

MORTGAGE PURCHASE AGREEMENT

This MORTGAGE PURCHASE AGREEMENT (this "Agreement"), made as of the [] day of [], by and among 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, having its principal office at 110 William Street, New York, New York 10038 (the "Corporation"), CITIBANK, N.A., a national banking association, having its principal office at 390 Greenwich Street, Second Floor, New York, New York 10013 (the "Bank"), U.S. BANK NATIONAL ASSOCIATION, a national banking association, as trustee under the hereinafter defined Resolution, having its principal office at 100 Wall Street, Suite 1600, New York, New York 10005 (the "Trustee"), and PACIFIC PARK 535 CARLTON, LLC and PP 535 CARLTON TC, LLC, each a limited liability company organized and existing under the laws of the State of Delaware, having its principal office at % Forest City Ratner Companies, 1 MetroTech Center, 23rd Floor, Brooklyn, New York 11201 (collectively, the "Mortgagor").

WHEREAS, the Mortgagor owns a [leasehold] interest in a certain [fee simple] parcel of land more fully described in Schedule A hereto (the "Land")

WHEREAS, the Mortgagor has constructed a multifamily housing development, comprised of residential apartments and retail space, located at 535 Carlton Avenue in the Borough of Brooklyn, City and State of New York (the "Improvements" and, together with the Land, the "Project");

WHEREAS, the Corporation has agreed to refinance a mortgage loan (the "Mortgage Loan") to the Mortgagor for the purpose of paying a portion of the costs of the Project pursuant to 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"), which authorizes and empowers the Corporation to issue its bonds for such purpose;

WHEREAS, in order to refinance the Mortgage Loan, the Corporation has agreed to issue and sell to the Bank, and the Bank has agreed to purchase from the Corporation, the Corporation's Multi-Family Mortgage Revenue Bonds (535 Carlton Avenue), 2017 Series A (the "Bonds") in the principal amounts and at the times set forth in the Forward Bond Purchase Agreement, dated [], between the Corporation and the Bank;

WHEREAS, the Corporation will issue the Bonds pursuant to the Act and the Multi-Family Mortgage Revenue Bonds (535 Carlton Avenue) Bond Resolution (the "Bond Resolution"), adopted by the Corporation on [];

WHEREAS, the Trustee has been appointed to act as trustee under the Bond Resolution;

WHEREAS, in order to evidence the Mortgagor's obligations under the Mortgage Loan, and therefore secure the payment of principal and Redemption Price of and interest on the Bonds, the Mortgagor has executed and delivered to the Corporation one or more mortgage notes (collectively, the "Mortgage Note"), each dated [], and one or more

[leasehold] mortgages (collectively, the "Mortgage"), each dated as of [_____] and creating co-equal first liens on the Land and all existing or future Improvements on the Land; and

WHEREAS, in order to comply with certain provisions of the Act, the Corporation and the Bank desire to enter into this Agreement whereby the Bank will provide the security required by the Act through its agreement to purchase the Mortgage Loan, the Mortgage Note and the Mortgage upon the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. The purchase price (the "Purchase Price") of the Mortgage Loan, the Mortgage Note and the Mortgage shall be (i) an amount equal to one hundred percent (100%) of the principal amount of the Bonds Outstanding (as such term is defined in the Bond Resolution), plus accrued and unpaid interest thereon, if any, at the rate set forth in the Bond Resolution, as of the date of purchase or deemed purchase (the "Date of Purchase") of the Mortgage Loan, the Mortgage Note and the Mortgage by the Bank, less (ii) any sums available to the Trustee on the Date of Purchase under the Bond Resolution for the purchase or redemption of the Bonds (but excluding amounts in the Rebate Fund (as such term is defined in the Bond Resolution)). The Purchase Price shall be computed by the Trustee in accordance herewith and the Bond Resolution, and shall be deemed to be conclusive, absent manifest error. The Purchase Price shall be paid by the Bank (in immediately available funds, if paid), or shall be deemed paid, to the Trustee on the Date of Purchase.

2. (a) Immediately upon the occurrence of the twelfth consecutive Interest Payment Date (as such term is defined in the Bond Resolution) on which less than all of the amount due in respect of principal or Redemption Price of, or interest on, any Bond is actually paid, in full and on time, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, the Bank shall be obligated to purchase or, if the Bank does not so purchase, shall be deemed to have purchased, at the Purchase Price, the Mortgage Loan, the Mortgage Note and the Mortgage; provided, however, that (A) the Bank shall be obligated to purchase or, if the Bank does not so purchase, shall be deemed to have purchased, at the Purchase Price, the Mortgage Loan, the Mortgage Note and the Mortgage, at any time during the twelve-month period referred to above immediately upon the Bank's failure to deliver to the Corporation, within five (5) Business Days after each Interest Payment Date, a Work-Out Certificate substantially in the form attached hereto as Exhibit A (a "Work-Out Certificate"), demonstrating that the Bank is actively engaged in resolving the issues giving rise to the insufficient payments referred to above, and (B) if the Bank has commenced foreclosure or deed-in-lieu of foreclosure proceedings with respect to the Project within the twelve-month period referred to above, the deadline referred to above may, with the prior written approval of the Corporation delivered to the Trustee and the Bank, be extended to such later date as the Corporation may reasonably determine upon request for an extension from the Bank in the applicable Work-Out Certificate.

(b) In addition, the Bank shall be obligated to purchase or, if the Bank does not so purchase, shall be deemed to have purchased, at the Purchase Price, the Mortgage Loan, the Mortgage Note and the Mortgage from the Corporation, upon occurrence of the following:

(i) At the time the Bonds are subject to redemption pursuant to Section 2.7(B) of the Bond Resolution, unless all amounts necessary for such redemption are available to the Trustee in accordance with clause (ii) of Paragraph 1 above. The date of such redemption of the Bonds shall be a Date of Purchase; and

(ii) Each and every time a Bond is subject to mandatory tender for purchase pursuant to Section 801(A) of Appendix A to the Bond Resolution, unless all amounts necessary for such purchase are available to the Trustee in accordance with clause (ii) of Paragraph 1 above. The date of such purchase of the Bonds shall be a Date of Purchase.

If, by 10:00 a.m. (New York City time) on the applicable Date of Purchase, the amounts necessary for the redemption of the Bonds as described in subparagraph 2(b)(i) above or the purchase of the Bonds as described in subparagraph 2(b)(ii) above are not available to the Trustee in accordance with clause (ii) of Paragraph 1 above, the Trustee shall so notify the Corporation and the Bank no later than 10:15 a.m. (New York City time) on the Date of Purchase of the Purchase Price, and such computation shall be deemed conclusive, absent manifest error. The Bank shall be obligated to pay or, if the Bank does not so pay, shall be deemed to have paid, the Purchase Price to the Trustee by 2:00 p.m. (New York City time) on the Date of Purchase.

3. Upon notice by the Bank to the Corporation and the Trustee that the Servicer (as such term is defined in the Bond Resolution) has declared an event of default under the Mortgage Note, the Mortgage and/or any other document entered into by the Mortgagor pertaining to, evidencing, securing or administering the Mortgage Loan (collectively, the "Loan Documents"), the Bank shall have the absolute right, but not the obligation, to purchase or to be deemed to have purchased the Mortgage Loan, the Mortgage Note and the Mortgage. Any purchase pursuant to this Paragraph 3 shall be at the Purchase Price, subject to the terms and provisions of this Agreement, provided that the Bank shall give the Corporation and the Trustee not more than thirty (30) days nor less than ten (10) days prior notice, substantially in the form attached hereto as Exhibit B, of the date when it intends to purchase the Mortgage Loan, the Mortgage Note and the Mortgage pursuant to this Paragraph 3. The Trustee shall notify the Bank one (1) day prior to the Purchase Date of the amount of the Purchase Price.

4. Any failure by the Bank to honor its obligations to purchase the Mortgage Loan, the Mortgage Note and the Mortgage from the Corporation at the Purchase Price in accordance with the terms and conditions hereof shall constitute a Mortgage Purchase Agreement Default under the Bond Resolution. Upon the occurrence of a Mortgage Purchase Agreement Default, (i) the Bank shall be obligated to purchase or, if the Bank does not so purchase, shall be deemed to have purchased the Mortgage Loan, the Mortgage Note and the Mortgage at the Purchase Price, (ii) all Outstanding Bonds shall be subject to redemption

pursuant to Section 2.7(B) of the Bond Resolution and shall immediately be cancelled by the Trustee pursuant to Section 3.9 of the Bond Resolution, whether or not the holders of such Bonds shall have received payment therefor, and (iii) the Corporation shall assign the Mortgage Loan, the Mortgage Note and the Mortgage to the Bank in accordance with Paragraph 5 hereof.

5. Upon the purchase or deemed purchase by the Bank of the Mortgage Loan, the Mortgage Note and the Mortgage, the Corporation, or the Trustee at the direction of the Corporation, shall promptly deliver the following to the Bank:

(a) the original Mortgage Note, endorsed by the Corporation without recourse to the Bank;

(b) the original Mortgage or a certified copy thereof from the Office of the City Register, Kings County and a separate assignment to the Bank, executed by the Corporation in recordable form, of the Mortgage and of all rights thereunder;

(c) a general assignment and instrument of transfer conveying all instruments, interests and rights that the Trustee or the Corporation owns or holds in connection with the Mortgage Note, the Mortgage and the Loan Documents;

(d) the originals of all instruments, other than those provided to the Bank at the delivery of the Bonds, made by the Corporation and the Trustee or any of their respective successors or assigns in connection with the Mortgage Loan including, but not limited to, acknowledgment copies of UCC-1 Financing Statements (the "UCC-1s") executed in connection with the Mortgage Loan;

(e) UCC-3 Financing Statements executed in form suitable for filing in the appropriate county and state government offices, which UCC-3 Financing Statements shall reflect the assignment of the UCC-1s to the Bank;

(f) if requested by the Bank, an endorsement to the policy of title insurance with respect to the Mortgage Loan, insuring the Bank as the owner and holder of the Mortgage as of the date of the assignment thereof referred to in subparagraph (b) above;

(g) any and all insurance proceeds, condemnation awards or other sums held by the Corporation or the Trustee pursuant to or in connection with the Mortgage Note or the Mortgage; and

(h) such modifications to the Loan Documents as may be reasonably required by the Bank to evidence the assignment of the Mortgage Loan to the Bank separate and apart from the Non-Bond Mortgage (as defined in the Bond Resolution); provided, however, the failure to deliver such modifications shall not limit the effectiveness of the assignment of the Mortgage Loan, the Mortgage Note or the Mortgage contemplated hereby.

Any document to be assigned or delivered to the Bank pursuant to this Paragraph 5 may instead be delivered to any wholly-owned subsidiary of the Bank, provided that the Corporation and the Trustee receive prior written direction to do so.

6. The Bank shall neither be obligated to purchase the Mortgage Loan, the Mortgage Note and the Mortgage, nor shall the Bank be deemed to have purchased the Mortgage Loan, the Mortgage Note and the Mortgage, if any of the Loan Agreement (as such term is defined in the Bond Resolution), the Mortgage Note or the Mortgage or any Guaranty has been modified, amended or supplemented in any material way without the prior written consent of the Bank.

7. [Cancellation of mortgage assignment upon cure by Mortgagor. See §9.2(f) of Funding Loan Agreement.]

8. If the date upon which any payment is due hereunder or any notice is required to be given hereunder is on a day other than a Business Day (as such term is defined in the Bond Resolution), then the payment or notice, as the case may be, shall be due on the next succeeding Business Day and, in the case of a payment, with interest payable through the next succeeding Business Day.

8. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

9. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when delivered personally or one (1) Business Day after being sent by nationally recognized overnight courier to any party hereto at its address above stated, or at such other address of which a party shall have notified the party giving such notice in writing, also with copies of such notices given to the parties at the addresses set forth in Section 12.3 of the Bond Resolution. All notices required herein may be given by telephone if immediately confirmed in writing.

10. Except as provided in Paragraph 15(b) below, this Agreement cannot be modified, changed or discharged.

11. This Agreement shall bind and inure to the benefit of the parties hereto, and their successors and assigns, except that there shall be no assignment or assumption of the Bank's obligations hereunder except as permitted under the Bond Resolution.

12. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original and all such counterparts shall together constitute but one and the same Agreement.

13. The Trustee and the Corporation shall execute such documents as may be necessary in order to effectuate the purchase or deemed purchase of the Mortgage Loan, the

Mortgage Note and the Mortgage and the assignment of each and every document related to the financing and construction of the Project at Mortgagor's sole cost and expense.

14. This Agreement shall be governed exclusively by the laws of the State of New York.

15. (a) This Agreement shall be effective on the date first above stated. This Agreement shall terminate upon the earlier of (i) the date on which no Bonds are Outstanding or (ii) the date on which the payment of principal and Redemption Price of and interest on the Bonds is secured by a Credit Facility or another Mortgage Purchase Agreement (as such terms are defined in the Bond Resolution) or (iii) a date selected by the Corporation, after consultation with the Mortgagor, for the termination of this Agreement or (iv) subject to subparagraph 15(b) below, [__insert date of the tenth anniversary of the closing of the Funding Loan__] (or, if such date is not a Business Day, the next succeeding Business Day).

(b) Upon notice by the Bank to the Corporation, the Trustee and the Mortgagor, in the form attached hereto as Exhibit C (an "Extension Certificate"), (i) no later than forty-five (45) days (or such shorter period as shall be acceptable to the Corporation) prior to the date set forth in clause (iv) of subparagraph 15(a) above (the "Expiration Date"), the Expiration Date shall be extended for such amount of time as approved by the Bank, but in no event less than [__ days/calendar months/years] (an "Extension Period"), and (ii) no later than forty-five (45) days (or such shorter period as shall be acceptable to the Corporation) prior to the end of any Extension Period, such Extension Period shall be extended for such amount of time as approved by the Bank, but in no event less than [__ days/calendar months/years].

16. For so long as this Agreement is in effect, the Corporation shall not modify the Loan Agreement, the Mortgage Note, the Mortgage or any other document executed between the Corporation and the Mortgagor in connection with the Mortgage Loan, or change or agree to any change in the state of title of the Project, without the prior written consent of the Bank.

17. The Bank hereby represents that (i) it is a national banking association duly organized and validly existing under the laws of the United States, (ii) this Agreement has been duly authorized, executed and delivered by the Bank and constitutes the legal, valid and binding obligation of the Bank, enforceable against the Bank in accordance with its terms, and (iii) the execution by the Bank of this Agreement and the performance by the Bank of its obligations hereunder are within the Bank's corporate power.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION

By: _____
Name: Ellen K. Duffy
Title: Senior Vice President for
Debt Issuance and Finance

CITIBANK, N.A.

By: _____
Name: []
Title: []

U.S. BANK NATIONAL ASSOCIATION

By: _____
Name: Hazrat Haniff
Title: Assistant Vice President

[Mortgagor signature page follows]

PACIFIC PARK 535 CARLTON, LLC,
a Delaware limited liability company,

By: Atlantic Yards Venture, LLC
d/b/a Greenland Forest City Partners,
a Delaware limited liability company,
its sole member

By: _____
Name:
Title: Authorized Signatory of Greenland Member

By: _____
Name:
Title: Authorized Signatory of Forest City Member

PP 535 CARLTON TC, LLC,
a Delaware limited liability company

By: PP 535 Carlton TC Manager, LLC,
a Delaware limited liability company,
its managing member

By: Pacific Park 535 Carlton, LLC,
a Delaware limited liability company,
its sole member

By: Atlantic Yards Venture, LLC
d/b/a Greenland Forest City Partners,
a Delaware limited liability company,
its sole member

By: _____
Name:
Title: Authorized Signatory of Greenland Member

By: _____
Name:
Title: Authorized Signatory of Forest City Member

Schedule A

[See attached.]

Schedule A

Exhibit A

FORM OF WORK OUT CERTIFICATE

TO: NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
110 William Street, 10th Floor
New York, New York 10038

PROJECT: 535 Carlton Avenue
Brooklyn, New York
Block [____], Lot [____]

RE: THAT Mortgage Purchase Agreement, dated as of [_____] (the "MPA"),
by and among the New York City Housing Development Corporation ("HDC"),
Citibank, N.A. (the "Bank"), U.S. Bank National Association and Pacific Park
535 Carlton, LLC and PP 535 Carlton TC, LLC (collectively, the "Mortgagor")

On behalf of the Bank, the undersigned, a duly authorized officer of the Bank, hereby certifies that, pursuant to Paragraph 2(a) of the MPA, *EITHER*:

_____ 1. the Bank is actively engaged in resolving the issues giving rise to the insufficient payment referred to in Section 2(a) of the MPA, as well as cooperating with HDC in connection with the resolution of any default(s) continuing under the Regulatory Agreement, dated as of [_____] , between the Corporation and the Mortgagor, as the same may be amended, restated or supplemented from time to time; *OR*

_____ 2. on [date], the Bank commenced foreclosure proceedings and requests that HDC extend by one (1) calendar month the period referred to in Section 2(a) of the MPA; *OR*

_____ 3. as of [date], the Bank is engaged in good faith negotiations to accept a deed in lieu of foreclosure and requests that HDC extend by one (1) calendar month the period referred to in Section 2(a) of the MPA;

CITIBANK, N.A.

By: _____
Name:
Title:

Date: _____

Exhibit A

2379802.5 038971 AGMT

Exhibit B

FORM OF MORTGAGE ASSIGNMENT CERTIFICATE

TO: NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
110 William Street, 10th Floor
New York, New York 10038

U.S. BANK NATIONAL ASSOCIATION
100 Wall Street, Suite 1600
New York, New York 10005
Attention: Corporate Trust Services

PROJECT: 535 Carlton Avenue
Brooklyn, New York
Block [], Lot []

On behalf of Citibank, N.A. (the "Bank"), the undersigned, a duly authorized officer of the Bank, hereby notifies you, pursuant to Paragraph 3 of the Mortgage Purchase Agreement, dated as of [] (the "Mortgage Purchase Agreement"), among you and the Bank, that the Servicer has declared an event of default under the Mortgage Note, the Mortgage and/or any other Loan Document and the Bank is hereby exercising its right to purchase the Mortgage Loan, the Mortgage Note and the Mortgage. The Bank intends to so purchase the Mortgage Loan, the Mortgage Note and the Mortgage on _____, which date is not more than 30 days nor less than 10 days following the date of this notice.

Capitalized terms used herein and not otherwise defined have the meanings given such terms in Mortgage Agreement

CITIBANK, N.A.

By: _____

Name:

Title:

Date:

Exhibit B

2379802.5 038971 AGMT

Exhibit C

FORM OF EXTENSION CERTIFICATE

TO: NEW YORK CITY HOUSING DEVELOPMENT CORPORATION
110 William Street, 10th Floor
New York, New York 10038

U.S. BANK NATIONAL ASSOCIATION
100 Wall Street, Suite 1600
New York, New York 10005
Attention: Corporate Trust Services

PACIFIC PARK 535 CARLTON, LLC
% Forest City Ratner Companies
1 MetroTech Center, 23rd Floor
Brooklyn, New York 11201

RE: THAT Mortgage Purchase Agreement, dated as of [_____] (the "MPA"),
by and among the New York City Housing Development Corporation, Citibank,
N.A. (the "Bank"), U.S. Bank National Association and Pacific Park 535 Carlton,
LLC and PP 535 Carlton TC, LLC

On behalf of the Bank, the undersigned, a duly authorized officer of the Bank, hereby
notifies each of you that the Expiration Date of the MPA is extended for [___ days/calendar
months/years].

CITIBANK, N.A.

By: _____
Name:
Title:

Date: _____