THIRD AMENDMENT TO GROUND LEASE

(UDC Loan No.68)

County : New York
Section :
Block :
Lot :

Record and Return To:

Larry H. Sutton, Esq.
New York State Mortgage Loan
Enforcement and Administration Corporation
633 Third Avenue - 35th Floor
New York, New York 10017

Westmount

THIRD AMENDMENT TO GROUND LEASE

THIS THIRD AMENDMENT TO GROUND LEASE made as of the 31st day of January, 1997 by and between **NEW YORK STATE URBAN DEVELOPMENT CORPORATION** ("UDC"), a corporate governmental agency and public benefit corporation of the State of New York, having its principal office at 633 Third Avenue, New York, New York, 10017, and **NORTH TOWN PHASE III HOUSES, INC.** (the "Housing Company"), a corporation organized under Article 2 of the Private Housing Finance Law of the State of New York, having an office c/o Sovereign Construction Company, Ltd., c/o Charles A. Lacido, Esq., 9301 Moss Haven Drive, Dallas, Texas, 75231, hereby supplements and amends that certain Ground Lease dated the 25th day of April, 1973 and recorded in the Office of the City Register, County of New York on the 9th day of May, 1973 in Reel 277, page 1722 between UDC and the Housing Company, as amended, as follows:

1. Paragraph 2 of the Ground Lease is hereby deleted and the following is substituted therefor:

> 2. The term shall commence on April 25, 1973 and shall expire (unless this Ground Lease shall sooner terminate as provided herein) at midnight, January 31, 2028.

2. Pursuant to Paragraph 11 of the Ground Lease, any notice, demand or request required under the Ground Lease shall be mailed to the parties hereto at the address set forth above. Such address may be changed, from time to time, upon written notice in the manner provided in the Ground Lease.

3. Except as expressly amended hereby, the Ground Lease, as amended, and the terms, conditions, rights and obligations, as set forth therein, shall remain in full force and effect

IN WITNESS WHEREOF: the parties hereto have caused this Third Amendment to Ground Lease to be duly executed as of the day and year set forth above.

SEAL

NEW YORK STATE URBAN DEVELOPMENT CORPORATION

Attest: Marian Ross

By: _____
Chief Financial Officer

SEAL

NORTH TOWN PHASE III HOUSES, INC.

Attest: _____

By: _____
President

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

On the 24th day of JANUARY, 1997, before me personally came Charles A. Lucido, to me known, who, being by me duly sworn, did depose and say that he has an office at 9301 Moss Haven Drive, Dallas, Texas, 75231; that he is President of NORTH TOWN PHASE III HOUSES, INC., the corporation described in and which executed the foregoing instrument; that he signed his name hereto by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

NOTARY PUBLIC
LARRY H. SUTTON
Notary Public, State of New York
No. 31-9255350
Qualified In New York County
Commission Expires 10/31, 1998

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

On the 18th day of February, 1997, before me personally came Joseph A. Branca, to me known, who, being by me duly sworn, did depose and say that he has an office at 633 Third Avenue, New York, NY 10017; that he is Chief Financial Officer of the NEW YORK STATE URBAN DEVELOPMENT CORPORATION, a corporate governmental agency and public benefit corporation of the State of New York, and which executed the foregoing instrument; and that he signed his name thereto by order of said corporate governmental agency; that he had the authority to sign the same on behalf of said corporation governmental agency; and that he executed the same as the act and deed of said corporation for said corporate governmental agency.

NOTARY PUBLIC
CANDELAIRA BENITEZ
Notary Public, State of New York
No. 41-4761437
Qualified In Queens County
Certificate filed in New York County
Commission Expires February 28, 1998