

Resolution of the Demarest Governing Body

Resolution No. 209-24

December 9, 2024

Council Member	Motion	Second	Yes	No	Abstain	Absent
Jiang			✓			
Fox			✓			
Marks			✓			
Slowikowski	✓		✓			
Reiss			✓			
Collins		✓	✓			

TITLE: RESOLUTION AUTHORIZING EXECUTION OF LEASE AGREEMENT WITH ART SCHOOL AT OLD CHURCH FOR REAL PROPERTY LOCATED AT 561 PIERMONT ROAD, DEMAREST, NEW JERSEY

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WHEREAS, the Borough of Demarest (the “Borough”) is the owner of real property located at 561 Piermont Road, Demarest, New Jersey (the “Property”); and

WHEREAS, the Art School at Old Church (the “Art School”) is a not-for-profit entity offering art classes and workshops including but not limited to showcasing an art gallery, ceramics, sculpture, painting drawing and photography; and

WHEREAS, prior to the Borough’s ownership of the Property, the Art School was a month-to-month tenant at the Property; and

WHEREAS, the Borough is desirous of entering into a Lease Agreement with Art School, a copy of which is annexed hereto; and

WHEREAS, the parties have negotiated a ten (10) year lease term whereby the Art School shall pay fixed rent in the amount of Forty-Two Thousand and 00/100ths (\$42,000.00) Dollars per annum payable

in equal monthly installments of Three Thousand Five Hundred and 00/100ths (\$3,500.00) Dollars per month for the term of the Lease; and

WHEREAS, the Lease further limits use of the Property for an art school and cultural center for arts including art gallery, ceramics, sculpture, painting, drawing, photography and diverse specialized workshops; and

WHEREAS, the Lease provides that the Art School shall be responsible for making any necessary repairs (including all required structural repairs/replacements including HVAC, electric, gas & plumbing, and landscaping (with the exception of lawn moving which shall be done by the Borough so long as it maintains a DPW service) at the Art School's sole cost and expense. It is further agreed that the Borough shall provide snow removal so long as the Borough maintains a DPW service; and

WHEREAS, it is the best interest of the Borough to authorize the execution of the Lease Agreement with the Art School.

NOW THEREFORE, BE IT RESOLVED, by the Borough of Demarest that the Borough Administrator is hereby authorized to execute the Lease Agreement annexed hereto.

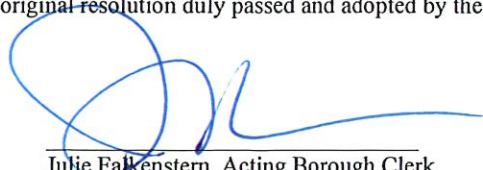
APPROVED:



Brian Bernstein, Mayor

CERTIFICATION

I, Julie Falkenstern, Acting Borough Clerk, of the Borough of Demarest, in the County of Bergen and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of the original resolution duly passed and adopted by the Governing Body at the meeting on December 9, 2024.



Julie Falkenstern, Acting Borough Clerk

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease"), made on this 1st day of December, 2024 (notwithstanding the actual date of execution), between **BOROUGH OF DEMAREST**, having an address at 118 Serpentine Road, Demarest, New Jersey 07627, (hereinafter referred to as "Landlord") and **ART SCHOOL AT OLD CHURCH**, a not-for-profit entity, having an address at 561 Piermont Road, Demarest New Jersey 07627 (hereinafter referred to as "Tenant").

WITNESSETH:

1. PREMISES: Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, the building comprised of approximately 4,700 square feet (the "Demised Premises" or "Premises") located at 561 Piermont Road, Demarest, New Jersey as described on Exhibit "A" annexed hereto (the "Property" upon the terms and conditions set forth in this Lease.

2. TERM: The Demised Premises are leased for a term of ten (10) years (the "Term") to commence on December 1, 2024 (the "Lease Commencement Date") and to expire on November 30, 2034 (the "Lease Expiration Date") subject to the Extension Option and Termination Option, as set forth below.

3. RENT: (a) During the Term, Tenant shall pay to Landlord fixed rent (the "Fixed Rent") for the Demised Premises as follows: (i) Fixed Rent for the Lease Term in the amount of Forty-Two Thousand and 00/100ths (\$42,000.00) Dollars per annum payable in equal monthly installments of Three Thousand Five Hundred and 00/100ths (\$3,500.00) Dollars per month on the first (1st) day of each month during the Term commencing on the Lease Commencement Date and through the Lease Expiration Date.

(b) Fixed Rent shall mean the fixed minimum annual rent above specified without any set-offs or deductions whatsoever and without any prior demand being required therefor.

(c) Simultaneously upon the execution of this Lease, Tenant shall pay to Landlord the sum of Three thousand, Five Hundred and 00/100ths (\$3,500.00) Dollars representing the Fixed Rent for the initial full month of the Term. All such Fixed Rent shall be payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Any and all payments on account of this Lease made by check shall be subject to collection thereon. Tenant shall pay Fixed Rent, and any additional rent and other payments as hereinafter provided, to Landlord at Tenant's above stated address, or at such other place as Landlord may designate by written notice to Tenant, without demand and without counterclaim, deduction or setoff.

4. USE AND OCCUPANCY. (a) Tenant shall use and occupy the Demised Premises for an art school and cultural center for arts including art gallery, ceramics, sculpture, painting, drawing, photography and diverse specialized workshops; ancillary uses and for no use other purpose without Landlord's consent. The Premises and/or Property shall not be used for any commercial purpose of whatsoever nature or for any purpose that might adversely affect its non-profit status. Tenant shall use the Demised Premises in a careful, lawful, safe and proper manner. Tenant shall have the non-exclusive right to use the parking areas at the Property on an equal basis with the use of 563 Piermont Rd., provided however, Tenant shall have the exclusive right to use the parking areas on one three day period (from 6 pm Friday afternoon to 4 pm Sunday (upon not less than 30 days' notice) for its pottery sale.

(b) Tenant agrees to indemnify and save harmless Landlord from and against (a) all claims of whatever nature against Landlord arising from any act, omission or negligence of Tenant, its contractors, licensees, agents, servants, employees, invitees or visitors, including any claims arising from any act, omission or negligence of Tenant, (b) all claims against Landlord arising from any accident, injury or damage whatsoever caused to any person or to the property of any person and occurring during the Term in or about the Demised Premises provided same is not caused by the omission or negligence of Landlord, (c) all claims against Landlord arising from any accident, injury or damage occurring outside of the Demised Premises but anywhere within or about the Building where such accident, injury or damage results or is claimed to have resulted from an act or omission of Tenant or Tenant's agents, employees, invitees or visitors, including any claims arising from any act, omission or negligence of Tenant, and (d) any breach, violation or non-performance of any covenant, condition or agreement in this Lease set forth and contained on the part of Tenant to be fulfilled, kept, observed and performed. This indemnity and hold harmless agreement shall include indemnity from and against any and all liability, loss, fines, suits, demands, costs and expenses of any kind or nature incurred in or in connection with any such claim or proceeding brought thereon and the defense thereof. In any event, there shall be absolutely no personal liability on the part of Landlord to Tenant with respect to any of the terms, covenants and conditions of this Lease and Tenant shall look solely to the equity of Landlord or any successor in interest to Landlord in the fee or leasehold estate of Landlord, as the case may be, for the satisfaction of each and every remedy of Tenant in the event of any breach by Landlord or by any successor in interest to Landlord of any of the terms, covenants and conditions of this Lease to be performed by Landlord. Such exculpation of personal liability is to be absolute and without any exception whatsoever.

5. NO PARTNERSHIP: Landlord shall in no event be construed, held or become in way or for any purpose a partner, associate of joint venturer or Tenant or any party associated with Tenant in the conduct of its business or otherwise.

6. PLACE OF PAYMENTS: All payments required to be paid required to be rendered by Tenant to Landlord shall be made payable and delivered to Landlord at the address set forth above, or wherever designated by Landlord in writing without any prior

demand for same, and without deduction, set-off or counterclaim.

7. CARE AND REPAIR OF PREMISES. Tenant shall commit no act of waste and shall take good care of the Premises and fixtures and appurtenances therein, and shall, in the use and occupancy of the Premises, and in the exercise of its control over the Premises, conform to all laws, orders and regulations of the federal, state, county and municipal governments or any agency or department thereof. Tenant shall make all necessary repairs, including all required structural repairs/replacements including HVAC, electric, gas & plumbing, and landscaping (with the exception of lawn mowing which shall be done by the Landlord for so long as it maintains a DPW service), to the Premises at Tenant's sole cost and expense to preserve the Premises in good condition and working order. All of Tenant's repairs shall be done in a good and workmanlike manner. All structural repairs/replacements shall be subject to the consent of Landlord, which shall not be unreasonably withheld, delayed or conditioned. All work shall be performed by contractor's approved by Landlord (which consent shall not be unreasonably withheld, delayed or conditioned) and who have provided a certificate of insurance evidencing liability coverage in such an amount and by such a carrier reasonably satisfactory to Landlord which name Landlord as an additional insured party. If Tenant shall fail to make such repairs as are necessary, Landlord shall have the right, but not the obligation, to make the necessary repairs and Tenant shall pay to Landlord, as additional rent, immediately upon demand, the costs therefor.

All alterations, additions and improvements made by Tenant to the Premises, which are so attached to the Premises that they cannot be removed without material injury to the Premises, shall become the property of Landlord upon installation. Not later than the last day of the term, Tenant shall, at Tenant's expense, (a) remove all Tenant's personal property and those improvements made by Tenant which have not become the property of Landlord, (b) repair all injury done by or in connection with the installation or removal of said property and improvements, and (c) surrender the Premises in as good condition as they were at the beginning of the term, reasonable wear and damage by fire, the elements, casualty, or other cause not due to the misuse or neglect or fault of or by Tenant. All other property of Tenant remaining on the Premises after the last day of the term of this Lease shall, at the election of Landlord, be conclusively deemed abandoned and may be removed and disposed of by Landlord without further notice or liability to Tenant, and Tenant shall reimburse Landlord for the cost of such removal. Landlord may but shall not be required to have any such property stored at Tenant's risk and expense. Any fixtures placed upon the Demised Premises shall be the property of Landlord. Tenant shall not mortgage, hypothecate, assign or otherwise permit a lien to attach to said fixtures. At Landlord's option, prior to vacating the Demised Premises at the expiration or earlier termination of this Lease, Tenant shall remove all telecommunication, telephone and computer cable, wiring and flooring and deliver the Demised Premises in broom clean condition.

Tenant shall also be responsible for maintaining the parking areas, keeping same free from debris. Notwithstanding, Landlord shall be responsible for snow removal for so long as it maintains a DPW service.

8. ALTERATIONS, ADDITIONS OR IMPROVEMENTS. (a) Tenant acknowledges that Landlord has no obligation to make any improvements to the Premises. Tenant has been occupying the Premises, is fully familiar with its condition and accepts the Premises in AS-IS/WHERE-IS condition. Tenant acknowledges that Landlord has made no representations or warranties of any nature whatsoever, including regarding the condition of the Premises including the condition of the HVAC, plumbing, electrical and other building systems.

(b) Tenant shall be solely responsible for all subsequent improvements to be made to the Premises subject to the approval of Landlord which shall not be unreasonably withheld, delayed or conditioned. Tenant shall provide Landlord with all documents reasonably required by Landlord, including construction drawings and plans, to enable Landlord to make its determination. Tenant shall be solely responsible for obtaining all construction permits and a Certificate of Occupancy from the Building Department or other appropriate agency of the Borough of Demarest in respect of any and all work required to be performed at the Premises provided however, Landlord shall reasonably cooperate with Tenant in obtaining same.

(c) Tenant shall not commence any work with respect to any proposed improvements without first delivering to the Landlord a policy or policies of liability and property damage insurance, naming Landlord as additional insured, in limits and with companies reasonably acceptable to Landlord, together with contractor's indemnification agreement.

9. ACTIVITIES INCREASING FIRE INSURANCE RATES. Tenant shall not do or suffer anything to be done on the Premises which will increase the rate of fire insurance on the Building.

10. COMPLIANCE WITH LAWS. Tenant shall, at its own cost and expense: (a) comply with all governmental laws, ordinances, orders and regulations affecting the Demised Premises now in force or which hereafter may be in force; (b) comply with and execute all rules, requirements and regulations of the Board of Fire Underwriters, Landlord's insurance companies and other organizations establishing insurance rates; (c) not suffer, permit, or commit any waste or nuisance; (d) not conduct any auction, distress, fire or bankruptcy sale; and (e) install fire extinguishers in accordance with insurance requirements.

11. ASSIGNMENT AND SUBLEASE.

(a) Tenant shall not assign the within Lease and attempted assignment without such consent shall be null and void ab initio.

(b) Tenant shall not permit the Demised Premises or any portion thereof to be

used or occupied by or sublet to others and any attempt to sublet all or any portion of the Premises shall be void ab initio.

12. DAMAGES TO BUILDING/WAIVER OF SUBROGATION.

(a) Conditions of Termination of Lease and Restoration. If the Building is damaged by fire or any other cause to such extent that the cost of restoration, as reasonably estimated by Landlord, will equal or exceed ten (10%) percent of the replacement value of the Building (exclusive of foundations) just prior to the occurrence of the damage, then Landlord may give Tenant a notice of election to terminate this Lease. If such casualty renders the Premises no longer reasonably usable for the purpose for which they are leased hereunder, then Tenant may, no later than the thirtieth (30th) day following the damage, give Landlord a notice of election to terminate this Lease and Tenant shall surrender possession of the Premises within a reasonable time thereafter and the Fixed Rent, and any additional rent, shall be apportioned as of the date of said surrender, and the Fixed Rent. If the cost of restoration as estimated by Landlord shall amount to less than ten (10%) percent of said replacement value of the Building, or if, despite the cost, Landlord does not elect to terminate this Lease, Landlord shall restore the Premises using insurance proceeds, with reasonable promptness, subject to force majeure, and Tenant shall have no right to terminate this Lease. Landlord need not restore fixtures and improvements installed and/or owned by Tenant.

(b) Waiver of Subrogation, Etc. Notwithstanding the provisions of this Paragraph of the Lease, in any event of loss or damage to the Premises and/or any contents, each party shall look first to any insurance in its favor before making any claim against the other party, and, to the extent possible without additional cost, each party shall obtain, for each policy of insurance, provisions permitting waiver of any claim against the other party for loss or damage within the scope of such insurance, and each party, to the extent permitted, for itself and its insurers waives all such insured claims against the other party.

13. EMINENT DOMAIN. This Section is not applicable as the Landlord is a governmental entity.

14. INSOLVENCY OF TENANT. Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or (b) a general assignment by Tenant for the benefit of creditors, or (c) any action taken or suffered by Tenant, voluntarily or involuntarily, under any insolvency or bankruptcy or reorganization act or law, shall constitute a default of this Lease by Tenant.

15. DEFAULT OF TENANT. Any of the following events shall be a default of Tenant: (a) Tenant's default in the payment on the due date of the Fixed Rent and/or additional rents and/or any other payment required of Tenant by this Lease, (b) Tenant's default in the performance of any of the other covenants of Tenant or conditions of this Lease, unless Tenant shall cure such default within fifteen (15) days after notice of such

default given by Landlord (or if any such default is of such nature that it cannot be completely cured within such period, then unless Tenant shall commence such curing within fifteen (15) days after notice of such default given by Landlord and shall thereafter proceed with reasonable due diligence and in good faith to cure such default and shall succeed in curing such default within a reasonable period of time, and provided that the existence of such default for more than fifteen (15) days does not, in Landlord's reasonable judgment, itself result in substantial damages to Landlord and place Landlord in risk of substantial damage by such additional time to cure such default); (c) insolvency of Tenant as set forth in Paragraph 14 of this Lease; (d) the sale or attempted sale by or under execution or other legal process of Tenant's leasehold interest hereunder and/or substantially all of Tenant's other assets; (e) the initiation of legal proceedings to effect, or resulting in, the seizure, sequestering or impounding of any of Tenant's goods or chattels used in, or incident to, the operation of the Premises by Tenant; (f) assignment by operation of law of Tenant's leasehold interest hereunder; (g) any attempt by Tenant to assign the within Lease or sublet the Demised Premises without the express prior written consent of Landlord; or (h) any act or omission of Tenant constituting an anticipatory breach or repudiation of this Lease.

16. LANDLORD'S REMEDIES ON DEFAULT OF TENANT. Upon any default of Tenant as set forth in this Lease, Landlord, at Landlord's sole option, may elect and enforce any one of the remedies hereinafter provided in this Paragraph; provided, however, that Landlord may, at Landlord's sole option, elect and enforce multiple remedies from among those remedies hereinafter provided to the extent such remedies are not inconsistent and are not legally mutually exclusive and to the extent Landlord, in Landlord's reasonable judgment, deem the enforcement of such multiple remedies necessary or appropriate to indemnify and make Landlord whole from any loss or damage as a result of the default or defaults of Tenant; and provided further that Landlord, at Landlord's sole discretion, may successively elect and enforce any number of the remedies hereinafter provided to the extent that Landlord, in Landlord's reasonable judgment, deems necessary or appropriate to indemnify and make Landlord whole from any loss or damage as a result of the default or defaults of Tenant:

(a) Termination and Tenant's Liabilities. Landlord shall have the right to terminate this Lease forthwith, and upon notice of such termination given by Landlord to Tenant in accordance with the notice provisions of this Lease, Tenant's right to possession, use and enjoyment of the Demised Premises shall cease, and Tenant shall immediately quit and surrender the Demised Premises to Landlord, but Tenant shall remain liable to Landlord as hereinafter provided. Upon such termination of this Lease, Landlord may at any time thereafter re-enter and resume possession of the Premises by any lawful means and remove Tenant and/or other occupants and their goods and chattels. In any case where Landlord has recovered possession of the Premises by reason of Tenant's default, Landlord may, at Landlord's option, occupy the Premises or cause the Premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for reletting, and may relet the Premises or any portion thereof prepared for reletting, and may relet the Premises or any part thereof as agent of Tenant or otherwise, for a term or terms to expire prior to, at the same time as,

or subsequent to, the original expiration date of this Lease, at Landlord's sole option, and Landlord shall receive the rent therefor. Rent so received shall be applied first to the payment of such expenses as Landlord may have incurred in connection with the recovery of possession, redecorating, altering, dividing, consolidating with other adjoining premises, or otherwise changing or preparing for reletting, and the reletting, including brokerage and reasonable attorney's fees, and then to the payment of damages in amounts equal to the rent (basic and additional) and other payments required of Tenant hereunder and to the costs and expenses of performance of the other covenants of Tenant as herein provided. Tenant agrees, in any such case, whether or not Landlord has relet, to pay to Landlord, damages equal to the Basic and Additional Rent and other sums herein agreed to be paid by Tenant, less the net proceeds of the reletting, if any, as ascertained from time to time, and the same shall be payable by Tenant on the several rent days above specified. Tenant shall not be entitled to any surplus accruing as a result of any such reletting. In reletting the Premises as aforesaid, Landlord may grant rent concessions, in Landlord's sole judgment, and Tenant shall not be credited therewith. No such reletting shall constitute a surrender and acceptance or be deemed evidenced thereof. If Landlord elects, pursuant hereto, actually to occupy and use the Premises or any part thereof during any part of the balance of the term as originally fixed or since extended, there shall be allowed against Tenant's obligation for rent, other payments and damages as herein defined, during the period of Landlord's occupancy, the reasonable value of such occupancy, equal to in any event the basic and additional rent herein reserved. In no event shall such occupancy by Landlord be construed as a release of Tenant's liability hereunder.

(b) Specific Performance of Lease. Landlord shall have the right to enforce Tenant's specific performance of each and every covenant, condition and other provision of this Lease.

(d) Waiver of Right of Redemption. Tenant hereby waives all right of redemption to which Tenant or any person under Tenant might be entitled by any law now or hereafter in force.

(e) Other Remedies. Landlord's remedies hereunder are in addition to any remedy allowed by law or in equity including damages.

(f) Non-exclusivity. The remedies set forth above shall be non-exclusive and Landlord's election to enforce any remedy shall not be deemed a waiver of any other remedy Landlord may be entitled to hereunder or as allowed by law or in equity.

17. SUBORDINATION OF LEASE. This Lease shall be subject and subordinate to any underlying ground leases and to any first institutional mortgage which may now or hereafter affect the real property of which the Premises form a part, and also to all renewals, modifications, consolidations and replacements of said underlying leases and said first institutional mortgage. Although no instrument or act on the part of Tenant shall be necessary to effectuate such subordination, Tenant will, nevertheless, execute and deliver such further instruments confirming such subordination of this Lease as may be

desired by the holder of said first institutional mortgage or by any of Landlords under such underlying or ground leases. Tenant hereby appoints Landlord attorney-in-fact, irrevocably, to execute and deliver any such instrument for Tenant. If any underlying or ground lease to which this Lease is subject shall terminate, Tenant shall, on timely request, attorn to the owner of the reversion.

18. RIGHT TO CURE TENANT'S BREACH. If Tenant breaches any covenant or condition of this lease, Landlord may, on reasonable notice to Tenant (except that no notice need be given in case of emergency), cure such breach at the expense of Tenant and the reasonable amount of all expenses, including attorney's fees, incurred by Landlord in so doing (whether paid by Landlord or not) shall be deemed additional rent payable on demand.

19. CONSTRUCTION LIENS. Tenant shall, within fifteen (15) days after notice from Landlord, discharge or satisfy by bonding or otherwise any construction liens or other liens for equipment, material, labor or goods or services claimed to have been furnished to the Premises on Tenant's behalf.

20. RIGHT TO INSPECT AND REPAIR. Landlord may enter the Premises but shall not be obligated to do so (except as required by any specific provision of this Lease) at any reasonable time on reasonable notice to Tenant (except that no notice need be given in case of emergency) for the purpose of inspection or the making of such repairs, replacements or additions, in, to, on and about the Premises or the Building, as Landlord deems necessary or desirable. Tenant shall have no claims or cause of action against Landlord for interruption to Tenant's business, however occurring.

21. ELECTRICITY and UTILITIES. Tenant shall be responsible for all utilities delivered to and consumed at the Premises, including but not limited to, heat, water, gas, telephone and the like directly to the provider of such utility. All utility service shall be maintained in Tenant's name, delivered directly to Tenant and Tenant shall be responsible for any security or deposit required by the provider. Notwithstanding, Landlord shall be responsible for all garbage, trash & recycling pick-up through the DPW for so long as the Borough maintains a DPW service.

22. OPERATING COSTS. Tenant shall pay all operating costs incurred and repairs required for the Premises including but not limited to the following: fuel, utilities, electric, water, sewer, heating, ventilating and air conditioning, management fees, direct labor, fire and other insurance, data processing costs, interior and exterior landscaping and decoration, repairs, replacements and improvements which are necessary or appropriate for the continued operation of the Premises or are made in compliance with requirements of any federal, state or local law or governmental regulation, whether or not such law or regulation is valid or mandatory, and all other items properly constituting operating costs whether direct or indirect.

23. REAL ESTATE TAXES. The Demised Premises are owned by the Borough

of Demarest and are exempt from real estate taxes.

24. INTERRUPTION OF SERVICES OR USE. Interruption or curtailment of any service maintained in the Demised Premises, shall not entitle Tenant to any claim against Landlord or to any abatement in rent, and shall not constitute a constructive or partial eviction unless the interruption is the result of Landlord's gross negligence or willful act

25. TENANT'S ESTOPPEL. Tenant shall, if requested by Landlord on not less than seven (7) days' prior written notice, execute, acknowledge and deliver to Landlord a written statement certifying that the Lease is unmodified and in full force and effect, or that the Lease is in full force and effect as modified and listing the instruments of modification; the dates to which the rents and charges have been paid; and whether or not, to the best of Tenant's knowledge, Landlord is in default hereunder, and if so, specifying the nature of the default. It is intended that any such statement delivered pursuant to this Paragraph may be relied upon by a prospective mortgagee of Landlord's interest or assignee of any mortgage of Landlord's interest.

26. HOLDOVER TENANCY. If Tenant holds possession of the Premises after the term of this Lease, Tenant shall become a tenant from month to month under the provisions herein provided, but, at a monthly Fixed Rental of two hundred (200%) percent of the Fixed Rent for the last month of the lease term or any renewed or extended term, payable in advance on the first day of each month, and such tenancy shall continue until terminated by Landlord, or until Tenant shall have given to Landlord a written notice, at least sixty (60) days prior to the intended date of termination or intent to terminate such tenancy.

27. LANDLORD'S WORK. Tenant acknowledges that Landlord shall have no obligation to improve the Premises or the Property, or obtain a certificate of occupancy which, if required, shall be Tenant's sole responsibility. In addition, Tenant acknowledges that Landlord has made no representations or warranties with respect to the condition of the Premises except and otherwise specifically and expressly set forth in this Lease.

28. RIGHT TO SHOW PREMISES. Landlord may show the Premises to prospective lenders and to insurance representatives, on reasonable notice to Tenant, during business hours.

29. WAIVER OF TRIAL BY JURY. To the extent such waiver is permitted by law, the parties waive trial by jury in any action or proceeding brought in connection with this Lease or the Premises.

30. LATE CHARGE. Anything in this Lease to the contrary notwithstanding, at Landlord's option, Tenant shall pay a "Late Charge" of eight (8%) percent of any installment of fixed Rent or additional rent paid more than five (5) days after the due date thereof, to cover the extra expense involved in handling delinquent payments.

31. RECORDATION. Landlord and Tenant agree that this Lease, or a memorandum thereof, may not be recorded or filed in any public recording office, including the Bergen County Clerk's Office and any attempt to record this Lease or a memorandum thereof shall be an event of default.

32. QUIET ENJOYMENT. Landlord covenants that if, and so long as, Tenant pays the Fixed Rent, and any Additional Rent as herein provided, and performs the covenants hereof, Landlord shall do nothing to affect Tenant's right to peaceably and quietly have, hold and enjoy the Premises for the term herein provided, subject to the provisions of this Lease.

33. TENANT'S INSURANCE. Tenant covenants to provide on or before the Lease Commencement Date a comprehensive policy of general liability insurance, naming Landlord and its designees as additional named insureds, insuring Tenant and Landlord against any liability commonly insured against and occasioned by accident resulting from any act or omission on or about the Premises and any appurtenances thereto. Said policy is to be written by an insurance company licensed and qualified to do business in the State of New Jersey and reasonably satisfactory to Landlord. The policy shall have a limit of not less than \$1,000,000 in respect of any one person in respect of any one accident, and in respect of property damage together with an umbrella policy providing for up to \$1,000,000 dollars in liability coverage with a \$2,000,000 umbrella policy. Said limits shall be subject to periodic review and Landlord reserves the right to increase said coverage limits if, in the reasonable commercial opinion of Landlord, said coverage becomes inadequate and is less than commonly maintained by owners in similar buildings in the area. At least thirty (30) days prior to the expiration or cancellation date of any policy, Tenant shall deliver a renewal or replacement policy with proof of the payment of the premium therefor. All such policies shall name the Landlord as an additional insured party.

34. LANDLORD'S LIABILITY FOR LOSS OF PROPERTY. Landlord shall not be liable for any loss of property from any cause whatsoever, including, but not by way of limitation, theft or burglary from the Premises, and Tenant covenants and agrees to make no claim for any such loss at any time.

35. PERSONAL LIABILITY. Notwithstanding anything to the contrary provided in this Lease, it is specifically understood and agreed, such agreement being a primary consideration for the execution of this Lease by Landlord, that there shall be absolutely no personal liability on the part of Landlord, the Mayor, the members of the Council and its employees (for purposes of this paragraph, collectively referred to as "Landlord"), with respect to any of the terms, covenants and conditions of this Lease, and that Tenant shall look solely to the equity of Landlord for the satisfaction of each and every remedy of Tenant in the event of any breach by Landlord of any of the terms, covenants and conditions of this Lease to be performed by Landlord, such exculpation of liability to be absolute and without any exceptions whatsoever.

36. SECURITY DEPOSIT. Tenant shall not be obligated to deposit any

security for the performance of its obligation under the Lease.

37. LANDLORD'S LIEN. INTENTIONALLY DELETED.

38. NOTICES. Any notice by either party to the other shall be in writing and shall be deemed to have been duly given only if delivered personally, or by Federal Express or similar national overnight courier, addressed to the Parties at the addresses set forth above. Notice shall be deemed to have been duly given, if delivered personally or by Federal Express or similar courier, on delivery thereof.

39. ATTORNEY'S FEES. In the event Landlord shall employ an attorney to enforce any of the conditions of this Lease, or to enforce Tenant's covenants hereunder, or any of Landlord's rights, remedies, privileges or options under this Lease, or at law or in equity, Landlord shall be entitled to reimbursement from Tenant of all costs and expenses incurred or paid by Landlord in so doing, including, but not by way of limitation, all attorney's fees and costs incurred or paid by Landlord at any time or times in connection therewith, whether the matter is settled privately, or by arbitration, or by legal action at the trial court level and at any and all appellate court levels.

40. FORCE MAJEURE. Neither Landlord nor Tenant shall be liable for the failure to perform its obligations, other than Tenant's obligation to pay Rent or Additional Rent, if the result of a Force Majeure. Force Majeure shall mean and include those situations beyond Landlord's control, including by way of example and not by way of limitation, acts of God; accidents; repairs; strikes; shortages of labor, supplies or materials; inclement weather; or where applicable, the passage of time while waiting for an adjustment of insurance proceeds, pandemics or any other national or statewide epidemic or health emergency. .

41. PARAGRAPH HEADINGS. The paragraph headings in this Lease and position of its provisions are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.

42. APPLICABILITY TO HEIRS AND ASSIGNS. The provisions of this Lease shall apply to, bind and inure to the benefit of Landlord and Tenant, and their respective heirs, successors, legal representatives and assigns.

43. WAIVER. Tenant agrees that the failure of Landlord in one or more instances to insist upon strict performance or observance of one or more of the covenants or conditions hereunder, or in any other Lease, or to exercise any rights, remedies, privileges, or option provided by law or in equity or provided or reserved to Landlord in this Lease, or any other Lease, shall not operate or be construed as a relinquishment or waiver for the future of such covenant or condition or of the right to enforce the same or to exercise such right, remedy, privilege or option; but rather, the same shall continue in full force and effect. The receipt and acceptance by Landlord of Fixed Rents and/or additional rents and/or any other payments hereunder, or any part or portion thereof, shall not be a waiver of any other Fixed Rents and/or additional rents and/or any other payments

hereunder, or any part or portion thereof, and such receipt and acceptance by Landlord, though with knowledge on the part of Landlord of the breach of any covenant or conditions of this Lease, shall not be, or operate as, a waiver of such breach or a waiver of any right, remedy, privilege or option of Landlord arising hereunder or at law or in equity on account of such breach in the absence of such receipt or acceptance. No waiver by Landlord of any of the provisions of this Lease, or of any of Landlord's rights, remedies, privileges or options under this Lease, shall be deemed to have been made unless made by Landlord in writing. If Landlord shall consent to the assignment of this Lease or to a subletting of all or a portion of the Demised Premises, or if any such assignment or subletting may be made hereunder without Landlord's consent, no further assignment or subletting shall be made without the prior written consent of Landlord, unless otherwise expressly permitted elsewhere in this Lease (this provision with respect to an assignment or subletting without Landlord's consent shall not constitute a waiver, or any way lessen Landlord's rights and remedies with respect to an assignment or subletting made without Landlord's consent).

44. AMENDMENTS, MODIFICATIONS, ETC. No change, modification or termination of any of the terms, provisions, covenants, promises or conditions of this Lease agreement shall be effective unless made in writing and signed or initialed by all parties hereto, their successors or assigns.

45. GOVERNING LAW. This Lease agreement shall be governed by and construed in accordance with the substantive and procedural laws of the State of New Jersey and Landlord and Tenant acknowledge that they are subject to the jurisdiction of the courts of the State of New Jersey.

46. SEVERABILITY. If any paragraph, subparagraph or other provision of this Lease agreement, or application of such paragraph, subparagraph or provision, is held invalid, then the remainder of the Lease agreement, and the application of such paragraph, subparagraph or provision to persons, parties or circumstances other than those with respect to which it is held invalid, shall not be affected thereby. This Section shall not apply to any determination regarding Fixed Rent or additional rents and if same is held to be invalid, Landlord shall have the right to terminate this Agreement.

47. NO UNLAWFUL OCCUPANCY. Tenant shall not use or occupy, nor permit or suffer, the Demised Premises or any part thereof to be used or occupied for any unlawful purpose or extra-hazardous, nor in such manner as to constitute a nuisance of any kind, nor for any purpose or in any way in violation of any present or future governmental laws, ordinances, requirements, orders, directions, rules or regulations.

48. NO OTHER REPRESENTATIONS: No representations or promises shall be binding on the parties hereto except those representations and promises contained herein or in some future writing signed by the party making such representation(s) or promise(s).

49. ACCORD AND SATISFACTION: No payment by Tenant or receipt by Landlord of a lesser amount than the rent and additional charges payable hereunder shall be deemed to be other than a payment on account of the earliest stipulated Fixed Rent

and Additional Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment for rent or Additional Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent and additional rent or pursue any other remedy provided herein or by law.

50. MORTGAGEE'S NOTICE AND OPPORTUNITY TO CURE: Not applicable.

51. CORPORATE AUTHORITY: If Tenant is a corporation, Tenant represents and warrants that this Lease and the undersigned's execution of this Lease has been duly authorized and approved by the corporation's Board of Directors. The undersigned officers and representatives of the corporation executing this Lease on behalf of the corporation represent and warrant that they are officers of the corporation, and within fifteen (15) days of execution hereof, Tenant will provide Landlord with a corporate resolution confirming the aforesaid.

52. ENVIRONMENTAL/ISRA COMPLIANCE.

(a) Tenant shall not (either with or without negligence) cause or permit to be placed, held, generated, treated, located, disposed on, escape, disposal or release of any biologically or chemically active or other hazardous or toxic substances or materials upon the Demised Premises. Tenant shall not allow the storage or use of such substances or materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such substances or materials, nor allow to be brought into the Demised Premises any such materials or substances except to use in the ordinary course of Tenant's business. Tenant shall obtain and will maintain all necessary approvals, permits, licenses, certificates or satisfactory clearance from all governmental authorities, utility companies or development-related entities, with respect to the Tenant's use of the Demised Premises and the Tenant's discharge of any chemicals, liquids and emissions, into the atmosphere, ground water or surface water, including but not limited to sewers or septic systems from the Demised Premises. Tenant shall promptly notify the other in writing of: (1) any governmental actions or (2) any claim made or threatened by any third party against Tenant, Landlord or the Premises relating to loss or injury resulting from any occurrence or condition on the Premises or any other real property that could require the removal from the Premises of any Hazardous Materials or cause any restrictions on the ownership, occupancy, transferability or use of the Demised Premises under Hazardous Materials Law. Landlord and Tenant shall cooperate with any governmental inquiry and shall comply with any governmental or judicial order which arises from any alleged, prohibited Activities or Conditions. Without limitation, hazardous substances and materials shall include those described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C., Section 6901 et seq., any applicable state or local laws and the regulations adopted under these acts. Tenant shall indemnify and hold Landlord harmless from any and all liability that may arise during the Term from the environmental condition of the

Premises.

(b) For purposes of this Paragraph, the term "hazardous materials" means any hazardous, toxic, flammable, or explosive substance, material, or waste which is or becomes regulated by any governmental authority except for cleaning and duplicating fluids provided they are kept in reasonable quantities for their use and are used in accordance with all applicable laws. The term "hazardous materials" includes, without limitation, any material or substance which is (i) petroleum, (ii) asbestos, (iii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C., Section 1317), (iv) defined as "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C., Section 6901 et seq., (v) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C., Section 9601 et seq., (vi) defined as a "hazardous waste" under the New Jersey Solid Waste Management Act, N.J.S.A. 13:1E et seq., or (vii) defined as a "hazardous" or "toxic" substance in any law similar to or in any amendment of any of the foregoing laws.

(c) This paragraph shall survive the expiration or earlier termination of this Lease. Tenant's failure to abide by the terms of this paragraph shall be restrainable by injunction.

53. AMERICANS WITH DISABILITY ACT. Tenant shall be obligated to and shall have the sole responsibility of complying with all of the relevant terms, conditions and requirements of the Americans with Disability Act (the "ADA") to the extent the ADA is applicable to Tenant's use and occupancy of the Demised Premises. To the extent the provisions of the ADA mandate modifications to the Demised Premises, such modifications shall be made by Tenant at its sole cost and expense, but in coordination and consultation with Landlord. In the event Tenant shall fail to comply with the requirements of the ADA, Landlord may, but shall not be obligated, take such steps as may be necessary to comply with the ADA and Tenant shall pay Landlord, upon demand, the cost thereof which shall be deemed Additional Rent. Tenant shall indemnify and hold Landlord harmless from any and all claims and liability arising out Tenant's obligation to comply with ADA.

54. BROKER. Tenant represents to Landlord and Landlord represents to Tenant that no broker was engaged by either in connection with this Lease. Landlord and Tenant each agrees to indemnify and hold the other harmless from any and all claims of any broker arising out of or in connection with the negotiation of or the entering into this Lease to the extent inconsistent with the representations made herein.

55. ATTORNMENT. Tenant shall in the event of the sale or assignment of Landlord's interest in the Premises, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the Premises, attorn to the purchaser or

foreclosing mortgagee or trustee and recognize such purchaser or foreclosing mortgagee or trustee as Landlord under this Lease.

56. OFAC. (a) Neither Landlord, nor to the best of Landlord's knowledge, any person or entity holding legal or beneficial interest whatsoever (whether directly or indirectly) in it or the real property, is named on any list of persons, entities and governments issued by the Office of Foreign Assets Control of the United States Department of the Treasury pursuant to Executive Order 13224-Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit or Support Terrorism, as in effect on the date hereof, or any similar list issued by OFAC or any other department or agency of the United States of America.

(b) Neither Tenant, nor to the best of Tenant's knowledge, any person or entity holding legal or beneficial interest whatsoever (whether directly or indirectly) in it or the real property, is named on any list of persons, entities and governments issued by the Office of Foreign Assets Control of the United States Department of the Treasury pursuant to Executive Order 13224-Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit or Support Terrorism, as in effect on the date hereof, or any similar list issued by OFAC or any other department or agency of the United States of America.

57. SIGNAGE. Tenant shall have the right to install and maintain signage, at Tenant's sole cost and expense, identifying Tenant subject to all proposed signs conforming with all applicable municipal ordinances and regulations.

58. RENEWAL OPTION:

(a) Tenant shall have the right to renew this Lease for all of the Demised Premises for a renewal term (the "Renewal Term") of ten (10) years as determined by Tenant. The Renewal Term shall commence on December 1, 2034 (the "Renewal Term Commencement Date") and shall terminate on November 30, 2044 (the "Renewal Term Expiration Date"). Tenant shall exercise the option described herein by giving Landlord written notice of such election to renew (the "Notice to Renew") not later than six (6) months prior to the Lease Expiration Date, and upon the giving of Notice to Renew this Lease shall thereupon be deemed renewed for the Renewal Term with the same force and effect as if the Renewal Term had originally been included in the term of this Lease. Time is of the essence with respect to Tenant's Notice to Renew. The right of the Tenant to renew this Lease shall be conditioned upon Tenant not being in default under the Lease and upon the Lease being in full and force and effect at the time of the exercise of such option and as of the Renewal Term Commencement Date.

(b) All of the terms, covenants and conditions of this Lease shall continue in full force and effect during the Renewal Term except that (i) Fixed Rent for the Renewal Term shall be Forty-Five Thousand Six Hundred and 00/100ths (\$45,600.00) Dollars per annum payable in equal monthly installments of Three Thousand Eight Hundred and 00/100ths (\$3,800.00) Dollars per month

(c) Tenant's right to exercise the Renewal Options set forth herein shall be deemed extinguished upon any event of default beyond the expiration of any applicable cure period or has not been waived by Landlord during the Term. Tenant shall have no right or option to renew this Lease except as set forth in this Section.

59. TERMINATION OPTIONS. Landlord and Tenant shall each have the right to terminate the Lease, for any reason whatsoever, at any time during the Term, on not less than two (2) year's notice (the "Notice to Terminate") to the other party. The Notice to Terminate shall set forth the date on which the Lease shall terminate and Tenant shall vacate the Premises on such date and deliver possession in the condition set forth elsewhere in this Lease.

60. NO OPTION. The submission of this Lease Agreement for examination does not constitute a reservation of, or option for, the premises, and this Lease Agreement becomes effective as a Lease Agreement only upon execution and delivery thereof by Landlord and Tenant.

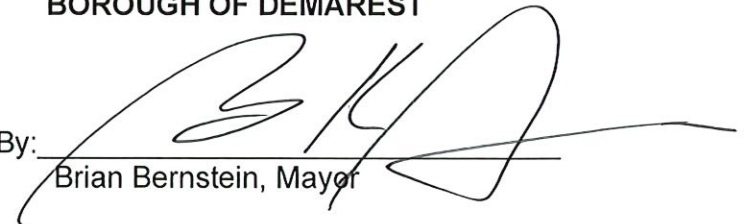
SIGNATURES ARE ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the parties have executed this Lease on the date first above written.

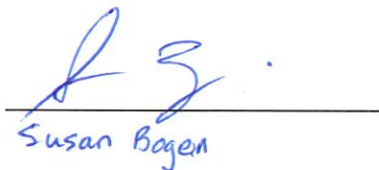
WITNESS:


Julie Falkenstern, Clerk

LANDLORD:
BOROUGH OF DEMAREST

By: 
Brian Bernstein, Mayor

WITNESS:


Susan Bogen

TENANT:
**ART SCHOOL AT OLD CHURCH,
Not-for-profit entity**

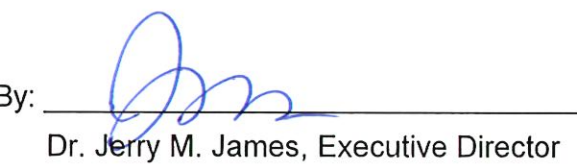
By: 
Dr. Jerry M. James, Executive Director

EXHIBIT "A"

Description of Property comprising the Premises

DESCRIPTION

All that certain tract or parcel of land and premises, situate, lying and being in the Borough of Demarest, County of Bergen, State of New Jersey, and being more particularly described as follows:

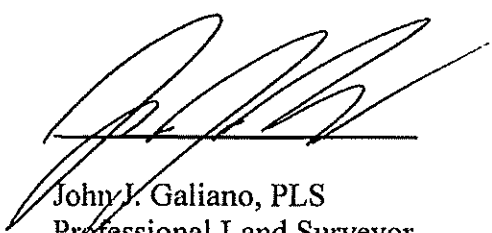
BEGINNING AT A POINT on the northwesterly line of Piermont Road (60 feet wide) said point being distant 278.23 feet southwesterly from its intersection with the southwesterly line of Orchard Road (60 feet wide), and running thence:

1. Along the northwesterly line of Piermont Road South 44 degrees 08 minutes 30 seconds West 238.07 feet to a point; thence
2. North 44 degrees 53 minutes 30 seconds West 158.00 feet to a point; thence
3. North 43 degrees 31 minutes 30 seconds East 67.57 feet to a point; thence
4. North 23 degrees 23 minutes 00 seconds East 204.58 feet to a point; thence
5. South 54 degrees 00 minutes 20 seconds East 84.04 feet to a point; thence
6. South 28 degrees 59 minutes 14 seconds West 36.64 feet to a point; thence
7. South 45 degrees 51 minutes 30 seconds East 138.44 feet to a point on the northwesterly line of Piermont Road and the point and place of BEGINNING.

THIS description is in accordance with a survey prepared by Galiano, Harris & Associates, LLC dated April 4, 2024.

FOR INFORMATION ONLY:

ALSO known as Lots 5.01 and 6 in Block 67 on the Borough of Demarest Tax Map and more commonly known as 563 Piermont Road.



John J. Galiano, PLS
Professional Land Surveyor
New Jersey License No. 43284