Bankers Trust
Bankers Trust New York Corporation
and its affiliated Companies

Thomas Finley
Managing Director
Bankers Trust Company

Mailing Address:
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New York, New York 10008

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One Bankers Trust Plaza
New York, New York 10006
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June 17, 1997

Mr. R. Davis Maxey
Enron Corp.
1400 Smith Street
P.O. Box 1188
Houston, TX 77251-1188

Dear Dave:

Bankers Trust Company ("***Bankers Trust***") has agreed to furnish to Enron Corp. (the "***Company***") certain Evaluation Material (as defined below) regarding a proposed joint venture structure involving real estate related assets (the "Transaction"). In consideration thereof, and as a condition thereto, the Company agrees to employ Bankers Trust as the Company's exclusive financial advisor in connection with any Transaction, upon such terms and conditions as the Company and Bankers Trust shall mutually agree.

As used herein, the term "***Evaluation Material***" refers to any and all information concerning the Transaction provided to the Company by Bankers Trust, and any analyses or documents prepared by the Company or any of its affiliates or any of their respective officers, directors, employees, agents and advisors (such officers, directors, employees, agents and advisors are hereinafter collectively referred to as "***Representatives***") during the review of such information which contain or otherwise reflect such information. The Company acknowledges and agrees that Bankers Trust makes no representation or warranty as to the accuracy or completeness of the Evaluation Material or any of the tax or accounting consequences thereof or associated therewith. The Company further agrees that neither Bankers Trust nor any of its Representatives shall have any liability to the Company or its Representatives resulting from use of the Evaluation Material.

If the Company is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any information (including Evaluation Material) supplied to the Company by Bankers Trust, the Company agrees to provide Bankers Trust with prompt notice of such request(s).

If any law enacted after the date of this letter shall require that the Transaction be registered as a "*tax shelter*" under Section 6111 of the Internal Revenue Code of 1986, as amended, by virtue of the existence of, or any provision contained in, this letter, then, on the effective date of such law,

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this letter shall be null and void, and neither party shall have any obligation or responsibility to the other, or any restriction whatsoever, with respect to the Transaction or the Evaluation Material, including without limitation any payment obligations or any requirement of confidentiality or exclusivity.

The Company acknowledges that the Company's breach of the terms and conditions hereof would result in irreparable damage to Bankers Trust and that money damages may not be a sufficient remedy for any such breach. Money damages shall therefore not be Bankers Trust's sole and exclusive remedy for a breach hereunder, but rather shall be in addition to any other remedies available to Bankers Trust at law or in equity.

This letter shall be governed by and construed in accordance with the laws of the State of New York.

Please confirm that the foregoing correctly sets forth our agreement by signing the enclosed duplicate counterpart of this letter and returning it, whereupon this letter shall constitute a binding agreement as of the date first above written.

Very truly yours,

Bankers Trust Company

By: _____

Title: Managing Director

Confirmed and agreed to:

By: _____

_____

Title:

Date: _____

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