



DEPARTMENT OF CITYWIDE ADMINISTRATIVE SERVICES

MUNICIPAL BUILDING, 17th Floor
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WILLIAM J. DIAMOND
Commissioner

August 30, 1999

BY EXPRESS MAIL

Ms. Catherine T. Giliberti
Senior Vice President
7 World Trade Center, L.P.
521 Fifth Avenue
New York, NY 10175

Re: 7 World Trade Center
(Block 84, Lot 36, Manhattan)
Mayor's Office of Emergency Management ("MOEM")

Dear Ms. Giliberti:

This letter, when countersigned by you in the space below, will confirm our mutual understanding and agreement with regard to the Agreement of Lease made as of March 25, 1998 (the "Lease") between 7 World Trade Center, L.P., as Landlord, and The City of New York, as Tenant, covering space in the above referenced building. The Lease, as modified by the March 9, 1999 letter agreement between us, is hereinafter collectively referred to as the "Lease". All terms used in this letter shall, for the purposes hereof, have the same meaning ascribed to them in the Lease.

1. Landlord and Tenant agree that the safe and efficient operation of the emergency generators installed on the seventh (7th) floor are vital to the effective operation of the MOEM. On August 26, 1999, the emergency generators satisfactorily underwent a load test.
2. Within forty-five (45) days or less after delivery to Tenant of this letter agreement executed by Landlord together with Landlord's invoice in the form annexed hereto and made a part hereof as Exhibit A, Tenant shall pay to Landlord the sum of \$1,884,322.00 representing a portion of the Work Cost in excess of Landlord's Contribution ("Excess Work Cost").
3. Tenant shall, within forty-five (45) days or less, after completion of all outstanding work, including, without limitation, the punch-list (annexed hereto

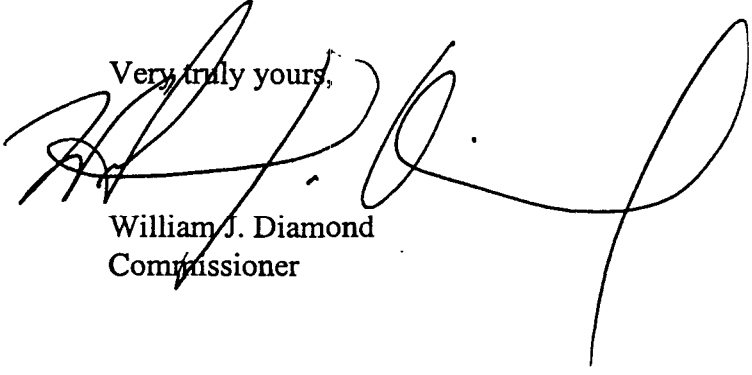
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and made a part hereof as Exhibit B) and change orders, pay Landlord the balance of the then Excess Work Cost, except that Tenant may withhold the sum of \$400,000.00 from the payment of such Excess Work Cost until the date Landlord has delivered the Port Authority sign-offs.

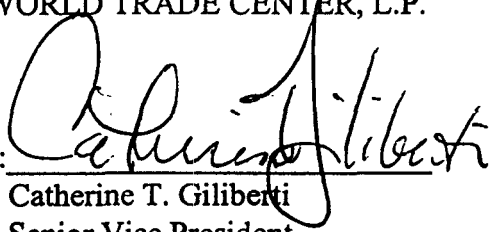
4. Landlord acknowledge that Tenant may request additional change order work which Tenant deems necessary or desirable. Landlord shall cooperate with Tenant and expeditiously respond to such requests in accordance with Article 6(H)(b) of the Lease.

Except as modified herein, all terms, covenants and conditions of the Lease shall remain in full force and effect.

Very truly yours,


William J. Diamond
Commissioner

AGREED AND CONSENTED TO:
7 WORLD TRADE CENTER, L.P.

By: 

Catherine T. Giliberti
Senior Vice President