFICE _____ DEPT. HEAD _____ PAY DATE _____</p>						
Phone # 1-888-50MULCH			Total \$1,168.44			

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

Account : se100met - 0101 - asnj10

Date : 09/01/2010

Payment : \$ _____

Date	Description	Charge Control Number	Charges	Balance
09/01/10	(asnj103) fixed rent (09/2010)	590268	19,795.75	19,795.75
09/01/10	(asnj102) fixed rent (09/2010)	590267	36,552.75	56,348.50
09/01/10	fixed rent (09/2010)	590266	33,564.38	89,912.88
09/01/10	interest income (09/2010)	590265	244.25	90,157.13
09/01/10	gas (09/2010)	590264	363.37	90,520.50
09/01/10	0 - cam - operating costs (09/2010)	590263	1,002.34	91,522.84

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 09/16/10

Payment: _____

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
9/16/2010	Fire Alarm Phone 8/19-9/18/10 + 15.00% o/h	C-594379	\$65.09	\$65.09
9/16/2010	Preparation of Summons and Complaint 9/15/10	C-594380	\$200.00	\$265.09

Invoice Amount

\$265.09



Billing Date: 08/19/10 Page 1 of 4
Telephone Number : 201 330-9602
Account Number: 201 330-9602 169 17Y

HARTZ MTN INDSTRS INC

Account Summary

Previous Charges	\$ 56.39
Payment Received on Aug 11	- 56.39
Balance	\$.00

New Charges	
Verizon (page 3)	\$ 56.60
Total New Charges Due Sep 13, 2010	\$ 56.60
Total Due	\$ 56.60



Getting the Best Value?

Make sure Today's business environment is a challenge. To be ready for it, call today for a FREE account review. You'll get info on the newest discounts, bundles & products to help your business succeed. Call 1-866-520-5293 today!



Don't Risk Your Service!

No phone service means no business. With Verizon, you can depend on the network with 99.9% voice reliability. So why risk going anywhere else? Call 1-888-842-8039 to learn more.



Verizon Foundation

Looking for homework help? Help with school projects? Thousands of FREE educational resources are available for students, parents, and teachers at Thinkfinity.org

Questions about your bill? Call 1 888 892-5200
See page 2 for all other Verizon contact information

Change of billing address?
Go to verizon.com/billingaddress or call us

▼ Detach & return payment slip with your check, payable to Verizon



Account: 201 330-9602 169 17Y

New Charges Due: Sep 13, 2010

Total Due: \$ 56.60

210*148813A1
00002727 120000001333
33-10 1172
2013309602 19991204

081910

Amount Paid :

\$

00002727 01 AT 0.357 RHJ23211 0014
HARTZ MTN INDSTRS INC
ATTN ROBERTA O'DOWD
PO BOX 1515
SECAUCUS NJ 07096-1515



Verizon
PO BOX 4833
TRENTON NJ 08650-4833

10920103309602169409312759000003000000000000000005660600000



Billing Date: 08/19/10 Page 3 of 4
Telephone Number : 201 330-9602
Account Number: 201 330-9602 169 17Y

MONTHLY SERVICE - BASIC (Aug 19 to Sep 18)

Description	Qty	Unit Rate	
1 Message Rate Line Service	1	14.89	14.89
2 Message Rate Service - Business	1	19.39	19.39
3 Federal Subscriber Line Charge	2	6.30	12.60
4 Federal Universal Service Fee	2	1.51	3.02
Total			\$ 49.90

BASIC SERVICE TAXES AND SURCHARGES

5 E911	1.80
Total	\$ 1.80

Verizon basic charges \$ 51.70

ACCOUNT TAXES AND SURCHARGES

6 Federal excise tax	1.41
7 State tax	3.49
Total	\$ 4.90

Total Verizon charges \$ 56.60

Reference ID ARZDUOI330

For Your Information

Bankruptcy Information

If you are subject to pending bankruptcy proceedings or if you received a bankruptcy discharge, and if this statement includes charges for service prior to the filing of your bankruptcy petition, Verizon is providing the pre-bankruptcy charges for your information only and you should not pay those pre-bankruptcy charges.

Please direct all correspondence concerning any bankruptcy to PO Box 3037, Bloomington, IL 61702

HOROWITZ, RUBINO & PATTON

COUNSELORS AT LAW

400 PLAZA DRIVE

P.O. BOX 2038

SECAUCUS, NEW JERSEY 07096

CRAIG A. AMBROSE
Member of N.J., D.C., N.Y. & PA Bars

Office: (201) 863-7988
Fax: (201) 348-9144
craig.ambrose@hrplaw.com

September 15, 2010

VIA NJ LAWYERS SERVICE

Superior Court of New Jersey
SCP Case Management Office
Administration Building
595 Newark Avenue, Room 711
Jersey City, New Jersey 07308

Attention: Landlord/Tenant Team

RE: HARTZ MOUNTAIN METROPOLITAN vs. ASNJ 10, INC.

Dear Sir/Madam:

In connection with the above-referenced matter, enclosed please find an original and four (4) copies of Summons and Complaint for service on the defendant at the following address:

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NEW JERSEY 07094

With a copy to:

Fleet Retail Finance, Inc.
40 Broad Street
Boston, MA 02110


Kindly bill our account number 45525 for the filing and mileage fees associated with the above matter.

Thank you for your kind attention. Should you have any questions, please do not hesitate to contact me.

Very truly yours,

HOROWITZ, RUBINO & PATTON

By:


Craig A. Ambrose

CAA:ts
Enclosures

cc: Irwin A. Horowitz, Esq.
Phillip R. Patton, Esq.

**TENANCY SUMMONS
AND RETURN OF SERVICE**

Plaintiff's Attorney Information:

Name: Horowitz, Rubino & Patton
Address: 400 Plaza Drive
Secaucus, New Jersey 07096
Phone: (201) 863-7988
ATTORNEYS FOR PLAINTIFF - LANDLORD

Superior Court of New Jersey
Law Division, Special Civil Part
Hudson County Administration Bldg.
595 Newark Avenue
Jersey City, New Jersey
(201) 795-6680

HARTZ MOUNTAIN METROPOLITAN,

Plaintiff,

Docket Number: LT- _____

vs.

Civil Action

ASNJ 10, INC.,

SUMMONS

LANDLORD/TENANT

Defendant.

Defendant Information:

ASNJ 10, INC.
100 Metro Way
Secaucus, New Jersey 07094
Phone: (201) 319-9093

NON-PAYMENT:
Back Rent Claimed: \$145,422.68

With a copy to:

Fleet Retail Finance, Inc.
40 Broad Street
Boston, MA 02110

NOTICE TO TENANT: The purpose of the attached complaint is to permanently remove you and your belongings from the Premises. If you want the court to hear your side of the case you must appear in court on this date and time: _____ at _____ a.m./p.m., or the court may rule against you.

REPORT TO: _____

If you cannot afford to pay for a lawyer, free legal advice may be available by contacting Legal Services at (Telephone (201) 792-6363). If you can afford to pay a lawyer but do not know one, you may call the Lawyer Referral Services of your local county Bar Association at (Telephone (201) 798-2727).

You may be eligible for housing assistance. To determine your eligibility, you must immediately contact the welfare agency in your county at 100 Newkirk Street, Jersey City, New Jersey, telephone number (201) 420-3000.

If you need an interpreter or an accommodation for a disability, you must notify the court immediately.

Si Ud. no tiene dinero para pagar a un abogado, es posible que pueda recibir consejos legales gratuitos si se comunica con Servicios Legales (Legal Services) al (Telephone: (201) 792-6363). Si tiene dinero para pagar a un abogado pero no conoce ninguno puede llamar a Servicios de Recomendación de Abogados (Lawyer Referral Services) del Colegio de Abogados (Bar Association) de su condado local al (Telephone: (201) 798-2727).

Es posible que pueda recibir asistencia con la vivienda si se comunica con la agencia de asistencia pública (welfare agency) de su condado al 100 Newkirk Street, Jersey City, New Jersey, telephone (201) 420-3000.

Si necesita un intérprete o alguna acomodación para un impedimento físico, tiene que notificárselo inmediatamente al tribunal.

Date: September 15, 2010

Clerk of the Special Civil Part

COURT OFFICER'S RETURN OF SERVICE (FOR COURT USE ONLY)

Docket Number: _____ Date: _____ Time: _____

WM _____ WP _____ BM _____ BF _____ OTHER _____ HT _____ WT _____ AGE _____ MUSTACHE _____
BEARD _____ GLASSES _____ NAME: _____ RELATIONSHIP _____

Efforts Made to Personally Serve: _____

Description of Premises if Posted: _____

I hereby certify the above to be true and accurate: _____
Special Civil Part Officer

Unpaid Charges

(charges are net of any partial payments)

ARTZ METROPOLITAN

o 10# 22-2196720
 3 Box 35251
 Newark, NJ 07103 5251

Please Return Top Portion With Payment

ASNJ 10, INC.
 100 METRO WAY
 SECAUCUS, NJ 07094

Account : as100met - 0107 - esnj10

Date : 09/14/2010

Payment : \$ _____

A fee will be charged on any returned checks

Date	Description	Charge Control Number	Charges	Balance
03/12/10	Operating Expenses 2009	C-570370	2,253.99	2,253.99
08/05/10	Fire Alarm Phone 7/19-8/18/10 - 15.00% o/h	C-588756	64.85	2,318.84
08/05/10	Landscaping 7/10 - 15.00% o/h	C-588757	602.03	2,920.87
08/05/10	Elevator maintenance 8/10 - 15.00% o/h	C-588758	198.26	3,119.13
08/21/10	TX # 120015910301 RTU Remediation costs.	C-591707	49,237.00	52,356.13
08/26/10	Install brown dyed mulch 7/22/10 - 15.00% o/h	C-591735	1,343.71	53,699.84
09/01/10	cam operating costs (09/2010)	C-590263	1,002.34	54,702.18
09/01/10	gas (09/2010)	C-590264	363.37	55,065.55
09/01/10	interest income (09/2010)	C-590265	244.25	55,309.80
09/01/10	fixed rent (09/2010)	C-590266	33,564.38	88,874.18
09/15/10	Preparation of Summons & Complaint		200.00	89,074.18

EXHIBIT A

Unpaid Charges

(charges are net of any partial payments)

ARTZ METROPOLITAN

o ID# 22-2196720
 3 Box 35251
 Newark, NJ 07193-5251

Please Return Top Portion With Payment

ASNJ 10, INC.
 100 METRO WAY
 SECAUCUS, NJ 07094

Account: se100met - 0102 - asnj102

Date: 09/14/2010

Payment: \$ _____

A fee will be charged on any returned checks

Date	Description	Charge Control Number	Charges	Balance
09/01/10	fixed rent (09/2010)	C-590267	36,552.75	36,552.75

EXHIBIT A

Unpaid Charges

(charges are net of any partial payments)

ARTZ METROPOLITAN

3106 22-2196720
 3 Box 35351
 Newark, NJ 07103-5251

Please Return Top Portion With Payment

ASNJ 10, INC.
 100 METRO WAY
 SECAUCUS, NJ 07094

Account: se100met - 0103 - asnj103

Date: 09/14/2010

Payment: \$ _____

A fee will be charged on any returned checks

Date	Description	Charge Control Number	Charges	Balance
09/01/10	fixed rent (09/2010)	C-590268	19,795.75	19,795.75

EXHIBIT A

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 09/23/10

Payment: _____

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
9/23/2010	Landscaping 8/10 + 15.00% o/h	C-594711	\$602.03	\$602.03
9/23/2010	Elevator maintenance 9/10 + 15.00% o/h	C-594712	\$198.26	\$800.29

Invoice Amount

\$800.29

BEST LANDSCAPING SERVICE, INC.
123 Huber Street
Secaucus, NJ 07094
201-852-1936

Invoice

DATE	INVOICE NO.
9/1/2010	9424

BILL TO
Hartz Mountain Industries Property Management 400 Plaza Dr Secaucus N.J. 07094-3688

TERMS	DUE DATE
	9/1/2010

DESCRIPTION	AMOUNT
LANDSCAPING MAINTENANCE for 100 Metro Way location PO#123013415001 for August	489.25
 CONTROL # _____ REC'D A/P <u>SEP - 2 2010</u> VENDOR CODE <u>BESTLAND</u> PO # <u>13415001</u> CODE <u>SEASONAL MET. WORKS-2.000</u> EXT. CHECKED <u>[Signature]</u> FOW'D FOR APPROVAL <u>[Signature]</u> OFFICE _____ DEPT. HEAD _____ PAY DATE _____	
Sales Tax (7.0%) \$34.25	
Total \$523.50	

201-852-1936

CESCO - Clifton Elevator Service Co., Inc.
 4401 South Clinton Avenue
 South Plainfield, NJ 07080
 Tel: (908) 561-7077; 24hrs: (973) 772-6900
 Fax: (908) 561-5950

INVOICE

Invoice #

39423

Bill To: Hartz Mountain Industries
 400 Plaza Drive
 PO Box 1515
 Secaucus, NJ 07096-1515

Account: 100 Metro Way
 100 Metro Way
 Secaucus, NJ 07096-1515
Account #: 100METRO

Date	Sep 01, 2010	Terms	Net 30 Days	Job #	157
Inv #	39423	PO #	123012548001	Type	Maintenance

Quantity	Description	Taxable	Price	Amount
1.00	Regular Service	Yes	161.12	\$161.12
CONTROL # _____ REC'D A/P SEP - 2 11 VENDOR CODE CESCO PO # _____ CODE _____ EXT. CHECKED <i>[Signature]</i> FOWD FOR APPROVAL <i>[Signature]</i> OFFICE _____ DEPT. HEAD _____ DATE _____				
Invoice for scheduled maintenance for the period of September, 2010 per your contract.			Taxable	\$161.12
			Non-Taxable	\$0.00
			Sub-Total	\$161.12
			Sales Tax	\$11.28
			TOTAL	\$172.40

Page 1

PLEASE CUT THIS PORTION AND RETURN WITH PAYMENT



CESCO - Clifton Elevator Service Co., Inc.
 4401 South Clinton Avenue
 South Plainfield, NJ 07080

Account # 100METRO
 100 Metro Way
Invoice # 39423
Amount \$ 172.40
Paid \$

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 09/30/10

Payment: _____

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
9/30/2010	Broken pipe repair 9/9, 9/10 & 9/11/10 + 15.00% o/h	C-595186	\$1,875.16	\$1,875.16
9/30/2010	Fire alarm maintenance 9/17/10 + 15.00% o/h	C-595187	\$288.06	\$2,163.22
9/30/2010	Fire Alarm Phone 9/19-10/18/10 + 15.00% o/h	C-595188	\$65.09	\$2,228.31

Invoice Amount

\$2,228.31

SAINT / MOUNTAIN UTILITIES, INC.
OFFICE OF THE SUPERVISOR OF UTILITIES

Purchase Order
or AWA #

Job #

Job Location: 100 Alpha Way

Plant/Office: Alpha Way

City/State/Zip

Contractor

Invoice # 9511
Invoice Date: 9/1
Mail to:
400 Plaza Drive
Secaucus, NJ 07094
Attn: Accounts Payable
Contractor Date: 1630 37

DATE RECEIVED: SEP 16 2010

Vendor # Secaucus

P.O. #

Code SE 100 mds 6003-2000

Exc Checked

For'd. for Approval

Field

Def'd Head

Office

Def'd for Approval

Long Jobs Returned

Regulation

1630 37

1630 37

INVOICE

SECAUCUS PAVING, INC.

Asphalt Driveways - Concrete - Sealing - Demolition

"Fully Insured"

726 7th Street, Secaucus, NJ 07094

Phone: 201-867-9180

Fax: 201-867-6833

Stephen D. Kolar, Sr., Owner

Secaucuspavinginc@comcast.net

Submitted to:

Date: September 12, 2010

Hartz Mountain Industries, Inc.

400 Plaza Drive - PO Box 1515

Secaucus, NJ 07094 ATT: Accounts Payable

Phone:

Invoice No.: 9511

Location: 100 Metro Way

The following is for work completed at above location on September 9th, 10th and 11th

- 1) Dig out dirt and debris to expose broken drain pipe
- 2) Cut existing broken cast pipe and remove
- 3) Install new 6" PVC pipe with Fernco
- 4) Apply concrete over area
- 5) Back fill area and grate

Labor - 3 men - 6 ½ hrs:	\$ 585.00
Labor - 2 men - 2 ½ hrs:	150.00
Equipment - dump truck, pickup truck, Demo saw and tools:	487.50
Material - concrete and Fernco:	<u>65.00</u>
	1287.50
20% overhead:	<u>257.50</u>
Sub-total:	1545.00
Tax:	<u>85.57</u>
Total cost:	\$ 1630.57

Terms: Net 30 days

Thank you....

Stephen D. Kolar, Sr.

Surf Fire & Security

Phone: 732-929-3792 Fax: 732-270-5821
509 Parkwood Ave
Toms River, NJ 08753

SURF
| FIRE & SECURITY**Invoice**Number: **15939**Date: **9/20/2010****Bill-To**

Hartz Mountain Industries, Inc.
400 Plaza Drive
P.O. Box 1515
Secaucus, NJ 07096-1515 U.S.A.

Ship-To

Hartz Mountain Industries, Inc.
100 Metro Way
Account Number 3712KH
Secaucus, NJ 07094 U.S.A.

Source: SO No. 4842

Acct. No.	A/R Cont. No.	Acct. ID	Customer PO	Reference	Sales Rep	Ship Via	Terms
366		Hartz Mountain In	Hartz		Debbie LaVecchia	UPS Ground	Net 60

Qty.	Item ID	Description	UOM	Ea. Price	Total
1.00	Tilt	SH1224WP Horn Strobe	EA	\$74.10	\$74.10
2.00	Service Labor	Regular Labor for Service Call	EA	\$80.00	\$160.00
Item Total:					\$234.10
Sales Tax at 7.000%:					\$16.39
Total Amount Due:					\$250.49

Start Date & Time	End Date & Time	Time
9/17/2010 10:30AM	9/17/2010 12:30PM	2:00

Contact: Kevin Colie Requested On: 09/16/2010

Work Requested: Install horn strobe on the outside of the building**Work Performed:** Installed Horn Strobe on outside of the building

CONTROL # _____
REC'D A/P SEP 20 2010
ENDOR CODE Surf Fire
JOB # _____
CODE _____
XT. CHECKED _____
OVD FOR APPROVAL [Signature]
OFFICE _____
EPT. HEAD _____
Y DATE _____



Billing Date: 09/19/10 Page 1 of 4
Telephone Number : 201 330-9602
Account Number: 201 330-9602 169 17Y

HARTZ MTN INDSTRS INC

SEP 27 2010

Account Summary

Previous Charges	\$ 56.60
Payment Received on Sep 09.	- 56.60
Balance	\$.00

New Charges	
Verizon (page 3)	\$ 56.60
Total New Charges Due Oct 14, 2010	\$ 56.60
Total Due	\$ 56.60

Seiomet 6012-2000

HC



Getting the Best Value?

Make sure Today's business environment is a challenge. To be ready for it, call today for a FREE account review. You'll get info on the newest discounts, bundles & products to help your business succeed. Call 1-866-520-5293 today!



Don't Have a Website?

Know you should have a Website but need help getting one? Get Verizon Websites powered by Intuit - a simple, cost effective way of promoting your business on the Web. Get 1 year FREE for a limited time w/purchase of a qualifying bundle. Call 1-888-376-3370. Broadband eligible customers only.



Don't Risk Your Phones!

No phone service means no business. With Verizon, you can depend on the network with 99.9% voice reliability. So why risk going anywhere else? Call 1-888-842-8039 to learn more.

Questions about your bill? Call 1 888 892-5200
See page 2 for all other Verizon contact information

Change of billing address?
Go to verizon.com/billingaddress or call us

▼ Detach & return payment slip with your check, payable to Verizon



Account: 201 330-9602 169 17Y

New Charges Due: Oct 14, 2010

Total Due: \$ 56.60

210*118KDA1
00002717 1200000020403
13-NJ J172
2013309602 19991208

091910

Amount Paid :

\$

00002717 01 AT 0.357 210126411 0013

HARTZ MTN INDSTRS INC

ATTN ROBERTA O'DOWD

PO BOX 1515

SECAUCUS NJ 07096-1515



Verizon

PO BOX 4833

TRENTON NJ 08650-4833



1092010330960216940931275900000300000000000000005660600000



Billing Date: 09/19/10 Page 3 of 4
Telephone Number : 201 330-9602
Account Number: 201 330-9602 169 17Y

MONTHLY SERVICE - BASIC (Sep 19 to Oct 18)

Description	Qty	Unit Rate	
1 Message Rate Line Service	1	14.89	14.89
2 Message Rate Service - Business	1	19.39	19.39
3 Federal Subscriber Line Charge	2	6.30	12.60
4 Federal Universal Service fee	2	1.51	3.02
Total			\$ 49.90

BASIC SERVICE TAXES AND SURCHARGES

5 E911	1.80
Total	\$ 1.80

Verizon basic charges \$ 51.70

ACCOUNT TAXES AND SURCHARGES

6 Federal Excise Tax	1.41
7 NJ State Sales Tax	3.49
Total	\$ 4.90

Total Verizon charges \$ 56.60

Reference ID AR2DUOI330

For Your Information

Bankruptcy Information

If you are or were subject to a bankruptcy proceeding, this statement may include amounts for pre-bankruptcy service. Any such pre-bankruptcy balances are for your information only and you should not pay any pre-bankruptcy amounts. Please direct all correspondence concerning bankruptcy to PO Box 3037, Bloomington, IL 61702.

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 10/02/10

Payment: _____

**ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094**

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
10/2/2010	Real Estate Taxes 3rd Quarter 2010	C-595494	\$67,161.70	\$67,161.70

Invoice Amount

\$67,161.70

HARTZ MOUNTAIN METROPOLITAN - ASNJ 10, INC.
2010 3RD QTR REAL ESTATE TAXES
SE100MET - ASNJ10

BLOCK 24
LOT 3

2010 3RD QTR REAL ESTATE TAXES	\$ 64,671.99
INTEREST THRU 10/19/10	<u>2,489.71</u>
TOTAL TAXES AND INTEREST DUE	67,161.70
TENANT'S PERCENTAGE	<u>100%</u>
TENANT'S SHARE	<u>\$ 67,161.70</u>

HUDSON

BLOCK NUMBER	LOT NUMBER	QUALIFICATION	DESCRIPTION	RATE PER \$100	AMOUNT OF TAX
00024	00003				
FROM CITY LOC: 100 METRO WAY BLOS. 1.650: 1.600 ADDITIONAL LOTS: 1 LAND DEDUCT: 5.999 AC (ACREAGE) TAX ACCT: BANK:					
LAND	IMPROVEMENTS	EXEMPTIONS	TAXABLE VALUE		
1897300	5431500	0	7211700		
FIRST PENN BK & URBAN BRANDS 100 METRO WAY W J COBB SECAUCUS, N J 07094					
<i>se 100 me⁺ tenant</i>					
3RD QUARTER	6.671.90	3RD QUARTER	1ST QUARTER	2ND QUARTER	
08/01/2010					

INFORMATION FOR TAXPAYERS		PREUMINARY TAX
MAKE CHECK PAYABLE TO: MAIL TO:	TOWN OF BECAUCUS TAX COLLECTOR 1205 PATRICKSON PLANK ROAD BECAUCUS, NJ 07094	
Phone (201) 330-0201 Office Hours Mon - Fri 9:00 - 4:00 pm		
GRACE PERIOD FOR THIRD QUARTER TAX BILL EXTENDED UNTIL Friday September 3, 2010. BILLS REMAINING UNPAID AT THAT TIME WILL ACCRUE INTEREST FROM AUGUST 1, 2010, AFTER WHICH INTEREST IS CHARGEABLE AT A RATE OF 8% PER ANNUM UP TO \$1500. 10% OVER \$1500. WE DO NOT ACCEPT POST MARK DATES. See reverse side for additional information.		
STATE AND USED TO OFFSET LOCAL PROPERTY TAXES The amount of the Municipal apportionment funded by the State is hereby first advanced to the City of Paterson. The State of the apportionment funds the amount of this State and used to offset property taxes on a dollar for dollar basis.		This bill is to be paid by the taxpayer.
		TAXPAYER COPY

TAX COLLECTOR'S SUB - DETACH AND RETURN WITH PAYMENT		TAX COLLECTOR'S SUB - DETACH AND RETURN WITH PAYMENT	
BLOCK:	AMOUNT BILLED:	BLOCK:	AMOUNT BILLED:
LOT:		LOT:	
QUAL:	ADJUSTMENT:	QUAL:	ADJUSTMENT:
BANK CODE:	INTEREST:	BANK CODE:	INTEREST:
ACCOUNT#:	CASH:	ACCOUNT#:	CASH:
TAX BILL#:	CHECK:	TAX BILL#:	CHECK:
	TOTAL:		TOTAL:
PROPERTY OWNER		PROPERTY OWNER	
PROPERTY LOCATION		PROPERTY LOCATION	

TAX COLLECTOR'S STUD - DETACH AND RETURN WITH PAYMENT		TAX COLLECTOR'S STUD - DETACH AND RETURN WITH PAYMENT	
		TOWN OF SECAUCUS 2010 3rd QUARTER TAX 08/01/2010	
BLOCK:	AMOUNT BILLED:	BLOCK: 00024	AMOUNT BILLED: 64,671.99
LOT:		LOT: 00003	
QUAL:	ADJUSTMENT:	QUAL:	ADJUSTMENT: 0.00
RANK CODE:	INTEREST:	RANK CODE:	INTEREST:
ACCOUNT#:	CASH:	ACCOUNT#:	CASH: 1503
TAX BILL#:	CHECK:	TAX BILL#:	CHECK:
	TOTAL:		TOTAL: 64,671.99
PROPERTY OWNER		PROPERTY OWNER FIRST PENN BK & URBAN BRANOS	
PROPERTY LOCATION		PROPERTY LOCATION 100 METRO WAY	



HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

Invoice

Account: se100met - 0101 - asnj10

Date: 10/07/10

Payment: _____

**ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094**

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
10/7/2010	Late Fee July 2010	C-595571	\$1,062.85	\$1,062.85
10/7/2010	Landscaping 9/10 + 15.00% o/h	C-595572	\$602.03	\$1,664.88
10/7/2010	Liability Insurance 8/1/10-1/31/11 + 15.00% o/h	C-595573	\$677.67	\$2,342.55
10/7/2010	Elevator maintenance 10/10 + 15.00% o/h	C-595574	\$198.26	\$2,540.81
10/7/2010	Lawn maintenance 8/11/10 + 15.00% o/h	C-595575	\$123.05	\$2,663.86

Invoice Amount

\$2,663.86

LATE FEE REPORT**Property:** se100met**Month:** July 2010**Rate:** 3.00%**Tenant:** asnj10

Date	Description	Amount	Date Paid	Rate	Days in Period	Total Days	Late Fee
07/01/2010	7/1/10	\$91,522.84	07/12/2010	3.00%	31	12	\$1,062.85

Total Amount Due

\$1,062.85

BEST LANDSCAPING SERVICE, INC.
123 Huber Street
Secaucus, NJ 07094
201-852-1936

Invoice

DATE	INVOICE NO.
10/1/2010	9495

BILL TO
Hartz Mountain Industries Property Management 400 Plaza Dr Secaucus N.J. 07094-3688

TERMS	DUE DATE
	10/1/2010

DESCRIPTION	AMOUNT
LANDSCAPING MAINTENANCE for 100 Metro Way location PO#123013415001 for Sept.	489.25
 CONTROL # _____ REC'D A/P <u>SEP 30 2010</u> VENDOR CODE <u>BESTLAND</u> PO # <u>13415001</u> CODE <u>SE100 MET 600S-2000</u> EXT. CHECKED <u>R</u> FOWD FOR APPROVAL <u>per t.</u> OFFICE _____ DEPT. HEAD _____ PAY DATE _____	
 Sales Tax (7.0%) \$34.25	
Total \$523.50	

201-852-1936

Willis

Willis of New York Inc.
P.O. Box 4557
New York, NY 10249-4557
(212) 915-8888

INVOICE

INVOICE DATE

INVOICE NO.

HARTZ MOUNTAIN INDUSTRIES, INC.
400 PLAZA DRIVE
SECAUCUS, NJ 07094

DUE DATE

Upon Receipt

ACCOUNT	LOCATION	ACCOUNT NAME
497017	001	Hartz Mountain Industries, Inc.

FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL ONE OF THE FOLLOWING

SERVICER	PRODUCER
Migdalla Montalvo	Alicia O'Donnell

REF	BILLING INFORMATION	AMOUNT
01	Transaction : Policy Renewal Description : General Liability Coverage Policy : 7499 61 55 REU Period : 07/31/2010 to 01/31/2011 Carrier : Federal Insurance Company	
02	Transaction : Policy Renewal Description : Umbrella Coverage Policy : 71567258 Period : 07/31/2010 to 01/31/2011 Carrier : National Union Fire Insurance Co. of Pittsburgh	
	Total Invoice:	\$ 589.28
	REMIT IN US DOLLARS se100met 100 Metro Way Secaucus NJ 07094	

PLEASE INCLUDE INVOICE NUMBER WITH YOUR PAYMENT

AMOUNT DUE \$ 589.28

CESCO - Clifton Elevator Service Co., Inc.
4401 South Clinton Avenue
South Plainfield, NJ 07080
Tel: (908) 561-7077; 24hrs: (973) 772-6900
Fax: (908) 561-5950

INVOICE

Invoice #

39925

Bill To: Hartz Mountain Industries
400 Plaza Drive
PO Box 1515
Secaucus, NJ 07096-1515

Account: 100 Metro Way
100 Metro Way
Secaucus, NJ 07096-1515
Account #: 100METRO

Date	Oct 01, 2010	Terms	Net 30 Days	Job #	157
Inv #	39925	PO #	123012548001	Type	Maintenance

Quantity	Description	Taxable	Price	Amount
1.00	Regular Service CONTROL # _____ REC'D A/P _____ 4 VENDOR CODE <u>CESCO</u> P.O. # _____ CODE _____ EXT. CHG. # _____ FOUR FOUR AP-10-10 <u>per</u> C/O _____ DATE _____ BY _____	Yes	161.12	\$161.12
Invoice for scheduled maintenance for the period of October, 2010 per your contract.			Taxable	\$161.12
			Non-Taxable	\$0.00
			Sub-Total	\$161.12
			Sales Tax	\$11.28
			TOTAL	\$172.40

Page 1

PLEASE CUT THIS PORTION AND RETURN WITH PAYMENT



CESCO - Clifton Elevator Service Co., Inc.
4401 South Clinton Avenue
South Plainfield, NJ 07080

Account # 100METRO
100 Metro Way
Invoice # 39925
Amount \$ 172.40
Paid \$

BEST LANDSCAPING SERVICE, INC.
123 Huber Street
Secaucus, NJ 07094
201-852-1936

Invoice

DATE	INVOICE NO.
8/11/2010	9382

BILL TO
Hertz Mountain Industries Property Management 400 Plaza Dr Secaucus N.J. 07094-3688 Attn Kevin Collie

TERMS	DUE DATE
	8/11/2010

DESCRIPTION	AMOUNT
As requested for the rear of 100 Metro Way large sink hole on South side of building fill in area with stone	100.00
 CONTROL # _____ REC'D A/P AUG 12 2010 VENDOR CODE <u>BESTLAND</u> PO # _____ DUE _____ EXTENSION <u>per 2</u> FORWARD FOR APPROVAL <u>per 2</u> OFFICE _____ DEPT. HEAD _____ PAY DATE _____	
 Sales Tax (7.0%) \$7.00	
Total \$107.00	

201-852-1936

HARTZ METROPOLITAN

Fed ID# 22-2196720
P.O Box 35251
Newark, NJ 07193-5251

ASNJ 10, INC.
100 METRO WAY
SECAUCUS, NJ 07094

Invoice

Account: se100met - 0101 - asnj10

Date: 10/14/10

Payment: _____

RETURN TOP PORTION WITH PAYMENT

**A fee will be
charged on any
returned checks.**

Date	Description	Control #	Charges	Balance
10/14/2010	Late Fee August 2010	C-596084	\$2,037.12	\$2,037.12

Invoice Amount

\$2,037.12

LATE FEE REPORT**Property:** se100met**Month:** August 2010**Rate:** 3.00%**Tenant:** asnj10

Date	Description	Amount	Date Paid	Rate	Days in Period	Total Days	Late Fee
08/01/2010	8/1/10	\$91,522.84	08/23/2010	3.00%	31	23	\$2,037.12

Total Amount Due

\$2,037.12

6/29/2005

FIFTH LEASE MODIFICATION AGREEMENT

THIS FIFTH LEASE MODIFICATION AGREEMENT, made this _____ day of June, 2005 by and between **HARTZ MOUNTAIN METROPOLITAN**, a New Jersey corporation, having an office at 400 Plaza Drive, P.O. Box 1515, Secaucus, New Jersey 07096-1515 (hereinafter referred to as "Landlord") and **ASNJ 10, INC.**, a Delaware corporation having an office at 100 Metro Way, Secaucus, New Jersey (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, by Agreement of Lease dated August 1, 1995, as amended by Lease Modification Agreement dated September 12, 1995, Second Lease Modification Agreement dated May 15, 1997, Third Lease Modification Agreement dated March 10, 1999 and as further amended by Fourth Lease Modification Agreement dated October 6, 2000 (collectively the "Lease") Landlord leased to Tenant and Tenant hired from Landlord 165,993 square feet of Floor Space located at 100 Metro Way in Secaucus, New Jersey (hereinafter the "Demised Premises"); and

WHEREAS, Landlord and Tenant wish to modify the Lease in order to extend the Term of the Lease for an additional ten years, and amend the Lease accordingly;

NOW, THEREFORE, for and in consideration of the Lease, the mutual covenants herein contained and the consideration set forth herein, the parties agree as follows:

1. Preamble. The foregoing preambles are hereby incorporated by reference herein and made a part hereof.
2. Extension Term. The expiration of the Term is hereby extended for a period of ten (10) years (said period is hereinafter referred to as the "Extended Period") commencing January 1, 2006 and expiring December 31, 2015 (the "Expiration Date").
3. Fixed Rent for the Extended Period. The Fixed Rent during the Extended Period shall be six and 50/100 Dollars (\$6.50) multiplied by the Floor Space of the Demised Premises from January 1, 2006 until December 31, 2010; and seven and 25/100 dollars (\$7.25) multiplied by the Floor Space of the Demised Premises from January 1, 2011 until the Expiration Date.
4. Landlord's Work. Not later than May 1, 2006, Landlord shall perform the Landlord's Work noted on Exhibit A annexed hereto, subject to compliance with applicable laws (with respect to the additional parking).
5. Security Deposit. The parties hereto agree that the current Security Deposit requirement is \$166,323.50 and must be in the form of a Letter of Credit in form and substance reasonably satisfactory to Landlord. The parties hereto further agree that the current two letters of credit may, at Tenant's option, be satisfied with a single letter of credit in the amount of \$166,323.50.
6. Binding Effect. Except as modified herein, the terms, conditions and covenants of the Lease shall remain in full force and effect during the Extended Period, and shall be binding upon and inure to the benefit of Landlord, Tenant and their respective successors and permitted assigns. The paragraph headings herein

contained are for convenience and shall not be deemed to govern or control the substance hereof.

7. Governing Law. This Agreement shall be governed and construed under the laws of the State of New Jersey.

8. Inconsistency. Except as modified herein, the terms, conditions and covenants of the Lease shall remain unchanged and otherwise in full force and effect, and are hereby ratified and reaffirmed. In the event of an inconsistency between this Fifth Lease Modification Agreement and the Lease, the terms herein shall control.


9. (a) Certification. Tenant certifies that: (i) It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control; and (ii) It is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity, or nation.

(b) Indemnification. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Modification Agreement to be duly executed as of the day and year first above written.

**HARTZ MOUNTAIN METROPOLITAN
BY: HARTZ MOUNTAIN INDUSTRIES, INC.**


By:



Irwin A. Horowitz
Executive Vice President

ASNJ 10, INC.

By:



Name: Ethan Shapiro
Title: President

EXHIBIT A
LANDLORD'S WORK

1. Landlord shall install two (2) 8' x 9' loading docks with dock seals, bumper and flush mounted levelors.
2. Landlord shall provide a net increase of twenty-five (25) additional parking spaces per attached drawings.
3. Landlord will construct an additional 2 loading docks on the north side of the Building adjacent to the existing loading docks with dock seals, bumper and flush mounted levelors.
4. Landlord will resolve the water problems relating to the Building down pipes in order to prevent water from backing up into the down pipes and parking lot, subject however to title flows.
5. Landlord will clean the down water pipes attached to the Building.
6. Landlord will fix buckled areas of the parking lot and areas which are causing steps to be suspended in the air. *and stripe the parking lot.*
7. At no cost to Landlord, Landlord will cooperate and provide assistance to Tenant in connection with its desire to seek governmental approval to Tenant's desired expansion of the first and second floor office space and maximizing the Building of mezzanines.

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FOURTH LEASE MODIFICATION AGREEMENT

THIS FOURTH LEASE MODIFICATION AGREEMENT, made this 20th day of October, 2000 by and between **HARTZ MOUNTAIN METROPOLITAN**, a New Jersey general partnership, having an office at 400 Plaza Drive, Secaucus, New Jersey 07094 (hereinafter referred to as "Landlord") and **ASNJ 10, INC**, a Delaware corporation having an office at 100 Metro Way, Secaucus, New Jersey 07094 (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, by Agreement of Lease dated August 1, 1995, as amended by Lease Modification Agreement dated September 12, 1995, Second Lease Modification Agreement dated May 15, 1997 and as further amended by Third Lease Modification Agreement dated March 10, 1999 (collectively the "Lease"), Landlord leased to Tenant and Tenant hired from Landlord 165,993 square feet of Floor Space located at 100 Metro Way in Secaucus, New Jersey (hereinafter the "Demised Premises"); and

WHEREAS, Ashley Retail Stores, Ltd. assigned the Lease to ASNJ 10, INC. by Assignment and Assumption Agreement dated May 10, 1996; and

WHEREAS, Landlord and Tenant wish to modify the Lease to reflect an increase in the Fixed Rent and amend the Lease accordingly;

NOW, THEREFORE, for and in consideration of the Lease, the mutual covenants herein contained and the consideration set forth herein and the execution by Landlord of that certain Lease Termination Agreement pertaining to the space leased by Tenant at 124 Enterprise Avenue, Secaucus, New Jersey (the "Lease Termination Agreement"), the parties agree as follows:

1. Effective November 1, 2000 and continuing until the Expiration Date, the Fixed Rent on the Demised Premises shall increase by an amount equal to \$8.7 cents per square foot per annum, payable in monthly installments of \$1,203.45 per month.
2. The Security Deposit is hereby increased by an amount equal to \$16,647.00 which amount shall be credited from the Security Deposit now held by Landlord pursuant to the Lease Termination Agreement. (The existing cash Security Deposit shall be promptly replaced with a Letter of Credit in the amount of \$16,647.00.) Provided Tenant is not in default under the Lease, upon Tenant's request one half of such increased Security Deposit (\$8,323.50) shall be returned to Tenant on June 30, 2003.
3. Except as provided herein, all of the terms and conditions of the Lease dated as amended above are in full force and effect and are confirmed as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Lease Modification Agreement to be duly executed as of the day and year first above written.

**HARTZ MOUNTAIN METROPOLITAN
BY: HARTZ MOUNTAIN INDUSTRIES, INC.**

By:



Irwin A. Horowitz

Executive Vice President

ASNJ 10, INC.

By:



Name: Joseph Sitt

Title: President

THIRD LEASE MODIFICATION AGREEMENT

THIS THIRD LEASE MODIFICATION AGREEMENT, made this 10 day March, 1999 between HARTZ MOUNTAIN METROPOLITAN, a New Jersey general partnership, having an office at 400 Plaza Drive, Secaucus, New Jersey 07094 (hereinafter referred to as "Landlord") and ASNJ 10, INC., a Delaware corporation having an office at 100 Metro Way, Secaucus, NJ 07096 (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, by Agreement of Lease dated August 1, 1995, as amended by Lease Modification Agreement dated September 12, 1995 and as further amended by Second Lease Modification Agreement dated May 15, 1997 (the "Lease"), Landlord leased to Ashley Retail Stores, Ltd, Tenant's predecessor in interest, 129,575 total square footage located at 100 Metro Way in Secaucus, New Jersey (hereinafter the "Demised Premises"); and

WHEREAS, Ashley Retail Stores, Ltd. assigned the Lease to ASNJ 10, INC. by Assignment and Assumption Agreement dated May 10, 1996; and

WHEREAS, Landlord and Tenant wish to modify the Lease to reflect an expansion in and to the Demised Premises and amend the Lease accordingly;

NOW, THEREFORE, for and in consideration of the Lease, the mutual covenants herein contained and the consideration set forth herein, the parties agree as follows:

1. Additional Premises: Landlord hereby leases to Tenant and Tenant hereby lets from Landlord the Additional Premises, as noted on the floor plan annexed hereto as Exhibit A (the "Additional Premises"). Effective on the Additional Premises Commencement Date, as hereinafter defined, the Demised Premises will be increased by the Additional Premises. The Additional Premises contain 36,546 square feet of Floor Space. Except as hereinafter provided, on and after the Additional Premises Commencement Date, all provisions of the Lease with respect to the Demised Premises shall be deemed to apply to the Additional Premises, including, but not limited to, the Tenant's obligations to pay Operating Expenses and Real Estate Taxes thereon, which combined premises constitutes the entire Building. There shall be no buildout allowance with respect to Tenant's leasing of the Additional Premises.

2. Fixed Rent: The Fixed Rent on the Additional Premises will be at the annual rate of Six and 00/100 Dollars (\$6.00) multiplied by the Floor Space of the Additional Premises from the Additional Premises Commencement Date until the Expiration Date of the Lease (December 31, 2005). Landlord agrees to turnover the Additional Premises to Tenant on or before March 19, 1999. Notwithstanding the foregoing, Tenant's obligation to pay Fixed Rent, Operating Expenses and Real Estate Taxes on the Additional Premises shall commence on May 1, 1999. Landlord will use its efforts to remove the rack system currently located in the Additional Premises on or before March 19, 1999. If such rack system is not removed by Landlord by March 19, 1999, Tenant can remove and store such rack system for Landlord, at Tenant's expense, and without liability to Tenant with respect to such removal. Effective April 1, 1999, Tenant can remove the rack system and dispose of it as Tenant sees fit.

3. Tenant's Fraction: Effective on the Additional Premises Commencement Date, the Tenant's Fraction will be increased to 100% and Tenant shall thereupon be responsible for the payment of all Operating Expenses and all Real Estate Taxes with respect to the Building and the Land. Upon thirty days prior notice to Landlord, Tenant may assume the obligations for the repair, replacement and maintenance of the exterior common areas.

4. Expansion Option Deleted: Paragraph 8 of the Second Lease Modification Agreement is hereby deleted.

5. Landlord's Work: The Additional Premises will be delivered in "as in" condition, except Landlord shall (i) deliver all existing mechanical systems in the Additional Premises in good working condition, (ii) remove the guard rail systems in the Additional Premises, and (iii) deliver the Additional Premises in broom clean condition (collectively, the "Landlord's Work"). The date of completion of the Landlord's Work shall be the -----

Additional Premises Commencement Date.

6. HVAC/ADA: Notwithstanding anything to the contrary contained in the Lease, as modified hereby, the representations contained in Section R16(a) of the Rider to Lease and in the ADA attachment to the Lease shall not apply to the Additional Premises.

7 (a) Parking: Amending and replacing paragraph 9 to the Second Lease Modification Agreement, Tenant shall have the exclusive right to utilize all of the existing parking spaces on the Land (the "Exclusive Spaces"), provided however, that Tenant shall be responsible for designating and policing the exclusive use for same.

7 (b) Landlord represents that, based on the previous occupancy of the Building, the number of the Exclusive Spaces is legally sufficient to accommodate Tenant's use of the Demised Premises and the Additional Premises in accordance with the Permitted Uses, provided that there is no increase in the Floor Space of the office portions of the Demised Premises and Additional Premises beyond that dedicated for such intended use on the date of delivery of such premises to Tenant, and provided further that the employee density within Tenant's space does not exceed the limitations customarily imposed by the Hackensack Meadowlands Development Commission ("HMDC"). Landlord shall add such parking spaces for Tenant's use as are required by HMDC in the event of a breach of the foregoing representation. The foregoing representation shall not include any additional parking required in the event Tenant exercises any then existing right to convert portions of the Demised Premises for retail use, as provided in paragraph R15 of the Rider to Lease, and the cost of any such additional parking, if the space for same is available, shall be the responsibility of the Tenant.

8. Except as provided herein, all of the terms and conditions of the Lease as amended above are in full force and effect and are confirmed as if fully set forth herein.


9. Notwithstanding anything contained herein to the contrary, the submission of this Third Lease Modification Agreement is subject to and conditioned upon the Tenant or Urban Children's Stores, Inc. receiving a grant from the State of New Jersey under the Business Employment Incentive Program ("BEIP") pursuant to the application relating thereto. Tenant shall have waived the right to terminate this Third Lease Modification Agreement if Tenant fails to receive the BEIP grant and fails to notify Landlord of its election to terminate this Third Lease Modification Agreement within thirty (30) days of the date hereof.

Third Lease Modification Agreement

10. In the event Tenant terminates this ~~Lease~~ in accordance with paragraph 9 above, Tenant shall promptly pay Landlord a sum equal to two (2) years Rent as provided for in the Lease as a termination fee hereunder. on the 36,546 square feet of the Additional Premises b

IN WITNESS WHEREOF, the parties hereto have caused this ~~Second~~ ^{Third} Lease Modification Agreement to be duly executed as of the day and year first above written.

HARTZ MOUNTAIN METROPOLITAN
BY: HARTZ MOUNTAIN INDUSTRIES, INC.

By: 
Irwin A. Horowitz
Executive Vice President

ASNJ 10, INC.


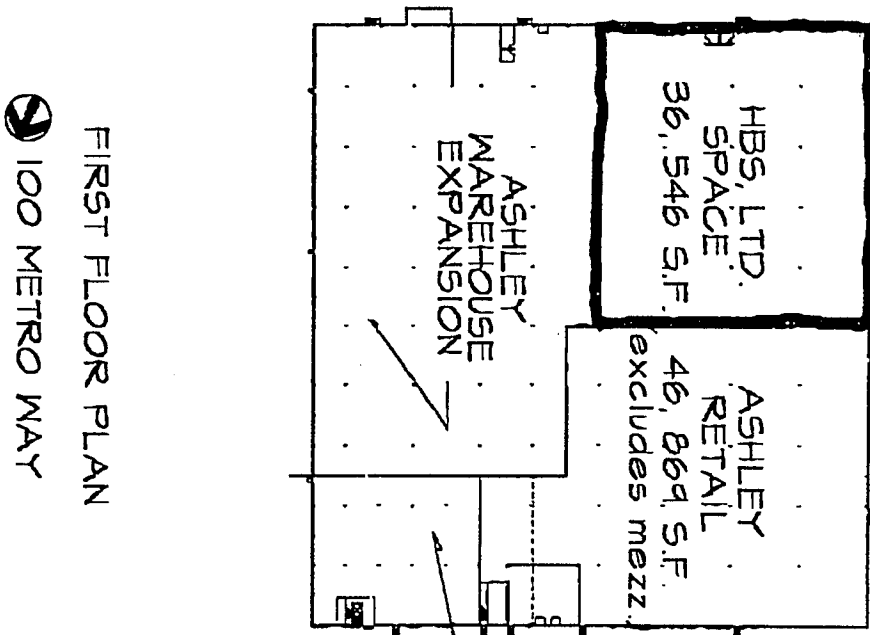
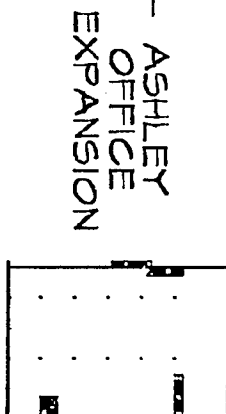
By: 
Joseph Sitt, President

EXHIBIT "A"



100 METRO WAY

FIRST FLOOR PLAN



MEZZANINE OFFICE PLAN
for
"ASHLEY RETAIL"
15,096 S.F.

SECOND LEASE MODIFICATION AGREEMENT

THIS SECOND LEASE MODIFICATION AGREEMENT, made this 15th day of May, 1997 between HARTZ MOUNTAIN METROPOLITAN, a New Jersey general partnership, having an office at 400 Plaza Drive, Secaucus, New Jersey 07094 (hereinafter referred to as "Landlord") and ASNJ 10, INC., a Delaware corporation having an office at 100 Metro Way, Secaucus, NJ 07096 (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, by Agreement of Lease dated August 1, 1995, as amended by Lease Modification Agreement dated September 12, 1995, (the "Lease") Landlord leased to Ashley Retail Stores, Ltd, Tenant's predecessor in interest, 61,965 total square footage located at 100 Metro Way in Secaucus, New Jersey (hereinafter the "Demised Premises"); and

WHEREAS, Ashley Retail Stores, Ltd. assigned the Lease to ASNJ 10, INC. by Assignment and Assumption Agreement dated May 10, 1996; and

WHEREAS, Landlord and Tenant wish to modify the Lease to reflect an expansion in and to the Demised Premises and amend the Lease accordingly;

NOW, THEREFORE, for and in consideration of the Lease, the mutual covenants herein contained and the consideration set forth herein, the parties agree as follows:

1. Landlord hereby leases to Tenant and Tenant hereby lets from Landlord the Additional Premises, as noted on the floor plan annexed hereto as Exhibit A (the "Additional Premises"). Effective on the date the Landlord delivers or has delivered the warehouse portion of the Additional Premises to Tenant (the "Additional Premises Commencement Date") the Demised Premises will be increased by the Additional Premises. The Additional Premises contain 67,610 square feet of Floor Space. The Additional Premises shall include the entry area, utility room and stairwell noted on Exhibit A and the elevator exclusively serving the Demised Premises and the Additional Premises (collectively, the "Former Common Areas"), provided, however, that Tenant shall not pay any Rent on more than Four Hundred (400) square feet of such Former Common Areas (in the event such Former Common Areas exceed 400 square feet of Floor Space. Except as hereinafter provided, on and after the Additional Premises Commencement Date, all provisions of the Lease with respect to the Demised Premises shall be deemed to apply to the Additional Premises, including, but not limited to, the Tenant's obligations to pay Operating Expenses and Real Estate Taxes thereon.

2. The Fixed Rent on the Additional Premises will be at the annual rate of Four and 50/100 Dollars (\$4.50) multiplied by the Floor Space of the Additional Premises from the Additional Premises Fixed Rent Commencement Date until September 17, 2000; and at the annual rate of Five and 50/100 Dollars (\$5.50) multiplied by the Floor Space of the Additional Premises from September 18, 2000 until the Expiration Date of the Lease (December 31, 2005).

3.(a) Payment of Fixed Rent on the Additional Premises will commence thirty days following the date the existing occupant (the "Existing Occupant") vacates the Additional Premises (the

"Additional Premises Fixed Rent Commencement Date"), provided, however, that in the event the Additional Premises Commencement Date occurs prior to October 1, 1997, the Additional Premises Fixed Rent Commencement Date will be November 1, 1997. Notwithstanding the foregoing, provided Tenant is in compliance with all terms and conditions of the Lease, as modified hereby, payments of Fixed Rent, Operating Expenses and Real Estate Taxes on the office portion of the Additional Premises will be abated through and including January 31, 1998 and Tenant will be given access to the office portion of the Additional Premises on the date hereof.

(b) Notwithstanding anything contained herein to the contrary (A) the Additional Premises Commencement Date shall not occur (i) prior to September 1, 1997, or (ii) between September 2 and September 30, 1997, inclusive; and (B) in the event the Additional Premises Commencement Date occurs on October 1, 1997, then both Fixed Rent as well as Additional Charges shall be abated until October 31, 1997; and (C) in the event the Additional Premises Commencement Date occurs after October 1, 1997, then both Fixed Rent as well as Additional Charges shall be abated until thirty (30) days following the Additional Premises Commencement Date.

4. Effective on the Additional Premises Commencement Date, the Tenant's Fraction will be increased to 80% (subject to modification in accordance with the Architect's certification).

5. Effective on the Additional Premises Commencement Date, the Security Deposit (in the form of an additional or a replacement Letter of Credit) will be increased by the sum of \$125,000 (the "Additional Security Deposit"). Provided Tenant is not then in default beyond any applicable notice and/or cure periods, on each of the first five anniversaries of the Additional Premises Fixed Rent Commencement Date, the Additional Security Deposit may be reduced by \$9,000. Subject to the foregoing, the Additional Security Deposit shall remain at \$80,000 from the fifth anniversary of the Additional Premises Fixed Rent Commencement Date until the end of the Term.

6. Landlord hereby agrees to (i) restripe the Exclusive Spaces, as hereinafter defined; and (ii) install one additional loading dock in accordance with the specifications contained in Exhibit C, attached hereto, and perform the site work required in connection with such loading dock (collectively, the "Loading Dock Work"), for which Tenant will pay Landlord one half of the cost of the Loading Dock Work upon receipt of Landlord's invoice for same, provided however, that in no event shall Tenant's obligations for the Loading Dock Work exceed \$13,000.

7.(a) Provided Tenant is not in default of its obligations under the Lease after written notice and the opportunity to cure to the extent provided in the Lease, Tenant shall be entitled to a buildout allowance of \$1.838 multiplied by the Floor Space of the Additional Premises (the "Tenant Buildout Allowance"), which Tenant Buildout Allowance shall be paid to Tenant upon payment of the first month's Fixed Rent following occupancy of the Additional Premises, provided Tenant has submitted to Landlord invoices demonstrating that Tenant has expended such sums on the buildout of the Additional Premises (exclusive of costs for Tenant's furniture, removable trade fixtures, removable equipment and/or inventory) (the "Permitted Buildout Items") and delivers to Landlord lien waivers from its contractors and materialpersons; provided, however, that in no event shall the Tenant Buildout Allowance exceed the invoices submitted for Permitted Buildout Items. In clarification of the foregoing, the Permitted Buildout Items shall include structural and mechanical work, electrical fixturing, painting, wallpapering or similar wall covering, built-in cabinets and shelving, movable office partitions (with the understanding that they will remain at the Demised Premises after the expiration of the Lease) and permanent office partitions; and

the Permitted Buildout Items shall exclude removable wall cabinets.

(b). Tenant shall obtain all permits and occupancy certificates with respect to the Additional Premises and Landlord shall cooperate, at no cost or expense to Landlord, with respect to same; provided, however, that Landlord shall obtain all permits and occupancy certificates with respect to Landlord's construction of the additional loading dock. Landlord represents it has received no notices of any uncured municipal or any other local Building Code violations.

8(a). Landlord agrees, that prior to entering into the first lease of the (approximately) 36,500 square feet of vacant space adjacent to the Additional Premises, Landlord shall, provided Tenant is not in default of this Lease, first notify Tenant in writing of its intention to do so, which notice shall set forth the rent, terms and other conditions upon which such lease is intended to be consummated ("Landlord's Notice"). Tenant shall have a period of ten (10) business days following the giving of Landlord's Notice to notify Landlord, in writing, sent by registered or certified mail, return receipt requested, of its election to enter into a lease for such additional premises upon the rent, terms and conditions set forth in Landlord's Notice. If Tenant shall notify Landlord in writing of its election to enter into such lease as tenant for the additional premises within the said period, Landlord shall deliver and Tenant shall execute a modification of this lease incorporating the rent, terms and conditions as set forth in Landlord's Notice to Tenant with respect to the additional premises. Time is of the essence with respect to Tenant's exercise of its right of first refusal. Upon request by Tenant, Landlord shall represent to Tenant that all of the information contained in Landlord's Notice is true and correct.

(b) If Tenant shall fail to notify Landlord in writing of its election to enter into a modification to the Lease incorporating the additional premises, within the ten (10) day period referred to in subsection (a) hereof, then the right of first refusal granted to Tenant as set forth in subsection (a) of this Section with respect to the additional premises referred to in Landlord's notice, shall automatically terminate.

(c) If Tenant shall not elect to lease the additional premises referred to in Landlord's Notice within the ten (10) business day period following Landlord's Notice then, Landlord may thereafter deliver the lease for such additional premises to the proposed tenant free of the restrictions herein stated.

(d) This right of first refusal so granted to Tenant shall terminate and become null and void upon the earlier of (i) Tenant's exercise or failure to exercise its option with respect to the first Landlord's Notice; or (ii) the expiration or sooner termination of this Lease.

9.(a) Amending and replacing paragraph R5 to the Rider to Lease, Tenant shall have the exclusive right to utilize one hundred and twenty-five (125) parking spaces, ninety of which shall be on the north side of the Building and thirty-five (35) of which shall be on the south side of the Building, as noted on Exhibit B attached hereto, which shall replace Exhibit E to the Lease (collectively, the Exclusive Spaces"), provided however, that Tenant shall be responsible for designating and policing the exclusive use for same. Landlord shall have the right to relocate the south side parking spaces, provided that all such parking spaces shall be located on the Land, and provided further that Landlord shall be responsible for all costs of relocation.

(b) Landlord represents that, based on the previous occupancy of the Building, the number of the Exclusive Spaces is legally sufficient to accommodate Tenant's use of the Demised Premises and the Additional Premises in accordance with the Permitted Uses, provided that there is no increase in the Floor

Space of the office portions of the Demised Premises and Additional Premises beyond that dedicated for such intended use on the date hereof, and provided further that the employee density within Tenant's space does not exceed the limitations customarily imposed by the Hackensack Meadowlands Development Commission ("HMDC"). Landlord shall add such parking spaces for Tenant's use as are required by HMDC in the event of a breach of the foregoing representation. The foregoing representation shall not include any additional parking required in the event Tenant exercises any then existing right to convert portions of the Demised Premises for retail use, as provided in paragraph R15 of the Rider to Lease, and the cost of any such additional parking, if the space for same is available, shall be the responsibility of the Tenant.

10. Notwithstanding anything to the contrary contained in the Lease, as modified hereby, the representations contained in Section R16(a) of the Rider to Lease and in the ADA attachment to the Lease shall not apply to the Additional Premises.

11. On or after the Additional Premises Commencement Date, Tenant may name the Building The Ashley Stewart Building, or, subject to Landlord's prior approval, which approval shall not be unreasonably withheld or delayed, such other trade name of Tenant, provided, however, that the signage and/or lettering for same shall be subject to Landlord's prior approval, which approval shall not be unreasonably withheld or delayed and, provided further, that Tenant shall be responsible for compliance with all Legal Requirements in connection with same. At the conclusion of the Term, Tenant shall remove such signage and/or lettering and replace the area of the Building under same to its pre-existing condition.

12. Except as provided herein, all of the terms and conditions of the Lease as amended above are in full force and effect and are confirmed as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused this Second Lease Modification Agreement to be duly executed as of the day and year first above written.


HARTZ MOUNTAIN METROPOLITAN
BY: HARTZ MOUNTAIN INDUSTRIES, INC.

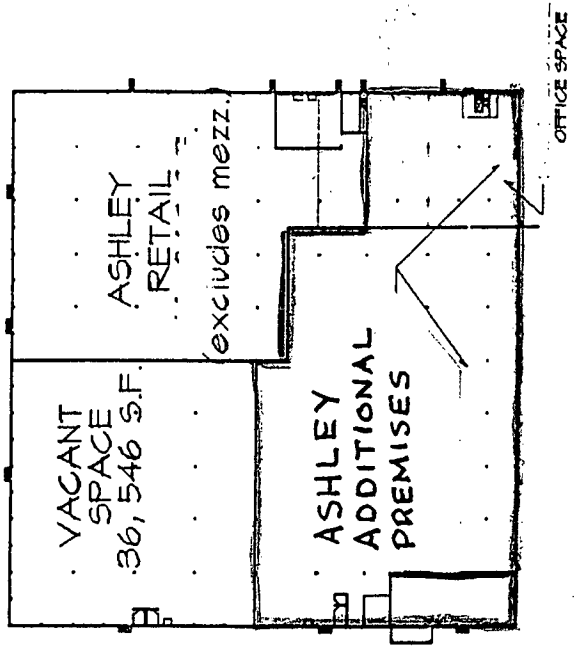
By:


Irwin A. Horowitz
Executive Vice President

ASNJ 10, INC.

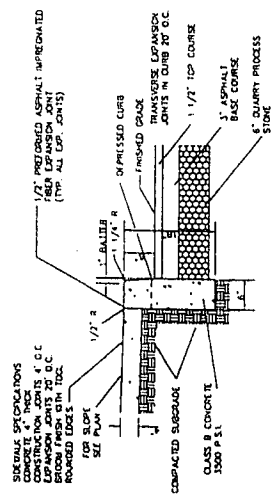
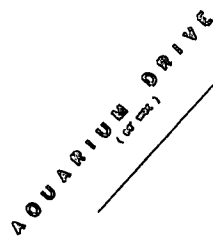
By:


Joseph Sitt, President



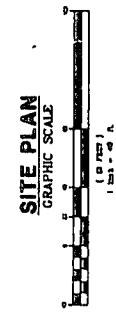
FIRST FLOOR PLAN

EXHIBIT "A"



① CURB AND PAVEMENT DETAIL
SCALE: 1"=1'-0"

MAP REFERENCES.
EXISTING CONDITIONS AND PROPERTY LINE
INFORMATION FROM DRAFTING ENTITLED:
"EAP OF PROPERTY, LOT 3 BLOCK 24"
PREPARED BY JOHN ZANETAKOS ASSOCIATES, INC.
DATED 3-2-82.



LEGEND						
⑬	PROPOSED PARKING SPACES					120 SPACES
⑭	EXISTING PARKING SPACES					14 SPACES
⑮	CLUB REMOVAL					
⑯	EXISTING PARKING					
⑰	PROPOSED PARKING					
	LOT AREA =					30,000 SF
	REQUIRED OPEN SPACE					15 ft
	EXISTING OPEN SPACE					20 ft
	PROPOSED OPEN SPACE					20 ft

PROJECT:	100 METRO WAY			
LOCATION:	LOT 3 BLOCK 24 TOWN OF BECAUCUS HUDSON COUNTY, NEW JERSEY			
DRAWING FILE:	PROPOSED LOT MODIFICATIONS			
CHECKED BY:	MACDEL	DATE:	APRIL 19 1992	
BY:	J.V.	SHEET NO:	AS SHOWN	
SCALE:	O.S.B.	TITLE:	ENGINEERING	
DATE:	APR 19 1992	DESIGNED BY:	Civil Engineers and Land Surveyors	
		IN CHARGE:	(Signature)	

Exhibit 'B'

EXHIBIT C

Hartz Standard Overhead Door, Leveler & Seal 5/13/97

1) Overhead Door:

Raynor Series S-24 8'x8' Sectional Non
Insulated Vertical Lift.

2) Leveler:

Pioneer ED 66 M Surface Mounted

3) Dock Seal: RPI MDL C 20 (Compatible for above
 Leveler)

ASSIGNMENT
AND
ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT made as of the 10th day of May, 1996, by and between ASHLEY RETAIL STORES, LTD. (hereinafter called "Assignor") and ASNJ 10, INC. (hereinafter called "Assignee")

W I T N E S S E T H:

WHEREAS Assignor, as tenant, has previously entered into a certain lease agreement dated August 1, 1995 (the "Lease") with Hartz Mountain Metropolitan ("Landlord") for space located at 100 Metro Way, Secaucus, New Jersey; and

WHEREAS Assignor desires to assign to Assignee its entire interest in the Lease, together with Assignor's entire leasehold estate thereunder,

NOW, THEREFORE, in consideration of Ten Dollars (\$10) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Assignor hereby assigns, conveys and sets over to Assignee, all of Assignor's right, title and interest as tenant in and to the Lease, together with the leasehold estate created thereunder and all rights and interests of Assignor in and to the premises demised thereby.

TO HAVE AND TO HOLD the same unto the Assignee, its successors and assigns for all of the remainder of the term of the Lease, subject to the terms, covenants, conditions, restrictions and provisions therein contained.

2. Assignor, for itself and its legal representatives, successors and assigns, covenants and represents to Assignee and agrees as follows:

(a) Assignor has full right, authority and power to hereby assign to Assignee all of Assignor's right, title and interest as tenant under the Lease and the leasehold estate thereunder.

(b) No other assignment of the Lease has been made by Assignor, and the rights and interests of Assignor in and under the Lease and the leasehold estate thereunder are free and clear of any liens and encumbrances made by Assignor.

(c) Assignor acknowledges and agrees that it shall remain primarily liable, and hereby guarantees all obligations of Assignee, under the Lease in accordance with the terms and provisions thereof.

3. Assignee, for itself and its legal representatives, successors and assigns, covenants and represents to Assignor and agrees as follows:


(a) Assignee hereby assumes and hereby agrees, promptly and faithfully, to keep, fulfill, observe, perform and discharge each and every covenant, duty, debt and obligation on Assignor's part, as tenant under the Lease, to be performed to the extent that same may accrue and become performable, due or owing on and after the date hereof.

4. This Agreement shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of Assignor and Assignee as of the date first above written.


ASSIGNOR:

ASHLEY RETAIL STORES, LTD.

By: 
Name: **JOSEPH J. SITT**
Title: *PRESIDENT*

ASSIGNEE:

ASNJ 10, INC.

By: 
Name: **JOSEPH J. SITT**
Title: *PRESIDENT*

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 10th day of May, 1996, before me personally came Joseph J. Sitt, to me personally known, who, being by me duly sworn, did depose and say that he/she resides at 1961 Ocean Parkway; that he/she is the President of Ashley Retail Stores, Ltd., the corporation described in, and which executed the foregoing instrument; and that he/she signed his/her name thereto by order of the board of directors of said corporation.


Notary Public

THADDEUS J. TRACY
Notary Public, State of New York
No. 01TR5048702
Qualified in New York County
Commission Expires August 28, 1997

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 10th day of May, 1996, before me personally came Joseph J. Sitt, to me personally known, who, being by me duly sworn, did depose and say that he/she resides at 1961 Ocean Parkway; that he/she is the President of ASNJ 10, Inc., the corporation described in, and which executed the foregoing instrument; and that he/she signed his/her name thereto by order of the board of directors of said corporation.


Notary Public

THADDEUS J. TRACY
Notary Public, State of New York
No. 01TR5048702
Qualified in New York County
Commission Expires August 28, 1997

WS14104949.104123-1

LEASE MODIFICATION AGREEMENT

THIS LEASE MODIFICATION AGREEMENT, made this 12 day of ~~August~~^{September}, 1995
between HARTZ MOUNTAIN METROPOLITAN, a New Jersey general partnership, having an office
at 400 Plaza Drive, Secaucus, New Jersey 07094 (hereinafter referred to as "Landlord")
and ASHLEY RETAIL STORES, LTD., a Delaware corporation having an office at 213 West 35th
Street, New York, NY 10001 (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, by Agreement of Lease dated August 1, 1995 (the "Lease") Landlord
leased to Tenant and Tenant hired from Landlord 62,500 total square footage located at 100
Metro Way in Secaucus, New Jersey (hereinafter the "Demised Premises"); and

WHEREAS, Landlord and Tenant wish to modify the Lease to modify the Expiration
Date and amend the Lease accordingly;

NOW, THEREFORE, for and in consideration of the Lease, the mutual covenants
herein contained and the consideration set forth herein, the parties agree as follows:

1. In Section 1.01 M, the Expiration Date noted on line 1 shall be amended
to read "December 31, 2005."
2. Except as provided herein, all of the terms and conditions of the Lease
as amended above are in full force and effect and are confirmed as if fully set forth
herein.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Modification
Agreement to be duly executed as of the day and year first above written.

HARTZ MOUNTAIN METROPOLITAN
BY: HARTZ MOUNTAIN INDUSTRIES, INC.

By:

Irwin A. Horowitz
Executive Vice President

ASHLEY RETAIL STORES, LTD.

By:

Joseph Sitt, President

HARTZ MOUNTAIN METROPOLITAN

Landlord

and

ASHLEY RETAIL STORES, INC.

Tenant

* L E A S E *

Premises:

100 METRO WAY
SECAUCUS, NEW JERSEY

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EXHIBITS

Exhibit A - Demised Premises

Exhibit B - Description of Land

Exhibit C - Workletter

Exhibit D - Rules and Regulations

Exhibit E - Parking Plan

LEASE, dated ~~July~~ ^{Aug} 1, 1995, between HARTZ MOUNTAIN METROPOLITAN, a New Jersey general partnership, having an office at 400 Plaza Drive, Secaucus, New Jersey 07094-3688 ("Landlord"), and ASHLEY RETAIL STORES, LTD., a Delaware corporation, having an office at 213 West 35th Street, New York, New York 10001 ("Tenant").

ARTICLE 1 - DEFINITIONS

1.01. As used in this Lease (including in all Exhibits and any Riders attached hereto, all of which shall be deemed to be part of this Lease) the following words and phrases shall have the meanings indicated:

- A. Advance Rent: \$26,041.67.
- B. Additional Charges: All amounts that become payable by Tenant to Landlord hereunder other than the Fixed Rent and Percentage Rent.
- C. Architect: Kenneth Carl Bonte, or as Landlord may designate.
- D. Broker: Chaus Realty.
- E. Building: The building known as 100 Metro Way, Secaucus, New Jersey.
- F. Building Fraction: The fraction, the numerator of which is the Floor Space of the Building (approximately 162,482 square feet) and the denominator of which is the aggregate Floor Space of the buildings in the Development (as of the date hereof, approximately 10,445,107) square feet. If the aggregate Floor Space of the buildings in the Development shall be changed due to any construction or alteration, the denominator of the Building Fraction shall be increased or decreased to reflect such change.
- G. Calendar Year: Any twelve-month period commencing on a January 1.
- H. Commencement Date: The earlier of (a) the date on which both: (i) the Demised Premises shall be Ready for Occupancy, and (ii) actual possession of the Demised Premises shall have been delivered to Tenant, by five (5) days prior written notice to Tenant, free and clear of prior leases, tenants and/or occupants and free and clear of all fixtures and other property of prior tenants and/or occupants, or (b) the date Tenant, or anyone claiming under or through Tenant, first occupies the Demised Premises or any part thereof for any purpose other than the performance of Tenant's Work.
- I. Common Areas: All areas, spaces and improvements in the Building and on the Land which Landlord makes available from time to time for the common use and benefit of the tenants and occupants of the Building and which are not exclusively available for use by a single tenant or occupant, including, without limitation, parking areas, roads, walkways, sidewalks, landscaped and planted areas, community rooms, if any, the managing agent's office, if any, and public rest rooms, if any.

J. Demised Premises: The space that is outlined in red on the floor plan attached hereto as Exhibit A. The Demised Premises contains approximately 62,500 square feet of Floor Space (consisting of 15,000 square feet of mezzanine/office space and 47,500 square feet of warehouse space) subject to adjustment upon verification by the Architect. The verification of the Architect shall be presumptively correct as between the parties.

K. Development: All land and improvements owned by Landlord or its parents, subsidiaries, or affiliates, now existing or hereafter constructed, located south of Route 3, east of the Hackensack River, west of County Avenue and north of Castle Road.

L. Development Common Areas: The roads and bridges that from time to time service and provide access to the Development for the common use of the tenants, invitees, occupants of the Development, that are maintained by Landlord or its related entities.

M. Expiration Date: December 31, 2006. However, if the Term is extended by Tenant's effective exercise of Tenant's right, if any, to extend the Term, the "Expiration Date" shall be changed to the last day of the latest extended period as to which Tenant shall have effectively exercised its right to extend the Term. For the purposes of this definition, the earlier termination of this Lease shall not affect the "Expiration Date."

N. Fixed Rent: An amount at the annual rate of Five and 00/100 Dollars (\$5.00) multiplied by the Floor Space of the Demised Premises from the Commencement Date until the day before the fifth anniversary of the Commencement Date; and an amount at the annual rate of Six and 00/100 (\$6.00) multiplied by the Floor Space of the Demised Premises from the fifth anniversary of the Commencement Date until the Expiration Date. It is intended that the Fixed Rent shall be an absolutely net return to Landlord throughout the Term, free of any expense, charge or other deduction whatsoever, with respect to the Demised Premises, the Building, the Land and/or the ownership, leasing, operation, management, maintenance, repair, rebuilding, use or occupation thereof, or any portion thereof, with respect to any interest of Landlord therein, except as may otherwise expressly be provided in this Lease.

O. Omitted.

P. Floor Space: Any reference to Floor Space of a demised premises shall mean the floor area stated in square feet bounded by the exterior faces of the exterior walls, or by the exterior or Common Areas face of any wall between the premises in question and any portion of the Common Areas, or by the center line of any wall between the premises in question and space leased or available to be leased to a tenant or occupant, plus a pro rata portion of the floor area of the Common Areas in the Building; and any reference to Floor Space of the Building shall mean the aggregate Floor Space in the Building. Any reference to the Floor Space is intended to refer to the Floor Space of the entire area in question irrespective of the Person(s) who may be the owner(s) of all or any part thereof.

Q. Guarantor: None.

R. Insurance Requirements: Rules, regulations, orders and other requirements of the applicable board of underwriters and/or the applicable fire insurance rating organization and/or any other similar body performing the same or similar functions and having jurisdiction or cognizance over the Land and Building, whether now or hereafter in force.

S. Land: The Land upon which the Building and Common Areas are located. The Land is described on Exhibit B.

T. Landlord's Work: The materials and work to be furnished, installed and performed by Landlord at its expense in accordance with the provisions of Exhibit C.

U. Legal Requirements: Laws and ordinances of all federal, state, city, town, county, borough and village governments, and rules, regulations, orders and directives of all departments, subdivisions, bureaus, agencies or offices thereof, and of any other governmental, public or quasi-public authorities having jurisdiction over the Land and Building, whether now or hereafter in force, including, but not limited to, those pertaining to environmental matters.

V. Mortgage: A mortgage and/or a deed of trust.

W. Mortgagee: A holder of a mortgage or a beneficiary of a deed of trust.

X. Operating Expenses: The sum of the following: (1) the cost and expense (whether or not within the contemplation of the parties) for the repair, replacement, maintenance, policing, insurance and operation of the Building and Land, and (2) the Building Fraction of the sum of (a) the cost and expense for the repair, replacement, maintenance, policing, insurance and operation of the Development Common Areas; (b) the Real Estate Taxes, if any, attributable to the Development Common Areas; and (3) the Parking Charges. The "Operating Expenses" shall, include, without limitation, the following: (i) the cost for rent, casualty, liability, boiler and fidelity insurance, (ii) if an independent managing agent is employed by Landlord, the fees payable to such agent (provided the same are competitive with the fees payable to independent managing agents of comparable facilities), (iii) costs and expenses incurred for legal, accounting and other professional services (including, but not limited to, costs and expenses for in-house or staff legal counsel or outside counsel at rates not to exceed the reasonable and customary charges for any such services as would be imposed in an arms length third party agreement for such services, plus (iv) if Landlord is itself managing the Building and has not employed an independent third party for such management, fifteen (15%) of the resulting total of all of the foregoing items making up "Operating Expenses" (excluding any taxes included therein) for Landlord's home office administration and overhead cost and expense. All items included in Operating Expenses shall be determined in accordance with generally accepted accounting principles consistently applied. Operating Expenses shall not include the following: Management fees; costs or other

items included within Real Estate Taxes; depreciation; brokerage commissions; interest or amortization payments on any mortgage; rental under any ground leases; and, provided Tenant performs same, rubbish removal. Notwithstanding anything herein contained to the contrary, to the extent the Operating Expenses include an expenditure for a capital improvement, as defined under generally accepted accounting principles, Tenant shall only be responsible for that portion of the cost of said capital improvement as is determined by amortizing said cost over the useful life of the capital improvement; an annual amount equal to the amortized cost of the capital improvement plus an interest component equal to the Prime Rate of The Bank of New York shall be then added to the Operating Expenses and paid by Tenant over the then remaining Term (or extension thereof) of the Lease.

Y. Omitted.

Z. Permitted Uses: Warehousing and distribution of non-hazardous materials and offices.

AA. Person: A natural person or persons, a partnership, a corporation, or any other form of business or legal association or entity.

BB. Ready for Occupancy: The condition of the Demised Premises when for the first time the Landlord's Work shall have been substantially completed. The Landlord's Work shall be deemed substantially completed notwithstanding the fact that minor or insubstantial details of construction, mechanical adjustment or decoration remain to be performed, the noncompletion of which does not materially or adversely interfere with Tenant's use of the Demised Premises.

CC. Real Estate Taxes: The real estate taxes, assessments and special assessments imposed upon the Building and Land by any federal, state, municipal or other governments or governmental bodies or authorities and actually paid by Landlord, and any expenses incurred by Landlord in contesting such taxes or assessments and/or the assessed value of the Building and Land, which expenses shall be allocated to the period of time to which such expenses relate. If at any time during the Term the methods of taxation prevailing on the date hereof shall be altered so that in lieu of, or as an addition to or as a substitute for, the whole or any part of such real estate taxes, assessments and special assessments now imposed on real estate there shall be levied, assessed or imposed (a) a tax, assessment, levy, imposition, license fee or charge wholly or partially as a capital levy or otherwise on the rents received therefrom, or (b) any other such additional or substitute tax, assessment, levy, imposition or charge, then all such taxes, assessments, levies, impositions, fees or charges or the part thereof so measured or based shall be deemed to be included within the term "Real Estate Taxes" for the purposes hereof.

DD. Rent: The Fixed Rent, the Percentage Rent and the Additional Charges.

EE. Rules and Regulations: The reasonable and non-discriminatory rules and regulations that may be promulgated by Landlord from time to time, which

may be reasonably changed by Landlord from time to time. The Rules and Regulations now in effect are attached hereto as Exhibit D.

FF. Security Deposit: Such amount as Tenant has deposited or hereinafter deposits with Landlord as security under this Lease. Tenant has deposited the sum of \$100,000.00 with Landlord as security hereunder as of the date hereof, and shall deposit an additional sum of \$150,000.00 subject to the provisions of Section R13 in the Rider.

GG. Successor Landlord: As defined in Section 9.03.

HH. Superior Lease: Any lease to which this Lease is, at the time referred to, subject and subordinate.

II. Superior Lessor: The lessor of a Superior Lease or its successor in interest, at the time referred to.

JJ. Superior Mortgage: Any Mortgage to which this Lease is, at the time referred to, subject and subordinate.

KK. Superior Mortgagee: The Mortgagee of a Superior Mortgage at the time referred to.

LL. Tenant's Fraction: The Tenant's Fraction shall mean the fraction, the numerator of which shall be the Floor Space of the Demised Premises and the denominator of which shall be the Floor Space of the Building (i.e. 38.5%). If the size of the Demised Premises or the Building shall be changed from the initial size thereof, due to any taking, any construction or alteration work or otherwise, the Tenant's Fraction shall be changed to the fraction, the numerator of which shall be the Floor Space of the Demised Premises and the denominator of which shall be the Floor Space of the Building. In the event Landlord determines that Tenant's utilization of any item of Operating Expenses exceeds the fraction referred to above, Tenant's Fraction with respect to such item shall, at Landlord's option, mean the percentage of any such item (but not less than the fraction referred to above) which Landlord reasonably estimates as Tenant's proportionate share thereof, provided, however, that the provisions of this sentence shall not be enforced in a manner which is discriminatory to Tenant and shall be conditioned upon this sentence being included in all leases for the Building.

MM. Tenant's Property: As defined in Section 16.02.

NN. Tenant's Work: The facilities, materials and work which may be undertaken by or for the account of Tenant (other than the Landlord's Work) to equip, decorate and furnish the Demised Premises for Tenant's occupancy.

OO. Term: The period commencing on the Commencement Date and ending at 11:59 p.m. of the Expiration Date, but in any event the Term shall end on the date when this Lease is earlier terminated.

PP. Unavoidable Delays: A delay arising from or as a result of a strike, lockout, or labor difficulty, explosion, sabotage, accident, riot or

civil commotion, act of war, fire or other catastrophe, Legal Requirement or an act of the other party and any cause beyond the reasonable control of that party, provided that the party asserting such Unavoidable Delay has exercised its best efforts to minimize such delay.

ARTICLE 2 - DEMISE AND TERM

2.01. Landlord hereby leases to Tenant, and Tenant hereby hires from Landlord, the Demised Premises, for the Term. This Lease is subject to (a) any and all existing encumbrances, conditions, rights, covenants, easements, restrictions and rights of way, of record, and other matters of record, applicable zoning and building laws, regulations and codes, and such matters as may be disclosed by an inspection or survey, and (b) easements now or hereafter created by Landlord in, under, over, across and upon the Land for sewer, water, electric, gas and other utility lines and services now or hereafter installed; provided, however, Landlord represents covenants and warrants to Tenant that the Demised Premises may be used and occupied for the purposes set forth herein; and that the foregoing shall in no manner interfere with Tenant's use and quiet enjoyment of the Demised Premises. Promptly following the Commencement Date, the parties hereto shall enter into an agreement in form and substance satisfactory to Landlord setting forth the Commencement Date.

ARTICLE 3 - RENT

3.01. Commencing with the Fixed Rent Commencement Date (as defined in the Rider to Lease), Tenant shall pay the Fixed Rent in equal monthly installments in advance on the first day of each and every calendar month during the Term (except that Tenant shall pay, upon the execution and delivery of this Lease by Tenant, the Advance Rent, to be applied against the first installment or installments of Fixed Rent becoming due under this Lease). If the Fixed Rent Commencement Date occurs on a day other than the first day of a calendar month, the Fixed Rent for the partial calendar month at the commencement of the Term for the period for which Fixed Rent is payable, shall be prorated.

3.02. The Rent shall be paid in lawful money of the United States to Landlord at its office, or such other place, or Landlord's agent, as Landlord shall designate by thirty (30) days prior written notice to Tenant. Tenant shall pay the Rent promptly when due without notice or demand therefor and without any abatement, deduction or setoff for any reason whatsoever, except as may be expressly provided in this Lease. If Tenant makes any payment to Landlord by check, any check received by Landlord shall be deemed received subject to collection. If any check is mailed by Tenant, Tenant shall post such check in sufficient time prior to the date when payment is due so that such check will be received by Landlord on or before the date when payment is due. Tenant shall assume the risk of lateness or failure of delivery of the mails, and no lateness or failure of the mails will excuse Tenant from its obligation to have made the payment in question when required under this Lease.

3.03. No payment by Tenant or receipt or acceptance by Landlord of a lesser amount than the correct Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter

accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance or pursue any other remedy in this Lease or at law provided.

3.04. If Tenant is in arrears in payment of Rent, Tenant waives Tenant's right, if any, to designate the items to which any payments made by Tenant are to be credited, and Landlord may apply any payments made by Tenant to such items as Landlord sees fit, irrespective of and notwithstanding any designation or request by Tenant as to the items to which any such payments shall be credited.

3.05. In the event that any installment of Rent due hereunder shall be overdue, a "Late Charge" equal to three percent (3%) or the maximum rate permitted by law, whichever is less ("Late Payment Rate") for Rent so overdue may be charged by Landlord for each month or part thereof that the same remains overdue. Any such Late Charges if not previously paid shall, at the option of the Landlord, be added to and become part of the next succeeding Rent payment to be made hereunder. Notwithstanding the foregoing and without waiving any other rights of Landlord in this Agreement, the Late Charge shall be waived for the first two times in each calendar year that the Tenant fails to make a payment of Rent on a timely basis, provided such late payment is received by Landlord within five (5) days of the date that such payment of Rent is due and owing.

ARTICLE 4 - USE OF DEMISED PREMISES

4.01. Tenant shall use and occupy the Demised Premises for the Permitted Uses, and Tenant shall not use or permit or suffer the use of the Demised Premises or any part thereof for any other purpose. Landlord represents to Tenant that the Demised Premises may be used by Tenant for the Permitted Uses.

4.02. If any governmental license or permit, including a certificate of occupancy or certificate of continued occupancy (a "Certificate of Occupancy") shall be required for the proper and lawful conduct of Tenant's business in the Demised Premises or any part thereof, Tenant shall duly procure and thereafter maintain such license or permit and submit the same to Landlord for inspection. Tenant shall at all times comply with the terms and conditions of each such license or permit. Tenant shall not at any time use or occupy, or suffer or permit anyone to use or occupy the Demised Premises, or do or permit anything to be done in the Demised Premises, in any manner which (a) violates the Certificate of Occupancy for the Demised Premises or for the Building; (b) causes or is liable to cause injury to the Building or any equipment, facilities or systems therein; (c) constitutes a violation of the Legal Requirements or Insurance Requirements; (d) impairs or tends to impair the character, reputation or appearance of the Building; (e) impairs or tends to impair the proper and economic maintenance, operation and repair of the Building and/or its equipment, facilities or systems; or (f) annoys or inconveniences or tends to annoy or inconvenience other tenants or occupants of the Building. Nothing herein will prohibit the Tenant from using the Demised Premises for the Permitted Uses.

ARTICLE 5 - PREPARATION OF DEMISED PREMISES

5.01. The Demised Premises shall be completed and prepared for Tenant's occupancy in the manner described in, and subject to the provisions of, Exhibit C. Tenant shall occupy the Demised Premises promptly after the same are Ready for Occupancy and possession thereof is delivered to Tenant by Landlord giving to Tenant a notice of such effect. Except as expressly provided to the contrary in this Lease, the taking of possession by Tenant of the Demised Premises shall be conclusive evidence as against Tenant that the Demised Premises and the Building were in good and satisfactory condition at the time such possession was taken, except for the latent defects, and any representations of Landlord expressly contained herein, and for the items of Landlord's Work brought to Landlord's attention within thirty (30) days after Tenant's taking of possession of the Demised Premises, which items shall be specified with reasonable particularity. Except as expressly provided to the contrary in this Lease, Tenant is leasing the Demised Premises "as is" on the date hereof, subject to reasonable wear and tear and the rights of the present occupant(s) of the Demised Premises to remove its or their trade fixtures and other property from the Demised Premises.

5.02. If the substantial completion of the Landlord's Work shall be delayed due to any material act or omission of Tenant or any of its employees, agents or contractors (including, without limitation, any delays due to Tenant's changes in or additions to the Landlord's Work), then the Demised Premises shall be deemed Ready for Occupancy on the date when they would have been ready but for such delay(s).

5.03. If Landlord is unable to give possession of the Demised Premises on the Commencement Date because of the holding-over or retention of possession by any tenant, undertenant or occupant, Landlord shall not be subject to any liability for failure to give possession, the validity of this Lease shall not be impaired under such circumstances, and the Term shall not be extended, but the Rent shall be abated if Tenant is not responsible for the inability to obtain possession.

5.04. Landlord reserves the right, at any time and from time to time, to increase, reduce or change the number, type, size, location, elevation, nature and use of any of the Common Areas and the Building and any other buildings and other improvements on the Land and in the Development, including, without limitation, the right to move and/or remove same, provided same shall not unreasonably block or interfere with Tenant's means of ingress or egress to and from the Demised Premises.

ARTICLE 6 - TAX AND OPERATING EXPENSE PAYMENTS

6.01. Beginning on the Commencement Date and continuing throughout the Term, Tenant agrees to pay to Landlord as an Additional Charge hereunder, within fifteen (15) days in advance of the final date for which such is due without interest or penalty, Tenant's Fraction of the Real Estate Taxes. If at any time an assessment is levied which may be paid in installments over a number of years, Tenant shall be responsible only for its proportionate share of such installments each year from the date upon which Real Estate Taxes first become due hereunder and continuing during the term of this Lease as if such assessment was paid over the maximum period allowed, together with

interest at the Prime Rate of the Bank of New York, even if Landlord elects to pay such assessment in a "lump sum". Real Estate Taxes shall exclude late payment interest and penalties, unless due to Tenant's late payment of same. Tenant shall receive the benefits, on a pro-rata basis, of any tax exemptions, abatements and/or tax refunds, net of costs and expenses to obtain same. Upon request, Landlord shall submit to Tenant copies of bills covering Real Estate Taxes together with an invoice showing the calculation of Tenant's Fraction of such Real Estate Taxes.

6.02. Real Estate Taxes, whether or not a lien upon the Demised Premises shall be apportioned between Landlord and Tenant at the beginning and end of the Term; it being intended that Tenant shall pay only that portion of the Real Estate Taxes as is allocable to the Demised Premises for the Term.

6.03. Beginning on the Commencement Date and continuing throughout the Term, Tenant shall pay to Landlord Tenant's Fraction of the Operating Expenses within ten (10) days after Landlord submits to Tenant an invoice for same. Tenant shall not be required, however, to prepay Operating Expenses. Landlord represents that there shall be no duplication of charges under this Section and other Sections of this Lease.

6.04. Each such statement given by Landlord pursuant to Section 6.01 or Section 6.03 shall be conclusive and binding upon Tenant unless within 180 days after the receipt of such statement Tenant shall notify Landlord that it disputes the correctness of the statement, specifying the particular respects in which the statement is claimed to be incorrect. Upon prior reasonable notice and during normal business hours (but not more than one time per year), Landlord shall make available for Tenant's inspection and audit at Landlord's corporate headquarters, records of taxes and Operating Expenses to verify the correct billings under this Lease. If such dispute is not settled by agreement, either party may submit the dispute to arbitration as provided in Article 34. Pending the determination of such dispute by agreement or arbitration as aforesaid, Tenant shall, within ten (10) days after receipt of such statement, pay the Additional Charges in accordance with Landlord's statement, without prejudice to Tenant's position. If the dispute shall be determined in Tenant's favor, Landlord shall forthwith pay to Tenant the amount of Tenant's overpayment resulting from compliance with Landlord's statement.

ARTICLE 7 - COMMON AREAS

7.01. Except as may be otherwise expressly provided in this Lease, Landlord will operate, manage, equip, light, repair and maintain, or cause to be operated, managed, equipped, lighted, repaired and maintained, the Common Areas for their intended purposes and in a first-class manner. Landlord reserves the right, at any time and from time to time, to construct within the Common Areas kiosks, fountains, aquariums, planters, pools and sculptures, and to install vending machines, telephone booths, benches and the like, provided same shall not unreasonably block or interfere with Tenant's means of ingress or egress to and from the Demised Premises.

7.02. Tenant and its subtenants and their respective officers, employees, agents, customers and invitees, shall have the non-exclusive right,

in common with Landlord and all others to whom Landlord has granted or may hereafter grant such right, but subject to the Rules and Regulations, to use the Common Areas. Landlord reserves the right, at any time and from time to time, to close temporarily all or any portions of the Common Areas when in Landlord's reasonable judgment any such closing is necessary or desirable (a) to make repairs or changes or to effect construction, (b) to prevent the acquisition of public rights in such areas, (c) to discourage unauthorized parking, or (d) to protect or preserve natural persons or property. Landlord may do such other acts in and to the Common Areas as in its judgment may be desirable to improve or maintain same. Except as provided in Article 26 or 27, however, no such closing, shall be undertaken to prohibit Tenant from using the Demised Premises for the purposes set forth herein.

7.03. Tenant agrees that it, any subtenant or licensee and their respective officers, employees, contractors and agents will park their automobiles and other vehicles only where and as permitted by Landlord. Tenant will, if and when so requested by Landlord, furnish Landlord with the license numbers of any vehicles of Tenant, any subtenant or licensee and their respective officers, employees and agents.

ARTICLE 8 - SECURITY

8.01(a). In the event Tenant deposits with Landlord any Security Deposit, the same shall be held as security for the full and faithful payment and performance by Tenant of Tenant's obligations under this Lease. If Tenant defaults in the full and prompt payment and performance of any of its obligations under this Lease, including, without limitation, the payment of Rent, Landlord may use, apply or retain the whole or any part of the Security Deposit to the extent required for the payment of any Rent or any other sums as to which Tenant is in default or for any sum which Landlord may expend or may be required to expend by reason of Tenant's default in respect of any of Tenant's obligations under this Lease, including, without limitation, any damages or deficiency in the reletting of the Demised Premises, whether such damages or deficiency accrue before or after summary proceedings or other re-entry by Landlord. If Landlord shall so use, apply or retain the whole or any part of the security, Tenant shall upon demand immediately deposit with Landlord a sum equal to the amount so used, applied and retained, as security as aforesaid. If Tenant shall fully and faithfully pay and perform all of Tenant's obligations under this Lease, the Security Deposit or any balance thereof to which Tenant is entitled shall be returned or paid over to Tenant after the date on which this Lease shall expire or sooner end or terminate, and after delivery to Landlord of entire possession of the Demised Premises. In the event of any sale or leasing of the Land, Landlord shall have the right to transfer the security to which Tenant is entitled to the vendee or lessee and Landlord shall thereupon be released by Tenant from all liability for the return or payment thereof; and Tenant shall look solely to the new landlord for the return or payment of the same; and the provisions hereof shall apply to every transfer or assignment made of the same to a new landlord. Tenant shall not assign or encumber or attempt to assign or encumber the monies deposited herein as security, and neither Landlord nor its successors or assigns shall be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

8.01(b). In lieu of all or a portion of the cash security required by this Lease, Tenant may provide to Landlord an irrevocable transferrable Letter of Credit in the amount of the Security Deposit in form and substance satisfactory to Landlord and issued by a financial institution reasonably approved by Landlord. Landlord shall have the right, upon written notice to Tenant (except that for Tenant's failure to comply with Article 8.03, no such notice shall be required) and regardless of the exercise of any other remedy the Landlord may have by reason of a default, to draw upon said Letter of Credit to cure any default of Tenant or for any purpose authorized by section 8.01(a) of this Lease and if Landlord does so, Tenant shall, upon demand, additionally fund the Letter of Credit with the amount so drawn so that Landlord shall have the full deposit on hand at all times during the Term of the Lease and for a period of thirty (30) days' thereafter. In the event of a sale of the Building or a lease of the Building subject to this Lease, Landlord shall have the right to transfer the security to the vendee or lessee.

8.02. The Letter of Credit shall expire not earlier than thirty (30) days after the Expiration Date of this Lease. The Letter of Credit may be of the type which is issued on an annual basis (Annual Renewal Date), provided however, in such event Tenant shall maintain the Letter of Credit and its renewals in full force and effect during the entire Term of this Lease (including any renewals or extensions) and for a period of thirty (30) days thereafter.

8.03. In the event Tenant shall fail to deliver to Landlord a substitute irrevocable Letter of Credit, in the amount stated above, on or before thirty (30) days prior to the next Annual Renewal Date, said failure shall be deemed a default under this Lease. Landlord may, in its discretion treat this the same as a default in the payment of Rent or any other default and pursue the appropriate remedy. In addition, and not in limitation, Landlord shall be permitted to draw upon the Letter of Credit as in the case of any other default by Tenant under the Lease.

ARTICLE 9 - SUBORDINATION

9.01. This Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate to all ground leases and underlying leases of the Land and/or the Building now or hereafter existing and to all Mortgages which may now or hereafter affect the Land and/or building and/or any of such leases, whether or not such Mortgages or leases shall also cover other lands and/or buildings, to each and every advance made or hereafter to be made under such Mortgages, and to all renewals, modifications, replacements and extensions of such leases and such Mortgages and spreaders and consolidations of such Mortgages, provided such ground lessees and mortgagees grant to Tenant a non-disturbance agreement, as hereinafter set forth. The provisions of this Section 9.01 shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall promptly execute, acknowledge and deliver any instrument that Landlord, the lessor under any such lease or the Mortgagee of any such

Mortgage or any of their respective successors in interest may reasonably request to evidence such subordination; Landlord shall use reasonable good faith efforts to cause any present or future Superior Mortgagee to enter into their standard form of non-disturbance, attornment and subordination agreement with Tenant, provided that Tenant shall execute such document. This Lease shall be subordinate to the lien of any future mortgage or ground or underlying lease irrespective of the time of execution or the time of recording such mortgage and/or ground or underlying lease, provided that with respect to any future mortgagee or lessor, such mortgagee, ground or underlying lessor, or holder of the encumbrance shall enter into a non-disturbance agreement with Tenant as hereinafter set forth, or if the applicable mortgage and/or lease instrument shall contain a non-disturbance clause as hereinafter set forth. The non-disturbance clause shall provide that in the event of foreclosure or other action taken under a mortgage, ground or underlying lease, this Lease and the rights of Tenant under this Lease shall not be disturbed, but shall continue in full force and effect as long as the Tenant shall not be in default under this lease beyond the applicable cure period.

9.02. If any act or omission of Landlord would give Tenant the right, immediately or after lapse of a period of time, to cancel or terminate this Lease, or to claim a partial or total eviction, Tenant shall not exercise such right (a) until it has given written notice of such act or omission to Landlord and each Superior Mortgagee and each Superior Lessor whose name and address shall previously have been furnished to Tenant, and (b) until a reasonable period for remedying such act or omission shall have elapsed following the giving of such notice and following the time when such Superior Mortgagee or Superior Lessor shall have become entitled under such Superior Mortgage or Superior Lease, as the case may be, to remedy the same (which reasonable period shall in no event be less than the period to which Landlord would be entitled under this Lease or otherwise, after similar notice, to effect such remedy), provided such Superior Mortgagee or Superior Lessor shall with due diligence give Tenant notice of intention to, and commence and continue to, remedy such act or omission.

9.03. If any Superior Lessor or Superior Mortgagee shall succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease or deed, then at the request of such party so succeeding to Landlord's rights ("Successor Landlord") and upon such Successor Landlord's written agreement to accept Tenant's attornment, Tenant shall attorn to and recognize such Successor Landlord as Tenant's landlord under this Lease and shall promptly execute and deliver any instrument that such Successor Landlord may reasonably request to evidence such attornment. Upon such attornment this Lease shall continue in full force and effect as a direct lease between the Successor Landlord and Tenant upon all of the terms, conditions and covenants as are set forth in this Lease except that the Successor Landlord shall not (a) be liable for any previous act or omission of Landlord under this Lease; (b) be subject to any offset, not expressly provided for in this Lease, which theretofore shall have accrued to Tenant against Landlord; (c) be liable for the return of any Security Deposit, in whole or in part, to the extent that same is not paid over to the Successor Landlord; or (d) be bound by any previous modification of this Lease or by any

previous prepayment of more than one month's Fixed Rent or Additional Charges, unless such modification or prepayment shall have been expressly approved in writing by the Superior Lessor of the Superior Lease or the Mortgagee of the Superior Mortgage through or by reason of which the Successor Landlord shall have succeeded to the rights of Landlord under this Lease.

9.04. If any then present or prospective Superior Mortgagee shall require any reasonable modification(s) of this Lease, Tenant shall promptly execute and deliver to Landlord such instruments effecting such modification(s) as Landlord shall request, provided that such modification(s) do not adversely affect in any material respect any of Tenant's rights under this Lease or increase its monetary obligations in any manner.

ARTICLE 10 - QUIET ENJOYMENT

10.01. So long as Tenant pays all of the Rent and performs all of Tenant's other obligations hereunder, Tenant shall peaceably and quietly have, hold and enjoy the Demised Premises without hindrance, ejection or molestation by Landlord or any person lawfully claiming through or under Landlord, subject, nevertheless, to the provisions of this Lease and to Superior Leases and Superior Mortgages.

ARTICLE 11 - ASSIGNMENT, SUBLETTING AND MORTGAGING

11.01. Tenant shall not, whether voluntarily, involuntarily, or by operation of law or otherwise, (a) assign or otherwise transfer this Lease, or offer or advertise to do so, (b) sublet the Demised Premises or any part thereof, or offer or advertise to do so, or allow the same to be used, occupied or utilized by anyone other than Tenant, or (c) mortgage, pledge, encumber or otherwise hypothecate this Lease in any manner whatsoever, without in each instance obtaining the prior written consent of Landlord. Notwithstanding the foregoing, Landlord shall not unreasonably withhold or delay its consent to any proposed subletting, by the original named Tenant hereunder or a permitted assignee hereunder, of a portion of the Demised Premises, provided that the Permitted Uses shall remain unchanged, any required certificate of occupancy is obtained prior to occupancy and delivered to Landlord and Tenant shall pay to Landlord, as an Additional Charge hereunder, any rentals or any other payments received by Tenant in connection with such subletting to the extent any such rentals or payments exceed the Fixed Rent payable from time to time hereunder, and provided further that the provisions herein shall benefit and apply to the initial Tenant only. Consent by Landlord shall not be required and no additional consideration need be paid to Landlord if the Tenant assigns this Lease or subleases portions of the Demised Premises to its parent corporation or to its wholly owned subsidiary or a company under common control with Tenant, subject, however, to the further provisions of this Article 11 and prior notice to Landlord. Notwithstanding the foregoing, the original named Tenant hereunder may, without additional consideration and without consent but upon prior notice to Landlord, sublet up to an aggregate of fifteen (15%) percent of the Floor Space of the Demised Premises, provided that the Permitted Uses shall remain unchanged and any required certificate of occupancy is obtained prior to occupancy and delivered to Landlord.

11.02. If at any time (a) the original Tenant named herein, (b) the

then Tenant, (c) any Guarantor, or (d) any Person owning a majority of the voting stock of, or directly or indirectly controlling, the then Tenant shall be a corporation or partnership, any transfer of voting stock or partnership interest resulting in the person(s) who shall have owned a majority of such corporation's shares of voting stock or the general partners' interest in such partnership, as the case may be, immediately before such transfer, ceasing to own a majority of such shares of voting stock or general partner's interest, as the case may be, except as the result of transfers by inheritance or gift, shall be deemed to be an assignment of this Lease as to which Landlord's consent shall have been required, and in any such event Tenant shall notify Landlord. The provisions of this Section 11.02 shall not be applicable to any corporation all the outstanding voting stock of which is listed on a national securities exchange (as defined in the Securities Exchange Act of 1934, as amended) or is traded in the over-the-counter market with quotations reported by the National Association of Securities Dealers through its automated system for reporting quotations and shall not apply to transactions with a corporation into or with which the then Tenant is merged or consolidated or to which substantially all of the then Tenant's assets are transferred or to any corporation which controls or is controlled by the then Tenant or is under common control with the then Tenant, provided that in any of such events (i) the successor to Tenant has a net worth computed in accordance with generally accepted accounting principles at least equal to the greater of (1) the net worth of Tenant immediately prior to such merger, consolidation or transfer, or (2) the net worth of the original Tenant on the date of this Lease, and (ii) proof satisfactory to Landlord of such net worth shall have been delivered to Landlord at least 10 days prior to the effective date of any such transaction. The provisions of Articles 11.01 and 11.02 shall also not apply to an assignment of this Lease made in connection with a sale of the Tenant to a corporation or party acquiring all or substantially all of the assets of Tenant and all or substantially all of the assets of Tenant's affiliates, provided the assignee/transferee has a net worth computed as of the completion date of such transaction and in accordance with generally accepted accounting principles at least equal to the greater of (1) the net worth of Tenant immediately prior to such sale, or (2) the net worth of the original Tenant on the date of this Lease, subject, however, to the further provisions of this Article 11 and prior notice to Landlord. For the purposes of this Section, the words "voting stock" shall refer to shares of stock regularly entitled to vote for the election of directors of the corporation. Landlord shall have the right at any time and from time to time during the Term to inspect the stock record books of the corporation to which the provisions of this Section 11.02 apply, and Tenant will produce the same on request of Landlord.

11.03 If this Lease is assigned, whether or not in violation of this Lease, Landlord may collect rent from the assignee. If the Demised Premises or any part thereof are sublet or used or occupied by anybody other than Tenant, whether or not in violation of this Lease, Landlord may, after default by Tenant, and expiration of Tenant's time to cure such default, collect rent from the subtenant or occupant. In either event, Landlord may apply the net amount collected to the Rent, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of any of the provisions of Section 11.01 or Section 11.02, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the performance by Tenant of

Tenant's obligations under this Lease. The consent by Landlord to any assignment, mortgaging, subletting or use or occupancy by others shall not in any way be considered to relieve Tenant from obtaining the express written consent of Landlord to any other or further assignment, mortgaging or subletting or use or occupancy by others not expressly permitted by this Article 11. References in this Lease to use or occupancy by others (that is, anyone other than Tenant) shall not be construed as limited to subtenants and those claiming under or through subtenants but shall be construed as including also licensees and others claiming under or through Tenant, immediately or remotely.

11.04. Any permitted assignment or transfer, whether made with Landlord's consent pursuant to Section 11.01 or without Landlord's consent if permitted by Section 11.02 or elsewhere under this Lease, shall be made only if, and shall not be effective until, the assignee shall execute, acknowledge and deliver to Landlord an agreement in form and substance reasonably satisfactory to Landlord whereby the assignee shall assume Tenant's obligations under this Lease and whereby the assignee shall agree that all of the provisions in this Article 11 shall, notwithstanding such assignment or transfer, continue to be binding upon it in respect to all future assignments and transfers. Notwithstanding any assignment or transfer, whether or not in violation of the provisions of this Lease, and notwithstanding the acceptance of Rent by Landlord from an assignee, transferee, or any other party, the original Tenant and any other person(s) who at any time was or were Tenant shall remain fully liable for the payment of the Rent and for Tenant's other obligations under this Lease.

11.05. The liability of the original named Tenant and any other Person(s) (including but not limited to any Guarantor) who at any time are or become responsible for Tenant's obligations under this Lease shall not be discharged, released or impaired by any agreement or stipulation made by Landlord extending the time of, or modifying any of the terms or obligations under this Lease, or by any waiver or failure of Landlord to enforce, any of this Lease.

11.06. The listing of any name other than that of Tenant, whether on the doors of the Demised Premises or the Building directory, or otherwise, shall not operate to vest any right or interest in this Lease or in the Demised Premises, nor shall it be deemed to be the consent of Landlord to any assignment or transfer of this Lease or to any sublease of the Demised Premises or to the use or occupancy thereof by others. Notwithstanding anything contained in this Lease to the contrary, Landlord shall have the absolute right to withhold its consent to an assignment or subletting to a Person who is otherwise a tenant or occupant of the Building, or of a building owned or managed by Landlord or its affiliated entities.

11.07. Without limiting any of the provisions of Article 27, if pursuant to the Federal Bankruptcy Code (or any similar law hereafter enacted having the same general purpose), Tenant is permitted to assign this Lease notwithstanding the restrictions contained in this Lease, adequate assurance of future performance by an assignee expressly permitted under such Code shall be deemed to mean the deposit of cash security in an amount equal to the sum

of one (1) year's Fixed Rent plus an amount equal to the Additional Charges for the Calendar Year preceding the year in which such assignment is intended to become effective, which deposit shall be held by Landlord for the balance of the Term, without interest, as security for the full performance of all of Tenant's obligations under this Lease, to be held and applied in the manner specified for security in Article 8.

11.08. Except as expressly permitted in Articles 11.01 and 11.02, if Tenant shall propose to assign or in any manner transfer this Lease or any interest therein, or sublet the Demised Premises or any part or parts thereof, or grant any concession or license or otherwise permit occupancy of all or any part of the Demised Premises by any person, Tenant shall give notice thereof to Landlord, together with a copy of the proposed instrument that is to accomplish same and such financial and other information pertaining to the proposed assignee, transferee, subtenant, concessionaire or licensee as Landlord shall require, and Landlord may, in addition to Landlord's right to give or withhold consent, terminate this Lease by notice given to Tenant within thirty (30) days after receipt of said proposed instrument and financial and other information, and upon the date specified in such notice, which date shall be not less than 30 days and not more than 60 days after the giving of said notice, this Lease shall terminate. Tenant may negate Landlord's cancellation by withdrawing its request within five (5) days after Landlord's notice, whereupon this Lease shall continue unchanged in full force and effect. If Landlord does not so terminate this Lease, and (if Landlord consents to the subject transaction or if Landlord's consent is not required to same) if Tenant does not consummate the subject transaction within 60 days after the last day on which Landlord might have so terminated this Lease as a result of such transaction, Tenant shall again be required to comply with the provisions of this Section 11.08 in connection with any such transaction as if the notice by Tenant referred to above in this Section 11.08 had not been given. Notwithstanding anything contained in this Lease to the contrary, Landlord shall not be obligated to entertain or consider any request by Tenant to consent to any proposed assignment of this Lease or sublet of all or any part of the Demised Premises unless each request by Tenant is accompanied by a non-refundable fee payable to Landlord in the amount of One Thousand Dollars (\$1,000.00) to cover Landlord's administrative, legal, and other costs and expenses incurred in processing each of Tenant's requests. Neither Tenant's payment nor Landlord's acceptance of the foregoing fee shall be construed to impose any obligation whatsoever upon Landlord to consent to Tenant's request.

ARTICLE 12 - COMPLIANCE WITH LAWS

12.01. Tenant shall comply with all Legal Requirements which shall, in respect of the Demised Premises or the use and occupation thereof, or the abatement of any nuisance in, on or about the Demised Premises, impose any violation, order or duty on Landlord or Tenant; and Tenant shall pay all the costs, expenses, fines, penalties and damages which may be imposed upon Landlord or any Superior Lessor by reason of or arising out of Tenant's failure to fully and promptly comply with and observe the provisions of this Section 12.01. However, Tenant need not comply with any such law or requirement of any public authority so long as Tenant shall be contesting the validity thereof, or the applicability thereof to the Demised Premises, in accordance with Section 12.02. Notwithstanding anything herein contained to

the contrary, to the extent such compliance requires an expenditure for a capital improvement that is required for reasons other than Tenant's specific use of the Demised Premises, Landlord shall perform same and Tenant shall only be responsible for that portion of the cost of said capital improvement as is determined by amortizing said cost over the useful life of the capital improvement; an annual amount equal to the amortized cost of the capital improvement plus interest (using an interest factor equal to the prime rate of the Bank of New York) shall be then added to the Operating Expenses and paid by Tenant over the then remaining Term (or extension thereof) of the Lease.

12.02. Tenant may contest, by appropriate proceedings prosecuted diligently and in good faith, the validity, or applicability to the Demised Premises, of any Legal Requirement, provided that (a) Landlord shall not be subject to criminal penalty or to prosecution for a crime, and neither the Demised Premises nor any part thereof shall be subject to being condemned or vacated, by reason of non-compliance or otherwise by reason of such contest; (b) before the commencement of such contest, Tenant shall furnish to Landlord either (i) the bond of a surety company satisfactory to Landlord, which bond shall be, as to its provisions and form, satisfactory to Landlord, and shall be in an amount at least equal to 100% of the cost of such compliance (as estimated by a reputable contractor designated by Landlord) and shall indemnify Landlord against the cost thereof and against all liability for damages, interest, penalties and expenses (including reasonable attorneys' fees and expenses), resulting from or incurred in connection with such contest or non-compliance, or (ii) other reasonable security in place of such bond satisfactory to Landlord; (c) such non-compliance or contest shall not constitute or result in any violation of any Superior Lease or Superior Mortgage, or if any such Superior Lease and/or Superior Mortgage shall permit such non-compliance or contest on condition of the taking of action or furnishing of security by Landlord, such action shall be taken and such security shall be furnished at the expense of Tenant; and (d) Tenant shall keep Landlord advised as to the status of such proceedings. Without limiting the application of the above, Landlord shall be deemed subject to prosecution for a crime if Landlord, or its managing agent, or any officer, director, partner, shareholder or employee of Landlord or its managing agent, as an individual, is charged with a crime of any kind or degree whatsoever, whether by service of a summons or otherwise, unless such charge is withdrawn before Landlord or its managing agent, or such officer, director, partner, shareholder or employee of Landlord or its managing agent (as the case may be) is required to plead or answer thereto. Notwithstanding anything contained in this Lease to the contrary, Tenant shall not file any Real Estate Tax Appeal with respect to the Land, Building or the Demised Premises.

12.03. Landlord shall consent to Tenant's request to appeal the Real Estate Taxes provided (i) Tenant shall notify Landlord of its intention to commence an appeal (and such notice shall make reference to this Article 12.03) and (ii) within thirty (30) days of the final date permitted for such tax appeal, Landlord fails to either commence such appeal or to notify Tenant or its intention to do so. In the event Tenant commences such appeal, Tenant shall provide Landlord with the opportunity to participate in such appeal and

shall provide Landlord with copies of all correspondence, documentation and records of such appeal upon receipt of same.

ARTICLE 13 - INSURANCE AND INDEMNITY

13.01. Landlord shall maintain or cause to be maintained All Risk insurance in respect of the Building and other improvements on the Land normally covered by such insurance (except for the property Tenant is required to cover with insurance under Section 13.02 and similar property of other tenants and occupants of the Building or buildings and other improvements which are on land neither owned by nor leased to Landlord) for the benefit of Landlord, any Superior Lessors, any Superior Mortgagees and any other parties Landlord may at any time and from time to time designate, as their interests may appear, but not for the benefit of Tenant, and shall maintain rent insurance as required by any Superior Lessor or any Superior Mortgagee. The All Risk insurance will be in the amounts required by any Superior Lessor or any Superior Mortgagee but not less than the amount sufficient to avoid the effect of the co-insurance provisions of the applicable policy or policies. Landlord may also maintain any other forms and types of insurance which Landlord shall deem reasonable in respect of the Building and Land. Landlord shall have the right to provide any insurance maintained or caused to be maintained by it under blanket policies.

13.02. Tenant shall maintain the following insurance: (a) comprehensive general public liability insurance in respect of the Demised Premises and the conduct and operation of business therein, having not less than a \$5,000,000.00 combined single limit per occurrence for bodily injury or death to any one person and for bodily injury or death to any number of persons in any one occurrence, and for property damage, including water damage and sprinkler leakage legal liability (coverage to include but not be limited to (i) premises operation, completed operations, broad form contractual liability and product liability, (ii) comprehensive automobile, truck and vehicle liability insurance covering all owned, hired and non-owned vehicles used by the contractor(s) in connection with their work and any loading of such vehicles, with limits as stated above and (iii) worker's compensation, employers liability and occupational disease insurance as required by statutes, but in any event not less than \$500,000.00 for Coverage B covering all damages and injuries arising from each accident or occupational disease) (b) steam boiler, air conditioning and machinery insurance, protecting Landlord and Tenant, with limits of not less than \$500,000, if there is a boiler or pressure object or other similar equipment in the Demised Premises, and (c) All Risk insurance in respect of Tenant's stock in trade, fixtures, furniture, furnishings, removable floor coverings, equipment, signs and all other property of Tenant in the Demised Premises in any amounts required by any Superior Lessor or any Superior Mortgagee but not less than eighty percent (80%) of the full insurable value of the property covered and not less than the amount sufficient to avoid the effect of the co-insurance provisions of the applicable policy or policies, and (d) such other insurance as is required for compliance with the Insurance Requirements. Landlord may at any time and from time to time require that the limits for the comprehensive general public liability insurance to be maintained by Tenant be increased to the limits that new tenants in the Building are required by Landlord to maintain. Tenant shall deliver to Landlord and any additional named insured(s) certificates for

such policies at least ten (10) days before the Commencement Date. Upon request of Landlord, Tenant shall furnish Landlord with copies of all such insurance policies. Tenant shall procure and pay for renewals of such insurance from time to time before the expiration thereof, and Tenant shall deliver to Landlord and any additional insured(s) certificates therefor at least thirty (30) days before the expiration of any existing policy. All such policies shall be issued by companies of recognized responsibility, having a Bests Key Rating Guide of not less than A-, Class VII, licensed to do business in New Jersey, and all such policies shall contain a provision whereby the same cannot be canceled unless Landlord and any additional insured(s) are given at least thirty (30) days' prior written notice of such cancellation. The certificates of insurance to be delivered to Landlord by Tenant shall name Landlord as an additional insured and, at Landlord's request, shall also name any Superior Lessors or Superior Mortgagees as additional insureds, and the following phrase must be typed on the certificate of insurance: "Hartz Mountain Industries, Inc., and its respective subsidiaries, affiliates, associates, joint ventures, and partnerships, are hereby named as additional insureds as their interests may appear (and if Landlord has so requested, Tenant shall include any Superior Lessors and Superior Mortgagees as additional insured(s)). It is intended for this insurance to be primary and non-contributing." Tenant shall give Landlord at least thirty (30) days' prior written notice that any such policy is being canceled or replaced. Tenant's insurance hereunder may be maintained under Tenant's standard blanket policy, provided such policy complies with this Article.

13.03. Tenant shall not do, permit or suffer to be done any act, matter, thing or failure to act in respect of the Demised Premises or use or occupy the Demised Premises or conduct or operate Tenant's business in any manner objectionable to any insurance company or companies whereby the fire insurance or any other insurance then in effect in respect of the Land and Building or any part thereof shall become void or suspended or whereby any premiums in respect of insurance maintained by Landlord shall be higher than those which would normally have been in effect for the occupancy contemplated under the Permitted Uses. In case of a breach of the provisions of this Section 13.03, in addition to all other rights and remedies of Landlord hereunder, Tenant shall (a) indemnify Landlord and the Superior Lessors and hold Landlord and the Superior Lessors harmless from and against any loss which would have been covered by insurance which shall have become void or suspended because of such breach by Tenant and (b) pay to Landlord any and all increases of premiums on any insurance, including, without limitation, rent insurance, resulting from any such breach. Notwithstanding the foregoing, Tenant shall only be responsible for payment of increased insurance premiums if such increases result by reason of Tenant's manner of use of the Demised Premises.

13.04. Tenant shall indemnify and hold harmless Landlord and all Superior Lessors and its and their respective partners, joint venturers, directors, officers, agents, servants and employees from and against any and all claims arising from or in connection with (a) the conduct or management of the Demised Premises or of any business therein, or any work or thing whatsoever done, or any condition created (other than by Landlord) in the

Demised Premises during the Term or during the period of time, if any, prior to the Commencement Date that Tenant may have been given access to the Demised Premises; (b) any act, omission or negligence of Tenant or any of its subtenants or licensees or its or their partners, joint venturers, directors, officers, agents, employees or contractors; (c) any accident, injury or damage whatever (unless caused solely by Landlord's or Landlord's employees or agents negligence) occurring in the Demised Premises; and (d) any breach or default by Tenant in the full and prompt payment and performance of Tenant's obligations under this Lease; together with all costs, expenses and liabilities incurred in or in connection with each such claim or action or proceeding brought thereon, including, without limitation, all attorneys' fees and expenses. In case any action or proceeding is brought against Landlord and/or any Superior Lessor and/or its or their partners, joint venturers, directors, officers, agents and/or employees in connection with conduct or management of the Demised Premises or by reason of any claim referred to above, Tenant, upon notice from Landlord or such Superior Lessor, shall, at Tenant's cost and expense, resist and defend such action or proceeding by counsel reasonably satisfactory to Landlord.

13.05. Neither Landlord nor any Superior Lessor shall be liable or responsible for, and Tenant hereby releases Landlord and each Superior Lessor from, all liability and responsibility to Tenant and any person claiming by, through or under Tenant, by way of subrogation or otherwise, for any injury, loss or damage to any person or property in or around the Demised Premises or to Tenant's business irrespective of the cause of such injury, loss or damage, and Tenant shall require its insurers to include in all of Tenant's insurance policies which could give rise to a right of subrogation against Landlord or any Superior Lessor a clause or endorsement whereby the insurer waives any rights of subrogation against Landlord and such Superior Lessors or permits the insured, prior to any loss, to agree with a third party to waive any claim it may have against said third party without invalidating the coverage under the insurance policy.

13.06. Tenant shall not be liable or responsible for, and Landlord hereby releases Tenant from, all liability and responsibility to Landlord and any person claiming by, through or under Landlord, by way of subrogation for any injury, loss or damage to any property in or around the Common Areas, the Building (exclusive of the Demised Premises) or to Landlord's business irrespective of the cause of such injury, loss or damage, and Landlord shall require its insurers to include in all of Landlord's insurance policies which could give rise to a right of subrogation against Tenant a clause or endorsement whereby the insurer waives any rights of subrogation against Tenant or permits the insured, prior to any loss, to agree with a third party to waive any claim it may have against said third party without invalidating the coverage under the insurance policy.

ARTICLE 14 - RULES AND REGULATIONS

14.01. Tenant and its employees and agents shall faithfully observe and comply with the Rules and Regulations and such reasonable changes therein (whether by modification, elimination or addition) as Landlord at any time or times hereafter may make and communicate to Tenant, which in Landlord's judgment, shall be necessary for the reputation, safety, care or appearance

of the Land and Building, or the preservation of good order therein, or the operation or maintenance of the Building or its equipment and fixtures, or the Common Areas, and which do not unreasonably affect the conduct of Tenant's business in the Demised Premises; provided, however, that in case of any conflict or inconsistency between the provisions of this Lease and any of the Rules and Regulations, the provisions of this Lease shall control. Nothing in this Lease contained shall be construed to impose upon Landlord any duty or obligation to enforce the Rules and Regulations against any other tenant or any employees or agents of any other tenant, and Landlord shall not be liable to Tenant for violation of the Rules and Regulations by any other tenant or its employees, agents, invitees or licensees. The Rules and Regulations shall not be enforced in a manner which is discriminatory to Tenant and shall not impose additional material monetary obligations upon Tenant.

ARTICLE 15 - ALTERATIONS AND SIGNS.

15.01. Tenant shall not make any alterations or additions to the Demised Premises, or make any holes or cuts in the walls, ceilings, roofs, or floors thereof, or change the exterior color or architectural treatment of the Demised Premises, without on each occasion first obtaining the consent of Landlord, which shall not be unreasonably withheld if such alterations are non-structural in nature. Notwithstanding the foregoing, notice only to the Landlord shall be required for alterations that are non-structural in nature and do not involve or affect the mechanical systems of the Demised Premises or Building and having a cost of less than \$50,000.00, provided such notice shall include reasonably sufficient details of the alterations. Tenant shall submit to Landlord plans and specifications for such work at the time Landlord's consent is sought. Except for the initial buildout, Tenant shall pay to Landlord upon demand the reasonable out of pocket cost and expense of Landlord in (a) reviewing said plans and specifications and (b) inspecting the alterations to determine whether the same are being performed in accordance with the approved plans and specifications and all Legal Requirements and Insurance Requirements, including, without limitation, the fees of any architect or engineer employed by Landlord for such purpose. Before proceeding with any permitted alteration which will cost more than \$50,000 (exclusive of the costs of decorating work and items constituting Tenant's Property), as estimated by a reputable contractor designated by Landlord, Tenant shall obtain and deliver to Landlord either (i) a performance bond and a labor and materials payment bond (issued by a corporate surety licensed to do business in New Jersey), each in an amount equal to 100% of such estimated cost and in form satisfactory to Landlord, or (ii) such other reasonable security as shall be satisfactory to Landlord. Tenant shall fully and promptly comply with and observe the Rules and Regulations then in force in respect of the making of alterations. Any review or approval by Landlord of any plans and/or specifications with respect to any alterations is solely for Landlord's benefit, and without any representation or warranty whatsoever to Tenant in respect of the adequacy, correctness or efficiency thereof or otherwise.

15.02. Tenant shall obtain all necessary governmental permits and certificates for the commencement and prosecution of permitted alterations and for final approval thereof upon completion, and shall cause alterations to be

performed in compliance therewith and with all applicable Legal Requirements and Insurance Requirements. Alterations shall be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to the original installations of the Building. Alterations shall be performed only by contractor(s) first approved by Landlord. Notwithstanding the foregoing, Landlord's consent to contractors performing non-structural and non-mechanical alterations shall not be unreasonably withheld or delayed, provided, however, any previous experiences by Landlord or other entities known by Landlord with a contractor or mechanic which Landlord deems, in its reasonable judgement, to have been unsatisfactory (and the reasons for which have been disclosed in writing to Tenant), shall constitute a reasonable basis upon which Landlord may withhold approval. Alterations shall be made in such manner as not to unreasonably interfere with or delay and as not to impose any additional expense upon Landlord in the construction, maintenance, repair or operation of the Building; and if any such additional expense shall be incurred by Landlord as a result of Tenant's making of any alterations, Tenant shall pay any such additional expense upon demand. Throughout the making of alterations, Tenant shall carry, or cause to be carried, worker's compensation insurance in statutory limits and general liability insurance, with completed operation endorsement, for any occurrence in or about the Building, under which Landlord and its managing agent and any Superior Lessor whose name and address shall previously have been furnished to Tenant shall be named as parties insured, in such limits as Landlord may reasonably require, with insurers reasonably satisfactory to Landlord. Tenant shall furnish Landlord with reasonably satisfactory evidence that such insurance is in effect at or before the commencement of alterations and, on request, at reasonable intervals thereafter during the making of alterations.

15.03. Tenant shall not place any signs on the roof, exterior walls or grounds of the Demised Premises without first obtaining Landlord's written consent thereto which not be unreasonably withheld or delayed. In placing any signs on or about the Demised Premises, Tenant shall, at its expense, comply with all applicable Legal Requirements and obtain all required permits and/or licenses. Subject to such approval, Landlord will execute such documentation as is required for any signage application or permit.

ARTICLE 16 - LANDLORD'S AND TENANT'S PROPERTY

16.01. All fixtures, equipment, improvements and appurtenances attached to or built into the Demised Premises at the commencement of or during the Term, whether or not by or at the expense of Tenant, shall be and remain a part of the Demised Premises, shall be deemed to be the property of Landlord and shall not be removed by Tenant, except as provided in Section 16.02 or elsewhere in this Lease. Further, any carpeting or other personal property in the Demised Premises on the Commencement Date, unless installed and paid for by Tenant, shall be and shall remain Landlord's property and shall not be removed by Tenant.

16.02. All movable partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment, whether or not attached to or built into the Demised Premises, which are installed in the Demised Premises by or for the account of Tenant without expense to Landlord and can be removed without structural damage to the Building and all

furniture, furnishings, and other movable personal property owned by Tenant and located in the Demised Premises (collectively, "Tenant's Property") shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term; provided that if any of the Tenant's Property is removed, Tenant shall repair or pay the cost of repairing any damage to the Demised Premises, the Building or the Common Areas resulting from the installation and/or removal thereof.

16.03. At or before the Expiration Date or the date of any earlier termination of this Lease, or within 15 days after such an earlier termination date, Tenant shall remove from the Demised Premises all of the Tenant's Property (except such items as Landlord shall have expressly permitted to remain, which property shall become the property of Landlord if not removed), and Tenant shall repair any damage to the Demised Premises, the Building and the Common Areas resulting from any installation and/or removal of the Tenant's Property. Any items of the Tenant's Property which shall remain in the Demised Premises after the Expiration Date or after a period of 15 days following an earlier termination, may, at Landlord's option, be deemed to have been abandoned, and in such case such items may be retained by Landlord as its property or disposed of by Landlord, without accountability, in such manner as Landlord shall determine at Tenant's expense.

ARTICLE 17 - REPAIRS AND MAINTENANCE

17.01. Tenant shall, throughout the Term, take good care of the Demised Premises, the fixtures and appurtenances therein, and shall not do, suffer, or permit any waste with respect thereto. Tenant shall keep and maintain all interior portions of the Demised Premises including without limitation all building equipment, windows, doors, loading bay doors and shelters, plumbing and electrical systems, heating, ventilating and air conditioning ("HVAC") systems in a clean and orderly condition. Tenant shall, at Landlord's option, keep and maintain in a clean and orderly condition all HVAC systems and any other mechanical or other systems exclusively serving the Demised Premises which are located in whole or in part outside of the Demised Premises (it being understood and agreed that if Landlord shall elect to keep and maintain said systems, then the cost of same shall be included in Operating Expenses). Tenant shall keep and maintain all exterior components of any windows, doors, loading bay doors and shelters serving the Demised Premises in a clean and orderly condition. The phrase "keep and maintain" as used herein includes repairs, replacement and/or restoration as appropriate. Tenant shall not permit or suffer any over-loading of the floors of the Demised Premises. Tenant shall be responsible for all repairs, interior and exterior, structural and nonstructural, ordinary and extraordinary, in and to the Demised Premises, and the Building (including the facilities and systems thereof) and the Common Areas the need for which arises out of (a) the performance or existence of the Tenant's Work or alterations, (b) the installation, use or operation of the Tenant's Property in the Demised Premises, (c) the moving of the Tenant's Property in or out of the Building, or (d) the act, omission, misuse or neglect of Tenant or any of its subtenants or its or their employees, agents, contractors or invitees. Upon request by Landlord, Tenant shall furnish Landlord with true and complete copies of maintenance contracts and with copies of all invoices for work performed, confirming Tenant's compliance with

its obligations under this Article. In the event Tenant fails to furnish such copies, Landlord shall have the right, at Tenant's cost and expense, to conduct such inspections or surveys as may be required to determine whether or not Tenant is in compliance with this Article and to have any work required of Tenant performed at Tenant's cost and expense. Tenant shall promptly replace all scratched, damaged or broken doors and glass in and about the Demised Premises and shall be responsible for all repairs, maintenance and replacement of wall and floor coverings in the Demised Premises and for the repair and maintenance of all sanitary and electrical fixtures and equipment therein. The Tenant shall also arrange for its own cleaning services and rubbish removal. Tenant shall promptly make all repairs in or to the Demised Premises for which Tenant is responsible, and any repairs required to be made by Tenant to the mechanical, electrical, sanitary, heating, ventilating, air-conditioning or other systems of the Building shall be performed only by contractor(s) designated by Landlord, provided the costs for same shall be competitive with other similar contractors. Any other repairs in or to the Building and the facilities and systems thereof for which Tenant is responsible shall be performed by Landlord at Tenant's expense; but in the event the repairs are reasonably estimated to exceed \$50,000.00, Landlord may, at its option, before commencing any such work or at any time thereafter, require Tenant to furnish to Landlord such security, in form (including, without limitation, a bond issued by a corporate surety licensed to do business in New Jersey) and amount, as Landlord shall deem necessary to assure the payment for such work by Tenant.

17.02. Landlord shall make all exterior repairs as well as structural repairs and replacements, including, specifically, the roof and roof membrane and Landlord shall at all times during the term of the Lease maintain and keep in good order and repair the foundation, floor slab, exterior, exterior walls, steel frame, structural portions, gutters, down spouts, and underground utility lines of the Demised Premises and all utility lines serving but outside the Demised Premises, with the exception of utility lines exclusively serving the Demised Premises (except as hereinabove provided in Section 17.01), and the cost thereof shall be included in Operating Expenses, for which Tenant shall pay Tenant's Fraction. Landlord shall keep and maintain the Common Areas and shall procure landscaping and snow removal services for the Building and the cost thereof shall be included in Operating Expenses, for which Tenant shall pay Tenant's Fraction. Landlord shall make all such repairs and replacements without, to the extent practicable, interfering with the conduct of Tenant's business.

17.03. Tenant shall not permit or suffer the overloading of the floors of the Demised Premises beyond 80 pounds per square foot for the office/mezzanine space and 250 pounds per square foot for the warehouse space.

17.04. Except as otherwise expressly provided in this Lease, Landlord shall have no liability to Tenant, nor shall Tenant's covenants and obligations under this Lease be reduced or abated in any manner whatsoever, by reason of any inconvenience, annoyance, interruption or injury to business arising from Landlord's doing any repairs, maintenance, or changes which Landlord is required or permitted by this Lease, or required by Law, to make in or to any portion of the Building.

ARTICLE 18 - UTILITY CHARGES

18.01. Tenant shall pay all charges for gas, water, sewer, electricity, heat or other utility or service supplied to the Demised Premises as measured by meters relating to Tenant's use, and any cost of repair, maintenance, replacement, and reading of any meters measuring Tenant's consumption thereof. Landlord represents that the Demised Premises are separately metered for electric and the meter is in operating condition. If any utilities or services are not separately metered or assessed or are only partially separately metered or assessed and are used in common with other tenants or occupants of the Building, Tenant shall pay to Landlord on demand Tenant's proportionate share of such charges for utilities and/or services, which shall be such charges multiplied by a fraction the numerator of which shall be the Floor Space in the Demised Premises and the denominator of which shall be the Floor Space of all tenants and occupants of the Building using such utilities and/or services. In the event Landlord determines that Tenant's utilization of any such service exceeds the fraction referred to above, Tenant's proportionate share with respect to such service shall, at Landlord's option, mean the percentage of any such service (but not less than the fraction referred to above) which Landlord reasonably estimates as Tenant's utilization thereof, provided, however, that the provisions of this sentence shall not be enforced in a manner which is discriminatory to Tenant and shall be conditioned upon this sentence being included in all leases for the Building. Tenant expressly agrees that Landlord shall not be responsible for the failure of supply to Tenant of any of the aforesaid, or any other utility service. Landlord shall not be responsible for any public or private telephone service to be installed in the space, particularly conduit, if required.

18.02. Tenant's use of electric energy in the Demised Premises shall not at any time exceed the capacity of any of the electrical conductors and equipment in or otherwise serving the Demised Premises. In order to insure that such capacity is not exceeded and to avert possible adverse effect upon the Building's electric service, Tenant shall not, without Landlord's prior consent in each instance (which shall not be unreasonably withheld), connect any fixtures, appliances or equipment to the Building's electric distribution system or make any alteration or addition to the electric system of the Demised Premises existing on the Commencement Date except for standard office equipment and, to the extent expressly approved by Landlord, in connection with the initial buildout of the Demised Premises by Tenant. Should Landlord grant such consent, all additional risers or other equipment required therefor shall be provided by Landlord and the cost thereof shall be paid by Tenant to Landlord on demand.

18.03. Tenant shall have access and the non-exclusive right to use any existing drains, vents, water and sewer waste lines, and the facilities and existing ducts, chimneys, stacks and flues and the like which may, in whole or in part, serve the Demised Premises and be required for Tenant's occupancy of the Demised Premises.

ARTICLE 19 - ACCESS, CHANGES AND NAME

19.01. Except for the space within the inside surfaces of all walls, hung ceilings, floors, windows and doors bounding the Demised Premises, all of the Building, including, without limitation, exterior Building walls, core

corridor walls and doors and any core corridor entrance, any terraces or roofs adjacent to the Demised Premises, and any space in or adjacent to the Demised Premises used for shafts, stacks, pipes, conduits, fan rooms, ducts, electric or other utilities, sinks or other Building facilities and the use thereof, as well as access thereto through the Demised Premises for the purpose of operating, maintenance, decoration and repair, are reserved to Landlord. Landlord also reserves the right, to install, erect, use and maintain pipes, ducts and conduits in and through the Demised Premises, provided such are properly enclosed, and do not interfere with Tenant's business operations.

19.02. Landlord and its agents shall have the right to enter and/or pass through the Demised Premises at any time or times (a) to examine the Demised Premises and to show then to actual and prospective Superior Lessors, Superior Mortgagees, or prospective purchasers of the Building, and (b) to make such repairs in or to the Demised Premises and/or such repairs, alterations, additions and improvements in or to the Building or its facilities and equipment as Landlord is required or desires to make. Landlord shall be allowed to take all materials into and upon the Demised Premises that may be required in connection therewith, without any liability to Tenant and without any reduction of Tenant's obligations hereunder. During the period of twelve (12) months prior to the Expiration Date, Landlord and its agents may exhibit the Demised Premises to prospective tenants.

19.03. If at any time any windows of the Demised Premises are temporarily darkened or obstructed by reason of any repairs, improvements, maintenance and/or cleaning in or about the Building, or if any part of the Building or the Common Areas, other than the Demised Premises, is temporarily or permanently closed or inoperable, the same shall not be deemed a constructive eviction and shall not result in any reduction or diminution of Tenant's obligations under this Lease, provided that same shall not unreasonably interfere with Tenant's business operations or Tenant's ingress from or egress to its Demised Premises.

19.04. If, during the last month of the Term, Tenant has removed all or substantially all of the Tenant's Property from the Demised Premises, Landlord may, without notice to Tenant, immediately enter the Demised Premises and alter, renovate and decorate the same, without liability to Tenant and without reducing or otherwise affecting Tenant's obligations hereunder.

19.05. Except as otherwise stated herein, Landlord reserves the right, at any time and from time to time, to make such changes, alterations, additions and improvements in or to the Building and the fixtures and equipment thereof as Landlord shall deem necessary or desirable.

19.06. Landlord may adopt any name for the Building. Landlord reserves the right to change the name and/or address of the Building at any time.

ARTICLE 20 - MECHANICS' LIENS AND OTHER LIENS

20.01. Nothing contained in this Lease shall be construed to imply any consent of Landlord to subject Landlord's interest or estate to any liability under any mechanic's, construction or other lien law. If any lien or any Notice of Intention (to file a lien), Lis Pendens, or Notice of Unpaid Balance

and Right to File Lien is filed against the Land, the Building, or any part thereof, or the Demised Premises, or any part thereof, for any work, labor, services or materials performed or furnished for or on behalf of Tenant, or anyone holding any part of the Demised Premises through or under Tenant, Tenant shall cause the same to be canceled and discharged of record by payment, bond or order of a court of competent jurisdiction within thirty (30) days after notice by Landlord to Tenant.

ARTICLE 21 - NON-LIABILITY AND INDEMNIFICATION

21.01. Neither Landlord nor any partner, joint venturer, director, officer, agent, servant or employee of Landlord shall be liable to Tenant for any loss, injury or damage to Tenant or to any other Person, or to its or their property, irrespective of the cause of such injury, damage or loss, unless caused by or resulting from the negligence of Landlord, its agents, servants or employees in the operation or maintenance of the Land or Building without contributory negligence on the part of Tenant or any of its subtenants or licensees or its or their employees, agents or contractors. Further, neither Landlord nor any partner, joint venturer, director, officer, agent, servant or employee of Landlord shall be liable (a) for any such damage caused by other tenants or Persons in, upon or about the Land or Building, or caused by operations in construction of any private, public or quasi-public work; or (b) even if negligent, for consequential damages arising out of any loss of use of the Demised Premises or any equipment or facilities therein by Tenant or any Person claiming through or under Tenant.

21.02. Tenant shall indemnify and hold harmless Landlord and all Superior Lessors and its and their respective partners, joint venturers, directors, officers, agents, servants and employees from and against any and all claims arising from or in connection with (a) the conduct or management of the Demised Premises or of any business therein, or any work or thing whatsoever done, or any condition created (other than by Landlord) in the Demised Premises during the Term or during the period of time, if any, prior to the Commencement Date that Tenant may have been given access to the Demised Premises; (b) any act, omission or negligence of Tenant or any of its subtenants or licensees or its or their partners, joint venturers, directors, officers, agents, employees or contractors; (c) any accident, injury or damage whatever (unless caused solely by Landlord's or Landlord's agents or employees negligence) occurring in the Demised Premises; and (d) any breach or default by Tenant in the full and prompt payment and performance of Tenant's obligations under this Lease; together with all costs, expenses and liabilities incurred in or in connection with each such claim or action or proceeding brought thereon, including, without limitation, all attorneys' fees and expenses. In case of any action or proceeding is brought against Landlord and/or any Superior Lessor and/or its or their partners, joint venturers, directors, officers, agents and/or employees by reason of any such claim, Tenant, upon notice from Landlord or such Superior Lessor, shall resist and defend such action or proceeding.

21.03. Notwithstanding any provision to the contrary, Tenant shall look solely to the estate and property of Landlord in and to the Land and Building (or the proceeds received by Landlord on a sale of such estate and property but not the proceeds of any financing or refinancing thereof) in the event of

any claim against Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant or Tenant's use of the Demised Premises or the Common Areas, and Tenant agrees that the liability of Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant or Tenant's use of the Demised Premises or the Common Areas shall be limited to such estate and property of Landlord (or sale proceeds). No other properties or assets of Landlord or any partner, joint venturer, director, officer, agent, servant or employee of Landlord shall be subject to levy, execution or other enforcement procedures for the satisfaction of any judgement (or other judicial process) or for the satisfaction of any other remedy of Tenant arising out of, or in connection with, this Lease, the relationship of Landlord and Tenant or Tenant's use of the Demised Premises or the Common Areas and if Tenant shall acquire a lien on or interest in any other properties or assets by judgment or otherwise, Tenant shall promptly release such lien on or interest in such other properties and assets by executing, acknowledging and delivering to Landlord an instrument to that effect prepared by Landlord's attorneys. Tenant hereby waives the right of specific performance and any other remedy allowed in equity to the extent specific performance or such other remedy could result in any liability of Landlord for the payment of money to Tenant, or to any court or governmental authority (by way of fines or otherwise) in excess of the limitation of liability hereinbefore stated, for Landlord's failure or refusal to observe a judicial decree or determination, or to any third party.

ARTICLE 22 - DAMAGE OR DESTRUCTION

22.01. If the Building or the Demised Premises shall be partially or totally damaged or destroyed by fire or other casualty (and if this Lease shall not be terminated as in this Article 22 hereinafter provided), Landlord shall repair the damage and restore and rebuild the Building and/or the Demised Premises (except for the Tenant's Property) with reasonable dispatch after notice to it of the damage or destruction and the collection of the insurance proceeds attributable to such damage.

22.02. If all or part of the Demised Premises shall be damaged or destroyed or rendered completely or partially untenable on account of fire or other casualty, the Rent shall be abated or reduced, as the case may be, in the proportion that the untenable area of the Demised Premises bears to the total area of the Demised Premises for the period from the date of the damage or destruction to (a) the date the damage to the Demised Premises shall be substantially repaired, or (b) if the Building and not the Demised Premises is so damaged or destroyed, the date on which the Demised Premises shall be made tenantable; provided, however, should Tenant reoccupy a portion of the Demised Premises during the period the repair or restoration work is taking place and prior to the date that the Demised Premises are substantially repaired or made tenantable the Rent allocable to such reoccupied portion, based upon the proportion which the area of the reoccupied portion of the Demised Premises bears to the total area of the Demised Premises, shall be payable by Tenant from the date of such occupancy.

22.03. If (a) the Building or the Demised Premises shall be totally damaged or destroyed by fire or other casualty, or (b) the Building shall be so damaged or destroyed by fire or other casualty (whether or not the Demised

Premises are damaged or destroyed) that its repair or restoration requires the expenditure, as estimated by a reputable contractor or architect designated by Landlord, of more than twenty percent (20%) (or ten percent [10%] if such casualty occurs during the last two [2] years of the Term) of the full insurable value of the Building immediately prior to the casualty, or (c) the Building shall be damaged or destroyed by fire or other casualty (whether or not the Demised Premises are damaged or destroyed) and either the loss shall not be covered by Landlord's insurance or the net insurance proceeds (after deducting all expenses in connection with obtaining such proceeds) shall, in the estimation of a reputable contractor or architect designated by Landlord be insufficient to pay for the repair or restoration work, then in either such case Landlord may terminate this Lease by giving Tenant notice to such effect within ninety (90) days after the date of the fire or other casualty, provided that Landlord terminates the Leases of the other tenants in the Building that are similarly affected by such fire or other casualty.

22.04. Except as provided herein to the contrary, Tenant shall not be entitled to terminate this Lease and no damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Demised Premises or of the Building pursuant to this Article 22. Landlord shall use its best efforts to make such repair or restoration promptly and in such manner as not unreasonably to interfere with Tenant's use and occupancy of the Demised Premises, but Landlord shall not be required to do such repair or restoration work except during Landlord's business hours on business days. In the event the Demised Premises are not substantially restored within eight (8) months of the date of casualty, provided Tenant's grossly negligent or intentional acts were not the cause of such casualty, Tenant shall have the right to terminate this Lease upon fifteen (15) days prior notice to Landlord, within nine (9) months of the date of casualty.

22.05. Omitted.

22.06. Landlord will not carry insurance of any kind on the Tenant's Property, and, except as provided by law or by reason of Landlord's breach of any of its obligations hereunder, shall not be obligated to repair any damage to or replace the Tenant's Property.

22.07. The provisions of this Article 22 shall be deemed an express agreement governing any case of damage or destruction of the Demised Premises and/or Building by fire or other casualty, and any law providing for such a contingency in the absence of an express agreement, now or hereafter in force, shall have no application in such case.

ARTICLE 23 - EMINENT DOMAIN

23.01 If the whole of the Demised Premises shall be taken by any public or quasi-public authority under the power of condemnation, eminent domain or expropriation, or in the event of conveyance of the whole of the Demised Premises in lieu thereof, this Lease shall terminate as of the day possession shall be taken by such authority. If ten (10%) percent or less of the Floor Space of the Demised Premises shall be so taken or conveyed, this Lease shall terminate only in respect of the part so taken or conveyed as of the day

possession shall be taken by such authority. If more than ten (10%) percent of the Floor Space of the Demised Premises shall be so taken or conveyed, this Lease shall terminate only in respect of the part so taken or conveyed as of the day possession shall be taken by such authority, but either party shall have the right to terminate this Lease upon notice given to the other party within 30 days after such taking possession. If more than 25% of the Floor Space of the Building shall be so taken or conveyed, Landlord may, by notice to Tenant, terminate this Lease as of the day possession shall be taken. If so much of the parking facilities shall be so taken or conveyed that the number of parking spaces necessary, in Landlord's judgment, for the continued operation of the Building shall not be available, Landlord shall, by notice to Tenant, terminate this Lease as of the day possession shall be taken, provided Landlord terminates all other tenancies in the Building similarly affected by such condemnation. If this Lease shall continue in effect as to any portion of the Demised Premises not so taken or conveyed, the Rent shall be re-computed as of the day possession shall be taken on the basis of the remaining Floor Space of the Demised Premises. Except as specifically provided herein, in the event of any such taking or conveyance there shall be no reduction in Rent. If this Lease shall continue in effect, Landlord shall, at its expense, but shall be obligated only to the extent of the net award or other compensation (after deducting all expenses in connection with obtaining same) available to Landlord for the improvements taken or conveyed (excluding any award or other compensation for land or for the unexpired portion of the term of any Superior Lease), make all necessary alterations so as to constitute the remaining Building a complete architectural and tenantable unit, except for the Tenant's Property, and Tenant shall make all alterations or replacements to the Tenant's Property and decorations in the Demised Premises. All awards and compensation for any taking or conveyance, whether for the whole or a part of the Land or Building, the Demised Premises or otherwise, shall be the property of Landlord, and Tenant hereby assigns to Landlord all of Tenant's right, title and interest in and to any and all such awards and compensation, including, without limitation, any award or compensation for the value of the unexpired portion of the Term. Tenant shall be entitled to claim, prove and receive in the condemnation proceeding such award or compensation as may be allowed for the Tenant's Property and for loss of business, good will, and depreciation or injury to and cost of removal of the Tenant's Property, but only if such award or compensation shall be made by the condemning authority in addition to, and shall not result in a reduction of, the award or compensation made by it to Landlord.

23.02. If the temporary use or occupancy of all or any part of the Demised Premises shall be taken during the Term, Tenant shall be entitled, except as hereinafter set forth, to receive that portion of the award or payment for such taking which represents compensation for the use and occupancy of the Demised Premises, for the taking of the Tenant's Property and for moving expenses, and Landlord shall be entitled to receive that portion which represents reimbursement for the cost of restoration of the Demised Premises. This Lease shall be and remain unaffected by such taking and Tenant shall continue to be responsible for all of its obligations hereunder insofar as such obligations are not affected by such taking and shall continue to pay the Rent in full when due. If the period of temporary use or occupancy shall extend beyond the Expiration Date, that part of the award or payment which

represents compensation for the use and occupancy of the Demised Premises (or a part thereof) shall be divided between Landlord and Tenant so that Tenant shall receive (except as otherwise provided below) so much thereof as represents compensation for the period up to and including the Expiration Date and Landlord shall receive so much thereof as represents compensation for the period after the Expiration Date. All monies to be paid to Tenant as, or as part of, an award or payment for temporary use and occupancy for a period beyond the date to which the Rent has been paid shall be received, held and applied by the first Superior Mortgagee (or if there is no Superior Mortgagee, by Landlord as a trust fund) for payment of the Rent becoming due hereunder.

ARTICLE 24 - SURRENDER

24.01. On the Expiration Date, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Demised Premises, Tenant shall quit and surrender the Demised Premises to Landlord "broom-clean" and in good order, condition and repair, except for casualty, as elsewhere provided in this Lease, and ordinary wear and tear, and Tenant shall remove all of Tenant's Property therefrom except as otherwise expressly provided in this Lease.

24.02. If Tenant remains in possession of the Demised Premises after the expiration of the Term, Tenant shall be deemed to be occupying the Demised Premises as a tenant from month to month at the sufferance of Landlord subject to all of the provisions of this Lease, except that the monthly Fixed Rent shall be twice the Fixed Rent in effect during the last month of the Term.

24.03. No act or thing done by Landlord or its agents shall be deemed an acceptance of a surrender of the Demised Premises, and no agreement to accept such surrender shall be valid unless in writing and signed by Landlord.

ARTICLE 25 - CONDITIONS OF LIMITATION

25.01. This Lease is subject to the limitation that whenever Tenant or any Guarantor (a) shall make an assignment for the benefit of creditors, or (b) shall commence a voluntary case or have entered against it an order for relief under any chapter of the Federal Bankruptcy Code (Title 11 of the United States Code) or any similar order or decree under any federal or state law, now in existence, or hereafter enacted having the same general purpose, and such order or decree shall have not been stayed or vacated within 30 days after entry, or (c) shall cause, suffer, permit or consent to the appointment of a receiver, trustee, administrator, conservator, sequestrator, liquidator or similar official in any federal, state or foreign judicial or nonjudicial proceeding, to hold, administer and/or liquidate all or substantially all of its assets, and such appointment shall not have been revoked, terminated, stayed or vacated and such official discharged of his duties within 30 days of his appointment, then Landlord, at any time after the occurrence of any such event, may give Tenant a notice of intention to end the Term at the expiration of five (5) days from the date of service of such notice of intention, and upon the expiration of said five (5) day period, whether or not the Term shall theretofore have commenced, this Lease shall terminate with the same effect as if that day were the expiration date of this Lease, but Tenant shall remain liable for damages as provided in Article 27.

25.02. This Lease is subject to the further limitations that: (a) if Tenant shall default in the payment of any Rent for five (5) days following notice, or (b) if Tenant shall, whether by action or inaction, be in default of any of its obligations under this Lease (other than a default in the payment of Rent) and such default shall continue and not be remedied within fifteen (15) days after Landlord shall have given to Tenant a notice specifying the same, or, in the case of a default which cannot with due diligence be cured within a period of fifteen (15) days and the continuance of which for the period required for cure will not subject Landlord or any Superior Lessor to prosecution for a crime (as more particularly described in the last sentence of Section 12.02) or termination of any Superior Lease or foreclosure of any Superior Mortgage, if Tenant shall not, (i) within said fifteen (15) day period advise Landlord of Tenant's intention to take all steps necessary to remedy such default, (ii) duly commence within said fifteen (15) day period, and thereafter diligently prosecute to completion all steps necessary to remedy the default, and (iii) complete such remedy within a reasonable time after the date of said notice by Landlord, or (c) if any event shall occur or any contingency shall arise whereby this Lease would, by operation of law or otherwise, devolve upon or pass to any person, firm or corporation other than Tenant, except as expressly permitted by Article 11, or (d) if Tenant shall vacate or abandon the Demised Premises, then in any of said cases Landlord may give to Tenant a notice of intention to end the Term at the expiration of five (5) days from the date of the service of such notice of intention, and upon the expiration of said five (5) days, whether or not the Term shall theretofore have commenced, this Lease shall terminate with the same effect as if that day were the expiration date of this Lease, but Tenant shall remain liable for damages as provided in Article 27.

ARTICLE 26 - RE-ENTRY BY LANDLORD

26.01. If Tenant shall default in the payment of any Rent, or if this Lease shall terminate as provided in Article 25, Landlord or Landlord's agents and employees may immediately or at any time thereafter re-enter the Demised Premises, or any part thereof, either by summary dispossession proceedings or by any suitable action or proceeding at law without being liable to indictment, prosecution or damages therefor, and may repossess the same, and may remove any Person therefrom, to the end that Landlord may have, hold and enjoy the Demised Premises. The word "re-enter," as used herein, is not restricted to its technical legal meaning. If this Lease is terminated under the provisions of Article 25, or if Landlord shall re-enter the Demised Premises under the provisions of this Article 26, or in the event of the termination of this Lease, or of re-entry, by or under any summary dispossession or other proceedings or action or any provision of law by reason of default hereunder on the part of Tenant, Tenant shall thereupon pay to Landlord the Rent payable up to the time of such termination of this Lease, or of such recovery of possession of the Demised Premises by Landlord, as the case may be, and shall also pay to Landlord damages as provided in Article 27.

26.02. In the event of a breach by Tenant of any of its obligations under this Lease, Landlord shall also have the right of injunction. The special remedies to which Landlord may resort hereunder are cumulative and are not intended to be exclusive of any other remedies to which Landlord may lawfully be entitled at any time and Landlord may invoke any remedy allowed

at law or in equity as if specific remedies were not provided for herein.

26.03. If this Lease shall terminate under the provisions of Article 25, or if Landlord shall re-enter the Demised Premises under the provisions of this Article 26, or in the event of the termination of this Lease, or of re-entry, by or under any summary dispossession or other proceeding or action or any provision of law by reason of default hereunder on the part of Tenant, Landlord shall be entitled to retain all monies, if any, paid by Tenant to Landlord, whether as Advance Rent, security or otherwise, but such monies shall be credited by Landlord against any Rent due from Tenant at the time of such termination or re-entry or, at Landlord's option, against any damages payable by Tenant under Article 27 or pursuant to law.

ARTICLE 27 - DAMAGES

27.01. If this Lease is terminated under the provisions of Article 25 or if Landlord shall re-enter the Demised Premises under the provisions of Article 26, or in the event of the termination of this Lease, or of re-entry, by or under any summary dispossession or other proceeding or action or any provision of law by reason of default hereunder on the part of Tenant, Tenant shall pay as Additional Charges to Landlord, at the election of Landlord, either or any combination of:

(a) omitted.

(b) sums equal to the Fixed Rent and the Additional Charges which would have been payable by Tenant had this Lease not so terminated, or had Landlord not so re-entered the Demised Premises, payable upon the due dates therefor specified herein following such termination or such re-entry and until the Expiration Date, provided, however, that if Landlord shall relet the Demised Premises during said period, Landlord shall credit Tenant with the net rents received by Landlord from such reletting, such net rents to be determined by first deducting from the gross rents as and when received by Landlord from such reletting the expenses incurred or paid by Landlord in terminating this Lease or in re-entering the Demised Premises and in securing possession thereof, as well as the expenses of reletting, including, without limitation, altering and preparing the Demised Premises for new tenants, brokers' commissions, legal fees, and all other expenses properly chargeable against the Demised Premises and the rental therefrom, it being understood that any such reletting may be for a period shorter or longer than the period ending on the Expiration Date; but in no event shall Tenant be entitled to receive any excess of such net rents over the sums payable by Tenant to Landlord hereunder, nor shall Tenant be entitled in any suit for the collection of damages pursuant to this subdivision (b) to a credit in respect of any rents from a reletting, except to the extent that such net rents are actually received by Landlord. If the Demised Premises or any part thereof should be relet in combination with other space, then proper apportionment on a square foot basis shall be made of the rent received from such reletting and of the expenses of reletting; or

(c) a sum which at the time of such termination of this Lease or

at the time of any such re-entry by Landlord, as the case may be, represents the aggregate amount of the Rent which would have been payable by Tenant (conclusively presuming the average monthly Additional Charges to be the same as were the average monthly Additional Charges payable for the year, or if less than 365 days have then elapsed since the Commencement Date, the partial year, immediately preceding such termination or re-entry) for the period commencing with such earlier termination of this Lease or the date of any such re-entry, as the case may be, and ending with the Expiration Date; provided, however, that if Landlord shall relet the Demised Premises during said period, Landlord shall credit Tenant with the net rents received by Landlord from such reletting, such net rents to be determined by first deducting from the gross rents as and when received by Landlord from such reletting the expenses incurred or paid by Landlord in terminating this Lease or in re-entering the Demised Premises and in securing possession thereof, as well as the expenses of reletting, including, without limitation, altering and preparing the Demised Premises for new tenants, brokers' commissions, legal fees, and all other expenses properly chargeable against the Demised Premises and the rental therefrom, it being understood that any such reletting may be for a period shorter or longer than the period ending on the Expiration Date; but in no event shall Landlord have to account to Tenant for any rents in excess of the total damages recovered by Landlord hereunder, nor shall Tenant be entitled in any suit for the collection of damages pursuant to this subdivision (c) to a credit in respect of any rents from a reletting, except to the extent that such net rents are actually received by Landlord. If the Demised Premises or any part thereof should be relet in combination with other space, then proper apportionment on a square foot basis shall be made of the rent received from such reletting and of the expenses of reletting.

If the Demised Premises or any part thereof be relet by Landlord before presentation of proof of such damages to any court, commission or tribunal, the amount of rent reserved upon such reletting shall, prima facie, be the fair and reasonable rental value for the Demised Premises, or part thereof, so relet during the term of the reletting. Landlord shall not be liable in any way whatsoever for its failure or refusal to relet the Demised Premises or any part thereof, or if the Demised Premises or any part thereof are relet, for its failure to collect the rent under such reletting, and no such refusal or failure to relet or failure to collect rent shall release or affect Tenant's liability for damages or otherwise under this Lease.

27.02. Suit or suits for the recovery of such damages or, any installments thereof, may be brought by Landlord at any time and from time to time at its election, and nothing contained herein shall be deemed to require Landlord to postpone suit until the date when the Term would have expired if it had not been so terminated under the provisions of Article 25, or under any provision of law, or had Landlord not re-entered the Demised Premises. Nothing herein contained shall be construed to limit or preclude recovery by Landlord against Tenant of any sums or damages to which, in addition to the damages particularly provided above, Landlord may lawfully be entitled by reason of any default hereunder on the part of Tenant. Nothing herein

contained shall be construed to limit or prejudice the right of Landlord to prove for and obtain as damages by reason of the termination of this Lease or re-entry of the Demised Premises for the default of Tenant under this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time, whether or not such amount be greater than, equal to, or less than any of the sums referred to in Section 27.01.

27.03. In addition, if this Lease is terminated under the provisions of Article 25, or if Landlord shall re-enter the Demised Premises under the provisions of Article 26, Tenant covenants that: (a) the Demised Premises then shall be in the same condition as that in which Tenant has agreed to surrender the same to Landlord at the Expiration Date; (b) Tenant shall have performed prior to any such termination any obligation of Tenant contained in this Lease for the making of any alteration or for restoring or rebuilding the Demised Premises or the Building, or any part thereof; and (c) for the breach of any covenant of Tenant set forth above in this Section 27.03, Landlord shall be entitled immediately, without notice or other action by Landlord, to recover, and Tenant shall pay, as and for liquidated damages therefor, the cost of performing such covenant (as estimated by an independent contractor selected by Landlord).

27.04. In addition to any other remedies Landlord may have under this Lease, and without reducing or adversely affecting any of Landlord's rights and remedies under this Article 27, if any Rent or damages payable hereunder by Tenant to Landlord are not paid upon demand therefor, the same shall bear interest at the Late Payment Rate or the maximum rate permitted by law, whichever is less, from the due date thereof until paid, and the amounts of such interest shall be Additional Charges hereunder.

27.05. In the event of Tenant's default under this Lease and Landlord's re-entry and recovery or possession of the Demised Premises, Landlord shall use commercially reasonable efforts to mitigate Landlord's damages by reletting of the Demised Premises. The net proceeds of any such reletting received by Landlord shall be credited against Tenant's then-outstanding obligations under this Lease. As used herein, "net proceeds" shall mean the full amount of rent and other similar charges paid to Landlord by all succeeding tenants of all or any portion of the Demised Premises less Landlord's actual expenses of reletting the Demised Premises (including, but not limited to expenses or work done to the Demised Premises in connection with such reletting, broker's fees and attorneys' fees). Nothing contained herein shall require Landlord to relet the Demised Premises prior to or with any preference over the leasing of any other similar premises of Landlord or any affiliate of Landlord, nor shall any rental of such other premises reduce the damages which Landlord would be entitled to recover from Tenant.

ARTICLE 28 - AFFIRMATIVE WAIVERS

28.01. Tenant, on behalf of itself and any and all persons claiming through or under Tenant, does hereby waive and surrender all right and privilege which it, they or any of them might have under or by reason of any present or future law, to redeem the Demised Premises or to have a continuance of this Lease after being dispossessed or ejected from the Demised Premises by process of law or under the terms of this Lease or after the termination

of this Lease as provided in this Lease.

28.02. Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either against the other on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, and Tenant's use or occupancy of the Demised Premises and use of the Common Area, including, without limitation, any claim of injury or damage, and any emergency and other statutory remedy with respect thereto. Except for mandatory counterclaims, Tenant shall not interpose any counterclaim of any kind in any action or proceeding commenced by Landlord to recover possession of the Demised Premises.

ARTICLE 29 - NO WAIVERS

29.01. The failure of either party to insist in any one or more instances upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such election, but the same shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt by Landlord of Fixed Rent or Additional Charges with knowledge of breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach.

ARTICLE 30 - CURING TENANT'S DEFAULTS

30.01. If Tenant shall default in the performance of any of Tenant's obligations under this Lease, Landlord, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of Tenant, without notice in a case of emergency, and in any other case only if such default continues after the expiration of fifteen (15) days from the date Landlord gives Tenant notice of the default. Bills for any expenses incurred by Landlord in connection with any such performance by it for the account of Tenant, and bills for all costs, expenses and disbursements of every kind and nature whatsoever, including reasonable attorneys' fees and expenses, involved in collecting or endeavoring to collect the Rent or any part thereof or enforcing or endeavoring to enforce any rights against Tenant or Tenant's obligations hereunder, under or in connection with this Lease or pursuant to law, including any such cost, expense and disbursement involved in instituting and prosecuting summary proceedings or in recovering possession of the Demised Premises after default by Tenant or upon the expiration of the Term or sooner termination of this Lease, and interest on all sums advanced by Landlord under this Article at the Late Payment Rate or the maximum rate permitted by law, whichever is less, may be sent by Landlord to Tenant monthly, or immediately, at Landlord's option, and such amounts shall be due and payable in accordance with the terms of such bills.

30.02. If Landlord shall default in the performance of Landlord's obligations under this Lease, Tenant, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of Landlord, without notice in a case of emergency, and in any other case only if such default continues after the expiration of thirty (30) days from the date Tenant gives Landlord notice of the default. Bills for any expenses actually and reasonably incurred by Tenant in connection with any

such performance by it for the account of Landlord, may be sent by Tenant to Landlord monthly, or immediately, at Tenant's option, and such amounts shall be due and payable in accordance with the terms of such bills; but in no event shall any such bill be due and payable less than thirty (30) days from the date of such bills. Nothing contained in this Section 30.02 shall be construed to allow or permit Tenant to deduct or offset or reduce any amounts due against any Rent due Landlord under this Lease.

ARTICLE 31 - BROKER

31.01. Tenant and Landlord represent that no broker except the Broker was instrumental in bringing about or consummating this Lease and that each party has had no conversations or negotiations with any broker except the Broker concerning the leasing of the Demised Premises to the Tenant. Each party agrees to indemnify and hold harmless the other party against and from any claims for any brokerage commissions and all costs, expenses and liabilities in connection therewith, including, without limitation, attorneys' fees and expenses, arising out of any conversations or negotiations had with any broker other than the Broker in connection with any misrepresentation hereunder. Landlord shall pay any brokerage commissions due the Broker pursuant to a separate agreement between Landlord and the Broker.

ARTICLE 32 - NOTICES

32.01. Any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this Lease or pursuant to any applicable Legal Requirement, shall be in writing and shall be deemed to have been properly given, rendered or made only if hand delivered or sent by United States registered or certified mail, return receipt requested, addressed to the other party at the address hereinabove set forth (except that after the Commencement Date, Tenant's address, unless Tenant shall give notice to the contrary, shall be the Building with a copy to Seltzer Sussman & Habermann, 469 Seventh Avenue, New York, NY 10018, Attention: Glenn I. Habermann, Esq.) as to Landlord, to the attention of General Counsel with a concurrent notice to the attention of Controller, and shall be deemed to have been given, rendered or made on the second day after the day so mailed, unless mailed outside the State of New Jersey, in which case it shall be deemed to have been given, rendered or made on the third business day after the day so mailed. Either party may, by notice as aforesaid, designate a different address or addresses for notices, statements, demands, consents, approvals or other communications intended for it. In addition, upon and to the extent requested by Landlord, copies of notices shall be sent to the Superior Mortgagee.

ARTICLE 33 - ESTOPPEL CERTIFICATES

33.01. Each party shall, at any time and from time to time, as requested by the other party, upon not less than ten (10) business days' prior notice, execute and deliver to the requesting party a statement certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), certifying the dates to which the Fixed Rent and Additional Charges have been paid, stating whether or not, to the best knowledge of the party giving the statement, the requesting party is in default in performance of any of its obligations under this Lease, and, if so,

specifying each such default of which the party giving the statement shall have knowledge, and stating whether or not, to the best knowledge of the party giving the statement, any event has occurred which with the giving of notice or passage of time, or both, would constitute such a default of the requesting party, and, if so, specifying each such event; any such statement delivered pursuant hereto shall be deemed a representation and warranty to be relied upon by the party requesting the certificate and by others with whom such party may be dealing, regardless of independent investigation. Tenant and Landlord also shall include in any such statement such other information concerning this Lease as the requesting party may reasonably request.

ARTICLE 34 - ARBITRATION

34.01. Landlord may at any time request arbitration, and Tenant may at any time when not in default in the payment of any Rent request arbitration, of any matter in dispute but only where arbitration is expressly provided for in this Lease. The party requesting arbitration shall do so by giving notice to that effect to the other party, specifying in said notice the nature of the dispute, and said dispute shall be determined in Newark, New Jersey, by a single arbitrator, in accordance with the rules then obtaining of the American Arbitration Association (or any organization which is the successor thereto). The award in such arbitration may be enforced on the application of either party by the order or judgment of a court of competent jurisdiction. The fees and expenses of any arbitration shall be borne by the parties equally, but each party shall bear the expense of its own attorneys and experts and the additional expenses of presenting its own proof. If Tenant gives notice requesting arbitration as provided in this Article, Tenant shall simultaneously serve a duplicate of the notice on each Superior Mortgagee and Superior Lessor whose name and address shall previously have been furnished to Tenant, and such Superior Mortgagees and Superior Lessor shall have the right to participate in such arbitration.

ARTICLE 35 - MEMORANDUM OF LEASE

35.01. Tenant shall not record this Lease. However, at the request of Landlord or Tenant, the other party shall promptly execute, acknowledge and deliver to the requesting party a memorandum of lease in respect of this Lease sufficient for recording. Such memorandum shall not be deemed to change or otherwise affect any of the obligations or provisions of this Lease. Whichever party requests such memorandum of Lease shall pay all recording costs and expenses, including any taxes that are due upon such recording.

ARTICLE 36 - MISCELLANEOUS

36.01. Tenant expressly acknowledges and agrees that Landlord has not made and is not making, and Tenant, in executing and delivering this Lease, is not relying upon, any warranties, representations, promises or statements, except to the extent that the same are expressly set forth in this Lease or in any other written agreement(s) which may be made between the parties concurrently with the execution and delivery of this Lease. All understandings and agreements heretofore had between the parties are merged in this Lease and any other written agreement(s) made concurrently herewith, which alone fully and completely express the agreement of the parties and which are entered into after full investigation. Neither party has relied upon any statement or representation not embodied in this Lease or in any

other written agreement(s) made concurrently herewith. The submission of this Lease to Tenant does not constitute by Landlord a reservation of, or an option to Tenant for, the Demised Premises, or an offer to lease on the terms set forth herein and this Lease shall become effective as a lease agreement only upon execution and delivery thereof by Landlord and Tenant.

36.02. No agreement shall be effective to change, modify, waive, release, discharge, terminate or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing, refers expressly to this Lease and is signed by the party against whom enforcement of the change, modification, waiver, release, discharge, termination or effectuation of abandonment is sought.

36.03. Omitted.

36.04. Except as otherwise expressly provided in this Lease, the obligations under this Lease shall bind and benefit the successors and assigns of the parties hereto with the same effect as if mentioned in each instance where a party is named or referred to; provided, however, that (a) no violation of the provisions of Article 11 shall operate to vest any rights in any successor or assignee of Tenant and (b) the provisions of this Section 39.04 shall not be construed as modifying the conditions of limitation contained in Article 25.

36.05. Except for Tenant's obligations to pay Rent, the time for Landlord or Tenant, as the case may be, to perform any of its respective obligations hereunder shall be extended if and to the extent that the performance thereof shall be prevented due to any Unavoidable Delay. Except as expressly provided to the contrary, the obligations of Tenant hereunder shall not be affected, impaired or excused, nor shall Landlord have any liability whatsoever to Tenant, (a) because Landlord is unable to fulfill, or is delayed in fulfilling, any of its obligations under this Lease due to any of the matters set forth in the first sentence of this Section 36.05, or (b) because of any failure or defect in the supply, quality or character of electricity, water or any other utility or service furnished to the Demised Premises for any reason beyond Landlord's reasonable control.

36.06. Any liability for payments hereunder (including, without limitation, Additional Charges) shall survive the expiration of the Term or earlier termination of this Lease.

36.07. If Tenant shall request Landlord's consent and Landlord shall fail or refuse to give such consent, Tenant shall not be entitled to any damages for any withholding by Landlord of its consent; Tenant's sole remedy shall be an action for specific performance or injunction, and such remedy shall be available only in those cases where Landlord has expressly agreed in writing not to unreasonably withhold or delay its consent or where as a matter of law Landlord may not unreasonably withhold its consent. In the event Tenant prevails in such action for specific performance or injunction, Landlord shall pay Tenant's reasonable legal fees actually incurred for same.

36.08. If an excavation shall be made upon land adjacent to or under the Building, or shall be authorized to be made, Tenant shall afford to the Person causing or authorized to cause such excavation, license to enter the Demised Premises for the purpose of performing such work as said Person shall reasonably deem necessary or desirable to preserve and protect the Building from injury or damage and to support the same by proper foundations, without any claim for damages or liability against Landlord and without reducing or otherwise affecting Tenant's obligations under this Lease.

36.09. Tenant shall not exercise its rights under Article 15 or any other provision of this Lease in a manner which would violate Landlord's union contracts or create any work stoppage, picketing, labor disruption or dispute or any interference with the business of Landlord or any tenant or occupant of the Building.

36.10. Tenant shall give prompt notice to Landlord of (a) any occurrence in or about the Demised Premises for which Landlord might be liable, (b) any fire or other casualty in the Demised Premises, (c) any damage to or defect in the Demised Premises, including the fixtures and equipment thereof, for the repair of which Landlord might be responsible, and (d) any damage to or defect in any part of the Building's sanitary, electrical, heating, ventilating, air-conditioning, elevator or other systems located in or passing through the Demised Premises or any part thereof.

36.11. This Lease shall be governed by and construed in accordance with the laws of the State of New Jersey. Tenant hereby irrevocably agrees that any legal action or proceeding arising out of or relating to this Lease may be brought in the Courts of the State of New Jersey, or the Federal District Court for the District of New Jersey, as Landlord may elect. By execution and delivery of this Lease, Tenant hereby irrevocably accepts and submits generally and unconditionally for itself and with respect to its properties, to the jurisdiction of any such court in any such action or proceeding, and hereby waives in the case of any such action or proceeding brought in the courts of the State of New Jersey, or Federal District Court for the District of New Jersey, any defenses based on jurisdiction, venue or forum non conveniens. If any provision of this Lease shall be invalid or unenforceable, the remainder of this Lease shall not be affected and shall be enforced to the extent permitted by law. The table of contents, captions, headings and titles in this Lease are solely for convenience of reference and shall not affect its interpretation. This Lease shall be construed without regard to any presumption or other rule requiring construction against the party causing this Lease to be drafted. If any words or phrases in this Lease shall have been stricken out or otherwise eliminated, whether or not any other words or phrases have been added, this Lease shall be construed as if the words or phrases so stricken out or otherwise eliminated were never included in this Lease and no implication or inference shall be drawn from the fact that said words or phrases were so stricken out or otherwise eliminated. Each covenant, agreement, obligation or other provision of this Lease on Tenant's part to be performed, shall be deemed and construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. All terms and words used in this Lease, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other

gender as the context may require. Wherever in this Lease or by law Landlord is authorized to charge or recover costs and expenses for legal services or attorneys' fees, same shall include, without limitation, the costs and expenses for in-house or staff legal counsel or outside counsel at rates not to exceed the reasonable and customary charges for any such services as would be imposed in an arms length third party agreement for such services. If any provision of this Lease, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Lease and the application of such provision to all other persons and circumstances shall not be affected and shall be valid and enforceable to the fullest extent of the law.

36.12. Upon request, but not more often than once per calendar year, Tenant shall furnish to Landlord a copy of its then current audited financial statement which shall be employed by Landlord for purposes of financing the Premises and not distributed otherwise without prior authorization of Tenant.

36.13. At least ninety (90) days prior to Tenant's termination of its lease, and any extensions thereof, Tenant agrees to seek a determination from the New Jersey Department of Environmental Protection and Energy ("NJDEPE") in the form of a Letter of Non-applicability ("LNA"), that the New Jersey Industrial Recovery Act, N.J.S.A. 13:1K-6 et seq. ("ISRA"), is inapplicable to the Tenant's cessation of operations and termination of its lease. In the event that the Tenant obtains an LNA from the NJDEPE pursuant to this subsection, Landlord agrees to accept an LNA in full and complete satisfaction of the obligations of this subsection. Tenant represents, warrants, and covenants that any information contained in any application for an LNA submitted pursuant to this subsection is true and complete. Tenant represents that the Standard Industrial Classification (SIC) number applicable to Tenant's operations would not subject this transaction to the requirements of ISRA.

(ii) In the event that an LNA is denied by NJDEPE, notice of such denial will be given to Landlord within two (2) business days of Tenant's receipt of NJDEPE's denial of the LNA. Tenant shall satisfy its obligations under ISRA prior to its lease termination date: (1) by securing an approval of the Tenant's Negative Declaration; or (2) by securing an approval of the Tenant's Remedial Action Workplan, and completing the implementation of such Plan, and obtaining from NJDEPE a "No Further Action" letter. Tenant shall bear sole responsibility for any investigation and cleanup costs, fees, penalties, or damages associated with ISRA compliance. In the event that Tenant is unable to complete the its ISRA compliance obligations by the date of its lease termination, Landlord shall continue to provide Tenant with reasonable access to the Demised Premises, provided that any work undertaken by Tenant shall be performed in such a manner as to minimize interference with Landlord's or any other tenant's use of the Demised Premises. However, Landlord reserves its rights to deem Tenant a holdover tenant in the event that Tenant's ISRA compliance unreasonably restricts the Landlord's use of the Demised Premises.

(iii) Tenant shall provide Landlord with copies of all correspondence, documents and reports, including sampling results submitted to or received from any governmental agency or third party in connection with Tenant's compliance with ISRA.


IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

Landlord:

BY: HARTZ MOUNTAIN METROPOLITAN
HARTZ MOUNTAIN INDUSTRIES, INC.

[Corporate Seal]

BY:

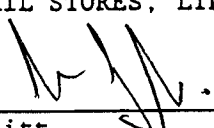

Isaac A. Horowitz Emanuel Stern
Executive Vice President

Tenant:

ASHLEY RETAIL STORES, LTD.

[Corporate Seal]

BY:


Joseph J. Sitt
President

RIDER TO LEASE DATED AUGUST 1, 1995, BETWEEN HARTZ MOUNTAIN METROPOLITAN, AS LANDLORD, AND ASHLEY RETAIL STORES, LTD., AS TENANT.

R1. If any of the provisions of this Rider shall conflict with any of the provisions, printed or typewritten, of this Lease, such conflict shall resolve in every instance in favor of the provisions of this Rider.

R2. Provided Tenant is in compliance with all of the terms and conditions contained herein, after written notice and opportunity to cure, to the extent herein provided, Tenant shall have one (1) option to extend the Term of its lease of the Demised Premises, from the date upon which this Lease would otherwise expire for one (1) extended period of five (5) years (herein referred to as the "Extended Period", upon the following terms and conditions:

1. If Tenant elects to exercise said option, it shall do so by giving notice of such election to Landlord on or before the date which is twelve (12) months before the beginning of the Extended Period for which the Term is to be extended by the exercise of such option. Tenant agrees that it shall have forever waived its right to exercise any such option if it shall fail for any reason whatsoever to give such notice to Landlord by the time provided herein for the giving of such notice, whether such failure is inadvertent or intentional, time being of the essence as to the exercise of each such option.

2. If Tenant elects to exercise said option, the Term shall be automatically extended for the Extended Period covered by the option so exercised without execution of an extension or renewal lease. Within ten (10) days after request of either party following the effective exercise of any such option, however, Landlord and Tenant shall execute, acknowledge and deliver to each other duplicate originals of an instrument in recordable form confirming that such option was effectively exercised.

3. The Extended Period shall be upon the same terms and conditions as are in effect immediately preceding the commencement of such Extended Period; provided, however, that Tenant shall have no right or option to extend the Term for any period of time beyond the expiration of the Extended Period and, provided further, that in the Extended Period the Fixed Rent shall be at Fair Market Value ("FMV"). Fair Market Value shall be determined by mutual agreement of the parties. If the parties are unable to agree on the Fair Market Value, the parties shall choose a licensed real Estate Appraiser who shall determine the Fair Market Value. The cost of said Real Estate Appraiser shall be borne equally by the parties. If the parties are unable to agree on a licensed Real Estate Appraiser, each party shall select one Appraiser to appraise the Fair Market Value. If the difference between the two appraisals is 20% or less of the lower appraisal then the Fair Market Value shall be the average of the two appraisals. If the difference between the two appraisals is greater than 20% of the lower appraisal, the two Appraisers shall select a third licensed Real Estate Appraiser to appraise the Fair Market Value. The Fair Market Value shall in such case be the average of the three appraisals. The cost of the third appraisal shall be borne equally by the parties. Anything to the contrary contained herein notwithstanding, the fixed rent for

the Extended Period shall not be less than Six and 00/100 (\$6.00) per square foot per annum.

4. Any termination, expiration, cancellation or surrender of this Lease shall terminate any right or option for the Extended Period.

5. Omitted.

6. The option provided herein to extend the Term of the Lease may not be severed from the Lease or separately sold, separately assigned or otherwise separately transferred.

R3. Provided Tenant is not in default of its obligations under this Lease after written notice and opportunity to cure to the extent provided herein, Tenant shall be entitled to a buildout allowance of (a) Two Hundred Thousand Fifty Thousand and 00/100 Dollars (\$250,000.00) less (b) the cost of Landlord's Work (not to exceed the aggregate sum of \$55,000.00, and such cost to be verified by copies of paid bills and invoices therefor) (the "Tenant Buildout Allowance"), which Tenant Buildout Allowance shall be paid to Tenant upon payment of the first month's Fixed Rent following occupancy, provided Tenant has submitted to Landlord invoices demonstrating that Tenant has expended such sums on the buildout of the Demised Premises (exclusive of costs for Tenant's furniture, trade fixtures, equipment and/or inventory) (the "Permitted Buildout Items") and delivers to Landlord lien waivers from its contractors and materialpersons; provided, however, that in no event shall the Tenant Buildout Allowance exceed the invoices submitted for Permitted Buildout Items. In clarification of the foregoing, the Permitted Buildout Items shall include structural and mechanical work, electrical fixturing, painting, wallpapering or similar wall covering, built-in cabinets and shelving, movable office partitions (with the understanding that they will remain at the Demised Premises after the expiration of this Lease) and permanent office partitions; and the Permitted Buildout Items shall exclude removable wall cabinets. Subject to Tenant's compliance with the foregoing conditions, in the event Landlord fails to make such payment within twenty (20) days after demand therefor, such sum may be applied as a credit against Rent payable under the Lease, together with interest thereon at the per annum rate equal to the Prime Rate of The Bank of New York.

R4. Subject to Unavoidable Delays, Landlord agrees to make the Demised Premises Ready for Occupancy on or before seventy five (75) days following the date hereof. Fixed Rent shall be abated until the later to occur of (x) November 1, 1995; or (y) thirty (30) days following the Commencement Date (the "Fixed Rent Commencement Date"). In the event the Demised Premises are Ready for Occupancy prior to October 1, 1995, Landlord shall deliver possession to Tenant and the Commencement Date shall occur at such time, provided, however, that Fixed Rent shall be abated until November 1, 1995 and Real Estate Taxes shall be abated until October 1, 1995. Landlord shall not deliver possession of the Demised Premises and the Commencement Date shall not occur between October 2, 1995 and November 30, 1995, provided, however that this provision shall be null and void if Tenant fails to execute and deliver to Landlord this Lease and the Advance Rent on or before August 1, 1995, and the required portion of the Security Deposit on or before August 3, 1995, and provided

Tenant shall not interfere in any way with the performance of Landlord's Work.

R5. Tenant shall have the exclusive right to utilize 46 reserved parking spaces, as noted on the parking plan attached hereto as Exhibit E; provided, however, that Tenant shall be responsible for designating and policing the exclusive use of same.

R6(a). Landlord represents to Tenant that, to the best of its knowledge, the Demised Premises do not violate Legal Requirements relating to asbestos containing materials, and there are two fuel oil underground storage tanks ("USTs") on or under the Land. Landlord further agrees that it shall indemnify and save Tenant harmless from and against all claims, loss, damage, liability and expense which the Tenant may sustain as a result of a breach of the foregoing representations or on account of non-compliance of the Demised Premises with Environmental Laws as a result of violations existing on the Demised Premises (a) prior to the Commencement Date and/or (b) which were caused by Landlord, or its agents or employees after the Commencement Date (except to the extent caused by Tenant, or its agents or employees). Environmental Laws are defined as laws, statutes, ordinances or regulations relating to the discharge of "Hazardous Substances", as defined under New Jersey law [N.J.A.C. 7:1E-1.7], into the air, water, lands or groundwaters of the State of New Jersey, or the United States of America.

(b). Tenant shall not be responsible for the costs for the removal or upgrading of the Underground Storage Tank(s) which shall be performed at Landlord's sole cost and expense, except as hereinafter provided, nor shall Tenant be responsible for costs of any leak from such USTs, unless resulting from the negligent or willful acts of Tenant or its agents or employees; however, in the event the heating system is converted (by Landlord at its sole option) to a gas supplied system, the cost of such conversion, exclusive of any tank removal costs, as stated above, shall be amortized over their useful life and invoiced to Tenant (in the manner provided in Article 1.01.KK for capital expenditure items). Notwithstanding the foregoing, Tenant shall not be invoiced more than an aggregate of \$150,000 over the Term of the Lease for such heating system conversion.

R7. Landlord represents, upon which representation Tenant has relied in the execution of this Lease, that (i) Landlord has full right and lawful authority to execute this Lease for the term, in the manner and upon the conditions and provisions herein contained, and that all consent to same have been obtained, and (ii) to the best of Landlord's knowledge, there is no default existing under any agreement to which this Lease is subject. As of the date hereof, Landlord represents to Tenant that it is the fee owner of the Building and that there are no existing mortgages which are a lien against the Building, or ground or underlying leases affecting the Demised Premises other than a mortgage given to Principal Mutual Life Insurance Company dated July 30, 1993 and a Severance Lease between First Pennsylvania Bank N.A. and Hartz Mountain Metropolitan dated April 20, 1977, and (iii) the current zoning ordinance permits use of the Demised Premises in accordance with the Permitted Uses, as hereinbefore defined.

R8. Notwithstanding the provisions of Article 12, it is agreed that if

there are any violations for which Landlord has received written notice prior to the delivery of possession by any governmental department, agency or bureau having jurisdiction as to conditions affecting the Demised Premises, Tenant shall not be responsible for the cost of the removal of such violations. In the event (a) the existence of such pre-Commencement Date violations for which Landlord has received notice prevents Tenant from performing its buildout or conducting business in the Demised Premises, or (b) elements of the Landlord's Work are performed in violation of Legal Requirements and are the proximate cause for Tenant's inability to obtain its certificate of occupancy, then the Rent shall be abated until the earlier to occur of the removal of such violations(s) or until such violations(s) no longer prevent Tenant from performing its buildout or conducting business in the Demised Premises, or in the case of (b) above, until such elements of Landlord's Work are corrected and/or completed such that they are not the proximate cause of Tenant's inability to obtain its certificate of occupancy.

R9. Landlord shall use reasonable efforts when making any repairs, additions or alterations in, about or affecting the Demised Premises or adjoining premises so as to minimize interference with Tenant's business, and to the extent access to the Demised Premises is required, to perform same during reasonable business hours. All new pipes required by law to be placed in the Demised Premises that are not within the walls or above the ceiling shall be boxed in by Landlord.

R10. Landlord agrees that, at Tenant's sole cost and expense, it shall fully and promptly cooperate with Tenant and shall execute all forms, applications, affidavits and permits that Tenant shall reasonably request Landlord to sign in order that Tenant may operate its business at the Demised Premises as it intends in accordance with the provisions of this Lease.

R11. In lieu of blocking up the three warehouse openings noted on Exhibit A prior to the Commencement Date, Landlord may at any time and at Landlord's sole discretion (but shall not be obligated to) block up all or any portions of such openings; and within ten days of receipt of reasonably detailed invoices therefor, Tenant shall pay the full cost and expense of same to Landlord as an Additional Charge hereunder.

R12. Amending Article 1.01 H. but without limiting any other provisions of the Lease, provided Tenant submits evidence of the insurance required in Article 13.02 and provided further that there shall be no interference whatsoever with Landlord's performance of the Landlord's Work, Tenant shall be permitted to occupy the office portion of the Demised Premises prior to the Commencement Date.

R13(a). Amending Article 1.01 FF., the initial \$100,000 Security Deposit shall be increased by the difference between (a) the sum of the Tenant Buildout Allowance plus the cost of the Landlord's Work, and (b) \$100,000. The increase in the Security Deposit shall be delivered to Landlord not later than thirty days following the Commencement Date, but in any event prior to Landlord's delivery to Tenant of the Tenant Buildout Allowance.

(b). Provided Tenant is not then in default beyond any applicable

notice and/or cure periods, on each of the first five anniversaries of the Fixed Rent Commencement Date, the Security Deposit may be reduced by twenty percent of the difference between (a) the Security Deposit existing on the day following the increase in the Security Deposit pursuant to 13(a) above, and (b) \$78,000. Subject to the foregoing, the Security Deposit shall remain at \$78,000 from the fifth anniversary of the Fixed Rent Commencement Date until the end of the Term.

R14 . Tenant shall have the right, subject to compliance by Tenant with all Legal Requirements, to operate a warehouse outlet store in a portion of the Demised Premises containing not more than 6,000 square feet of Floor Space (hereinafter referred to as the "Retail Premises"). In the event Tenant operates such outlet store, Tenant shall pay to Landlord, in addition to the Fixed Rent, a "Percentage Rent" (as hereinafter provided):

- a. Percentage Rent: The amount for any period computed in accordance with the provisions of Paragraph f. hereof.
- b. Percentage Rent Rate: Four (4%) percent.
- c. Calendar Quarter: Any three-month period commencing on either a January 1, an April 1, a July 1 or an October 1.
- d. Gross Sales: The dollar aggregate of: (a) the actual sales price of all goods and merchandise sold, leased or licensed and the charges for all services performed by Tenant or otherwise in connection with all business conducted at or from the Retail Premises, whether made for cash, by check, credit or otherwise, without reserve or deduction for inability or failure to collect the same, including, without limitation, sales and services (i) where the orders therefor originate at or are accepted at or from the Retail Premises, whether delivery or performance thereof is made at or from the Retail Premises or any other place, it being understood that all sales made and orders received at or from the Retail Premises shall be deemed to have been made and completed therein even though the orders are fulfilled elsewhere or the payments of account are transferred to some other office for collection, (ii) where the orders therefor result from solicitation off the Retail Premises but which are conducted by personnel operating from or reporting to or under the control or supervision of any person at the Retail Premises, other than orders derived from retail stores operated by affiliated entities of Tenant, (iii) pursuant to mail, telegraph, telephone or other similar orders received at the Retail Premises, other than orders derived from retail stores operated by affiliated entities of Tenant, and (iv) by means of mechanical or other vending devices, and (b) all monies or other things of value received by Tenant from its operations at the Retail Premises (which are not excluded from Gross Sales by the next succeeding sentence) including all finance charges, cost of gift or merchandise certificates and all deposits not refunded to customers. Gross Sales shall not include (i) bad debts, as determined under generally accepted accounting principles; (ii) discounted employee sales provided same shall not exceed one (1%) of Gross Sales; (iii) the exchange of merchandise between stores or warehouses of Tenant or

Tenant's affiliates, where such exchange is made solely for the convenient operation of Tenant's business and neither for the purpose of depriving Landlord of the benefits of a sale which would otherwise be made at or from the Retail Premises nor for the purpose of consummating a sale which has been theretofore made at or from the Retail Premises, (iv) sales of trade fixtures which are not part of Tenant's stock in trade and not sold in the regular course of Tenant's business, or (v) the amount of any city, county, state or federal sales tax, luxury tax or excise tax on sales if the tax is added to the selling price and separately stated and actually paid to the taxing authority by Tenant; provided, however, no franchise or capital stock tax and no income or similar tax based upon income, profits or Gross Sales shall be deducted from Gross Sales in any event whatsoever. Cash or credit refunds made upon transactions included within the Gross Sales, but not exceeding the selling price of merchandise returned by the purchaser and accepted by Tenant, shall be deducted from the Gross Sales for the period when such refunds are made. Each charge or sale upon installment or credit or layaway, so called, shall be treated as a sale for the full price in the month during which such charge or sale shall be made, irrespective of the time when Tenant shall receive payment from its customer. Each lease or rental or license of merchandise to customers shall be treated as a sale in the month in which the lease, rental or license is made for a price equal to the total rent of license fee payable. For purposes of this paragraph the word "Tenant" shall include any of Tenant's subtenants, concessionaires and licensees.

- e. Breakpoint: The Breakpoint shall be the natural Breakpoint assuming a Percentage Rent Rate of five (5%) percent. If the Fixed Rent is not increased for the Extended Period, the Breakpoint shall remain the same as the Breakpoint in effect immediately preceding such Extended Period. For purposes of calculating the Breakpoint, the Breakpoint shall be pro-rated for any partial Calendar Year.
- f. Within fifteen (15) days after the end of each Calendar Quarter during the Term, Tenant shall submit to Landlord a statement certified by the chief financial officer of Tenant for such quarter. Within ninety (90) days after the end of each Calendar Year, including any partial Calendar Year Tenant shall submit to Landlord a statement certified to be correct by the chief financial officer of Tenant and, if available, for this retail location, by an independent certified public accountant stating the Gross Sales (including an itemization of all claimed deductions therefrom) and the Percentage Rent for such Calendar Year, or partial Calendar Year and Tenant shall pay to Landlord the Percentage Rent due for such Calendar Year. For at least thirty-six (36) months after the expiration of each Calendar Year, including any partial Calendar Year at the beginning of the Term, and after the end of the Term, Tenant shall keep and maintain (and shall cause all subtenants, concessionaires and licensees to keep and maintain) in the Retail Premises or the main office of Tenant full and accurate books of account and records from which the Gross Sales can be determined. Landlord shall have the right once per year on twenty (20) days' prior notice

during such thirty-six (36) month period to inspect and audit all such books and records relating to Gross Sales, and Tenant, each subtenant, concessionaire and licensee will produce the same on request of Landlord. If any such inspection and audit discloses that the Gross Sales were understated, Tenant shall forthwith pay to Landlord any additional Percentage Rent shown to be payable, and if the Gross Sales for any Calendar Year or partial Calendar Year were understated by more than three (3%) percent, Tenant shall also pay the reasonable cost of Landlord's inspection and audit. Landlord does not in any way, or for any purpose, become a partner or joint venturer with Tenant hereunder. The provisions of this Lease relating to Percentage Rent are included solely for the purpose of providing a method whereby rentals are to be measured and ascertained. Tenant's sales data shall not be disclosed to any other party unless required by Legal Requirements or in connection with a dispute with Tenant or for purposes stated in Article 36.12.

R15. Notwithstanding anything contained herein to the contrary, Landlord makes no representations with respect to the current or future available allocation for retail usage within the Building with respect to zoning ordinance compliance or any other matters and Tenant shall be responsible for any and all costs whatsoever with respect to the retail buildout and compliance with Legal Requirements. Tenant acknowledges Landlord's rights to lease the maximum allowable retail usage with the Building, notwithstanding the resulting elimination of Tenant's right to up to 6,000 square feet of retail space provided for hereunder, in the event that Tenant fails to notify Landlord of its intention to buildout its retail store and diligently prosecute same to completion prior to the earlier of (i) Landlord's executing a lease for retail usage with another tenant in the Building; or (ii) ten days following receipt of notice from Landlord that it intends to execute such a lease; provided further however that should Landlord fail to execute such lease, Tenant shall retain its right to its retail buildout subject to all provision of this Rider.

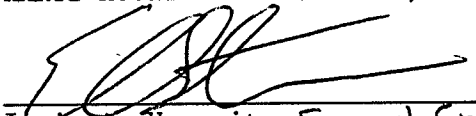
R16(a). The HVAC for the Demised Premises shall be delivered in "as is" condition; however, Landlord represents that the HVAC (exclusive of the VAV boxing) shall be in working order on the Commencement Date and Landlord shall be responsible for repairs to the HVAC within thirty (30) days thereof to place such HVAC system in working order, it being expressly acknowledged and agreed, however, that Landlord shall not be responsible for same if replacements to components of the HVAC are required, Landlord being only responsible for repairs thereto.

R16(b). During its initial buildout, Tenant shall repair or replace (as necessary to place same in good working order) the VAV boxes in the Demised Premises; and, upon receipt of paid invoices for same, Landlord shall reimburse one half of the cost of same, up to a maximum amount of \$15,000. If not paid by Landlord within twenty (20) days demand therefor, the last sentence of paragraph R3 shall be applicable.

HARTZ MOUNTAIN METROPOLITAN

BY: HARTZ MOUNTAIN INDUSTRIES, INC.

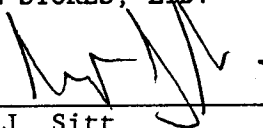
By:


~~Irwin A. Horowitz Emanuel Stern~~
Executive Vice President/
~~General Counsel~~

Tenant:

ASHLEY RETAIL STORES, LTD.

By:


Joseph J. Sitt
President

A.D.A. GUIDELINES FOR 100 METRO WAY

EXTENSION

1. ACCESS TO BUILDING PROVIDED BY RAMP.
2. HANDICAPPED PARKING SPACES & SIGNAGE

INTERIOR

1. TOILET ~~TO BE~~ ^{PROPER CLEARANCES} ACCESSIBLE & HAVE
2. DOORS TO HAVE LEVER HANDWARES ^{& BE OF PROPER WIDTH}
3. ENTRANCE DOORS TO HAVE PROPER WIDTH & CLEARANCES
4. DRINKING FOUNTAINS TO HAVE PROPER MOUNTING HEIGHTS
5. VISUAL / AUDIBLE ^{FIRE} ALARMS TO BE ADDED
6. STAIRWELL RAILINGS TO BE REDONE FOR PROPER SIZE & CLEARANCE
7. CABINETRY TO BE ADJUSTED FOR HEIGHT.

LANDLORD REPRESENTS THAT THE ABOVE SET FORTH THE SOLE ADA REQUIREMENTS ~~BASED ON PRESENT LAYOUT OF THE PREMISES~~, BASED ON PRESENT LAYOUT OF THE PREMISES AND BASED ON PRESENT REQUIREMENTS.



JOHN ZANETAKOS ASSOCIATES, INC.

ENGINEERS • PLANNERS • SURVEYORS

7 DOIG ROAD

WAYNE, NEW JERSEY

07470-7430

TEL. 201-696-250
260
260
FAX. 201-696-136

March 2, 1992

Job No. 6061 - AEH

JOHN L. ZANETAKOS, P.E., P.P. & L.S.
ZAFIRIS GIVELIS, P.E., P.P.
ARTHUR E. HANSON, L.S.
LAWRENCE BOZIK, E.I.T.
BRUCE CALLAHAN, L.S.
ROBERT MULDER, P.E., P.P.
THOMAS NEUSCHAFER, L.S.
HARRY BACHMANN, L.S., P.P.

Deed description of a parcel of land situate along the westerly side of Metro Way in the Town of Secaucus, Hudson County, New Jersey.

Beginning at a point on the westerly side of Metro Way (60' wide) said point being 426.91 feet from the point of intersection of the southerly side of Metro Way (60' wide) with the easterly side of Aquarium Drive (60' wide) and running; thence

1. S 68° 17' 22" E 145.20 feet along the westerly side of Metro Way (60' wide) to a point of curvature; thence
2. Along a curve to the right having a radius of 120.00 feet, an arc length of 102.50 feet still along the westerly side of Metro Way (60' wide) to a point of tangency; thence
3. S 19° 20' 54" E 563.00 feet still along the westerly side of Metro Way (60' wide) to a point; thence
4. S 70° 39' 06" W 477.00 feet to a point; thence
5. N 19° 20' 54" W 543.45 feet to a point; thence
6. N 60° 36' 15" E 177.03 feet to a point; thence
7. N 21° 42' 38" E 231.45 feet to the point of beginning.

Containing 6.899 Acres.

Being known as Lot 3, Block 24 on the Town of Secaucus Tax Map.

Subject to a 20 foot wide drainage easement described as follows:

Beginning at a point on the westerly side of Metro Way (60' wide) said point being S 68° 17' 22" E 119.41 feet from the point of beginning of the above description and running; thence

1. S 68° 17' 22" E 22.51 feet along the westerly side of Metro Way (60' wide) to a point; thence

EXHIBIT "B"

2. S 49° 00' 00" W 446.24 feet to a point on the fifth course of the above description; thence
3. N 19° 20' 54" W 21.52 feet along the fifth course of the above description to a point; thence
4. N 49° 00' 00" E 447.98 feet passing over the terminous of the sixth course of the above description and parallel to and 20 feet northerly at right angles from the second course to the point of beginning.

Revised July 25, 1995

LANDLORD'S WORKLETTER
ASHLEY RETAIL STORES, LTD.
100 METRO WAY

EXHIBIT C

Landlord will provide tenant with the following workletter at no cost to tenant:

1. Demise first floor office from warehouse using sheetrock material (as shown on warehouse plan labeled Exhibit A).
2. Separate electrical service to provide tenant with 600 AMPS 480/277V.
3. Landlord will deliver the roof free of any leaks.

EXHIBIT D
RULES AND REGULATIONS

1. The rights of each tenant in the entrances, corridors, elevators and escalators servicing the Building are limited to ingress and egress from such tenant's premises for the tenant and its employees, licensees and invitees, and no tenant shall use, or permit the use of, the entrances, corridors, escalators or elevators for any other purpose. No tenant shall invite to the tenant's premises, or permit the visit of, persons in such numbers or under such conditions as to interfere with the use and enjoyment of any of the plazas, entrances, corridors, escalators, elevators and other facilities of the Building by any other tenants. Fire exits and stairways are for emergency use only, and they shall not be used for any other purpose by the tenants, their employees, licensees or invitees. No tenant shall encumber or obstruct, or permit the encumbrance or obstruction of, any of the sidewalks, plazas, entrances, corridors, escalators, elevators, fire exits or stairways of the Building. Landlord reserves the right to control and operate the public portions of the Building and the public facilities, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally.

2. Landlord may refuse admission to the Building outside of Business Hours on Business Days to any person not known to the watchman in charge, or not having a pass issued by Landlord or the tenant whose premises are to be entered, or not otherwise properly identified, and Landlord may require all persons admitted to or leaving the Building outside of Business Hours on Business Days to provide appropriate identification. Tenant shall be responsible for all persons for whom it issues any such pass and shall be liable to Landlord for all acts or omissions of such persons. Any person whose presence in the Building at any time shall, in the judgment of Landlord, be prejudicial to the safety, character or reputation of the Building or of its tenants may be denied access to the Building or may be ejected therefrom. During any invasion, riot, public excitement or other commotion, Landlord may prevent all access to the Building by closing the doors or otherwise for the safety of the tenants and protection of property in the Building.

3. No tenant shall obtain or accept for use in its premises ice, food, beverage, towel, barbering, bootblackening, or other similar services from any persons not authorized by Landlord in writing to furnish such services, provided that the charges for such services by persons authorized by Landlord are comparable to similar charges in other first-class office buildings in Hudson County. Such services shall be furnished only at such hours, and under such reasonable regulations, as may be fixed by Landlord from time to time.

4. The cost of repairing any damage to the public portions of the Building or the public facilities or to any facilities used in common with other tenants, caused by a tenant or its employees, licensees or invitees, shall be paid by such tenant.

5. Omitted.

6. Omitted.

7. The sashes, sash doors, skylights, windows and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by any tenant, nor shall any bottles, parcels or other articles be placed on the window sills or on the peripheral air conditioning enclosures, if any.

8. No showcase or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the halls, corridors or vestibules.

9. Linoleum and tile shall be laid in a tenant's premises only in a manner first approved in writing by Landlord.

10. No tenant shall mark, paint, drill into, or in any way deface any part of its premises or the Building. No boring shall be permitted, except with the prior written consent of Landlord, and as Landlord may direct.

11. No bicycles, vehicles, animals, fish or birds of any kind shall be brought into or kept in or about the premises of any tenant of the Building.

12. No noise, including, but not limited to, music or the playing of musical instruments, recordings, radio or television, which, in the judgment of Landlord, might disturb other tenants in the Building, shall be made or permitted by any tenant. Nothing shall be done or permitted in the premises of any tenant which would impair or interfere with the use or enjoyment by any other tenant of any other space in the Building.

13. No tenant, nor any tenant's contractors, employees, agents, visitors or licensees, shall at any time bring into or keep upon the premises or the Building any inflammable, combustible, explosive or otherwise dangerous fluid, chemical or substance.

14. Additional locks or bolts of any kind which shall not be operable by the grand master key for the Building shall not be placed upon any of the doors or windows by any tenant, nor shall any changes be made in locks or the mechanism thereof which shall make such locks inoperable by said grand master key. Additional keys for a tenant's premises and toilet rooms shall be procured only from Landlord who may make a reasonable charge therefor. Each tenant shall, upon the termination of its tenancy, turn over to Landlord all keys of stores, offices and toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys furnished by Landlord such tenant shall pay to Landlord the cost thereof.

15. All removals, or the carrying in or out of any safes, freight, furniture, packages, boxes, crates or any other object or matter of any description must take place in such elevators as Landlord or its agent may determine from time to time. The persons employed to move safes and other heavy objects shall be reasonably acceptable to Landlord and, if so required by law, shall hold a master rigger's license. Arrangements will be made by Landlord with any tenant for moving large quantities of furniture and equipment into or out of the Building.

16. Landlord may require any person leaving the Building with any package or other object or matter to submit a pass, listing such package or object or matter, from the tenant from whose premises the package or object or matter is being removed, but the establishment and enlargement of such requirement shall not impose any responsibility on Landlord for the protection of any tenant against the removal of property from the premises of such tenant. Landlord shall in no way be liable to any tenant for damages or loss arising from the admission, exclusion or ejection of any person to or from the premises or the Building under the provisions of this RULE or of RULE 2 hereof.

17. No tenant shall occupy or permit any portion of its premises for the possession, storage, manufacture, or sale of narcotics, tobacco in any form. No tenant shall use its premises or any part thereof to be used for manufacturing of any kind.

18. Omitted.

19. No safe or other object whose weight exceeds the lawful load for the area upon which it would stand shall be brought into or kept upon any tenant's premises. If, in the judgment of Landlord, it is necessary to distribute the concentrated weight of any heavy object, the work involved in such distribution shall be done at the expense of the tenant and in such a manner as Landlord shall determine.

20. Omitted.

21. Landlord, its contractors, and their respective employees, shall have the right to use, without charge therefor all light, power and water in the premises of any tenant while making repairs or alterations in the premises of such tenant.

22. No premises of any tenant shall be used for lodging or sleeping or for any immoral or illegal purpose.

23. The requirements of tenants will be attended to only upon application at the office of the Building. Employees of Landlord shall not perform any work or do anything outside of their regular duties, unless under special instructions from Landlord.

24. Canvassing, soliciting and peddling in the Building are prohibited and each tenant shall cooperate to prevent the same.

25. No tenant shall cause or permit any unusual or objectionable odors to emanate from its premises which would annoy other tenants or create a public or private nuisance. No cooking shall be done in the premises of any tenant except as is expressly permitted in such tenant's Lease.

26. Nothing shall be done or permitted in any tenant's premises, and nothing shall be brought into or kept in any tenant's premises, which would impair or interfere with any of the Building's services or the proper and economic heating, cleaning or other servicing of the Building or the premises, or the use or enjoyment by any other tenant of any other premises nor shall there be installed by any tenant any ventilating, air-conditioning, electrical

or other equipment of any kind which, in the judgment of Landlord, might cause any such impairment or interference.

27. No acids, vapors or other materials shall be discharged or permitted to be discharged into the waste lines, vents or flues of the Building which may damage them. The water and wash closets and other plumbing fixtures in or serving any tenant's premises shall not be used for any purpose other than the purposes for which they were designed or constructed, and no sweepings, rubbish, rags, acids or other foreign substances shall be deposited therein. All damages resulting from any misuse of the fixtures shall be borne by the tenants who, or whose servants, employees, agents, visitors or licensees shall have, caused the same. Any cuspidors or containers or receptacles used as such in the premises of any tenant or for garbage or similar refuse, shall be emptied, cared for and cleaned by and at the expense of such tenant.

28. All entrance doors in each tenant's premises shall be left locked and all windows shall be left closed by the tenant when the tenant's premises are not in use. Entrance doors shall not be left open at any time. Each tenant, before closing and leaving its premises at any time, shall turn out all lights.

29. Hand trucks not equipped with rubber tires and side guards shall not be used within the Building.

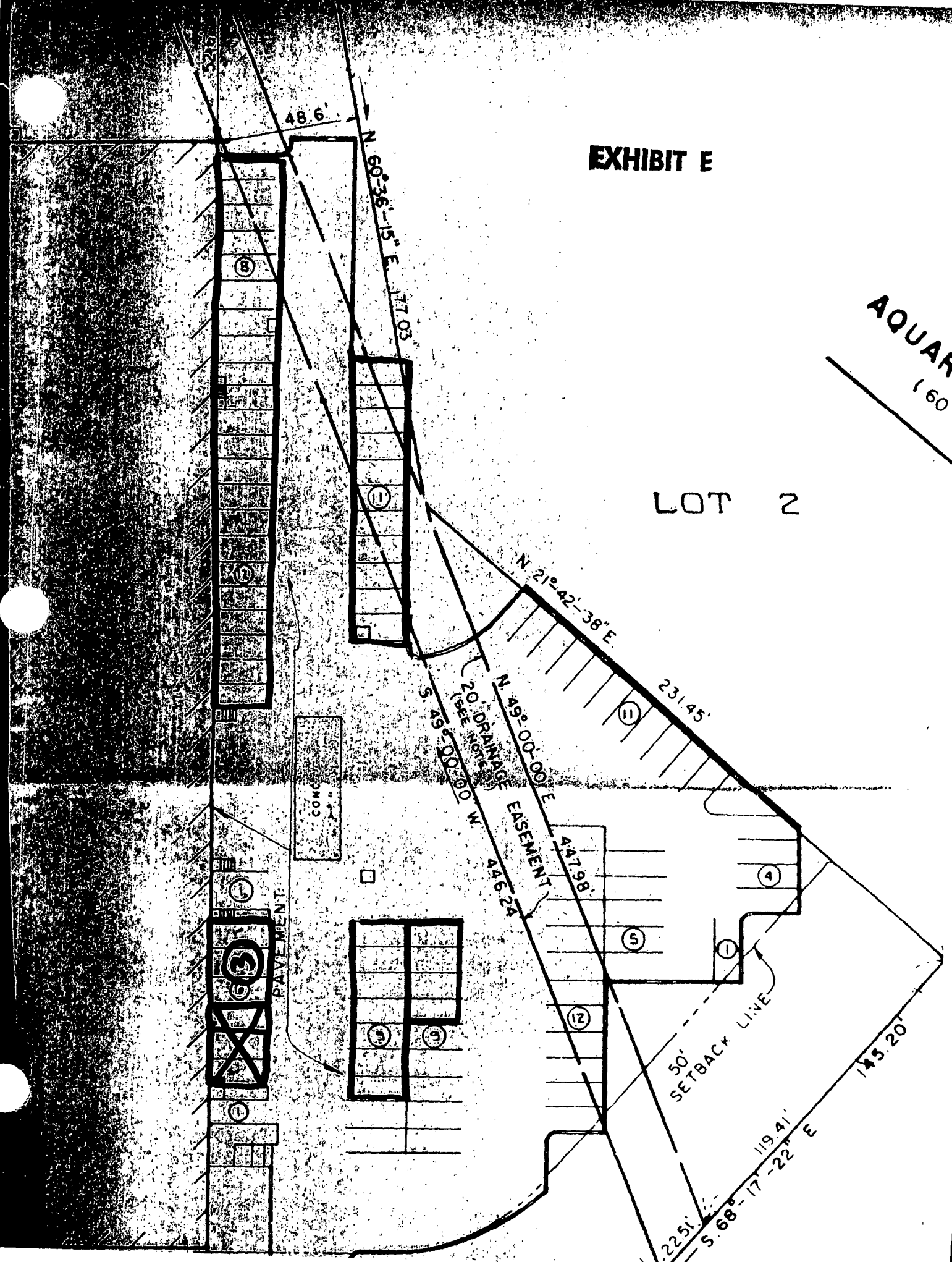
30. All windows in each tenant's premises shall be kept closed, and all blinds therein above the ground floor shall be lowered as reasonably required because of the position of the sun, during the operation of the Building air-conditioning system to cool or ventilate the tenant's premises.

31. Omitted.

EXHIBIT E

AQUAR.
(60')

LOT 2



HOROWITZ, RUBINO & PATTON

COUNSELORS AT LAW

400 PLAZA DRIVE

P. O. BOX 2038

SECAUCUS, NEW JERSEY 07096

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January 7, 2011

VIA FED EX PRIORITY OVERNIGHT DELIVERY

BMC Group, Inc.

Attn: Urban Brands Claims Processing

18750 Lake Drive East

Chanhassen, MN 55317

Re: In Re: ASNJ 10, Inc.
Case No. 10-13056 (KJC)

(Jointly Administered Under Case No. 10-13005 (KJC))

Dear BMC Group:

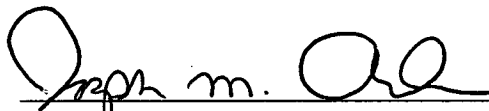
We represent Hartz Mountain Metropolitan ("Hartz"), landlord and creditor of ASNJ 10, Inc. at 100 Metro Way, Secaucus, NJ. We enclose and hereby file an original and one (1) copy of Hartz' Proof of Claim. Please stamp the enclosed extra copy "filed" and return it to my attention in the enclosed postage pre-paid self-addressed return envelope.

Thank you for your attention to the foregoing. Please do not hesitate to call me at my direct dial number (above) if you have any questions or wish to discuss this matter.

Very truly yours,

HOROWITZ, RUBINO & PATTON

BY:


Joseph M. Aronds