$00,000,000

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

Multi-Family Mortgage Revenue Bonds
(461 Dean Street Development),
2012 Series A

BOND PURCHASE AGREEMENT

December __, 2012

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

Ladies and Gentlemen:

The undersigned (hereinafter referred to as the “Underwriter”), offers to enter into
the following agreement with you (the “Corporation”) which, upon your acceptance of this offer,
will be binding upon you and upon the Underwriter. This offer is made subject to your acceptance
of this Bond Purchase Agreement on or before 5:00 p.m., New York City time, December __, 2012.
You have heretofore delivered to us the Official Statement of the Corporation dated December __,
2012, including the cover page and Appendices thereto (the “Official Statement”). Unless
otherwise defined in this Bond Purchase Agreement, capitalized terms shall have the respective
meanings defined in the Official Statement.

1. Purchase and Sale; Authority. (a) Upon the terms and conditions and upon
the basis of the representations, warranties and covenants set forth herein, the Underwriter hereby
agrees to purchase from you, and you hereby agree to sell to the Underwriter, all (but not less than
all) of $00,000,000 aggregate principal amount of New York City Housing Development
Corporation Multi-Family Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series
A (the “2012 Bonds”). The 2012 Bonds shall be dated, mature and bear interest at the rates and
have the initial offering prices set forth on the cover page of the Official Statement. The purchase
price for the 2012 Bonds will be $00,000,000, plus accrued interest, if any, on the Bonds from their
dated date to the Closing.

(b) The Underwriter’s offer contained in this Bond Purchase Agreement shall
be subject to receipt by the Underwriter of a Letter of Representation and Indemnity Agreement
2. The Bonds. The 2012 Bonds shall be as described in, and shall be issued pursuant to, a resolution entitled “Multi-Family Mortgage Revenue Bonds (461 Dean Street Development) Bond Resolution” adopted by the Members of the Corporation on __________, 2012 (the “Resolution”), with only such changes in the Resolution as shall be mutually agreed upon between you and the Underwriter. The 2012 Bonds shall be issued in accordance with the provisions of the Resolution and secured as described therein and in the Official Statement.

The 2012 Bonds are being issued to finance a portion of a mortgage loan (the “Mortgage Loan”) to the Mortgagor, for the purposes of paying (i) a portion of the costs of constructing and equipping a multi-family rental housing facility, retail space and certain related facilities, all to be located at 461 Dean Street in the Borough of Brooklyn, New York (the “Project”) and (ii) certain other costs related thereto.

The obligations of the Mortgagor with respect to the Mortgage Loan will be evidenced by two mortgage notes issued in connection therewith (collectively, the “Mortgage Note”) and will be secured by, among other things, two mortgages each from the Mortgagor to the Corporation (collectively, the “Mortgage”).

In connection with the financing of the Project, the Corporation and the Mortgagor will enter into a Construction and Project Loan Agreement, dated the date of issuance of the 2012 Bonds (the “Loan Agreement”) and the Corporation and the Mortgagor will enter into the Regulatory Agreement, dated as of __________, 2012 (the “Regulatory Agreement”). In addition, the Corporation, the Mortgagor and the Guarantor are parties to the Financing Commitment and Agreement dated __________, 2012 (the “Financing Commitment and Agreement”). The Loan Agreement, the Regulatory Agreement and the Financing Commitment and Agreement shall be known, collectively, as the “Corporation Documents”.

Payment of the 2012 Bonds will initially be supported by an irrevocable direct pay letter of credit, in an amount equal to the principal amount of the 2012 Bonds plus interest in an amount equal to at least [34] days of interest on all 2012 Bonds bearing interest at the Maximum Rate (the “Letter of Credit”), dated the date of Closing (hereinafter defined), issued by The Bank of New York Mellon (referred to herein in such capacity as the “Bank”) in favor of U.S. Bank National Association (the “Trustee”), as Trustee under the Resolution. The Letter of Credit will be issued pursuant to a Letter of Credit Reimbursement, Disbursement and Security Agreement, dated as of the date of issuance of the 2012 Bonds (the “Credit Agreement”), among the Mortgagor and the Bank, as provider of the Letter of Credit and as Agent (the “Agent”) for itself and any other lenders who become lenders pursuant to the Credit Agreement (individually, a “Lender” and collectively, the “Lenders”). The Mortgagor will agree in the Credit Agreement to reimburse the Bank for drawings made under the Letter of Credit and to make certain other payments. The Guarantor will deliver to the Agent a Completion Guaranty, dated as of __________, 2012 (collectively, the “Guaranty”) pursuant to which the Guarantor makes certain guaranties with
respect to (i) completion of the construction of the Project and (ii) payment of interest on the Mortgage Note and other amounts. The 2012 Bonds delivered to the Agent in connection with certain drawings under the Letter of Credit are to be pledged to the Agent, pursuant to a Pledge and Security Agreement dated the date of Closing (the “Pledge Agreement”), from the Mortgagor to the Agent.

In order to provide for the payment of its obligations to the owners of the 2012 Bonds and to induce the Bank to issue the Letter of Credit, the Corporation, with the consent of the Mortgagor, will execute and deliver to the Trustee and the Agent, an Assignment and Servicing Agreement (the “Assignment”), pursuant to which the Corporation will assign all of its right, title and interest in, to and under the Mortgage, the Mortgage Note, the Loan Agreement and other assigned documents (except certain reserved rights as described in the Assignment).

In order to provide for the remarketing of 2012 Bonds in certain circumstances, the Mortgagor will enter into a remarketing agreement dated as of the date of issuance of the 2012 Bonds (the “Remarketing Agreement”) among the Mortgagor, the Corporation and Morgan Stanley & Co. LLC, as remarketing agent (the “Remarketing Agent”), with respect to the 2012 Bonds.

U.S. Bank National Association, as tender agent (the “Tender Agent”), will hold moneys required for the purchase of 2012 Bonds upon a remarketing, and 2012 Bonds pledged to the Agent, as aforesaid, pursuant to a Tender Agent Agreement dated as of the date of issuance of the 2012 Bonds (the “Tender Agent Agreement”) among the Trustee, the Tender Agent, the Corporation, the Mortgagor, and the Remarketing Agent.

The Mortgagor will undertake, pursuant to a continuing disclosure agreement (the “Disclosure Agreement”), dated as of the date of issuance of the 2012 Bonds, entered into between the Mortgagor and the Trustee, to provide certain annual financial information and notices of the occurrence of certain events listed in paragraph (b)(5)(i)(C) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under and pursuant to the Securities Exchange Act of 1934, as amended.

The 2012 Bonds are payable from moneys payable by the Corporation to the Trustee pursuant to the Resolution. The 2012 Bonds are special revenue obligations of the Corporation payable from Mortgage Loan payments and payments under the Letter of Credit. Initially the 2012 Bonds shall bear interest at the Weekly Rate (as defined in the Resolution). The 2012 Bonds shall mature, shall be subject to tender and shall be subject to redemption and defeasance, all as described in the Resolution.

Concurrently with the execution of this Bond Purchase Agreement, the Corporation is entering into a Forward Bond Purchase Agreement (the “Forward Bond Purchase Agreement”) providing for the purchase of the Corporation’s Multi-Family Mortgage Revenue Bonds (461 Dean Street Development), 2013 Series A (the “2013 Bonds”) to be issued by the Corporation pursuant to the First Supplemental Resolution Relating to Multi-Family Mortgage Revenue Bonds, (461 Dean Street Development) 2013 Series A, adopted by the Corporation on __________, 2012. The 2013 Bonds shall be issued and delivered on or before _______1, 2013, to provide funds to
finance the balance of the Mortgage Loan to the Mortgagor to complete the Project partially financed with the proceeds of the 2012 Bonds.

This Bond Purchase Agreement, the Resolution, the Mortgage, the Mortgage Note, the Assignment, the Letter of Credit, the Credit Agreement, the Pledge Agreement, the Remarketing Agreement, the Tender Agent Agreement, the Disclosure Agreement, the Forward Bond Purchase Agreement and the Corporation Documents are hereinafter referred to collectively as the "Transaction Documents."

3. **Offering.** The Underwriter hereby agrees to make a bona fide public offering of all the 2012 Bonds at an amount not in excess of the initial public offering price (or less than the yield) set forth on the cover page of the Official Statement.

4. **Liquidated Damages.** (a) If the Corporation shall be unable to satisfy the conditions to the obligations of the Underwriter to accept delivery of and to pay for the 2012 Bonds in accordance with this Bond Purchase Agreement (unless such conditions shall be waived by the Underwriter subject to the provisions of Section 6(m) hereof), or if the obligation of the Underwriter to accept delivery of and to pay for the 2012 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Corporation shall be under any further obligation hereunder, except that the respective obligations of the Corporation and the Underwriter set forth in Section 13 hereof shall continue in full force and effect.

(b) In the event that the Underwriter fails (other than for a reason permitted hereunder) to accept and pay for the 2012 Bonds at the Closing as herein provided, the Underwriter shall pay to you $_______ as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriter and, except as set forth in Section 13 hereof (which expenses shall continue to be the responsibility of the respective parties), such amount shall constitute a full release and discharge of all claims and damages for such failure and for any and all such defaults, and you and the Underwriter shall have no further action for damages, specific performance or any other legal or equitable relief against the other party. The Underwriter and you understand that in such event your actual damages may be greater or may be less than such amount and may be difficult or impossible to ascertain. Accordingly, the Underwriter hereby waives any right to claim that your actual damages are less than such amount, and your acceptance of this offer shall constitute a waiver of any right you may have to additional damages from the Underwriter.

5. **Official Statement; Use of Documents.** (a) Prior to the execution of this Bond Purchase Agreement, you have delivered or caused to be delivered to the Underwriter five copies of the Official Statement executed by an Authorized Officer (as defined in the Resolution). You hereby authorize the form of the Resolution, the Official Statement and the information therein contained to be used in connection with the public offering and sale of the 2012 Bonds. You hereby consent to the use by the Underwriter, prior to the date hereof, of the Official Statement in connection with the public offering of the 2012 Bonds.

(b) You will deliver printed copies of the Official Statement to the Underwriter in quantities specified by the Underwriter and sufficient to permit the Underwriter to comply with the
rules of the Municipal Securities Rulemaking Board, and in sufficient time to accompany any confirmation that requests payment from any customer.

(c) If during the period from the date hereof through and including the earlier of (i) the date which is 25 days after the “end of the underwriting period” (as determined in accordance with this paragraph) or (ii) 90 days after the Closing, any event occurs which would cause the Official Statement to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and if in the opinion of the Corporation or the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Corporation will cause the Official Statement to be amended or supplemented in a form approved by the Underwriter and satisfactory to the Corporation at the expense of the Corporation. The “end of the underwriting period” for the 2012 Bonds as used in this Bond Purchase Agreement shall mean the date of Closing, unless on such date the Corporation has been otherwise advised in writing by the Underwriter that the “end of the underwriting period” has not occurred on the date of Closing. The Underwriter hereby agrees to notify the Corporation promptly in writing following the occurrence of the “end of the underwriting period” for the 2012 Bonds.

6. **Representations, Warranties and Agreements.** You hereby represent and warrant to the Underwriter (and it shall be a condition of the obligation of the Underwriter to purchase and accept delivery of the 2012 Bonds that you shall so represent and warrant) that:

(a) The Corporation is a corporate governmental agency, constituting a public benefit corporation organized and existing under the laws of the State of New York created by and 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”). The Corporation is authorized by the Act, in furtherance of the public purposes described in the Act, to engage in the transactions contemplated by the Transaction Documents to which it is a party.

(b) The Corporation has complied with all provisions of the Constitution and laws of the State of New York, including the Act, and has full power and authority to (i) adopt the Resolution and issue, sell and deliver the 2012 Bonds to the Underwriter, (ii) finance the Mortgage Loan in the manner described in the Official Statement, (iii) enter into each Transaction Document to which it is a party and (iv) carry out and consummate the transactions contemplated by the Official Statement, the Resolution, the 2012 Bonds, this Bond Purchase Agreement and the other Transaction Documents to which the Corporation is a party.

(c) All of the information contained in the Official Statement (other than the information contained under the headings “INTRODUCTION” (insofar as the statements in such section relate to the Mortgagor, its members, the Guarantor, the Non-Bond Loan, the Project or the Bank), “THE MORTGAGE LOAN AND OTHER FINANCING,” “THE PROJECT AND THE MORTGAGOR,” “LETTER OF CREDIT BANK” and “SUMMARY OF CERTAIN PROVISIONS OF THE LETTER OF CREDIT AND THE CREDIT AGREEMENT” and “NO LITIGATION—The Mortgagor” and the definitions contained in Appendix A thereto that are not
defined terms in the Resolution) and in any amendment or supplement that may be authorized for use by you with respect to the 2012 Bonds is and, as of the Closing, will be true and correct and does not contain and will not contain any untrue statement of a material fact and does not omit and will not omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(d) You have duly authorized or will duly authorize prior to or concurrently with the Closing all necessary action to be taken by you for: (1) the financing of the Mortgage Loan to partially finance the Project and pay certain costs related thereto; (2) the issuance, sale and delivery of the 2012 Bonds upon the terms set forth herein, in the Resolution and in the Official Statement; (3) the adoption and delivery of the Resolution providing for the issuance of and security for the 2012 Bonds and appointing U.S. Bank National Association, as Trustee under the Resolution; (4) the approval of the Official Statement and the execution of the Official Statement by an Authorized Officer of the Corporation; (5) the execution, delivery, receipt and due performance of this Bond Purchase Agreement, the 2012 Bonds, the Resolution and the other Transaction Documents to which the Corporation is a party and any and all such other agreements and documents as may be required to be executed, delivered and received by you in order to carry out, give effect to and consummate the transactions contemplated by the Official Statement, the Resolution, the 2012 Bonds, this Bond Purchase Agreement and the other Transaction Documents to which the Corporation is a party; and (6) the carrying out, giving effect to and consummation of the transactions contemplated hereby and by the Resolution and the Official Statement.

(e) There is no litigation or other proceeding now pending or threatened against you of which you have notice or, to your knowledge, any basis therefor, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2012 Bonds, or in any way contesting or affecting the validity of the 2012 Bonds or any proceedings of the Corporation taken with respect to the issuance or sale thereof, or the financing of the Mortgage Loan, or the pledge or application of any moneys or security provided for the payment of the 2012 Bonds, or the existence or powers of the Corporation or contesting in any material respect the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or challenging the exclusion of interest on the 2012 Bonds from gross income for federal income tax purposes.

(f) The financing of the Mortgage Loan, the adoption of the Resolution and the execution and delivery of the Official Statement, this Bond Purchase Agreement, the 2012 Bonds, the other Transaction Documents to which the Corporation is a party and the other agreements contemplated hereby and by the Official Statement, and compliance with the provisions thereof, will not conflict with or constitute on your part a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, resolution, mortgage, lease or other instrument to which you are subject or by which you are or may be bound.

(g) You are not in breach of or default under any applicable constitutional provision, law or administrative regulation or any applicable judgment or decree or any agreement, indenture, bond, note, resolution, mortgage, lease or other instrument to which the Corporation is a party or by which the Corporation otherwise is or may be bound, and no event has occurred and is continuing which with the passage of time or the giving of notice or both would constitute a default or event of default under any such instrument, except where such breach or default does
not or would not, as applicable, have a material adverse effect on the properties, assets, operations, business or financial condition of the Corporation.

(h) You will furnish such information, execute such instruments and take such other action not inconsistent with law or established policy of the Corporation in cooperation with the Underwriter as the Underwriter may request (i) to qualify the 2012 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (ii) to determine the eligibility of the 2012 Bonds for investment under the laws of such states and other jurisdictions, and will use your best efforts to continue such qualifications in effect so long as required for the distribution of the 2012 Bonds; provided, however, that you shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(i) At or prior to Closing, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by you of your obligations in connection with, the issuance and sale of the 2012 Bonds under the Resolution and this Bond Purchase Agreement will have been duly obtained (except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2012 Bonds); and, except as disclosed in the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by you of your respective obligations under this Bond Purchase Agreement and the other Transaction Documents to which the Corporation is a party have been duly obtained or where required for future performance are expected to be obtained.

(j) You have not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that you are a bond issuer whose arbitrage certifications may not be relied upon.

(k) Any certificate signed by your Authorized Officer and delivered to the Underwriter shall be deemed a representation and warranty by you to the Underwriter as to the statements made therein. It is understood that the representations, warranties and covenants made by you in this Paragraph 6 and elsewhere in this Bond Purchase Agreement shall not create any general obligation or liability on your part, and that any obligation or liability of the Corporation hereunder or under the 2012 Bonds or the Resolution will be payable solely out of the revenues and other income, charges and moneys derived by the Corporation from, or in connection with, the Resolution, the Loan Agreement, the Letter of Credit or the sale of the 2012 Bonds. Neither the Corporation nor any of the members thereof, nor any officer, agent or employee thereof, shall be charged personally by the Underwriter with any liability, or held liable to the Underwriter under any term or provision of this Bond Purchase Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, thereof.
(i) At the Closing, the Underwriter shall receive the following documents:

(ii) (a) The unqualified approving opinion with respect to the 2012 Bonds dated as of the Closing of Hawkins DelafIELD & Wood LLP, New York, New York, Bond Counsel to the Corporation, substantially in the form appended to the Official Statement as Appendix C, together with a letter, dated as of the Closing, from Bond Counsel addressed to the Underwriter and the Mortgagor stating that the Underwriter and the Mortgagor may rely on such opinion as though it were addressed to it and a supplemental opinion of even date therewith, substantially in the form appended hereto as Exhibit A; (b) the opinion dated as of the Closing of the General Counsel of the Corporation, substantially in the form appended hereto as Exhibit B; (c) the opinion dated as of the Closing of Morrison & Foerster LLP, New York, New York, Counsel to the Bank, substantially in the form appended hereto as Exhibit C; (d) the opinion dated as of the Closing of Nixon Peabody LLP, New York, New York, Counsel to the Underwriter, substantially in the form appended hereto as Exhibit D; (e) the opinion dated as of the Closing of Carter Ledyard & Milburn LLP, Counsel to the Trustee, in form and substance acceptable to the Underwriter; and (f) the opinion dated as of the Closing of (i) Bingham, McCutchen LLP, New York, New York, Special Counsel to the Mortgagor, (ii) [David L. Berliner], as in-house counsel to the Mortgagor and (iii) [Jeffrey Sabatine], in-house counsel to the Guarantor, each in form and substance satisfactory to the Corporation and the Underwriter,

(iii) A copy of the Resolution and a certificate of an Authorized Officer of the Corporation, dated the date of Closing, that the Resolution has not been amended, modified, supplemented or repealed, except as may have been agreed to by the Underwriter, and is in full force and effect.

(iv) A certificate of an Authorized Officer of the Corporation, dated the date of the Closing, to the effect that there is no litigation or other proceeding now pending or threatened against the Corporation of which the Corporation has notice or, to the knowledge of the Corporation, any basis therefor, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2012 Bonds, or in any way contesting or affecting the validity of the 2012 Bonds or any proceedings of the Corporation taken with respect to the issuance or sale thereof, or the financing of the Mortgage Loan or the Non-Bond Loan, or the pledge or application of any moneys or security provided for the payment of the 2012 Bonds, or the existence or powers of the Corporation or contesting in any material respect the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or challenging the exclusion of interest on the 2012 Bonds from gross income for federal income tax purposes.

(v) One or more certificates of an Authorized Officer of the Corporation, dated the date of Closing, to the effect that (i) the representations and warranties contained in paragraphs (a) through (j) of this Paragraph 6 are true and correct as of the date of
Closing, (II) on the basis of the facts, estimates and circumstances (including covenants of the Corporation) in existence on the date of Closing, which facts, estimates and circumstances shall be set forth therein, (a) it is not expected that the proceeds of the 2012 Bonds will be used in a manner that would cause the 2012 Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended, and the regulations prescribed under or relating to that Section and (b) to the best of the knowledge and belief of such officer, there are no other facts, estimates or circumstances that would materially change such expectation, (III) the information contained in the Official Statement (other than the information contained under the headings “INTRODUCTION” (insofar as the statements in such section relate to the Mortgagor, its members, the Guarantor, the Project or the Bank), “THE MORTGAGE LOAN AND OTHER FINANCING,” “THE PROJECT AND THE MORTGAGOR,” “LETTER OF CREDIT BANK” and “SUMMARY OF CERTAIN PROVISIONS OF THE LETTER OF CREDIT AND THE CREDIT AGREEMENT” and “NO LITIGATION—The Mortgagor” and the definitions contained in Appendix A thereto that are not defined terms in the Resolution) does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading and (IV) the Corporation has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing under this Bond Purchase Agreement and the Transaction Documents to which the Corporation is a party.

(vi) Evidence of an “_____” rating for the 2012 Bonds from Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc.

(vii) A certificate of an Authorized Officer of the Corporation, dated the date of the Closing, to the effect that the Corporation has satisfied the conditions set forth in clauses (1) through (4) of Section 4.2 of the Resolution.

(viii) Such additional certificates, instruments, opinions, and documents as Bond Counsel to the Corporation, Hawkins Delafield & Wood LLP, or Counsel to the Underwriter, Nixon Peabody LLP, may deem necessary or desirable to evidence the due authorization, execution and delivery of the 2012 Bonds and the conformity of the 2012 Bonds, the Resolution, and any additional resolutions with the terms thereof as outlined in the Official Statement.

(ix) A certificate of the Mortgagor and the Guarantor, dated the date of the Closing, in form and substance satisfactory to the Underwriter to the effect that (i) the respective representations, warranties and covenants of the Mortgagor and, to the extent applicable, the Guarantor contained in the Transaction Documents to which each is a party and contained in the Letter of Representation and Indemnity Agreement, are true and correct in all material respects on and as of the date of the Closing with the same effect as if made on the date of the Closing; (ii) no litigation of any nature is now pending or, to the knowledge of the Mortgagor, its members or the Guarantor, threatened against or in any way adversely affecting the existence of the Mortgagor, its members, or the Guarantor, involving the Project, or seeking to restrain or enjoin the issuance, sale, execution or
delivery of the 2012 Bonds or the financing of the Mortgage Loan or the Non-Bond Loan as described in the Official Statement, or the acquisition, construction or equipping of the Project, or in any way contesting or affecting the validity or enforceability of the 2012 Bonds or the Transaction Documents to which the Mortgagor and, to the extent applicable, the Guarantor are parties or the Letter of Representation and Indemnity Agreement executed by the Mortgagor and the Guarantor, or in any way contesting or affecting any proceedings of the Mortgagor taken with respect to the sale, execution or delivery thereof, or the application of any moneys or security provided for the payment of the 2012 Bonds, or contesting in any way the completeness or accuracy of the Official Statement with respect to information relating to the Mortgagor, its members, the Guarantor, the Project and the Mortgage Loan, or contesting the powers or authority of the Mortgagor or, to the extent applicable, the Guarantor with respect to the Transaction Documents to which it is a party or with respect to the Letter of Representation and Indemnity Agreement or, to the knowledge of the Mortgagor or its members, without independent inquiry, challenging the exclusion of interest on the 2012 Bonds from gross income for federal income tax purposes; and no litigation is pending or, to the knowledge of the Mortgagor or its members, threatened in any court in any way affecting the Guarantor which could materially adversely affect the ability of any Guarantor, as applicable, to satisfy its obligations under the Guaranty, or the Guarantor which could materially adversely affect the ability of the Guarantor to satisfy its obligations under the Letter of Representation and Indemnity Agreement or the Financing Commitment and Agreement executed by the Mortgagor and the Guarantor; (iii) no event affecting the Mortgagor, its members, the Guarantor or the Project has occurred since the date of the Official Statement which is necessary to disclose therein in order to make the statements and information therein not misleading in any respect; (iv) the information contained in the Official Statement under the headings “INTRODUCTION” (insofar as the statements contained in such section relate to the Project, the Non-Bond Loan, the Mortgagor, its members or the Guarantor and the Mortgage Loan), “THE MORTGAGE LOAN AND OTHER FINANCING,” “THE PROJECT AND THE MORTGAGOR” and “NO LITIGATION – The Mortgagor” is true and correct in all material respects; and (v) the Mortgagor and the Guarantor have complied with all the agreements and satisfied all the conditions on their part to be performed or satisfied at or prior to the Closing, and covering such other matters as may be requested by the Underwriter.

(x) A copy of the executed Letter of Credit and a certificate of the Bank dated the date of the Closing, signed by a duly authorized officer and in form and substance satisfactory to the Underwriter to the effect that (i) the Bank is a state chartered New York banking corporation; (ii) the Letter of Credit, the Credit Agreement and the Assignment have been duly authorized, executed and delivered by the Bank and constitute the legal, valid and binding obligations of the Bank, enforceable against the Bank in accordance with their respective terms; (iii) the issuance by the Bank of the Letter of Credit and the performance by the Bank of its obligations thereunder are within the Bank’s corporate power; and (iv) the information relating to the Bank, the Letter of Credit and the Credit Agreement contained in the Official Statement is true and correct in all material respects.

(xi) Original or certified copies of each Transaction Document.
(xii) Evidence of the approval of the sale of the 2012 Bonds and the terms of such sale by the Comptroller of The City of New York.

(xiii) An original or certified copy of the executed investment agreement or the equivalent thereof relating to the moneys held in the Bond Proceeds Account established under the Resolution.

All certificates, instruments, opinions and documents referred to above and any additional resolutions shall be in form and substance satisfactory to both Bond Counsel and Counsel to the Underwriter.

(m) No closing condition listed in Section 6(l) hereof may be waived by the Underwriter without the consent of the Corporation.

7. Closing. On December 13, 2012, or on such other date as shall have been mutually agreed upon, you will deliver to the Underwriter the 2012 Bonds, in definitive form, duly executed and authenticated, as requested by the Underwriter not less than one (1) business day prior to the Closing, together with the other documents hereinabove mentioned, and the Underwriter will accept such delivery and pay the purchase price of the 2012 Bonds, as set forth in Paragraph 1 hereof by “Federal Funds” wire to the Corporation. The Corporation shall thereafter immediately pay or cause to be paid to the Underwriter an underwriting fee equal to $__________ (except for Underwriter’s Counsel fee) with respect to the 2012 Bonds. Delivery and payment as aforesaid shall be made at such place in New York as shall have been mutually agreed upon. This payment and delivery is hereinbefore and hereinafter called the “Closing”. The 2012 Bonds shall be delivered as registered bonds registered in the name of Cede & Co. in denominations equal to each Bond maturity or as otherwise specified by the Underwriter. The 2012 Bonds shall be made available to the Underwriter at least one full business day before Closing for purposes of inspection and establishment of the book-entry system for the 2012 Bonds described in the Official Statement.

8. Survival of Representations. All representations and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of the 2012 Bonds hereunder.

9. Closing Conditions; Termination. The Underwriter’s obligations hereunder to purchase and pay for the 2012 Bonds shall be subject to the performance by you of your obligations to be performed hereunder at or prior to the Closing, the accuracy in all material respects of your representations and warranties contained herein and the receipt by the Underwriter of the documents set forth in Paragraph 6(l) at or prior to the Closing and shall also be subject to the following conditions:

(a) At the time of the Closing, the Resolution shall be in full force and effect, and shall not have been amended, modified, or supplemented except as may have been agreed to by the Underwriter;
(b) At the time of the Closing, all related official action of the Corporation shall be in full force and effect and shall not have been amended, modified or supplemented;

(c) At the time of the Closing (i) the Official Statement, the Resolution and the other Transaction Documents shall be in full force and effect and shall be in the form approved by the Underwriter and (ii) the Bank shall have issued and delivered the Letter of Credit in favor of the Trustee;

(d) We may terminate this Bond Purchase Agreement by notification in writing or by telegram to you if at any time subsequent to the date hereof and at or prior to the Closing:

(i) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation (other than such legislation known as of the date hereof to be pending or to have been introduced), which legislation, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon revenues or other income of the general character to be derived by the Corporation or by any similar body or upon interest received on the 2012 Bonds or on obligations of the general character of the 2012 Bonds, which, in the Underwriter’s reasonable opinion, materially adversely affects the market price of the 2012 Bonds;

(ii) A tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, the Treasury Department of the United States or the Internal Revenue Service, or be enacted by the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States, or the Tax Court of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which would result in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Corporation or by any similar body or upon interest received on the 2012 Bonds or on obligations of the general character of the 2012 Bonds, which, in the Underwriter’s reasonable opinion, would materially adversely affect the market price of the 2012 Bonds;

(iii) Any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency in the State of New York, or a decision by any court of competent jurisdiction within the State of New York shall be rendered which in the Underwriter’s reasonable opinion materially adversely affects the market price of the 2012 Bonds;

(iv) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having
jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the 2012 Bonds, or the issuance, offering or sale of the 2012 Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, the Securities Act of 1933, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(v) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the 2012 Bonds, or the 2012 Bonds, including all the underlying obligations, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended and as then in effect, or the Exchange Act of 1934, as amended and as then in effect, or that the Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect;

(vi) Any event shall have occurred, or information become known, which, in the Underwriter's reasonable opinion, makes untrue in any material respect any statement or information contained in the Official Statement as originally circulated, or has the effect that the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vii) In the Underwriter's reasonable opinion, additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(viii) A general banking moratorium shall have been established by federal or New York authorities;

(ix) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States or any hostilities shall have commenced or escalated, or any other national or international emergency relating to the effective operation of government or the financial community shall have occurred or escalated, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the 2012 Bonds; or

(x) Any rating of the 2012 Bonds or the rating of any class of security of the Corporation shall have been downgraded or withdrawn by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the 2012 Bonds.

10. Receipt for 2012 Bonds. At the Closing, contemporaneously with the receipt of the 2012 Bonds, the Underwriter will deliver to you a receipt therefor, in form satisfactory to your Bond Counsel.
11. **Opinions of Bond Counsel.** You will furnish to the Underwriter a reasonable supply of copies of the approving opinion of Bond Counsel to accompany delivery of the 2012 Bonds.

12. **Financial Information.** You agree to furnish to the Underwriter, from time to time during the life of the outstanding Bonds, copies of each Annual Report, if any, issued by the Corporation.

13. **Expenses.** (a) You shall pay all expenses incident to the performance of the Corporation’s obligations hereunder, including but not limited to: (i) the cost of the preparation, delivery, printing and distribution of the Resolution and the Official Statement (including any amendments or supplements thereto); (ii) the cost of the preparation, printing and delivery to the Underwriter of the 2012 Bonds; (iii) the fees and disbursements of Bond Counsel; (iv) fees, if any, for bond ratings; and (v) the fees and disbursements of the Trustee and counsel for the Trustee.

(b) The Underwriter shall pay from its underwriting fee referred to in Section 7 or shall cause to be paid: (i) the cost of preparation and printing of this Bond Purchase Agreement; (ii) the costs of preparation and printing of the Blue Sky Memoranda; (iii) all advertising expenses in connection with the public offering of the 2012 Bonds; and (iv) all other expenses incurred by it in connection with the public offering and distribution of the 2012 Bonds and not described in (a) above, including without limitation the fees and expenses of its counsel. The Corporation shall be under no obligation to pay any expenses incident to the performance of the obligations of the Underwriter hereunder.

14. **Notices.** Any notice to be given to you under this Bond Purchase Agreement may be given by delivering the same to your office, as indicated above, and any such notice to be given to the Underwriter may be given by delivering the same to Morgan Stanley & Co. LLC, 1221 Avenue of the Americas, 30th Floor, New York, New York 10020, Attention: Municipal Short Term Products and muni-short-term@morganstanley.com.

15. **No Fiduciary Role.** The Corporation acknowledges and agrees that (i) the purchase and sale of the 2012 Bonds pursuant to this Bond Purchase Agreement is an arm’s-length commercial transaction between the Corporation and the Underwriter, (ii) in connection therewith and with the process leading to such transaction the Underwriter is acting solely as a principal and not the agent or fiduciary of the Corporation, and in particular that the Underwriter is not acting as a “municipal advisor” (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Corporation with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether the Underwriter has advised or is currently advising the Corporation on other matters) or any other obligation of the Corporation except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Corporation has consulted its own legal and financial advisors to the extent it deemed appropriate and (v) the Underwriter has financial and other interests that differ from those of the Corporation. The Corporation agrees that it will not claim that the Underwriter has rendered advisory services of any
nature or respect, or owe a fiduciary or similar duty to the Corporation in connection with such transaction or the process leading thereto.

16. **Entire Agreement; Parties in Interest.** The agreement herein set forth constitutes the entire agreement between us and has been and is made solely for the benefit of the Corporation and the Underwriter (including the successors and assigns thereof other than any person who claims to be such successor or assign solely by reason of the purchase of 2012 Bonds). No other person shall acquire or have any right under or by virtue of this Bond Purchase Agreement.

17. **Representations in Force.** All of the representations, warranties and agreements of the Corporation contained in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriter or (ii) delivery of and payment for the 2012 Bonds hereunder.

18. **Counterparts.** This Bond Purchase 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 instrument.
18. **Governing Law.** This Bond Purchase Agreement shall be governed by and interpreted under the laws of the State of New York.

Very truly yours,

MORGAN STANLEY & CO. LLC

By: ____________________________
   Name: _______________________
   Title: _______________________

Confirmed and Accepted as of the date hereof:

NEW YORK CITY HOUSING DEVELOPMENT CORPORATION

By: ____________________________
   Name: Marc Jahr
   Title: President
New York City Housing
Development Corporation
110 William Street, 10th Floor
New York, New York 10038

Morgan Stanley & Co. LLC as the
Underwriter named in the Bond Purchase Agreement
dated December __, 2012 with the New York City
Housing Development Corporation
1221 Avenue of the Americas, 30th Floor
New York, New York 10020

The Bank of New York Mellon
pursuant to the Letter of Credit Reimbursement, Disbursement and Security
Agreement, dated as of December __, 2012, between
such party and the Mortgagor named in the Bond Purchase Agreement
One Wall Street, 21st Floor
New York, New York 10286

Ladies and Gentlemen:

We are Bond Counsel to the New York City Housing Development Corporation
(the "Corporation") and are this day rendering our final approving opinion (the "Opinion") relating
to the authorization and issuance of the Corporation's $00,000,000 Multi-Family Mortgage
Revenue Bonds (461 Dean Street Development), 2012 Series A (the "Bonds"), authorized by the
"Multi-Family Mortgage Revenue Bonds (461 Dean Street Development) Bond Resolution,"
adopted by the Corporation on __________, 2012 (the "Resolution"). The Opinion is being
rendered in connection with the delivery of the Bonds to Morgan Stanley & Co. LLC, as the
Underwriter (the "Underwriter") named in the Bond Purchase Agreement dated December __,
2012, with the Corporation (the "Bond Purchase Agreement").

In connection with the rendering of the Opinion, we have reviewed records of the
acts taken by the Corporation in connection with the authorization, sale and issuance of the Bonds,
including a record of proceedings of the Corporation relating to the authorization, execution and
delivery of the Bond Purchase Agreement, were present at various meetings in connection
therewith and have participated with others in the preparation of various parts of the Official
Statement, dated December __, 2012 (the "Official Statement"), with respect to the Bonds.
In connection with the sale of the Bonds, at the request of the Corporation, we participated and assisted as Bond Counsel in the preparation of the Official Statement and have reviewed the information and representations contained therein. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal and related subjects, and reviews of and reports on certain documents and proceedings. We also participated in conferences with representatives of the Corporation, representatives of Atlantic Yards B2 Owner, LLC, a Delaware limited liability company (the "Mortgagor") and its counsel, Bingham McCutchen, LLP, New York, New York, representatives of The Bank of New York Mellon, the provider of the Letter of Credit (the "Bank") and its counsel, Morrison & Foerster LLP, New York, New York, and representatives of the Underwriter and its counsel, Nixon Peabody LLP, at which conferences the contents of the Official Statement and related matters were discussed and reviewed.

Except as to matters related to the rendering of our Opinion, we have necessarily assumed the fairness, correctness and completeness of the statements and material set forth in the Official Statement and have not undertaken to independently verify the accuracy or completeness of any of the statements or representations contained therein, except that, in our opinion, the information contained in the Official Statement under the headings "INTRODUCTION", "DESCRIPTION OF THE 2012 BONDS", "SECURITY FOR THE BONDS", "SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION", "AGREEMENT OF THE STATE", "TAX MATTERS", and "LEGALITY OF 2012 BONDS FOR INVESTMENT AND DEPOSIT", and in Appendix A thereto, insofar as such statements purport to summarize certain provisions of the Resolution, applicable provisions of the Act (as defined in the Official Statement), the Bonds and applicable provisions of Federal tax law, present a fair and accurate summary of such provisions. Accordingly, except to the extent set forth in the immediately preceding sentence, we take no responsibility for the fairness, correctness or completeness of the information contained in the Official Statement. We can and do advise you, however, that in the course of our participation in the preparation of the Official Statement and in our review thereof in the light of the discussions, inquiries and conferences referred to above, nothing has come to our attention which gives us reason to believe that the Official Statement (except for the financial and statistical data included therein, the information contained in Appendix B to the Official Statement and the information with respect to the Mortgagor and its members, the Guarantor (as defined in the Official Statement), any other person or entity described under the heading "THE PROJECT AND THE MORTGAGOR", the Project, the Non-Bond Loan (as such term is defined in the Official Statement) and the Bank, as to which we express no opinion) as of its date or the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are further of the opinion that:

1. The Bond Purchase Agreement has been duly authorized, executed and delivered by, and constitutes a binding agreement of, the Corporation.
2. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

Very truly yours,

Hawkins Delafield & Wood LLP
December ___, 2012

Morgan Stanley & Co. LLC,
as the Underwriter named in the Bond Purchase
Agreement dated December ___, 2012 with the
New York City Housing Development Corporation
1221 Avenue of the Americas, 30th Floor
New York, New York 10020

The Bank of New York Mellon
pursuant to the Letter of Credit Reimbursement, Disbursement and Security
Agreement, dated as of December ___, 2012 between
such party and the Mortgagor named in the Bond Purchase Agreement
One Wall Street, 21st Floor
New York, New York 10286

U.S. Bank National Association, as Trustee
100 Wall Street, Suite 1600
New York, New York 10005

Re: $00,000,000 New York City Housing Development Corporation Multi-Family
Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series A

Ladies and Gentlemen:

This opinion is being rendered to you pursuant to paragraph 6(l)(ii)(b) of the Bond
Purchase Agreement dated December ___, 2012 (the “Bond Purchase Agreement”), between
Morgan Stanley & Co. LLC as Underwriter, and the New York City Housing Development
Corporation (the “Corporation”) relating to the issuance and sale of $00,000,000 Multi-Family
Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series A (the “2012 Bonds”),
which are to be issued pursuant to a resolution entitled “Multi-Family Mortgage Revenue Bonds
(461 Dean Street Development) Bond Resolution” adopted by the Corporation on __________, 2012 (the “Resolution”). Capitalized terms used herein and not otherwise defined shall have the
meanings ascribed thereto in the Bond Purchase Agreement.

I am General Counsel to the Corporation and have acted as such in connection with
the issuance and sale of the 2012 Bonds. In such capacity, I am generally familiar with the affairs
of the Corporation and have examined and am familiar with the New York City Housing
Development Corporation Act, Article XII of the Private Housing Finance Law, as amended (the
"Act"), and the By-Laws and official records of the Corporation. At your request, I have also reviewed the Official Statement with respect to the 2012 Bonds, dated December __, 2012 (the "Official Statement").

In connection with the foregoing, I have examined such documents, corporate records, certificates, matters of law and opinions as I have considered necessary and relevant as a basis for the opinions herein stated. Based upon the foregoing, it is my opinion that:

(a) The Corporation is a corporate governmental agency, constituting a public benefit corporation organized and existing under the laws of the State of New York with full power and authority to authorize, issue and sell the 2012 Bonds, to enter into the Bond Purchase Agreement, to finance the Mortgage Loan and to enter into, carry out and give effect to the transactions contemplated by the Official Statement.

(b) The Official Statement has been duly approved and executed and the Bond Purchase Agreement, the Regulatory Agreement, the Loan Agreement, the endorsements of the Mortgage Note and the Assignment have been duly authorized, executed and delivered and constitute valid and binding agreements of the Corporation, enforceable in accordance with their terms, except as such enforcement may be limited by the rights and remedies of creditors or by general principles of equity, whether such enforceability is considered in a proceeding in equity or at law.

(c) The information contained in the Official Statement under the headings: "INTRODUCTION" (insofar as the statements in such section relate to the Corporation), "THE CORPORATION," "NO LITIGATION—The Corporation" and in Appendix B thereto as of its date and as of the date hereof did not and does not contain any untrue statement of a material fact and did not and does not omit to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. In addition, based upon my familiarity with the Corporation and the examinations described above and my participation in the preparation of the Official Statement, but without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement (except as to the information referred to above), I have no reason to believe that, as of its date or as of the date hereof, the Official Statement (other than the information contained under the headings "INTRODUCTION" (insofar as the statements contained in such section relate to the Mortgagor and its members, the Guarantor, the Project or the Bank), "THE MORTGAGE LOAN AND OTHER FINANCING," "THE PROJECT AND THE MORTGAGOR," "LETTER OF CREDIT BANK," "SUMMARY OF CERTAIN PROVISIONS OF THE LETTER OF CREDIT AND THE CREDIT AGREEMENT," "NO LITIGATION—The Mortgagor" and the definitions contained in Appendix A thereto which are not defined terms in the Resolution as to which I express no opinion) (i) contained or contains any untrue statement of a material fact or (ii) omitted or omits to state any material fact which is required to be stated therein or which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) No litigation or other proceeding is now pending or threatened against the Corporation of which the Corporation has notice or, to my knowledge is there any basis therefor,
seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2012 Bonds, or in any way contesting or affecting the validity of the 2012 Bonds or any proceedings of the Corporation taken with respect to the issuance or sale thereof, or the financing of the Mortgage Loan, or the pledge or application of any moneys or security provided for the payment of the 2012 Bonds, or the existence or powers of the Corporation, or contesting in any material respect the completeness or accuracy of the Official Statement or any supplement or amendment thereto or challenging the exclusion of interest on the 2012 Bonds from gross income for Federal income tax purposes.

(e) The Corporation is not in breach of or default under any applicable constitutional provision, law or administrative regulation, including the Act, or any applicable judgment or decree or any agreement, indenture, bond, note, resolution, mortgage, lease or other instrument to which the Corporation is a party or by which the Corporation otherwise is or may be bound, and no event has occurred and is continuing which with the passage of time or the giving of notice or both would constitute a default or event of default under any such instrument, except where such breach or default does not or would not, as applicable, have a material adverse effect on the properties, assets, operations, business or financial condition of the Corporation.

(f) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Corporation of its obligations in connection with, the issuance and sale of the 2012 Bonds under the Resolution and the Bond Purchase Agreement have been duly obtained (except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2012 Bonds); and, except as disclosed in the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction in the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Corporation of its respective obligations under the Bond Purchase Agreement and the other Transaction Documents to which the Corporation is a party have been duly obtained or where required for future performance are expected to be obtained.

Sincerely,

General Counsel
New York City Housing
Development Corporation
110 William Street, 10th Floor
New York, New York 10038

U.S. Bank National Association, as Trustee
100 Wall Street, Suite 1600
New York, New York 10005

Morgan Stanley & Co. LLC
1221 Avenue of the Americas, 30th Floor
New York, New York 10020

Re: $00,000,000 New York City Housing Development Corporation Multi-Family Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series A

Ladies and Gentlemen:

We have acted as special counsel to The Bank of New York Mellon ("BNY Mellon") in connection with the issuance by the New York City Housing Development Corporation, a public benefit corporation of the State of New York (the "Corporation") of its Multi-Family Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series A in the aggregate principal amount of $00,000,000 (the "Bonds"). The Bonds will be supported by an irrevocable direct-pay letter of credit (the "Letter of Credit") issued by BNY Mellon for the account of Atlantic Yards B2 Owner, LLC (the "Borrower"), to U.S. Bank National Association, as trustee (the "Trustee") pursuant to the Letter of Credit Reimbursement, Disbursement and Security Agreement dated as of the date hereof (the "Credit Agreement") among the Borrower, BNY Mellon, as provider of the Letter of Credit, BNY Mellon, as administrative agent under the Credit Agreement and any other "Lenders" identified therein. The Bonds will be issued in a public offering underwritten by Morgan Stanley & Co. LLC as underwriter. As described in the Corporation's Official Statement with respect to the Bonds (the "Official Statement"), the proceeds of the Bonds will be used by the Corporation to finance a mortgage loan to the Borrower.

In rendering the opinions expressed below, we have examined originals, certified copies or copies otherwise identified as being true copies of the following: (i) the Credit Agreement, (ii) the Letter of Credit, (iii) the Multi-Family Mortgage Revenue Bonds (461 Dean Street Development) Bond Resolution adopted on __________, 2012, by the Corporation in respect of the Bonds (the "Resolution"), (iv) the Assignment and Servicing Agreement entered into among the Corporation, BNY Mellon (in its capacity as administrative agent), the Trustee and the Borrower dated as of the
date hereof (the "Assignment"), (v) the Official Statement, (vi) the certificate of
_of BNY Mellon, dated ____________, a copy of which is attached hereto as Exhibit A (the "BNY Mellon Certificate") (vii) a certificate
of the State of New York Banking Department as to the authority of BNY Mellon to transact the
business of trust and banking in the State of New York dated ____________, 2012 (the
"Certificate of Authority") and (viii) such other documents as we deem necessary or appropriate,
and we have made such investigation of law as we have deemed appropriate as a basis for the
opinions set forth herein. As to various questions of fact material to such opinions, when relevant
facts have not been independently established by us, we have relied upon the documents examined
or certifications by BNY Mellon, the Corporation, the Borrower and others.

With your permission we have assumed the following:

(a) the authenticity of original documents and the genuineness of all
signatures;

(b) the conformity to the originals of all documents submitted to us as
copies;

(c) the truth, accuracy and completeness of the information, factual
matters, representations and warranties contained in the records, documents,
instruments and certificates we have reviewed;

(d) the legal capacity as natural persons of all individual signatories on
behalf of BNY Mellon; and

(e) except as specifically covered in the opinions set forth below, the
due authorization, execution and delivery on behalf of the respective parties thereto
of documents referred to herein and the legal, valid and binding effect thereof on
such parties. We have also assumed, but have not independently verified, that the
Bonds will be issued in accordance with the provisions of the Resolution and when
so issued will conform to the documents referred to above.

Our opinion in paragraph 1 below as to the authority of BNY Mellon to transact the
business of banking is based solely upon the Certificate of Authority.

In rendering the opinions set forth in paragraphs 1 and 2 below, we have relied upon the
BNY Mellon Certificate. Insofar as they relate to such matters, our opinions are subject to all of
the exceptions, limitations and qualifications set forth in that certificate.

Based upon the foregoing and subject to the qualifications, limitations and expectations
stated herein, and having regard for legal considerations which we deem relevant, we are of the
opinion that:

1. BNY Mellon is a banking corporation currently authorized to

C-2
transact the business of banking in the State of New York with the power and authority to issue the Letter of Credit and to execute and deliver the Credit Agreement and the Assignment.

2. The Assignment, the Letter of Credit and the Credit Agreement have been duly and validly authorized, executed and delivered by BNY Mellon.

3. The issuance and performance of the Letter of Credit by BNY Mellon, and the execution, delivery and performance of the Assignment and the Credit Agreement by BNY Mellon, do not require any consent, authorization or approval by any governmental authority or agency of the State of New York.

4. An action may be maintained by the Trustee against BNY Mellon in the courts of the State of New York with respect to the Letter of Credit.

5. We have reviewed the statements contained in the Official Statement as of the date hereof under the headings “SECURITY FOR THE 2012 BONDS-Letter of Credit” and “SUMMARY OF CERTAIN PROVISIONS OF THE LETTER OF CREDIT AND THE CREDIT AGREEMENT” and such statements are true and correct in all material respects.

6. The Assignment, the Letter of Credit and the Credit Agreement constitute legal, valid and binding obligations of BNY Mellon, enforceable against BNY Mellon in accordance with their respective terms.

The opinions hereinbefore expressed are subject to the following further qualifications and exceptions:

(i) the effect of bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws relating to or affecting the rights of creditors generally, including, without limitation, laws relating to fraudulent transfers or conveyances, preferences and equitable subordination;

(ii) limitations imposed by general principles of equity upon the availability of equitable remedies or the enforcement of provisions of the Assignment, the Letter of Credit or the Credit Agreement and the effect of judicial decisions which have held that certain provisions are unenforceable where their enforcement would violate the implied covenant of good faith and fair dealing, or would be commercially unreasonable; and

(iii) except to the extent encompassed by an opinion set forth above with respect to BNYM Mellon, we express no opinion as to the effect on the opinions expressed herein of (x) the compliance or non-compliance of any party to the Assignment, the Letter of Credit or the Credit Agreement with any law, regulation or order applicable to it, or (y) the legal or
regulatory status or the nature of the business of any such party.

We express no opinion as to matters governed by any laws other than the substantive laws of the State of New York and federal laws of the United States of America, as in effect on the date hereof. We express no opinion concerning (i) federal or state securities laws or regulations, (ii) federal or state tax laws or regulations or (iii) compliance with fiduciary duty requirements.

We are delivering this opinion to you pursuant to Section 6(l)(ii)(c) of the Bond Purchase Agreement, dated as of the date hereof, between Morgan Stanley & Co. LLC and the Corporation. This opinion letter is solely for your benefit and may not be relied upon or used by any other person without our prior written approval. This opinion letter speaks only as of the date hereof. We disclaim any responsibility to advise you of any development or circumstance of any kind, including any change of law or fact, that may occur after the date of this opinion letter even though such development, circumstance or change may affect the legal analysis, a legal conclusion or any other matter set forth in or relating to this opinion letter. Accordingly, any of you who may rely on this opinion letter at any future time should seek advice of your counsel as to the proper application of this opinion letter at such time.

Very truly yours
Exhibit A

Certificate of BNY Mellon

[see attached]
Officer's Certificate

__________________, 2012

This Officer's Certificate is being delivered to Morrison & Foerster LLP for reliance hereon by Morrison & Foerster LLP in rendering its opinion letter, dated the date hereof (the "Opinion Letter"), in connection with the issuance by the New York City Housing Development Corporation, a public benefit corporation of the State of New York of its Multi-Family Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series A in the aggregate principal amount of $__________. Each initially capitalized term not defined herein has the meaning assigned to it in the Opinion Letter. I, ______________________, hereby certify to Morrison & Foerster LLP that I am [a][the] ____________________ of The Bank New York Mellon (the "Bank"), and that I am authorized to execute and deliver this Certificate and that:

1. The Bank is a banking corporation currently authorized to transact the business of banking in the State of New York.

2. Attached to this Certificate as Exhibit A are true, complete and accurate copies of the Charter and Amendments and the By-Laws of the Bank.

3. Execution of the Assignment and the Credit Agreement by ______________________ will constitute due execution by the Bank of the Assignment and the Credit Agreement.

4. Execution of the Letter of Credit by ______________________ will constitute due execution by the Bank of the Letter of Credit.

5. Attached to this Certificate as Exhibit B are incumbency certificates for ______________________ and ______________________ executed by the undersigned pursuant to the Bank's by-laws.

I make this Certificate with the knowledge that Morrison & Foerster LLP will be relying on this Certificate in connection with its opinion to the Corporation, the Trustee, the underwriters for the Bonds, Moody's Investors Service, Inc. and Standard & Poor's Ratings Services relating to the issuance of the Bonds.

[remainder of page left blank intentionally]
IN WITNESS WHEREOF, the undersigned has duly executed this Officer's Certificate as of the date first written above.

______________________________
Name:
Title:
EXHIBIT A

CHARTER AND AMENDMENTS AND BY-LAWS

[see attached]
EXHIBIT B

INCUMBENCY CERTIFICATES

[see attached]
December __, 2012

Morgan Stanley & Co. LLC
1221 Avenue of the Americas, 30th Floor
New York, New York 10020

Re: $00,000,000 New York City Housing Development Corporation Multi-Family Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series A

Ladies and Gentlemen:

We have acted as counsel for you as Underwriter in connection with your purchase from the New York City Housing Development Corporation (the “Corporation”) of its Multi-Family Mortgage Revenue Bonds (461 Dean Street Development), 2012 Series A, in the aggregate principal amount of $00,000,000 (the “2012 Bonds”), pursuant to the Bond Purchase Agreement, dated December __, 2012 (the “Bond Purchase Agreement”), between you and the Corporation. The 2012 Bonds are to be issued pursuant to the “Multi-Family Mortgage Revenue Bonds (461 Dean Street Development) Bond Resolution” adopted by the Corporation on __________, 2012 (the “Resolution”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Bond Purchase Agreement. In that connection, we have reviewed:

(a) A certified copy of the Resolution;

(b) An executed copy of the Official Statement of the Corporation, dated December __, 2012 relating to the 2012 Bonds (the “Official Statement”);

(c) An executed counterpart of the Bond Purchase Agreement;

(d) An executed copy of the Continuing Disclosure Agreement, dated the date hereof, relating to the 2012 Bonds;

(e) A certified transcript of the proceedings of the Corporation relating to the authorization and issuance of the 2012 Bonds;

(f) Certificates of the Corporation, of U.S. Bank National Association, as trustee under the Resolution, and of others as to certain factual matters;
(g) The opinions referred to in paragraph 6(1)(ii) of the Bond Purchase Agreement; and

(h) Originals or copies certified or otherwise identified to our satisfaction of such corporate records, certificates and other documents, as we have deemed appropriate as a basis for the opinions and conclusions hereinafter expressed.

We have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

In addition, we have relied on originals or copies, certified or otherwise identified to our satisfaction, of such other documents, legal opinions, instruments or records, including a transcript of the proceedings of the Corporation relating to the issuance and sale of the 2012 Bonds, and have made such investigation of law as we have considered necessary or appropriate for the purposes of this opinion.

In accordance with our understanding with you, we rendered legal advice and assistance to you in the course of your investigation pertaining to, and your participation in, the preparation of the Official Statement and the issuance and sale of the 2012 Bonds. Rendering such assistance involved, among other things, discussions and inquiries covering various legal and related subjects, and the review of and reports on certain documents and proceedings. We also participated in conferences with your representatives and those of the Corporation, the Mortgagor, The Bank of New York Mellon, and their respective counsel, Hawkins Delafield & Wood LLP, as bond counsel, and others, during which the contents of the Official Statement and related matters were discussed and reviewed.

The limitations inherent in the independent verification of factual matters and the character of determination involved in the preparation of the Official Statement are such, however, that we have necessarily assumed the accuracy, completeness and fairness of, and take no responsibility for, any of the statements made in the Official Statement. Also, we do not express any opinion or belief as to the financial and statistical information contained in the Official Statement. We have also assumed, but have not independently verified, that the signatures on all documents and certificates that we examined are genuine.

On the basis of the information developed in the course of the performance of the services referred to above, considered in light of our understanding of the applicable law and the experience we have gained through our practice thereunder, we are of the opinion that:

1. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the opinions that the 2012 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended. No opinion is expressed with regard to the Letter of Credit issued by The Bank of New York Mellon (the “Bank”) with respect to the 2012 Bonds.
2. We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as your counsel, to assist you in part of your responsibility with respect to the Official Statement, we participated in conferences with your representatives and representatives of the Corporation, the Mortgagor, Bingham McCutchen, LLP, New York, New York, as counsel to the Mortgagor, the Bank, Morrison & Foerster LLP, as counsel to the Bank, Hawkins Delafield & Wood LLP, as Bond Counsel, and others, during which the contents of the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on the records, documents, certificates, opinions and matters herein mentioned (as set forth above), we advise you as a matter of fact and not opinion that, during the course of our representation of you on this matter, no facts came to the attention of the attorneys in our firm rendering legal services in connection with such representation which caused us to believe that the Official Statement as of its date and as of the date hereof (except for any financial, statistical, economic or engineering data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion, information with respect to the Mortgagor and its members, any Guarantor, any other person or entity described under the heading “THE PROJECT AND THE MORTGAGOR,” the Project, the Corporation, the Mortgage Loan, the Non-Bond Loan, the Bank, the Trustee, DTC, tax exemption and the book-entry system, Appendix B and Appendix C thereto, included or referred to therein, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

We are furnishing this letter to you pursuant to paragraph 6(l)(ii)(d) of the Bond Purchase Agreement solely for your benefit as Underwriter. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person, except this opinion may be referred to and included in any record of proceedings relating to the 2012 Bonds and except as required by law. This letter is not intended to, and may not, be relied upon by owners of 2012 Bonds or by any other party to whom it is not specifically addressed.

Very truly yours,
EXHIBIT E

[LETTERHEAD OF BINGHAM MCCUTCHEN LLP]

[LETTERHEAD OF IN-HOUSE COUNSEL TO THE MORTGAGOR]

[LETTERHEAD OF IN-HOUSE COUNSEL TO THE GUARANTOR]

[Each to be in form and substance satisfactory to the Corporation, Underwriter and Bond Counsel]
LETTER OF REPRESENTATION AND INDEMNITY AGREEMENT

December __, 2012

Morgan Stanley & Co. LLC
1221 Avenue of the Americas, 30th Floor
New York, New York 10020

New York City Housing
Development Corporation
110 William Street
New York, New York 10038

The Bank of New York Mellon
pursuant to the Letter of Credit Reimbursement, Disbursement and Security
Agreement, dated as of December __, 2012, between
such party and the Mortgagor named in the Bond Purchase Agreement
One Wall Street, 21st Floor
New York, New York 10286

Re: $00,000,000 New York City Housing Development
Corporation Multi-Family Mortgage Revenue Bonds
(461 Dean Street Development), 2012 Series A

Ladies and Gentlemen:

We have delivered this letter to you today in connection with your execution of a
Bond Purchase Agreement (the “Agreement”), dated December __, 2012, pursuant to which the
New York City Housing Development Corporation (the “Corporation”) has agreed to offer and sell
the above-referenced bonds (the “2012 Bonds”) to Morgan Stanley & Co. LLC as underwriter (the
“Underwriter”). The offering and sale of the 2012 Bonds is described in the Official Statement of
the Corporation, dated December __, 2012, including the cover page and the Appendices thereto
(the “Official Statement”).

Unless otherwise defined in this letter, capitalized terms used herein which are
defined in the Agreement shall have the respective meanings therein specified.

In order to induce you to enter into the Agreement, and to make the offering and
sale of the 2012 Bonds therein contemplated, the undersigned, Atlantic Yards B2 Owner, LLC, a
Delaware limited liability company (the “Mortgagor”) and Forest City Enterprises, Inc., an Ohio
Corporation, (the “Guarantor”), hereby represent, warrant and covenant to each of you at the date
hereof, that:
(a) The Mortgagor is, and on the date of the Closing will be, duly organized, validly existing and in good standing as a limited liability company in the State of Delaware. [The sole member of ______ is _______. ______ consists of two members, ______, which is the manager of ______, and ______, which is the investor member of ______.] The Mortgagor has the power and authority to own properties and to carry on business as now contemplated to be conducted. The Mortgagor has, and on the date of the Closing will have, full legal right, power and authority to enter into the Mortgage, the Mortgage Note, the Loan Agreement, the Regulatory Agreement, the Financing Commitment and Agreement, the Credit Agreement, the Pledge Agreement, the Remarketing Agreement, the Tender Agent Agreement, the Assignment, and this Letter of Representation and Indemnity Agreement (collectively, the "Mortgagor's Documents") and to consummate the transactions contemplated by the Official Statement and the Mortgagor's Documents. The Guarantor, as applicable, has the full legal right, power and authority to enter into the Guaranty and this Letter of Representation and Indebtedness (as defined in the Agreement).

(b) As of the date hereof, the Mortgagor and the Guarantor have duly authorized and approved the execution and delivery of, and the performance by the Mortgagor and the Guarantor of their respective obligations contained in, this Letter of Representation and Indemnity Agreement, and as of the date of the Closing, the Mortgagor will have duly authorized and approved the execution and delivery of, and the performance by the Mortgagor of its obligations contained in, the Mortgagor's Documents and the consummation by the Mortgagor of the transactions contemplated thereby;

(c) Neither the Mortgagor nor the members of the Mortgagor nor the Guarantor is in breach of or in default under, or has received any notice of a breach of or default under, any law, administrative regulation or ordinance applicable to it, or any applicable judgment or decree of any court having jurisdiction, and, upon the issuance of the 2012 Bonds, neither the Mortgagor nor the members of the Mortgagor nor the Guarantor will be in breach of or in default under any loan agreement, note, bond, resolution, certificate or other agreement or instrument to which it is a party or is otherwise subject; except, in any such case, where such breach or default shall not have, either alone or in the aggregate, a material adverse effect on (i) the business, operations, properties or condition (financial or other) of the Mortgagor or the Guarantor or (ii) the Mortgagor's ability to perform its obligations hereunder or under the other Mortgagor's Documents or the Guarantor's ability to perform its obligations hereunder or under the Guaranty; the execution and delivery by the Mortgagor of the Mortgagor's Documents and the performance by the Mortgagor of its obligations hereunder will not conflict with or constitute a breach of or default under any law or
administrative regulation or any applicable judgment or decree of any court having jurisdiction, or any provision of any organizational document, loan agreement, note, bond, resolution, ordinance, certificate or other agreement or instrument to which the Mortgagor, the members of the Mortgagor or the Guarantor is a party or otherwise subject; and the execution and delivery by the Guarantor hereof and, as applicable, of the Guaranty and the performance by the Guarantor of its obligations hereunder or, as applicable, under the Guaranty will not conflict with or constitute a breach of or default under any law or administrative regulation or any applicable judgment or decree of any court having jurisdiction, or any provision of any organizational document, loan agreement, note, bond, resolution, ordinance, certificate or other agreement or instrument to which the Mortgagor or the members of the Mortgagor or the Guarantor is a party or otherwise subject;

(d) Except as set forth in the Mortgagor's Documents or as already obtained, there are no approvals, consents or orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Mortgagor of its obligations under the Mortgagor's Documents to which it is a party; and, except as set forth in the Mortgagor’s Documents or as already obtained, there are no approvals, consents or orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the Guarantor of its obligations hereunder or, as applicable, under the Guaranty; nor, except as set forth in the Mortgagor’s Documents, has the Mortgagor or the Guarantor received notice of the necessity of any such approval, consent or order;

(e) Each of the Mortgagor’s Documents, when executed and delivered by the Mortgagor and the other respective parties thereto, if any, will constitute a legal, valid and binding obligation of the Mortgagor enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, reorganization insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general principles of equity; the Guarantor when executed and delivered by the Guarantor, as applicable, will constitute a legal, valid and binding obligation of the Guarantor, as applicable, enforceable in accordance with its terms except as enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general principles of equity; and this Letter of Representation and Indemnity Agreement, when executed and delivered by the Guarantor and the Mortgagor, will constitute a legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms except as enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general principles of equity;
(f) On the date hereof and as of the date of the Official Statement (unless the Official Statement is amended or supplemented after the date hereof, in which case this representation shall either be renewed, amended or supplemented by the Mortgagor), the Official Statement does not (i) contain any untrue statement of a material fact under the captions “INTRODUCTION” (insofar as the statements contained in such section relate to the Mortgagor, the members of the Mortgagor, the Guarantor, the Non-Bond Loan, the Mortgage Loan or the Project), “THE MORTGAGE LOAN AND OTHER FINANCING,” “THE PROJECT AND THE MORTGAGOR” and “NO LITIGATION—The Mortgagor” or (ii) omit to state a material fact necessary in order to make the statements made under the captions “INTRODUCTION” (insofar as the statements contained in such section relate to the Mortgagor, the members of the Mortgagor, the Guarantor, the Non-Bond Loan, the Mortgage Loan or the Project), “THE MORTGAGE LOAN AND OTHER FINANCING,” “The PROJECT AND THE MORTGAGOR” and “NO LITIGATION—The Mortgagor”, in light of the circumstances under which they were made, not misleading;

(g) The Mortgagor agrees to fully cooperate with the Corporation in the delivery of printed copies of the Official Statement to the Underwriter in quantities specified by the Underwriter and confirmed by the Corporation in writing;

(h) No litigation of any nature is pending or, to the knowledge of the Mortgagor or the members of the Mortgagor, threatened against, in any way adversely affecting the existence of the Mortgagor, the members of the Mortgagor or the Guarantor, involving the Project, or seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2012 Bonds or the financing of the Mortgage Loan or the Non-Bond Loan or the construction or equipping of the Project, or in any way contesting or affecting the validity or enforceability of the 2012 Bonds or any of the Mortgagor's Documents or in any way contesting or affecting any proceedings of the Mortgagor taken with respect to the sale, execution or delivery thereof, or the application of any moneys or security provided for the payment of the 2012 Bonds or contesting in any way the completeness or accuracy of the Official Statement with respect to information relating to the Mortgagor, the members of the Mortgagor, the Guarantor, the Project and the Mortgage Loan or the Non-Bond Loan or contesting the existence or powers or authority of the Mortgagor with respect to the Transaction Documents to which it is a party or with respect to the Letter of Representation and Indemnity Agreement or, to the knowledge of the Mortgagor or the members of the Mortgagor, without independent inquiry, challenging the exclusion of interest on the 2012 Bonds from gross income for federal income tax purposes and no litigation is pending or, to the knowledge of the Mortgagor or the members or the Mortgagor, threatened in any court in any way affecting (i) the Guarantor which could materially adversely affect the
ability of the Guarantor, as applicable, to satisfy its obligations under the Guaranty, or (ii) the Guarantor which could materially adversely affect the ability of the Guarantor to satisfy its obligations under the Financing Commitment and Agreement or this Letter of Representation;

(i) The Mortgagor will not take or omit to take any action which action or omission will in any way cause the proceeds of the 2012 Bonds to be applied in a manner different from that described in the Official Statement.

(j) The Mortgagor approves (as to statements made in the sections “INTRODUCTION” (insofar as the statements contained thereunder relate to the Mortgagor, the members of the Mortgagor, the Non-Bond Loan, the Guarantor, or the Project), “THE MORTGAGE LOAN AND OTHER FINANCING,” “THE PROJECT AND THE MORTGAGOR” and “NO LITIGATION—The Mortgagor”) the information contained in the Official Statement to be used in connection with the public offering of the 2012 Bonds.

If from the date hereof through and including the earlier of (i) the date which is 25 days after the “end of the underwriting period” (as described in the Agreement) or (ii) 90 days after the Closing, the Mortgagor has any knowledge of any change or development in the matters set forth in the certificate delivered by it at the Closing pursuant to Section 6((i)(ix) of the Agreement, and such change or development shall cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Mortgagor shall notify the Corporation and the Underwriter of such change or development. If in the opinion of the Corporation or the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Mortgagor will cooperate to cause the Official Statement to be amended or supplemented in a form approved by the Underwriter and satisfactory to the Corporation and the Mortgagor. The Corporation will notify the Mortgagor of the decision to require any supplement or amendment of the Official Statement.

The Mortgagor acknowledges and agrees that (i) the offering of the 2012 Bonds pursuant to this Bond Purchase Agreement is an arm’s-length commercial transaction between the Mortgagor and the Underwriter (ii) in connection therewith and with the process leading to such transaction the Underwriter is not acting as the agent or fiduciary of the Mortgagor, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Mortgagor with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether the Underwriter has advised or is currently advising the Mortgagor on other matters) or any other obligation to the Mortgagor except the obligations expressly set forth in this Bond Purchase Agreement and (iv) the Mortgagor has consulted its own legal and financial advisors to the extent it deemed appropriate. The Mortgagor agrees that it will not claim that the Underwriter has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Mortgagor in connection with such transaction or the process leading thereto.
To the extent it may legally do so, the Mortgagor and the Guarantor (each an "Indemnitor") jointly and severally, absolutely and unconditionally agrees to indemnify and hold harmless the Corporation, the Underwriter and each person, if any, who controls the Underwriter and each of the respective officers, members, partners, employees and agents of each of the foregoing (collectively, the "Indemnified Parties") against any and all losses, claims, damages and liabilities arising out of (a) any untrue statement of a material fact contained in the Official Statement, as the same has been supplemented or amended, under the captions "INTRODUCTION" (insofar as the statements contained in such section relate to the Mortgagor, the members of the Mortgagor, the Guarantor, the Non-Bond Loan or the Project), "THE MORTGAGE LOAN AND OTHER FINANCING," "THE PROJECT AND THE MORTGAGOR" and "NO LITIGATION—The Mortgagor", (b) the omission from the Official Statement of a material fact necessary to make the statements made under the captions "INTRODUCTION" (insofar as the statements contained in such section relate to the Mortgagor, the members of the Mortgagor, the Non-Bond Loan, the Guarantor, or the Project), "THE MORTGAGE LOAN AND OTHER FINANCING," "THE PROJECT AND THE MORTGAGOR" and "NO LITIGATION—The Mortgagor", in light of the circumstances under which they were made, not misleading, (c) any litigation commenced or threatened arising from a claim based upon such untrue statement or omission; provided, however, that no Indemnitor shall be required to provide indemnification with respect to settlement of any such claim unless such Indemnitor has consented to such settlement, (d) any breach by an Indemnitor of the representations and warranties contained in this Letter of Representation and Indemnity Agreement, or (e) any action or failure to take action on the part of the Mortgagor or within control of the Mortgagor (unless such action or failure to take action is at the direction of the Corporation) with respect to the proceeds of the 2012 Bonds or the Project which adversely affects the exclusion from gross income of interest on the 2012 Bonds under Section 103(a) of the Internal Revenue Code of 1986, as amended.

In case any claims shall be made or action brought against any Indemnified Party based upon the Official Statement or otherwise as aforesaid, in respect of which indemnity may be sought against an Indemnitor or Indemnitors, such Indemnified Party shall promptly notify such Indemnitor, in writing, setting forth the particulars of such claim or action, and such Indemnitor shall assume the defense thereof including the employment of counsel (who shall be reasonably satisfactory to the Indemnified Party). Any Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and to participate in the defense thereof, but such Indemnitor shall not be required to pay the fees and expenses of such separate counsel unless the counsel is employed with the written approval and consent of such Indemnitor; provided however, if single counsel, who is representing an Indemnified Party and an Indemnitor hereunder, shall have concluded in good faith that a conflict of interest exists between or among any one or more of such parties and such Indemnitor, such parties shall have the right to retain separate counsel and to participate in the defense of any such action on its own behalf, and all costs and expenses incurred by each such party shall be borne by such Indemnitor; and further provided, if such single counsel shall have concluded in good faith that a conflict of interest exists between or among any two or more of the Indemnified Parties, each such party, with respect to which such a conflict exists, shall have the right to retain separate counsel and to participate in the defense of any such action on its own behalf, and all costs and expenses incurred by each such party shall be borne by
such Indemnitor; provided that any such parties who do not have a conflict with each other shall be represented by the same counsel. If separate counsel are employed as described above, such Indemnitor and any such party agree to cooperate as may reasonably be required in order to ensure the proper and adequate defense of any such action, suit or proceeding, including, but not limited to, making available to each other, and their counsel and accountants, all books and records relating to such action, suit or proceeding, but if any such counsel reasonably determines that the rendering of such assistance will adversely affect the defense of its client, such counsel shall not be required to comply with the terms of this sentence. Notwithstanding the foregoing, each counsel selected by any Indemnified Party due to the existence of a conflict of interest as provided above shall be permitted to participate in the defense of such action provided that counsel selected by such Indemnitor shall be lead counsel (“Lead Counsel”) with respect to such defense and shall (except to the extent of a conflict of interest) control such defense. It is the intent of the Indemnified Parties and each Indemnitor that any separate counsel representing any Indemnified Party use its reasonable efforts to avoid duplication of legal work undertaken by Lead Counsel to reduce fees and costs which may be due hereunder. The Indemnified Parties shall approve the terms of any settlement which affects the Indemnified Parties, except that such Indemnitor shall have the sole right to approve the amount of any financial settlement. Each Indemnitor agrees that it shall not (i) settle any claims wherein the settlement of such claims would contain an admission of fault, guilt or wrongdoing on the part of any Indemnified Party, without the prior written consent of such Indemnified Party or (ii) except in the case of a settlement, refrain from the appeal of any decision which is adverse to any Indemnified Party, without the consent of such Indemnified Party.

If the indemnification provided for in this Letter of Representation and Indemnity Agreement is unavailable or insufficient to hold harmless an Indemnified Party under the second preceding paragraph, then the Indemnitors, jointly and severally, shall contribute to the amount paid or payable by such Indemnified Party as a result of the losses, claims, damages or liabilities referred to in the second preceding paragraph (i) in such proportion as is appropriate to reflect the relative benefits received by the Indemnitors, jointly and severally, on the one hand and the Underwriter and/or the Corporation, as the case may be, on the other from the offering of the 2012 Bonds or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Indemnitors, jointly and severally, on the one hand and the Underwriter and/or the Corporation, as the case may be, on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Indemnitors on the one hand and the Underwriter and/or the Corporation, as the case may be, on the other shall be deemed to be in the same proportion as the total gross proceeds from the offering (the benefit deemed received by the Indemnitors), bear to the total underwriting fees received by the Underwriter (the benefit deemed received by the Underwriter), or [1.25%] of the principal amount of the 2012 Bonds (the benefit deemed received by the Corporation), as the case may be. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Indemnitors or the Underwriter or the Corporation and the parties’ relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an Indemnified Party as a result of the
losses, claims, damages or liabilities referred to in the first sentence of this paragraph shall be
deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in
connection with investigating or defending any action or claim which is the subject of this
paragraph. Notwithstanding the provisions of this paragraph, (x) the Underwriter shall not be
required to contribute any amount in excess of the amount by which the underwriting fee
applicable to the 2012 Bonds underwritten by it and distributed to the public exceeds the amount
of any damages which the Underwriter has otherwise been required to pay by reason of such untrue
or alleged untrue statement or omission or alleged omission and (y) the Corporation shall not be
required to contribute any amount in excess of [1.25]% of the principal amount of the 2012 Bonds.
No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the
Securities Act of 1933, as amended) shall be entitled to contribution from any person who was not
guilty of such fraudulent misrepresentation. Any party entitled to contribution will, promptly after
receipt of notice of commencement of any action, suit or proceeding against such party in respect
of which a claim for contribution may be made against another party under this paragraph, notify
such party from whom contribution may be sought, but the omission to so notify such party shall
not relieve the party from whom contribution may be sought from any other obligation it may have
hereunder or otherwise than under this paragraph. Nothing in this paragraph shall create an
implication that the Indemnitors’ liability provided for in this paragraph shall be any greater than
that provided for in the second preceding paragraph, assuming the provisions described in such
paragraph were held to be enforceable.

This Letter of Representation and Indemnity Agreement is made solely for the
benefit of the signatories hereto (including the successors or assigns of the Underwriter and the
Corporation) and no other person shall acquire or have any right hereunder or by virtue hereof. All
representations, warranties and agreements in this Letter of Representation and Indemnity
Agreement shall survive the delivery of the 2012 Bonds.
Kindly confirm your acceptance of this Letter of Representation and Indemnity Agreement by signing and returning to the undersigned a duplicate hereof.

Very truly yours,

MORTGAGOR:
Atlantic Yards B2 Owner, LLC,
a Delaware limited liability company

By:   FC Cactus Residential Development Fund NYC #1, LLC
      a Delaware limited liability company

By:   FC Atlantic Yards B2, LLC
      a Delaware limited liability company

                      By:______________________________
                      Name:________________________
                      Title:__________________________

GUARANTOR:
Forest City Enterprises, Inc.

By:  __________________________________________
     Name:________________________
     Title:________________________

Accepted and confirmed as of the date first above written.

MORGAN STANLEY & CO. LLC

By:  __________________________________________
     Name:________________________
     Title:________________________
NEW YORK CITY HOUSING
DEVELOPMENT CORPORATION

By: ________________________________
   Name: Marc Jahr
   Title: President

THE BANK OF NEW YORK MELLON

By: ________________________________
   Name:
   Title: