#52

LEASE

This Lease, made this 15th day of March, 1972, between the New York State Urban Development Corporation, a public benefit Corporation of the State of New York having its principal office at 1345 Avenue of the Americas, New York, New York, 10019 ("UDC"), and North Town Phase I Houses, Inc. ("Housing Company"), a New York Limited Profit housing company, created pursuant to Article 2 of the Private Housing Finance Law of the State of New York (the "PHFL"), as amended, and a subsidiary of UDC pursuant to Section 12 of the New York State Urban Development Corporation Act of 1968, as amended (the "UDC Act"), having an office at 1345 Avenue of the Americas, New York, New York, 10019.

W I T N E S S E T H :

WHEREAS, in furtherance of the purposes of the UDC Act, UDC has leased certain premises on Welfare Island from the City of New York (the "City") pursuant to a lease dated December 23, 1969; (the "Major Lease"), and

WHEREAS, UDC has undertaken a residential project known as North Town Phase I Houses (the "Project") on such parcels of the land obtained under the Major Lease as are described in Schedule A; and

WHEREAS, in accordance with the UDC Act, UDC wishes to lease such property to Housing Company and Housing Company wishes to rent such property from UDC for purposes of constructing this Project in accordance with the Construction Contract (s) and as contemplated by the Basic Documents relating to this Project;

NOW THEREFORE, UDC and Housing Company, in consideration of the mutual agreements herein contained, hereby agree as follows:

1. Leased Property

UDC hereby leases to Housing Company and Housing Company hereby rents from UDC all the lands described in Schedule A attached hereto (the "Leased Premises").

2. Term of Lease

The term shall commence the date hereof and shall expire (unless this Lease shall sooner terminate as provided herein) at midnight, March 14, 2017 .

3. Conformity to Basic Documents

In addition to its obligation under the Lease, Housing Company shall comply with all provisions of the Basic

Documents as regards the Leased Premises and the Project thereon including but not limited to provisions regarding subleasing, condemnation, insurance and total or partial destruction of the Project. If this Lease or any provision thereof conflicts with any provision of the Basic Documents, the Basic Documents shall control.

4. Basic and Additional Rent

a. Basic Rent

For each year of the term of this Lease, Housing Company shall pay to UDC 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 private debts at the office of the UDC, or at such place or to such agent as Lessor may from time to time designate, a Basic Rent which shall be equal to the agregate of the following sums:

(1) The sum of (X) a ground rent equal to the product of $30 multiplied by the number of completed units of Subsidized Housing plus (Y) a tax equivalent equal to 10% of Annual Shelter Rent for such units;

(2) The sum of (X) a ground rent equal to the product of $180 multiplied by the number of completed units of Middle Incom

Housing plus (Y) a tax equivalent payment equal to 10% of Annual Shelter Rent for such units.

(3) The sum of (X) a ground rent equal to the product of $ .60 (sixty cents) multiplied by the number of square feet of completed Commercial Space plus (Y) the Tax Equivalent for Commercial Space.

b. Additional Rent

In addition to the Basic Rent, and unless otherwise agreed to by UDC in writing, Housing Company shall pay, in the same manner as the Basic Rent, Additional Rent equal to Net Income for the preceeding year.

c. Time of Payment

The Basic Rent shall be payble on each Rent Payment Day. Housing Company shall deliver to UDC on or before each Rent Payment Day Housing Company's Certified Payment statement and pay to UDC the Basic Rent for the period for which Basic Rent is payable on such Rent Payment Day.

5. Adjustment of Rent

The Basic Rent shall be adjusted as follows:

a. The ground rents set forth in subparagraphs 1(x), 2(x) and 3(x) of paragraph 4(a) hereof shall be adjusted on each

Rent Adjustment Date by substituting after such date the Then Current Ground Rent adjusted as of such date for the ground rent payable prior to such date, provided however, that in the event the Then Current Ground Rent on such Rent Adjustment Date shall be less than the ground rent set forth in subparagraph 1(x), 2(x) or 3(x) of such paragraph, as the case may be, no such adjustment shall be made;

b. The tax equivalent payments set forth in subparagraphs 1(y) and 2(y) of paragraph 4(a) hereof shall be adjusted as of each Tax Equivalent Adjustment Date by substituting after such date the Tax Equivalent for Conventionally Financed Housing adjusted as of such date for the tax equivalent payable prior to such date.

6. Payment of Charges for Municipal and Public Utilities

Housing Company will pay or cause to be paid all rents, rates and charges, excises, levies, license fees, permit fees and other authorization fees and, except as otherwise herein provided, all other charges of every character which at any time during the term of this Lease may be legally and properly assessed, levied, confirmed or imposed upon the Leased Premises or the Project therein. Housing Company shall also

pay a pro-rata share of any rents, rates, charges, excises, levies, fees or other charges that are assessed, levied, confirmed or imposed on UDC pursuant to the Major Lease and which Housing Company is not obligated to pay pursuant to the first sentence of this Section 6. Housing Company may contest, by appropriate legal proceedings diligently conducted in good faith without any cost to UDC the amount, validity or application of any imposition or any lien, encumbrance or charge against the Leased Premises.

7. Mechanic's Liens

Notice is hereby given that UDC shall not be liable for any labor or materials furnished or to be furnished to Housing Company upon credit, and that no mechanic's or other lien for any such labor or materials shall attach to or affect the interest of UDC in and to the Leased Premises or the Project thereon. Whenever and as often as any mechanic's lien shall have been filed against the Leased Premises or the Project thereon, based upon any act or interest of Housing Company or of anyone claiming through Housing Company, or if any title retention agreement, conditional bill of sale, chattel mortgage or otherwise shall have been filed for or affecting any materials, machinery or fixtures used in the repair or operation

thereof or annexed thereto by Housing Company or its successors in interest, Housing Company shall forthwith take such action by bonding, deposit or payment as will remove or satisfy the lien, title retention agreement, conditional bill of sale or chattel mortgage, and if Housing Company shall fail to take such action for twenty (20) days after notice to Housing Company, UDC may pay the amount of such mechanic's lien, title retention agreement, conditional bill of sale or chattel mortgage, or discharge the same by deposit, and the amount so paid or deposited, with interest thereon, shall be deemed rent reserved under this Lease, and shall be payable forthwith with interest at the rate of seven per centum (7%) per annum from the date of such advance, and with the same remedies to UDC as in case of default in the payment of rent.

8. Use: Care of Premises

Housing Company shall use and occupy the Leased Premises for the Project and in accordance with the Basic Documents, and shall not use or occupy the Leased Premises or permit the same to be used or occupied other than for lawful purposes, or for a purpose or in a manner likely to cause structural

injury to the Project or for any dangerous or noxious trade or business. In addition, Housing Company shall maintain the sidewalk(s) located above the subteranean spaces described in Schedule A in good order, condition and repair, reasonable wear and tear excepted.

9. Indemnity

Housing Company shall not do or permit any act or thing upon the Leased Premises or the Project thereon which may subject UDC or the Major Lessor to any liability by reason of any violation of law, but shall exercise such reasonable control over the Leased Premises and the Project thereon as to protect UDC and the City notwithstanding that joint or concurrent liability may be imposed upon UDC or the City by statute, ordinance, rule, regulation or order. Housing Company shall imdemnify and hold harmless UDC and the City from and against any and all liability, suits, claims, demands, actions, judgments, costs and expenses, to the extent that any of the same should not be covered by insurance maintained by Housing Company arising from conduct on or management of or from any work or thing whatsoever done in or on the Leased Premises or

the Project thereon or out of any breach, violation or non-performance of any Housing Company's covenants or conditions of this Lease, by damage to property or any injury to person or persons occasioned by Housing Company's use and occupancy of the Leased Premises or the Project thereon or by any use or occupancy which Housing Company may permit or suffer to be made thereof. Should Housing Company be required to defend any action or proceeding to which UDC or the City is made a party, UDC or the City may appear, defend or otherwise take part in such action or proceeding at its election by counsel of its own choosing, provided such action by UDC or the City does not limit or make void any liability of any insurer of UDC or Housing Company with respect to the claim in such action. Housing Company's liability hereunder shall be reduced by the net proceeds actually collected by any insurance maintained by Housing Company for UDC's or the City's benefit.

10. Default by Housing Company

In case one or more of the following events shall have occurred and shall not have been remedied:

(a) Housing Company shall fail to perform any of its obligations under any of the Basic Documents relating to the Project; or

(b) Default shall be made in the payment of Basic Rent and such default shall continue for twelve months after written notice from UDC thereof, specifying such default, shall have been given to Housing Company; or

(c) Housing Company shall fail to perform or cause to be performed any term, covenant or condition of this Lease on the part of the Housing Company to be performed, other than the covenant for the payment of Basic Rent, and shall have failed promptly after written notice thereof from UDC to commence with due diligence and dispatch the curing of such default or, having so commenced the curing of such default, shall thereafter fail to prosecute and complete the same within a reasonable time; then in case of a default UDC may, at its option give to Housing Company a notice of election to terminate this Lease at the expiration of thirty (30) days from the date of service of such second notice, whereupon, unless such rent in case of a default under (b) above, together with interest at the rate of 7% per annum, shall have been paid, or any other default cured by Housing Company before the expiration of said thirty (30) days, the term of this Lease and all right, title and interest of the Housing hereunder shall expire as fully and completely as if

that day were the date herein specifically fixed for the expiration of the term of this Lease, and the Housing Company will then quit and surrender the Leased Premises and the Project thereon to UDC. Upon such termination of this Lease as provided above, UDC shall have the right to enter upon and take posession of the Leased Premises by summary proceedings or other legal proceedings, without being liable in damages therefore, and take and have again the Leased Premises and every part thereof, free, clear and discharged of this Lease, and of all the rights of the Housing Company hereunder.

11. Notice:

Any notice, demand or request, which under the terms of this Lease or any statute must or may be given or made by the parties hereto, shall be in writing, and shall be given by mailing to same by registered or certified mail address to UDC as follows: General Manager, New York State Urban Development Corporation, 1345 Avenue of the Americas, New York, New York 10019; and to Housing Company as follows: North Town Phase I Houses, Inc., 633 Third Avenue, New York, New York, with a copy

to New York State Urban Development Corporation, 1345 Avenue of the Americas, New York, New York 10019, and a copy to Building Systems Housing Corporation, 3113 Prospect Avenue Cleveland, Ohio 44115. Any notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office, enclosed in a registered or certified prepaid wrapper, addressed as hereinbefore provided. Any such address may be changed from time to time upon notice given by the adressee in the manner herein provided.

12. No Waiver

Failure of any party to insist upon a strict performance of any of the covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that such party may have and shall not be deemed a waiver by such party of any subsequent breach or default. This Lease may not be changed orally, but only by an instrument in writing signed by the party against whom enforcement or change is sought.

13. Quiet Enjoyment

UDC covenants that Housing Company upon paying the rent and all other charges herein provided for and upon observing and keeping all of the covenants, agreements and provisions of this Lease on its part to be observed and kept, shall lawfully

and quietly hold, occupy and enjoy the Leased Premises during the term of this Lease without hinderance or molestation by or from anyone.

14. Non-Discrimination

Section 26 of the Major Lease is hereby incorporated into this Lease, and all obligations of UDC under such section are made applicable to Housing Company.

15. Surrender of the Leased Premises; Successors and Assigns: Counterparts

Upon any expiration or earlier termination of this Lease, Housing Company shall peacefully vacate and surrender to UDC the Leased Premises and the Project in good order, condition and repair, reasonable wear and tear excepted. The terms of this Lease shall, subject to the terms hereof, bind and inure to the benefit of UDC and its successors and assigns and Housing Company, its successors and assigns. This Lease may be executed in any number of counterparts, each of which shall be an original, all of which shall constitute one and the same instrument.

16. Definitions

Annual Shelter Rent: Total rents received from the occupants of the Project or part of the Project consisting of

Completed Units of Subsidized or Middle-Income Housing less the cost, if any, of providing to such occupants electricity, gas, heat and other utilities.

Basic Documents: The Building Loan Agreement, the Construction Contracts, the Equity and Regulatory Agreement, the Mortgage, the Note, the Stock Pledge Agreement and all other documents relating to the Project, all of which were executed or otherwise made part of the closing documents at the closing held the date of this Lease.

Commercial Space: Any space in the Project used exclusively for commercial or business purposes.

Completed Units; Completed Commercial Space: Dwelling units and commercial space in the Project or part of the Project as to which there shall have been issued by UDC prior to any occupancy thereof a certificate of completion stating that the Project or such part is complete in accordance with the laws and regulations applicable to projects of UDC, or as to which there shall have been issued by the City its temporary or permanent certificate of occupancy or any other certificate or license required to permit the occupancy or use of the Improvement or such part, whichever shall first have been issued.

Major Lease: The Lease of Welfare Island by and

between the City and UDC and UDC's subsidiary, the Welfare Island Development Corporation("WIDC") dated December 23, 1969.

Middle Income Housing: The units within the Project that will be developed pursuant to Article 2 of the New York Private Housing Finance Law, but which will not receive interest reduction subsidies pursuant to Section 236 of the National Housing Act.

Net Income: For any period, the total of all receipts of any nature derived by Housing Company from operation of the Leased Premises or the Project, less(i) debt service on the Project; (ii) Basic Rent, and (iii) all other costs, expenses, allowances, fees, assessments, reserves, return on investment and like charges to revenues permitted by UDC in accordance with its regulations for rental projects.

Project: The UDC Residential Project for approximately 1012 units plus related commercial and public facilities known as North Town Phase I Houses.

Public Facilities: Such portions of the Project as will be designed and developed for use as a school, a day care center, a health facility, and community spaces for the elderly.

Rent Adjustment Date: The 40th anniversary of the issuance of UDC's certificate of completion or of the City's temporary or permanent certificate of occupancy, whichever shall first have been issued, with respect to each part of the Project consisting of Subsidized Housing, Middle Income Housing, or Commercial Space and each 10th anniversary of the date of such issuance after such 40th anniversary.

Rent Payment Day: The 10th day of each month of each year of the term hereof.

Subsidized Housing: The units within the Project that will be subsidized through interest reduction payments pursuant to Section 236 of the National Housing Act.

Tax Equivalent Adjustment Date: The 30th anniversary of the issuance of UDC's certificate of completion or of the City's temporary or permanent certificate of occupancy, whichever shall first have been issued, with respect to each portion of the project consisting of Subsidized Housing or Middle-Income Housing.

Tax Equivalent for Commercial Space: The City's then current real estate tax rate times the product of the City's then current assessed valuation (expressed in dollars

per square foot of commercial space) for land and buildings used as commercial space times the number of square feet of Completed Commercial Space in the Project. Such then current assessed valuation for land and buildings shall from time to time be assessed and reassessed by the City in the manner and subject to the limitations then currently imposed upon assessments of like property by all laws and regulations applicable thereto.

Tax Equivalent for Conventionally Financed Housing: The City's then current real estate tax rate times the City's then current assessed valuation of land and buildings for any portion of the Project consisting on completed units of housing to be treated as Conventionally Financed Housing after adjustment under paragraph 5(b) hereof. Such then current assessed valuation for rent and buildings shall from time to time be assessed and reassessed by the City in the manner and subject to the limitations then currently imposed upon assessments of like properties by all laws and regulations applicable thereto.

Then Current Ground Rent: With respect to each part of the Project consisting of Subsidized Housing, 6% of the product of (x) the current land cost per unit for economically

feasible new housing in New York City for persons and families of middle income as of each Rent adjustment Date times (y) the number of such units contained in the Project; and with respect to the part of the Project consisting of Commercial Space, 6% of the product of (x) the current land cost per square foot of comparable commercial space in New York City as of each Rent Adjustment Date times (y) the number of squaree feet of commercial space in the Project.

IN WITNESS WHEREOF, UDC has caused this instrument to be executed this 11th day of April, 1972.

Seal

Attest

NEW YORK STATE URBAN DEVELOPMENT CORP.

By ~~General Manager~~ Exec. V.P.

Seal

Attest

NORTH TOWN PHASE I HOUSES, INC.

By

Executive Vice-President

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

On the 11th day of April, 1972, before me personally came Robert M. Litke to me known, who, being by me duly sworn, did depose and say that he resides at 19 Preston Road, Great Neck, New York; that he is the Executive Vice-President of NORTH TOWN PHASE I HOUSES, INC., the 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.

Edward J. Ritter
Notary Public

EDWARD J. RITTER
Notary Public, State of New York
No. 24-3294820
Qualified in Kings County
Commission Expires March 30, 1973

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

On the 11th day of April, 1972, before me personally came John Burnett to me known, who, being by me duly sworn, did depose and say that he resides at 54 West 13th Street , New York, New York; that he is the Exec. Vice-Pres. of the NEW YORK STATE URBAN DEVELOPMENT CORPORATION, the 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.

Edward J. Ritter
Notary Public

EDWARD J. RITTER
Notary Public, State of New York
No. 24-3294820
Qualified in Kings County
Commission Expires March 30, 1973

Schedule A

DESCRIPTION OF PARCELS 9, 10 & 11

WELFARE ISLAND, COUNTY OF NEW YORK, STATE OF NEW YORK

as shown on Gibbs & Hill Drawing 2133-B-ST-22, dated March 27, 1972.

The description of Parcels 9, 10 & 11 is given by portions lettered A, B, C, D, E, F & G for the purpose of describing the irregular volume of the parcels along the future Main Road and East Promenade. All portions, taken together, constitute the whole of Parcels 9, 10 & 11.

PORTION A

Beginning at a point, said point being the intersection of the northerly line of Parcel 9, 10 & 11 with the westerly line of future East Promenade and having a coordinate of N 14032.45, E 18258.74, aforementioned point of beginning being also N 25°-01-18" E a distance of 228.04 feet from a monument designated as SJR-13 and having a coordinate of N 13825.81, E 18162.29, all coordinates referring to the local coordinate system described herein below; and running thence, the following 14 courses along the westerly line of future East Promenade:

1)	S	47°-58'-03"	W	a distance of	29.69	feet
2)	S	34°-10'-38"	W	" " "	37.33	"
3)	S	19°-32'-35"	W	" " "	37.72	"
4)	S	32°-48'-32"	W	" " "	113.37	"
5)	S	42°-35'-08"	W	" " "	38.67	"
6)	S	34°-10'-38"	W	" " "	37.33	"
7)	S	24°-26'-17"	W	" " "	51.23	"
8)	S	32°-48'-32"	W	" " "	177.38	"
9)	S	43°-33'-28"	W	" " "	38.77	"
10)	S	34°-10'-38"	W	" " "	37.33	"
11)	S	20°-19'-40"	W	" " "	37.59	"
12)	S	32°-48'-32"	W	" " "	111.37	"

13) S 45°-41'-10" W " " " 62.17 "

14) S 34°-10'-38" W " " " 46.00 feet to a corn

thence, turning and running along future Blackwell Park East the following 3 courses:

15) N 55°-49'-22" W A distance of 165.14 feet

16) S 34°-10'-38" W " " " 106.00 "

17) N 55°-49'-22" W " " " 157.20 "

to a point on the easterly line of future Main Road 62 feet wide, thence turning and running along aforementioned easterly line of future Main Road the following 6 courses:

18) N 46°-36'-00" E A distance of 117.42 feet

19) N 43°-24'-00" W " " " 2.00 "

20) N 46°-36'-00" E " " " 38.23 "

21) S 43°-24'-00" E " " " 2.00 "

22) N 46°-36'-00" E " " " 257.88 "

23) N 22°-03'-00" E " " " 484.86 "

to a point of curvature, thence (24) continuing along aforementioned easterly line of future Main Road along a curve to the right of radius R = 169.00 feet, a distance along the arc of 15.00 feet to a point, thence continuing along the aforementioned easterly line of future Main Road the following 3 courses:

25) N 10°-49'-22" W a distance of 7.71 feet

26) N 34°-10'-38" E " " " 1.92 "

27) N 79°-10'-38" E " " " 6.24 " to a point on the aforementioned curve, thence (28) continuing along the aforementioned easterly line of future Main Road along a curve to the right of radius R = 169.00 feet, a distance along the arc of 46.32 feet to a point

of tangency, thence (29) still along aforementioned easterly line of future Main Road N 46°-51'-00" E, a distance of 5.42 feet to a corner, thence (30) turning and running along the southerly line of parcel 7 and 8 S 55°-49'-22" E a distance of 328.37 feet to the point and place of beginning.

Containing 5.902 acres.

PORTION B

Beginning at a point on the easterly line of future Main Road, said point being a point of curvature and also the terminus of the 23rd course (N 22°-03'-00" E, 484.86 feet) as described herein as Portion A, and running thence, along the aforementioned easterly line of future Main Road the following 2 courses:

1) S 22°-03'-00" W a distance of 484.86 feet
2) S 46°-36'-00" W a distance of 252.17 feet to a point, thence, turning and running along the following 4 courses:
3) N 43°-24'-00" W a distance of 13.33 feet
4) N 46°-36'-00" E a distance of 249.28 feet
5) N 22°-03'-00" E a distance of 481.96 feet
6) S 67°-57'00" E a distance of 13.33 feet

to the point and place of beginning.

Containing 0.225 acres.

Said Portion being further described as a space having a vertical projection; the base or groundward limit of the said space is a horizontal plane above the portion of the land described above, and having an elevation of 39.5 feet for 10'0" outward from the easterly line of future Main Road and an elevation of 42.0 feet for another 3.33 feet outward, said elevation being referenced to the Belmont Island Datum, said space having no upward boundary.

PORTION C

Beginning at a point on the westerly line of future East Promenade, said point being the terminus of the 14th course (S 34°-10'-38"W, 46.00 feet) as described herein as Portion A, and running thence along the aforementioned westerly line of future East Promenade the following 2 courses:

1) N 34°-10'-38" E a distance of 46.00 feet
2) N 45°-41'-10" E a distance of 4.08 feet to a point, thence, turning and running the following 3 courses:
3) S 55°-49'-22" E a distance of 44.92 feet
4) S 45°-01'-07" W a distance of 50.91 feet
5) N 55°-49'-22" W a distance of 36.15 feet

to the point and place of beginning.

Containing 0.046 acres.

Said portion being further described as a space having a vertical projection; the base or groundward limit of the said space is a horizontal plane above the portion of the land described above, and having an elevation of 29.00 feet for its entire area, said space having no upward boundary. Elevation referenced to Belmont Island Datum.

PORTION D

Beginning at a point on the westerly line of future East Promenade, said point being the terminus of the 10th course (S 34°-10'-38" W, 37.33 feet) as described herein as Portion A, and running thence along the aforementioned westerly line of future East Promenade the following 2 courses:

1) N 34°-10'-38" E a distance of 37.33 feet
2) N 43°-33'-28" E a distance of 4.05 feet to a point, thence, turning and running the following 3 courses:
3) S 55°-49'-22" E a distance of 41.41 feet

4) S 32°-48'-46" W a distance of 45.35 feet

5) N 55°-49'-22" W a distance of 42.16 feet to a point on the aforementioned westerly line of future East Promenade, thence, (6) along the aforementioned westerly line of future East Promenade N 20°-19'-40" E a distance of 4.12 feet to the point and place of beginning.

Containing 0.044 acres.

Said portion being further described as a space having a vertical projection; the base or groundward limit of the said space is a horizontal plane above the portion of the land described above, and having an elevation of 29.00 feet for its entire area, said space having no upward boundary.

Elevation referenced to Belmont Island Datum.

PORTION E

Beginning at a point on the westerly line of future East Promenade, said point being the terminus of the 6th course (S 34°-10'-38" W, 37.33 feet) as described herein as Portion A, and running thence along the aforementioned westerly line of future East Promenade the following 2 courses:

1) N 34°-10'-38" E a distance of 37.33 feet

2) N 42°-35'-08" E a distance of 4.04 feet to a point, thence, turning and running the following 3 courses:

3) S 55°-49'-22" E a distance of 40.83 feet

4) S 32°-48'-46" W a distance of 45.35 feet

5) N 55°-49'-22" W a distance of 41.82 feet to a point on the aforementioned westerly line of future East Promenade, thence (6) along the aforementioned westerly line of future East Promenade N 24°-26'-17" E a distance of 4.06 feet to the point and place of beginning.

Containing 0.044 acres.

Said portion being further described as a space having a vertical projection; the base or groundward limit of the said space is a horizontal plane above the portion of the land described above, and having an elevation of 29.00 feet for its entire area, said space having no upward boundary.

Elevation referenced to Belmont Island Datum.

PORTION F

Beginning at a point on the westerly line of future East Promenade, said point being the terminus of the 2nd course (S 34°-10'-38" W, 37.33 feet) as described herein as Portion A, and running thence along the aforementioned westerly line of future East Promenade the following 2 courses:

1) N 34°-10'-38" E a distance of 37.33 feet
2) N 47°-58'-03" E a distance of 4.12 feet to a point, thence, turning and running the following 3 courses:
3) S 55°-49'-22" E a distance of 41.65 feet
4) S 32°-48'-46" W a distance of 45.35 feet
5) N 55°-49'-22" W a distance of 42.67 feet to a point on the aforementioned westerly line of future East Promenade, thence (6) along the aforementioned westerly line of future East Promenade N 19°-32'-35" E a distance of 4.13 feet to the point and place of beginning.

Containing 0.044 acres.

Said portion being further described as a space having a vertical projection; the base or groundward limit of the said space is a horizontal plane above the portion of the land described above, and having an elevation of 29.00 feet for its entire area, said space having no upward boundary.

Elevation referenced to Belmont Island Datum.

PORTION G

Beginning at a point on the easterly line of future Main Road, said point being a point of curvature and also the terminus of the 23rd course (N 22°-03'-00" E, 484.86 feet) as described herein as Portion A, and running thence, along the aforementioned easterly line of future Main Road the following 2 courses:

1) S 22°-03'-00" W a distance of 484.86 feet

2) S 46°-36'-00" W a distance of 252.17 feet to a point, thence turning and running the following 4 courses:

3) N 43°-24'-00" W a distance of 10.00 feet

4) N 46°-36'-00" E a distance of 249.99 feet

5) N 22°-03'-00" E a distance of 482.69 feet

6) S 67°-57'-00" E a distance of 10.00 feet to the point and place of beginning.

Containing 0.169 acres.

Said portion being further described as a space having a vertical projection from grade downward for the purpose of excavation to the necessary depth and width.

The coordinates used in this Schedule refer to a local coordinate system established by King & Gavaris, which is based on the United States Government coordinate system established by the U. S. Army Corps of Engineers, with the following applicable coordinate transformation between the two coordinate systems:

United States Government Coordinates	Local Coordinates
S 11393.254	N 10000.00
W 842.168	E 15000.00

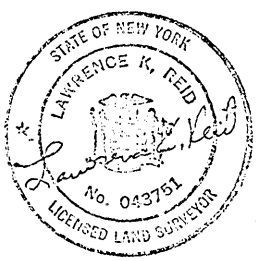
The following are the United States Government monuments established by the U. S. Army Engineers on Welfare Island:

	United States Government Coordinates		Local Coordinates
U. S. Monument X	S10673.320	=	N 10719.934
	W 637.710	=	E 15204.458
U. S. Monument IB	S 9648.350	=	N 11744.904
	E 814.980	=	E 16657.148
U. S. Monument I	SS 5128.790	=	N 16264.464
	E 3841.500	=	E 19683.668
U. S. Monument A-H	S 3636.110	=	N 17757.144
	E 4549.030	=	E 20391.198
U. S. Monument S	S10996.850	=	N 10396.404
	W 327.340	=	E 15514.828

The above metes and bounds description totally encompasses the building structure described in the following plans for Welfare Island Parcels 9, 10 and 11, as prepared by Sert, Jackson Associates:

BACK-UP DRAWING FOR 2133B-ST-22

DRAWING NUMBER AND TITLE		DATE
A-1	Basement and Foundations 1	February 22, 1972
A-2	" " " 2	"
A-3	Grid Layout 1	"
A-4	" " 2	"
A-6	Basement Sections 2	"
A-8	Basement: Buildings B, C, E, at Main Street	"
A-9	Basement: " E, F, G, J " " "	"
A-10	Basement: " J, K, N " " "	
A-11	Basement: " B, D, E at Promenade	"
A-13	Basement: " M, N at Promenade	"
A-14	Basement: " Building A	"
S-1	General Notes and Typical Details	"
S-2	Foundation Sheet 1	"
S-3	" " 2	February 17, 1972



EASEMENT

THIS INSTRUMENT WITNESSETH THAT

WHEREAS, the New York State Urban Development Corporation (the "Grantor") is a corporation organized under the laws of the State of New York having an office at 1345 Avenue of the Americas, New York, New York 10019 and is the lessor of certain lands on Welfare Island, New York, New York, (the "Leased Premises") such lands being more fully described in a lease from the City of New York (the "City") dated December 23, 1969, and

WHEREAS, Grantor is leasing a portion of the Leased Premises (the "Sublease Parcel") to North Town Phase I Houses, Inc. (the "Grantee") a corporation organized pursuant to Article II of the New York Private Housing Finance Law having an office at 1345 Avenue of the Americas, New York, New York 10019 as general partner for North Town Associates, a New York Partnership having an office at 633 Third Avenue, New York, New York, pursuant to a sublease dated April 11, 1972 (the "Sublease") in order for Grantee to develop and construct a housing project (the "Project") on the Parcel, and

WHEREAS, the columns and certain enclosures (the "Facilities") from the Project will pierce or be located upon air space, lands or subterranean lands adjacent (the "Adjacent Areas") to but not included by the Sublease in the Parcel, and

WHEREAS, Grantor wishes to grant an easement in the Adjacent Areas to Grantee in order to allow Grantee to construct the Facilities, Grantor

HEREBY GRANTS AND RELEASES unto Grantee, its successors, assigns, lessees, or licensees, in consideration for the development and construction of the Project in accordance with the basic documents for the Project, dated April 11, 1972 (the "Basic Documents"),

AN EASEMENT AND RIGHT OF WAY in and through such Adjacent Areas as are necessary for the Facilities noted in the plans and specifications for the Project made part of the Basic Documents, with the right, privilege and authority now or at any time during the term of this Easement to install, construct, repair and maintain the Facilities, together with the right of ingress and egress to the Facilities for all of the above purposes, for a term of forty-five (45) years commencing with the date of execution of this Easement.

PROVIDED HOWEVER, that Grantee shall not, in the installation, construction, repair and maintenance of the Facilities interfere with those portions of the Adjacent Area not containing the Facilities and any portion of the Leased Premises not included in the Sublease or this Easement and any damage caused by Grantee to the Adjacent Areas or Leased Premises, or any property thereon, either of Grantor's or of Grantor's Lessee's, shall be borne by Grantee, and

PROVIDED FURTHER, that at the termination of the term of this Easement all the Facilities installed, constructed, repaired and maintained by Grantee shall become the property of Grantor, and Grantee shall have no further right or interest in such Facilities.

IN WITNESS WHEREOF, the Grantor has caused this Easement to be executed this 11th day of April, 1972 by its duly authorized officer.

NEW YORK STATE URBAN DEVELOPMENT CORP.

By _____
EXECUTIVE VICE PRESIDENT

Accepted and Agreed to:
NORTH TOWN PHASE I HOUSES, INC.

By _____
EXECUTIVE VICE PRESIDENT

ATTEST:

_____
Asst. Secretary

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

On this 11th day of April, 1972, before me came John Burnett , to me personally known, who, being by me duly sworn did depose and say that he resides at 54 West 13th Street, in the City of New York, State of New York and that he is the Exec. Vice-Pres. of the Corporation described in and which executed the above 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 an order of the Directors of said corporation, and that he signed his name thereto by like order.

_____
Notary Public

EDWARD J. RITTER
Notary Public, State of New York
No. 24-3294820
Qualified in Kings County
Commission Expires March 30, 1973