

AGREEMENT TO CONVEY

By and Between

THE BROOKLYN UNION GAS COMPANY

Grantor

and

THE CITY OF NEW YORK

Grantee

AGREEMENT TO CONVEY

THIS AGREEMENT TO CONVEY ("Agreement") is made and entered into and is effective as of the 22nd day of July, 2004 (the "Effective Date"), by and between **THE BROOKLYN UNION GAS COMPANY, d/b/a KEYSPAN ENERGY DELIVERY NEW YORK**, a New York corporation having an office at One Metrotech Center, Brooklyn, New York 11201 ("Grantor"), and **THE CITY OF NEW YORK**, a municipal corporation of the State of New York, having an office at City Hall, New York, New York 10007 by and through the Department of Parks & Recreation ("Grantee"). Grantor and Grantee may be referred to herein individually as a "Party" and collectively as "the Parties."

RECITALS

- A. Grantor is the owner of the Property (as defined below).
- B. Upon the satisfaction of, and subject to the terms and conditions set forth in this Agreement, Grantor has agreed to convey the Property to Grantee, and Grantee has agreed to take title to the Property from Grantor.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantee and Grantor hereby agree as set forth below.

Section 1. Conveyance of the Property.

(a) Subject to, and in accordance with the terms and conditions contained in this Agreement, Grantor agrees to assign, convey, and transfer to Grantee all of Grantor's right, title, and interest in and to the following real and personal property (collectively, the "Property"), and Grantee hereby agrees to accept the Property:

(1) Land. Subject to all Permitted Exceptions (as defined below), fee title to that certain real property known as Newtown Holder Site, Grand Avenue at 79th Street, Maspeth, Queens, New York 11378 (Block 2805, Lot 31 and Block 2806, Lot 1) which real property (consisting of approximately six (6) acres) is more particularly described in Exhibit A, attached hereto and incorporated herein (the "Land").

(2) Improvements. All fixtures, equipment, systems, and improvements owned by Grantor located on or used in connection with the Land, including subsurface abandoned

natural gas piping (the "Piping"), the service building, the ring holder foundation and associated structures, fire hydrants, and existing water piping (collectively, the "Improvements").

(3) Appurtenances. All rights, privileges and easements appurtenant to the Land, all development rights and air rights relating to the Land, and any and all easements, rights-of-way, and other appurtenances used in connection with the beneficial use and enjoyment of the Land, including all of the right, title, and interest, if any, of Grantor in and to the land in the bed of any public street, road or avenue, in front of or adjoining the Land, to the center line thereof, and all water, water rights and water stock and minerals, and mineral rights of every kind (including without limitation, oil, gas, and other hydrocarbon substances) on or under the Land owned by Grantor and not previously conveyed or reserved of record, only to the extent that such rights and privileges can be conveyed.

(4) Personalty. All personal property owned by Grantor located on the Property which is not physically removed by Grantor prior to the Closing Date (as defined below)(collectively, the "Personalty"), it being agreed that such Personalty is subject to change relative to use, operation, and wear while this Agreement is in effect.

(b) Grantor shall give, and Grantee shall accept, such title to the Property as is insurable (at standard rates) by any reputable title insurance company licensed to do business in the State of New York, subject to the Permitted Exceptions set forth in paragraph (c) below.

(c) The Permitted Exceptions are as follows:

(1) All covenants and restrictions and agreements of record affecting the Property.

(2) All zoning, building and environmental laws, ordinances, codes, restrictions, and regulations of any municipal, state, federal or other authority having or claiming jurisdiction over the Property.

(3) Notice of Agreement, recorded in the Queens County Register's Office in Reel 5732, Page 364.

(4) The state of facts which a current accurate survey of the Property would disclose, provided such facts do not render title to the Property uninsurable.

(5) The condition and state of repair of the Property.

(6) Consents for the erections of any structures or utility lines on, under or above any street on which the Property abuts.

(7) Variations between tax lot lines and lines of record title.

Section 2. Consideration.

Consideration. The consideration for conveying the Property to Grantee shall be ONE (\$1.00) DOLLAR, payable by Grantee to Grantor pursuant to the terms and conditions contained in this Agreement. Grantee will develop and use the entire Property as a public park.

Section 3. Title, Access, and Survey.

(a) Title. Nothing contained herein shall be deemed to require Grantor to take or bring any action or proceeding or any other steps or to incur any expense to remove any defect, exceptions, violations or objection to title, except that Grantor shall be obligated to repay and satisfy in full any mortgage(s) encumbering the Property. The acceptance by Grantee of the Deed (as defined below) shall be deemed to be full performance of and discharge of every agreement and obligation on Grantor's part to be performed under this Agreement with respect to the Property except those obligations that specifically survive the Closing.

(b) Access. Prior to Closing, Grantee, its agents, agencies and contractors (collectively "Grantee's Agents") shall have the right upon reasonable prior notice to enter the Property on business days between the hours of 9 a.m. to 5 p.m. or other mutually convenient times. Any testing or investigation which displaces, damages or otherwise adversely affects the Property shall be immediately repaired, remedied, and restored by Grantee to the condition existing immediately prior thereto and any failure by Grantee to do so shall be a default under this Agreement. Grantee hereby agrees, to defend, indemnify, and hold harmless Grantor, Grantor's agents, and any and all affiliates of Grantor from and against any and all losses, liabilities, damages, liens, claims, demands, costs, and expenses arising out of or related to the activities of Grantee and/or Grantee's Agents on the Property prior to Closing. The indemnification provisions contained herein shall, without limitation, survive the expiration or earlier termination of this Agreement.

(c) Survey. Grantee may cause to be prepared a current survey. In the event Grantee elects to cause a survey to be prepared, Grantee shall deliver a full-sized, blue-line copy of the survey to Grantor. The cost of any survey shall be borne by Grantee.

Section 4. Post Closing Excavation and Construction.

(a) Grantee acknowledges that there are underground facilities (all of which constitute Improvements to be conveyed pursuant to this Agreement) including, but not limited to, the Piping on the Property which has been retired and abandoned in place. Grantee shall have the full and absolute cost, expense, responsibility and liability for (i) the excavation necessary to gain access to the Piping, (ii) any dewatering of the Piping that may be required to be removed as a result of Grantee's subsurface development of the Property, (iii) the containment of any odors associated therewith, (iv) any cutting/sectioning/capping and removal of the Piping that may be required to be removed as a result of Grantee's subsurface development of the Property, and (v) cleaning, crushing and proper disposal of the affected Piping (collectively, "Piping Removal"). The Grantor certifies that the Piping and other gas facilities have been abandoned in place in accordance with all applicable regulations and industry acceptable practices at the time of the abandonment. Grantee agrees that all Piping Removal, including, but not limited to site preparation and dewatering, must be performed in a manner so as not to create a public nuisance, utilizing best industry practices, and under the direction of a competent person(s) familiar with such activities. Grantee shall also be responsible, at its sole cost and expense, for all excavation costs and the physical removal of all other aboveground and underground structures and facilities on the Property.

(b) Grantee's obligations, as stated in this Section 4, shall, without limitation, survive the Closing.

Section 5. Environmental Liabilities.

(a) Grantee hereby agrees to defend, indemnify and hold harmless Grantor, and Grantor's affiliates and subsidiaries from and against any and all losses, liabilities, damages, liens, claims, demands, causes of action costs and expenses related in any matter whatsoever to the Release of Hazardous Substances or Hazardous Materials on, below or from the Property. This indemnification includes, without limitation, any and all costs incurred because of any investigation, review or testing of the Property or any cleanup, Piping Removal, removal of other structures, or restoration required or requested by a federal, state or local agency or political subdivision, including, without limitation, any such costs associated with the contamination of adjacent property or ground water caused by Grantee or arising out of Grantee's ownership or activities (including third party claims arising out of exposure to existing Hazardous Substances and Hazardous Materials after the Property is made accessible to the general public). Subject to the qualifications contained in this Section 5, this indemnification shall include all third party claims related to, or arising out of a Release of Hazardous Substances or

Hazardous Materials on or below the Property. Grantee's obligations under this Section 5 below shall not be applicable, however, to (i) any third party claim (including Grantor's employees and contractors) related to, or arising out of, the Release of Hazardous Substances or Hazardous Materials that affects or impacts Persons or property, which claim was made prior to the Closing and/or (ii) any claim made by a third party for injuries sustained arising out of, or related to, exposure to Hazardous Materials, which exposure occurred prior to the Closing. The Grantee shall have the burden of establishing that it is not obligated to defend, indemnify and hold Grantor harmless for environmental liabilities under this Section 5. For purposes of this Section 5(a), "Grantee's activities" shall be deemed to mean and include the activities of the following entities: Grantee's affiliates, contractors, subcontractors, engineers, agents, and consultants, as well as any third party acting for, or on behalf of, or at the direction of the aforesaid entities.

(b) As used herein, "Hazardous Substance" or "Hazardous Material" shall mean (i) any solid, liquid, or gaseous chemical, material, or substance that is regulated by any present or future federal, state, regional, or local law, ordinance, rule, regulation, notice, order, or guidance, including but not limited to any chemical, material, or substance that is designated or regulated as a hazardous or toxic chemical, material or substance, or (ii) any chemical, material or substance the presence of which could be detrimental to the Property or hazardous to human health or safety or the environment, including but not limited to radioactive materials, including radon, natural gas, natural gas liquids (all of the foregoing gas called "Natural Gas Products"), liquefied natural gas, synthetic gas, or mixtures of Natural Gas Products and synthetic gas, lead, asbestos containing materials, polychlorinated biphenyls, urea formaldehyde, and petroleum products. As used herein "Release" shall mean any release, spill, leak, discharge, disposal, pumping, pouring, emitting, employing, injecting, leaching, dumping, or allow to escape or migrate into or through the environment.

(c) Nothing contained in this Section 5 shall be construed to extend to any losses, liabilities, damages, liens, claims, demands, causes of action and expenses which are not related in any manner whatsoever to the Release of Hazardous Substances or Hazardous Materials on, below or from the Property.

(d) The Parties' respective rights, duties and obligations under this Section 5 shall, without limitation, survive the Closing.

Section 6. Conditions Precedent to Closing.

The Closing of this transaction on the Closing Date and Grantor's obligation to convey, in addition to any other conditions set forth herein, shall be conditional and contingent upon all of the below listed conditions:

(a) NFA Letter. A letter issued to Grantor from the New York State Department of Environmental Conservation (the "DEC") confirming and acknowledging

that Grantor need not take any further action with respect to remediating soil conditions on the Property (the "NFA Letter"). Any terms or conditions imposed by the DEC for the issuance of the NFA Letter must be acceptable in all respects to both Parties.

(b) PSC Approval. Documentation from the New York State Public Service Commission ("PSC") approving the sale of the Property pursuant to the terms of this Agreement ("PSC Approval"). Any terms and/or conditions imposed by the PSC in connection with the PSC Approval must be acceptable in all respects to both Parties.

Section 7. Closing Documents.

Except as set forth below, on the Closing Date, Grantor shall deliver, or cause to be delivered, to Grantee the following fully executed documents and/or items, acknowledged where appropriate (together referred to herein as the "Closing Documents"):

(a) Deed. A bargain and sale deed without covenants containing the covenant required by Section 13 of the New York Lien Law (the "Deed"), executed and acknowledged by Grantor and in proper statutory form for recording, sufficient to convey (i) the Property, subject to and in accordance with the provisions of this Agreement, accompanied with the requisite real estate transfer tax returns and other required forms (Form TP-584, RPT, RP5217-NYC, Affidavit in Lieu of Registration and all other required forms). Grantee agrees to the inclusion of a covenant in the Deed that (x) the Property can only be used as a public park and (y) the Property is subject to the NFA Letter as set forth in Section 6(a) herein.

(b) Non-Foreign Status Affidavit. An Affidavit of Non-Foreign Status executed by Grantor.

(c) Closure Letter. A letter from the DEC issued to Grantor confirming that Grantor has properly closed the hazardous materials storage facility (the "Closure Letter") and such Closure Letter shall confirm that Grantor need not take any further action with respect to said storage facility.

Section 8. Closing.

(a) Closing Date. The conveyance of the Property shall close, as evidenced by the delivery of the Closing Documents as set forth in Section 7 of this Agreement and receipt by Grantor of the \$1.00 consideration due to Grantor in accordance with the terms of this Agreement and the performance by each of the parties hereto of all their respective obligations under this Agreement (the "Closing"). Regardless of any governmental approval or zoning change required by Grantee, the Closing Date shall be on a business day as agreed to by Grantor and Grantee, but in all events shall be on a date (the "Closing Date") no later than thirty (30) days after Grantee being notified in writing of the receipt by Grantor of (i) the NFA Letter and (ii) the PSC Approval, as

provided more fully in Section 6 hereof unless this date is otherwise mutually extended in writing by Grantor and Grantee.

(b) Time and Place. The Closing shall take place on the Closing Date at the offices of Grantor or at such other location deemed mutually acceptable to the Parties.

(c) Closing Costs. Grantee shall pay at the Closing the premium for Grantee's title policy, the cost of its survey, the costs of any appraisal, engineering and environmental reports and feasibility studies, all of which it may obtain in its sole and absolute judgment, including all other inspection or due diligence costs. Grantor shall pay at Closing the applicable real estate transfer tax required under Article 31 of the New York Tax Law and any other transfer tax due and payable and imposed by statute on Grantor in connection with the transfer of the Property and the fees to record the Deed. Grantor and Grantee shall each be responsible for paying their respective legal fees and costs.

Section 9. Representations, Warranties, and Covenants of Grantor.

Grantor shall not have any liability to Grantee if as of the Closing Date any of the representations, warranties, or covenants set forth below shall not be true and Grantor informs Grantee in writing of such facts prior to the Closing Date and Grantee proceeds to close notwithstanding such facts. Grantor shall be entitled to state in writing prior to the Closing exceptions to the below listed representations, warranties, and covenants, in which case Grantor shall have a reasonable time (including adjournments of the Closing, not to exceed sixty (60) days in the aggregate) to cure such exceptions, and if Grantor shall fail to cure such exceptions within such time, Grantee may (i) terminate this Agreement upon which all obligations of Grantor hereunder shall terminate, or (ii) elect to close this transaction notwithstanding such exceptions and without any reservation of rights or claims against Grantor resulting from such representations.

(a) Status of and Execution by Grantor. Grantor is now and on the Closing Date will be (i) in good standing and validly existing as a New York corporation and (ii) duly authorized, qualified, and licensed to do all things required of it under or in connection with this Agreement. All agreements, instruments, and documents herein provided to be executed or to be caused to be executed by Grantor will be duly executed by and binding upon Grantor.

(b) Non-Foreign Status. Grantor is not a "foreign person" as defined in Internal Revenue Code Section 1445 and Grantee shall not be required to withhold any portion of the Purchase Price pursuant to Internal Revenue Code Section 1445.

(c) Litigation. Grantor is not aware of any actions, suits, or proceedings of any kind pending or, to Grantor's knowledge, threatened against or affecting Grantor or the Property in any court of law or in equity or by any governmental department, commission, board, bureau, agency, or other instrumentality which might materially

adversely affect the ability of Grantor to timely perform its obligations under this Agreement.

(d) No Conflict. The execution, delivery and performance of this Agreement, in accordance with its terms, do not violate any material contract, agreement, commitment, order, judgment or decree to which Grantor is a party or by which it is bound.

(e) Notices. Grantor has not received, and has no knowledge of any city, county, state or federal authority or agency thereof having jurisdiction over the Property, or of any utility providing service requiring any material work to be done to, or materially affecting the use, operation and/or occupancy of the Property or any portion thereof.

(f) No Zoning Change. Grantor has no pending applications for changes of zone, variances, or any other land use matter affecting the Property or any portion thereof.

(g) Service Contracts. Any and all service or equipment contracts or agreements (written or oral) affecting the Property shall be terminated by Grantor prior to the Closing and no such contracts or agreements shall be binding on Grantee, unless otherwise agreed to by Grantee, Grantor and the applicable vendor.

(h) Status of Property. On the Closing Date, there shall be no leases, licenses or other occupancy agreements in effect at the Property.

(i) Environmental Documentation. To Grantor's knowledge, all environmental Phase I and Phase II site assessments and studies and compliance-related reports and testing results undertaken by Grantor, its agents or consultants with respect to the Property have been made available to Grantee.

(j) Governmental Approvals. Grantor shall have obtained by the date of the Closing all consents, approvals and authorizations required by any governmental entity (e.g., the PSC) in order for Grantor to proceed to Closing. In the event any governmental entity having jurisdiction over the transactions contemplated hereunder disallows same, this Agreement shall be deemed terminated and null and void, and the Parties shall have no further recourse against one another in the event that any consents, approvals or authorizations required by any governmental entity is not obtained within six (6) months after the Effective Date.

The truth and correctness in all material respects of all of the foregoing representations and warranties shall be a condition precedent to any obligation of Grantee to take title to the Property, which condition is intended solely for the benefit of Grantee, and Grantee shall have the right at its sole election to waive any such condition and proceed with the transactions contemplated hereby without any reservation of rights or claims against Grantor or, in the alternative, to terminate this

Agreement, upon which all obligations of Grantor hereunder shall terminate. The representations and warranties of Grantor contained in this Section 9 shall not survive the Closing and the recordation of the Deed.

Grantor covenants to Grantee that, during the term of this Agreement, it shall do or refrain from doing, as the case may be, as follows:

(i) Not make any applications for rezoning, variances, or other land use application to any applicable governmental agency with regard to the Property except as contemplated by this Agreement;

(ii) Not to enter into any lease, easement or license or other occupancy agreement for all or any part of the Property; and

(iii) Maintain in full force and effect and pay all liability and casualty policies currently covering the Property.

(iv) Not withdraw, settle or otherwise compromise any tax reduction proceeding affecting real property taxes for the Property for any fiscal period in which the Closing will occur or any subsequent period without Grantee's consent, which consent shall not be unreasonably withheld.

Section 10. Warranties and Representations of Grantee.

Grantee hereby warrants and represents the following to Grantor, each of which is true and correct in all material respects as of the date of this Agreement and shall be true and correct on the Closing Date. Grantee acknowledges that the execution of this Agreement by Grantor has been made, and the conveyance by Grantor of the Property will have been made, in material reliance by Grantor on such representations and warranties:

(a) Status of and Execution by Grantee. Grantee is now and on the Closing Date (i) authorized to acquire the Property; and, (ii) duly authorized to do all things required of it under or in connection with this Agreement.

(b) No Violations. This Agreement and all agreements, instruments, and documents herein provided to be executed or to be caused to be executed by Grantee are (or will be) duly executed by and binding upon Grantee, and do not and will not violate any provision of any agreement, law, regulation or judicial order to which Grantee is a party or by which it is bound.

(c) No Consents. The execution of this Agreement by Grantee and the performance by Grantee's obligations hereunder do not require the consent of any third party.

(d) Authority. Grantee has the right, power and authority to make and perform its obligations under this Agreement and this Agreement is a valid and binding obligation of Grantee enforceable against Grantor in accordance with its terms, subject to bankruptcy, reorganization and other similar laws affecting the enforcement of creditors' rights generally.

The representations and warranties of Grantee contained in this Section 10 shall not survive the Closing and the recordation of the Deed.

Section 11. Condition of the Property.

(a) As-Is. Grantee acknowledges that except as otherwise set forth in this Agreement, Grantor is conveying, and Grantee shall accept, the Property "**AS IS,**" normal wear and tear excepted **WITHOUT ANY REPRESENTATION OR WARRANTY, STATED OR IMPLIED, WHATSOEVER BY GRANTOR OR ANY EMPLOYEES, REPRESENTATIVES OR AGENTS OF GRANTOR RELATING TO THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE EXPRESSED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH THE EXCEPTION OF THE EXPRESS, LIMITED REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT.**

(b) Release. Except as otherwise set forth in this Agreement, Grantee and its successors and assigns, shall, and by the execution of this Agreement does, hereby forever release Grantor, its officers, directors, shareholders, partners (limited and general), members, joint venturers, principals, agents, managing agent and employees, affiliates and subsidiaries, and its and their respective successors and assigns, of and from any and all losses, liabilities, damages, claims, demands, causes of action, costs and expenses, whether known or unknown, arising out of or in any way connected with the Property, including, without limitation, the condition of title to, and the structural condition of the Property.

Except as specifically provided in Section 5(a), Grantee, by the execution of this Agreement, does hereby forever release Grantor of and from any claims and causes of action existing now or hereafter created or enacted, whether at common law or by federal, state, county, or municipal law or ordinance regarding the release, treatment, storage, removal or disposal of Hazardous Substances or Hazardous Materials. Grantee agrees never to commence, aid in any way, or prosecute against Grantor, its officers, directors, shareholders, partners (limited and general), members, joint venturers, principals, agents and employees, affiliates and subsidiaries, and its and their respective successors and assigns, any action or other proceeding based upon any losses, liabilities, damages, claims, demands, causes of action, costs and expenses, covered in this paragraph. Notwithstanding anything to the contrary contained herein, Grantor makes no representation or warranty as to the accuracy or completeness of any environmental or engineering reports or any other materials provided by Grantor.

(c) Waiver. Grantee expressly waives any rights or benefits available to it with respect to the foregoing release under any provision of applicable law which generally provides that a general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time the release is agreed to, which, if known to such creditor, would materially affect a settlement. Grantee, by the execution of this Agreement, acknowledges that Grantee fully understands the foregoing, and with this understanding, nonetheless elects to and does assume all risk for claims known or unknown, described in this Section 11.

(d) Merger. It is understood and agreed that all oral or written statements, representations or promises, of any and all prior negotiations and agreements are superseded and hereby merged in this Agreement, which alone fully and completely expresses the parties' agreement, and that the same is entered into after full investigation, neither party relying upon any statement or representation, not embodied in this Agreement, made by the other. Grantor shall not be liable for or bound by any verbal or written statements, representations or information pertaining to the Property furnished by any real estate broker, agent, employee, servant or any other person, unless the same are specifically set forth herein. All prior oral or written statements, representations, or promises, if any, and all prior negotiations and agreements heretofore had between the parties hereto are superseded by this Agreement and are merged herein.

Section 12. Brokerage Commissions.

Grantor and Grantee each represents and warrants to the other that it has not dealt with any broker in connection with the transactions contemplated by this Agreement. Grantor and Grantee shall indemnify and defend each other against any costs, claims and expense, including reasonable attorney's fees arising out of a breach on their respective parts of any representation or warranty contained in this Section 12. The provisions of this Section 12 shall survive Closing.

Section 13. Miscellaneous.

(a) Entire Agreement. This Agreement supersedes all prior discussions, agreements and understandings between Grantor and Grantee and constitutes the entire agreement between Grantor and Grantee with respect to the transaction herein contemplated. This Agreement may be amended or modified only by a written instrument executed by Grantor and Grantee.

(b) Waiver. Each party hereto may waive any breach by the other party of any of the provisions contained in this Agreement or any default by such other party in the observance or performance of any covenant or condition required to be observed or performed by it contained herein; PROVIDED, ALWAYS, that such waiver or waivers shall be in writing, shall not be construed as a continuing waiver, and shall not extend to or be taken in any manner whatsoever to affect any subsequent breach, act or omission

or default or affect each party's rights resulting therefrom. No waiver will be implied from any delay or failure by either party to take action on account of any default by the other party. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.

(c) Further Assurances. Each party hereto shall do such further acts and execute and deliver such further agreements and assurances as the other party may reasonably require to give full effect and meaning to this Agreement.

(d) Notices. All notices and demands given or required to be given by any party hereto to any other party ("Notices") shall be in writing and shall be delivered in person or sent by telecopy with electronic confirmation of receipt thereof and with concurrent mailing by U.S. Postal Service delivery, or by a reputable overnight carrier that provides a receipt, such as Federal Express or UPS, or by registered or certified U.S. mail, postage prepaid, addressed as follows (or sent to such other address as any party shall specify to the other party pursuant to the provisions of this Section):

TO GRANTOR:

KeySpan Corporate Services LLC
175 East Old Country Road
Hicksville, New York 11801
Attention: Coleen Ceriello
Vice President
Telephone: (516) 545-4420
Facsimile: (516) 545-6226

With contemporaneous copies to:

Allen M. Hecht, Esq.
KeySpan Corporation
Legal Department
175 East Old Country Road
Hicksville, New York 11801
Telephone: (516) 545-3769
Facsimile: (516) 545-5029

Paul A. Michels, Esq.
Cullen and Dykman Bleakley Platt LLP
44 Wall Street
New York, New York 10005
Telephone: 212-510-2258
Facsimile: 212- 742-8260

TO GRANTEE:

Michael Kalt
Officer of the Mayor
City Hall
New York, New York 10007
Telephone:
Facsimile:

With contemporaneous copy to:

Alessandro G. Olivieri, Esq.
The City of New York
Department of Parks & Recreation
830 Fifth Avenue
New York, New York 10021
Telephone: 212-360-1314
Facsimile: 212-360-1373

Michael J. Wasser, Esq.
Assistant Corporation Counsel
Tax and Bankruptcy Litigation Division
New York City Law Department
100 Church Street, Room 5-234
New York, New York 10007
Telephone: 212-788-0423
Facsimile: 212-788-0937

All Notices delivered in the manner provided herein shall be deemed given upon actual receipt (or attempted delivery if delivery is refused). Any notice or other communication under this Agreement may be given on behalf of a party by an attorney for such party.

(f) Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns; provided, however, that Grantee may not assign this Agreement without the written consent of Grantor.

(g) Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located and the venue of any legal action filed in connection herewith shall be in the County in which the Property is located.

(h) No Third Parties Benefited. The parties do not intend to confer any benefit on any person, firm, or corporation other than the parties to this Agreement, except as and to the extent otherwise expressly provided herein.

(i) Legal Fees. In the event either party hereto fails to perform any of its obligations under this Agreement or in the event a dispute arises concerning the meaning or interpretation of any provision of this Agreement, the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable legal fees.

(j) Construction. The section titles or captions in this Agreement are for convenience only and shall not be deemed to be part of this Agreement. All pronouns and any variations of pronouns shall be deemed to refer to the masculine, feminine, or neuter, singular or plural, as the identity of the parties may require. Whenever the terms referred to herein are singular, the same shall be deemed to mean the plural, as the context indicates, and vice versa. This Agreement shall not be construed as if it had been prepared only by Grantee or Grantor, but rather as if both Grantee and Grantor had prepared the same. If any term, covenant, condition, or provision of this Agreement or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

(k) No Recording. Grantee covenants and agrees not to record this Agreement or any memorandum of this Agreement and agrees that any such recording by Grantee shall be deemed a material default hereunder.

(l) Consents and Approvals. Grantee represents and warrants that it has obtained all requisite consents and approvals, whether required by internal operating procedures or otherwise, for entering into this Agreement and closing the transaction contemplated hereby. The closing of the transactions contemplated under this Agreement, and the performance by Grantor of Grantor's obligations hereunder, are expressly subject to and conditioned upon the issuance of any and all necessary governmental approvals including, but not limited to, the New York State Public Service Commission and the United States Securities and Exchange Commission.

(m) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

(n) Jury Trial Waiver. Grantee and Grantor each waive any and all rights it may have to a trial by jury in any action with respect to this Agreement or the transactions contemplated hereby.

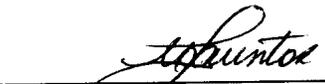
(o) Exhibits. All of the Exhibits referenced in this Agreement are attached hereto and incorporated as part of this Agreement and shall have the same meaning as if they were incorporated fully within the text of this Agreement.

(p) Execution. This Agreement shall not be binding or effective unless and until it has been duly executed and delivered by Grantor and Grantee.

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

THE BROOKLYN UNION GAS COMPANY

THE CITY OF NEW YORK
by and through the Department of
Parks & Recreation

By: 
Name: Michael J. Taunton
Title: Senior Vice President
and Treasurer

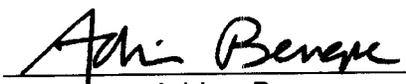
By: 
Name: Adrian Benepe
Title: Commissioner

EXHIBIT A

LEGAL DESCRIPTION

Fidelity National Title Insurance Company of New York

TITLE NO. 02-3705-39058-Q

SCHEDULE A-1 (Description)

AS TO BLOCK 2805 LOT 31:

ALL that certain plot, piece or parcel of land, situate, lying and being in the former Town of Newtown, now the Second Ward of the Borough of Queens, City and State of new York, being part of the Braw Farm and bounded and described as follows to Wit;

BEGINNING at the Northwesterly corner thereof at a point on the Southerly side of Grand Street where the same is intersected by the boundary line, between the premises hereby coveyed and land formerly belonging to William Fawn and now or late of S.M. Parker, as the fence now stands, and;

RUNNING THENCE along said side of Grand Street North sixty six degrees, forty six minutes, twenty five seconds East one hundred fifty six and thirty seven one hundredths feet to a fence separating the premises hereby conveyed from the land now or formerly belonging to Mary J. Robins on thence along said fence and land of Mary J. Robinson South twenty three degrees, one minute fifteen seconds East forty seven and fifty three one hundredths feet to the Southwesterly corner of said land of Robinson;

THENCE along said land of Robinson, as the fence now stands a North sixty nine degrees, thirty two minutes thirty seconds East, one hundred and sixty one feet;

THENCE still along said land of Robinson as the fence now stands, and along land now or late of J. Krum formerly of Edward Leverich the three following courses and distances South eleven degrees, thirty eight minutes forty four seconds East, one hundred and thirty five feet and South eleven degrees, twelve minutes East four hundred and thirty one and twenty one one hundredths feet, and South ten degrees, twelve minutes East, one hundred and eighty nine and fifty one hundredths feet to the Northerly side of the North Hempstead Plank Road;

THENCE along said side of said Road, North eighty seven degrees fifty seconds West, three hundred and fifty and forty six on hundredths feet to said land formerly belonging to William Swan as the fence now stands, and

THENCE along said last mentioned less as the fence now stands, North nine degrees, twenty five minutes West six hundred and fifty eight and eighty three one hundredths feet to the point or place of BEGINNING.

Excepting therefrom that portion of the premises that lies with lot 22 block 22 as shown on the present tax map for the City of New York, Queens County.

AS TO BLOCK 2806 LOT 1

ALL that certain tract, or parcel of land situate as Maspeth in the Second Ward of the Borough of Queens, City and State of new York, bounded and described as follows:

BEGINNING at a point in the southeasterly line of Grand Street, where the same is intersected by the easterly line of land of the Newtown Gas Company, which point of beginning is distant 67.78 feet Northeasterly from the Northeasterly line of Greiffenberg Street as established on the Final Map of the City of New York; and

RUNNING THENCE southeasterly along said land of the Newtown Gas company on a course which forms an interior angle of 90 degrees 12 minutes 20 seconds with the southeasterly line of Grand Street a distance of 47.53 feet to an angle

THE POLICY TO BE ISSUED under this commitment will insure the title to such buildings and improvements on the premises which by law constitute real property.

FOR CONVEYANCING ONLY: Together with all the right, title and interest of the party of the first part, of in and to the land lying in the street in front of and adjoining said premises.

SCHEDULE A-1 (Description)

Fidelity National Title Insurance Company of New York

TITLE NO. 02-3705-39058-0

SCHEDULE A-1 (Description)

(Continued)

in said land;

THENCE northeasterly still along said land on a course which forms an interior angle of 92 degrees 35 minutes 50 seconds with the last course a distance of 160.94 feet to an angle in said land;

THENCE southerly along said land on a course which forms an exterior angle of 81 degrees 18 minutes 20 seconds with the last course a distance of 134.95 feet to an angle in said land;

THENCE easterly still along said land on a course which forms an interior angle of 89 degrees 40 minutes 30 seconds with the last course a distance of 76.50 feet to the land now or formerly of Amelia Archer;

THENCE northerly along said land on a course which forms an interior angle of 89 degrees 56 minutes 290.63 feet to the southeasterly side of Grand Street; and

THENCE southwesterly along said Street 172 feet 11 inches; and

THENCE still along said Street 112.43 feet to the point or place of BEGINNING.

THE POLICY TO BE ISSUED under this commitment will insure the title to such buildings and improvements on the premises which by law constitute real property.

FOR CONVEYANCING ONLY: Together with all the right, title and interest of the part of the first part, of in and to the land lying in the street in front of and adjoining said premises.

SCHEDULE A-1 (Description)