THIS AMENDMENT TO LEASE (this "Amendment") made as of the 9th day of July, 1987 among NEW YORK STATE URBAN DEVELOPMENT CORPORATION, a corporate governmental agent 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 ("Landlord"), ROOSEVELT ISLAND ASSOCIATES, a New York general partnership having an office c/o Starrett Housing Corporation, 909 Third Avenue, New York, New York 10022 ("Tenant") and 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 ("RIOC").

W I T N E S S E T H:

WHEREAS, Landlord, Tenant and RIOC are parties to a certain Agreement of Lease made as of August 4, 1986 (the "Lease") covering the premises more particularly described in Exhibit A hereto; and

WHEREAS, the parties are desirous of amending the Lease in certain respects.

NOW, THEREFORE, for good and valuable consideration, Landlord, Tenant and RIOC agree as follows:

(1) All capitalized terms not otherwise defined herein shall have the meanings provided in the Lease.

(2) Section 4.05(a)(ii) of the Lease is hereby amended by adding the following phrase at the end of said subsection: "(provided, however, no such deposit by Tenant shall be required in the event Tenant is FHA and no such deposit by the Mortgagee shall be required in the event the Mortgagee is FHA)."

(3) Article 6 of the Lease is hereby amended by adding the following sentence at the end of Article 6: "Notwithstanding anything herein contained to the contrary, FHA shall not be obligated for the payment of any late charge as hereinabove provided unless it shall first have been given sixty (60) days notice of such late payment."

(4) Section 9.05(g)(ii) of the Lease is hereby amended by adding the following sentences at the end of said subsection : "Notwithstanding anything contained

in this Section 9.05(g)(ii) to the contrary, in the event FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed a new lease with Landlord in accordance with Section 33.04 hereof, the cost of such Demolition shall be subject to the approval of FHA. In the event Landlord and FHA are unable to so agree, Landlord's election not to have Tenant perform such Demolition shall be deemed withdrawn and of no further force or effect, and FHA, as Tenant hereunder, shall perform such Demolition pursuant to Section 9.05(d) hereof."

(5) Section 23.05(a) of the Lease is hereby amended by adding the following sentences at the end of said subsection: "Notwithstanding anything contained in this Section 23.05(a) to the contrary, for so long as the First Mortgage shall be insured, reinsured or held by FHA, FHA shall have the right to approve the operator and any new operator of Motorgate II and the Garage Management Agreement and any new Garage Management Agreement. FHA shall use its best efforts to respond to any request for its approval in a timely manner."

(6) Section 23.06 of the Lease is hereby amended by adding to said Section a new subsection, entitled "(e) Applicability to FHA", which shall read as follows:

"(e) Applicability to FHA. Notwithstanding anything contained in this Section 23.06 to the contrary, in the event FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed a new lease with Landlord in accordance with Section 33.04 hereof, FHA and its successors and assigns (other than an Initial Tenant Affiliate (as hereinafter defined)) shall have no obligation to comply with the provisions of Section 23.06(b)(i) hereof and Section 23.06(b)(i) shall, except as hereinafter provided, be of no further force or effect from and after the date FHA shall have succeeded to Tenant's interest in this Lease or executed such new lease. The provisions of Section 23.06(b)(i) shall, in all events, be binding upon an Initial Tenant Affiliate in the event such Initial Tenant Affiliate shall become the Tenant hereunder. As used herein, an Initial Tenant Affiliate means Roosevelt Island Associates or any Affiliate of Roosevelt Island Associates, Starrett Housing Corporation and/or Cohen Brothers."

(7) Notwithstanding anything contained in Sections 26.01 and 26.02 of the Lease to the contrary, in the

event FHA shall have succeeded to the interest of Tenant in the Lease or shall have executed a new lease with Landlord in accordance with Section 33.04, FHA shall be obligated to maintain only such books and records as it customarily maintains under its rules and regulations in effect from time to time for projects similar to the Premises, provided such books and records contain sufficient information, in Landlord's reasonable judgement, for Landlord and Tenant to determine the Rental required to be paid by Tenant under the Lease.

(8) Notwithstanding anything contained in Section 33.04(c) of the Lease to the contrary, in the event FHA shall have executed a new lease in accordance with the provisions of Section 33.04, FHA shall receive a credit against the Rental due under the Lease up to and including the date of the commencement of the term of such new lease in an amount equal to any income received by Landlord from the operation of the Premises during such period after deducting therefrom all reasonable expenses incurred by Landlord in connection with the operation of the Premises during such period. Landlord shall deliver to FHA, concurrently with the execution of such new lease, a statement, in reasonable detail, setting forth the income so received by Landlord and the expenses so incurred by Landlord.

(9) Notwithstanding anything contained in Section 33.04(c) of the Lease to the contrary, in the event FHA shall have executed a new lease in accordance with the provisions of Section 33.04, FHA shall have no obligation to Landlord for the payment of Landlord's expenses incurred in connection with the Event of Default, the termination of the Lease and the preparation of such new lease, including, without limitation, Landlord's attorneys' fees and disbursements and court costs.

(10) Section 33.03 of the Lease is hereby amended by adding to said Section, a new subsection, entitled "(f) Rights of First Mortgagee", which shall read as follows:

"(f) Rights of First Mortgagee. Notwithstanding anything contained in this Section 33.03 to the contrary, so long as the First Mortgage shall be insured, reinsured or held by FHA, the First Mortgagee shall have a period of one hundred and eighty (180) days from the giving of the Event of Default Notice to the First Mortgagee within which to remedy such Default,

provided, however, in the event such Default shall not have been so remedied within sixty (60) days from the giving of the Event of Default Notice, Landlord shall have the right at any time thereafter to terminate this Lease in accordance with the provisions of Article 24 of this Lease."

(11) Section 33.03(b) of the Lease is hereby amended by deleting therefrom, in its entirety, the following sentence: "The First Mortgagee shall have a period of forty (40) days in addition to that provided above to other Mortgagees within which to remedy such Default."

(12) The first sentence of Section 33.04(b) of the Lease is hereby amended by deleting the words "thirty (30)" and substituting therefore the words "one hundred and eighty (180)" and deleting the words "sixty (60)" and substituting therefore the words "thirty (30)".

(13) Article 39 of the Lease is hereby amended by adding to said Article a new section, entitled "Section 39.16. Applicability to FHA", which shall read as follows:

"Section 39.16. Applicability to FHA. Notwithstanding anything contained in this Article 39 to the contrary, in the event FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed a new lease with Landlord in accordance with Section 33.04 hereof, during the period FHA shall be the Tenant hereunder, the provisions of Sections 39.01 through and including 39.15 shall not be binding upon FHA and FHA shall have no obligation to comply with or observe any of the terms, covenants or conditions contained in such Sections. FHA shall however comply with the Federal equal opportunity standards in effect from time to time during the period FHA shall be the Tenant hereunder or under such new lease."

(14) Section 40.06(a) of the Lease is hereby amended by adding to said subsection the following sentences: "Notwithstanding anything contained in this Section 40.06(a) to the contrary, in the event FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed a new lease with Landlord in accordance with Section 33.04 hereof, the provisions of this Section 40.06(a) shall cease, expire and be of no further force or effect from and after the date FHA shall have become the Tenant hereunder or under such new

lease. Landlord shall have the right (but not the obligation) to cause FHA to enter into a sublease with Landlord of the Community Facilities Building wherein FHA, as sublessor, shall sublet the Community Facilities Building to Landlord, as sublessee, at a rental of $1.00 per annum and for a term of one (1) year, renewable at the election of Landlord for additional periods of one (1) year until the expiration or earlier termination of this Lease or such new lease. Such sublease shall be in form and substance reasonably satisfactory to Landlord and FHA and shall permit Landlord to operate the Community Facilities Building for the purposes set forth in this Section 40.06(a). Landlord shall exercise such right by notice to FHA given within sixty (60) days after FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed such new lease."

(15) Section 40.06(c) of the Lease is hereby amended by adding to said subsection the following sentences: "Notwithstanding anything contained in this Section 40.06(c) to the contrary, in the event FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed a new lease with Landlord in accordance with Section 33.04 hereof, the provisions of this Section 40.06(c) shall cease, expire and be of no further force or effect from and after the date FHA shall have become the Tenant hereunder or under such new lease. Landlord shall have the right (but not the obligation) to cause FHA to enter into a sublease with Landlord of such day-care center wherein FHA, as sublessor, shall sublet such day-care center to Landlord, as sublessee, at a rental of $1.00 per annum and for a term of one (1) year, renewable at the election of Landlord for additional periods of one (1) year until the expiration or earlier termination of this Lease or such new lease. Such sublease shall be in form and substance reasonably satisfactory to Landlord and FHA and shall permit Landlord to operate such day-care center for the purposes set forth in this Section 40.06(c). Landlord shall exercise such right by notice to FHA given within sixty (60) days after FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed such new lease."

(16) Notwithstanding the provisions of Section 40.06(d) and Section 40.06(e) to the contrary, in the event FHA shall have succeeded to the interest of Tenant in the Lease or shall have executed a new lease with Landlord in accordance with Section 33.04, the obligations of Tenant under said Sections shall cease,

expire and be of no further force or effect from and after the date FHA shall have succeeded to the interest of Tenant in the Lease or executed such new lease.

(17) Section 40.08(b) of the Lease is hereby amended by adding the following sentences at the end of said subsection: "Notwithstanding anything contained in this Section 40.08(b) to the contrary, in the event FHA shall have succeeded to the interest of Tenant in this Lease or shall have executed a new lease with Landlord in accordance with Section 33.04 hereof, (a) FHA shall have no obligation to operate or maintain the transportation service required to be maintained and operated by Tenant under this Section 40.08(b) and (b) FHA shall have no obligation to pay Landlord the amount provided in the last sentence in said Section 40.08(b)."

(18) Notwithstanding anything contained in the Lease to the contrary:

(a) Subject to compliance by FHA with the provisions of Article 33 of the Lease, the requirement of consent by Landlord to an Assignment shall not apply to the acquisition of the Premises by FHA, through the foreclosure of the First Mortgage or through a deed or instrument of transfer delivered in lieu of such foreclosure.

(b) In the event FHA shall have succeeded to the interest of Tenant in the Lease, provided that (i) FHA shall have complied with the notice and submission requirements contained in Section 10.03 of the Lease, (ii) on the effective date of such Assignment, there shall not exist any Default or Event of Default, unless such Default or Event of Default is cured simultaneously with the consummation of the Assignment, (iii) the proposed Assignee is not a Person whom Landlord shall have identified to FHA as a Prohibited Person with the reasons for such classification unless FHA shall have determined that, notwithstanding such classification as a Prohibited Person, the proposed Assignee is not barred from participation in FHA projects, and (iv) FHA shall deliver to Landlord or cause to be delivered to Landlord, the instruments referred to in Section 10.04 (b)(i) of the Lease, the requirement of consent by Landlord to such Assignment shall not apply.

(c) No Transaction Payment shall be due or payable in connection with the acquisition by FHA of Tenant's interest in the Lease or in connection with an Assignment by FHA.

(19) Notwithstanding anything contained in the Lease to the contrary, so long as the First Mortgage shall be insured, reinsured or held by FHA, at the request of FHA, the Depository shall be HDC.

(20) Notwithstanding anything contained in the Lease to the contrary, including, without limitation, Article 9 thereof, so long as the First Mortgage shall be insured, reinsured or held by FHA:

(a) In the event of a taking of less than all or substantially all of the Premises, except as hereinafter set forth, the proceeds of any condemnation award or negotiated sale or assignment in lieu of condemnation shall be paid to the First Mortgagee and shall be applied by the First Mortgagee, as the First Mortgagee shall determine with the concurrence of the Federal Housing Commissioner, either for Restoration of the parts of the Buildings remaining after such taking, in accordance with the provisions of the Lease or, to the extent of the unpaid principal indebtedness of the First Mortgage, in reduction of the unpaid principal indebtedness of the First Mortgage, provided, however, if the First Mortgagee shall have elected to apply such award to the unpaid principal indebtedness of the First Mortgage, prior to such application, there shall first be paid to the Master Landlord such amounts as shall be due the Master Landlord under the Master Lease.

(b) In the event of a negotiated sale or assignment of all or a portion of the Premises in lieu of condemnation, the approval of the Federal Housing Commissioner and First Mortgagee shall be required as to the amount of the payment to be received.

(21) Section 33.07(b) of the Lease is hereby amended by inserting at the beginning of said subsection the phrase "Except as otherwise specifically provided herein,".

(22) Notwithstanding anything contained in the Lease to the contrary, including, without limitation, Articles

7, 8 or 11, so long as the First Mortgage shall be insured, reinsured or held by FHA, the amounts paid by any insurance company under any policy of insurance required to be maintained by Tenant under the provisions of the Lease, to the extent of the unpaid principal indebtedness of the First Mortgage, shall be paid to the First Mortgagee and shall be applied by the First Mortgagee, with the concurrence of the Federal Housing Commissioner, as follows:

(a) If in the judgment of the First Mortgagee, reasonably exercised, the insurance moneys are in excess of the estimated cost of Restoration, the First Mortgagee shall apply such insurance moneys for such Restoration either in accordance with the provisions of the Lease or, in the event the provisions of the First Mortgage with respect to disbursement of insurance moneys are in conflict with the provisions of the Lease, in accordance with the provisions of the First Mortgage; or

(b) If in the judgment of the First Mortgagee, reasonably exercised, the insurance moneys are less than the estimated cost of such Restoration, either, at the option of the First Mortgagee (i) for such Restoration in accordance with subparagraph (a) hereof or (ii) in reduction the unpaid principal indebtedness of the First Mortgage.

In the event the First Mortgagee shall have applied the insurance moneys in accordance with subparagraph (b)(ii) hereof, the failure of Tenant or the First Mortgagee to Restore the Premises shall not constitute a Default under the Lease.

(23) Notwithstanding anything contained in the Lease to the contrary, including, without limitation, Articles 7, 8 or 11, in the event FHA shall have succeeded to the interest of Tenant in the Lease or shall have executed a new lease with Landlord in accordance with Section 33.04, the amounts paid by any insurance company under any policy of insurance required to be maintained by Tenant under the provisions of the Lease shall be applied by FHA as follows:

(a) If in the judgment of FHA, reasonably exercised, the insurance moneys are in excess of the estimated cost of such Restoration, FHA shall apply such insurance moneys for Restoration of the Premises in accordance with the provisions of the Lease; or

(b) If in the judgement of FHA, reasonably exercised, the insurance moneys are less than the estimated cost of such Restoration, FHA shall, at its option, either (i) retain such insurance moneys up to an amount equal to the amount which was due and owing the First Mortgagee at the time FHA succeeded to the interest of Tenant under the Lease or executed a new lease or (ii) for Restoration of the Premises in accordance with subparagraph (a) hereof.

In the event FHA shall have applied the insurance moneys in accordance with subparagraph (b)(i) hereof, the failure of FHA, as Tenant, to Restore the Premises shall not constitute a Default under the Lease.

(24) Notwithstanding anything contained in Section 8.06 of the Lease to the contrary, in the event FHA shall have succeeded to the interest of Tenant in the Lease or shall have executed a new lease with Landlord in accordance with Section 33.04, provided FHA shall have maintained the insurance required to be maintained by Tenant under the Lease, FHA shall not be required to expend any sums in excess of the net insurance proceeds in connection with a Restoration of the Premises.

(25) In the event Depository shall be HDC, any monies held by HDC, in its capacity as First Mortgagee and not as Depository under the Lease, shall be applied by HDC in the manner provided in the First Mortgage and Landlord shall have no interest in or claim against any such moneys.

(26) Notwithstanding anything contained in the Lease to the Contrary, including, without limitation, Articles 7 and 11, in the event FHA shall have succeeded to the interest of Tenant in the Lease or shall have executed a new lease with Landlord in accordance with Section 33.04, FHA shall have the option, in lieu of providing any of the insurance required to be maintained by Tenant under the Lease, to self-insure, provided such self insurance by FHA shall not affect any of the obligations, liabilities or indemnities of FHA, as Tenant under the Lease.

(27) Exhibit A to the Lease is hereby deleted in its entirety and Exhibit B annexed hereto is hereby substituted therefor.

(28) Article 10 of the Lease is hereby amended by adding to said Article, a new section, entitled "Section

10.12. Source of Transaction Payments", which shall read as follows:

> "Section 10.12 Source of Transaction Payments. The provisions of this Section 10.12 shall be applicable for so long as the First Mortgage shall be insured, reinsured or held by FHA. Notwithstanding anything contained in this Article 10 to the contrary, no Transaction Payment required to be paid to Landlord hereunder shall exceed the sum of the Transaction Proceeds and Surplus Cash (as such term is defined in the Regulatory Agreement made by and between Tenant and the Secretary of Housing and Urban Development)."

(29) In the event the provisions of this Amendment shall conflict with the provisions of the Lease, the provisions of this Amendment shall govern.

(30) As hereby amended, all of the terms and provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____
Its: _____

ROOSEVELT ISLAND ASSOCIATES

By: HSC CORP., a New York corporation, A General Partner

By: _____
Its: President

By: COHEN ROOSEVELT ASSOCIATES, a New York limited partnership, A General Partner

By: _____
Its: _____

ROOSEVELT ISLAND OPERATING CORPORATION

By: _____
Its: _____

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

On the 9th day of July, 1987, before me personally came Alan C. Sullivan, to me known, who, being by me duly sworn, did depose and say that he resides at 85 Wolf Avenue, Malverne, N. Y. 11565; that he is the Chief Operations 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 directors of said corporation and that he signed his name thereto by like order.

Notary Public

[Notarial Seal]

JEAN H. [illegible]
Notary Public, State of New York
No. 31-3666927
Qualified in New York County
Commission Expires Oct. 31, 19[illegible]

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

On the 14th day of July, 1987, before me personally came Roland Rosenblatt, to me known, who, being by me duly sworn, did depose and say that he resides at 45 Manursing Rd. Scarsdale N.Y.; that he is the President of HSC CORP., the corporation described in and which executed the foregoing instrument as a general partner of Roosevelt Island Associates, the New York partnership described in 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

[Notarial Seal]

STEPHEN SALUP
Notary Public, State of New York
No. 30-8744980
Qualified in Nassau County
Term Expires October 31, 1988

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

On the 15th day of July, 1987, before me personally came Sherman Cohen, to me known, who, being by me duly sworn, did depose and say that he resides at 50 John Street, Greenwich CT; that he is the General Partner of COHEN ROOSEVELT ASSOCIATES, the New York limited partnership described in and which executed the foregoing instrument as a general partner of Roosevelt Island Associates, the New York partnership described in 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
ROSLYN SAUNDERS
Notary Public, State of New York
No. 31-4721061
Qualified in New York County
Commission Expires August 31, 1988

[Notarial Seal]

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

On the 13th day of July, 1987, before me personally came William B. Eimicke, to me known, who, being by me duly sworn, did depose and say that he resides at RD5, Box 255A, Valatie, NY; that he is the Chairman of ROOSEVELT ISLAND OPERATING 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 directors of said corporation and that he signed his name thereto by like order.

Notary Public
ANNE MARIE S. LASKY
Notary Public, State of New York
Qualified in Albany County
Reg. No. 4635987
Commission Expires June, 1988

[Notarial Seal]

GUNDARS APERANS
JOSEPH W. ARMBRUST, JR.
ANITA FISHER BARRETT
ANDREW S. BERKMAN
BRUCE D. BOLANDER
GEORGE B. BOYLE
E. MICHAEL BRADLEY
WILLIAM E. CARTER
DAVID G. CASNOCHA*
PHILIP W. CLARK
ROBERT S. COOK, JR.
KENNETH T. COTE
WALTER T. ECCARD*
SHELLY S. FRIEDMAN
A. J. ALEXIS GELINAS
RICHARD L. GOARD
HOWARD G. GODWIN, JR.
MARTIN E. GOLD
ROGER J. HAWKE
THOMAS A. HUMPHREYS
CHARLES J. JOHNSON, JR.
CATHY M. KAPLAN
JOHN L. KELLY
HENRY S. KLAIMAN
MITCHELL KLEINMAN
SUSAN D. LEWIS
F. LEE LIEBOLT, JR.
KENNETH C. LIND
JOHN A. MacKINNON
JAMES K. MANNING
VICTOR MARRERO
RENWICK D. MARTIN
JAMES B. MAY
GERALD J. McGOVERN
ROBERT N. McKAY
CHRISTOPHER B. MEAD
PETER J. MICHEL
HENRY F. MINNEROP
ROBERT L. MITCHELL
JAMES E. MURRAY *
JOHN H. NEWMAN
A. ROBERT PIETRZAK
E. MILES PRENTICE, III
PAUL C. PRINGLE
JOHN A. QUISENBERRY
JOSEPH G. RIEMER, III
A. FRANCIS ROBINSON, JR.
RICHARD D. RUDDER
CHARLES J. SANDERS
HOMER D. SCHAAF
EILEEN CAULFIELD SCHWAB
PAUL D. SELVER
NORMAN D. SLONAKER
THOMAS R. SMITH, JR.
ERIC D. TASHMAN
LAWRENCE C. TONDEL
PETER TUFO
R. DONALD TURLINGTON
JEFFREY C. TWEEDY
RICHARD A. VAN DUSEN
MAX VON HOLLWEG
JUDITH WELCOM
KAREL WESTERLING
HOWARD W. WHITAKER, JR.
MICHAEL G. WOLFSON
JOHN E. ZUCCOTTI

* NOT ADMITTED IN NEW YORK

BROWN & WOOD

ONE WORLD TRADE CENTER
NEW YORK, N. Y. 10048

212-839-5300
TELEX: 12-7324
CABLE ADDRESS: BROWOODLAW
TELECOPIER: 212-839-5599

645 MADISON AVENUE
NEW YORK, N. Y. 10022
212-752-8668

555 CALIFORNIA STREET
SAN FRANCISCO, CA. 94104
415-398-3909

ONE FARRAGUT SQUARE SOUTH
WASHINGTON, D. C. 20006
202-393-7400

10900 WILSHIRE BOULEVARD
LOS ANGELES, CA. 90024
213-208-4343

August 17, 1987

BY HAND

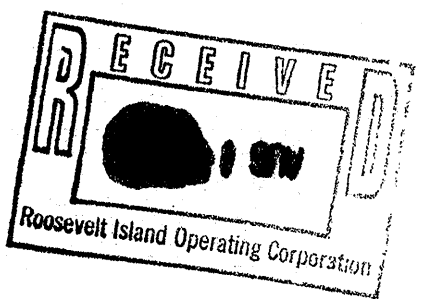
Debra James, Esq.
Roosevelt Island Operating Corporation
541 Main Street
Roosevelt Island, New York 10044

Glenn Frankel, Esq.
Urban Development Corporation
1515 Broadway
New York, New York 10036

Re: Roosevelt Island

Dear Debra and Glenn:

The legal description attached to the Amendment of the Lease as Exhibit B, dated as of July 9, 1987, refers to Stephen J. Reid's survey No. 17041. The survey which is currently being used for closing and which is the source of the legal descriptions for the title report and loan documents is Stephen J. Reid's survey No. 16018. Survey No. 16018 supercedes Survey No. 17041. Enclosed is a copy of a letter from Stephen J. Reid Surveying Co. confirming that the premises described by both surveys is one in the same.



In order to alleviate the concerns of the lender and title insurer due to the difference in survey numbers, please have the appropriate parties sign in the space below to acknowledge that the premises described in the Lease and the premises described in the closing documents are the same.

I have enclosed photocopies of the description contained in the title report for your reference.

I thank you in advance for you cooperation.

Very truly yours,

John L. Kelly

JLK:pak
Enclosures

URBAN DEVELOPMENT CORPORATION

BY: _____

ROOSEVELT ISLAND OPERATING CORPORATION

BY: _____

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Residential Buildings Site

All that certain plot, piece or parcel of land situate, lying and being in Roosevelt Island, City and State of New York, bounded and described as follows:

Beginning at a point No. 200 located on the westerly line of Main Street, as shown on Stephen J. Reid's Survey No. 16018 dated May 21, 1986 having coordinates North 15,486.71, East 18,871.31, referred to Local Coordinate Systems:

Running thence the following courses and distances:

(1) South 34 Degrees 10 Minutes 38 Seconds West, 1031.67 Feet along said Westerly Line of Main Street,
(2) North 55 Degrees 49 Minutes 22 Seconds West, 275.98 Feet,
(3) South 31 Degrees 54 Minutes 40 Seconds West, 149.09 Feet,
(4) North 55 Degrees 12 Minutes 28 Seconds West, 26.97 Feet,
(5) North 31 Degrees 50 Minutes 06 Seconds East, 329.25 Feet along the Easterly side of the Seawall,
(6) North 29 Degrees 29 Minutes 00 Seconds East, 625.94 Feet along the Easterly side of the Seawall,
(7) North 34 Degrees 29 Minutes 42 Seconds East, 227.54 Feet along the Easterly side of the Seawall,
(8) South 55 Degrees 49 Minutes 22 Seconds East, 360.46 Feet to the Westerly line of Main Street, and to the point or place of beginning.

Together with such land adjacent to the easterly boundary of the above described land as is actually occupied by columns and footings for the Residential Buildings constructed in accordance with the Plans and Specifications as defined in "The Lease".

Together with such air space adjacent to the easterly boundary of the above described land as is actually occupied by portions of the Residential Buildings constructed in accordance with the Plans and Specifications as defined in "The Lease".

Motorgate II Site

All that certain plot, piece or parcel of land situate, lying and being in Roosevelt Island, City and State of New York, bounded and described as follows:

Beginning at a point on the easterly line of Main Street, as shown on Stephen Reid's Survey No. 16018, distant 301.57 feet northeasterly from angle point #52 having coordinates N 14,839.66, E 18,534.86 referred to Local Coordinate System:

Running thence the following courses and distances:

(1) South 55 Degrees 49 Minutes 22 Seconds East, 103.17 Feet,
(2) North 34 Degrees 10 Minutes 38 Seconds East, 230.58 Feet,
(3) North 55 Degrees 49 Minutes 22 Seconds West, 47.33 Feet,
(4) North 34 Degrees 10 Minutes 38 Seconds East, 7.62 Feet,
(5) North 55 Degrees 49 Minutes 22 Seconds West, 7.75 Feet,
(6) North 34 Degrees 10 Minutes 38 Seconds East, 25.00 Feet,
(7) North 55 Degrees 49 Minutes 22 Seconds West, 13.83 Feet,
(8) South 34 Degrees 10 Minutes 38 Seconds West, 25.00 Feet,
(9) North 55 Degrees 49 Minutes 22 Seconds West, 7.75 Feet,
(10) South 34 Degrees 10 Minutes 38 Seconds West, 7.62 Feet,
(11) North 55 Degrees 49 Minutes 22 Seconds West, 26.51 Feet

to a point on the easterly line of Main Street;

Running thence South 34 Degrees 10 Minutes 38 Seconds West, 230.58 Feet along said easterly line of Main Street to the point or place of beginning.

Together with such land adjacent to the westerly boundary of the above described land as is actually occupied by the columns and footings for Motorgate II constructed in accordance with the Plans and Specifications as defined in "The Lease".

Together with such air space adjacent to the westerly boundary of the above described land as is actually occupied by portions of Motorgate II constructed in accordance with the Plans and Specifications as defined in the "The Lease".

Together with such air space adjacent to the southerly boundary of the above described land as is actually occupied by the portion of Motorgate II connecting with Motorgate I constructed in accordance with the Plans and Specifications as defined in "The Lease".

SURVEY READING

Survey made by Stephen J. Reid Company dated 5/2/86 updated 6/22/87 and visually inspected on 7/16/87 shows vacant land and the following:

1) air rights and related building support columns encroach into the bed of Main Street; Policy does not insure that said encroachments may be maintained. However, Policy insures the Mortgagee against monetary loss resulting from the enforced removal thereof.

2) Sewer, Promenade, A.V.A.C. easements and cross-easements between motorgate and motorgate expansion area affect premises herein

3) wood and chain link fences in various stages of disrepair, flagpole base and trees located on premises herein

4) 12" Water Main crosses premises herein

5) sign for Roosevelt Island Little League located on premises herein

6) construction fence not located

7) chain link fence crosses sidewalk along western portion of premises (easterly side of Main Street near motorgate area)

Telephone: (718) 353-5400
(516) 628-2623
Stephen J. Reid, P.E., L.S. 1921-1974
Lawrence K. Reid, City Surveyor
Stephen Reid, Jr. 1957-1977

SUCCESSORS TO
GEORGE W. HAVILAND — ROBERT E. CARLIN
WILLIAM J. DALY
CIVIL ENGINEERS — CITY SURVEYORS

STEPHEN J. REID SURVEYING CO.
LAND SURVEYORS & CITY SURVEYORS
ESTABLISHED 1921
REAL ESTATE DEVELOPMENT INSPECTIONS
EXAMINATION AND REPORTS
ARCHITECTURAL & CONSTRUCTION SURVEYS
134-26 NORTHERN BOULEVARD, FLUSHING, N.Y. 11354
NASSAU-SUFFOLK OFFICE
13 HILLTOP DRIVE, BAYVILLE, NEW YORK 11709

August 10, 1987

John L. Kelly, Esq.
Brown & Wood
One World Trade Center
Suite 5751
New York, New York 10048

Re: Roosevelt Island

This letter is to confirm the fact that the surveys prepared by my firm numbered 17041 and 16018 are surveys of the same premises as those described on the face of survey number 16018. Accordingly, all references to either survey will refer to identical premises.

Very truly yours

Lawrence K. Reid

Lawrence K. Reid

Exhibit A

LEGAL DESCRIPTION OF LAND

Residential Buildings Site

All that certain plot, piece or parcel of land situate, lying and being in Roosevelt Island, City and State of New York, bounded and described as follows:

Beginning at a point No. 200 located on the westerly line of Main Street, as shown on Stephen J. Reid's Survey No. 17041 dated May 21, 1986 having coordinates North 15,486.71, East 18,871.31, referred to Local Coordinate Systems:

Running thence the following courses and distances:

(1) South 34 Degrees 10 Minutes 38 Seconds West, 1031.67 Feet along said Westerly Line of Main Street,
(2) North 55 Degrees 49 Minutes 22 Seconds West, 275.98 Feet,
(3) South 31 Degrees 54 Minutes 40 Seconds West, 149.09 Feet,
(4) North 55 Degrees 12 Minutes 28 Seconds West, 26.97 Feet,
(5) North 31 Degrees 50 Minutes 06 Seconds East, 329.25 Feet along the Easterly side of the Seawall,
(6) North 29 Degrees 29 Minutes 00 Seconds East, 625.94 Feet along the Easterly side of the Seawall,
(7) North 34 Degrees 29 Minutes 42 Seconds East, 227.54 Feet along the Easterly side of the Seawall,
(8) South 55 Degrees 49 Minutes 22 Seconds East, 360.46 Feet to the Westerly line of Main Street, and to the point or place of beginning.

Together with such land adjacent to the easterly boundary of the above described land as is actually occupied by columns and footings for the Residential Buildings constructed in accordance with the Plans and Specifications.

Together with such air space adjacent to the easterly boundary of the above described land as is actually occupied

by portions of the Residential Buildings constructed in accordance with the Plans and Specifications.

Motorgate II Site

All that certain plot, piece or parcel of land situate, lying and being in Roosevelt Island, City and State of New York, bounded and described as follows:

Beginning at a point on the easterly line of Main Street, distant 305.15 feet northeasterly from angle point #52 having coordinates N 14,839.66, E 18, 534.86 referred to Local Coordinate System;

Running thence the following courses and distances:

(1)	S 55°-49'-22"E,	101.50 feet
(2)	N 34°-10'-38"E,	230.00 feet
(3)	N 55°-49'-22"W,	55.00 feet
(4)	N 34°-10'-38"E,	19.50 feet
(5)	N 55°-49'-22"W,	22.00 feet
(6)	S 34°-10'-38"W,	19.50 feet
(7)	N 55°-49'-22"W,	18.00 feet
(8)	N 34°-10'-38"E,	42.00 feet
(9)	N 8°-42'-06"W,	9.55 feet

to a point on the easterly line at Main Street; Running thence S 34°-10'-38"W, 279.00 feet along said easterly line of Main Street to the point or place of beginning.

Together with such land adjacent to the westerly boundary of the above described land as is actually occupied by the columns and footings for Motorgate II constructed in accordance with the Plans and Specifications.

Together with such air space adjacent to the westerly boundary of the above described land as is actually occupied by portions of Motorgate II constructed in accordance with the Plans and Specifications.

Together with such air space adjacent to the southerly boundary of the above described land as is actually occupied by the portion of Motorgate II connecting with Motorgate I constructed in accordance with the Plans and Specifications.

Reservations

SUBJECT to such non-exclusive easements and rights-of-way upon, over, under, across and through the Premises, including rights of ingress and egress, as may be necessary or desirable to permit Landlord to exercise its rights and/or perform its obligations under this Lease.

SUBJECT to an easement upon, over, under, across and through the Premises for construction, repair, maintenance and replacement of AVAC.

SUBJECT to a thirty-five foot wide easement upon, over, under, across and through the Premises for repair, maintenance and replacement of sewer line.

SUBJECT to non-exclusive easements and rights of way in favor of the public upon, over, across and through the Premises, including rights of ingress and egress, necessary or desirable to permit the use and enjoyment of the Promenade, the Community Facilities Building, the Day-Care Center and other public facilities.

ESTOPPEL CERTIFICATE

As specified in Section 30.02 of the Agreement of Lease among the New York State Urban Development Corporation, Landlord, and the Roosevelt Island Operating Corporation, and Roosevelt Island Associates, Tenant, dated as of August 4, 1986, as modified by the Amendment of Lease, made as fo July 9, 1987 (the "Lease"), the New York State Urban Development Corporation, Landlord, and the Roosevelt Island Operating Corporation certify as follows:

(1) As of the date hereof, the Lease, as modified by the Amendment to Lease, made as of July 9, 1987, is in full force and effect.

(2) As of the date hereof, to the best knowledge of the undersigned, Roosevelt Island Associates, Tenant, is not in default in the performance of any covenant, agreement or condition contained in the Lease.

IN WITNESS WHEREOF, this Certificate has been signed this 14th day of ~~July~~ Aug, 1987.

NEW YORK STATE URBAN
DEVELOPMENT CORPORATION

By: Lee Webb
Its. ~~Vice President~~

ROOSEVELT ISLAND
OPERATING CORPORATION

By: Josina F. Thomson
Its. Executive Director

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

On the 14th day of August, 1987, before me personally came Lee Webb, to me known, who, being by me duly sworn, did depose and say that he resides at 45 East 90th St, NYC, NY; that he is the Sr. Vice Pres. - Economic Dev. 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 directors of said corporation and that he signed his name thereto by like order.

Elizabeth Rosario
Notary Public

[Notarial Seal]

ELIZABETH ROSARIO
Notary Public, State of New York
No. 4526059
Qualified in New York County 88
Commission Expires March 30, 1988

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

On the 3rd day of August, 1987, before me personally came Rosina K. Abramson, to me known, who, being duly sworn, did depose and say that she resides at 210 West 90 St., New York City, NY; that she is the Executive Director of ROOSEVELT ISLAND OPERATING CORPORATION, the public benefit corporation described in and which executed the foregoing instrument; that she 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 directors of said corporation and that she signed ~~his~~ her name thereto by like order.

Ann Hernandez
Notary Public

[Notarial Seal]

ANN HERNANDEZ
Notary Public, State of New York
No. 41-4852958
Qualified in Queens County
Term Expires March 30, 1988

GUNDARS APERANS
JOSEPH W. ARMBRUST, JR.
ANITA FISHER BARRETT
ANDREW S. BERKMAN
BRUCE D. BOLANDER
GEORGE B. BOYLE
E. MICHAEL BRADLEY
WILLIAM E. CARTER
DAVID G. CASNOCHA*
PHILIP W. CLARK
ROBERT S. COOK, JR.
KENNETH T. COTE
WALTER T. ECCARD*
SHELLY S. FRIEDMAN
A. J. ALEXIS GELINAS
RICHARD L. GOARD
HOWARD G. GODWIN, JR.
MARTIN E. GOLD
ROGER J. HAWKE
THOMAS A. HUMPHREYS
CHARLES J. JOHNSON, JR.
CATHY M. KAPLAN
JOHN L. KELLY
HENRY S. KLAIMAN
MITCHELL KLEINMAN
SUSAN D. LEWIS
F. LEE LIEBOLT, JR.
KENNETH C. LIND
JOHN A. MacKINNON
JAMES K. MANNING
VICTOR MARRERO
RENWICK D. MARTIN
JAMES B. MAY
GERALD J. McGOVERN
ROBERT N. McKAY
CHRISTOPHER B. MEAD
PETER J. MICHEL
HENRY F. MINNEROP
ROBERT L. MITCHELL
JAMES E. MURRAY*
JOHN H. NEWMAN
A. ROBERT PIETRZAK
E. MILES PRENTICE, III
PAUL C. PRINGLE
JOHN A. QUISENBERRY
JOSEPH G. RIEMER, III
A. FRANCIS ROBINSON, JR.
RICHARD D. RUDDER
CHARLES J. SANDERS
HOMER D. SCHAAF
EILEEN CAULFIELD SCHWAB
PAUL D. SELVER
NORMAN D. SLONAKER
THOMAS R. SMITH, JR.
ERIC D. TASHMAN
LAWRENCE C. TONDEL
PETER TUFO
R. DONALD TURLINGTON
JEFFREY C. TWEEDY
RICHARD A. VAN DUSEN
MAX VON HOLLWEG
JUDITH WELCOM
KAREL WESTERLING
HOWARD W. WHITAKER, JR.
MICHAEL G. WOLFSON
JOHN E. ZUCCOTTI

*NOT ADMITTED IN NEW YORK

BROWN & WOOD

ONE WORLD TRADE CENTER
NEW YORK, N. Y. 10048

212-839-5300

TELEX: 12-7324
CABLE ADDRESS: BROWOODLAW
TELECOPIER: 212-839-5599

645 MADISON AVENUE
NEW YORK, N. Y. 10022
212-752-8668

555 CALIFORNIA STREET
SAN FRANCISCO, CA. 94104
415-398-3909

ONE FARRAGUT SQUARE SOUTH
WASHINGTON, D. C. 20006
202-393-7400

10900 WILSHIRE BOULEVARD
LOS ANGELES, CA. 90024
213-208-4343

August 18, 1987

BY HAND

Debra James, Esq.
Rosevelt Island Operating Corp.
591 Main Street
Roosevelt Island, New York 10044

Re: Roosevelt Island

Dear Debra:

This is to confirm that the Exhibit A to the Title Policy to be issued to HDC at the closing will contain the reference to the land to the north of the motorgate as follows:

> "Together with such land adjacent with the northerly boundary of the above described land as is actually occupied by the walks for Motorgate II constructed in accordance with the Lease."

Very truly yours,

John L. Kelly

JLK:pak
Enclosure

STARRETT HOUSING CORPORATION
909 THIRD AVENUE, NEW YORK, N. Y. 10022
TELEPHONE 751-3100

ADDRESS ALL COMMUNICATIONS
TO THE COMPANY

April 4, 1988

Debra James, Esq.
General Counsel
Roosevelt Island Operating
Corporation
591 Main Street
Roosevelt Island, New York 10044

Re: Roosevelt Island Associates -
Northtown Phase II

Dear Debbie:

Please be advised that HSC Corp., one of the general partners of Roosevelt Island Associates, has amended its Certificate of Incorporation to change its name to Manhattan Park, Inc. There has been no change in corporate ownership, and HSC Corp., now Manhattan Park, Inc., continues to be a wholly-owned subsidiary of Starrett Housing Corporation.

To avoid confusion, and to provide familiarity, the signature block will read:

HSC Corp. (now Manhattan Park, Inc., by
virtue of name change)

For your information, a copy of the Amendment evidencing the name change, with proof of filing with the Secretary of State, is attached.

If you have any questions, do not hesitate to contact me.

Very truly yours,

Stephen Salup
Vice President/Legal

SS/ms
encl.
cc: Murray Smith

CERTIFICATE OF AMENDMENT

of the

CERTIFICATE OF INCORPORATION

of

HSC CORP.

Under Section 805 of the Business Corporation Law

We, the undersigned, Richard Bassuk and Lewis A. Weinfeld, being respectively the President and Secretary of HSC CORP., hereby certify:

1. The name of the corporation is HSC CORP.

2. The Certificate of Incorporation of the corporation, originally formed as C.I.D. Concrete Corporation, was filed on October 2, 1969.

3. The Certificate of Incorporation of the corporation is hereby amended to effect a change in the corporate name pursuant to Section 805 of the Business Corporation Law.

4. Paragraph FIRST of the Certificate of Incorporation which refers to the corporate name is amended to read as follows:

"FIRST: The name of the corporation shall be MANHATTAN PARK, INC."

5. That the amendment of the Certificate of Incorporation was authorized by the written unanimous consent of the Board of Directors followed by the unanimous written consent of the holders of all outstanding shares entitled to vote on an amendment to the Certificate of Incorporation.

IN WITNESS WHEREOF, we have signed this Certificate on this 18th day of March, 1988, and we affirm the statements contained therein as true under penalties of perjury.

By: _____
Richard Bassuk, President

_____
Lewis A. Weinfeld, Secretary

3

STATE OF NEW YORK
DEPARTMENT OF STATE

FILED MAR 23 1988

AMT. OF CHECK $ 80
FILING FEE $ 60
TAX $
COUNTY FEE $
COPY $ 10
CERT $
REFUND $
SPEC HANDLE $ 10

BY:

MAR 22 12 PM '88

P H

CERTIFICATE OF AMENDMENT

OF THE

CERTIFICATE OF INCORPORATION

OF

HSC CORP.

UNDER SECTION 805 OF THE BUSINESS CORPORATION LAW

MAR 21 11 AM '88

BILLED

STARRETT HOUSING CORPORATION
909 THIRD AVENUE
NEW YORK, NY 10022

M-Co assd 4/20/83 139422
L# B560291-2
88 MAR 17 C.T.D. Consents (Corp)
10/7/69 785893-6

NYS DEPARTMENT OF STATE

FILING RECEIPT AMENDMENT-CHANGE OF NAME (BUSINESS)

CORPORATION NAME

MANHATTAN PARK, INC.

DATE FILED	DURATION & COUNTY CODE	FILM NUMBER	CASH NUMBER
03/23/88	NEW	B618211-3	139422

NUMBER AND KIND OF SHARES	LOCATION OF PRINCIPAL OFFICE

*P-H

ADDRESS FOR PROCESS	REGISTERED AGENT

FEE AND/OR TAX PAID AS FOLLOWS:

AMOUNT OF CHECK $_____ AMOUNT OF MONEY ORDER $ 00080.00 AMOUNT OF CASH $_____

$ 6.00 DOLLAR FEE TO COUNTY

$ 060.00 FILING
$ TAX
$ 10.00 CERTIFIED COPY
$ CERTIFICATE
010.00 MISCELLANEOUS
TOTAL PAYMENT $ 0000080.00

FILER NAME AND ADDRESS

STARRETT HOUSING CORPORATION
909 THIRD AVE.

NEW YORK NY 10022

REFUND OF $
TO FOLLOW

380604-003 (8/84)

GAIL S SHAFFER - SECRETARY OF STATE

