NEW ISSUE - Book-Entry-Only

In the opinion of Bond Counsel to the Corporation, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2014 Tax-Exempt Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except that no opinion is expressed as to such exclusion of interest on any Series 2014 Tax-Exempt Bond for any period during which such Series 2014 Tax-Exempt Bond is held by a person who, within the meaning of Section 147(g) of the Code, is a "substantial user" of the facility financed with the proceeds of the Series 2014 Tax-Exempt Bonds or a "related person," and (ii) interest on the Series 2014 Tax-Exempt Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code; such interest, however, is included in the adjusted current earnings of certain corporations for purposes of calculating the alternative minimum tax imposed on such corporations. In the opinion of Bond Counsel to the Corporation, interest on the Series 2014 Taxable Bonds is included in gross income for Federal income tax purposes pursuant to the Code. In the opinion of Bond Counsel to the Corporation, under existing statutes, interest on the Series 2014 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (excluding The City of New York), See "TAX MATTERS" herein.

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Mortgage Revenue Bonds, Series 2014
(8 Spruce Street)

Dated: Date of Delivery

Due: On the 15th day of each month, as shown on inside facing cover page

New York City Housing Development Corporation (the "Issuer" or the "Corporation") is issuing its $900,000,000* Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street) (the "Series 2014 Bonds"), consisting of $750,000,000 Series 2014, Class A (the "Class A Bonds"), $750,000,000 Series 2014, Class B (the "Class B Bonds"), $750,000,000 Series 2014, Class C (the "Class C Bonds"), $750,000,000 Series 2014, Class D (the "Class D Bonds"), $750,000,000 Series 2014, Class E (the "Class E Bonds"), $750,000,000 Series 2014, Class F (the "Class F Bonds") and $750,000,000 Series 2014, Class G (the "Class G Bonds"), under and pursuant to an Indenture of Trust (the "Indenture"), between the Issuer and [TRUSTEE NAME], as Indenture Trustee (the "Indenture Trustee"), for the purpose of providing the funds to refund in whole the Prior Bonds, as defined herein. The Class A Bonds, Class B Bonds and Class C Bonds are collectively referred herein to as the "Series 2014 Taxable Bonds." The Class D Bonds, Class E Bonds, Class F Bonds and Class G Bonds are collectively referred herein to as the "Series 2014 Tax-Exempt Bonds." The proceed of the Prior Bonds were used to finance a mortgage loan to FC Beekman Associates, LLC, a New York limited liability company (the "Original Mortgagee"), for the purposes of constructing and equipping a multi-family rental housing development and ancillary retail space that is located at 8 Spruce Street in the Borough of Manhattan, New York (the "Mortgaged Property"), and certain other costs related thereto. In December 2012, the Original Mortgagee transferred and assigned all of its right, title and interest in the Mortgaged Property to FC 8 Spruce Street Residential, LLC (the "Mortgagor" or the "Borrower"), a single purpose Delaware limited liability company formed to own and operate the Mortgaged Property. The proceeds of the Series 2014 Bonds will be loaned by the Issuer to the Borrower (the "Loan Agreement"), and used to refund in whole the Prior Bonds. The Borrower will be obligated under the Loan Agreement and the related Consolidated, Amended and Restated Promissory Note of the Borrower (the "Note") to make loan payments in amounts with respect to the principal or Redepartment Price of, and interest on the Series 2014 Bonds at the same become due.

The Loan will be administered and serviced pursuant to a Servicing Agreement (the "Servicing Agreement") among the Indenture Trustee, the Corporation, Tricomm Realty Services LLC, as Operating Advisor, and Wells Fargo Bank, National Association, as Master Servicer and as Special Servicer.

The Indenture provides that among the seven Classes of the Series 2014 Bonds, (a) the Class A Bonds will be senior in payment priority to the Series 2014 Bonds of Class B through G, inclusive; (b) the Class B Bonds will be senior in payment priority to the Series 2014 Bonds of Classes C through G, inclusive; (c) the Class C Bonds will be senior in payment priority to the Series 2014 Bonds of Classes D through G, inclusive; (d) the Class D Bonds will be senior in payment priority to the Series 2014 Bonds of Classes E through G, inclusive; (e) the Class E Bonds will be senior in payment priority to the Series 2014 Bonds of Classes F and G; and (f) the Class F Bonds will be senior in payment priority to the Class G Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS" herein. See also "PLAN OF FINANCE" and "DESCRIPTION OF THE SERVICING AGREEMENT".

The Series 2014 Bonds will bear interest from their dated date at the rates set forth on the inside facing cover page, payable monthly on the fifteenth day of each month, commencing [_____] 15, 2014. The Series 2014 Bonds are subject to redemption as described herein. See "DESCRIPTION OF THE SERIES 2014 BONDS" herein.

The Series 2014 Bonds will be issued as fully registered bonds registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as "Securities Depository," as herein described, for the Series 2014 Bonds. Individual purchasers of the Series 2014 Bonds will be issued in book-entry-only form, in authorized denominations as described herein. Purchasers will not receive certificates representing their ownership interests in the Series 2014 Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Series 2014 Bonds are special obligations of the New York City Housing Development Corporation, a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State of New York. The Series 2014 Bonds are not a debt of the State of New York or The City of New York, and neither the State of New York nor The City of New York shall be liable thereon, nor shall the Series 2014 Bonds be payable out of any funds other than those of the Corporation pledged therefor. The Corporation has no taxing power.

THIS COVER PAGE IS ONLY A BRIEF GENERAL SUMMARY. INVESTORS MUST READ THIS ENTIRE OFFICIAL STATEMENT, INCLUDING THE INFORMATION SET FORTH UNDER THE HEADING ENTITLED "CERTAIN RISK FACTORS," TO OBTAIN ESSENTIAL INFORMATION FOR MAKING AN INFORMED INVESTMENT DECISION.

[The Series 2014 Bonds are offered when, as and if issued by the Issuer and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and subject to the approving opinion of Hawkins Delafield & Wood LLP, New York, New York; Bond Counsel. Certain legal matters will be passed upon for the Issuer by its General Counsel; for the Underwriters by their special counsel, Sidney Austin LLP, New York, New York and Katten Muchin Rosenman LLP ("KMR"), New York, New York; for the Master Servicer and the Special Servicer by its counsel, [_____] New York, New York; and for the Underwriters by their counsel, Ovick, Herrington & Sutcliffe LLP, New York, New York and Cadwalader, Wickersham & Taft LLP, New York, New York. It is expected that the Series 2014 Bonds will be available for delivery in definitive form in New York, New York on or about [_____] 2014.

B of A Merrill Lynch
Barclays
Citigroup

Dated: [_____] 2014

* Preliminary, subject to change.

OHSUSA:758302121.6
$900,000,000†
New York City Housing Development Corporation
Multi-Family Mortgage Revenue Bonds, Series 2014
(8 Spruce Street)

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* Preliminary, subject to change.
† See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS" for a discussion of circumstances related to the occurrence or foreseeability of a Mortgage Event of Default under which debt service payments on the Series 2014 Bonds may be modified.
†† Copyright, American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are provided solely for the convenience of bondholders only at the time of issuance of the Series 2014 Bonds and the Issuer and the Underwriters do not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP numbers for the Series 2014 Bonds is subject to being changed after the issuance of the Series 2014 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2014 Bonds.
OHSUSA:758302121.6
IMPORTANT INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Unlawful Offers. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of Series 2014 Bonds, by any person in any jurisdiction in which such an offer, solicitation or sale is not authorized or in which the person making such offer, solicitation or sale is not qualified to do so, or to any person to whom it is unlawful to make such an offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer, the Borrower, the Indenture Trustee, the Master Servicer, the Special Servicer, the Operating Advisor (as referred to herein).

Not a Contract; Not Investment Advice. This Official Statement is not a contract and does not provide investment advice. Investors should consult their financial advisors and legal counsel with questions about this Official Statement and the Series 2014 Bonds being offered, and any other matter related to this bond issue.

No Guarantee of Information. The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The information and expressions of opinion set forth herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Borrower, the Master Servicer, the Special Servicer or the Operating Advisor, or in any other matter since the date of this Official Statement.

The information set forth herein, other than that set forth under the captions "INTRODUCTION — The Issuer," "THE ISSUER" and "ABSENCE OF LITIGATION — The Issuer," has been provided by the Borrower, the Master Servicer, the Special Servicer or the Operating Advisor, and not by the Issuer. The Issuer has provided the information set forth under the captions "INTRODUCTION — The Issuer," "THE ISSUER" and "ABSENCE OF LITIGATION — The Issuer," and makes no representation, warranty or certification as to the adequacy or accuracy of the information set forth elsewhere in this Official Statement.

The order and placement of material in this Official Statement, including its appendices, are not to be deemed a determination of relevance, materiality or importance, and all material in this Official Statement, including the appendices, must be considered in its entirety.

Reference To Documents. Where statutes, reports, agreements or other documents are referred to herein, reference should be made to such statutes, reports, agreements or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof, and all summaries of such statutes, reports or other documents are qualified in their entirety by reference to such statutes, reports or other documents.

Statements of Expectations. If and when included in this Official Statement, the words "expects," "forecasts", "projects", "intends", "anticipates", "estimates" and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the Borrower. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or
achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements speak only as of the date of this Official Statement. The Issuer, the Underwriters and the Borrower disclaim any obligations or undertaking to release publicly any updates or revision to any forward-looking statement contained herein to reflect any change in the expectations of the Borrower with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

**No Registration.** Upon issuance, the Series 2014 Bonds and related instruments will not be registered under the Securities Act of 1933, as amended, or under any state securities law, and theIndenture will not have been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon the exemptions contained in such Acts. The registration, qualification or exemption therefrom of the Series 2014 Bonds and related instruments in accordance with the applicable securities laws of the jurisdictions wherein the Series 2014 Bonds may be offered or sold shall not be construed as a recommendation of the Series 2014 Bonds by any person. The Series 2014 Bonds will not be listed on any stock or other securities exchange. The Series 2014 Bonds have not been recommended by any federal or state securities commission or regulatory authority, and neither the Securities and Exchange Commission nor any other federal, state or governmental entity or agency will have passed upon the accuracy or adequacy hereof.

**Underwriters Transactions.** In connection with this offering, the Underwriters may overallot or effect transactions which stabilize or maintain the market price of the Series 2014 Bonds at levels above those which might otherwise prevail in the open market. Such stabilizing transactions, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Series 2014 Bonds to certain dealers and dealer banks and others at prices lower than the public offering prices stated on the inside facing cover page hereof, and said public offering prices may be changed from time to time by the Underwriters.

**Purchase of the Series 2014 Bonds involves risk.** Prospective investors should read this entire Official Statement prior to making an investment decision. See "CERTAIN RISK FACTORS" for certain factors that prospective purchasers should consider prior to purchasing any of the Series 2014 Bonds.
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SUMMARY STATEMENT

The following summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this Official Statement, including the Appendices hereto, and to each of the documents referenced herein. Purchase of the Series 2014 Bonds involves risk. See "CERTAIN RISK FACTORS" for certain factors that prospective purchasers should consider prior to purchasing any of the Series 2014 Bonds.

Prospective investors should read this entire Official Statement prior to making an investment decision.

Summary of Terms Relating to the Series 2014 Bonds

This Summary of Terms has been prepared to describe the specific terms of the Series 2014 Bonds. The information in this Official Statement provides a more detailed description of matters relating to the Series 2014 Bonds. Capitalized terms used in this Summary of Terms shall have the respective meanings assigned to such terms in this Official Statement.

Issuer

New York City Housing Development Corporation, a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State of New York (the "State").

Borrower

The Mortgagor is a single-purpose Delaware limited liability company. The Mortgagor was formed in 2012 as a single member New York limited liability company (the "Predecessor Entity") for the purposes of acquiring the Mortgaged Property from an affiliated entity that developed the Mortgaged Property. In [________], 2014, the Predecessor Entity was merged into the Mortgagor, a newly formed Delaware limited liability company, with the Mortgagor being the surviving entity. The prior owner's managing member was controlled by the members of the sole member of Mortgagor. The Mortgagor has no material assets other than its interest in the Mortgaged Property. Accordingly, it is expected that the Mortgagor will not have any sources of funds to make payments on the Mortgage Loan other than revenues generated by the Mortgaged Property. The sole member of Mortgagor is FC 8 Spruce Holdings, LLC, a Delaware limited liability company ("FC8"). See "THE BORROWER" herein.

Mortgaged Property

The Mortgaged Property consists of one condominium unit (the "Residential Rental/Retail Unit") in a four unit condominium (the "Condominium") containing 896 residential rental units leased at market rates, but subject to rent-stabilization as herein described, one unit that is currently used as a leasing office and two units currently used as model units. In addition, there is approximately 1,200 leasable square feet of retail space in the base of the building that constitutes a part of the Residential/Retail Unit. The Condominium contains three additional condominium units that are not part of the Mortgaged Property: (i) an ambulatory care center on a portion of floors 1 and 5 (the "Care Center Unit") owned and operated by an entity affiliated with the New York Presbyterian Hospital (the "Hospital"), (ii) a below grade parking garage (the "Garage Unit"), and together with the Care Center Unit, collectively, the "Hospital Units") owned by another entity affiliated with the Hospital and (iii) a pre-K through 8th grade New York City public school on a portion of floors 1 through 4 (the "School Unit") that is owned and operated by the New York City School Construction Authority (the "NYC SCA"). Construction of the Hospital Units and the School Unit were separately financed with funds other than the [Original Mortgage Loan].
The four condominium units are contained in one 76-story building. See “DESCRIPTION OF THE MORTGAGED PROPERTY” herein.

Mortgaged Property Tenants

As of the date of issuance of the Series 2014 Bonds (the “Bond Issuance Date”), approximately 97% of the residential units have been leased by the Borrower to tenants. See “DESCRIPTION OF THE MORTGAGED PROPERTY” herein.

Bonds Being Offered

Multi-Family Mortgage Revenue Bonds, Series 2014
(8 Spruce Street)

<table>
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<th>Maturity</th>
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Purpose of Issue

The purpose of the issuance is to provide the Borrower with the funds (1) to refund in whole the New York City Housing Development Corporation’s Multi-Family Mortgage Revenue Bonds (Beekman Tower) in series designated 2008 Series A, 2009 Series A-1, 2009 Series A-2, 2010 Series A-1 and 2010 Series A-2 (collectively, the “Prior Bonds”), the proceeds of which were used to finance a portion of the costs of the development and construction of the Mortgaged Property and costs related thereto and (2) to pay costs related to the issuance of the Series 2014 Bonds.

Loan

The principal amount of the Series 2014 Bonds of $000,000,000* will be loaned by the Issuer to the Borrower pursuant to an Amended and Restated Loan Agreement between the Issuer and the Borrower (the “Loan Agreement”), such loan to be further evidenced by a Consolidated, Amended and Restated Promissory Note of the Borrower (the “Note”). The liability and obligations of the Borrower under the Loan Agreement and the Note are not enforceable by a money judgment against the Borrower.

Source of Payment for the Series 2014 Bonds

The Series 2014 Bonds will be payable from the Available Distribution Amounts as set forth in the Servicing Agreement referred to below. Such amounts will be derived from loan payments made by the Borrower pursuant to the Loan Agreement and the Note, as and to the extent administered and serviced pursuant to the Servicing Agreement, which loan payments of the Borrower will be derived from rent payments made by tenants of the Mortgaged Property.
The Loan will be secured by (i) the mortgage lien granted by the Borrower to the Issuer on the Mortgaged Property, (ii) the pledge and assignment of Leases and Rents; (iii) the pledge and assignment of the Management Agreement; (iv) a lien and security interest in all Personal Property of the Borrower; (v) funds or assets from time to time on deposit in the accounts established under the Deposit Account Control Agreement and the Cash Management Agreement; and (vi) the [Environmental Indemnity]. Neither the Loan nor the Series 2014 Bonds are secured by any debt service reserve fund or other liquidity facility. However, the Master Servicer (or the Indenture Trustee, upon the failure of the Master Servicer as set forth in the Servicing Agreement) will be obligated to make Interest Advances with respect to the Loan upon the circumstances, and subject to the conditions, described in this Official Statement.

Class Priority of the Series 2014 Under the Indenture, among the [seven] Classes of Series 2014 Bonds, (a) the Class A Bonds will be senior in payment priority to the Series 2014 Bonds of Class B through G, inclusive; (b) the Class B Bonds will be senior in payment priority to the Series 2014 Bonds of Classes C through G, inclusive; (c) the Class C Bonds will be senior in payment priority to the Series 2014 Bonds of Classes D through G, inclusive; (d) the Class D Bonds will be senior in payment priority to the Series 2014 Bonds of Classes E through G, inclusive; (e) the Class E Bonds will be senior in payment priority to the Series 2014 Bonds of Classes F through G, inclusive; and (f) the Class F Bonds will be senior in payment priority to the Class G Bonds.

Servicing of the Loan
[The Loan will be administered and serviced pursuant to a Servicing Agreement (the “Servicing Agreement”) among the Indenture Trustee, the Issuer, Trimont Realty Services LLC, as Operating Advisor (the “Operating Advisor”), and Wells Fargo Bank, National Association, as both the “Master Servicer” and the “Special Servicer”. Payments under the Loan and various fees, costs and expenses (including amounts necessary to pay Taxes and Insurance Premiums) will be deposited in the Master Account established under the Servicing Agreement, and distributed from such Master Account in accordance with the Servicing Agreement, respectively.]

Modifications to Series 2014 Bonds Debt Service Schedule
[If a Mortgage Event of Default has occurred and is continuing or is reasonably foreseeable, and upon the satisfaction of certain conditions, the Servicing Agreement authorizes the Special Servicer to modify the payment terms regarding amounts due under the Loan. Upon any such modification, the Indenture Trustee is required to make the corresponding modifications to the amounts of principal of and interest due on the Series 2014 Bonds on particular Payment Dates. No such modification may extinguish the ultimate liability for payment of the full principal of and interest on the Series 2014 Bonds. See "DESCRIPTION OF THE SERVICING AGREEMENT" and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS" herein.]

Advances
The Master Servicer will be obligated under the Servicing Agreement to make an advance in respect of any scheduled payment of interest under the Loan to the extent not received by the Master Servicer on the date due (an “Interest Advance”), subject to reduction as a result of the application of Appraisal Reduction Amounts, and further subject to a determination of whether such Interest Advance is recoverable, and the other limitations described in this Official Statement. The Master Servicer will also be obligated to make
advances (again subject to certain limitations described in this Official Statement) to pay delinquent Taxes, Insurance Premiums and administrative fees, among other items, to protect the Mortgaged Property and its operations ("Servicing Advances"), subject to a determination of whether such Servicing Advance is recoverable. In the event that the Master Servicer fails to make any Interest Advance or Servicing Advance (each, an "Advance") that it is so required to make under the Servicing Agreement, the Indenture Trustee is required under the Servicing Agreement to make such Advance. However, under the Servicing Agreement, the Master Servicer (or the Indenture Trustee upon the failure of the Master Servicer as provided in the Servicing Agreement) will not be obligated to make an Advance if the Master Servicer (or the Indenture Trustee, as the case may be) has determined in accordance with the Servicing Standard that such Advance would not be recoverable from subsequent payments or collections (including Liquidation Proceeds) in respect of the Loans or the Mortgaged Property.

Bond Trustee, Bond Registrar and Paying Agent

[TRUSTEE NAME]

Master Servicer

Wells Fargo Bank, National Association

Special Servicer

Wells Fargo Bank, National Association

Operating Advisor

Trimont Realty Services LLC

Registration of the Series 2014 Bonds

DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC.

Maturity Dates

see the inside facing cover page of this Official Statement

Interest Rates

see the inside facing cover page of this Official Statement

Payment Dates and Calculation Period

The [fifteenth day] of each month, commencing [_____________], computed on the basis of a 360-day year and twelve 30-day months

Record Date

The [_____________] of each month
Denominations of Series 2014

Bonds

Class A [$5,000 or any integral multiple thereof]
Class B $5,000 or any integral multiple thereof
Class C $100,000 or any integral multiple of $5,000 in excess thereof
Class D $100,000 or any integral multiple of $5,000 in excess thereof
Class E $100,000 or any integral multiple of $5,000 in excess thereof
Class F $100,000 or any integral multiple of $5,000 in excess thereof
Class G $100,000 or any integral multiple of $5,000 in excess thereof

Redemption

(a) General Optional Redemption. The Series 2014 Bonds are subject to redemption, at the option of the Issuer, in whole only during the period from the end of the Lock-Out Period to the Anticipated Repayment Date, or in whole or in part (in Authorized Denominations), at any time on and after the Anticipated Repayment Date, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Series 2014 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

(b) Purchase in Lieu of Redemption. The Series 2014 Bonds are subject to mandatory tender for purchase, in lieu of optional redemption, at the direction of the Issuer, upon request of the Borrower, in whole only during the period from the end of the Lock-Out Period to the Anticipated Repayment Date, or in whole or in part (in Authorized Denominations) from and after the Anticipated Repayment Date, at a Tender Price equal to one hundred percent (100%) of the principal amount of the Series 2014 Bonds or portions thereof to be so redeemed, plus accrued interest to the tender date.

See “DESCRIPTION OF THE SERIES 2014 BONDS” and “CERTAIN RISK FACTORS” herein.

Bond Counsel

Hawkins Delafield & Wood LLP, New York, New York.

Tax Status

See “TAX MATTERS” herein.

Ratings

[S&P: Class A, Series 2014 Bonds -
Class B, Series 2014 Bonds -
Class C, Series 2014 Bonds -
Class D, Series 2014 Bonds -
Class E, Series 2014 Bonds -
Class F, Series 2014 Bonds -
Class G, Series 2014 Bonds -

Fitch: Class A, Series 2014 Bonds -
Class B, Series 2014 Bonds -
Class C, Series 2014 Bonds -
Class D, Series 2014 Bonds -
The ratings on the Series 2014 Bonds address the likelihood of the receipt by the owners of the Series 2014 Bonds of full and timely payment of interest on the Series 2014 Bonds on each Payment Date and the ultimate payment of the full Outstanding principal amount of the Series 2014 Bonds on a date which is not later than the [Rated Final Date for the Series 2014 Bonds (the Rated Final Date for the Series 2014 Bonds is the Payment Date in [____________], approximately [seven (7)] years following the final stated maturity of the Series 2014 Bonds). See "RATINGS" herein.]

Underwriters

B of A Merrill Lynch
Barclays Capital, Inc.
Citigroup Global Markets Inc.
Official Statement

Relating To

$000,000,000*

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
Multi-Family Mortgage Revenue Bonds, Series 2014
(8 Spruce Street)
consisting of

[$TX Class A] Series 2014, Class A
[$TX Class B] Series 2014, Class B
[$TX Class C] Series 2014, Class C
[$TE Class D] Series 2014, Class D
[$TE Class E] Series 2014, Class E
[$TE Class F] Series 2014, Class F
[$TE Class G] Series 2014, Class G

INTRODUCTION

General

This Official Statement, including the cover page, Summary Statement and Appendices, is provided to furnish information regarding the offering by the New York City Housing Development Corporation (the “Issuer” or the “Corporation”) of its $000,000,000 aggregate principal amount of Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street) (the “Series 2014 Bonds”), consisting of [$TX Class A] Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street), Class A (the “Class A Bonds”), [$TX Class B] Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street), Class B (the “Class B Bonds”), [$TX Class C] Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street), Class C (the “Class C Bonds”), [$TE Class D] Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street), Class D (the “Class D Bonds”), [$TE Class E] Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street), Class E (the “Class E Bonds”), [$TE Class F] Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street), Class F (the “Class F Bonds”) and [$TE Class G] Multi-Family Mortgage Revenue Bonds, Series 2014 (8 Spruce Street), Class G (the “Class G Bonds”). The Class A Bonds, Class B Bonds and Class C Bonds are collectively referred to herein as the “Series 2014 Taxable Bonds.” The Class D Bonds, Class E Bonds, Class F Bonds and Class G Bonds are collectively referred to herein as the “Series 2014 Tax-Exempt Bonds.” See “DESCRIPTION OF THE SERIES 2014 BONDS”). The information contained herein is qualified in its entirety by, and should be read in conjunction with, the information appearing elsewhere set forth under “CERTAIN RISK FACTORS” and “SUITABILITY FOR INVESTMENT” herein prior to making an investment in the Series 2014 Bonds. Reference is also made to the summaries of documents attached to this Official Statement, and certain other materials contained in CD-ROM form, each of which should be reviewed in its entirety by purchasers of the Series 2014 Bonds.

Capitalized terms used in this Official Statement and not otherwise defined in the body of this Official Statement shall have the meanings specified in “APPENDIX A — CERTAIN DEFINITIONS” attached hereto. Terms not otherwise defined in this Official Statement have the meanings provided in the pertinent documents.

* Preliminary, subject to change.
The Issuer

The Corporation, which commenced operations in 1972, is a corporate governmental agency, constituting a public benefit corporation, organized and existing under the laws of the State of New York (the "State"), created for the purposes of providing, and encouraging the investment of private capital in, safe and sanitary dwelling accommodations in the City of New York (the "City") for families and persons of low income, which include families and persons whose need for housing accommodations cannot be provided by the ordinary operations of private enterprise, or in areas designated as blighted through the provision of low interest mortgage loans. See "THE ISSUER" herein.

The Series 2014 Bonds

The Series 2014 Bonds are authorized to be issued under and pursuant to a resolution of the Issuer adopted on [______, 2014] (the "Bond Resolution") authorizing the Series 2014 Bonds, and an Indenture of Trust (the "Indenture"), to be dated the date of issuance of the Series 2014 Bonds (the "Bond Issuance Date"), between the Issuer and [TRUSTEE NAME], as trustee (the "Indenture Trustee"), authorizing the Series 2014 Bonds. The Indenture Trustee is also acting as Paying Agent and Bond Registrar for the Series 2014 Bonds. The proceeds derived from the sale of the Series 2014 Bonds will be used to provide all of the funds to refund in whole the Multi-Family Mortgage Revenue Bonds (Beekman Tower) in series designated 2008 Series A, 2009 Series A-1, 2009 Series A-2, 2010 Series A-1 and 2010 Series A-2 (collectively, the "Prior Bonds") issued by the Corporation.

The Mortgaged Property

The Mortgaged Property consists of one condominium unit (the "Residential Rental/Retail Unit") in a four unit condominium (the "Condominium") containing 896 residential rental units leased at market rates, but subject to rent-stabilization as herein described, one unit that is currently used as a leasing office and two units currently used as model units. In addition, there is approximately 1,200 leasable square feet of retail space in the base of the building that constitutes a part of the Residential/Retail Unit. The Condominium contains three additional condominium units that are not part of the Mortgaged Property: (i) an ambulatory care center on a portion of floors 1 and 5 (the "Care Center Unit") owned and operated by an entity affiliated with the New York Presbyterian Hospital (the "Hospital"), (ii) a below grade parking garage (the "Garage Unit"); and together with the Care Center Unit, collectively, the "Hospital Units") owned by another entity affiliated with the Hospital and (iii) a pre-K through 8th grade New York City public school on a portion of floors 1 through 4 (the "School Unit") that is owned and operated by the New York City School Construction Authority (the "NYC SCA"). Construction of the Hospital Units and the School Unit were separately financed with funds other than the Original Mortgage Loan. The four condominium units are contained in one 76-story building.

The Mortgaged Property contains a total of 899 apartments (190 studios, 512 one bedroom units, 169 two bedroom units, 24 three bedroom units and 4 penthouse units), with 2 of the two bedroom units and 1 of the studio units currently not serving as rental units to the public. One is occupied by the building superintendent, one is serving as the leasing office for the Mortgaged Property and two are serving as model units. The Mortgaged Property also contains recreational facilities including a fitness center and spa, game rooms, a playroom for children, a business center and a laundry room. Appurtenant to the Mortgaged Property are two public plazas consisting of approximately 15,000 square feet in the aggregate. See "DESCRIPTION OF THE PROPERTY MANAGEMENT AGREEMENT" herein. See also "DESCRIPTION OF THE MORTGAGED PROPERTY" and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS" herein.

The Borrower

The Mortgagor is a single-purpose Delaware limited liability company. The Mortgagor was formed in 2012 as a single member New York limited liability company (the "Predecessor Entity") for the purposes of
acquiring the Mortgaged Property from an affiliated entity that developed the Mortgaged Property. In [______], 2014, the Predecessor Entity was merged into the Mortgagor, a newly formed Delaware limited liability company, with the Mortgagor being the surviving entity. The prior owner’s managing member was controlled by the members of the sole member of Mortgagor. The Mortgagor has no material assets other than its interest in the Mortgaged Property. Accordingly, it is expected that the Mortgagor will not have any sources of funds to make payments on the Mortgage Loan other than revenues generated by the Mortgaged Property. The sole member of Mortgagor is FC 8 Spruce Holdings, LLC, a Delaware limited liability company (“FC8”).

The members of FC8 are its managing member, FC 8 Spruce Mezzanine, LLC, a Delaware limited liability company (“Mezz LLC”) and its investor member, 8 Spruce Street GA Investor LLC, a Delaware limited company (“GA Investor”). The members of Mezz LLC are Forest City Tilden Associates LLC, a New York limited liability company (“FCTA”), FC Beekman Holdings, LLC, a New York limited liability company (“FCBH”) and National Real Estate Advisors, LLC. FCTA and FCBH own collectively 51% of Mezz LLC and are owned and controlled by Forest City Enterprises, Inc. (“Forest City”) and its affiliates. GA Investor is wholly owned by entities owned by Teachers Insurance and Annuity Association of America. See “THE BORROWER” herein.

The Loan

Concurrently with the issuance by the Issuer of the Series 2014 Bonds pursuant to the Indenture, the Issuer will make a loan (the “Loan”) of the proceeds of the Series 2014 Bonds in the principal amount of $000,000,000* to the Borrower pursuant to the Amended and Restated Loan Agreement, to be dated the Bond Issuance Date, between the Issuer and the Borrower (the “Loan Agreement”). See “DESCRIPTION OF THE LOAN AGREEMENT” herein. Pursuant to the Loan Agreement, prior to the Anticipated Repayment Date, the Borrower will be obligated to make monthly loan payments in amounts which are sufficient to pay interest on, and certain administrative fees and expenses related to, the Series 2014 Bonds. The obligation of the Borrower under the Loan Agreement to make such loan payments will be further evidenced by a Promissory Note from the Borrower to be dated the Bond Issuance Date payable to the order of the Issuer and the Indenture Trustee, as pledged and assigned by the Issuer to the Indenture Trustee in trust for the benefit and on behalf of the Indenture Trustee and the holders of the Series 2014 Bonds (the “Note”). Recourse against the Borrower under the Loan Agreement and under the Note will generally be limited to the Mortgaged Property [and the related collateral held under the Loan]. However, as provided in the Loan Agreement, the liability and obligations of the Borrower under the Loan Agreement and the Note is not enforceable by a money judgment against the Borrower.

Simultaneous with the original issuance of the Note, and pursuant to the Indenture, the Issuer will pledge and assign to the Indenture Trustee, as security for the Series 2014 Bonds, all of the Issuer’s right, title and interest in and to the Note and the Loan Agreement, including all loan payments, revenues and receipts payable or receivable thereunder, excluding, however, the Reserved Rights which may be enforced by the Issuer or the Indenture Trustee (in consultation with the Master Servicer) jointly or severally through an action for specific performance. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS — The Loan Agreement” and “DESCRIPTION OF THE LOAN AGREEMENT” herein. See also “DESCRIPTION OF THE SERVICING AGREEMENT” herein.

Servicing of the Loans

The servicing and administration of the Loan, the enforcement of the Loan and the exercise of remedies under the Indenture will be carried out, in conformance with the Servicing Standard, by Wells Fargo Bank, National Association, as Master Servicer (in such capacity, the “Master Servicer”) and as Special Servicer (in such capacity, the “Special Servicer”) pursuant to a Servicing Agreement to be dated the Bond Issuance Date (the “Servicing Agreement”) among the Indenture Trustee, the Issuer, the Master Servicer, the Special Servicer, and Trimon Realty Services LLC, as Operating Advisor (the “Operating Advisor”). The
Servicing Agreement also establishes the voting rights of the Bondholders and provides for the assignment by the Indenture Trustee to the Master Servicer and the Special Servicer of the sole and exclusive right to take enforcement actions (except with respect to the Issuer and the Issuer’s Reserved Rights), to grant or withhold any approvals and to exercise rights and remedies under the Loan (with respect to the Loan). Under the Servicing Agreement, the Master Servicer (or upon its failure, the Indenture Trustee) has certain obligations to make Servicing Advances and Interest Advances, except, in each instance, where it has determined in accordance with the Servicing Standard that such Advances would not be recoverable from subsequent payments or collections (including Liquidation Proceeds) in respect of the Loans or the Mortgaged Property. In addition, Interest Advances and voting rights may be reduced where Realized Losses or Appraisal Reduction Amounts have been determined.

As a general rule, (i) the Master Servicer is to service and administer the Loan when it is a Performing Loan (i.e., that no Servicing Transfer Event then exists), and (ii) the Special Servicer is to service and administer (x) the Specially Serviced Loan (i.e., the Loan when a Servicing Transfer Event does exist) and (y) an REO Property.

Trimon Realty Services L.L.C will act as the Operating Advisor under the Servicing Agreement, and will provide consultation services to each of the Master Servicer and the Special Servicer upon the circumstances therefor set forth in the Servicing Agreement.


Possibility of Modifications to Series 2014 Bonds

[Under circumstances where a Mortgage Event of Default has occurred and is continuing or is reasonably foreseeable, the Special Servicer may act pursuant to and subject to the conditions of the Servicing Agreement to modify the payment terms of the Loan regarding amounts due for the payment of interest on and principal of the Loan. Upon any such modification, the Indenture Trustee is required to modify the amounts of principal of and interest on the Series 2014 Bonds to the extent necessary to reflect the terms of the modified Loan. No such modification of the Series 2014 Bonds may extinguish the ultimate liability for payment of the full principal of, and interest on, the Series 2014 Bonds. See “DESCRIPTION OF THE SERVICING AGREEMENT”, “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS” and “RATINGS” herein.]

Security for the Loan

The Loan will be secured by a Consolidated, Amended and Restated Mortgage, Assignment of Leases and Rents and Security Agreement (the “Mortgage”), pursuant to which the Borrower will grant to the Issuer as security for the Series 2014 Bonds, the Note, the Loan Agreement and any and all other Loan Documents, to secure a principal indebtedness of $[_______] (the property, rights, proceeds and other collateral which are the subject of the Lien and security interest created by the Mortgage is referred to herein as the “Mortgaged Property”). See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS — The Mortgage” herein.

Payments under the Loan and various fees, costs and expenses (including amounts necessary to pay Taxes and Insurance Premiums, among other items) will be deposited in the Master Account established under the Servicing Agreement, and distributed from the Master Account in accordance for application in accordance with the Servicing Agreement. Neither the Loan nor the Series 2014 Bonds are secured by any debt service reserve fund or other liquidity facility established under the Indenture. However, the Master Servicer will be obligated under the Servicing Agreement to make an advance in respect of any scheduled payment of interest under the Loan to the extent not received by the Master Servicer on the date due (an “Interest Advance”),
subject to reduction as a result of the application of Appraisal Reduction Amounts (as defined herein) and subject further to a determination of whether such Interest Advance is recoverable, and the other limitations described in this Official Statement. The Master Servicer will also be obligated to make advances (again subject to certain limitations described in this Official Statement) to pay delinquent Taxes, Insurance Premiums and administrative fees, among other items, to protect the Mortgaged Property and its operations (“Servicing Advances”), subject to a determination of whether such Servicing Advance is recoverable. In the event that the Master Servicer fails to make any Interest Advance or Servicing Advance (each, an “Advance”) that it is required to make under the Servicing Agreement, the Indenture Trustee is required under the Servicing Agreement to make such Advance. However, under the Servicing Agreement, neither the Master Servicer nor the Indenture Trustee shall be obligated to make an Advance if the Master Servicer or the Indenture Trustee, as the case may be, has determined in accordance with the Servicing Standard that such Advance would not be recoverable from subsequent payments or collections (including Liquidation Proceeds) in respect of the Loans or the Mortgaged Property.

See “DESCRIPTION OF THE SERVICING AGREEMENT” herein.

Bondholder Risks

The purchase of the Series 2014 Bonds involves risks. Prospective purchasers should carefully consider all of the material contained herein, including the material contained under the headings “CERTAIN RISK FACTORS” and “SUITABILITY FOR INVESTMENT” herein.

Limited Obligations


Information in this Official Statement

[TBD]

[Information in this Official Statement with respect to the Borrower, the Mortgaged Property, the Mortgage, the Leases, the Management Agreement, the Assignment of Management Agreement, (as referred to herein), and the Loan, including the information contained under the summary pages entitled “SUMMARY STATEMENT”, and under the headings entitled “INTRODUCTION” (excluding the subheadings entitled “The Issuer”, “The Series 2014 Bonds”, “Servicing of the Loans”, “Possibility of Modifications to Series 2014 Bonds”, “Security for the Loan” and “Limited Obligations”), “THE BORROWER,” “DESCRIPTION OF THE MORTGAGED PROPERTY,” “INSURANCE ON THE MORTGAGED PROPERTY,” “DESCRIPTION OF THE PROPERTY MANAGEMENT AGREEMENT,” “DESCRIPTION OF THE ASSIGNMENT OF MANAGEMENT AGREEMENT,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2014 BONDS” (other than the subheadings entitled “The Class Priority of the Series 2014 Bonds,” “Limitation on Rights of the Indenture Trustee and the Holders of the Series 2014 Bonds” and “Limited Obligations”), “DESCRIPTION OF THE LOAN AGREEMENT” (excluding the subheadings entitled “Servicing Agreement” and “Insurance”), “CERTAIN RISK FACTORS,” (excluding the subheadings entitled “The Series 2014 Bonds May Not Be a Suitable Investment for You,” “A Volatile Economy, Credit Crisis and Downturn in the Real Estate Market Have in Recent Years Adversely Affected and May Adversely Affect in the Future the Value of CMBS,” “A Volatile Economy and Credit Crisis May Increase Loan Defaults
and Affect the Value and Liquidity of Your Investment, "The Series 2014 Bonds Are Limited Obligations," "Losses Could Result in Failure to Recover Initial Investment," "Commercial Lending Is Dependent on Net Operating Income," "Property Values May Be Adversely Affected Even When There Is No Change in Net Operating Income," "Risks of Anticipated Repayment Date Loans," "The Prospective Performance of the Loan Should Be Evaluated Separately from the Performance of Similar Mortgage Loans," "Your Lack of Control Over the Administration of the Loan Can Adversely Impact Your Investment," "Risks Relating to Interest on Advances and Special Servicing Consideration," "Tax and Other Restrictions as a Result of the Series 2014 Tax-Exempt Bonds Tax and Other Considerations May Limit the Ability to Modify the Loan," "No Downgrade Confirmations May Be Considered Not To Apply," "Limitations of Appraisals and Inspections," "Potential Conflicts of Interest of the Master Servicer and Special Servicer," "Potential Conflicts of Interest of the Operating Advisor," "Limitations with Respect to Representations and Warranties of the Issuer," "Bondholders Should Not Rely on the Current Ratings by the Rating Agencies," "The Series 2014 Bonds Have Limited Liquidity and the Market Value of the Series 2014 Bonds May Decline," "Legal and Regulatory Provisions Affecting Investors Could Adversely Affect the Liquidity of the Series 2014 Bonds," "Changes in Tax Law; No Gross-up in Respect of the Series 2014 Bonds," "Tax Consequences Related to Foreclosure Could Adversely Impact Non-U.S. Bondholders," "State and Local Taxes Could Adversely Impact Your Investment" and "Combination or Layering of Multiple Risks May Significantly Increase Risk of Loss") "FINANCIAL STATEMENTS," "CONTINUING DISCLOSURE" and "ABSENCE OF LITIGATION — The Borrower" and Appendix F attached to this Official Statement, have been furnished by the Borrower, and neither the Issuer nor the Underwriters represent or warrant the accuracy or completeness of such information. Information in this Official Statement under the headings "INTRODUCTION — The Issuer," "THE ISSUER" and "ABSENCE OF LITIGATION — The Issuer" has been furnished by the Issuer, and the Underwriters and the Borrower do not represent or warrant the accuracy or completeness of such information. Information in this Official Statement with respect to the Master Servicer and the Special Servicer, including the information contained under the heading "DESCRIPTION OF THE MASTER SERVICER AND THE SPECIAL SERVICER," has been furnished by Wells Fargo Bank, National Association, and none of the Issuer, the Borrower or the Underwriters represent or warrant the accuracy or completeness of such information. Information in this Official Statement with respect to the Operating Advisor, including the information contained under the heading "DESCRIPTION OF THE OPERATING ADVISOR," has been furnished by Trumont Realty Services LLC, and none of the Issuer, the Borrower or the Underwriters represent or warrant the accuracy or completeness of such information. Information in this Official Statement under the headings "UNDERWRITING" and "MARKET MAKING" has been furnished by the Underwriters, and the neither Issuer nor the Borrower represents or warrants the accuracy or completeness of such information.

All references herein to the Series 2014 Bonds, the Leases, the Indenture, the Loan Agreement, the Note, the Mortgage, [the Management Agreement, the Assignment of Management Agreement], the Continuing Disclosure Agreement, the Servicing Agreement and the other documents referenced herein are qualified in their entirety by reference to such documents, and the description herein of the Series 2014 Bonds is qualified in its entirety by reference to the terms thereof and the information with respect thereto included in the Indenture and the Loan. All such descriptions are further qualified in their entirety by reference to laws relating to or affecting the enforcement of creditors’ rights generally. All references to the "Lender" under the Loan Agreement shall mean the Issuer, whose right to enforce the obligations of the Borrower thereunder will be pledged and assigned to the Indenture Trustee pursuant to the Indenture (excluding, however, the Issuer’s Reserved Rights, which Issuer’s Reserved Rights may be enforced by the Issuer and the Indenture Trustee jointly or severally through an action for specific performance), and the rights of enforcement by the Indenture Trustee will be delegated to the Master Servicer and the Special Servicer pursuant to the Servicing Agreement. The agreements of the Issuer with the holders of the Series 2014 Bonds are fully set forth in the Indenture, the Series 2014 Bonds and the other Loan to which the Issuer will be a party, and this Official Statement is not to be construed as constituting an agreement with the purchasers of the Series 2014 Bonds. All defined terms used in this Official Statement that are not otherwise defined herein will have the respective meanings set forth in "APPENDIX A — CERTAIN DEFINITIONS" herein. Copies of the Indenture and the Loan may be obtained from the Underwriters prior to the sale and delivery of the Series 2014 Bonds and on and after the
date of issuance of the Series 2014 Bonds from the Indenture Trustee at its corporate trust office at [TRUSTEE
ADDRESS, Attention: _______________]

THE ISSUER

Purposes and Powers

The Corporation, which commenced operations in 1972, is a corporate governmental agency
constituting a public benefit corporation organized and existing under the laws of the State, created for the
purposes of providing, and encouraging the investment of private capital in, safe and sanitary dwelling
accommodations in the City of New York (the "City") for families and persons of low income, which include
families and persons whose need for housing accommodations cannot be provided by the ordinary operations
of private enterprise, or in areas designated as blighted through the provision of low interest mortgage loans.

Powers granted the Corporation under the New York City Housing Development Corporation Act, Article XII
of the Private Housing Finance Law, constituting Chapter 44-b of the Consolidated Laws of the State of New
York, as amended (the "Act") include the power to issue bonds, notes and other obligations to obtain funds to
carry out its corporate purposes, and to refund the same; to acquire, hold and dispose of real and personal
property; to make mortgage loans to specified private entities; to purchase loans from lending institutions; to
make loans insured or co-insured by the Federal government for new construction and rehabilitation of
multiple dwellings; to make and to contract for the making of loans for the purpose of financing the
acquisition, construction or rehabilitation of multi-family housing accommodations; to acquire and to contract
to acquire any Federally-guaranteed security evidencing indebtedness on a mortgage securing a loan; to
acquire mortgages from the City, obtain Federal insurance thereon and either sell such insured mortgages or
issue its obligations secured by said insured mortgages and to pay the net proceeds of such sale of mortgages
or issuance of obligations to the City; and to do any and all things necessary or convenient to carry out its
purposes. The Act further provides that the Corporation and its corporate existence shall continue at least so
long as its bonds, including the Bonds, notes, or other obligations are outstanding.

The sale of the Bonds and the terms of such sale are subject to the approval of the Comptroller of the
City. The Corporation is a "covered organization" as such term is defined in the New York State Financial
Emergence Act for The City of New York, as amended, and the issuance of the Bonds is subject to the review
of the New York State Financial Control Board for The City of New York.

Organization and Membership

The Corporation, pursuant to the Act, consists of the Commissioner of The City of New York
Department of Housing Preservation and Development ("HPD") (who is designated as Chairperson of the
Corporation pursuant to the Act), the Commissioner of Finance of the City and the Director of Management
and Budget of the City (such officials to serve ex-officio), and four (4) public members, two (2) appointed by
the Mayor of the City (the "Mayor") and two (2) appointed by the Governor of the State. The Act provides
that the powers of the Corporation shall be vested in and exercised by not less than four (4) members. The
Corporation may delegate to one or more of its members, officers, agents or employees such powers and duties
as it deems proper.

Members

VICKI BEEN, Chairperson and Member ex-officio. Ms. Been was appointed Commissioner of HPD
by Mayor Bill de Blasio, effective February 18, 2014. Prior to joining HPD, she was the
Boxer Family Professor of Law at New York University School of Law and Director of
NYU’s Furman Center for Real Estate and Urban Policy. Ms. Been earned a J.D. from NYU
School of Law, and clerked for Judge Edward Weinfeld on the Southern District of New York
and for Justice Harry Blackmun on the United States Supreme Court.
HARRY E. GOULD, JR., Vice Chairperson and Member, serving pursuant to law. Mr. Gould is Chairman, President and Chief Executive Officer of Gould Paper Corporation, which was, until April 30, 2010, the largest privately owned independent distributor of printing paper in the United States. As of that date, Gould became a 51% owned subsidiary of Japan Pulp & Paper, the largest paper distributor in Japan. He was Chairman and President of Cinema Group, Inc., a major independent film financing and production company, from 1982 to May 1986, and is currently Chairman and President of Signature Communications Ltd., a new company that is active in the same field. He is a Life Member of the Executive Branch of the Academy of Motion Picture Arts and Sciences. He is a member of the Board of Directors of the Roundabout Theatre Organization and a member of the Board of Overseers at the Columbia Business School. He was a member of the Board of Directors of Domtar, Inc., North America’s largest and second largest global manufacturer of uncoated free sheet papers from 1995 to 2004. He was a member of the Board of Directors of the USO of Metropolitan New York from 1973 to 2004. He was a member of the Board of Trustees of the American Management Association from 1996 to 1999. He was a member of Colgate University’s Board of Trustees from 1976 to 1982. He was appointed Trustee Emeritus of Colgate University in 2012. He was appointed the U.S. representative to the U.N. East-West Trade Development Commission by President Johnson from 1967 to 1968. He was Vice Chairman of the U.S. President’s Export Council, was a member of the Executive Committee and was Chairman of the Export Expansion Subcommittee from 1977 to 1980. He was a National Trustee of the National Symphony Orchestra, Washington, D.C., also serving as a member of its Executive Committee from 1977 to 1999. He was a member of the Board of United Cerebral Palsy Research and Educational Foundation, and the National Multiple Sclerosis Society of New York from 1972 to 1999. He was a Trustee of the Riverdale Country School from 1990 to 1999. Mr. Gould received his Bachelor of Arts degree from Colgate University magna cum laude. He began his M.B.A. studies at Harvard University and received his degree from Columbia Business School.

DEAN FULEIHAN, Member ex-officio. Mr. Fuleihan was appointed New York City Budget Director in January 2014. Previously, Mr. Fuleihan joined the SUNY College of Nanoscale Science and Engineering as Executive Vice President for Strategic Partnerships. Prior to that, he served in the New York State Assembly for over 30 years, serving as the principal fiscal and policy advisor to the Speaker of the New York State Assembly, Assembly leadership and the Majority Conference. He was also the Assembly’s principal staff negotiator on the state budget. Mr. Fuleihan received a B.A. degree in Economics from Alfred University and studied public finance at the Maxwell School of Citizenship and Public Affairs at Syracuse University.

JACQUES JIHA, Member ex-officio. Mr. Jacques Jiha Ph.D. was appointed Commissioner of New York City’s Department of Finance by Mayor Bill de Blasio on April 8, 2014. Prior to becoming Commissioner, Mr. Jiha was the Executive Vice President / Chief Operating Officer & Chief Financial Officer of Earl G. Graves, Ltd., a multi-media company with properties in print, digital media, television, events and the Internet. He has also served on a number of government and not-for-profit boards including the Ronald McDonald House of New York, Public Health Solutions, the Investment Advisory Committee of the New York Common Retirement Fund and as Secretary of the board of the New York State Dormitory Authority. Previous positions include Deputy Comptroller for Pension Investment and Public Finance in the Office of the New York State Comptroller, where he managed the assets of the New York State Common Retirement Fund — then the nation’s second-largest pension fund valued at $120 billion. Prior to his appointment, he worked for the New York City Office of the Comptroller first as Chief Economist and later as Deputy Comptroller for Budget, with oversight responsibilities over the city’s operating budget and four-year capital plan. Mr. Jiha also served as Executive Director of the Legislative Tax Study Commission of New York.
State and as Principal Economist for the New York State Assembly Committee on Ways and Means. He holds a Ph.D. and a Master's degree in Economics from the New School for Social Research and a Bachelor's degree in Economics from Fordham University.

VACANT, Member.

CHARLES G. MOERDLER, Member, serving pursuant to law. Mr. Moerdler is a partner in the law firm of Stroock & Stroock & Lavan LLP. Prior to joining his law firm in 1967, Mr. Moerdler was Commissioner of Buildings for The City of New York from 1966 to 1967, and previously worked with the law firm of Cravath, Swaine & Moore. Mr. Moerdler has served as a member of the Committee on Character and Fitness of Applicants to the Bar of the State of New York, Appellate Division, First Department since 1977 and as a member of the Mayor's Committee on Judiciary since 1994. He has also served on the Editorial Board of the New York Law Journal since 1986. Mr. Moerdler held a number of public service positions, including Chairman of The New York State Insurance Fund from 1995 to March 1997, Commissioner and Vice Chairman of The New York State Insurance Fund from 1978 to 1994, Consultant to the Mayor of The City of New York on Housing, Urban Development and Real Estate from 1967 to 1973, Member of the Advisory Board on Fair Campaign Practices, New York State Board of Elections in 1974, Member of the New York City Air Pollution Control Board from 1966 to 1967 and Special Counsel to the New York State Assembly, Committee on Judiciary in 1961 and Committee on The City of New York in 1960. Mr. Moerdler also serves as a Trustee of St. Barnabas Hospital and served on the Board of Overseers of the Jewish Theological Seminary of America. He served as a Trustee of Long Island University from 1985 to 1991 and on the Advisory Board of the School of International Affairs, Columbia University from 1976 to 1979. Mr. Moerdler is a graduate of Long Island University and Fordham Law School, where he was an Associate Editor of the Fordham Law Review.

DENISE SCOTT, Member, serving pursuant to law. Ms. Scott is Managing Director of the Local Initiatives Support Corporation’s New York City program (LISC NYC) since 2001. During her tenure, LISC NYC has invested in the development of over 10,000 units of affordable housing. Ms. Scott served as a White House appointee to the United States Department of Housing and Urban Development (HUD) from 1998 to January 2001 responsible for daily operations of HUD’s six New York/New Jersey regional offices. She was the Managing Director/Coordinator responsible for launching the Upper Manhattan Empowerment Zone Development Corporation. Ms. Scott served as the Assistant Vice President of the New York City Urban Coalition after serving as Deputy Director of the New York City Mayor’s Office of Housing Coordination from 1990-1992. She held several positions at HPD ultimately serving as the Director of its Harlem preservation office. Ms. Scott serves on the U.S. Department of Treasury’s Office of Thrift Supervision Minority Depository Institutions Advisory Committee and also serves on several boards including the National Equity Fund, Supportive Housing Network of New York, Citizens Housing and Planning Council, Neighborhood Restore / Restored Homes and the New York Housing Conference. Ms. Scott has a MS in Urban Planning from Columbia University and has taught at its Graduate School of Architecture, Planning and Preservation as a Visiting Assistant Professor.

Principal Officers

VICKI BEEN, Chairperson.

HARRY E. GOULD, JR., Vice Chairperson.
GARY D. RODNEY, President. Mr. Rodney was appointed President of the Corporation on March 3, 2014. Prior to joining the Corporation, Mr. Rodney was the Executive Vice President for Development at Omni New York LLC ("OMNI"), a real estate development company focusing on affordable housing. Prior to joining OMNI, Mr. Rodney was Director of Development at BFC Partners, a New York City based real estate development company. Mr. Rodney also spent five years at the Corporation and held several positions structuring financing programs and underwriting transactions before being promoted to Vice President in 2005. Mr. Rodney holds a Masters of Urban Planning from New York University’s Robert F. Wagner Graduate School of Public Service and Bachelor of Arts from the University of Rochester.

PAULA ROY CARETHERS, Executive Vice President for Real Estate. Ms. Carethers was appointed Executive Vice President of the Corporation on June 10, 2014, effective July 7, 2014. Prior to joining the Corporation, she held senior positions at the Empire State Development Corporation ("ESDC"), including Director of Atlantic Yards Development and President of Queens West Development Corporation. While at ESDC she managed the consolidation of the Mitchell Lama portfolio from ESDC to the New York State Housing Finance Agency. Prior to such positions, Ms. Carethers worked at CPC Resources, Inc. focusing on the Domino Sugar Redevelopment, at the New York City Economic Development Corporation, and worked in private consulting and non-profit development. Ms. Carethers received a B.S. degree from Michigan State University and a Master in Urban and Regional Planning from the University of Michigan’s Taubman College of Architecture and Urban Planning.

RICHARD M. FROEHLICH, Chief Operating Officer, Executive Vice President and General Counsel. Mr. Froehlich, an attorney and member of the New York State Bar, was appointed Chief Operating Officer of the Corporation on June 9, 2011, and Executive Vice President for Capital Markets of the Corporation on February 27, 2008. Mr. Froehlich is also the General Counsel of the Corporation. He was originally appointed Senior Vice President and General Counsel of the Corporation effective November 17, 2003. Prior to joining the Corporation, he was Counsel at the law firm of O’Melveny & Myers LLP in its New York City office, where Mr. Froehlich’s practice focused on real estate, public finance and affordable housing. From 1993 to 1998, Mr. Froehlich was an Assistant Counsel at the New York State Housing Finance Agency. Upon graduation from law school, he was an associate at Skadden, Arps, Slate, Meagher & Flom. Mr. Froehlich received his B.A. degree from Columbia College and his J.D. from Columbia University School of Law. He is an Adjunct Assistant Professor of Urban Planning at Columbia University.

CATHLEEN A. BAUMANN, Senior Vice President and Treasurer. Ms. Baumann was appointed Senior Vice President of the Corporation on August 8, 2012 and Treasurer of the Corporation by the President on July 20, 2009. Prior to such appointments, she held the position of Deputy CFO since September 2004. Ms. Baumann joined the Corporation in 1988 as an Accountant. She has also held the positions of Senior Accountant and Internal Auditor and Vice President of Internal Audit. Ms. Baumann received her bachelor’s degree with majors in Accounting and Economics from Queens College of the City University of New York and her MBA in Finance from Baruch College’s Zicklin School of Business of the City University of New York.

ELLEN K. DUFFY, Senior Vice President for Debt Issuance and Finance. Ms. Duffy was appointed Senior Vice President of the Corporation on September 15, 2009, effective September 21, 2009. Prior to joining the Corporation, Ms. Duffy was a principal of the housing finance
group at Bank of America Securities ("BAS"). At BAS, Ms. Duffy focused on quantitative structuring of transactions and cash flow analysis for state and local housing issuers. Ms. Duffy previously held positions in the housing areas of the public finance groups at CS First Boston, First Union Securities and Citicorp Investment Bank. Ms. Duffy holds a B.A. in Economics from Providence College.

TERESA GIGLIELLO, Senior Vice President—Portfolio Management. Ms. Gigliello was appointed a Senior Vice President of the Corporation on August 3, 1998. Prior to such appointment, Ms. Gigliello held the position of Director of Audit. She began her career with the Corporation in 1985 as an accountant and served as the Corporation’s Internal Auditor from 1986 until her appointment as Director of Audit in 1995. Ms. Gigliello received a Bachelor of Science degree from St. John’s University.

JIM QUINLIVAN, Senior Vice President for Policy Analysis & Compliance. Mr. Quinlivan was appointed Senior Vice President for Policy Analysis & Compliance of the Corporation on April 10, 2013, effective April 15, 2013. Prior to such appointment, Mr. Quinlivan held the position of Vice President and Deputy Director of Asset Management. Mr. Quinlivan began his career with the Corporation in 1996 and held several positions before being promoted to Vice President in 2002. Prior to joining the Corporation, Mr. Quinlivan worked at the U.S. Department of Housing & Urban Development. Mr. Quinlivan received a B.A. from New York University.

ANTHONY RICHARDSON, Acting Senior Vice President for Development. Mr. Richardson was named Acting Senior Vice President for Development of the Corporation by the President on August 25, 2014. His appointment is expected to be presented to the members of the Corporation for approval on September 18, 2014. Prior to joining the Corporation, Mr. Richardson was the Director of Multifamily New Construction Programs at HPD. Prior to joining HPD, Mr. Richardson held financial advisory and sales positions at Ernst & Young, M.R. Beal & Company and Cantor Fitzgerald. Mr. Richardson received a Masters in Public Administration and Public Policy from Columbia’s School of International Public Affairs and a Masters in Public Administration and Economic Policy from The London School of Economics & Political Science. Mr. Richardson received a B.A. from Morehouse College.

MELISSA BARKAN, Deputy General Counsel and Secretary. Ms. Barkan was appointed Secretary of the Corporation on May 2, 2007. She was appointed Deputy General Counsel on March 1, 2007. Prior to her appointments she held the position of Associate General Counsel and Assistant Secretary. In 1999, Ms. Barkan joined the Corporation as an Assistant General Counsel. Before joining the Corporation, Ms. Barkan was associated with a New York law firm where her practice focused on real estate acquisitions and financing. Ms. Barkan received her B.S. degree from the School of Business at the State University of New York at Albany and her J.D. from Brooklyn Law School. Ms. Barkan is a member of the New York State Bar.

Potential Legislative and Regulatory Actions

From time to time, legislation is introduced on the Federal and State levels which, if enacted into law, could affect the Corporation, its operations or its bonds. The Corporation is not able to represent whether such bills will be introduced in the future or become law. In addition, the State undertakes periodic studies of public authorities in the State (including the Corporation) and their financing programs. Any of such periodic studies could result in proposed legislation which, if adopted, could affect the Corporation, its operations and its bonds.
NEITHER THE MEMBERS, DIRECTORS, OFFICERS OR AGENTS OF THE ISSUER NOR ANY PERSON EXECUTING THE SERIES 2014 BONDS SHALL BE PERSONALLY LIABLE OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY WITH RESPECT TO THE SERIES 2014 BONDS. ACCORDINGLY, NO FINANCIAL INFORMATION WITH RESPECT TO THE ISSUER OR ITS MEMBERS, DIRECTORS OR OFFICERS HAS BEEN INCLUDED IN THIS OFFICIAL STATEMENT.

THE ISSUER HAS NOT VERIFIED, AND DOES NOT REPRESENT IN ANY WAY, THE ACCURACY OR COMPLETENESS OF ANY OF THE INFORMATION SET FORTH IN THIS OFFICIAL STATEMENT OTHER THAN INFORMATION SET FORTH UNDER THE HEADINGS "INTRODUCTION — The Issuer," "THE ISSUER" AND "ABSENCE OF LITIGATION — The Issuer" HEREIN.

THE BORROWER

The following information has been provided by the Mortgagor for use herein. While the information is believed to be reliable, none of the Corporation, the Underwriters, the Indenture Trustee, the Master Servicer, the Special Servicer, the Operating Advisor nor any of their respective counsel, members, directors, officers or employees makes any representations as to the accuracy or sufficiency of such information.

The Mortgagor is a single-purpose Delaware limited liability company. The Predecessor Entity was formed in 2012 as a single member New York limited liability company for the purposes of acquiring the Mortgaged Property from an affiliated entity that developed the Mortgaged Property. In [_______], 2014, the Predecessor Entity was merged into the Mortgagor, a newly formed Delaware limited liability company, with the Mortgagor being the surviving entity. The prior owner’s managing member was controlled by the members of the sole member of Mortgagor. The Mortgagor has no material assets other than its interest in the Mortgaged Property. Accordingly, it is expected that the Mortgagor will not have any sources of funds to make payments on the Mortgage Loan other than revenues generated by the Mortgaged Property. The sole member of Mortgagor is FC 8 Spruce Holdings, LLC, a Delaware limited liability company (“FC8”).

The members of FC8 are its managing member, FC 8 Spruce Mezzanine LLC, a Delaware limited liability company (“Mezz LLC”) and its investor member, 8 Spruce Street GA Investor LLC, a Delaware limited company (“GA Investor”). The members of Mezz LLC are Forest City Tilden Associates LLC, a New York limited liability company (“FCTA”), FC Beekman Holdings, LLC, a New York limited liability company (“FCBH”) and National Real Estate Advisors, LLC. FCTA and FCBH own collectively 51% of Mezz LLC and are owned and controlled by Bruce C. Ratner, Forest City Enterprises, Inc. (“Forest City”) and its principals, key employees and affiliates. GA Investor is wholly owned by entities owned by Teachers Insurance and Annuity Association of America.

Bruce C. Ratner is the Executive Chairman of the Forest City Ratner Companies, LLC, whose parent company, Forest City, is a publicly traded real estate company with more than 92 years experience in the development, acquisition and management of commercial and residential real estate throughout the United States. As of December 31, 2013, Forest City has ownership interests in properties containing in the aggregate more than 123 apartment complexes with over 34,300 apartments, 16 regional malls with 17.1 million square feet of gross leasable area, 25 specialty retail centers with 5.4 million square feet of gross leasable area, 42 office buildings with approximately 11.1 million square feet of commercial space, and the Barclay’s Center in Brooklyn, New York.

DESCRIPTION OF THE MORTGAGED PROPERTY

The following information has been provided by the Mortgagor for use herein. While the information is believed to be reliable, none of the Corporation, the Underwriters, the Indenture Trustee, the Master
Servicer, the Special Servicer, the Operating Advisor nor any of their respective counsel, members, directors, officers or employees makes any representations as to the accuracy or sufficiency of such information.

General

The Series 2014 Bonds are being issued to refinance the outstanding portion of a mortgage loan to the Mortgagor that was made for the purposes of paying a portion of the costs of constructing and equipping a multi-family rental housing development located at 8 Spruce Street in the Borough of Manhattan, New York and certain other costs related thereto (the "Original Mortgage Loan"). In addition, the Series 2014 Bonds will pay for certain costs associated with this refinancing which will be secured by the Mortgage Loan.

The Mortgaged Property consists of one condominium unit (the "Residential Rental/Retail Unit") in a four unit condominium (the "Condominium") containing 896 residential rental units leased at market rates, but subject to rent-stabilization as herein described, one unit that is currently used as a leasing office and two units currently used as model units. In addition, there is approximately 1,200 leasable square feet of retail space in the base of the building that constitutes part of the Residential/Retail Unit. The residential rental units consist of 190 studios, 512 one bedroom units, 169 two bedroom units, 24 three bedroom units and 4 penthouse units. The Condominium contains three additional condominium units that are not part of the Mortgaged Property: (i) an ambulatory care center on a portion of floors 1 and 5 (the "Care Center Unit") owned and operated by an entity affiliated with the New York Presbyterian Hospital (the "Hospital"), (ii) a below grade parking garage (the "Garage Unit"); and together with the Care Center Unit, collectively, the "Hospital Units") owned by another entity affiliated with the Hospital and (iii) a pre-K through 8th grade New York City public school on a portion of floors 1 through 4 (the "School Unit") that is owned and operated by the New York City School Construction Authority (the "NYC SCA"). Construction of the Hospital Units and the School Unit were separately financed with funds other than the Original Mortgage Loan. The four condominium units are contained in one 76-story building. The Mortgaged Property also contains recreational facilities including a fitness center and spa, game rooms, a playroom for children, a business center and a laundry room. Appurtenant to the Mortgaged Property are two public plazas consisting of approximately 15,000 square feet in the aggregate.

The Condominium was established pursuant to the Real Property Law of the State of New York. Although the proceeds of the Original Mortgage Loan were not used to finance the acquisition, constructing or equipping of the Hospital Units or the School Unit, the proceeds of the Original Mortgage Loan did fund the proportionate cost of the common elements allocable to the Mortgaged Property, excluding the Hospital Units and the School Unit.

The Condominium is managed and operated by the Condominium board of managers, which includes representatives of the Mortgagor, the Hospital and NYC SCA. In addition, certain decisions relating to the Condominium, including, but not limited to, decisions relating to restoration following casualty and condemnation are governed by the terms of the Condominium declaration and by-laws.

Construction of the Mortgaged Property was substantially complete in March 2011 and as of August 31, 2014, approximately 97% of the residential units were occupied.

The Mortgagor obtained a 20-year phased exemption from real estate taxes for the Mortgaged Property in accordance with 421-a of the Real Property Tax Law of the State of New York, which exemption currently requires that all residential apartments in the Mortgaged Property be subject to rent regulation for 20 years in accordance with the New York City Rent Stabilization Code. The 20 year phased exemption will terminate on June 30, 2031.

The architect for the Mortgaged Property was Gehry Architects New York, P.C. Kreisler Borg Flormann General Construction Company was the construction manager for the construction of the Mortgaged Property.
The Market

The Mortgaged Property is located at 8 Spruce Street in Manhattan borough of New York City. The Mortgaged Property is bounded by Gold Street to the east, Beckman Street to the south, Nassau Street to the west and Spruce Street to the north. Located in the Downtown submarket, which consists of the area south of 14th Street, the Mortgaged Property is proximate to TriBeCa, which is home to many cultural and entertainment offerings including the TriBeCa Film Festival, the Brooklyn Bridge Promenade, City Hall Park, the Front Street Restaurant Row and the new retail and outdoor concert facilities to be built at South Street Seaport. There are also two sizable plazas, the Williams Street Plaza and West Plaza, right outside the Mortgaged Property.

The following is a summary of competitive properties.

<table>
<thead>
<tr>
<th>Property</th>
<th>Address</th>
<th>Floors</th>
<th>Year Built</th>
<th>Occupancy Rate</th>
<th>Distance from Property</th>
<th>Units</th>
<th>Unit Type</th>
<th>Base Rent</th>
<th>PSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York By Gehry</td>
<td>8 Spruce Street</td>
<td>76</td>
<td>2011</td>
<td>99.00%</td>
<td>N/A</td>
<td>899</td>
<td>0BR</td>
<td>$79.30</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1BR</td>
<td>$76.83</td>
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<td>2BR</td>
<td>$82.25</td>
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<td></td>
<td>3BR</td>
<td>$89.32</td>
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<td></td>
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<td></td>
<td></td>
<td>1BR</td>
<td>$111.00</td>
<td></td>
</tr>
<tr>
<td>Liberty Luxe</td>
<td>200 North End Avenue</td>
<td>35</td>
<td>2008</td>
<td>97.00%</td>
<td>0.29 mile(s)</td>
<td>280</td>
<td>0BR</td>
<td>N/A</td>
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<td></td>
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<td></td>
<td></td>
<td>1BR</td>
<td>$68.94</td>
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<td>2BR</td>
<td>$78.77</td>
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<td></td>
<td></td>
<td>3BR</td>
<td>$88.99</td>
<td></td>
</tr>
<tr>
<td>NAP</td>
<td>50 Murray Street</td>
<td>22</td>
<td>2003</td>
<td>98.72%</td>
<td>0.30 mile(s)</td>
<td>390</td>
<td>0BR</td>
<td>$93.48</td>
<td></td>
</tr>
<tr>
<td></td>
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<td>1BR</td>
<td>$95.90</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>3BR</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Morton Square</td>
<td>600 Washington Street</td>
<td>7</td>
<td>2004</td>
<td>98.52%</td>
<td>1.20 mile(s)</td>
<td>135</td>
<td>0BR</td>
<td>$85.01</td>
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<td></td>
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<td></td>
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<td>1BR</td>
<td>$87.80</td>
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<td>2BR</td>
<td>$69.95</td>
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<td></td>
<td></td>
<td></td>
<td>3BR</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>The Beatrice</td>
<td>105 West 29th Street</td>
<td>54</td>
<td>2010</td>
<td>97.35%</td>
<td>2.57 mile(s)</td>
<td>320</td>
<td>0BR</td>
<td>$81.75</td>
<td></td>
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<td></td>
<td></td>
<td>3BR</td>
<td>$122.86</td>
<td></td>
</tr>
<tr>
<td>MiMA Tower</td>
<td>440-460 West 42nd Street</td>
<td>63</td>
<td>2011</td>
<td>98.68%</td>
<td>3.32 mile(s)</td>
<td>151</td>
<td>0BR</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
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<td></td>
<td></td>
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<td>$89.90</td>
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<td>2BR</td>
<td>$85.05</td>
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<td></td>
<td></td>
<td></td>
<td>3BR</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>ICON</td>
<td>306 West 48th Street</td>
<td>43</td>
<td>2012</td>
<td>95.90%</td>
<td>3.55 mile(s)</td>
<td>121</td>
<td>0BR</td>
<td>$83.71</td>
<td></td>
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<td></td>
<td></td>
<td>3BR</td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

(1) Competitive set numbers based on CBRE, Inc. appraisal dated June 25, 2014.
Collateral Overview

<table>
<thead>
<tr>
<th>Property Name</th>
<th>City</th>
<th>State</th>
<th>Property Type</th>
<th>Units</th>
<th>Appraised Value(^{(1)})</th>
<th>Appraised Value Per Unit</th>
<th>Underwritten Net Cash Flow</th>
<th>Leased Occupancy(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York by Gehry</td>
<td>New York</td>
<td>NY</td>
<td>Multifamily</td>
<td>899</td>
<td>$1,100,000,000</td>
<td>$1,223,582</td>
<td>$39,391,031</td>
<td>99.0%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) The appraised value is the "as is" value as of June 16, 2014 of the Mortgaged Property based on an appraisal performed by CBRE, Inc.

\(^{(2)}\) The Mortgaged Property was 99.0% leased as of May 31, 2014.

The Property consists of 899 residential units located on floors 7 -- 12 and floors 14 through PH as well as approximately 1,200 leasable SF of retail space on floor 1 and is situated between William and Nassau Streets within the Downtown submarket of Manhattan and in close proximity to City Hall Plaza, TriBeCa and the Brooklyn Bridge. The Property was completed in 2011, was designed by the renowned architect Frank Gehry, has a unique undulating façade and is the tallest residential building in the western hemisphere. The apartments are located on floors 7 - 76 (PH) whose standard room sizes averages approximately 753 SF. The following table presents a summary of the unit configurations:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Total</th>
<th>Occupancy Rate</th>
<th>Unit Size (SF)</th>
<th>SF</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>189</td>
<td>100%</td>
<td>468</td>
<td>88,449</td>
<td>13%</td>
</tr>
<tr>
<td>1 BR</td>
<td>512</td>
<td>99%</td>
<td>688</td>
<td>352,167</td>
<td>52%</td>
</tr>
<tr>
<td>2 BR</td>
<td>166</td>
<td>100%</td>
<td>1,112</td>
<td>184,626</td>
<td>27%</td>
</tr>
<tr>
<td>3 BR</td>
<td>24</td>
<td>100%</td>
<td>1,630</td>
<td>39,114</td>
<td>6%</td>
</tr>
<tr>
<td>PH</td>
<td>4</td>
<td>100%</td>
<td>2,243</td>
<td>8,973</td>
<td>1%</td>
</tr>
<tr>
<td>Offline</td>
<td>4</td>
<td>25%</td>
<td>910</td>
<td>3,641</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>899</strong></td>
<td><strong>99%</strong></td>
<td><strong>753,670</strong></td>
<td><strong>676,970</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

(1) Based on the borrower rent roll dated May 31, 2014.

[Collateral Metrics by Bond Class]

<table>
<thead>
<tr>
<th>Bond Class</th>
<th>Ratings (Fitch / S&amp;P)</th>
<th>Initial Balance</th>
<th>Closing Date Class Loan-to-Value Ratio(^{(1)})</th>
<th>Closing Date Class Debt Yield(^{(2)})</th>
<th>Closing Date Underwritten DSCR(^{(3)})</th>
<th>Class Loan / Square Foot(^{(4)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A</td>
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<td>Class B</td>
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<tr>
<td>Class C</td>
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<tr>
<td>Class D</td>
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<td>Class E</td>
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<td>Class F</td>
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<tr>
<td>Class G</td>
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</tr>
</tbody>
</table>

OHSUSA:758302121.6
### Operating History and Underwritten Net Cash Flow

<table>
<thead>
<tr>
<th>Gross Potential Rent</th>
<th>TTM Jun-14</th>
<th>T3 Annualized</th>
<th>2014 Reforecast</th>
<th>CBRE Inc. - Year 1</th>
<th>Underwriting</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$ per Unit</td>
<td>$ per Unit</td>
<td>$ per Unit</td>
<td>$ per Unit</td>
</tr>
<tr>
<td>Less: Vacancy</td>
<td></td>
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<tr>
<td>Less: Collection Loss</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Less: Concessions</td>
<td></td>
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<tr>
<td><strong>Total Residential Revenue</strong></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Total Other Income</td>
<td></td>
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<tr>
<td>Non-Allowable Other Income</td>
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<tr>
<td><strong>Effective Gross Revenue</strong></td>
<td></td>
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</tr>
</tbody>
</table>

### Expenses

| Real Estate Tax       |            |               |                 |                    |              |
| Insurance             |            |               |                 |                    |              |
| Utilities             |            |               |                 |                    |              |
| Leasing & Marketing   |            |               |                 |                    |              |
| Professional Fees     |            |               |                 |                    |              |
| Administrative        |            |               |                 |                    |              |
| Repairs & Maintenance |            |               |                 |                    |              |
| Management Fee        |            |               |                 |                    |              |
| Payroll               |            |               |                 |                    |              |
| Amenities Management  |            |               |                 |                    |              |
| **Total Operating Expenses** |        |               |                 |                    |              |

### Net Operating Income

<table>
<thead>
<tr>
<th>Capital Expenditures</th>
</tr>
</thead>
</table>

### Net Cash Flow

*Note: Totals may not sum due to rounding.*
Underwritten Assumptions

**Gross Potential Rent:** Gross Potential Rent is based on the current occupied unit rent as of the [May 31, 2014] rent roll plus the vacant unit rent grossed up at the appraiser’s concluded market rent for each unit type (1BR, 2BR, etc).

**Vacancy:** Vacancy underwritten to a total vacancy loss of 5.0% inclusive of Collection Loss and Credit Loss. Collection Loss and Credit Loss shown in-line with the annualized T3 figure as of [April 2014]. The total vacancy loss of 5.0% is higher than the appraiser’s concluded stabilized vacancy and credit loss rate of 3.1% for the Mortgaged Property.

**Other Income:** Other Income is based on the TTM figure as of [April 2014] and excludes $495,341 of Lease Termination Income. Other Income is comprised of Electrical reimbursement fees, amenity revenue, storage fees, legal fee income, late fees, damage and cleaning fees, and other various items.

**Real Estate Taxes:** Real Estate Taxes are based on the projected average tax payable projected over the loan term. The Property is subject to a 421-a tax abatement that fully expires in June 2031. The Appraiser’s Year 1 Projection reflects a projection of the Annual Tax Liability excluding the abatement.

**Operating Expenses:** Operating Expenses based on the Appraiser’s Year 1 Projection. The Appraiser’s concluded expenses are generally in-line with the TTM figures except for the Leasing & Marketing line. The historical statements reflect a higher figure given the recent construction and lease-up nature of the Mortgaged Property. The appraiser concluded a figure of $450,000 as a more accurate reflection of the stabilized Leasing and Marketing expense.

**Management Fee:** Management Fee underwritten to $1,000,000, which is higher than the in-place management fee. The appraiser concluded 2.0% as the appropriate management fee. Additionally, the Mortgaged Property has an amenities management fee which, when added to the underwritten Management Fee totals 3.8% of Effective Gross Revenue.

**Replacement Reserves:** Underwritten to [$250] per unit.

Third Party Reports

**Appraisals.** CBRE, Inc. prepared an appraisal with respect to the Mortgaged Property, which appraisal determined as of June 16, 2014 an “as is” value of $1,100,000,000. The appraisal and update each contained a statement and were accompanied by a letter from the appraiser, to the effect that such appraisal and update were performed in accordance with the requirements of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as in effect on the date the Mortgage Loan was originated.

A copy of the appraisal report will be available for review as described in “—Copies of Third Party Reports” below. Investors are encouraged to review each appraisal report in its entirety. See “CERTAIN RISK FACTORS—Risks Related to the Mortgage Loan—Limitations of Appraisals” in this Official Statement.

**Engineering Report.** Property Solutions, Inc. prepared a property condition assessment, dated June 27, 2014, with respect to the Mortgaged Property. No significant problems with the conditions of the Mortgaged Property were reported. A copy of the property condition report for the Mortgaged Property will be available for review as described in “—Copies of Third Party Reports” below. Investors are encouraged to review the property condition report in its entirety. See “CERTAIN RISK FACTORS—Risks Related to the Mortgage Loan—Risks of Inspections Relating to Property” in this Official Statement.
Environmental Assessment. Property Solutions, Inc. prepared an Environmental Site Assessment Report with respect to the Mortgaged Property, dated February 22, 2013. The assessment did not reveal any environmental liability that the [Depositor] believes would have a material impact on the Mortgaged Property’s business, assets or results of operations taken as a whole. Nevertheless, there can be no assurance that all environmental conditions and risks were identified in such report. The report noted that the Mortgaged Property [operates one active 40,000-gallon underground storage tank ("UST"), which was installed in 2008; such UST originally contained No. 6 fuel oil and was converted to No. 2 fuel oil in 2012. The report recommends that the UST should function adequately, provided it was properly installed and operated in accordance with governmental regulations. In addition, the report noted that, due to the age of the property, there is a potential that lead-based paint may have been applied and that asbestos-containing material may exist at the Mortgaged Property. The report recommends that all activities involving lead-based paint or asbestos-containing material be conducted in accordance with applicable government regulations.] A copy of the environmental report for the Mortgaged Property will be available for review as described in "—Copies of Third Party Reports" below. Investors are encouraged to review the environmental report in its entirety. See "CERTAIN RISK FACTORS—Risks Related to the Mortgage Loan—Potential Issuing Entity Liability Related to a Materially Adverse Environmental Condition" in this Official Statement.

Copies of Third Party Reports. A copy of the appraisal, property condition report and environmental report for the Mortgaged Property will be available for review on the [Depositor]'s website at [www.intralinks.com] until October [ ], 2014. Following such date, such reports will be made available to any Certificateholder or and any prospective purchaser designated by such holder upon request made to Merrill Lynch, Pierce, Fenner & Smith Incorporated at (646) 855-3953. Investors are encouraged to review the Third Party Reports in their entirety.

The Third Party Reports were prepared prior to the date of this Official Statement. Accordingly, the information included in the Third Party Reports may not reflect the current economic, competitive, market and other conditions with respect to the Mortgaged Property. In addition, the information in the Third Party Reports has not been independently verified by the [Depositor], the Mortgage Loan Sellers, the Initial Purchasers, the Master Servicer, the Special Servicer, the Certificate Administrator or the Trustee, and none of them makes any representations or warranties about such information. Investors are responsible for performing their own due diligence and investigation with respect to the information contained in the Third Party Reports. The Third Party Reports do not appear elsewhere in paper form in this Official Statement and must be reviewed and considered together with the information contained elsewhere in this Official Statement. All of the information contained in the Third Party Reports is subject to the same limitations and qualifications contained in this Official Statement.

Additional Information Regarding the Mortgage Loan and the Mortgaged Property

For purposes of this Official Statement:

"Cut-off Date Balance" means the unpaid principal balance of the Mortgage Loan as of the Cut-off Date, after application of all payments of principal due on or before such date, whether or not received.

"Cut-off Date" means October [ ], 2014.

"Cut-off Date Loan-to-Value Ratio" or "LTV" means (x) the Cut-off Date Balance of the Mortgage Loan divided by the (y) the appraised value of the Mortgaged Property of $1.1 billion, as determined by CBRE, Inc. as of June 16, 2014.

"Cut-off Date UW NCF Debt Yield" means the Underwritten Net Cash Flow for the Mortgaged Property divided by the Cut-off Date Balance of the Mortgage Loan.
“Cut-off Date UW NOI Debt Yield” means the Underwritten Net Operating Income for the Mortgaged Property divided by the Cut-off Date Balance of the Mortgage Loan.

“GAAP” means generally accepted accounting principles, consistently applied, in effect from time to time as set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession), or in such other statements by such entity as may be in general use by significant segments of the U.S. accounting profession.

“Occupancy” means the percentage of the square footage of the net rentable or leasable area of the Mortgaged Property that was occupied or leased as of a specified date. The Occupancy information has been obtained from the Borrower, as derived from the Mortgaged Property’s rent rolls, operating statements or appraisals. The Occupancy presented in this Official Statement may include unoccupied space leased to an affiliate of the Borrower and space subject to build out or other construction or renovation. The Occupancy may exclude area currently under renovation.

“Property” means the Mortgaged Property.

“TTM” means trailing twelve (12) months.

“Underwritten Net Cash Flow”, “Underwritten NCF” or “UW NCF”, with respect to the Mortgaged Property, means the Underwritten Net Operating Income decreased by the estimated capital expenditures and reserves for capital expenditures, including tenant improvement costs and leasing commissions, as applicable. Underwritten Net Cash Flow generally does not reflect interest expense and non-cash items such as depreciation and amortization.

“Underwritten Net Operating Income”, “Underwritten NOI” or “UW NOI”, with respect to the Mortgaged Property, means an estimate of cash flow available for debt service in a typical year of stable, normal operations as determined by the Mortgage Loan Sellers. In general, it is the estimated underwritten revenue derived from the use and operation of the Mortgaged Property less the sum of (a) estimated operating expenses (such as utilities, administrative expenses, repairs and maintenance, management fees and advertising); and (b) estimated fixed expenses (such as insurance and real estate taxes). The Underwritten Net Operating Income for the Mortgaged Property is calculated on the basis of numerous assumptions and subjective judgments, which, if ultimately proven erroneous, could result in the actual net cash flow for the Mortgaged Property differing materially from the Underwritten Net Operating Income set forth in this Official Statement. Certain of such assumptions and subjective judgments of the Mortgage Loan Sellers relate to future events, conditions and circumstances, including future expense levels, future increases in rents over current rental rates (including in circumstances where a tenant may currently be in a free or reduced rent period), future vacancy rates, commencement of occupancy and rent payments with respect to leases for which rentals have not yet commenced and/or a “free rent” period is still in effect, the re leasing of vacant space and the continued leasing of occupied space, which will be affected by a variety of complex factors over which none of the [Depositor], the Mortgage Loan Sellers, the Master Servicer or the Special Servicer have control.

In determining Underwritten Net Operating Income for the Mortgaged Property, the Mortgage Loan Sellers generally relied on rent rolls and/or other generally unaudited financial information provided by the Borrower, and as appropriate, the appraisal and/or local market information. From that information, the Mortgage Loan Sellers calculated stabilized estimates of cash flow that took into consideration historical financial statements, appraiser estimates, borrower budgets, material changes in the operating position of the Mortgaged Property of which the Mortgage Loan Sellers were aware (e.g., current rent roll information including newly signed leases regardless of whether the tenant has taken occupancy), near term rent steps, expirations of “free rent” periods, market rents, and market vacancy data, and estimated capital expenditures, leasing commissions and tenant improvement costs.
“UW NCF Debt Service Coverage Ratio”, “Underwritten NCF DSCR”, “Debt Service Coverage Ratio” or “DSCR” means (a) the Underwritten Net Cash Flow for the Mortgaged Property, divided by (b) $[22,330,092] for the Mortgage Loan.

In general, debt service coverage ratios are used by income property lenders to measure the ratio of (a) cash currently generated by a property that is available for debt service to (b) required debt service payments. However, debt service coverage ratios only measure the current, or recent, ability of a property to service mortgage debt. If a property does not possess a stable operating expectancy (for instance, if it is subject to material leases that are scheduled to expire during the loan term and that provide for above market rents and/or that may be difficult to replace), a debt service coverage ratio may not be a reliable indicator of a property’s ability to service the mortgage debt over the entire remaining loan term. The Underwritten NCF DSCR is presented in this Official Statement for illustrative purposes only and, as discussed above, are limited in their usefulness in assessing the current, or predicting the future, ability of the Mortgaged Property to generate sufficient cash flow to repay the Mortgage Loan. Accordingly, no assurance can be given, and no representation is made, that the Underwritten NCF DSCR accurately reflects that ability.

“UW NOI Debt Service Coverage Ratio” or “Underwritten NOI DSCR” means (a) the Underwritten Net Operating Income for the Mortgaged Property, divided by (b) the $[22,330,092] for the Mortgage Loan.

The Underwritten NOI DSCR is presented in this Official Statement for illustrative purposes only and, as discussed above, are limited in their usefulness in assessing the current, or predicting the future, ability of the Mortgaged Property to generate sufficient cash flow to repay the Mortgage Loan. Accordingly, no assurance can be given, and no representation is made, that the Underwritten NOI DSCR accurately reflects that ability. See the definition of “Underwritten NCF DSCR” in this Official Statement for more information regarding the evaluation of debt service coverage ratios.
Rent Stabilization

The residential rental units in the Mortgaged Property are subject to the Rent Stabilization Regulations. Under the Rent Stabilization Regulations, the amount that the Mortgagor can increase rents on Tenants is limited by law, and may be below non-regulated market increases. Each year, the New York City Rent Guidelines Board (the "Rent Guidelines Board") establishes the lease guidelines for rent stabilized apartments applicable to leases with effective dates between October 1 of such year and September 30 of the following year. The Rent Stabilization Regulations set forth the factors that must be considered by the Rent Guidelines Board prior to the adoption of rent guidelines. These include, without limitation, (A) the economic condition of the residential real estate industry in New York City including such factors as the prevailing and projected (i) real estate taxes and sewer and water rates, (ii) gross operating maintenance costs (including insurance rates, governmental fees, cost of fuel and labor costs), (iii) costs and availability of financing (including effective rates of interest), (iv) overall supply of housing accommodations and overall vacancy rates and (B) relevant data from the current and projected cost of living indices for the affected area. Additionally, the Mortgagor is required under the Rent Stabilization Regulations to provide certain services to Tenants and to offer Tenants renewal leases, and limits the grounds on which a Tenant may be evicted. The Rent Stabilization Regulations also permits Tenants to file relevant complaints with the Division of Housing and Community Renewal ("DHCR"). DHCR is empowered to reduce rents and levy civil penalties against the Mortgagor in cases of violations, reduce rents if services are not maintained, and, in cases of overcharge, DHCR may assess penalties of interest or treble damages payable to the Tenant.

Additional Information Regarding the Loans and the Mortgaged Property

[For further information regarding the Loans and the Mortgaged Property see the Annex and the CD-ROM included with this Official Statement.]

[INSURANCE ON THE MORTGAGED PROPERTY]

[TO COME]
PLAN OF FINANCE

Estimated Sources and Uses of Funds

The following describes the estimated sources and uses of the proceeds of the Loan:

Sources of Funds
Principal amount of Series 2014 Bonds $000,000,000.00
Net [Original Issue Discount/ Premium] of the Series 2014 Bonds [Borrower Funds]

Total

Uses of Funds
Redemption of Prior Bonds (principal)
Accrued interest on the Prior Bonds **
Stub Interest on Series 2014 Bonds from Closing Date to [_______] **
Fees and Costs†
[Deposits into Reserve Accounts **]

Total

† Includes the fee to the Underwriters; the fee to the Issuer; legal, financial advisory and rating agency fees; fees of the Servicers, the Operating Advisor and the Indenture Trustee; and other fees, costs and expenses related to the Series 2014 Bonds. The amount of Fees and Costs is an estimate and is subject to adjustment to reflect final Fees and Costs as of the Bond Issuance Date.

** To be funded by Borrower out of its own funds.

The Loan

The Loan will be made pursuant to the Loan Agreement (and further evidenced by the Note) pursuant to which the Issuer will loan the proceeds of the Series 2014 Bonds to the Borrower in the principal amount of $[680,000,000]**. The Borrower will use the proceeds of the Loan and net original issue premium on the Series 2014 Bonds to effect the refunding in whole of the Prior Bonds and to pay costs related to the issuance of the Series 2014 Bonds. It is intended that the Prior Bonds will be redeemed in whole and will no longer be outstanding on the Bond Issuance Date.

† Preliminary, subject to change.
APPRAISAL AND MARKET ANALYSIS

An appraisal prepared by CBRE, Inc. dated as of June 25, 2014 (with a valuation date of June 16, 2014) (the “Appraisal”) included as [APPENDIX H], was obtained with respect to the Mortgaged Property in connection with the offering of the Series 2014 Bonds. The Appraisal determined an “as is” value for the Mortgaged Property of $1,100,000,000, [and a value inclusive of the incremental value of the interest savings attributed to the Series 2014 Tax-Exempt Bonds tax-exempt financing of $[______]]. In general, appraisals represent the analysis and opinion of qualified appraisers and are not guarantees of present or future value. One appraiser may reach a different conclusion than the conclusion that would be reached if a different appraiser were appraising the same property. Moreover, appraisals seek to establish the amount a typically motivated buyer would pay a typically motivated seller and, in certain cases, may have taken into consideration the purchase price paid by the owner. Such amount could be significantly higher than the amount obtained from the sale of the Mortgaged Property under a distress or liquidation sale.

The Appraisal appended hereto contains various conclusions that are based on multiple methods of measuring property valuation and that are subject to numerous material qualifications and assumptions. Potential investors in the Series 2014 Bonds should review in detail the entirety of the Appraisal before evaluating the conclusions reached in the Appraisal. See “CERTAIN RISK FACTORS” herein.

PROPERTY CONDITION REPORT

A property condition report prepared by Property Solutions Inc., dated June 27, 2014, included as [APPENDIX I] the “Property Condition Report”), was obtained with respect to the Mortgaged Property in connection with the offering of the Series 2014 Bonds. Potential investors in the Series 2014 Bonds should review in detail the entirety of the Property Condition Report before evaluating the conclusions reached in the Property Condition Report. See “CERTAIN RISK FACTORS” herein.

ENVIRONMENTAL ASSESSMENT

[At the request of the Borrower, a Phase I environmental assessment prepared by [________], dated [________], included as [APPENDIX I] (the “Environmental Assessment”), was obtained with respect to the Mortgaged Property in connection with the offering of the Series 2014 Bonds. Potential investors in the Series 2014 Bonds should review in detail the entirety of the Environmental Assessment before evaluating the conclusions reached in the Environmental Assessment. See “CERTAIN RISK FACTORS” herein.]

DESCRIPTION OF THE SERIES 2014 BONDS

General Description

The Series 2014 Bonds consist of the Class A, Bonds, Class B Bonds, Class C Bonds, Class D Bonds, Class E Bonds, Class F Bonds and Class G Bonds. Each Class of the Series 2014 Bonds is dated their date of original issuance and delivery (except as otherwise provided in the Indenture) and will mature on the respective dates and in the respective principal amounts, and bear interest at the respective rates set forth on the inside facing cover page of this Official Statement.

The Series 2014 Bonds are issuable as fully registered bonds without coupons in book-entry-only form and will be registered in the name of Cede & Co. as described below. The Series 2014 Bonds will bear interest, payable monthly on the fifteenth day of each month commencing [_______], 20[____], computed on the basis of a 360-day year and twelve 30-day months. [The Class A Bonds and the Class B Bonds will be in the minimum denomination of $5,000 or any integral multiple thereof, and the Class C Bonds, Class D Bonds, Class E Bonds, Class F Bonds and Class G Bonds will be in the minimum denomination of $100,000 or any integral multiple of $5,000 in excess thereof.] Interest on the Series 2014 Bonds shall be payable on each Payment Date to the Bondholders of record on the Record Date relating thereto.
The principal or Redemption Price, if any, of the Series 2014 Bonds shall be payable at the designated corporate trust office of the Indenture Trustee in New York, New York, as Paying Agent, or at the designated corporate trust office of any successor Paying Agent. Interest on the Series 2014 Bonds shall be payable to the Bondholders of record on the Record Date (1) by check or draft mailed on the Payment Date to the registered owner or (2) by wire transfer on the Payment Date to any owner of at least $1,000,000 in aggregate principal amount of Series 2014 Bonds upon written notice provided by such Person to the Indenture Trustee not later than the Record Date for such interest payment. Interest payments made by check or draft shall be mailed to each owner at his address as it appears on the registration books of the Issuer maintained by the Indenture Trustee on the applicable Record Date. Wire transfer payments of interest shall be made at such wire transfer address in the United States of America as the owner shall specify in his notice requesting payment by wire transfer.

While the Series 2014 Bonds are held through The Depository Trust Company ("DTC"), payment of principal or Redemption Price, if any, of, and interest on, the Series 2014 Bonds will be made through the facilities of DTC. See "BOOK-ENTRY ONLY SYSTEM" below.

Class Priority

The payment of the principal of and interest on the Series 2014 Bonds are subject to a priority of payment under the Indenture (the "Class Priority") such that the (a) the Class A Bonds will be senior in payment priority to the Series 2014 Bonds of Class B through G, inclusive; (b) the Class B Bonds will be senior in payment priority to the Series 2014 Bonds of Classes C through G, inclusive; (c) the Class C Bonds will be senior in payment priority to the Series 2014 Bonds of Classes D through G, inclusive; (d) the Class D Bonds will be senior in payment priority to the Series 2014 Bonds of Classes E through G, inclusive; (e) the Class E Bonds will be senior in payment priority to the Series 2014 Bonds of Classes F through G, inclusive; and (f) the Class F Bonds will be senior in payment priority to the Class G Bonds.

Optional Redemption

The Series 2014 Bonds are subject to redemption, at the option of the Issuer, in whole only during the period from the end of the Lock-Out Period to the Anticipated Repayment Date, or in whole or in part (in Authorized Denominations), at any time on and after the Anticipated Repayment Date, at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Series 2014 Bonds or portions thereof to be so redeemed, plus accrued interest to the Redemption Date.

Purchase in Lieu of Optional Redemption

The Series 2014 Bonds are subject to mandatory tender for purchase, in lieu of optional redemption, at the direction of the Issuer, upon request of the Mortgagor, in whole only during the period from the end of the Lock-Out Period to the Anticipated Repayment Date, or in whole or in part (in Authorized Denominations) from and after the Anticipated Repayment Date, at a Tender Price equal to one hundred percent (100%) of the principal amount of the Series 2014 Bonds or portions thereof to be so redeemed, plus accrued interest to the tender date. Purchases in lieu of an optional redemption are permitted, with the consent of the Issuer, upon the delivery to the Issuer and the Indenture Trustee of (i) an opinion of Bond Counsel addressed to the Issuer and the Indenture Trustee substantially to the effect that (a) such purchases in lieu of optional redemption comply with the provisions of the Indenture, and (b) such purchase in lieu of redemption or any transaction directly related thereto will not adversely affect the exclusion from federal income taxation of interest on any Class of Series 2014 Tax-Exempt Bonds Outstanding, and (ii) such other opinions, certificate or documentation as the Issuer may require.
Selection of Series 2014 Bonds for Optional Redemption or Purchase in Lieu of Redemption

Unless otherwise accompanied by a No Downgrade Confirmation, the Series 2014 Bonds that are to be subject to optional redemption, or purchase in lieu of such redemption, will be selected in order of Class Priority (until the outstanding Principal Balance of each such Class is reduced to zero) commencing with Class A, allocated pro rata among the Outstanding Series 2014 Bonds that are part of each such Class based on their respective Percentage Interests.

Notice of Redemption

When redemption of any Series 2014 Bonds or any portions thereof is requested or required pursuant to the Indenture, the Indenture Trustee shall give notice of such redemption in the name of the Issuer, specifying the Class, CUSIP number, Bond numbers, the date of original issue, the date of mailing of the notice of redemption, maturities, interest rates and principal amounts of the Series 2014 Bonds or portions thereof to be redeemed, the Redemption Date, the Redemption Price and the place or places where amounts due upon such redemption will be payable (including the name, address and telephone number of a contact person at the Indenture Trustee) and specifying the principal amounts of the Series 2014 Bonds of such Class or portions thereof to be payable and, if less than all of the Series 2014 Bonds of a Class of any maturity are to be redeemed, the numbers of such Series 2014 Bonds or portions thereof of such Class to be so redeemed. Such notice shall further state that on such date there shall become due and payable upon each Series 2014 Bond of such Class or portion thereof to be redeemed the Redemption Price thereof together with interest accrued to but not including the Redemption Date, and that from and after such Redemption Date interest thereon shall cease to accrue and be payable. Such notice may set forth any additional information relating to such redemption. The Indenture Trustee, in the name and on behalf of the Issuer, (i) shall mail a copy of such notice by first class mail, postage prepaid, not more than 30 nor less than 20 days prior to the date fixed for redemption to the registered owners of any Series 2014 Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registration books, but any defect in such notice shall not affect the validity of the proceedings for the redemption of Series 2014 Bonds with respect to which proper mailing was effected; (ii) cause notice of such redemption to be submitted to the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board; and (iii) mail a copy of such notice by first class mail, postage prepaid, to the Master Servicer and the Special Servicer at the same time notice is sent to the Bondholders. [Notwithstanding the above, the Borrower pursuant to an Officer’s Certificate may rescind the notice of redemption by giving written notice of such rescission to the Special Servicer, the Master Servicer, the Operating Advisor, the Collateral Trustee and the Indenture Trustee at least two (2) days prior to the date on which redemption is to occur. In the event any notice of redemption is rescinded, the Issuer shall not be required to redeem the Series 2014 Bonds previously called for redemption.]

Interchangeability, Transfer and Registry

Each Series 2014 Bond shall be transferable only upon compliance with the restrictions on transfer set forth on such Series 2014 Bond and only upon the books of the Issuer, which shall be kept for the purpose at the designated corporate trust office of the Indenture Trustee, by the registered owner thereof in person or by his duly authorized attorney-in-fact with signature guaranteed, upon presentation thereof together with a written instrument of transfer in the form appearing on such Series 2014 Bond, duly executed by the registered owner or his duly authorized attorney-in-fact with signature guaranteed. Upon the transfer of any Series 2014 Bond, the Indenture Trustee shall prepare and issue in the name of the transferee one or more new Series 2014 Bonds of the same aggregate principal amount, Class and maturity as the surrendered Series 2014 Bond.

Any Series 2014 Bond, upon surrender thereof at the designated corporate trust office of the Indenture Trustee with a written instrument of transfer in the form appearing on such Series 2014 Bond, duly executed by the registered owner or his duly authorized attorney-in-fact with signature guaranteed, may, at the option of the owner thereof, be exchanged for an equal aggregate principal amount of Series 2014 Bonds of the same Class and maturity of any other authorized denominations. However, the Indenture Trustee will not be
required to transfer or exchange any such Series 2014 Bonds called for redemption on and after the date notice of redemption is sent to the owners thereof.

The Issuer, the Borrower, the Bond Registrar, the Indenture Trustee, the Master Servicer, the Special Servicer, the Operating Advisor and any Paying Agent may deem and treat the person in whose name any Series 2014 Bond shall be registered as the absolute owner of such Series 2014 Bond, whether such Series 2014 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal, Tender Price in respect of a purchase in lieu of redemption, if any, and Redemption Price, if any, of, and interest on such Series 2014 Bond and for all other purposes, and all payments made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2014 Bond to the extent of the sum or sums so paid, and none of the Issuer, the Borrower, the Bond Registrar, the Indenture Trustee, the Master Servicer, the Special Servicer, the Operating Advisor nor any Paying Agent shall be affected by any notice to the contrary.

**BOOK-ENTRY-ONLY SYSTEM**

DTC, as an automated clearing house for securities transactions, will act as securities depository for the Series 2014 Bonds. Purchasers of beneficial ownership interests in the Series 2014 Bonds will not receive certificates representing their interests in the Series 2014 Bonds purchased. The Series 2014 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each Class of the Series 2014 Bonds, each in the aggregate principal amount of such maturity and Class, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission.

Purchasers of the Series 2014 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2014 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2014 Bond (a “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Series 2014 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will be receive bond certificates representing their ownership.
interests in the Series 2014 Bonds, except in the event that use of the book-entry system for the Series 2014 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2014 Bonds deposited by Direct Participants with DTC are registered in the name of Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2014 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2014 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2014 Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of Series 2014 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2014 Bonds, such as redemptions, defaults, and proposed amendments to the documents relating to the Series 2014 Bonds. For example, Beneficial Owners of Series 2014 Bonds may wish to ascertain that the nominee holding the Series 2014 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to Cede & Co. If less than all of the Series 2014 Bonds within a maturity and Class are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity and Class to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2014 Bonds unless authorized by a Direct Participant in accordance with DTC’s procedures. Under its usual procedures, DTC mails an omnibus proxy (the “Omnibus Proxy”) to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Series 2014 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments and Redemption Price on the Series 2014 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Issuer or the Indenture Trustee on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Indenture Trustee or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest and Redemption Price to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Indenture Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Issuer and the Indenture Trustee may treat DTC (or its nominee) as the sole and exclusive registered owners of the Series 2014 Bonds registered in its name for the purpose of payment of the principal of, or interest on the Series 2014 Bonds, giving any notice permitted or required to be given to registered owners under the Indenture, registering the transfer of the Series 2014 Bonds, or other action to be taken by
registered owners and for all other purposes whatsoever. The Issuer and the Indenture Trustee do not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series 2014 Bonds under or through DTC or any Participant or any other person which is not shown on the registration books of the Issuer (kept by the Indenture Trustee) as being a registered owner, with respect to: the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal of, or interest on the Series 2014 Bonds; any notice which is permitted or required to be given to registered owners thereunder or under the conditions to transfers or exchanges set forth in the Indenture; or other action taken by DTC as a registered owner. Interest and principal will be paid by the Indenture Trustee to DTC, or its nominee. Disbursement of such payments to the Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the Participants or the Indirect Participants.

No assurance can be given by the Issuer that DTC will make prompt transfer of payments to the Participants or that Participants will make prompt transfer or payments to Beneficial Owners. The Issuer is not responsible or liable for payment by DTC or Participants, or for sending transaction statements, or for maintaining, supervising or reviewing records maintained by DTC or Participants.

For every transfer and exchange of beneficial ownership of the Series 2014 Bonds, a Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

DTC may discontinue providing its service with respect to the Series 2014 Bonds at any time by giving reasonable notice to the Issuer or the Indenture Trustee and discharging its responsibilities with respect thereto under applicable law, or the Issuer may terminate its participation in the system of book-entry transfer through DTC at any time by giving notice to DTC. In either event, the Issuer may retain another securities depository for the Series 2014 Bonds as appropriate or may direct the Indenture Trustee to deliver bond certificates in accordance with instructions from DTC or its successor. If the Issuer directs the Indenture Trustee to deliver such bond certificates, such Series 2014 Bonds may thereafter be exchanged for denominations and of the same maturity and Class as set forth in the Indenture, upon surrender thereof at the principal corporate trust office of the Indenture Trustee.

The foregoing information concerning DTC and DTC’s book-entry system has been provided by DTC for informational purposes only and is not intended to serve as a representation, warranty, or contractual modification of any kind, and neither the Issuer, the Borrower nor the Underwriters take responsibility for the accuracy or completeness thereof, or as to the absence of material adverse changes in such information subsequent to the date of this Official Statement.

So long as Cede & Co. is the registered owner of the Series 2014 Bonds, as nominee for DTC, references herein to Bond owners or registered owners of the Series 2014 Bonds (other than under the heading “TAX MATTERS”) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2014 Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the Indenture Trustee to DTC only.

NONE OF THE ISSUER, THE BORROWER OR THE INDENTURE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (2) THE PAYMENT BY OTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT,
REDEMPTION PRICE, IF APPLICABLE, OR INTEREST ON THE SERIES 2014 BONDS; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO HOLDERS UNDER THE TERMS OF THE INDENTURE; OR (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2014 BONDS.

The Issuer and the Indenture Trustee cannot and do not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners of the Series 2014 Bonds (i) payments of principal, Redemption Price, if applicable, of, or interest on the Series 2014 Bonds, (ii) confirmations of their ownership interests in the Series 2014 Bonds, or (iii) redemption or other notices sent to DTC or Cede & Co., its partnership nominee, as the registered owner of the Series 2014 Bonds, or that they will do so on a timely basis, or that DTC, the Direct Participants or the Indirect Participants will serve and act in the manner described in this Official Statement.

DESCRIPTION OF THE SERVICING AGREEMENT

The servicing and administration of the Loan will be carried out by the Master Servicer and the Special Servicer pursuant to the Servicing Agreement. The Servicing Agreement establishes the voting rights of the Bond Holders and Issuer with respect to the Loan, and provides for the assignment by the Indenture Trustee to the Master Servicer and the Special Servicer of the sole and exclusive right to take enforcement actions (except on behalf of the Issuer with respect to the Issuer's Reserved Rights), to grant or withhold any approvals and to exercise rights and remedies under the Loan Documents. Under the Servicing Agreement, the Master Servicer (or upon its failure, the Indenture Trustee) has certain obligations to make Servicing Advances and Interest Advances, except, in each instance, where it has determined in its reasonable and good faith judgment exercised in accordance with the Servicing Agreement that such advances would not be recoverable from subsequent payments or collections (including Liquidation Proceeds) in respect of the Loan or the Mortgaged Property. In addition, Interest Advances and voting rights may be reduced where Realized Losses or Appraisal Reduction Amounts have been determined.

As a general rule, (i) the Master Servicer is to service and administer the Loan when it is a Performing Loan (i.e., that no Servicing Transfer Event then exists), and (ii) the Special Servicer shall service and administer (x) a Specially Serviced Loan (i.e., a Loan for which a Servicing Transfer Event does exist) and (y) an REO Property.

The following is a summary of certain provisions of the Servicing Agreement. This summary does not purport to be complete and reference is made to the entire Servicing Agreement for the detailed provisions thereof. This summary is qualified in its entirety by such reference.

Responsibilities of the Master Servicer and the Special Servicer

The Master Servicer will be required to service and administer the Loan for so long as no Servicing Transfer Event exists on a Payment Date with respect to the Loan (a “Performing Loan”) and the Special Servicer will be required to service and administer (i) the Loan if there exists a Servicing Transfer Event (as defined in “Servicing Transfer Events” below) (such Loan, a “Specially Serviced Loan”), and (ii) an REO Loan and the REO Property, in any case, in the best interests and for the benefit of all the holders of the Loan, subject to applicable law and the express terms of the Regulatory Agreement, the Loans and the Loan Documents, and, to the extent consistent with the foregoing, further as follows (the “Servicing Standard”): (i) with the same care, skill, prudence and diligence with which the Master Servicer or Special Servicer, as applicable, performs its general mortgage servicing and REO property management activities on behalf of third parties or on behalf of itself, whichever is higher, and giving due consideration to the customary and usual standards of practice of prudent institutional commercial mortgage lenders servicing their own loans; (ii) with a view to the timely collection of all scheduled payments of principal and interest under the Loan and all
Borrower Reimbursable Expenses, and, in the case of the Special Servicer, if the Loan comes into and continues in default and if, in the good faith and reasonable judgment of the Special Servicer, no satisfactory arrangements can be made for the collection of the delinquent payments (including payments of Yield Maintenance Premiums), the maximization of the recovery on all of the outstanding Loan on a net present value basis for the benefit of the [Indenture Trustee] [Bond Holders]; and (iii) without regard to: (a) any known relationship that the Master Servicer (or any Affiliate thereof) or the Special Servicer (or any Affiliate thereof), as the case may be, may have with the Borrower (or any Affiliate thereof) or with any other party to the Servicing Agreement; (b) the ownership of the Loan or Bonds by the Master Servicer (or any Affiliate thereof) or the Special Servicer (or any Affiliate thereof), as the case may be; (c) the ownership of any indebtedness with respect to the Mortgaged Property or any related mezzanine debt by the Master Servicer or the Special Servicer, as the case may be; (d) the obligation of the Master Servicer or the Special Servicer to make Advances; (e) the obligation of the Special Servicer to make, or direct the Master Servicer to make, Advances; (f) the right of the Master Servicer (or any Affiliate thereof) or the Special Servicer (or any Affiliate thereof), as the case may be, to receive reimbursement of costs, or the sufficiency of any compensation payable to it, under the Servicing Agreement or with respect to any particular transaction; or (g) any ownership, servicing and/or management by the Master Servicer (or any Affiliate thereof) or the Special Servicer (or any Affiliate thereof), as the case may be, of any other mortgage loans or real property.

The Master Servicer (with respect to a Performing Loan) and the Special Servicer (with respect to the Specially Serviced Loan and REO Loan) will generally be required to undertake reasonable efforts to collect all payments called for under the terms and provisions of the Loan and must use collection procedures consistent with the Servicing Standard. The Master Servicer will not be permitted to obtain title to the Mortgaged Property on behalf of the Indenture Trustee.

The Master Servicer, at its own expense without a right of reimbursement under the Servicing Agreement or otherwise, may enter into sub-servicing agreements with sub-servicers for the servicing and administration of the Loan; provided that (i) any such sub-servicing agreement is upon such terms and conditions as are not inconsistent with the Servicing Agreement and as the Master Servicer and the sub-servicer have agreed, (ii) no sub-servicer retained by the Master Servicer may grant any modification, waiver, or amendment to the Loan or the Loan Documents without the approval of the Master Servicer and (iii) it has obtained the prior written consent of the Issuer. The Master Servicer will remain liable for its servicing obligations under the Servicing Agreement as if the Master Servicer were servicing the Loan directly.

The Special Servicer will not be authorized to engage any subservicer or to enter into any subservicing agreement.

The Master Servicer and/or the Special Servicer, acting in accordance with the terms of the Servicing Agreement, the Loan Documents, will have the sole and exclusive authority to take any actions under the terms of the Loan, including, without limitation, under any insurance policies relating to the Loan (to the extent it has the legal right to do so) (but excluding the Reserved Rights) and to enforce the terms of, and to exercise any and all approval and enforcement rights of the Indenture Trustee or Issuer (other than the Reserved Rights, which Reserved Rights may also be enforced by the Issuer or the Indenture Trustee in consultation with the Master Servicer jointly or severally through an action for specific performance) under the Loan Documents, and neither the Issuer nor the Indenture Trustee may take any actions (other than with respect to the Issuer to the extent provided above) with respect to any such policies or Loan Documents. The Master Servicer and the Special Servicer, to the extent consistent with the terms of the Servicing Agreement and the Servicing Standard, will have the sole and exclusive authority with respect to the administration of, and exercise of rights and remedies with respect to the Loan.

The Servicing Agreement requires the Special Servicer to direct the Indenture Trustee to accelerate the Series 2014 Bonds upon a liquidation of the Mortgaged Property through a trustee's sale, foreclosure sale, sale of REO Property, or otherwise, or the sale of the defaulted Loan or the realization of a deficiency judgment against the Borrower (a "Liquidation").
Inspections

Beginning in 2015, the Master Servicer will be required to inspect or cause to be inspected the Mortgaged Property not less frequently than once per calendar year and the Special Servicer has not already done so. All costs and expenses incurred by the Master Servicer with respect to such inspections will constitute a Servicing Advance. In addition, the Special Servicer will be required to inspect or cause to be inspected the Mortgaged Property as soon as practicable following the occurrence of a Servicing Transfer Event and at least once per calendar year for so long as a Servicing Transfer Event is continuing. All reasonable and direct out-of-pocket expenses incurred by the Special Servicer with respect to such inspections will constitute a Servicing Advance. The Master Servicer or the Special Servicer, as the case may be, will be required to prepare a written report of inspection and deliver it to the Indenture Trustee.

Servicing Transfer Events

The Loan will be a Specially Serviced Loan until the earliest of (i) the Loan is no longer subject to the Servicing Agreement, (ii) the Mortgaged Property becomes an REO Property, and (iii) the cessation of all existing Servicing Transfer Events with respect to the Loan.

Upon determining that a Servicing Transfer Event has occurred with respect to the Loan or receipt of a request for a modification, waiver or other action that would be a Major Decision (as defined below) has been received from the Borrower, the Master Servicer will be required to promptly give notice of such event to the Special Servicer, the Operating Advisor, the Issuer, the Indenture Trustee and the Borrower. The Master Servicer will be required to deliver the Servicing File to the Special Servicer and use its best efforts to provide the Special Servicer with all information, documents (or copies) and records relating to the Loan and reasonably requested by the Special Servicer to enable it to assume its functions under the Servicing Agreement with respect such Loan. The Master Servicer will be required to continue to act as Master Servicer and administer of the Loan until the Special Servicer has commenced the servicing of the Loan upon the occurrence and during the continuation of a Servicing Transfer Event, which will occur upon the receipt by the Special Servicer of the information, documents and records referred to in this paragraph.

If all Servicing Transfer Events have ceased to exist with respect to a Specially Serviced Loan other than by foreclosure, sale or liquidation of the Loan (such Loan, a “Corrected Loan”), the obligations of the Master Servicer to service and administer the Loan will resume.

No later than 60 days after the date the servicing of the Loan is transferred from the Master Servicer to the Special Servicer pursuant to the terms of the Servicing Agreement, the Special Servicer will be required to deliver to the Issuer, the Operating Advisor and the Indenture Trustee, and the Indenture Trustee will be required to make such information available to Bondholders who have provided the Indenture Trustee with an Investor Certification, a report (the “Asset Status Report”) with respect to the Loan and the Mortgaged Property.

If a Servicing Transfer Event has occurred and is continuing, if any consent, modification, amendment or waiver under or other action in respect of the Loan would constitute a Major Decision has been requested or proposed, the Special Servicer will be required to consult with the Issuer before implementing a decision with respect to such Major Decision. The Special Servicer will be required to consult with the Operating Advisor for no longer than seven business days after the delivery of the related initial Asset Status Report. After consulting with the Operating Advisor regarding the implementation of a decision with respect to a Major Decision, the Special Servicer will be required to, in its discretion in accordance with the Servicing Standard, (i) either revise the Asset Status Report to reflect the outcome of the consultation with the Operating Advisor or not so revise the Asset Status Report, (ii) deliver to the Operating Advisor, the Issuer and the Indenture Trustee the Asset Status Report and a proposed notice to each Bondholder that will include a summary of the current Asset Status Report, and the Indenture Trustee will be required to post such notice and summary on its website and (iii) implement the Asset Status Report in the form delivered to the Indenture Trustee. Under no
circumstances will the Special Servicer be bound or obligated (and the Special Servicer will have no liability for any failure) to act in accordance with any suggestion or recommendation of the Operating Advisor. The Special Servicer may, from time to time, modify any Asset Status Report it has previously delivered and implement such report. Following the occurrence of an extraordinary event with respect to the Mortgaged Property, or if a failure to take any such action at such time would be inconsistent with the Servicing Standard, the Special Servicer may take actions with respect to the Mortgaged Property before consulting with the Operating Advisor (or prior to finishing such consultation) if the Special Servicer reasonably determines in accordance with the Servicing Standard that failure to take such actions prior to such consultation (or completion of such consultation) would materially and adversely affect the interests of the Bondholders and the Special Servicer has made a reasonable effort to contact the Operating Advisor.

In addition, the Loan Agreement and the Servicing Agreement provide that if the Loan becomes a Specially Serviced Loan, none of the Borrower or any of its affiliates will be entitled to receive or review any Asset Status Report or other report or information generated by the Special Servicer.

“Major Decision” means, collectively:

(a) any modification of, or waiver with respect to, the Loan that would result in the extension of its Stated Maturity Date, a reduction in the interest rate borne thereby or the monthly debt service payment or a deferral or a forgiveness of interest on or principal of the Loan or a modification or waiver of any other term of the Loan relating to the amount or timing of any payment of principal or interest or any other sums due and/or payable under the Loan Documents or a modification or waiver of any material term of the Loan, including but not limited to provisions that restrict the Borrower or its equity owners from incurring additional indebtedness, or incurring any Lien on any of the Mortgaged Property or the personal property related thereto (other than liens permitted pursuant to the Loan Documents);

(b) any foreclosure upon or comparable conversion (which may include acquisition of an REO Property) of the ownership of the Mortgaged Property or any acquisition of the Mortgaged Property by deed-in-lieu of foreclosure or any other exercise of remedies following a Mortgage Event of Default;

(c) any sale of all or any portion of the Mortgaged Property or REO Property except in each case as expressly permitted by the Loan Documents and Regulatory Agreement;

(d) any action to bring the Mortgaged Property or REO Property into compliance with any laws relating to Hazardous Materials;

(e) any substitution or release of collateral for the Loan, except in each case as expressly permitted by the Loan Documents and Regulatory Agreement;

(f) any release of the Borrower or any guarantor from liability with respect to the Loan including, without limitation, by acceptance of an assumption of the Loan by a successor Borrower or any guarantor (other than in connection with a defeasance or as otherwise expressly permitted under the Loan Documents and Regulatory Agreement);

(g) any determination not to enforce a “due-on-sale” or “due-on-encumbrance” clause;

(h) any transfer of the Mortgaged Property or any portion thereof, or any transfer of any direct or indirect ownership interest in the Borrower, except in each case as expressly permitted by the Loan Documents and Regulatory Agreement;

(i) any consent to incurrence of additional debt by the Borrower, including modification of the terms of any document evidencing or securing any such additional debt and of any separate intercreditor or subordination agreement executed in connection therewith and any waiver of or amendment or modification to
the terms of any such document or agreement, except in each case as expressly permitted by the Loan Documents;

(j) consenting to any modification or waiver of any material provision of any Loan Document governing the types, nature or amounts of insurance coverage required to be obtained and maintained by the Borrower;

(k) approval of the termination or replacement of a Property Manager (as defined in the Loan Agreement) or of the execution, termination, renewal or material modification of any management agreement, to the extent the lender's approval is required under the Loan Documents or determination to waive any provision in the Loan Documents requiring the replacement or termination of the Property Manager;

(l) any waiver of amounts required to be deposited into any Reserve Account, or any amendment to any of the Loan Documents that would modify the amount required to be deposited into any Reserve Account (other than changes in the ordinary course of business of the amounts required to be deposited into any Reserve Account for Taxes or Insurance Premiums);

(m) the approval or adoption of any annual budget for, or material alteration at, the Mortgaged Property (to the extent the lender's approval is required under the Loan Documents and, if so, notwithstanding anything to the contrary set forth herein, subject to the same standard of approval as is set forth in the applicable Loan Documents);

(n) (A) the release to the Borrower of any escrow to which the Borrower is not entitled under the Loan Documents or under Applicable Law; and (B) other than in connection with a Casualty or Condemnation, the approval of significant repair or renovation projects (determined as a percentage of the value of the individual project) that are intended to be funded through the disbursement of any funds from any reserve accounts established in accordance with the Loan Documents (in the case of any action under this clause (n), only to the extent the lender's approval is required under the Loan Documents);

(o) the approval of any material proposed amendment of, modification to or waiver of, any of the terms and conditions of the Condominium Documents, or any surrender or cancellation thereof, to the extent the lender's approval is required under the Loan Documents;

(p) the waiver or modification of any documentation relating to any guarantor's obligations under any guaranty that is a Loan Document;

(q) the voting on any plan of reorganization, restructuring or similar plan in the bankruptcy of the Borrower; and

(r) any waiver of any of the covenants or restrictions regarding special purpose entities set forth in the Loan Documents and/or the organizational documents of the Borrower to the extent the Master Servicer determines that such waiver would jeopardize or adversely affect the single purpose entity status of the Borrower.

"Servicing Transfer Event" means, with respect to the Loan, any of the following events: (i) the Borrower has failed to make when due any Debt Service Payment [(including a balloon payment)] or any other payment required under the Loan Documents, which failure continues, or the Master Servicer determines, in its reasonable, good faith judgment, will continue, unremedied; provided, that in the case of a delinquent balloon payment it will not be a Servicing Transfer Event until the 120th day after a failure to make such balloon payment for so long as (a) the Borrower is actively seeking a refinancing commitment or (b) the Borrower continues to make payments in the amount of its Assumed Debt Service Payment and the Borrower delivers to the Master Servicer, on or before the 60th day after the Due Date of such Balloon Payment, a refinancing commitment reasonably acceptable to the Master Servicer, for such longer period, not to exceed 120 days.
beyond such Due Date, during which the refinancing would occur; (ii) the Master Servicer has determined, in its reasonable, good faith judgment, that a default in the making of a Debt Service Payment (including a balloon payment) or any other material payment required under the Loan Documents is likely to occur within 30 days and either (a) the Borrower has requested a material modification of the payment terms of the Loan or (b) such default is likely to remain unremedied for the applicable cure period under the terms of the Loan (or, if no cure period is specified, for 60 days); (iii) the Master Servicer has determined, in its reasonable, good faith judgment, that a default, other than as described in clause (i) or (ii) of this definition, has occurred or is reasonably foreseeable that may materially impair the value of the Mortgaged Property as security for the Loan, which default or reasonably foreseeable default has continued or is reasonably expected to continue (as applicable) unremedied for the applicable cure period under the terms of the Loan (or, if no cure period is specified, for 60 days); (iv) a decree or order of a court or agency or supervisory authority having jurisdiction in the premises in an involuntary action against the Borrower under any present or future U.S. federal or state bankruptcy, insolvency or similar law or the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceeding, or for the winding-up or liquidation of its affairs, will have been entered against the Borrower to the extent not discharged as provided in the Loan Agreement; (v) the Borrower has consented to the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceeding of or relating to such Borrower or of or relating to all or substantially all of its property; (vi) the Borrower has admitted in writing its inability to pay its debts generally as they become due, filed a petition to take advantage of any applicable insolvency or reorganization statute, made an assignment for the benefit of its creditors, or voluntarily suspended payment of its obligations; (vii) the Master Servicer has received notice of the commencement of foreclosure or similar proceedings with respect to the Mortgaged Property; provided, that a Servicing Transfer Event with respect to the Loan will cease to exist: (w) in the case of the circumstances described in clause (i) of this definition, if and when the Borrower has made three consecutive full and timely Debt Service Payments with respect to a Debt Service payment failure (or paid the other amount outstanding which caused such Servicing Transfer Event under clause (a) above) under the terms of the Loan (as such terms may be changed or modified in connection with a bankruptcy or similar proceeding involving the Borrower or by reason of a modification, waiver or amendment granted or agreed to by the Master Servicer or the Special Servicer pursuant to the Servicing Agreement); (x) in the case of the circumstances described in clauses (ii), (iv), (v) and (vi) of this definition, if and when such circumstances cease to exist in the reasonable, good faith judgment of the Special Servicer; (y) in the case of the circumstances described in clause (iii) of this definition, if and when such default is cured in the reasonable, good faith judgment of the Special Servicer; and (z) in the case of the circumstances described in clause (vii), if and when such proceedings are terminated; in each case, so long as no circumstance identified in clauses (i) through (vii) of this definition exists that would cause the Loan to continue to be characterized as a Specially Serviced Loan; and provided that no additional default is foreseeable in the reasonable good faith judgment of the Special Servicer. Notwithstanding the foregoing, in no event shall a monetary default consisting solely of the failure to pay Excess Interest constitute a Servicing Transfer Event.

"Debt Service Payment" means, for any Due Date as of which the Loan is Outstanding, the scheduled monthly payments under the Loan Agreement relative to the Series 2014 Bonds that is actually payable by the Borrower from time to time under the terms of the Loan other than Excess Interest.

Master Servicing Fee and Special Servicing Fee

The principal compensation to be paid to the Master Servicer in respect of its servicing activities will be a servicing fee (the "Master Servicing Fee"). The Master Servicing Fee will be payable monthly out of amounts on deposit in the Master Account and will accrue at a rate of [0.0025]% per annum (the "Master Servicing Fee Rate") on the outstanding principal balance of the Loan, calculated assuming each month has 30 days and each year has 360 days (prorated for partial periods). The Master Servicer or the Special Servicer, as applicable, will also be entitled to additional compensation consisting of certain other customary charges and fees including, without limitation, late payment charges (to the extent not applied to interest on Advances), fees in connection with property releases and assumptions and modifications, if any.
If a Servicing Transfer Event occurs, a special servicing fee will be payable to the Special Servicer (the “Special Servicing Fee”), and will accrue at a rate of [0.25]% per annum on the outstanding principal balance of the Loan, calculated assuming each month has 30 days and each year has 360 days (prorated for partial periods), until such Servicing Transfer Event no longer exists. In addition, if a Servicing Transfer Event is terminated following resolution of such Servicing Transfer Event other than in connection with a sale of such Loan, the Special Servicer will be entitled to an additional fee equal to [0.50]% (the “Workout Fee”) of each payment received from the Borrower and applied as interest (other than Default Interest and Excess Interest) and principal pursuant to the Loan Documents made on the Loan for so long as the Loan remains a Corrected Loan. If the Special Servicer is terminated or resigns, it will retain the right to receive any and all Workout Fees payable in respect of (i) the Loan serviced by it that became a Corrected Loan during the period that it acted as Special Servicer and that was still a Corrected Loan at the time of such termination or resignation and (ii) the Specially Serviced Loan for which the Special Servicer resolved the circumstances and/or conditions causing any such Loan to be a Specially Serviced Loan, but that had not as of the time the Special Servicer was terminated become a Corrected Loan solely because the Borrower had not made three consecutive timely Debt Service Payments and that subsequently becomes a Corrected Loan as a result of the Borrower making such three consecutive timely Debt Service Payments for so long as another Servicing Transfer Event does not occur.

The Special Servicer will be entitled to receive a fee (a “Liquidation Fee”) with respect to each Specially Serviced Loan or REO Property as to which it receives any full, partial or discounted payoff from the Borrower or any Net Proceeds or cash amounts received in connection with the Liquidation of the Mortgaged Property (the “Liquidation Proceeds”). The Liquidation Fee will be payable from, and will be calculated by application of a rate of [0.50]% to, the related net Liquidation Proceeds (other than any portion of such payment or proceeds that represents Default Charges or a [Yield Maintenance Premium]). The Liquidation Fee with respect to any Specially Serviced Loan will not be payable if such Loan becomes a Corrected Loan. [Each of the foregoing fees will be payable from funds on deposit in the Master Account out of amounts otherwise available to make distributions on the Series 2014 Bonds.] The Master Servicer and Special Servicer, as applicable, will also be entitled to retain as additional servicing compensation any income earned (net of losses) on the investment of funds deposited in the Master Account (with respect to the Master Servicer) and any account related to REO Property (with respect to the Special Servicer).

Insurance

The Master Servicer, consistent with the Servicing Standard, will be required to cause to be maintained (by the Borrower, or if the Borrower fails to maintain such insurance, by the Master Servicer to the extent such insurance is available at commercially reasonable rates, and to the extent the Indenture Trustee has an insurable interest) insurance with respect to the Mortgaged Property of the types and in the amounts described under the heading below entitled “INSURANCE ON THE MORTGAGED PROPERTY”. The cost of such insurance shall be borne by the Borrower, or if the Borrower fails to maintain such insurance, by the Master Servicer to the extent such insurance is available at commercially reasonable rates, and to the extent the Indenture Trustee, as mortgagee, has an insurable interest. The cost of any such insurance will be required to be advanced by the Master Servicer as a Servicing Advance unless it would be a Nonrecoverable Advance. If and only if the Master Servicer or the Special Servicer has determined, on an annual basis, that terrorism insurance is not required pursuant to the terms of the Loan Documents as in effect on the date of such determination, the Master Servicer and the Special Servicer will not (i) be in default under the Servicing Agreement for not obtaining or (ii) cause the Borrower to be in default for not obtaining, terrorism insurance. Neither the Master Servicer nor the Special Servicer will be required to obtain terrorism insurance pursuant to the Servicing Agreement to the extent the Borrower would not be obligated to maintain terrorism insurance under the Loan Documents.

The Special Servicer, consistent with the Servicing Standard and the Loan Documents, will be required to cause to be maintained insurance with respect to the REO Property of the types and in the amounts described under the heading below entitled “INSURANCE ON THE MORTGAGED PROPERTY”. The cost
of any such insurance with respect to the REO Property will be payable out of amounts on deposit in the REO Account or will be required to be advanced by the Master Servicer as a Servicing Advance unless it would be a Nonrecoverable Advance. Any such insurance (other than terrorism insurance) that is required to be maintained with respect to an REO Property will only be so required to the extent such insurance is available at commercially reasonable rates. If the Special Servicer requests the Master Servicer to make a Servicing Advance in respect of the premiums due in respect of such insurance, the Master Servicer is required to, as soon as practicable after receipt of such request, make such Servicing Advance unless it would be a Nonrecoverable Advance.

The Master Servicer or the Special Servicer, as applicable, may satisfy its obligations to cause insurance policies to be maintained by maintaining a master force placed or blanket insurance policy insuring against losses on the Mortgaged Property or the REO Property for which coverage is otherwise required to be maintained pursuant to the Servicing Agreement. The incremental cost of such insurance allocable to the Mortgaged Property or REO Property, if not borne by the Borrower, will be required to be paid by the Master Servicer as a Servicing Advance unless it would be a Nonrecoverable Advance. If such master force placed or blanket insurance policy contains a deductible clause, the Master Servicer or the Special Servicer, as applicable, will be obligated to deposit in the Master Account out of its own funds all sums that would have been deposited in the Master Account but for such clause to the extent any such deductible exceeds the deductible limitation that pertained to the Loans pursuant to the Loan Documents, or in the absence of any such deductible limitation, the deductible limitation that is consistent with the Servicing Standard.

Fidelity Bonds and Errors and Omissions Insurance

Each of the Master Servicer and the Special Servicer will be required to obtain and maintain at its own expense, and keep in full force and effect throughout the term of the Servicing Agreement, a blanket fidelity bond and an errors and omissions insurance policy (from an insurer having a financial strength rating of “A2” or better by S&P and “A” or better by Fitch (if rated by Fitch, and if not, its ratings equivalent by S&P) covering its directors, officers, employees and other persons acting on behalf of the Master Servicer or the Special Servicer, as applicable, in connection with its activities under the Servicing Agreement. The amount of coverage is required to be at least equal to the coverage required by any Governmental Authority having regulatory power over the Master Servicer and the Special Servicer. If no such coverage amounts are imposed by such governmental entities, the amount of coverage must be at least equal to the coverage that would be required by the Federal National Mortgage Association (“Fannie Mae”) or the Federal Home Loan Mortgage Corporation (“Freddie Mac”) with respect to the Master Servicer and the Special Servicer if each were servicing and administering the Loans for Fannie Mae or Freddie Mac or as otherwise approved by Fannie Mae or Freddie Mac. In the event that any such bond or policy ceases to be in effect, the Master Servicer or the Special Servicer, as applicable, will be required to obtain a comparable replacement bond or policy. In lieu of the foregoing, the Master Servicer and Special Servicer will be entitled to self insure with respect to such risks so long as it is rated at least “A2” or better by S&P and “A” or better by Fitch (if rated by Fitch, and if not, its ratings equivalent by S&P).

Modification of the Loan Documents

The Servicing Agreement will permit (i) the Master Servicer, if the Loan is a Performing Loan and the subject modification, waiver or amendment does not constitute a Major Decision, or (ii) the Special Servicer, if the subject modification, waiver or amendment constitutes a Major Decision (whether or not the Loan is a Performing Loan) and at all times when the Loan is a Specially Serviced Loan, to modify, waive or amend any term of the Loan if such modification, waiver or amendment (a) does not constitute a significant modification of the Loan under Treasury Regulations Section 1.1001-3, unless a Mortgage Event of Default has occurred and is continuing or is reasonably foreseeable, (b) does not cause an Adverse Tax-Exempt Bonds Event (unless this requirement is waived by the Indenture Trustee), as evidenced by an Opinion of Bond Counsel (the cost of which will be covered by, and reimbursable as, a Servicing Advance), (c) would not have the effect of permanently extinguishing principal or interest (other than Default Interest) (other than as a result of
Liquidation Proceeds being insufficient to pay any of such amounts) on the Loan, and (d) is consistent with the Servicing Standard. In addition to the foregoing, in no event may the Master Servicer or the Special Servicer permit (i) an extension of the Stated Maturity Date of the Loan beyond a date that is five (5) years prior to Rated Final Date for the Loan (and no extension of the Stated Maturity Date of the Loan may be made without the consent of 75% of the Voting Rights of the Voting Eligible Bonds), or (ii) an extension of any Debt Service Payment beyond a date that is more than five (5) years after the originally scheduled Due Date of the first Debt Service Payment that is extended, unless such extension will not cause an Adverse Tax-Exempt Bonds Event (provided that this requirement may be waived by the Indenture Trustee), as evidenced by an Opinion of Bond Counsel (the cost of which will be covered by, and reimbursable as, a Servicing Advance).

Prior to implementing any modification that involves the following actions, the Master Servicer or the Special Servicer, as applicable, will be required to obtain a No Downgrade Confirmation with respect to such modification:

(i) any substitution of collateral for the Loan, except as expressly permitted by the Loan Documents;

(ii) any determination not to enforce a “due-on-sale” or “due-on-encumbrance” clause (unless such clause is not exercisable under applicable law or such exercise is reasonably likely to result in successful legal action by the Borrower);

(iii) any material modifications to the terms of the Loan Agreement;

(iv) any transfer of the Mortgaged Property or any portion thereof, or any transfer of any direct or indirect ownership interest in the Borrower, except in each case as expressly permitted by the Loan Documents;

(v) any consent to the incurrence of additional debt by the Borrower or incurrence of debt by a direct or indirect parent of the Borrower except in each case as expressly permitted by the Loan Documents, including modification of the terms of any document evidencing or securing any such additional debt and of any intercreditor or subordination agreement executed in connection therewith and any waiver of or amendment or modification to the terms of any such document or agreement; and

(vi) approval of the termination or replacement of the Property Manager, to the extent approval of the applicable holders of the Loan is required by the Loan Documents.

The Loan Documents may be corrected at the request of the Trustee or the Issuer to correct any mistake, cure any ambiguities or to make such tax changes as may be requested or required unless such modification or waiver would (i) cause an Adverse Tax-Exempt Bonds Event or (ii) have a material adverse effect on the Loan; provided, that in each case a No Downgrade Confirmation is obtained [or each Rating Agency waives its right to provide a No Downgrade Confirmation].

Notwithstanding the foregoing, neither the Master Servicer nor the Special Servicer shall modify, waive or amend the Loan if such modification, waiver or amendment would constitute a Major Decision as to which the Issuer has objected in writing within ten (10) Business Days after receipt of a written recommendation and analysis (provided that if such written objection has not been received by the Master Servicer or the Special Servicer, as applicable, within such ten (10) Business Day period, then the Issuer will be deemed to have approved such action). Notwithstanding the rights of the Issuer set forth in the immediately preceding sentence, either the Master Servicer or the Special Servicer, as applicable, may make any modification, waiver or amendment that would constitute a Major Decision before the expiration of the aforementioned ten (10) Business Day period if the Special Servicer determines that immediate action with respect thereto is necessary to protect the interests of the Bondholders.
In the event the Special Servicer or Master Servicer, as applicable, determines that a refusal to consent by the Issuer would cause the Special Servicer or Master Servicer, as applicable, to violate the terms of the Loan, Applicable Law or the Loan Agreement, including without limitation, the Servicing Standard, the Special Servicer or Master Servicer, as applicable, shall disregard such refusal to consent and notify the Issuer, the Indenture Trustee and the Rating Agencies of its determination, including a reasonably detailed explanation of the basis therefor. The taking of, or refraining from taking, any action by the Master Servicer or Special Servicer in accordance with the direction of or approval of the Issuer that does not violate the terms of the Loan, Applicable Law or the Servicing Standard or any other provisions of the Loan Agreement, will not result in any liability on the part of the Master Servicer or the Special Servicer. A modification, waiver or amendment of the Loan will not be considered an Adverse Tax-Exempt Bonds Event, if, prior to the modification, waiver or amendment (i) there is obtained an Opinion of Bond Counsel that such action will not constitute an Adverse Tax-Exempt Bonds Event and (ii) any conditions required by such bond counsel for delivery of such opinion are satisfied, which may include (a) execution by the Issuer and the Borrower of a new tax certificate for the Series 2014 Bonds dated the date of the modification, waiver or amendment, (b) filing with the IRS on a new Form 8038 (or such other information return as is then required by the Code) with respect to the Series 2014 Bonds, (c) computation and payment of any rebate required with respect to the Series 2014 Bonds by Section 148(f) of the Code within 60 days following such modification, waiver or amendment, and (d) compliance with such other conditions as such bond counsel determines are reasonably necessary for the modification, waiver or amendment to not constitute an Adverse Tax-Exempt Bonds Event.

[To the extent any such waiver, modification or workout modifies any of the economic terms of the Loan, the full adverse economic effect of such waiver, modification or workout will be borne by, and modify the terms of, the Loan before being borne by, and modifying the terms of, the Loan. If a modification or waiver of any Loan results in the deferral of any payment of accrued and unpaid interest on the Loan, such deferral will be allocated first to the Loan up to the amount of interest accruing on the Loan and then to the Loan up to the amount of interest accruing on the Loan.]

If the Borrower requests any consent, modification, waiver, amendment or other action while no Servicing Transfer Event has occurred or is in effect and such action would constitute a Major Decision, the Master Servicer will be required to forward such request to the Special Servicer and the Special Servicer will handle that request.

In no event will the Master Servicer or the Special Servicer take any action or refrain from taking any action if the taking of such action or the refraining from taking such action would result in an Adverse Tax-Exempt Bonds Event, unless such requirement with respect to an Adverse Tax-Exempt Bonds Event is waived by the Indenture Trustee. With respect to any proposed modification of payment terms (including without limitation prepayment restrictions) of the Loan, the Master Servicer or the Special Servicer, as applicable, must obtain an Opinion of Bond Counsel concluding that no Adverse Tax-Exempt Bonds Event would result from such modification (which may be waived by the Indenture Trustee).

"Adverse Tax-Exempt Bonds Event" means any act, or failure to act, that adversely affects the exclusion of interest on the Series 2014 Tax-Exempt Bonds from the gross income, for federal income tax purposes, of the beneficial owners of the Series 2014 Tax-Exempt Bonds, other than a beneficial owner who is a "substantial user" of the Mortgaged Property or a "related person" of such substantial user within the meaning of the Code.

Flow of Funds; Accounts

Deposit Account

The Borrower will be required to establish the Deposit Account pursuant to the Loan Agreement. Amounts will be remitted from the Deposit Account to the Master Servicer for deposit into the Master Account.
but only to the extent described under the heading entitled "DESCRIPTION OF THE SERVICING AGREEMENT—Flow of Funds; Accounts—The Deposit Account".

**Master Account**

The Master Servicer will be required to establish and maintain an account (the "Master Account") into which it will deposit within one business day of receipt, and hold all funds collected and received by it in connection with the Loan. Funds in the Master Account must be held separate and apart from the Master Servicer's own funds and general assets. The Master Account must be an Eligible Account. Funds in the Master Account may be invested at the direction of the Master Servicer in certain investments permitted in accordance with the Servicing Agreement. Interest and investment income realized on funds deposited in the Master Account will be for the sole and exclusive benefit of the Master Servicer. If any net loss is incurred in respect of any permitted investment on deposit in the Master Account, the Master Servicer is required to promptly deposit such amount into the Master Account from its own funds, without right of reimbursement, no later than the end of the Collection Period during which such loss was incurred, unless such loss is incurred solely as a result of the insolvency of the federal or state chartered depository institution or trust company that holds such account, so long as such depository institution or trust company satisfied the qualifications set for in the definition of "Eligible Account" (within the meaning of the Servicing Agreement) at the time such investment was made.

The Master Servicer may make withdrawals from the Master Account for any of the following purposes:

(i) to pay the Available Distribution Amount to the Indenture Trustee on the Master Servicer Remittance Date;

(ii) to reimburse the Master Servicer or the Indenture Trustee for unreimbursed Interest Advances made, the rights to reimbursement pursuant to this clause (ii) with respect to any Interest Advance (other than Nonrecoverable Advances, which are reimbursable pursuant to clause (vii) below) being limited to amounts that represent Late Collections received in respect of the Loan or REO Loan;

(iii) to pay to the Master Servicer earned and unpaid Master Servicing Fees in respect of the Loan and the REO Loan, the Master Servicer's right to payment pursuant to this clause (iii) with respect to the Loan or the REO Loan being payable from, and limited to, amounts received on or in respect of the Loan (whether in the form of payments, Net Liquidation Proceeds or Net Proceeds) or the REO Loan (whether in the form of REO Revenues, Net Liquidation Proceeds or Net Proceeds) that are allocable as a recovery of interest thereon with respect to Component [CMBS] or as payment by the Borrower of the Master Servicing Fee with respect to Component [TAX EXEMPT] of the Loan;

(iv) to pay to the Special Servicer, earned and unpaid Special Servicing Fees in respect of each Specially Serviced Loan and REO Loan;

(v) to pay to the Special Servicer earned and unpaid Workout Fees and Liquidation Fees;

(vi) to reimburse itself or the Indenture Trustee, as applicable, for any unreimbursed Servicing Advances or Administrative Advances and related Advance Interest made thereby (in each case, with its own funds), the Master Servicer’s or the Indenture Trustee’s, as the case may be, respective rights to reimbursement pursuant to this clause with respect to any Servicing Advance or Administrative Advance (other than Nonrecoverable Advances, which are reimbursable pursuant to clause (vii) below) being limited to (A) payments made by the Borrower that are allocable to cover the item in respect of which such Servicing Advance or Administrative Advance was made, and (B) Condemnation Proceeds, Insurance Proceeds, Liquidation Proceeds, Default Charges and, if applicable, REO Revenues received in respect of the Loan or REO Property;
(vii) to reimburse the Master Servicer or the Indenture Trustee, as applicable, for any unreimbursed Advances and the related Advance Interest made thereby that have been determined to be Nonrecoverable Advances;

(viii) to pay the Master Servicer or the Indenture Trustee, as applicable, any Advance Interest with respect to Advances that have not been declared Nonrecoverable Advances due and owing to the Master Servicer or Special Servicer that has not been determined to be nonrecoverable;

(ix) to pay itself any items of Additional Master Servicing Compensation to which the Master Servicer is entitled, and to pay to the Special Servicer any items of Additional Special Servicing Compensation to which the Special Servicer is entitled;

(x) to pay any unpaid liquidation expenses incurred with respect to the Loan or REO Property;

(xi) to pay certain servicing expenses that would, if advanced, constitute Nonrecoverable Advances;

(xii) to pay costs and expenses incurred on behalf of the Indenture Trustee in connection with foreclosing on the Mortgaged Property (other than the costs of environmental testing, which are to be covered by, and reimbursable as, a Servicing Advance);

(xiii) to pay itself, the Special Servicer, the Indenture Trustee or any of their respective directors, officers, members, managers, employees and agents, as the case may be, any amounts payable to any such person for prosecuting or defending any legal action to enforce the interests of the Indenture Trustee;

(xiv) to pay to the Master Servicer, the Special Servicer or the Indenture Trustee any amount specifically required to be paid to such person under any provision of the Servicing Agreement to which reference is not made in any other clause of this paragraph;

(xv) to pay to each of the Indenture Trustee and the Operating Advisor, earned and unpaid Indenture Trustee Fee, and the Operating Advisor Fee, respectively;

(xvi) to pay all other amounts payable and reimbursable to the Indenture Trustee or the Operating Advisor pursuant to the terms of the Indenture (and any supplements thereto) or the Servicing Agreement;

(xvii) to pay to the Issuer any Issuer Judgment Amounts or other amounts owing to the Issuer in respect of the Reserved Rights to the extent actually collected pursuant to the Loan Agreement or the Servicing Agreement;

(xviii) to remit Interest Advances; and

(xvii) to withdraw any amounts deposited in error.

With respect to any Determination Date, the Master Servicer will not be permitted to make a withdrawal pursuant to clauses (iii), (iv), (v), (vi), (vii), (x), (xii), (xiii), (xiv), (xv), (xvi) or (xvii) above if the amount on deposit in the Master Account after giving effect to such withdrawal would be less than the Required Distribution Amount (as defined below), except upon (i) the final liquidation of the Loans or the Mortgaged Property, (ii) the determination that any Advance that would increase the currently unreimbursed Advances in the aggregate would be a Nonrecoverable Advance or (iii) the final payment of the Loans and release of the Mortgage. The Master Servicer will be required to advance, to the extent it determines that such amounts that would have been withdrawn but for the limitation described in the prior sentence are recoverable, all such amounts owed to itself, the Indenture Trustee, the Operating Advisor and the Special Servicer pursuant to clauses (iii), (iv), (v), (vi), (vii), (x), (xii), (xiii), (xiv), (xv), (xvi) or (xvii) above on the Determination Date.
and such amounts (other than unreimbursed Advances made by the Master Servicer, which will continue to remain outstanding), will be "Administrative Advances". All Administrative Advances will accrue interest at the Reimbursement Rate. The Master Servicer will not be obligated to make any Administrative Advance that it determines, together with interest thereon, will constitute a Nonrecoverable Advance if made.

The Master Servicer, the Special Servicer and the Indenture Trustee will have a right prior to any other person to any particular funds on deposit in the Master Account from time to time for the reimbursement or payment of compensation, Advances (with interest thereon at the Reimbursement Rate) and their respective expenses under the Servicing Agreement, but only if and to the extent such compensation, Advances (with interest thereon at the Reimbursement Rate) and expenses are to be reimbursed or paid from such particular funds on deposit in the Master Account or the Revenue Fund (but not from any Reserve Account) pursuant to the express terms of the Servicing Agreement.

"Available Distribution Amount" means with respect to any Master Servicer Remittance Date, an amount equal to the sum of (a) all amounts on deposit in the Master Account as of the close of business on the related Determination Date net of (b) any portion of the amounts described in clause (a) of this definition that represents collected Debt Service Payments that are due on a Due Date following the end of the related Collection Period; provided, however, with respect to the Master Servicer Remittance Date that occurs after a Liquidation of the Loan or the REO Property, the Available Distribution Amount will be calculated without regard to clause (b) of this definition.

"Required Distribution Amount" means, as of any date of determination prior to a Liquidation, the amount that would be required to pay the Interest Accrual Amount in full on the related Master Servicer Remittance Date (calculated taking into account any Appraisal Reduction Amount that would reduce an Interest Advance on that Master Servicer Remittance Date if an Interest Advance was being made).

Reserve Account

(The Master Servicer will establish and maintain an account (the "Reserve Account") into which it will be required to deposit and retain all payments received for the account of the Borrower for application toward the payment of real estate taxes, assessments, insurance premiums and other items reserved pursuant to the terms of the Loan Documents with respect to the Mortgaged Property. Each Reserve Account must be an Eligible Account. Withdrawals of amounts from a Reserve Account and draws under any letter of credit delivered in lieu of escrow payments may be made only:

(i) to pay real estate taxes, assessments, insurance premiums, (if applicable) and comparable items in respect of the Mortgaged Property;

(ii) to reimburse the Master Servicer, the Special Servicer or the Indenture Trustee for any unreimbursed Servicing Advances made by such entity to cover any of the items described in the immediately preceding clause (i);

(iii) to refund to the Borrower any sums as may be determined to be overages or to pay to the Borrower amounts required to be released to the Borrower from the Reserve Account pursuant to the terms of the Loan Documents;

(iv) to pay interest or other income, if and to the extent required by applicable law and/or pursuant to the terms of the Loan Documents, to the Borrower on balances in a Reserve Account;

(v) to disburse insurance proceeds or condemnation proceeds if required to be applied to the repair or restoration of the Mortgaged Property; or
(vi) to clear and terminate the Reserve Account at the termination of the Servicing Agreement and deposit any balance to the Master Account.

REO Account

If the Mortgaged Property becomes an REO Property, the Special Servicer will be required to establish and maintain an account (the "REO Account"), to be held on behalf of the Indenture Trustee in trust, for the benefit of the holders of the Loan, for the retention of revenues and other proceeds derived from the REO Property. The Special Servicer will be required to segregate and hold all funds collected and received in connection with any REO Property separate and apart from its own funds and general assets. The REO Account must be an Eligible Account. The Special Servicer will be required to deposit or cause to be deposited into the REO Account, within two business days of receipt, all revenues from the REO Property, Liquidation Proceeds (net of all liquidation expenses) and insurance proceeds received in respect of an REO Property. Funds in the REO Account may be invested at the direction of the Special Servicer only in certain investments permitted pursuant to the Servicing Agreement. Interest and investment income realized on funds deposited in the REO Account will be for the sole and exclusive benefit of the Special Servicer. If any net loss is incurred in respect of any permitted investment on deposit in the REO Account, the Special Servicer will be required to (in the case of the REO Account with respect to funds invested by the Special Servicer for its own account) promptly deposit such amount into the REO Account from its own funds, without right of reimbursement, no later than the end of the Collection Period during which such loss was incurred unless such loss is incurred solely as a result of the insolvency of the federal or state chartered depository institution or trust company that holds such account, so long as such depository institution or trust company satisfied the qualifications set forth in the definition of "Eligible Account" at the time such investment was made.

The Special Servicer will be required to withdraw funds from the REO Account necessary for the proper operation, management and maintenance of the REO Property and for other expenses related to the preservation and protection of such REO Property. In addition, the Special Servicer may make withdrawals from the REO Account to pay itself, as Additional Special Servicing Compensation, interest and investment income earned in respect of amounts held in such REO Account (but only to the extent of the net investment earnings with respect to the REO Account for any Collection Period).

Payment Priorities

On each Master Servicer Remittance Date after a Mortgage Event of Default prior to a Liquidation, all amounts collected in respect of the Loan in the form of payments from the Borrower, Net Condemnation Proceeds or Net Insurance Proceeds or otherwise shall be allocated to amounts due and owing under the Loan Documents (including for principal and accrued and unpaid interest) in accordance with the express provisions of the Loan Documents; provided, however, for purposes of calculating distributions after a Mortgage Event of Default under the Loan (to the extent not cured or waived), all such amounts collected other than [______________] shall be deemed to be allocated for purposes of collecting amounts due under the Loan in the following order of priority:

(i) as a recovery of Issuer Judgment Amounts or other amounts owing to the Issuer in respect of the Reserved Rights other than remaining unpaid principal and HDC Assignment Fees payable, if any;

(ii) as a recovery of any unreimbursed Advances with respect to the Loan and unpaid interest on all Advances and, if applicable, unreimbursed and unpaid Borrower Reimbursable Expenses with respect to the Loan;

(iii) to the extent not previously allocated pursuant to clause (ii) above, as a recovery of accrued and unpaid interest on each Component of the Loan exclusive of Default Interest, Deferred Interest and Excess Interest to the extent of the excess of (A) accrued and unpaid interest on each
Component of the Loan at the related Component Interest Rate to, but not including, the date of receipt, over (B) the cumulative amount of the reductions (if any) in the amount of related Interest Advances for the Loan that have theretofore occurred in connection with Appraisal Reduction Amounts (to the extent that collections have not been allocated as a recovery of accrued and unpaid interest pursuant to clause (v) below on earlier dates);

(iv) to the extent not previously allocated pursuant to clause (ii) above, as a recovery of principal of the Loan then due and owing, including by reason of acceleration of the Loan following a default thereunder (or, if the Loan has been liquidated or after the related Anticipated Repayment Date, as a recovery of principal to the extent of its entire remaining unpaid principal balance);

(v) as a recovery of accrued and unpaid interest on the Loan to the extent of the cumulative amount of the reductions (if any) in the amount of related Interest Advances for the Loan that have theretofore occurred in connection with related Appraisal Reduction Amounts (to the extent that collections have not been allocated as recovery of accrued and unpaid interest pursuant to this clause (v) on earlier dates);

(vi) as a recovery of amounts to be currently allocated to the payment of, or escrowed for the future payment of, Taxes, Insurance Premiums and similar items relating to the Loan;

(vii) as a recovery of any other Reserves Amounts to the extent then required to be held in escrow with respect to the Loan;

(viii) as a recovery of any Deferred Interest, Default Interest, Excess Interest or late payment charges then due and owing under the Loan (in such order);

(ix) as a recovery of any assumption fees, assumption application fees and Modification Fees then due and owing under the Loan;

(x) as a recovery of any other amounts then due and owing under the Loan; and

(xi) as a recovery of any remaining principal of the Loan to the extent of its entire remaining unpaid principal balance.

The applications of amounts received in respect of the Loan shall be determined by the Master Servicer in accordance with the Servicing Standard.

On each Master Servicer Remittance Date, collections in respect of the REO Property for the REO Loan (exclusive of amounts to be allocated to the payment of the costs of operating, managing, leasing, maintaining and disposing of such REO Property shall be deemed allocated for purposes of collecting amounts due under the REO Loan in the following order of priority:

(i) as a recovery of Issuer Judgment Amounts or other amounts owing to the Issuer in respect of the Reserved Rights other than remaining unpaid principal and HDC Assignment Fees payable, if any;

(ii) as a recovery of any unreimbursed Advances with respect to the REO Loan and unpaid interest on all Advances and, if applicable, unreimbursed and unpaid Borrower Reimbursable Expenses with respect to the Loan;

(iii) to the extent not previously allocated pursuant to clause (ii) above, as a recovery of accrued and unpaid interest on each Component of the REO Loan exclusive of Default Interest,
Deferred Interest and Excess Interest to the extent of the excess of (A) accrued and unpaid interest on each Component of the REO Loan at the related Component Interest Rate to, but not including, the date of receipt, over (B) the cumulative amount of the reductions (if any) in the amount of related Interest Advances for the REO Loan that have theretofore occurred in connection with Appraisal Reduction Amounts (to the extent that collections have not been allocated as a recovery of accrued and unpaid interest pursuant to clause (v) below on earlier dates);

(iv) to the extent not previously allocated pursuant to clause (ii) above, as a recovery of principal on the REO Loan to the extent of its entire remaining unpaid principal balance;

(v) as a recovery of accrued and unpaid interest on the REO Loan to the extent of the cumulative amount of the reductions (if any) in the amount of related Interest Advances for the Loan that have theretofore occurred in connection with related Appraisal Reduction Amounts (to the extent that collections have not been allocated as recovery of accrued and unpaid interest pursuant to this clause (v) on earlier dates);

(vi) as a recovery of any Deferred Interest, Default Interest, Excess Interest or late payment charges then due and owing under the Loan (in such order);

(vii) as a recovery of any assumption fees, assumption application fees and Modification Fees then due and owing under the Loan;

(viii) as a recovery of any other amounts then due and owing under the Loan, including Issuer Judgment Amounts or other amounts owing to the Issuer in respect of the Reserved Rights other than remaining unpaid principal; and

(ix) as a recovery of any remaining principal of the Loan to the extent of its entire remaining unpaid principal balance.

The applications of amounts received in respect of the REO Loan shall be determined by the Special Servicer in accordance with the Servicing Standard.

“Deferred Interest” means all interest on a Loan that has been deferred by the Special Servicer pursuant to a work-out or other modification of the Mortgage Rate of such Loan.

“Issuer Judgment Amount” means the dollar amount of a judgment obtained as a result of an Issuer Judgment Event.

“Issuer Judgment Event” means either (i) a judgment has been obtained against the Issuer with respect to which the Issuer claims entitlement to indemnification from the Borrower or (ii) a judgment has been obtained by the Issuer against the Borrower[, in each case (A) arising out of a matter for which the Borrower is obligated to indemnify the Issuer pursuant to the definition of Reserved Rights and/or (B) in connection with liabilities relating to the offering documents with respect to the Series 2014 Bonds under the Series 2014 Bonds financing documents] and, in any case, such judgment has not been stayed, vacated or discharged (by payment, bonding or otherwise) within 30 days.

“Note Principal Balance” means, on any date of determination, the initial principal amount of the Note, less the sum of any amounts previously applied in reduction of such amount pursuant to the terms of the Servicing Agreement or the Loan Documents.

“Principal Distribution Amount” means for any Payment Date, the sum, without duplication, of:
(a) the Scheduled Principal Distribution Amount for such Payment Date;

(b) the Unscheduled Payments of the Loan (including the REO Loan) received during the related Collection Period; and

(c) the Principal Shortfall, if any, for such Payment Date;

provided that the Principal Distribution Amount for any Payment Date shall be reduced, to not less than zero, by the amount of any reimbursements of Nonrecoverable Advances, with interest on such Nonrecoverable Advances at the [Reimbursement Rate] that are paid or reimbursed from principal collections on the Loan in a period during which such principal collections would have otherwise been included in the Principal Distribution Amount for such Payment Date; provided further that if any of the amounts that were reimbursed from principal collections on the Loan are subsequently recovered on the Loan, such recovery will increase the Principal Distribution Amount for the Payment Date related to the period in which such recovery occurs).

"Mortgage Rate" means with respect to each Component, the applicable Component Interest Rate.

"Net Mortgage Rate" means, with respect to any Component, as of any date of determination, a rate per annum equal to the related Mortgage Rate (without regard to any increase in the interest rate after the Anticipated Repayment Date) then in effect minus the related Administrative Fee Rate.

If a court of competent jurisdiction orders that any amount received or collected in respect of the Loans must, pursuant to any insolvency, bankruptcy, fraudulent conveyance or transfer, preference or similar law, be returned to the Borrower or paid to the Indenture Trustee or to any other person, then the Master Servicer will not be required to distribute any portion of such amount to the Indenture Trustee, and the Indenture Trustee will be required to, promptly on demand by the Master Servicer, repay to the Master Servicer any portion of such amount that the Master Servicer had previously distributed to the Indenture Trustee.

If the Master Servicer makes any payment to the Indenture Trustee before the Master Servicer has received the corresponding payment (it being understood that the Master Servicer is under no obligation to do so), and the Master Servicer does not receive the corresponding payment within five business days, the Indenture Trustee will be required to, at the Master Servicer's request, promptly return that payment to the Master Servicer (together with interest at the prime rate if the Indenture Trustee fails to return such payment within three business days).

There will be no obligation under the Servicing Agreement to return any amount that has been distributed to the Bondholders. However, the Master Servicer will have the right to receive amounts that would have been due from a holder of the Loan by deducting such amounts from any future payments due to such holder under the Servicing Agreement.

Upon a Liquidation, the Special Servicer is to direct the Indenture Trustee to accelerate the Series 2014 Bonds.

Appraisal Reductions and Realized Losses

Within 60 days after the occurrence of an Appraisal Event, the Special Servicer shall (i) notify the Indenture Trustee and the Master Servicer of such occurrence of an Appraisal Event, (ii) obtain an Appraisal of the Mortgaged Property (provided that the Special Servicer will not be required to obtain an Appraisal of the Mortgaged Property if there exists an Appraisal which is less than nine months old, unless it has actual knowledge of a material adverse change in the market or condition or value of the Mortgaged Property) and (iii) determine on the basis of such Appraisal whether there exists any Appraisal Reduction Amount. Promptly
following the receipt of, and based upon, such Appraisal, the Special Servicer shall determine and report to the Indenture Trustee and the Master Servicer the then applicable Appraisal Reduction Amount, if any. Annual updates of such Appraisals shall be obtained by the Master Servicer or the Special Servicer, as applicable, for so long as an Appraisal Event exists, and promptly following the receipt of, and based upon, such update, the Special Servicer shall redetermine and report to the Indenture Trustee and the Master Servicer, the then applicable Appraisal Reduction Amount, if any. The cost of obtaining such Appraisals shall be paid by the Master Servicer as a Servicing Advance unless it would be a Nonrecoverable Advance, then such cost shall be paid from the Master Account. The Special Servicer will be required to provide a copy of any Appraisal obtained as described to this paragraph to the Issuer.

While an Appraisal Reduction Amount exists, (i) the interest portion of any Interest Advance shall be reduced as provided in the Servicing Agreement under the sub-heading below entitled “Advances” and (ii) the existence thereof will be taken into account for purposes of determining Voting Rights, and will be allocated solely for determining Voting Rights first, to the Class [____] Bonds to reduce their Principal Balance until such balance is reduced to zero, second, to the Class [____] Bonds to reduce their Principal Balance until such balance is reduced to zero, and third, to the Class [____] Bonds to reduce their Principal Balance until such balance is reduced to zero.

Realized Losses shall be allocated on the Master Servicer Remittance Date (immediately following the distributions to the Indenture Trustee on the Master Servicer Remittance Date), first, to the Class [____] Bonds to reduce their Principal Balance until such balance is reduced to zero, second, to the Class [____] Bonds to reduce their Principal Balance until such balance is reduced to zero, and third, to the Class [____] Bonds to reduce their Principal Balance until such balance is reduced to zero. The Indenture Trustee agrees to cause any such applicable reduction to be made to the Principal Balance of each applicable Bond pursuant to the Indenture.

“Appraisal Event” means any of the following events:

(i) the occurrence and continuance of a Mortgage Event of Default (other than a monetary default) if such Mortgage Event of Default causes the Loan to become a Specially Serviced Loan;

(ii) the acceleration of the Loan;

(iii) the Loan becomes a Modified Loan;

(iv) any Debt Service Payment with respect to the Loan remains unpaid for 60 days past the Due Date for such payment; provided, however, solely in the case of a delinquent Balloon Payment, if (x) the Borrower is actively seeking a refinancing commitment and (y) the Borrower continues to make payments in the amount of its Assumed Debt Service Payment, then failure to pay such Balloon Payment for a 120-day period shall not constitute an Appraisal Event if the Borrower has delivered to the Master Servicer, on or before the 60th day after the Due Date of such Balloon Payment, a refinancing commitment reasonably acceptable to the Master Servicer, for such longer period, not to exceed 120 days beyond such Due Date, during which the refinancing would occur;

(v) immediately upon receipt by the Special Servicer of notice that the Borrower has become the subject of bankruptcy, insolvency or similar proceedings that remain undischarged and undismissed;

(vi) immediately upon receipt by the Special Servicer of notice that a receiver or similar official is appointed with respect to the Mortgaged Property, and such appointment has not been discharged or dismissed; or

(vii) the Mortgaged Property becomes an REO Property.
“Appraisal Reduction Amount” means, at any time after the occurrence of and during the continuation of an Appraisal Event, an amount (calculated as of the most recent Due Date by the Special Servicer immediately following the later of the date on which the most recent Appraisal acceptable for purposes of the Servicing Agreement was obtained by the Special Servicer pursuant to the Servicing Agreement and the date of the most recent Appraisal Event with respect to the Loan) equal to the excess, if any, of:

(a) the sum of (i) the Stated Principal Balance of the Loan as of such date of determination, (ii) to the extent not previously advanced by the Master Servicer or the Indenture Trustee, all unpaid interest (net of Default Interest and Excess Interest) accrued on the Loan through the most recent Due Date prior to such Determination Date, (iii) all unpaid Master Servicing Fees, Special Servicing Fees, Indenture Trustee Fees and all other Borrower Reimbursable Expenses accrued with respect to the Loan, (iv) all unreimbursed Advances with respect to the Loan, together with all unpaid Advance Interest accrued on all Advances, and (v) all currently due but unpaid Taxes and Insurance Premiums in respect of the Mortgaged Property or REO Property, as applicable, for which neither the Master Servicer nor the Special Servicer holds sufficient escrows; over

(b) the sum of (x) the excess, if any, of (i) 90% of the Appraised Value of the Mortgaged Property or REO Property (subject to such downward adjustments as the Special Servicer may deem appropriate in accordance with the Servicing Standard (without implying any obligation to do so) based upon its review of the related Appraisal and such other information as the Special Servicer deems appropriate), as applicable, as determined by the most recent relevant Appraisal acceptable for purposes of the Servicing Agreement, over (ii) the amount of any obligation(s) secured by any Liens on the Mortgaged Property or REO Property, as applicable, that are prior to the Lien of the Loan, and (y) all escrows, letters of credit and reserves held by the Master Servicer or the Special Servicer with respect to the Loan, the Mortgaged Property or the REO Property (exclusive of any such items that are to be applied to real estate taxes, assessments and/or insurance premiums or that were taken into account in determining the Appraised Value of the Mortgaged Property or REO Property, as applicable, referred to in clause (b)(x)(i) of this definition).

Notwithstanding the foregoing, if an Appraisal is required to be obtained in accordance with the Servicing Agreement but is not obtained within 60 days following the event described in the applicable clause of the definition of “Appraisal Event”, then, until such Appraisal is obtained, the Appraisal Reduction Amount will equal 25% of the Stated Principal Balance of the Loan; provided, however, that upon receipt of an Appraisal, the Appraisal Reduction Amount for the Loan will be recalculated in accordance with this definition without regard to this sentence.

In addition, the Loan shall no longer be subject to the Appraisal Reduction Amount if (a) the Loan has become a Corrected Loan and (b) no other Appraisal Reduction Event has occurred and is continuing.

“Modified Loan” means that a Servicing Transfer Event has occurred and that the Loan has been modified by the Special Servicer in a manner that: (i) affects the amount or timing of any payment of principal or interest due thereon (other than, or in addition to, bringing current Debt Service Payments with respect to the Loan); (ii) except as expressly contemplated by the related Loan Documents and provided that the Special Servicer has received a No Downgrade Confirmation from each Rating Agency, results in a release of the lien of the Mortgage on any material portion of the Mortgaged Property without a corresponding prepayment of principal in an amount, or the delivery of substitute real property collateral with a fair market value (as is) that is not less than the fair market value (as is), as determined by an appraisal delivered to the Special Servicer (at the expense of the Borrower and upon which the Special Servicer may conclusively rely), of the property to be released; or (iii) in the good faith and reasonable judgment of the Special Servicer, otherwise materially impairs the security for the Loan or reduces the likelihood of timely payment of amounts due on the Loan.
Realization Upon the Mortgaged Property

The Special Servicer will be required to exercise reasonable efforts, consistent with the Servicing Standard, to foreclose upon or otherwise comparably convert, or cause such foreclosure or comparable conversion of, the ownership of the Mortgaged Property if a Mortgage Event of Default has occurred and is continuing and no arrangement satisfactory to the Special Servicer can be made for collection of delinquent payments; provided that the Special Servicer has obtained the consent of the Issuer. Neither the Master Servicer nor the Special Servicer may, with respect to the Loan after its Anticipated Repayment Date, take any enforcement action with respect to the payment of Excess Interest (other than the making of requests for its collection) unless (i) the taking of an enforcement action with respect to the payment of other amounts due under the Loan is, in the good faith and reasonable judgment of the Special Servicer (without regard to such Excess Interest), necessary, appropriate and consistent with the Servicing Standard, or (ii) all other amounts due under the Loan have been paid, the payment of such Excess Interest has not been forgiven and, in the good faith and reasonable judgment of the Special Servicer, the Liquidation Proceeds expected to be recovered in connection with such enforcement action will cover the anticipated costs of such enforcement action and, if applicable, any associated Advance Interest.

All costs and expenses incurred in any foreclosure sale or similar proceeding will be required to be paid by, and reimbursable to, the Master Servicer as a Servicing Advance.

The Mortgaged Property may not be acquired by the Special Servicer on behalf of the Indenture Trustee under any circumstances, in any manner or pursuant to any terms that would cause any Adverse Tax-Exempt Bonds Event.

Neither the Master Servicer nor the Special Servicer may, on behalf of the Indenture Trustee, obtain title to the Mortgaged Property by foreclosure, deed-in-lieu of foreclosure or otherwise, or take any other action with respect to the Mortgaged Property, if, as a result of any such action, the Indenture Trustee could, in the reasonable, good faith judgment of the Special Servicer, exercised in accordance with the Servicing Standard, be considered to hold title to, be a “mortgagee-in-possession” of, or be an “owner” or “operator” of the Mortgaged Property within the meaning of CERCLA or any comparable law, unless:

(i) the Special Servicer has previously determined in accordance with the Servicing Standard, based on a “Phase I” environmental assessment of the Mortgaged Property conducted by an Independent Appraiser who regularly conducts “Phase I” environmental assessments and performed during the 12-month period preceding any such acquisition of title or other action, that the Mortgaged Property is in compliance with applicable environmental laws and regulations and there are no circumstances or conditions present at the Mortgaged Property relating to the use, management or disposal of any dangerous, toxic or hazardous pollutants, chemicals, wastes, or substances for which investigation, testing, monitoring, containment, clean-up or remediation could be required under any applicable environmental laws and regulations; or

(ii) if the determination described in the immediately preceding clause (i) cannot be made, the Special Servicer has previously determined in accordance with the Servicing Standard, on the same basis as described in the immediately preceding clause (i), that it would maximize the recovery to the holders of the Loans, on a net present value basis (the discounting of anticipated collections that will be distributable to the holders of the Loans to be performed at the related Mortgage Rate) to acquire title to or possession of the Mortgaged Property and to take such remedial, corrective and/or other further actions as are necessary to bring the Mortgaged Property into compliance with applicable environmental laws and regulations and to appropriately address any of the circumstances and conditions referred to in the immediately preceding clause (i).

Any determination by the Special Servicer contemplated by clause (i) or clause (ii) of the preceding paragraph must be evidenced by an officer’s certificate to such effect delivered to the Master Servicer and the
Indenture Trustee, specifying all of the bases for such determination, such officer’s certificate to be accompanied by all related environmental reports. The cost of such “Phase I” environmental assessment and any such additional environmental testing will be advanced by the Master Servicer at the direction of the Special Servicer given in accordance with the Servicing Standard. Amounts so advanced will be subject to reimbursement as Servicing Advances. The cost of any remedial, corrective or other further action contemplated by clause (ii) of the preceding paragraph will be payable out of the Master Account. If neither of the conditions set forth in clauses (i) and (ii) of the preceding paragraph has been satisfied with respect to the Mortgaged Property securing the Defaulted Loan (as defined below), the Special Servicer will be required to take such action as is in accordance with the Servicing Standard (other than proceeding against the Mortgaged Property) and, at such time as it deems appropriate, may, on behalf of the Indenture Trustee, release all or a portion of the Mortgaged Property from the lien of the Mortgage.

The Special Servicer has the right to determine, in accordance with the Servicing Standard, the advisability of seeking to obtain a deficiency judgment if the terms of the subject Loan permit such an action and is required to, in accordance with the Servicing Standard, seek such deficiency judgment if it deems advisable.

The Special Servicer may purchase the Defaulted Loan (as defined below) or REO Property at the Purchase Price therefor. The Special Servicer may also offer to sell to any person any Defaulted Loan or REO Property, if and when the Special Servicer determines, consistent with the Servicing Standard, that such a sale would be in the best interests of the holders of the Loans in accordance with the Servicing Standard. In the absence of any such offer, the Special Servicer will be required to accept the highest offer received from any person that is determined by the Special Servicer to be a fair price for the Defaulted Loan or REO Property (if the highest offeror is a person other than the Special Servicer, or any of its affiliates) or if such price is determined to be a fair price for the Defaulted Loan or REO Property by the Indenture Trustee (if the highest offeror is the Special Servicer or any of its affiliates, if and when the Special Servicer determines, consistent with the Servicing Standard, that such a sale would be in the best interests of the holders of the Loan in accordance with the Servicing Standard). The Special Servicer will not be obligated to accept the highest offer pursuant to the preceding sentence if it determines, in accordance with the Servicing Standard, that rejection of such offer would be in the best interests of the holders of the Loan. In addition, the Special Servicer may accept a lower offer if it determines, in accordance with the Servicing Standard, that acceptance of such offer would be in the best interests of the holders of the Loan. In determining whether any offer received from the Special Servicer or any of its affiliates represents a fair price for the Defaulted Loan or REO Property, the Indenture Trustee will be required to obtain and may conclusively rely on an independent appraisal paid for by the Master Servicer as a Servicing Advance. In determining whether any offer constitutes a fair price for any such Defaulted Loan or REO Property, the Indenture Trustee (or, if applicable, such independent appraiser) will be required to take into account the physical condition of the Mortgaged Property or REO Property, the state of the local economy and the obligation to comply with the provisions of the [Regulatory Agreement] and federal income tax law relating to the qualification of interest on the Series 2014 Bonds for exclusion from gross income.

If title to the REO Property is acquired, the deed or certificate of sale will be issued to the Indenture Trustee, its agent or its nominee, on behalf of the Indenture Trustee or to a single member limited liability company of which the Indenture Trustee or its agent is the sole member if a No Downgrade Confirmation has been obtained, which limited liability company will be formed or caused to be formed by the Special Servicer the costs of which shall be paid as a Servicing Advance for the purpose of taking title to the REO Property pursuant to the Servicing Agreement; provided, however, that no such acquisition may occur until such time as an opinion of Bond Counsel (the cost of which will be paid by the Special Servicer as a Servicing Advance) to the effect that such action will not cause an Adverse Tax-Exempt Bonds Event is delivered to the Indenture Trustee, the Master Servicer and the Indenture Trustee.

The Special Servicer will have full power and authority, subject to the Servicing Standard and the specific requirements and prohibitions of the Servicing Agreement, to do any and all things in connection with
the REO Property for the benefit of the Indenture Trustee on such terms as are appropriate and necessary for the efficient liquidation of the REO Property, so long as the Special Servicer deems such actions to be consistent with the Servicing Standard.

The Special Servicer, on behalf of the Indenture Trustee, will be required to use efforts in accordance with the Servicing Standard to sell the REO Property as expeditiously as possible with a view to the preservation of the capital of the holders of the Loans and not for the maximization of profit and in any event prior to the Rated Final Payment Date. The Special Servicer, on behalf of the Indenture Trustee, will be required to dispose of the REO Property held by the Indenture Trustee prior to the date by which the REO Property is required to be disposed of pursuant to the provisions of the preceding sentence.

Neither the Indenture Trustee nor any of its affiliates, may make an offer for or purchase the Defaulted Loan or REO Property pursuant to the Servicing Agreement.

"Defaulted Loan" means the Loan following such time that (i) it is delinquent 60 days or more in respect to a Debt Service Payment or (ii) the Master Servicer or Special Servicer has, by written notice to the Borrower, accelerated the maturity of the Indebtedness evidenced by the related Loan Documents.

Advances

If any portion of a monthly payment (other than any balloon payment) on the Loan or REO Loan has not been made on or before the business day immediately prior to the Payment Date, the Master Servicer, subject to its determination that such amounts are not Nonrecoverable Advances, will be obligated to make an advance (an “Interest Advance”), for deposit into the Master Account on such Payment Date, in an amount equal to such monthly payment or any such portion of such monthly payment on the Loan that was delinquent as of close of the business day immediately prior to such Payment Date. The Master Servicer will also be obligated to advance in respect of each Due Date following a delinquency in the payment of the balloon payment of the Loan, for deposit into the Master Account not later than the related Payment Date, the amount of any Assumed Debt Service Payment deemed due on such Due Date.

At any time that an Appraisal Reduction Amount exists, the amount that would otherwise be required to be advanced by the Master Servicer in respect of delinquent payments of interest on the Loans will be reduced by multiplying such amount by a fraction, the numerator of which is the then outstanding principal balance of the Loan minus the Appraisal Reduction Amount and the denominator of which is the then outstanding principal balance of the Loan.

The Master Servicer will also be required to advance, as Servicing Advances ("Servicing Advances" and, together with Interest Advances and Administrative Advances, "Advances"), to the extent recoverable, all such funds as are necessary for the purpose of effecting the timely payment of (i) taxes and other similar items, (ii) Insurance Premiums and (iii) such other costs and expenses that fall within the definition of "Servicing Advances", in each instance prior to the applicable penalty or termination date if and to the extent that (x) Reserve Amounts collected from the Borrower or amounts on deposit in the Reserve Account are insufficient to pay such item when due, and (y) the Borrower has failed to pay such item on a timely basis. If the Special Servicer requests that the Master Servicer make a Servicing Advance, the Master Servicer may conclusively rely on such request as evidence that the Servicing Advance is or is not a Nonrecoverable Advance.

The Master Servicer or the Indenture Trustee, as applicable, will be obligated to make an Advance only to the extent that it determines in its reasonable, good faith judgment that the amount so advanced and interest on such Advances will not constitute a Nonrecoverable Advance if made. A "Nonrecoverable Advance" is any Advance made or proposed to be made in respect of the Loan or the REO Property that, the Master Servicer or, if applicable, the Special Servicer or the Indenture Trustee determines, in accordance with the Servicing Standard, will not be recoverable (together with interest thereon), or that in fact is not ultimately recovered from default charges, insurance proceeds, condemnation proceeds, Liquidation Proceeds or any
other recovery on or in respect of the Loan or REO Property (without giving effect to potential recoveries on deficiency judgments or recoveries from guarantors). The Indenture Trustee and the Master Servicer will be entitled to reimbursement for any such Advances from general collections on deposit in the Master Account as provided in “DESCRIPTION OF THE SERVICING AGREEMENT—Flow of Funds; Accounts—Master Account” in this Official Statement. In addition, any such Advance will accrue interest for each day that such Advance is outstanding at a rate of interest (the “Reimbursement Rate”) equal to the “prime rate” published in the “Money Rates” section of The Wall Street Journal. If The Wall Street Journal ceases to publish the “prime rate”, then the Master Servicer is required to select an equivalent publication that publishes such “prime rate”, and if such “prime rate” is no longer generally published or is limited, regulated or administered by a governmental or quasi-governmental body, then the Master Servicer is required to reasonably select a comparable interest rate index.

The determination by the Master Servicer or the Indenture Trustee (or a determination by the Special Servicer with respect to the Specially Serviced Loan) that it has made a Nonrecoverable Advance or that any proposed Advance, if made, would constitute a Nonrecoverable Advance, must be evidenced by an officer’s certificate delivered to the Master Servicer and Indenture Trustee (unless it is the Person making such determination) detailing the reasons for such determination with supporting documents attached. The Indenture Trustee will be entitled to rely conclusively on the Master Servicer’s or the Special Servicer’s, as applicable, determination that an Advance is a Nonrecoverable Advance. The cost of obtaining any appraisals, reports, surveys, and other information requested by the Master Servicer or the Indenture Trustee, as applicable, in making such determination will be treated as an expense payable from the Master Account, and will constitute a Servicing Advance if paid by the Servicer or the Indenture Trustee from its own funds.

“Assumed Debt Service Payment” means with respect to any Due Date, (a) in the event the Loan is not paid in full on its Stated Maturity Date, and no other Final Liquidation Event has occurred prior to the end of the Collection Period in which such Stated Maturity Date occurs, the scheduled monthly payment of principal and/or interest (exclusive of Default Interest and Excess Interest) that would have been due in respect of the Components of the Loan on its Stated Maturity Date and each subsequent Due Date if the Loan had been required to continue to accrue interest on such Components in accordance with its terms, and to pay principal in accordance with the amortization schedule (if any), in effect immediately prior to, and without regard to the occurrence of the Stated Maturity Date (as such terms and amortization schedule may have been modified, and such Stated Maturity Date may have been extended, in connection with a bankruptcy or similar proceeding involving the Borrower or a modification, waiver or amendment granted or agreed to by the Master Servicer or Special Servicer [in connection with a bankruptcy]) and in the order and priority allocated to each Component and (b) with respect to an REO Loan for which the REO Property remains subject to the Servicing Agreement, the scheduled monthly payment of principal and/or interest (exclusive of Default Interest and Excess Interest) deemed to be due in respect thereof on such Due Date equal to the Debt Service Payment that was due (or, in the case of the Loan described in the preceding clause (a) of this definition, the Assumed Debt Service Payment that was deemed due) in respect of the Loan on the last Due Date prior to its becoming an REO Loan.

Servicer Termination Events

The following will constitute termination events under the Servicing Agreement (each, a “Servicer Termination Event”):

(i) any failure by the Master Servicer (a) to deposit into the Master Account any amount required to be so deposited under the Servicing Agreement that continues unremedied for two business days following the date on which such deposit was first required to be made, but in no event later than the Master Servicer Remittance Date, or (b) to remit to the applicable persons on any Master Servicer Remittance Date, the full amount of any Available Distribution Amount required to be so remitted under the Servicing Agreement on such date;
(ii) any failure by the Special Servicer to deposit into, or to remit to the Master Servicer for deposit into, the Master Account or the REO Account, any amount required to be so deposited or remitted under the Servicing Agreement that continues unremedied for two business days following the date on which such deposit or remittance was first required to be made, but in no event later than two business days before the related Master Servicer Remittance Date;

(iii) any failure by the Master Servicer to timely make any Servicing Advance required to be made by it pursuant to the Servicing Agreement, which failure continues unremedied for a period of three business days following the date on which notice has been given to the Master Servicer by the Indenture Trustee or by any other party to the Servicing Agreement;

(iv) any failure by the Special Servicer to timely direct the Master Servicer to make any Servicing Advance required to be made by the Master Servicer at its direction pursuant to the Servicing Agreement, which failure is not remedied by providing direction to the Master Servicer within three business days following the date on which notice has been given to the Special Servicer by the Indenture Trustee or the Indenture Trustee;

(v) any failure on the part of the Master Servicer or the Special Servicer to observe or perform in any material respect any other of the covenants or agreements thereof contained in the Servicing Agreement, which failure continues unremedied for a period of 30 days after the date on which written notice of such failure, requiring the same to be remedied, is given to the Master Servicer or the Special Servicer, as the case may be, by any other party to the Servicing Agreement, with a copy to each other party to the Servicing Agreement; provided, however, that with respect to any such failure which is not curable within such 30-day period, the Master Servicer or the Special Servicer, as applicable, will have an additional cure period of 30 days to effect such cure so long as it has commenced to cure such failure within the initial 30-day period and has provided the Indenture Trustee with an officer’s certificate certifying that it has diligently pursued, and thereafter continues to pursue, such cure;

(vi) any breach on the part of the Master Servicer or the Special Servicer of any representation or warranty thereof contained in the Servicing Agreement that materially and adversely affects the interests of the Bondholders and that continues unremedied for a period of 30 days after the date on which notice of such breach, requiring the same to be remedied, is given to the Master Servicer or the Special Servicer, as the case may be, by the Indenture Trustee, the Issuer or any other party to the Servicing Agreement; provided, however, that with respect to any such failure which is not curable within such 30-day period, the Master Servicer or the Special Servicer, as applicable, will have an additional cure period of 30 days to effect such cure so long as it has commenced to cure such failure with the initial 30-day period and has provided the Indenture Trustee and the Issuer with an officer’s certificate certifying that it has diligently pursued, and thereafter continues to pursue, such cure;

(vii) a decree or order of a court or agency or supervisory authority having jurisdiction in the premises in an involuntary case under any present or future federal or state bankruptcy, insolvency or similar law for the appointment of a conservator, receiver, liquidator, trustee or similar official in any bankruptcy, insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding up or liquidation of its affairs, is entered against the Master Servicer or the Special Servicer and such decree or order has remained in force undischarged or unstayed for a period of 60 days;

(viii) the Master Servicer or the Special Servicer consents to the appointment of a conservator, receiver, liquidator, trustee or similar official in any bankruptcy, insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to it or of or relating to all or substantially all of its property;

(ix) the Master Servicer or the Special Servicer admits in writing its inability to pay its debts generally as they become due, files a petition to take advantage of any applicable bankruptcy, insolvency or
reorganization statute, makes an assignment for the benefit of its creditors, voluntarily suspends payment of its obligations, or takes any corporate action in furtherance of the foregoing;

(x) [RATING AGENCY EVENT]; or

(xi) [RATING AGENCY EVENT].

Rights Upon Servicer Termination Events

If a Servicer Termination Event occurs then, and in each and every such case, so long as such Servicer Termination Event has not been remedied, either (i) the Indenture Trustee may (other than in the case of events described in clauses (vii), (viii) and (ix) of “—Servicer Termination Events” above), or (ii) upon (a) the written direction of the Issuer or holders of Series 2014 Bonds having at least 25% of the Aggregate Voting Rights and (b) in the case of events described in clauses (vii), (viii) and (ix) of “—Servicer Termination Events” above, the Indenture Trustee will be required to, terminate all of the rights and obligations of the Master Servicer or Special Servicer, as applicable, under the Servicing Agreement, other than rights and obligations accrued prior to such termination, and in and to the Loans and the proceeds of the Loans by notice in writing to the Master Servicer or Special Servicer, as applicable. The Indenture Trustee will be required to serve as successor Master Servicer until a replacement Master Servicer is appointed.

The Indenture Trustee may, if it is unwilling to so act, or will be required to, if it is unable to so act, or if Bondholders entitled to at least 25% of the aggregate Voting Rights so request in writing to the Indenture Trustee, or the Indenture Trustee is not approved by the Rating Agencies as a Master Servicer or Special Servicer, as the case may be, or if the Rating Agencies do not provide a No Downgrade Confirmation, promptly appoint, or petition a court of competent jurisdiction to appoint, any established loan servicing institution reasonably satisfactory to the Indenture Trustee the appointment of which will not result in a downgrade, qualification or withdrawal of the then current rating or ratings assigned to any Class of Series 2014 Bonds as evidenced in writing by the Rating Agencies, as the successor to the Master Servicer or Special Servicer, as applicable, under the Servicing Agreement in the assumption of all or any part of the responsibilities, duties or liabilities of the Master Servicer or the Special Servicer, as applicable, under the Servicing Agreement. No appointment of a successor to a terminated party under the Servicing Agreement will be effective until such successor assumes all of the terminated party’s responsibilities, duties and liabilities under the Servicing Agreement. Pending appointment of a successor to a terminated party under the Servicing Agreement, unless the Indenture Trustee is prohibited by law from so acting, the Indenture Trustee will be required to act in the capacity of the terminated party. In connection with such appointment and assumption, the Indenture Trustee may make arrangements for the compensation of such successor out of payments on the Loan as it and such successor agree, but no compensation may be in excess of the compensation of such terminated party. The Indenture Trustee, the Master Servicer (as applicable), the Special Servicer (as applicable) and such successor will be required to take such action, consistent with the Servicing Agreement, as is necessary to effectuate any such succession.

Waiver of Servicer Termination Events

Bondholders holding at least a majority of the Voting Rights of the Series 2014 Bonds may waive such Servicer Termination Event. Upon any such waiver of a Servicer Termination Event, such Servicer Termination Event shall cease to exist and shall be deemed to have been remedied for every purpose under the Servicing Agreement. No such waiver shall extend to any subsequent or other Servicer Termination Event or impair any right consequent thereon except to the extent expressly so waived.

Additional Remedies of Indenture Trustee Upon Servicer Termination Event

During the continuance of any Servicer Termination Event, so long as such Servicer Termination Event shall not have been remedied, the Indenture Trustee, in addition to the rights specified above, shall have
the right, in its own name and as the Indenture Trustee, to take all actions now or hereafter existing at law, in equity or by statute to enforce its rights and remedies and to protect the interests, and enforce the rights and remedies, of the other Indenture Trustee (including the institution and prosecution of all judicial, administrative and other proceedings and the filings of proofs of claim and debt in connection therewith).

Replacement of the Special Servicer

Upon (i) the written direction of Bondholders evidencing not less than 25% of the Voting Eligible Bonds requesting a vote to replace the Special Servicer with a new special servicer, (ii) payment by such Bondholders to the Indenture Trustee of the reasonable fees and expenses to be incurred by the Indenture Trustee in connection with administering such vote and (iii) delivery by such Bondholders to the Indenture Trustee of a No Downgrade Confirmation (which confirmation will be obtained at the expense of such Bondholders, the Indenture Trustee will be required to promptly provide written notice to the Indenture Trustee and the Bondholders of such request by posting such notice on its internet website, and providing to the Indenture Trustee to be included in the next Payment Date Statement, a statement that such request was received, and by mail, and conduct the solicitation of votes of all Series 2014 Bonds in such regard. Upon the written direction of holders of Series 2014 Bonds evidencing at least 75% of the Aggregate Voting Eligible Quorum, the Indenture Trustee will be required to terminate all of the rights and obligations of the Special Servicer under the Servicing Agreement and appoint the successor Special Servicer designated by such Bondholders.

Evidence as to Compliance

On or before April 1 of each year, commencing in 20[15], each of the Master Servicer and the Special Servicer (regardless of whether the Special Servicer has commenced special servicing of the Loans) will be required to furnish (and each such party will be required, with respect to each servicing function participant with which it has entered into a servicing relationship with respect to the Loans, to cause such servicing function participant, to the extent a party described under Item 1108(a)(2)(i)-(iii) of Regulation AB, to furnish) to the Indenture Trustee, the Indenture Trustee and each Rating Agency, an officer's certificate of the officer responsible for the servicing activities of such party stating, among other things, that (i) a review of that party's activities during the preceding calendar year or portion of that year and of performance under the Servicing Agreement or the sub-servicing agreement in the case of an additional servicer, as applicable, has been made under such officer's supervision, (ii) to the best of such officer's knowledge, based on the review, such party has fulfilled all of its obligations under the Servicing Agreement or the sub-servicing agreement in the case of an additional servicer, as applicable, in all material respects throughout the preceding calendar year or portion of such year, or, if there has been a failure to fulfill any such obligation in any material respect, specifying the failure known to such officer and the nature and status of the failure and (iii) with respect to the Special Servicer, a statement that the Special Servicer has at all times complied with the provisions of the Servicing Agreement relating to the ethical wall relating to confidential information among divisions and individuals of the Special Servicer making investment decisions in certain restricted securities.

In addition, on or before April 1 of each year, commencing in 20[15], each of the Master Servicer and the Special Servicer (regardless of whether the Special Servicer has commenced special servicing of the Loans) will be required to furnish (and each such party will be required, with respect to each servicing function participant with which it has entered into a servicing relationship with respect to the Loans, to cause such servicing function participant to furnish) to the Indenture Trustee and each Rating Agency, a report (an “Assessment of Compliance”) assessing compliance by that party with the servicing criteria set forth in Item 1122(d) of Regulation AB that contains the following:

- a statement of the party's responsibility for assessing compliance with the servicing criteria set forth in Item 1122 of Regulation AB applicable to it;
• a statement that the party used the criteria in Item 1122(d) of Regulation AB to assess compliance with the applicable servicing criteria;

• the party’s assessment of compliance with the applicable servicing criteria during and as of the end of the most recently ended fiscal year, setting forth any material instance of noncompliance identified by the party, a discussion of each such failure and the nature and status of such failure; and

• a statement that a registered public accounting firm has issued an attestation report (an “Attestation Report”) on the party’s assessment of compliance with the applicable servicing criteria during and as of the end of the most recently ended fiscal year.

Each party that is required to deliver on or before April 1 of each year, commencing in 2011, an Assessment of Compliance will also be required to deliver on or before April 1 of each year, commencing in 2011, an Attestation Report of a registered public accounting firm, prepared in accordance with the standards for attestation engagements issued or adopted by the public company accounting oversight board, that expresses an opinion, or states that an opinion cannot be expressed (and the reasons for this), concerning the party’s Assessment of Compliance with the applicable servicing criteria set forth in Item 1122(d) of Regulation AB.

“Regulation AB” means subpart 229.1100 -- Asset Backed Securities (Regulation AB), 17 C.F.R. §§ 229.1100 229.1123, as such may be amended from time to time, and subject to such clarification and interpretation as have been provided by the Commission in the adopting release (Asset Backed Securities, Securities Act Release No. 33 8518, 70 Fed. Reg. 1,506-1,631 (January 7, 2005)) or by the staff of the Commission, or as may be provided by the Commission or its staff from time to time.

Certain Matters Regarding the Master Servicer, the Special Servicer and the Indenture Trustee

The Servicing Agreement will provide that each of the Master Servicer and the Special Servicer may not resign except upon (i) the appointment of, and the acceptance of such appointment by, a successor thereto that is reasonably acceptable to the Indenture Trustee, the Indenture Trustee and the receipt by the Indenture Trustee of a No Downgrade Confirmation, or (ii) determination that such obligations and duties under the Servicing Agreement are no longer permissible under applicable law, which will be evidenced by an opinion of counsel to such effect. All costs and expenses of the Indenture Trustee and obtaining the No Downgrade Confirmation in connection with any such resignation (including any transfer of servicing) will be required to be paid for by the resigning party.

The Servicing Agreement will provide that neither the Master Servicer, the Special Servicer nor any of their respective directors, officers, employees, affiliates or agents will be under any liability to the trusts created pursuant to the Indenture, the Indenture Trustee, the Bondholders for any action taken or for refraining from the taking of any action in good faith pursuant to the Servicing Agreement, actions taken or not taken at the direction of the Indenture Trustee, the Bondholders if relying on such direction is permitted under the Servicing Agreement, or for errors in judgment; provided, however, that the Master Servicer, the Special Servicer or any such other person will not be protected against any breach of warranties or representations made in the Servicing Agreement or any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or negligence in the performance of its duties or by reason of negligent or reckless disregard of its obligations and duties under the Servicing Agreement. The Master Servicer, the Special Servicer and any of their respective directors, officers, employees, agents or “controlling persons” within the meaning of the Securities Act, will be indemnified from the Master Account and held harmless against any loss, liability, claim, demand or expense incurred in connection with any legal action or other claims, losses, penalties, fines, foreclosures, judgments or liabilities relating to the Servicing Agreement, the Loan, the Mortgaged Property or the Series 2014 Bonds (except as any such loss, liability or expense is otherwise reimbursable and reimbursed pursuant to the Servicing Agreement), other than any loss, liability or expense incurred by reason of (i) willful misfeasance, bad faith or negligence by it in the performance of its duties.
under the Servicing Agreement or by reason of its negligent disregard of its obligations and duties under the Servicing Agreement or (ii) a material breach of the representations and warranties made by such party in the Servicing Agreement.

The Servicing Agreement will provide that neither the Master Servicer nor the Special Servicer will be under any obligation to appear in, prosecute or defend any legal action unless such action is related to its respective duties under the Servicing Agreement and which in its opinion does not involve it in any ultimate expense or liability; provided, however, that the Master Servicer or the Special Servicer may, in its discretion, undertake any such action which it may deem necessary or desirable in respect of the Servicing Agreement and the rights and duties of the parties to the Servicing Agreement and the interests of the Indenture Trustee, the Bondholders under the Servicing Agreement. In such event, the legal expenses and costs of such action and any liabilities of the Master Servicer and the Special Servicer will be entitled to be reimbursed for such amounts from funds on deposit in the Master Account.

Each of the Master Servicer and the Special Servicer, severally and not jointly, will be required to indemnify and hold harmless the Indenture Trustee from and against any claims, losses, damages, penalties, fines, forfeitures, legal fees and expenses and related costs, judgments and other costs and expenses (including, without limitation, the amount of any and all taxes imposed on the Indenture Trustee or any Bondholder) incurred by the Indenture Trustee, or any Bondholder, that arise out of or are based upon negligence, bad faith or willful misconduct on the part of the Master Servicer or the Special Servicer, as applicable, in the performance of, or its negligent or reckless disregard of, its obligations and duties under the Servicing Agreement.

Additional Matters Regarding the Indenture Trustee

The Indenture Trustee, or a custodian acting on its behalf, will be required to maintain at its offices (and upon reasonable prior written request and during normal business hours, will be required to make available, or cause to be made available), and will be required to maintain on its website for review by the any Privileged Person originals and/or copies of the following items, to the extent such items were prepared by or delivered to the Indenture Trustee: (i) any offering circular and any other disclosure documents relating to the Series 2014 Bonds, in the form most recently provided to the Indenture Trustee; (ii) the Servicing Agreement, each sub-servicing agreement delivered to the Trustee since the Closing Date, each of the Loan Documents, and any amendments and exhibits to such agreements; (iii) all CREFC Reports actually delivered or otherwise made available to the Bondholders since the Closing Date; (iv) the annual assessments as to compliance (in the case of the Master Servicer and the Special Servicer) and the officer’s certificates delivered by the Master Servicer and the Special Servicer to the Indenture Trustee since the Closing Date; (v) the annual independent public accountants’ servicing report delivered by the Master Servicer and the Special Servicer to the Indenture Trustee since the Closing Date; (vi) the most recent inspection report prepared by the Master Servicer or the Special Servicer and delivered to the Indenture Trustee in respect of the Mortgaged Property; (vii) any and all notices and reports delivered to the Indenture Trustee with respect to the Mortgaged Property as to which environmental testing revealed certain environmental issues; (viii) the Mortgage Loan File, including any and all modifications, waivers and amendments of the terms of the Loan entered into or consented to by the Master Servicer or the Special Servicer and delivered to the Indenture Trustee; (ix) any and all officer’s certificates and other evidence delivered to the Indenture Trustee to support the determination of the Indenture Trustee, the Master Servicer or the Special Servicer that any Advance was (or, if made, would be) nonrecoverable; (x) the summary of the asset status report delivered to the Indenture Trustee and the annual and quarterly operating statements together with certain other information specified in the Servicing Agreement; (xi) notices of events received from the Master Servicer or the Special Servicer with respect to the Loan which may affect Bondholders, to the extent delivered to the Indenture Trustee electronically for posting; (xii) notices of all Master Servicer or Special Servicer terminations or resignations (and appointments of successors to the Master Servicer or the Special Servicer); (xii) requests by Bondholders representing not less than 25% of the Voting Eligible Bonds to terminate the Special Servicer; (xiii) any Appraisals delivered to the Indenture Trustee; and
(xiv) any other information that may be necessary to satisfy the requirements of subsection (d)(4)(i) of Rule 144A under the Securities Act.

In addition, the Indenture Trustee will be required to make available on its website (i) the CREFC Reports with respect to such Master Servicer Remittance Date received from the Master Servicer, (ii) the summary of the Asset Status Reports received from the Special Servicer, (iii) copies of all quarterly and annual summaries and a list of all quarterly and annual financial statements and other financial and property information of the Borrower provided to the Indenture Trustee from the Master Servicer or the Special Servicer, as well as notices of certain events received from the Master Servicer or the Special Servicer with respect to the Loans which may affect the Bondholders, to the extent delivered to the Indenture Trustee electronically for posting and (iv) certain additional information relating to the Mortgaged Property or the Borrower which has been provided to the Master Servicer or the Special Servicer, in each case, in the same manner as required to be made available by the Trustee. The Indenture Trustee will be required to make such information available via its internet website, which will initially be located at “www.[________________].com”.

Amendments

The Servicing Agreement may not be modified, cancelled or terminated except by an instrument in writing signed by the parties to the Servicing Agreement. In addition, the parties to the Servicing Agreement may not amend or modify the Servicing Agreement without first receiving (i) a No Downgrade Confirmation and (ii) an Opinion of Bond Counsel that such amendment or modification will not result in an Adverse Tax-Exempt Bonds Event. The party seeking modification of the Servicing Agreement will be solely responsible for any and all expenses that may arise in order to modify the Servicing Agreement. Notwithstanding clause (i) of the preceding paragraph, a No Downgrade Confirmation will not be required with respect to any amendment or modification to the Servicing Agreement or the Indenture to cure any ambiguity or to correct or supplement any provision in the Servicing Agreement that may be defective or inconsistent with any other provisions in the Servicing Agreement or the Indenture.

Neither the Indenture Trustee nor the Indenture Trustee will be required to consent to any amendment to the Servicing Agreement unless it has first been furnished with an opinion of counsel to the effect that such amendment is authorized or permitted under the Servicing Agreement.

Termination

The Servicing Agreement will terminate upon (i) the full and final payment of all amounts due under the Loan or (ii) the Final Liquidation of the Loan or the REO Property.

Servicing File and Records

The Master Servicer will be required to maintain at its primary servicing office and, upon reasonable advance written notice, will be required to make available for review by any Bondholder, or prospective Bondholder, that has provided an investor certification, and by the Indenture Trustee, the Issuer, each Rating Agency, the Operating Advisor, the Office of Thrift Supervision, the Federal Trade Commission and any other banking or insurance regulatory authority that may exercise authority over any Bondholder, copies of any documents (other than documents required to be part of the Mortgage File) in the possession of the Master Servicer or the Special Servicer and relating to the origination and servicing of the Loan or the administration of the REO Property (the “Servicing File”) (which information the Master Servicer may, but will not be obligated to, distribute electronically in lieu of permitting such persons to visit its servicing office).

Governing Law

The Servicing Agreement will be governed by the laws of the State of New York.
DESCRIPTION OF THE MASTER SERVICER AND SPECIAL SERVICER

[TO COME]

The information set forth in this Official Statement regarding [SERVICER] or under this heading entitled “Description of the Master Servicer and the Special Servicer” has been provided by [SERVICER]. Neither the Issuer, nor the Underwriters, nor any other person other than [SERVICER] makes any representation or warranty as to the accuracy or completeness of such information.

DESCRIPTION OF THE OPERATING ADVISOR

The Operating Advisor

[TriMont Real Estate Advisors Inc. (“TriMont”) will act as the Operating Advisor pursuant to the Indenture (in such capacity, the “Operating Advisor”). TriMont is a Georgia corporation and its principal offices are located at 3424 Peachtree Road NE, Suite 2200, Atlanta, GA 30326.

TriMont provides services to real estate lenders and investors on both debt and equity investments. Its core services include primary asset management, special serviced asset management, REO asset management, asset servicing, due diligence/underwriting services and portfolio risk analysis. TriMont has approximately 350 employees among offices located in Atlanta, GA (headquarters), Irvine, CA and New York. TriMont manages approximately $60 billion of invested capital for clients with over 2,700 assets and $123 billion in asset value. TriMont is rated by Standard and Poor’s as Commercial Mortgage Special Servicer (Above Average), Construction Loan Servicer (Strong) and Construction Loan Special Servicer (Above Average) and by Fitch as a Primary Servicer (CPS2) and Special Servicer (CSS2).

TriMont has acted as a servicer on approximately 25 bond issues totaling $6 billion where TriMont’s duties include construction draw review and approval, monthly lockbox disbursements review and approval, document modification review and approval, monitoring loan document compliance and delivering reporting packages to investors. TriMont has served as asset manager and/or servicer for lenders/investors on over 100 office buildings located in Manhattan with a capital base of over $30 billion. Notable Manhattan assets where TriMont has served as asset manager include the GM Building, The Plaza, 230 Park Avenue, the Chrysler Building and the Woolworth Building.

The information set forth under this subheading “The Operating Advisor” has been provided by the Operating Advisor and none of the Issuer, the Borrower or the Underwriters take any responsibility for such information.]

[Duties of the Operating Advisor

Pursuant to the Indenture, the Operating Advisor will accept its duties and obligations on behalf of the holders of the Series 2014 Bonds by execution of a certificate of acceptance and delivering the same to the Borrower, the Issuer and the Indenture Trustee. The Operating Advisor is to provide the Bondholders with monthly and semiannual information statements regarding the status of the Loan and the Series 2014 Bonds. [See “APPENDIX C — SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE OF TRUST — Statements to Bondholders” herein.]

It is provided in the Servicing Agreement that if a Servicing Transfer Event has occurred and is continuing, and a consent, modification, amendment or waiver or other action in respect of the Loan which would constitute a Major Decision (as defined below) has been requested or proposed, the Special Servicer shall consult with the Operating Advisor before implementing a decision with respect to such Major Decision. However, after consulting with the Operating Advisor, the Special Servicer has no obligation under the Servicing Agreement to act in accordance with any suggestion or recommendation of the Operating Advisor.