

PENN YARDS ASSOCIATES
c/o The Trump Organization
725 Fifth Avenue
New York, New York 10022

March 31, 1993

Members of Riverside South
Planning Corporation
1330 Avenue of the Americas
New York, New York 10019

Dear Colleagues:

As general partner of Penn Yards Associates, I am delighted with the approval of the Riverside South Development Project and our collective efforts to achieve that result, and look forward to continuing our joint effort through the Riverside South Planning Corporation ("RSPC") to expedite and ensure development of the site in accordance with the approved plan. This letter will confirm our arrangement to continue working together.

We will, of course, each pledge our support to the plan that has been approved, and you agree to actively support and cooperate in the implementation of that plan. We expect to jointly seek mutually acceptable governmental subsidies and appropriations, and all permits and approvals necessary for the implementation of that plan. We will all coordinate our respective efforts in proceedings (including hearings, judicial and other proceedings with respect to the Rezoning* and the Special Permits) regarding that plan and the project. If I utilize the Special Permits, I agree to develop the project in substantial conformity to design guidelines which will be administered in accordance with the attached procedures, and not to apply for any major modifications or rezonings, other than

* Capitalized terms used in this letter shall have the meanings ascribed to them in the Restrictive Declaration dated as of December 17, 1992.

modifications as to sewer treatment alternatives and/or modifications to elements of the plan (which do not pertain to presently approved residential sites), without approval of a majority of the members of RSPC (which approval will not be unreasonably withheld or delayed). The development of the studio site (Parcel L/M/N) is not yet determined or approved and I agree to consult with you in creating a plan for the development of that site. If we can reach agreement on a plan for that site, we agree to cooperate in obtaining government approvals.

With regard to the parks and open space, we will jointly oversee the design development in substantial conformity with the approved Park Drawings and Park Specifications. However, you understand that I retain ultimate authority over decisions concerning cost, scheduling and construction-related matters. Upon the request of RSPC, I will also agree to delegate my park maintenance obligations under Section 4.07 of the Maintenance and Operation Agreement dated as of December 17, 1992 to the independent Park Maintenance Entity, provided I have reasonably determined that the monetary obligations will not exceed in any year the annual maintenance budget suggested by the Parks Department of the City of New York (which is currently \$1,750,000), as may be adjusted for inflation. We will, in good faith, discuss the formulation of a public art program for the project.

We agree that RSPC may be dissolved at any time by mutual agreement of the parties, and that I shall have the right to dissolve RSPC if (1) we do not reach agreement on the development of the studio site, (2) Richard Kahan or a successor mutually agreed upon no longer heads RSPC or (3) any member organization withdraws from participation in RSPC. You agree to execute documents, promptly following request, and we shall jointly seek all required approvals, necessary to effect such dissolution. The agreements in this letter relating to design

guidelines, park maintenance and operation, and restrictions on major modifications and rezoning shall survive the dissolution of RSPC, in which event approvals and consents of RSPC regarding these matters shall be granted by a majority of a three (3) person panel (including Donald J. Trump) to be acceptable to both me and the other members of the board of RSPC. The agreements contained herein shall continue for ten (10) years, or such lesser period as either of the following conditions shall no longer remain satisfied: (1) the Special Permits shall remain in effect; and (2) I shall own, directly or indirectly, all or any portion of the Subject Property.

I agree that I will require any person who purchases any Parcel of the Subject Property from me so long as the Special Permits remain in effect, to agree to abide by the agreements in this letter insofar as they relate to the development of the project and the park, delegation of park maintenance, and the restrictions on seeking changes in the approved plan. In particular, I will contractually require the purchaser(s) to agree to develop such parcel in accordance with these guidelines and not to apply for any changes or modifications in the approved plan not permitted hereunder so long as the Special Permits remain in effect without approval of a majority of the members of RSPC, which approval is not to be unreasonably withheld or delayed. It is my intent that RSPC (or, following dissolution of RSPC, a majority of its members at the time of dissolution) should have the right to enforce these promises solely by an action for damages or injunctive relief, but the failure of any purchaser of the Subject Property to comply with the terms of this Agreement shall not result in any claim by RSPC (or any other person) against me.

In order to further the purposes of the project and this agreement, I shall fund semi-annually for three (3) years, the reasonable mutually agreed upon administrative overhead and other costs of RSPC. After three (3) years, if the work of RSPC

continues, I shall, in good faith, consider continued funding. For calendar year 1993 we have agreed that the annual funding shall be \$350,000. This letter, and the agreements contained herein, are subject to the "Legal Requirements" attached hereto, which are incorporated herein by reference. This letter shall not be recorded.

I very much look forward to continuing to work with you.

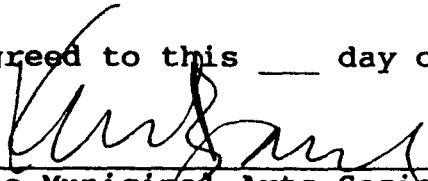
Sincerely,

PENN YARDS ASSOCIATES

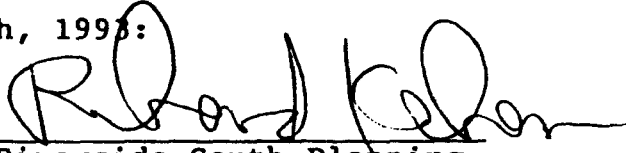
By: 

Donald J. Trump,
its general partner

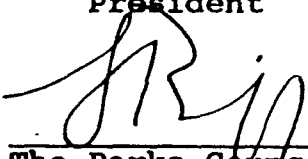
Agreed to this ___ day of March, 1993:



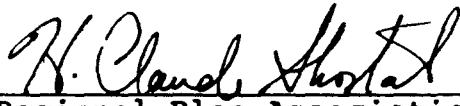
The Municipal Arts Society
of New York, Inc.
By: Kent L. Barwick
President



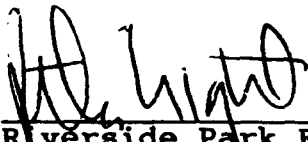
Riverside South Planning
Corporation
By: Richard A. Kahan
Chairman



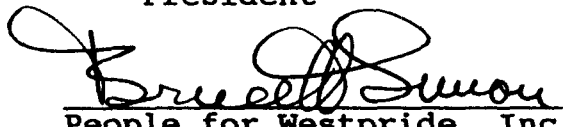
The Parks Council, Inc.
By: Linda Davidoff
Executive Director



Regional Plan Association,
Inc.
By: Claude Shostal
President



Riverside Park Fund
By: Peter M. Wright
Board Member



People for Westpride, Inc.
By: Bruce Simon
Board Member

LEGAL REQUIREMENTS

The following terms and provisions contained herein are part of, and incorporated by referenced within, the attached letter agreement (the "Letter Agreement") dated March __, 1993 between Penn Yards Associates and the Members of the Riverside South Planning Corporation. In the event that any of the terms and provisions contained herein are inconsistent with any provisions of the Letter Agreement, the terms and provisions contained herein shall govern and control.

Notwithstanding anything to the contrary which may be contained in the Letter Agreement, the Letter Agreement shall not bind (a) the Existing Mortgagee, (b) any independent, third-party holder of any mortgage, present or future, on the Subject Property or any successor thereto, (c) any grantee or transferee of all or any portion of the Subject Property receiving a deed at the request of any party referred to in clause (a) or (b) above while a default remains uncured under a mortgage on the Subject Property, or (d) any grantee, transferee or designee in any foreclosure proceeding under state law or in any bankruptcy proceeding. Nothing contained in the Letter Agreement is intended to, nor shall be interpreted to, nor shall any enforcement of the Letter Agreement, create an interest in real property, a constructive trust, easement, lien or other encumbrance upon the Subject Property, or give RSPC (or any other person), the right to file, seek or claim a lis pendens or

any form of consensual, statutory or other lien on or against the Subject Property. The Letter Agreement is subject and subordinate to, and shall be construed consistently with, the City Map Changes, the Rezoning, the Special Permits, the Restrictive Declaration and all other documents and instruments of record, including mortgages, affecting the Subject Property. If any of the provisions of the Letter Agreement violate or conflict with the provisions of any of the above referred documents or instruments, then such provisions of the Letter Agreement shall be, ab initio, of no force or effect.

4-10-1988