THIS SECOND AMENDMENT dated December 31, 197- to the Ground Lease (the "Ground Lease") made the 25th day of April, 1973, 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 III 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 as 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, the Housing Company and UDC wish to amend certain provisions of the Ground Lease:

NOW, THEREFORE, in consideration of the mutual covenants herein contained, UDC and the Housing Company hereby amend the Ground Lease as follows:

1. Amendment to the Description of the Leased Premises; Definition of Certain Easements. The lands described in Schedule A attached hereto are hereby deleted from the lands described in Schedule A to the Ground Lease and the following rights and duties added:

> "Subject to the right of UDC and of any subtenant of UDC holding the premises described in Schedule A of the Second Amendment to this Lease to have access over the Leased Premises to the premises so described for the purpose of the operation and maintenance of such premises as a New York City Public School in accordance with the sublease of such premises between UDC and the City of New York and in accordance with such regulations with respect to such access as UDC or NYCC may from time to time prescribe and to use such other adjacent areas as UDC may identify for passage to and from the NYCC premises

disposal system and to store garbage for such disposal by such system in accordance with such regulations requiring such use as UDC or RIDC may from time to time prescribe."

2. Addition of Certain Matter. The following new paragraphs are added to the Ground Lease after paragraph 16:

16. Insurance. Housing Company shall obtain and keep in force all such insurance as UDC may require, in the amounts, with such carriers and in such form as UDC may specify.

17. Fire or Casualty. In the event of any damage or loss to improvements on the Leased Premises by fire or other casualty, whether or not insured, Housing Company, unless otherwise directed by UDC and subject to UDC's approval as to the kind and quality of repair proposed, shall, at its sole cost and expense, repair or rebuild the same so as to make the improvements at least as nearly as possible equal to the condition, quality, character and class of the improvements existing immediately prior to the occurrence. UDC shall make available for repairs approved by it, insurance proceeds under fire or casualty insurance, after deduction of any cost of collection, received by it, and the Housing Company shall apply all insurance proceeds received by it, to and for the cost of such repairing or rebuilding.

In the event the Housing Company shall not, within a reasonable time, propose appropriate repairs for UDC's approval, or in the event UDC cannot approve the Housing Company's proposal for repair, or in the event, such proposal having been approved by UDC, the Housing Company shall not commence such repair within a reasonable time, then upon three days notice from UDC to the Housing Company, this Lease shall terminate as of the date fixed

by UDC in such notice and such termination shall be UDC's sole remedy for such failure to propose or obtain approval or proceed with rebuilding.

IN WITNESS WHEREOF, UDC and the Housing Company have executed this Second Amendment as of the day first above written.

Attest:

Assistant Secretary

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

By: _____

NORTH TOWN PHASE III HOUSES, INC.

By: _____

Description of school Unit "D" located in parcel 3, Northeast, Roosevelt Island, County of New York, State of New York and as shown on Gibbs and Hill drawing X-2133-ST-235, dated October 30, 1974.

Unit "D" - Level 1

Beginning at a point, said point being N 46°51'03" E a distance of 84.98 feet and S 43°09' 07" E a distance of 6.22 feet from a point of tangency being the terminus of the 13th course (radius of 200.00 feet and arc length of 48.71 feet) as described and known as Parcel 3, said point of beginning having a coordinate of N 14,422.95, E 17,757.76 and being also S 39°14' 39" W a distance of 336.49 feet from a monument designated as SJR-4 having a coordinate of N 14,673.40, E 17,962.39, and running thence the following 68 courses.

1) S 43°09' 07" E a distance of 15.36 feet to a point, thence
2) S 46°50' 53" W a distance of 6.60 feet to a point, thence
3) S 43°09' 07" E a distance of 10.50 feet to a point, thence
4) S 46°50' 53" W a distance of 9.33 feet to a point, thence
5) N 43°09' 07" W a distance of 1.00 feet to a point, thence
6) S 46°50' 53" W a distance of 17.00 feet to a point, thence
7) S 43°09' 07" E a distance of 13.00 feet to a point, thence
8) N 46°50' 53" E a distance of 8.25 feet to a point, thence
9) N 43°09' 07" W a distance of 8.00 feet to a point, thence
10) N 46°50' 53" E a distance of 22.50 feet to a point, thence
11) S 43°09' 07" E a distance of 7.25 feet to a point, thence
12) N 46°50' 53" E a distance of 1.00 feet to a point, thence
13) S 43°09' 07" E a distance of 33.55 feet to a point, thence
14) S 46°50' 53" W a distance of 16.60 feet to a point, thence
15) S 43°09' 07" E a distance of 9.00 feet to a point, thence
16) N 46°50' 53" E a distance of 15.60 feet to a point, thence
17) S 43°09' 07" E a distance of 4.50 feet to a point, thence
18) N 46°50' 53" E a distance of 1.00 feet to a point, thence
19) S 43°09' 07" E a distance of 35.15 feet to a point, thence
20) N 46°50' 53" E a distance of 1.00 feet to a point, thence
21) S 43°09' 07" E a distance of 1.61 feet to a point, thence
22) S 46°50' 53" W a distance of 23.25 feet to a point, thence
23) N 43°09' 07" W a distance of 18.00 feet to a point, thence
24) S 46°50' 53" W a distance of 4.00 feet to a point, thence
25) N 43°09' 07" W a distance of 2.50 feet to a point, thence
26) S 1°50' 53" W a distance of 4.95 feet to a point, thence
27) S 43°09' 07" E a distance of 3.00 feet to a point, thence
28) N 46°50' 53" E a distance of 3.50 feet to a point, thence
29) S 43°09' 07" E a distance of 14.00 feet to a point, thence
30) S 46°50' 53" W a distance of 40.05 feet to a point, thence
31) N 43°09' 07" W a distance of 12.39 feet to a point, thence
32) S 46°50' 53" W a distance of 33.35 feet to a point, thence
33) S 43°09' 07" E a distance of 19.78 feet to a point, thence
34) S 34°10' 38" W a distance of 34.40 feet to a point, thence

N 55°49' 22" W a distance of 3[illegible].18 feet to a point, thence
N 34°10' 38" E a distance of [illegible].43 feet to a point, thence
N 55°49' 22" W a distance of 6.33 feet to a point, thence
N 34°10' 38" E a distance of 5.43 feet to a point, thence
N 55°49' 22" W a distance of 14.86 feet to a point, thence
N 34°10' 38" E a distance of 5.43 feet to a point, thence
N 55°49' 22" W a distance of 6.21 feet to a point, thence
S 34°10' 38" W a distance of 5.43 feet to a point, thence
N 55°49' 22" W a distance of 14.75 feet to a point, thence
N 34°10' 38" E a distance of 5.43 feet to a point, thence
N 55°49' 22" W a distance of 6.20 feet to a point, thence
S 34°10' 38" W a distance of 5.43 feet to a point, thence
N 55°49' 22" W a distance of 14.87 feet to a point, thence
N 34°10' 38" E a distance of 5.43 feet to a point, thence
N 55°49' 22" W a distance of 7.65 feet to a point, thence
S 34°10' 38" W a distance of 5.43 feet to a point, thence
N 55°49' 22" W a distance of 39.60 feet to a point, thence
N 34°10' 38" E a distance of 15.17 feet to a point, thence
S 55°49' 22" E a distance of 5.38 feet to a point, thence
N 34°10' 38" E a distance of 13.36 feet to a point, thence
N 55°49' 22" W a distance of 5.38 feet to a point, thence
N 34°10' 38" E a distance of 14.84 feet to a point, thence
S 55°49' 22" E a distance of 5.42 feet to a point, thence
N 34°10' 38" E a distance of 6.15 feet to a point, thence
N 55°49' 22" W a distance of 5.42 feet to a point, thence
N 34°10' 38" E a distance of 14.85 feet to a point, thence
S 55°49' 22" E a distance of 5.42 feet to a point, thence
N 34°10' 38" E a distance of 6.33 feet to a point, thence
N 55°49' 22" W a distance of 5.42 feet to a point, thence
N 34°10' 38" E a distance of 15.08 feet to a point, thence
S 55°49' 22" E a distance of 5.95 feet to a point, thence
N 46°50' 53" E a distance of 9.38 feet to a point, thence
N 43°09' 07" W a distance of 1.23 feet to a point, thence
W 46°50' 53" E a distance of 67.94 feet to the point and place of beginning.

Containing 0.35 acres.

The above area being further described for the colume between finished floor elevation 17.05 and the ceiling elevation 24.45 over the entire above described area, with, the exception of the following described interior courtyard:

Beginning at a point having a coordinate of N 14,352.35, E 17,732.10, and running thence the following 5 courses.

1) S 43°09' 07" E a distance of 51.94 feet to a point, thence
2) S 46°50' 53" W a distance of 38.86 feet to a point, thence
3) N 55°49' 22" W a distance of 42.87 feet to a point, thence
4) N 34°10' 38" E a distance of 46.12 feet to a point, thence
5) N 46°50' 53" E a distance of 3.27 feet to the point and place of beginning.

Unit "D" - Basement

Beginning at a point, said point being the terminus of the 19 course (S 43° 09' 07" E 35.15') in the above described area, having a coordinate of N 14,334.39, E 17,839.25 and running thence the following courses:

1) S 43°09' 07" E a distance of 12.50 feet to a point, thence
2) Within a party wall S 46 50' 53" W a distance of 51.50 feet to a point, thence
3) Within a party wall N 43° 09' 07" W a distance of 15.00 feet to a point, thence
4) Within a party wall S 46°50' 53" W a distance of 9.50 feet to a point, thence
5) Within a party wall N 43°09' 07" W a distance of 29.00 feet to a point, thence
6) Within a party wall N 46°50' 53" E a distance of 43.75 feet to a point, thence
7) Within a party wall N 43°09' 07" W a distance of 4.75 feet to a point, thence
8) Within a party wall N 46°50' 53" E a distance of 17.25 feet to a point, thence
9) S 43°09' 07" E a distance of 12.82 feet to a point, thence
10) N 46°50' 53" E a distance of 9.67 feet to a point, thence
11) N 43°09' 07" W a distance of 12.83 feet to a point, thence
12) N 1°50' 53" E a distance of 5.29 feet to a point, thence
13) S 88°09' 07" E a distance of 5.29 feet to a point, thence
14) S 43°09' 07" E a distance of 22.00 feet to a point, thence
15) S 46°50' 53" W a distance of 18.83 feet to a point, thence
16) S 43°09' 07" E a distance of 2.50 feet to a point, thence
17) N 46°50' 53" E a distance of 14.25 feet to a point, thence
18) S 88°09' 07" E a distance of 5.29 feet to a point, thence
19) S 1°50' 53" W a distance of 5.29 feet to a point, thence
20) S 46°50' 53" W a distance of 14.25 feet to a point, thence
21) S 43°09' 07" E a distance of 1.50 feet to the point and place of beginning.

Containing 0.14 acres.

The above area being further described for the volume between finished floor elevation 5.97 and the ceiling elevation 16.43 over the entire above described area.

DESCRIPTION OF PARCEL 3
WELFARE ISLAND, COUNTY OF NEW YORK,
STATE OF NEW YORK

A tract of land located on Welfare Island, in the County of New York, State of New York and more particularly described as follows:

PORTION "A"

Commencing at a monument designated SJR-4 and located at N 14,673.399, E 17,962.385 feet, thence S 7° 09' 49"W, 57.39 feet to the northwest corner of Parcel 3 and the point of beginning, said point being the intersection of the east line of the West Promenade and the north line of Parcel 3 and located at N 14,616.543, E 17,955.239 feet; thence along the north line of Parcel 3,

(1) S 43° 09' 00"E, 251.33 feet to a point, said point being the intersection of the north line of Parcel 3 and the westerly right-of-way line of Main Street, and located at N 14,433.179, E 18,127.128 feet; thence along the westerly right-of-way line of Main Street the following three courses and distances:

(2) S 46° 51' 00" W for 335.14 feet

(3) S 43° 09' 00"E for 13.34 feet

(4) S 22° 03' 00"W for 51.30 feet

to a point, said point being the intersection of the westerly right-of-way line of Main Street and the north line of Parcels 4 and 5 combined, located at N 14,146.693, E 17,872.48 feet; thence along the north line of Parcels 4 and 5 combined along the following seven courses and distances:

(5) on a line N 67° 57' 00"W for 54.436 feet to a point;

(6) thence on a line N 85° 49' 22"W for 58.659 feet to a point of curvature;

(7) thence on a curve to the right having a radius of 50.0 feet and a central angle of 60° 00' 00" for 52.360 feet to a point of tangency;

(8) thence on a line N 25° 49' 22"W for 49.549 feet to a point of curvature;

(9) thence on a curve to the left having radius of 34.0 feet and a central angle of 30° 00' 00" for 17.802 feet to a point of tangency;

(10) thence on a line N 55° 49' 22' (E W) for 33.97 feet to a point of curvature;

(11) thence on a curve to the left having a radius of 30 feet and a central angle of 91° 16' 51" for 47.794 feet to a point of tangency, said point being the intersection of the east line of the West Promenade and the north line of Parcels 4 and 5 combined; thence along the east line of the West Promenade the following three courses and distances:

(12) along a line N 32° 53' 47" E for 76.29 feet to a point of curvature;

(13) thence on a curve to the right having a radius of 200 feet and a central angle of 13° 57' 13" for 24.48 feet to point of tangency;

(14) thence on a line N 46° 51' 00"E for 361.49 to a point, said point being the point of beginning; containing 2.573 acres, more or less.

PORTION "B"

Beginning at a point on the westerly right-of-way line of Main Street, said point of beginning being 62.00 feet from the northeast corner of Parcel 3, and located at N 14,390.777, E 18,081.895 feet, thence running along the following five courses:

(1) S 43° 09' 00"E for a distance of 14.34 feet;

(2) S 46° 51' 00"W for a distance of 275.31 feet;

(3) N 22° 03' 00"E for a distance of 2.39 feet;

(4) N 43° 09' 00" W for a distance of 13.34 feet;

(5) N 46° 51' 00"E for a distance of 273.14 feet

to a point, said point being the point of beginning; containing .09 acres, more or less. 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 36.33 feet for 10'-6" outward from the westerly line of Main Street and an elevation of 48.5 feet for ancther 3.83 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 east line of the West Promenade, said point being N 46° 51' 00"E a distance of 13.75 feet from the terminus of course (13) described under Portion "A" herein thence running along the following four courses:

(1) N 43° 09' 00"W for a distance of 34.50 feet;

(2) N 46° 41' 00"E for a distance of 41.83 feet;

(3) S 43° 09' 00"E for a distance of 34.50 feet;

(4) S 46° 51' 00"W for a distance of 41.83 feet

to a point, said point being the point of beginning; containing .033 acres more or less. 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 28.0 feet for 34.5' outward from the east line of the West Promenade said elevation being referenced to the Belmont Island Datum, said space having no upward boundary.

PORTION "D"

Beginning at a point on the east line of the West Promenade, said point being a distance of 103.83 feet from the northwest corner of Parcel 3, thence running along the following four courses:

(1) N 43° 09' 00"W for a distance of 34.50 feet;

(2) N 46° 51' 00"E for a distance of 41.83 feet;

(3) S 43° 09' 00"E for a distance of 34.50 feet;

(4) S 46° 51' 00"W for a distance of 41.83 feet;

to a point, said point being the point of beginning; containing .033 acres more or less. Said portion being further described as s 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 28.0 feet for 34.5 feet outward from the east line of the West Promenade, said elevation being referenced to the Belmont Island Datum, said space having no upward boundary.

PORTION "E"

Beginning at a point on the westerly right-of-way line of Main Street, said point of beginning being 117.0 feet from the northeast corner of Parcel 3, thence running the following four courses:

(1) S 43° 09' 00"E for a distance of 3.75 feet;

(2) S 46° 51' 00W for a distance of 6.0 feet;

(3) N 43° 09' 00"W for a distance of 3.75 feet;

(4) N 46° 51' 00"E for a distance of 6.0 feet;

to a point, said point being the point of beginning; containing .00052 acres more or less. 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.