

PAYMENT IN LIEU OF TAXES AGREEMENT

THIS PAYMENT IN LIEU OF TAXES AGREEMENT (this "Agreement"), made as of September 1, 2009, by and among BEDELL TERRACE APARTMENTS, L.P., a limited partnership formed under the laws of the State of New York, having an address at c/o Omni New York, LLC, 885 Second Avenue, 31st Floor, Suite C, New York, New York 10017 (the "Company") and the NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having an office at 1100 Franklin Avenue, Suite 300, Garden City, NY 11530 (the "Agency"). Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Lease (as hereinafter defined).

WITNESSETH

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act, as amended from time to time, being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, recreation and civic facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Agency, which has been created and established pursuant to the Act for the benefit of the County of Nassau and its residents, proposes to undertake the Project described below; and

WHEREAS, the Agency on behalf of the Company intends to undertake a project (the "Project") consisting of the following: (i) the acquisition of an interest in an approximately 2.31 acre parcel of land, located at 10-26 Bedell Street and 91-101 and 105-145 Terrace Avenue, Village of Hempstead, County of Nassau, New York and more particularly described on Schedule A hereto (the "Land"), (ii) the rehabilitation and renovation of 26 existing multifamily residential housing structures (comprised of approximately 245 affordable housing units) located on the Land, together with related improvements to the Land (collectively, the "Building") and (iii) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing to constitute an affordable housing complex comprised of approximately 245 affordable housing rental units (collectively, the "Project Facility") and

WHEREAS, the Agency is or will be the owner of a fee simple interest in the Land and the Building (collectively, the "Facility"); and

WHEREAS, the Agency proposes to undertake the Project as an authorized project under the Act and to lease the interest of the Agency to the Company pursuant to a Lease Agreement dated as of the date hereof between the Agency, as lessor, and the Company, as lessee (as amended, modified, supplemented or restated from time to time, the "Lease"); and

WHEREAS, the payment and performance of the Company's obligations under this Agreement shall be secured by a Mortgage and Assignment of Leases and Rents dated as of the date hereof (as amended, modified, supplemented or restated from time to time, the "PILOT Mortgage") from the Company and the Agency, as mortgagor, to the County of Nassau (the "PILOT Mortgagee"), its successors and assigns, as mortgagee, pursuant to which the Agency and the Company grant a second mortgage lien on the Facility; and

WHEREAS, under the present provisions of the Act and under the present Section 412-a of the Real Property Tax Law of the State of New York (the "RPTL"), the Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or under its control.

NOW, THEREFORE, in consideration of the premises and the payments, agreements, and covenants hereinafter contained, the parties hereto covenant and mutually agree as follows:

Section 1. Tax-Exempt Status of Facility.

A. Application. (1) The Company shall complete, and the Agency shall file, an application for tax exemption pursuant to Section 412-a of the RPTL (the "Application"). The Application shall be filed with the assessor for each of the various taxing entities having jurisdiction over the Facility, including, without limitation, the County of Nassau (the "County") and each town, village and school district within which the Facility is located (such taxing entities, and any successors thereto, being hereinafter collectively referred to as the "Taxing Entities" and each individually as a "Taxing Entity"). The Facility shall not be entitled to exempt status on the tax rolls of any Taxing Entity until the beginning of the first fiscal tax year of such Taxing Entity following the first taxable status date of such Taxing Entity occurring subsequent to the last to occur of (i) the Agency becoming the owner of record of the Facility, (ii) the filing by the Agency of the appropriate Application for tax exemption, and (iii) the acceptance of such Application by the appropriate tax assessor(s) (such date, the "PILOT Commencement Date").

(2) The Company hereby waive any claim or cause of action against the Agency, and release the Agency from any liability to the Company, arising from any denial of an exemption from real property taxes and assessments, except to the extent that such denial results solely from the willful failure of the Agency, after demand by the Company, to file the completed Application for tax exemption as set forth in this Agreement.

B. Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the General Municipal Law of the State of

New York and Section 412-a of the RPTL does not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease the Company will be required to pay all special assessments and special ad valorem levies levied and/or assessed against or with respect to the Facility.

C. Other Charges. If any taxes, assessments, service charges or other governmental charges become payable by the Company or the Agency on the Project or the rents paid pursuant to the Lease or the occupancy of or any interest of the Company or the Agency in the Facility or any part thereof or any personal property used in connection with the business conducted and located therein, the amount of any such taxes, assessments or charges shall be paid by the Company as and when due. Furthermore, water charges, sewer rentals, sewage treatment charges, solid waste charges and any other charges in the nature of utility charges shall be paid as and when due directly by the Company and shall not be credited against nor be affected in any manner by any payment in lieu of real property taxes and assessments in any year and shall be computed pursuant to the formula adopted by the relevant Taxing Entity.

Section 2. Payments.

A. Tax Payments. Prior to the PILOT Commencement Date, the applicable real property taxes and assessments levied and/or assessed against or with respect to the Facility shall be payable in full by the Company to the applicable Taxing Entity as if the Agency were not the owner of the Facility or otherwise involved in the Project.

B. PILOT Payments. (1) From the PILOT Commencement Date through and including the last day of the thirtieth (30th) fiscal tax year thereafter (such date, the "Abatement Expiration Date"), the Company shall make payments in lieu of real property taxes and assessments levied and/or assessed by the Taxing Entities against the Facility (collectively, the "PILOT Payments") as follows:

1	for the fiscal tax year commencing on the PILOT Commencement Date,	\$156,121.00
2	for the fiscal tax year commencing on the 1st anniversary of the PILOT Commencement Date,	\$160,805.00
3	for the fiscal tax year commencing on the 2nd anniversary of the PILOT Commencement Date	\$165,629.00
4	for the fiscal tax year commencing on the 3rd anniversary of the PILOT Commencement Date	\$170,598.00
5	for the fiscal tax year commencing on the 4th anniversary of the PILOT Commencement Date	\$175,716.00
6	for the fiscal tax year commencing on the 5th anniversary of the PILOT Commencement Date	\$180,988.00
7	for the fiscal tax year commencing on the 6th anniversary of the PILOT Commencement Date	\$186,417.00
8	for the fiscal tax year commencing on the 7th anniversary of the PILOT Commencement Date	\$192,010.00
9	for the fiscal tax year commencing on the 8th anniversary of the PILOT Commencement Date	\$197,770.00
10	for the fiscal tax year commencing on the 9th anniversary of the	\$203,703.00

	PILOT Commencement Date	
11	for the fiscal tax year commencing on the 10th anniversary of the PILOT Commencement Date	\$209,814.00
12	for the fiscal tax year commencing on the 11th anniversary of the PILOT Commencement Date	\$216,108.00
13	for the fiscal tax year commencing on the 12th anniversary of the PILOT Commencement Date	\$222,592.00
14	for the fiscal tax year commencing on the 13th anniversary of the PILOT Commencement Date	\$229,269.00
15	for the fiscal tax year commencing on the 14th anniversary of the PILOT Commencement Date	\$236,148.00
16	for the fiscal tax year commencing on the 15th anniversary of the PILOT Commencement Date	\$243,232.00
17	for the fiscal tax year commencing on the 16th anniversary of the PILOT Commencement Date	\$250,529.00
18	for the fiscal tax year commencing on the 17th anniversary of the PILOT Commencement Date	\$258,045.00
19	for the fiscal tax year commencing on the 18th anniversary of the PILOT Commencement Date	\$265,786.00
20	for the fiscal tax year commencing on the 19th anniversary of the PILOT Commencement Date	\$273,760.00
21	for the fiscal tax year commencing on the 20th anniversary of the PILOT Commencement Date	\$281,972.00
22	for the fiscal tax year commencing on the 21st anniversary of the PILOT Commencement Date	\$290,432.00
23	for the fiscal tax year commencing on the 22nd anniversary of the PILOT Commencement Date	\$299,144.00
24	for the fiscal tax year commencing on the 23rd anniversary of the PILOT Commencement Date	\$308,119.00
25	for the fiscal tax year commencing on the 24th anniversary of the PILOT Commencement Date	\$317,362.00
26	for the fiscal tax year commencing on the 25th anniversary of the PILOT Commencement Date	\$326,883.00
27	for the fiscal tax year commencing on the 26th anniversary of the PILOT Commencement Date	\$336,690.00
28	for the fiscal tax year commencing on the 27th anniversary of the PILOT Commencement Date	\$346,790.00
29	for the fiscal tax year commencing on the 28th anniversary of the PILOT Commencement Date	\$357,194.00
30	for the fiscal tax year commencing on the 29th anniversary of the PILOT Commencement Date	\$367,910.00

(2) From and after the Abatement Expiration Date, and until fee title to the Facility is conveyed to the Company pursuant to the terms of the Lease and the Facility has been returned to the tax rolls as fully taxable property, the Company shall make PILOT Payments (defined in Section 2 hereof) equal to one hundred percent (100%) of the amount of real property taxes and assessments that would have been levied and/or assessed against or with

respect to the Facility as if the Facility were owned by the Company and the Agency were not otherwise involved in the Project.

"PILOT Obligations" shall mean all amounts required to be paid by the Company under this Agreement, including, without limitation, those amounts set forth in Sections 2.A and 2.B hereof.

(3) Any provision of this Agreement to the contrary notwithstanding, the amount of PILOT Payments set forth in Section 2.B(1) hereof for each fiscal tax year from the PILOT Commencement Date through the Abatement Expiration date, shall be reduced by the amount, if any, of special assessments and special ad valorem levies assessed against or levied upon the Facility for such fiscal tax year (collectively, "Special Assessments"), whether by the Nassau County Tax Assessor's Office or otherwise, which Special Assessments would otherwise be payable by the Company pursuant to this Agreement. The amount of any such reduction of a PILOT Payment shall be set forth on the applicable PILOT bill issued with respect to such fiscal tax year, if any, but the failure of the Company to receive such bill shall in no event affect the Company's obligation to pay such PILOT Payment. In the event that (i) the amount of Special Assessments for a particular fiscal tax year exceeds the amount of the PILOT Payment for such fiscal tax year (such excess is hereinafter referred to as an "SA Credit"), or (ii) the amount of PILOT Payments for a particular fiscal tax year are not reduced by the amount of Special Assessments for such fiscal tax year (the amount of such Special Assessments is hereinafter referred to as an "SA Reduction"), then the amount of such SA Credit or SA Reduction, as the case may be, shall be carried over as a credit for the following fiscal tax year(s); provided, however, that if there is an unused SA Credit at the end of the term of the PILOT Payments hereunder, then the Company shall not be entitled to (a) take such SA Credit against any further payments hereunder or against real property taxes assessed against the Facility, or (b) an extension of the term of this Agreement.

C. Payments. (1) Amounts due and payable under this Agreement shall be payable to the Treasurer of the County of Nassau (the "Treasurer"), 240 Old Country Road, 3rd Floor, Mineola, NY 11501, or at such other address as the Treasurer may notify the Company of in writing.

(2) All PILOT Payments hereunder shall be allocated among the affected tax jurisdictions in proportion to the amount of real property and other taxes and assessments that would have been received by each Taxing Entity had the Project not been tax exempt due to the status of the Agency.

D. Due Dates; Interest; and Penalties. (1) The Company may be billed for PILOT Payments as if the Facility were on the tax rolls at the time when taxes for each Taxing Entity are due.

(2) If any payment required under this Agreement is not made on or before the due date thereof, such payment shall be delinquent and the Company shall pay a late charge equal to the greater of (a) five (5%) percent of the payment, and for each month, or part thereof, that the payment is delinquent beyond the first month, the Company shall pay an

additional late charge equal to one (1%) percent per month of the total amount payable; and (b) the late charge applicable from time to time to real property tax levies and assessments that are not paid when due.

(3) Anything contained in this subparagraph to the contrary notwithstanding, the Company shall have the obligation to make all payments of PILOT Obligations (other than payments of penalties, if any) in two equal semi-annual installments on or prior to the date which is five (5) Business Days prior to January 1 and July 1 for the General Tax portion of the PILOT Obligations, April 1 and October 1 for the School Tax portion of the PILOT Obligations and June 1 for the Village Tax portion of the PILOT Obligations, as applicable, of each year of the term of the Lease or on such other due dates as may be established by the Agency or the Treasurer from time to time during the term of the Lease.

E. Partial Sale; Transferee's Obligation; Apportionment of Reduction to Local Taxing Entities. During the term of this Agreement, in the event that the Facility, or any portion thereof or interest therein, is sold, transferred, assigned or otherwise disposed of by the Agency, the transferees thereof will thereafter pay the real property taxes and assessments on such Land and the Building and the Addition located on the Land, or on such portion of the Land, that was sold, transferred, assigned or otherwise disposed of, as may be required by applicable law.

F. Sale; Company's Obligation. In the event that the Agency sells, transfers, assigns or otherwise disposes of the Facility to any party other than the Company, the Company's obligation for PILOT Obligations shall be prorated to the date of the closing of the transaction and thereupon all obligations of the Company for payment of PILOT Obligations shall cease, but the Agency shall take such steps with the transferee or assignee other than the Company to assure that each of the Taxing Entities shall suffer no loss of revenue until the Facility can be placed back on the tax rolls as fully taxable real property and taxes levied and billed therefor.

Section 3. Effective Date; Duration of Agreement. This Agreement shall become effective upon the execution and delivery of the Lease by the Company and the Agency and this Agreement by both Company and the Agency and the execution and delivery of the deed from the Company to the Agency and shall continue in effect until the earlier of (i) the termination of this Agreement pursuant to the terms of the Lease or of this Agreement, or (ii) the date on which title to the Facility is conveyed to Company by the Agency pursuant to the Lease or this Agreement and has been placed back on the tax rolls as taxable property.

Section 4. Events of Default. The following shall constitute an "Event of Default" under this Agreement:

A. Failure by the Company to make any payment specified herein and the continuance of such failure for a period of fifteen (15) days after receipt by the Company of written notice from the Agency and/or any Taxing Entity.

B. Failure by the Company to comply with or perform any provision of this Agreement other than the payment provisions hereof and the continuance of such failure for a period of thirty (30) days after receipt by the Company of written notice thereof from the Agency.

C. Default in the terms of the Lease or any other agreement between the Agency and the Company (beyond any applicable grace or notice period).

If the Company fails to make any payments pursuant to this Agreement when due, the amount or amounts so in default shall continue as an obligation of the Company until fully paid.

Upon the occurrence and continuance of an Event of Default hereunder, the Company shall be required to make PILOT Payments as if the Facility were owned by the Company, such amounts to commence to be paid for the period subsequent to the date it is determined by the Agency that there is an Event of Default hereunder. In such event, the tax rate, interest and penalties shall be those then in effect in the Taxing Entities in which the Facility is located.

Upon the occurrence and continuance of an Event of Default hereunder, the Agency shall be entitled to sue to enforce any provision of this Agreement and to recover the payments of PILOT Obligations in default from the Company, together with all the costs and expenses of the Agency, its successors or assigns, paid or incurred in such recovery (including court costs and attorneys' fees and expenses) and interest at the rate charged by the respective Taxing Entities on overdue payments of taxes. In addition, the Agency shall have the right to terminate the Lease at any time, and the Company shall accept such termination and any tender of reconveyance from the Agency of title to the Facility.

The Agency, in enforcing payment by the Company of the PILOT Obligations, may take whatever action and exercise any or all of the rights and remedies specified in this Agreement or any other remedy provided by law.

Each and every Event of Default shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. Further, no payment by the Agency or receipt by the Agency or a Taxing Entity of a lesser amount than the correct amount or manner of payment due hereunder shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and satisfaction, and the Agency and/or any Taxing Entity may accept any check or payment as made without prejudice to the right to recover the balance or pursue any other remedy in this Agreement or otherwise provided at law or in equity.

In no event shall the Agency be liable to any of the Taxing Entities for the payments specified herein, whether or not the Company make such payments. The Company

hereby agree to indemnify, defend (with counsel selected by the Agency) and hold harmless the Agency and its officers, members, agents (other than the Company), attorneys, servants and employees, past, present and future, against any such liability for such payments and against all penalties, interest, and other charges resulting from the delinquency of such payments.

The Agency and the Company hereby acknowledge the right of the County, as beneficiary of this Agreement (on behalf of itself and all other Taxing Entities), to pursue any appropriate remedies, including an action or proceeding in the courts, to recover directly from the Company any payments of PILOT Obligations in default hereunder and/or to exercise its rights and remedies under the PILOT Mortgage. The Company shall promptly notify the Agency of any action or proceeding brought, or other measure taken, by a Taxing Entity to recover such payments in default hereunder. It is understood that the right of any Taxing Entity herein acknowledged is in addition to, and shall not impair, the Agency's own rights arising from a breach of this Agreement.

In the event that title to the Facility is conveyed to the Company or any other party prior to expiration of the term of the Lease, this Agreement shall become null and void and any remaining tax abatement hereunder shall be canceled.

Section 5. Additional Facilities. If any structural additions or change in use shall be made to the buildings or other improvements included in the Project subsequent to the date hereof, or if any additional buildings or improvements shall be constructed on the Land (such structural additions, buildings and improvements being referred to hereinafter as "Additional Facilities"), the Company agrees to increase their PILOT Obligations hereunder in an amount, as determined by the Agency or a tax assessor selected by the Agency, equal to the increased tax payments that would have been payable on such increase if this Agreement were not in effect. Nothing herein shall constitute the Agency's consent to the construction of any such additions or additional buildings or improvements other than the Addition, which the Agency has expressly consented to and approved.

Section 6. Change of Law. In the event the Facility, or any part thereof, is declared to be subject to taxation for real property taxes or assessments by an amendment to the Act, other legislative change or a final judgment of a court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

Section 7. Waiver of Tax Exemption. The Company, in recognition of the benefits provided under this Agreement, and for so long as the Lease is in effect, hereby expressly waives any rights they may have for any exemption under Section 485-b of the RPTL or any other exemption under any other law or regulation (except, however, for the exemption provided under Article 18-A of the General Municipal Law) with respect to the Facility.

Section 8. Delivery of PILOT Statement. The Company shall deliver to the Comptroller of the County of Nassau, on or before the dates set forth for payment of the PILOT Obligations in Section 2 hereof, in each year during the term of the Lease, a verified statement setting forth the amount of such payments and the dates of such payments.

Section 9. Limited Obligation. The obligations, covenants and agreements of the Agency hereunder shall not constitute or give rise to an obligation of the State of New York, the County, the Town of North Hempstead or any school district within which the Facility is located and neither the State of New York, the County, the Town of North Hempstead nor any such school district shall be liable thereon, and further, such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency.

Section 10. No Waiver. Failure by the Agency in any instance to insist upon the strict performance of any one or more of the obligations of the Company under this Agreement, or to exercise any election herein contained, shall in no manner be or be deemed to be a waiver by the Agency of any of the Company's defaults or breaches hereunder or of any of the rights and remedies of the Agency by reason of such defaults or breaches, or a waiver or relinquishment of any and all of the Company's obligations hereunder. No waiver, amendment, release or modification of this Agreement shall be established by conduct, custom or course of dealing. Further, no payment by the Company or receipt by the Agency of a lesser amount than the correct amount or manner of payment due hereunder shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to effect or evidence an accord and satisfaction, and the Agency may accept any check or payments as made without prejudice to the right to recover the balance or pursue any other remedy in this Agreement or otherwise provided at law or in equity.

Section 11. Notices.

A. All notices, certificates and other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given on the earlier of (1) three (3) Business Days after being sent to the applicable address stated below by registered or certified mail, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) the date on which delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

B. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE COMPANY:

Bedell Terrace Apartments, L.P.
c/o Omni New York, LLC
One Dag Hammerskjold Plaza
885 Second Avenue, 31st Floor, Suite C
New York, New York 10017

WITH A COPY TO:

Nixon Peabody LLP
437 Madison Avenue

New York, New York 10022
FAX: 212-940-3111

WITH A COPY TO:

Alliant Asset Management Company, LLC
21600 Oxnard Street
Suite 1200
Woodland Hills, CA 91367
Attentions: Shawn Horwitz

IF TO THE AGENCY:

Nassau County Industrial Development Agency
1100 Franklin Avenue, Suite 300
Garden City, NY 11530
Attn: Executive Director

WITH A COPY TO:

Troutman Sanders LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174
Attn: Andras D. Komaromi, Esq.

Section 12. Change of Address. The Agency or the Company may, by notice given hereunder to each other, designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

Section 13. Assignment of Agreement. This Agreement shall be binding upon the successors and permitted assigns of the Company but no assignment shall be effective to relieve the Company of any of its obligations hereunder unless expressly authorized and approved in writing by the Agency.

Section 14. Independent Agreement. Notwithstanding any other provision of this Agreement, including the recitals hereof, the parties agree that the Lease executed between the parties thereto shall be a separate and independent document from this Agreement, and irrespective of whether any provision of this Agreement or the entirety hereof shall be held invalid or unenforceable by any court of competent jurisdiction, the Lease shall be construed, interpreted, and otherwise regarded separate and apart from this Agreement. The parties hereto specifically note that the considerations and terms provided for in this Agreement and provided for in the Lease are the only considerations and terms for which the parties thereto have executed this Agreement.

Section 15. Invalidity. If any one or more phrases, sentences, clauses or provisions of this Agreement or the entirety hereof shall be declared invalid or unenforceable by any order, decree or judgment of any court of competent jurisdiction, then such phrase, sentence, clause or provision or the entirety of this Agreement shall be deemed to be reformed in such manner as shall be determined by such court, or in the absence of such a determination then in the reasonable judgment of the Agency, to render such phrase, sentence, clause or provision of this Agreement valid and enforceable under applicable law. The parties hereto agree to enter into such documents, agreements and instruments as the Agency reasonably determines are necessary to effect any such reformation. In the event that any one more of the phrases, sentences, clauses or provisions of this Agreement cannot be reformed to comply with applicable law, then this Agreement shall be construed as if such phrase, sentence, clause or paragraph had not appeared in this Agreement.

Section 16. Amendments. This Agreement may not be modified, amended, supplemented, or changed without the written consent of the Agency and the Company.

Section 17. Prior Agreements. This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, whether written or oral, among the parties with respect to the subject matter hereof.

Section 18. Delivery of Agreement. The Agency covenants to use reasonable efforts to deliver to each Taxing Entity a copy of this Agreement within fifteen (15) days after its execution.

Section 19. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 20. Service of Process; Consent to Jurisdiction; Forum.

A. The Company represents that they are subject to service of process in the State of New York and covenant that they will remain so subject so long as the Lease shall be in effect. If for any reason the Company should cease to be so subject to service of process in the State of New York, the Company hereby designates and appoints, without power of revocation, Eugene Schneur c/o Omni New York LLC, 885 Second Avenue, 31st Floor, Suite C, New York, New York 10017 as agent for service of process, and if such agent shall cease to act or otherwise cease to be subject to service of process in the State of New York, the Secretary of State of the State of New York, as the agents of such Company upon whom may be served all process, pleadings, notices or other papers which may be served upon such Company as a result of any of its obligations under this Agreement; provided, however, that the serving of such process, pleadings, notices or other papers shall not constitute a condition to the Company's obligations hereunder.

B. The Company irrevocably and unconditionally (1) agree that any suit, action or other legal proceeding arising out of this Agreement or the other Transaction Documents may be brought in the courts of record of the State of New York in Nassau County or the courts of the United States, Eastern District of New York; (2) consent to the jurisdiction of

each such court in any such suit, action or proceeding; and (3) waive any objection which they may have to the laying of venue of any such suit, action or proceeding in any of such courts. For such time as the Lease is in effect, the Company's agents designated above shall accept and acknowledge in the Company's behalf service of any and all process in any such suit, action or proceeding brought in any such court. The Company agrees and consents that any such service of process upon such agents and written notice of such service to the Company in the manner set forth in Section 11 hereof shall be taken and held to be valid personal service upon the Company whether or not the Company shall then be doing, or at any time shall have done, business within the State of New York and that any such service of process shall be of the same force and validity as if service were made upon the Company according to the laws governing the validity and requirements of such service in the State of New York, and waive all claim of error by reason of any such service. Such agents shall not have any power or authority to enter into any appearance or to file any pleadings in connection with any suit, action or other legal proceedings against the Company or to conduct the defense of any such suit, action or any other legal proceeding except as expressly authorized by the Company.

Section 21. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, as the same may be in effect from time to time, without regard to principles of conflicts of laws.

Section 22. Nature of Obligations. This Agreement shall remain in full force and effect until each and every one of the PILOT Obligations shall have been irrevocably paid in full and all other obligations of the Company under this Agreement shall have been paid and performed in full.

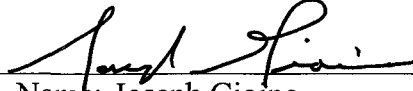
If the Company consists of more than one (1) Person, the obligations of such Persons under this Agreement shall be joint and several.

Section 23. Indemnification. The Company agree to indemnify, defend (with counsel selected by the Agency) and hold harmless the Agency and its officers, members, agents (other than the Company), attorneys, servants and employees, past, present and future, against any liability arising from any default by the Company in performing their obligations hereunder or any expense incurred hereunder, including, without limitation, any expenses of the Agency and attorneys' fees and expenses.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY


By 
Name: Joseph Gioino
Title: Executive Director

BEDELL TERRACE APARTMENTS, L.P.,
a New York limited partnership

By: Bedell Terrace Developers, LLC,
its general partner

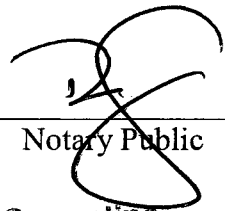
By: ONY Bedell, LLC,
its manager

By: Omni New York LLC,
its manager

By: 
Eugene Schneur
Managing Member

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

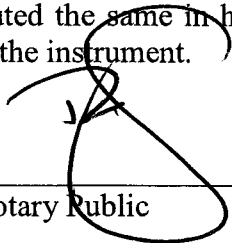
On the 24th day of September, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Joseph Gioino, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual executed the instrument.



Notary Public
Richard Sorrentino
Notary Public, State of NY
No. 01-S06071086
Qualified In Nassau County 10
Commission Exp March 11,2010

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

On the 24th day of September, in the year 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Eugene Schneur, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual executed the instrument.



Notary Public
Richard Sorrentino
Notary Public, State of NY
No. 01-S06071086
Qualified In Nassau County 10
Commission Exp March 11,2010

SCHEDULE A

DESCRIPTION OF THE LAND

Block 288 Lots 51-52 and 136-146:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Incorporated Village of Hempstead, Town of Hempstead, County of Nassau, and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly line of Bedell Street at the intersection formed by the westerly line of Terrace Avenue with the northerly line of Bedell Street;

RUNNING THENCE the following 9 courses:

1. Westerly along the northerly line of Bedell Street south 79 degrees 55 minutes west 192 feet to the easterly line of Ransom Place;
2. Northerly along the easterly line of Ransom Place, north 09 degrees 45 minutes west 41.16 feet;
3. Easterly north 80 degrees 15 minutes east 100 feet;
4. Northerly north 09 degrees 45 minutes west 420 feet;
5. Westerly south 80 degrees 15 minutes west 12.98 feet;
6. Northwesterly north 68 degrees 45 minutes west 20 feet;
7. Northerly, north 21 degrees 15 minutes east 100 feet, to the southerly line of Atlantic Avenue;
8. Easterly along the southerly line of Atlantic Avenue, south 68 degrees 45 minutes east, 82.39 feet to the westerly line of Terrace Avenue;
9. Southerly along the westerly line of Terrace Avenue south 09 degrees 45 minutes east 513.63 feet to the northerly line of Bedell Street at the point or place of BEGINNING.

Block 285 Lots 42-50, 384-385

ALL that certain plot, piece or parcel of land, situate, lying and being in the Incorporated Village of Hempstead, Town of Hempstead, County of Nassau, and State of New York, bounded and described as follows:

BEGINNING at a point on the westerly line of Terrace Avenue at the intersection formed by the westerly line of Terrace Avenue with the southerly line of Bedell Street;

RUNNING THENCE the following 6 courses:

1. Southerly along the westerly line of Terrace Avenue, 76 feet;
2. Westerly south 75 degrees 50 minutes 20 seconds west 95.50 feet;
3. Southerly parallel with the westerly line of Terrace Avenue 24 feet;
4. Westerly on a line parallel with Bedell Street 216 feet;
5. Northerly at right angles to the previous course 100 feet to the southerly line of Bedell Street;
6. Easterly along the southerly line of Bedell Street 311.50 feet to the westerly line of Terrace Avenue at the point or place of BEGINNING.

Block 285 Lots 39 and 40

ALL that certain plot, piece or parcel of land, situate, lying and being in the Incorporated Village of Hempstead, Town of Hempstead, County of Nassau, and State of New York known and designated as and by Lot Nos. 53 and 54 on certain map entitled "Subdivision of Property of the Village of Hempstead, Nassau County, New York, belonging to Ransom and Kimer, surveyed by Arthur G. Archibald" and filed in the Office of the Clerk of the County of Nassau on March 12, 1926 as Map No. 595, bounded and described as follows:

BEGINNING at a point on the westerly line of Ransom Place, at the intersection formed by the westerly line of Ransom Place with the northerly line of Bedell Street;

RUNNING THENCE the following 4 courses:

1. Westerly along the northerly line of Bedell Street south 79 degrees 55 minutes west 104.50 feet;
2. Northwesterly north 13 degrees 53 minutes 08 seconds west 42.17 feet;
3. Easterly north 80 degrees 15 minutes east 107.54 feet, to the westerly line of Ransom Place;
4. Southerly along the westerly line of Ransom Place, south 09 degrees 45 minutes east 41.45 feet, to the northerly line of Bedell Street at the point or place of BEGINNING.

Block 285 Lots 424-426

ALL that certain plot, piece or parcel of land, situate, lying and being in the Incorporated Village of Hempstead, Town of Hempstead, County of Nassau and State of New York known and designated as and by parts of Lots 1, 2 and 3 on a certain map entitled "Map of No. 2, Terrace Gardens, situated in the Village of Hempstead, Nassau County, New York July 1927" and filed

in the Office of the Clerk of the County of Nassau on July 11, 1927 under the File No. 882, New No. 2595 and bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of Terrace Court with the new westerly side of Terrace Avenue as now laid out and established by the Village of Hempstead;

RUNNING THENCE south 10 degrees 15 minutes 40 seconds east along the new westerly side of Terrace Avenue 71.99 feet to land now or formerly of Hamlet;

THENCE south 79 degrees 59 minutes 40 seconds west along land now or formerly of Hamlet 92.50 feet to the easterly line of Lot No. 4 as shown on the above mentioned map;

THENCE north 10 degrees 15 minutes 40 seconds west along the easterly line of Lot No. 4 as shown on the above mentioned map, 71.86 feet to the southerly side of Terrace Court;

THENCE RUNNING north 79 degrees 55 minutes east along the southerly side of Terrace Court 92.50 feet to the corner, the point or place of BEGINNING.

Block 285 Lots 427-429

ALL that certain plot, piece or parcel of land, situate, lying and being in the Incorporated Village of Hempstead, Town of Hempstead, County of Nassau and State of New York, known and designated as and by parts of Lots No. 9, 10 and 11 on a certain map entitled "Map No. 2 Terrace Gardens situated in the Village of Hempstead, Nassau County, New York July 1927" and filed in the Office of the Clerk of the County of Nassau on July 11, 1927 under the File No. 882, New No. 2595 bounded and described as follows:

BEGINNING at a point on the northerly line of Terrace Court with the westerly line of Terrace Avenue as now laid out and established by the Village of Hempstead;

RUNNING THENCE south 79 degrees 55 minutes west along the northerly side of Terrace Court 92.50 feet to the easterly line of Lot No. 12 as shown on the above mentioned map;

THENCE north 10 degrees 15 minutes 40 seconds west along the easterly line of Lot No. 12 as shown on the above mentioned map 70.83 feet to land now or formerly of Rogers;

THENCE north 79 degrees 55 minutes east along land now or formerly of Rogers 92.50 feet to the new westerly side of Terrace Avenue;

THENCE RUNNING south 10 degrees 15 minutes 40 seconds east along the new westerly side of Terrace Avenue, 71.12 feet to the corner, the point or place of BEGINNING.