

7 WORLD TRADE COMPANY, L.P.

521 Fifth Avenue
New York, New York 10175

March 9, 1999

ASSISTANT COMMISSIONER FOR LEASING AND SPACE DESIGN
Department of Citywide Administrative Services
Division of Real Estate Services
1 Centre Street - 20th Floor North
New York, New York 10007

Re: 7 World Trade Center, New York, New York

Gentlemen:

Reference is made to the Agreement of Lease made as of March 25, 1998 ("Lease") between 7 World Trade Company, L.P. ("Landlord") and The City of New York ("Tenant") covering space at the above building. All terms used in this letter shall, for the purposes hereof, have the same meaning ascribed to them in the Lease.

By letter dated February 2, 1999, Landlord delivered Landlord's Completion Notice of Substantial Completion of the Demised Premises (the "SC Notice") on January 22, 1999. The SC Notice is hereby withdrawn by Landlord.

Landlord and Tenant agree as follows:

1. Article 6 of the Lease is hereby modified by deleting the requirement for delivery of The Port Authority sign-offs to Tenant to achieve Substantial Completion of Tenant's Initial Work.
2. Tenant waives delivery of the SC Notice.
3. Substantial Completion of the Demised Premises occurred on March 9, 1999.
4. Tenant has taken occupancy of the Demised Premises and the Rent Commencement Date of the Lease occurred on January 1, 1999.
5. Tenant shall, within 30 days after execution hereof, pay to Landlord the sum of \$2,500,000.00 representing a portion of the Work Cost in excess of Landlord's Contribution ("Excess Work Cost") as shown on the invoice annexed to this letter as Exhibit A.

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6. Promptly after execution of this letter agreement Landlord and Tenant shall cooperate to prepare a "punch-list" of unfinished work, which punch list items, undisputed by Landlord, will be diligently completed by Landlord. Tenant shall, within 45 days after substantial completion of said punch-list items, pay to the Landlord the then balance of the Excess Work Cost except that Tenant may withhold the sum of \$400,000 from payment of the Excess Work Cost due from Tenant until the date Landlord has delivered The Port Authority sign-offs to Tenant, at which time Tenant shall pay to Landlord said sum of \$400,000 together with the then balance of the Excess Work Cost. Tenant acknowledges that The Port Authority sign-offs may not occur for approximately six to twelve months.

7. The certified air balancing report approved, as noted, by Landlord's engineer on March 5, 1999 as being in conformance with the Final Plans, subject to the Job Memorandum annexed hereto as Exhibit B, is delivered to Tenant on date hereof.

8. Nothing contained herein shall be deemed to relieve Tenant from its responsibility for further payments of the Excess Work Cost incurred by Tenant pursuant to terms of the Lease.

Your signature below shall constitute your agreement to the above.

Very truly yours,

7 WORLD TRADE COMPANY, L.P.
By: Silverstein Properties, Inc., Agent

By: Catherine T. Giliberti
Catherine T. Giliberti
Senior Vice President

AGREED:
THE CITY OF NEW YORK

By: Lori Eisenstein
Deputy Commissioner
Dept. of Citywide Administrative Services

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