

New Rochelle Revitalization
115 Stevens Ave.
Valhalla, NY 10595

December 21, 2007

VIA OVERNIGHT MAIL

Anderson Development Group LLC
c/o Mark Fonte
1955 Central Park Avenue
Yonkers, New York 10710

Re: New Rochelle Revitalization with Anderson Development Group

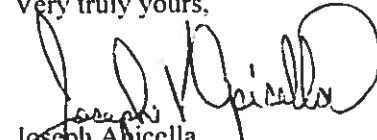
NOTICE OF EXERCISE OF OPTION

Dear Mr. Fonte:

On behalf of New Rochelle Revitalization, LLC and pursuant to a certain Option Agreement and Contract of Sale (the "Contract") dated July 27, 2005 and amended on July 5, 2007 by and between New Rochelle Revitalization, LLC ("NRR") and Anderson Development Group LLC ("ADG"), please be advised that pursuant to the notice requirements of Sections 2.04 and 13.01 of the Contract, NRR hereby elects to exercise the Option as defined in Section 2.01 of the Contract and acquire the ADG Parcel upon the terms and conditions set forth in the Contract.

NRR shall promptly notify ADG when NRR is ready to proceed to Closing pursuant to the terms of the Contract.

Very truly yours,



Joseph A. Picella
NEW ROCHELLE REVITALIZATION, LLC

Cc: Alfred E. Donnellan, Esq.
R. Edward Townsend, Esq.