

1. CIT has, since the filing of the Motion, assigned all of its right, title and interest in its (a) Amended, Consolidated and Restated Promissory Note, and (b) Consolidation, Modification and Extension Agreement, relating to certain mortgages given by State Street Hospitality, LLC with respect to the real property commonly known as 74-76 State Street, Albany, New York ("Real Property") to Ittleson Trust 2010-1 ("Mortgagee").

2. The Mortgagee asserts that (a) the principal amount owed on its first mortgage lien is in excess of \$9,317,655, (b) there is currently owed approximately \$500,000 in real property taxes on the Real Property, and (c) based on a recent appraisal obtained by CIT, the value of the Real Property is materially less than the amount of the Mortgagee's first lien.

3. Third Albany Income Notes, LLC ("TAIN") (a Receivership entity) is the holder of a contractually subordinate second mortgage lien on the Real Property ("TAIN Mortgage"). By virtue of the Preliminary Injunction Order dated July 22, 2010 (Docket No. 96), the Receiver also holds other interests relating to the Real Property and the hotel operating thereon ("Other Interests").

4. In order to resolve the Motion, the Receiver and the Mortgagee agree as follows subject to Court approval:

- a. in consideration of the TAIN Mortgage, the Mortgagee will pay the Receiver \$50,000 in good funds upon entry of this Stipulated Order;
- b. the Receiver consents to the lifting of the stay and agrees not to assert any defenses or counterclaims as to the foreclosure by the Mortgagee of the TAIN Mortgage. The Receiver shall file an amended Notice of Appearance and Request for Service of Pleadings in the Mortgagee's foreclosure action amending the Notice of Appearance previously filed by TAIN prior to the initiation of the Receivership;
- c. the Mortgagee shall cause 40% of any amount of consideration transferred by the Mortgagee, directly or indirectly, to any other creditor, guarantor or investor in the Real Property or in the hotel thereon

to be paid simultaneously to the Receiver in respect of the Other Interests; and

- d. this Stipulated Order is without prejudice to any other rights and interests of the Receiver except as expressly set forth herein.

Dated: December 15, 2010

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SO ORDERED:



12/21/10

Hon. David R. Homer
United States Magistrate Judge

Doc # 01-2422888.3