



COUNTY OF ERIE

CHRIS COLLINS

COUNTY EXECUTIVE

January 26, 2011

Mr. Mark Croce
Buffalo Development Corporation
257 Franklin Street
Buffalo, NY 14202

Re: Statler Towers Post-Petition Claims

Dear Mr. Croce:

In furtherance of your proposed transaction involving the Statler Towers property in downtown Buffalo, you have requested that Erie County formally waive and forgive all post bankruptcy petition claims against the estate or the Trustee that have or will accrue.

Please be advised that Erie County hereby warrants and represents that no remedy which may exist, in law or in equity, shall be pursued against the estate or Trustee in connection with all current Erie County post petition claims including those claims which may accrue in the future. All such post petition claims will remain a first priority lien on the property and Statler City, LLC will remain responsible for their payment.

As previous correspondence has indicated, the 2010 post petition Erie County claims with interest total \$23,454.00. The 2011 claims without interest which are payable on or before February 15, 2011 total \$6,439.63. Therefore the total of all Erie County post petition claims as of the date of this writing total \$29,893.63.

The representations contained herein are consistent with current policies of the Erie County Department of Real Property Tax Services and do not deviate from that standard operating procedure. Authorization from the Erie County Legislature is not necessary at this time since no Erie County claims are being forgiven, cancelled or otherwise waived.

Sincerely,

CHRIS COLLINS
Erie County Executive

cc: Hon. Barbara Miller Williams
Robert Knoer