

FIRST MODIFICATION TO RESTRICTIVE DECLARATION

THIS FIRST MODIFICATION, made and entered into as of the 4th day of October, 1994 by HUDSON WATERFRONT ASSOCIATES, L.P., a New York partnership, having an address c/o Polylinks International Ltd., 2203-1177 W. Hastings Street, Vancouver, British Columbia, Canada V6E 2K3 ("Declarant").

WITNESSETH:

WHEREAS, Penn Yards Associates entered into a Restrictive Declaration (the "Declaration"), made as of the 17th day of December, 1992 and recorded in the Office of the Register of New York County in Reel 1936, Page 0001;

WHEREAS, By indenture made as of the 5th day of July, 1994 and recorded in the Office of the Register of New York County in Reel 2112, Page 2231, Penn Yards Associates conveyed all its rights, title and interest to the property described in the Declaration to Declarant; and

WHEREAS, the Chicago Title Insurance Company (the "Title Company") has certified as of August 8, 1994 that Declarant, Ackerly Trading, Inc., Kanton Financial Group, Stockdale Enterprises, Inc., Klayburn Investment, Kilburn Holdings Corp., Foley Enterprises, Inc., Stonebay Enterprises, Inc., Real Profit Enterprises, Inc., Shelborn Enterprises, Inc. and Brixton Holdings

Limited and Harridge Trading Co., Inc. are the "parties-in-interest", as that term is defined in the definition of the term "zoning lot" in Section 12-10 of the Zoning Resolution, as set forth in the Certification attached hereto as Exhibit D; and

**WHEREAS**, Ackerly Trading, Inc., Kanton Financial Group, Stockdale Enterprises, Inc., Klayburn Investment, Kilburn Holdings Corp., Foley Enterprises, Inc., Stonebay Enterprises, Inc., Real Profit Enterprises, Inc., Shelborn Enterprises, Inc., Brixton Holdings Limited and Harridge Trading Co., Inc. has each waived its right to execute this Modification and has subordinated the lien of its mortgage to this Modification and all of the documents appended as Exhibits to this Modification, by execution and delivery of a document in the form of the waiver attached to this Modification as Exhibit A; and

**WHEREAS**, Declarant desires to correct certain typographical errors in the manner hereinafter described;

**NOW, THEREFORE**, for and in consideration of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Declarant hereby declares as follows:

1. Page 2 attached hereto as Exhibit B and made a part hereof is hereby substituted in lieu of the Page 2 recorded in the Declaration.

2. Page 32 attached hereto as Exhibit C and made a part hereof is hereby substituted in lieu of Page 32 recorded in the Declaration.

3. Except as hereby modified, all of the provisions of the Declaration shall remain in full force and effect and the parties hereto ratify and confirm the Declaration as hereby modified.

4. This Modification shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and shall be construed and interpreted in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, this Modification has been executed as of the date first above written.

HUDSON WATERFRONT ASSOCIATES, L.P.  
BY: HUDSON WATERFRONT CORPORATION

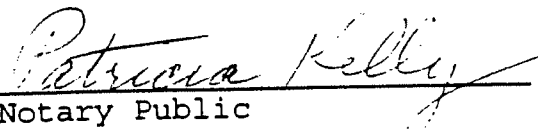
By: Cheng Kam-Biu  
Cheng KAM-BIU

Witness

[Signature]

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

On this 8<sup>th</sup> day of November, 1994, before me personally came BARRY C. ROSS, the subscribing witness to the foregoing instrument, with whom I am personally acquainted, who, being by me duly sworn, did depose and say that he resides at 112 East 83rd Street, New York, New York 10028; that he knows Cheng Kam-Biu to be the individual described in and who executed the foregoing instrument; that he, said subscribing witness, was present and saw Cheng Kam-Biu execute the same; and that he, said witness, at the same time subscribed his name as witness thereto.

  
 Notary Public

PATRICIA KELLY  
 Notary Public, State of New York  
 No. 03-7220625  
 Qualified in Bronx County  
 Commission Expires June 30, 1996

EXHIBIT A

Exhibit A

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**WAIVER OF EXECUTION OF  
FIRST MODIFICATION TO  
RESTRICTIVE DECLARATION**

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**DATED AS OF OCTOBER 4, 1994**

**NEW YORK COUNTY  
BLOCK 1171, LOT 1**

**RECORD AND RETURN TO:**

**ROSENMAN & COLIN  
575 MADISON AVENUE  
NEW YORK, NEW YORK 10022  
ATTN: SAMUEL H. LINDENBAUM, ESQ.**

**WAIVER OF EXECUTION OF FIRST MODIFICATION  
TO RESTRICTIVE DECLARATION**

, having an office at Robinson, Silverman, Pierce, Aronsohn & Berman, 1290 Avenue of the Americas, New York, New York 10104 ("Mortgagee"), as holder of a mortgage ("Mortgage") encumbering the fee estate of Hudson Waterfront Associates, L.P. in Block 1171, Lot 1 on the Tax Map of The City of New York (the "Subject Property") and a "party-in-interest" (as defined in subdivision (c) of the definition of the term "zoning lot" in Section 12-10 of the Zoning Resolution of the City of New York, effective December 15, 1961, as amended from time to time), with respect to the Subject Property,

- (i) hereby waives its right to execute, and consents to the execution, delivery and recordation of, a certain First Modification to Restrictive Declaration, (the "Declaration"), dated as of October 4, 1994, executed by Hudson Waterfront Associates, L.P., together with all documents attached as exhibits to such Declaration ("Exhibits"); and
- (ii) hereby agrees that the Mortgage and the lien thereof, and any amendments, extension, renewals, modifications, severing or splitter agreements or consolidations of the Mortgage, shall in all respects be subject and subordinate to the Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Waiver as of this 4th day of October, 1994.

By: \_\_\_\_\_



EXHIBIT B

WHEREAS, Chase has waived its right to execute this Declaration and has subordinated the lien of its mortgage to this Declaration and all of the documents appended as Exhibits to this Declaration or to be entered into and recorded as prescribed by this Declaration, by execution and delivery of a document substantially in the form of the Waiver attached to this Declaration as Exhibit B-1; and

WHEREAS, Declarant has proposed to develop (i) an approximately 21.49 acre park adjoining the Hudson River comprised of approximately 20.0 acres of the Declarant's property and approximately 1.49 acres of City-owned land (the "Open Space" or the "Open Space Plan") and a smaller approximately 18,000 square foot park-like half oval shaped open space (the "Southern Open Space" or the "SOS"); and (ii) a general large-scale development (the "GLSD") on eight zoning lots of 17 development Parcels (as hereinafter defined), including (a) not more than 7,899,951 square feet of Floor Area (as hereinafter defined), consisting of a maximum of 6,075,151 square feet of residential, 336,400 square feet of community facility, 163,400 square feet of Use Group 6B use (as hereinafter defined) and 137,800 square feet of local retail, theatre and studio Floor Area and no more than 5,700 dwelling units (as defined in Section 12-10 of the Zoning Resolution on the date hereof), on Parcel L/M/N no more than 1,800,000 square feet of

EXHIBIT C

Last revision dates on Plans are:

October 16, 1992

Z-15, Z-16, Z-17,

October 21, 1992

Z-8, Z-9, Z-12, Z-13, Z-14, Z-18,  
 Z-19, Z-20, Z-21, Z-22, Z-23, Z-24,  
 Z-25, Z-26, Z-27, Z-28, Z-29, Z-30,  
 Z-31, Z-32, Z-33, Z-34, Z-40, Z-41,  
 Z-44, Z-45, Z-46, Z-47, Z-48, Z-55,  
 Z-56, Z-57, Z-58, Z-59, Z-60, Z-61,  
 Z-62, Z-63, Z-64, Z-65

## 2.02 Floor Area Limitations.

(a) In connection with any development on the Subject Property pursuant to the Special Permits, Declarant shall be allowed to construct or develop, in accordance with the Plans, not more than 7,899,951 square feet of Floor Area, consisting of (i) a maximum of 6,075,151 square feet of residential, 336,400 square feet of community facility, 163,400 square feet of Use Group 6B and 137,800 square feet of local retail and Use Group 8A theatres and Use Group 9A studios, art, music, dancing or theatrical Floor Area and no more than 5,700 dwelling units; (ii) on Parcel L/M/N a maximum of 1,800,000 square feet of Floor Area composed of Use Group 10A studio use and Use Group 10C use.

(b) In accordance with the Plans, Declarant agrees to provide a minimum of 50,000 square feet of gross floor area of community facility and cultural uses (Use Groups 3, 4, 8A theatres, and 9A studios, but not including a public school) distributed throughout the GLSD, of which not less than 25,000 gross square feet shall be