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Press Release

November 5, 2003

MTA Headquarters

IMMEDIATE

The MTA and ZAR Realty Released the Following Statement Today Regarding 2 Broadway

The MTA and ZAR Realty Management Corporation and its principal, Tamir Sapir, are pleased to announce that they have reached a settlement of all pending litigation between them relating to the MTA's long-term net lease of the office building owned by ZAR's affiliate 2 Broadway LLC, located at 2 Broadway in Lower Manhattan.

In conjunction with the execution of the lease in 1998, a renovation of the building's core and shell was undertaken, which led to various disputes between the MTA and ZAR resulting in multiple lawsuits since 2000. The principal remaining lawsuit, which had been scheduled for trial later this year, entailed extensive discovery, including document production totaling well in excess of 500,000 pages and the conducting of more than 100 deposition sessions.

Various investigations opened by law enforcement authorities have revealed that both ZAR and the MTA were victimized by criminality, fraud and mismanagement in connection with the renovation project at the hands of certain third parties.

The MTA and ZAR regret their disputes and their inability to have resolved them sooner, but are gratified that a mutually acceptable resolution was ultimately reached and look forward to an amicable and mutually productive relationship in the future.

The parties' spirit of cooperation and mutual interests are reflected in their agreement to work together to close out the project and to take appropriate action against various third parties as to whom they have claims in connection with the renovation project at 2 Broadway.