

ASSIGNMENT AND ASSUMPTION AGREEMENT
(Master Lease)

THIS ASSIGNMENT (this "Assignment") made as of July 21 _____, 1988 by NEW YORK STATE URBAN DEVELOPMENT CORPORATION, a corporate governmental agency of the State of New York, constituting a political subdivision and public benefit corporation, having an office at 1515 Broadway, New York, New York 10036-8960 ("Assignor") to ROOSEVELT ISLAND OPERATING CORPORATION, a body corporate and politic constituting a political subdivision of the State of New York and a public benefit corporation, having an office at 591 Main Street, Roosevelt Island, New York, New York 10044 ("Assignee").

W I T N E S S E T H :

WHEREAS, Assignor is the lessee under a certain Agreement of Lease dated December 23, 1969 made by and between The City of New York, as lessor (the "City") and Assignor, as lessee, as amended by Agreements dated July 26, 1972, December 6, 1973 and December 16, 1977, respectively, made by and between the City and Assignor (said Lease, as amended, being hereinafter called the "Master Lease"); and

WHEREAS, Assignee was created by Chapter 899 of the 1984 Laws of the State of New York to plan, develop, operate, maintain and manage Roosevelt Island (the "RIOC Act"); and

WHEREAS, the RIOC Act provides, among other things, for the assignment of the Lease from Assignor to Assignee.

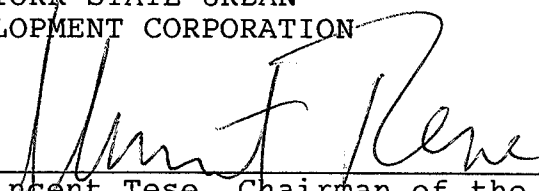
NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns and transfers to Assignee all of its rights, title and interest in the Master Lease, including, without limitation, the set off and deferral rights granted to the lessee thereunder.

TO HAVE AND TO HOLD the same unto Assignee, its successors and assigns for the remainder of the term of the Lease.

Assignee does hereby accept the assignment and transfer of all Assignor's rights, title and interest in the Master Lease, including without limitation, the set off and deferral rights granted to the lessee thereunder.

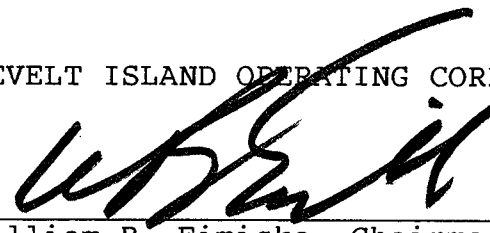
IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment as of the day and year first above written.

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By: 

Vincent Tese, Chairman of the
Board and Chief Executive Officer

ROOSEVELT ISLAND OPERATING CORPORATION

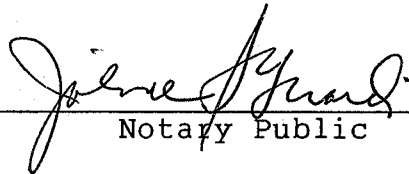
By: 

William B. Eimicke, Chairman of the
Board and Chief Executive Officer

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

On the 19 day of July, 1988, before me personally came Vincent Tese, to me known, who, being by me duly sworn, did depose and say that he resides at 130 East 74th Street, New York, New York 10021; that he is the Chairman of the Board and Chief Executive Officer of NEW YORK STATE URBAN DEVELOPMENT CORPORATION, the public benefit corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

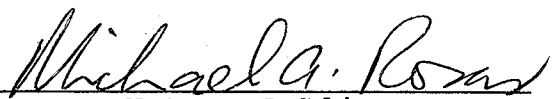
JO-ANNE S. GERARDI
Notary Public, State of New York
No. 31-4738722
Qualified in New York County
Commission Expires March 30, 1989


Notary Public

[Notarial Seal]

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

On the 21 day of July, 1988, before me personally came William B. Eimicke, to me known, who, being by me duly sworn, did depose and say that he resides at One Fordham Plaza, Bronx, NY 10458; that he is the Chairman of the Board and Chief Executive Officer of ROOSEVELT ISLAND OPERATING CORPORATION, a body corporate and politic constituting a political subdivision of the State of New York and a public benefit corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.


Notary Public
MICHAEL A. ROSAS
Notary Public, State of New York
No. 31-4921557
Qualified in New York County
Commission Expires 2/1/90

[Notarial Seal]