SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: May 24, 1999

RECKSON ASSOCIATES REALTY CORP.
and
RECKSON OPERATING PARTNERSHIP, L.P.
(Exact name of each Registrant as specified in its Charter)

Reckson Associates Realty Corp. - Maryland Reckson Operating Partnership, L.P. - Delaware (State or other jurisdiction of incorporation or organization	Reckson Associates Realty Corp. - 11-3233650 Reckson Operating Partnership, L.P. - 11-3233647 (IRS Employer ID Number)

1-13762
(Commission File Number)

225 Broadhollow Road Melville, New York Address of principal executive offices)	11747 (Zip Code)

(516) 694-6900
(Registrant's telephone number, including area code)

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

On May 24, 1999, Reckson Associates Realty Corp. ("Reckson") announced that the stockholders of Tower Realty Trust, Inc. ("Tower") approved the merger of the two companies and that the merger was completed. As a result of the approval by Reckson stockholders relating to the consideration to be paid in the merger, only Reckson class B common stock and cash was issued in the merger.

Approximately 11.7 million shares of Reckson class B exchangeable common stock and $107.2 million in cash was paid in total to former Tower shareholders and unitholders. The merger consideration was paid as follows: (i) approximately 0.5633 of a share of Reckson class B stock and approximately $7.51 in cash for each Tower share or unit with respect to which Tower shareholders and unitholders made the cash election and (ii) approximately 0.8364 of a share of Reckson class B stock for each Tower share or unit with respect to which Tower shareholders and unitholders made the non-cash election.

Prior to the closing of the merger, Tower sold its Class B New York City properties consisting of four properties aggregating approximately 671,000 square feet to SL Green Realty Corp., another publicly traded REIT. Reckson has acquired, through Metropolitan Partners LLC, Tower's remaining 22 properties with an aggregate of approximately 3.5 million square feet in the Manhattan, Phoenix/Tuscon and Orlando markets.

ITEM 5. OTHER EVENTS

On May 24, 1999 Metropolitan Operating Partnership, L.P. ("MOP"), entered into a credit agreement with the institutions from time to time party thereto as Lenders, Warburg Dillon Read, as Arranger and Book Manager, and UBS AG, Stamford Branch ("UBS"), as Administrative Agent (the "Credit Agreement").

The Credit Facility matures on November 24, 1999. The Credit Facility is unconditionally guaranteed by Metropolitan Partners LLC and various subsidiaries of MOP. The Credit Facility provides for a maximum borrowing of up to $130 million on the closing date thereof, which amount was fully borrowed on May 24, 1999. Approximately $60 million of the loan under the Credit Agreement is secured by a mortgage (the "Secured Portion"). A subsidiary of MOP is co-obligor of the portion of the loan which is secured. The remaining $70 million of the loan is unsecured (the "Unsecured Portion"). Borrowings under the Credit Facility will bear interest, at the option of MOP, at the Base Rate or the one month Eurodollar Rate, plus 2.0% on the Secured Portion and 2.25% on the Unsecured portion. The Base Rate is defined as the fluctuating rate equal to the higher of: (i) the rate of interest announced publicly by UBS in New York, New York from time to time, as UBS's prime rate; and (ii) the sum of (A) one-half of one percent (0.50%) per annum plus (B) the federal funds rate in effect from time to time during such period. The Eurodollar Rate is generally the rate at which deposits in U.S. dollars are offered by the principal office of UBS in London, England to major banks on the London interbank market at approximately 11:00 A.M. (London time) two business days prior to the beginning of the applicable interest period, as adjusted for applicable reserve requirements.

On June 2, 1999, Reckson closed on a private placement sale of 6,000,000 Series B Convertible Cumulative Preferred Shares, for aggregate proceeds of $150 million, to Stichting Pensioenfonds ABP and The Travelers Insurance Company. Shares of said Series B Preferred Stock are redeemable by Reckson on or after March 2, 2002. In addition, such shares are convertible into Reckson's common stock at a price of $26.05 per share. The Series B Shares accumulate dividends at an initial rate of 7.85% per annum with such rate increasing annually to a rate of 8.85% per annum from and after April 30, 2001.

On May 26, 1999, Reckson announced that Scott Rechler has been named co-chief executive officer and president. Scott Rechler now shares the chief executive title with Chairman and co-Chief Executive Officer Donald Rechler. Additionally, Mitchell Rechler and Gregg Rechler, both executive vice presidents at Reckson, have been named co-chief operating officers.

Reckson also announced that it has increased the dividend on its common stock by ten percent to an annualized dividend rate of $1.485 per share. Reckson's quarterly dividend of $0.37125 is payable on July 16 to shareholders of record as of July 8.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

3.1	Articles Supplementary Establishing and Fixing the Rights and Preferences of a Series of Shares of Preferred Stock
10.1	Credit Agreement dated as of May 24, 1999 among Metropolitan Operating Partners, L.P., Warburg Dillon Read and UBS AG, Stamford Branch
10.2	Guaranty Agreement dated as of May 24, 1999 among Metropolitan Operating Partners, L.P., Warburg Dillon Read and UBS AG, Stamford Branch
10.3	Purchase Agreement dated as of May 27, 1999 among Stichting Pensioenfonds ABP, The Travelers Insurance Company, The Travelers Life and Annuity Company, The Standard Fire Insurance Company, Travelers Casualty and Surety Company, Reckson Associates Realty Corp. and Reckson Operating Partnership, L.P. relating to 6,000,000 shares of Series B Convertible Cumulative Preferred Stock
10.4	Registration Rights Agreement among Stichting Pensioenfonds ABP, The Travelers Insurance Company, The Travelers Life and Annuity Company, The Standard Fire Insurance Company, Travelers Casualty and Surety Company and Reckson Associates Realty Corp. relating to 6,000,000 shares of Series B Convertible Cumulative Preferred Stock
99.1	May 24, 1999 Press Release
99.2	May 26, 1999 Press Release
99.3	June 1, 1999 Press Release

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RECKSON ASSOCIATES REALTY CORP.

By:/s/ Michael Maturo

Michael Maturo
Executive Vice President
and Chief Financial Officer

RECKSON OPERATING PARTNERSHIP, L.P.

By: Reckson Associates Realty Corp.,
its General Partner

By:/s/ Michael Maturo

Michael Maturo
Executive Vice President
and Chief Financial Officer

Date: June 6, 1999

Exhibit 3.1

RECKSON ASSOCIATES REALTY CORP.

ARTICLES SUPPLEMENTARY

ESTABLISHING AND FIXING THE RIGHTS AND
PREFERENCES OF A SERIES OF SHARES OF PREFERRED STOCK

Reckson Associates Realty Corp., a Maryland corporation (the "Corporation"), certifies to the State Department of Assessments and Taxation of Maryland that:

First: Pursuant to the authority expressly vested in the Board of Directors of the Corporation by Article VI of its Charter, as heretofore amended (which, as hereafter restated or amended from time to time, are together with these Articles Supplementary herein called the "Articles"), the Board of Directors has, by resolution, duly designated and classified 6,000,000 shares of the Preferred Stock of the Corporation into a series designated Series B Convertible Cumulative Preferred Stock and has provided for the issuance of such series.

Second: The preferences, rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption of the shares of such series of Preferred Stock, which upon any restatement of the Articles shall be included as part of Article VI of the Articles, are as follows:

SERIES B CONVERTIBLE CUMULATIVE PREFERRED STOCK

(1) Designation and Number. A series of Preferred Stock of the Corporation ("Preferred Stock"), designated the "Series B Cumulative Convertible Preferred Stock" (the "Series B Preferred"), is hereby established. The number of shares of the Series B Preferred shall be 6,000,000.

(2) Rank. The Series B Preferred will, with respect to distribution rights and rights upon liquidation, dissolution or winding up of the Corporation, rank: (a) senior to all classes or series of Common Stock of the Corporation ("Common Stock") and to all equity securities issued by the Corporation the terms of which provide that such equity securities shall rank junior to such Series B Preferred; (b) on a parity with the 7 5/8% Series A Convertible Cumulative Preferred Stock of the Corporation and all equity securities issued by the Corporation other than those referred to in clauses (a) and (c); and (c) junior to all equity securities issued by the Corporation that rank senior to the Series B Preferred in accordance with Section 6(d). The term "equity securities" shall not include convertible debt securities.

(3) Distributions.

(a) Holders of the shares of Series B Preferred shall be entitled to receive, when and as authorized by the Board of Directors, out of funds legally available for the payment of distributions, cumulative cash distributions at a rate equal to (i) in the case of the period from and including the date of original issue to but excluding April 30, 2000, 7.85% per annum of the liquidation preference per share (equivalent to $1.9625 per annum per share), (ii) in the case of the period from and including April 30, 2000 to but excluding April 30, 2001, 8.35% per annum of the liquidation preference per share (equivalent to $2.0875 per annum per share) and (iii) in the case of the period from and including April 30, 2001 and thereafter until any applicable redemption or conversion, 8.85% per annum of the liquidation preference per share (equivalent to $2.2125 per annum per share). Distributions on the Series B Preferred shall be cumulative from the date of original issue and shall be payable quarterly in arrears on January 31, April 30, July 31 and October 31 of each year or, if not a Business Day, the next succeeding Business Day, commencing July 31, 1999 (each, a "Distribution Payment Date"). Any distribution payable on the Series B Preferred for a partial distribution period will be computed on the basis of a 360-day year consisting of twelve 30-day months. Distributions will be payable to holders of record as they appear in the stock transfer records of the Corporation at the close of business on the applicable record date, which shall be such date designated by the Board of Directors of the Corporation for the payment of distributions that is not more than 30 nor

less than 10 days prior to such Distribution Payment Date (each, a "Distribution Payment Record Date"). When used herein, the term "distributions" shall include any liquidated damages referred to in clause (g) below.

(b) No distributions on the Series B Preferred shall be authorized by the Board of Directors of the Corporation or be paid or set apart in trust for payment by the Corporation at such time as the terms and provisions of any agreement of the Corporation, including any agreement relating to its indebtedness, prohibits such authorization, payment or setting apart for payment or provides that such authorization, payment or setting apart for payment would constitute a breach thereof or a default thereunder, or if such authorization or payment shall be restricted or prohibited by law.

(c) Distributions on the Series B Preferred will accumulate whether or not the Corporation has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are authorized. Accumulated but unpaid distributions on the Series B Preferred will not bear interest and holders of the Series B Preferred will not be entitled to any distributions in excess of full cumulative distributions as described above.

(d) No full distributions will be authorized or paid or set apart in trust for payment on any equity securities of the Corporation ranking, as to distributions, on a parity with or junior to the Series B Preferred for any period unless full distributions have been or contemporaneously are authorized and paid or authorized and a sum sufficient for the payment thereof is set apart in trust for such payment on the Series B Preferred for all past distribution periods and the then current distribution period. When distributions are not paid in full or a sum sufficient for such full payment is not so set apart in trust upon the Series B Preferred and the other equity securities of the Corporation ranking on a parity as to distributions with the Series B Preferred, all distributions authorized upon the Series B Preferred and any other equity securities of the Corporation ranking on a parity as to distributions with the Series B Preferred shall be authorized pro rata so that the amount of distributions authorized per share of Series B Preferred and such other equity securities shall in all cases bear to each other the same ratio that accumulated distributions per share on the Series B Preferred and such other equity securities (which shall not include any accumulation in respect of unpaid distributions for prior distribution periods if such equity securities do not have cumulative distributions) bear to each other. No interest, or sum of money in lieu of interest, shall be payable in respect of any distribution payment or payments on Series B Preferred which may be in arrears.

(e) Except as provided in Section 3(d), unless full distributions on the Series B Preferred have been or contemporaneously are authorized and paid or authorized and a sum sufficient for the payment thereof is set apart in trust for payment for all past distribution periods and the then current distribution period, no distributions (other than in shares of Common Stock or other equity securities of the Corporation ranking junior to the Series B Preferred as to distributions and upon liquidation) shall be authorized or paid or set aside in trust for payment or other distribution shall be authorized or made upon the Common Stock or any other equity securities of the Corporation ranking junior to or on a parity with the Series B Preferred as to distributions or upon liquidation, nor shall any shares of Common Stock or any other equity securities of the Corporation ranking junior to or on a parity with the Series B Preferred as to distributions or upon liquidation be redeemed, purchased or otherwise acquired for any consideration (or any monies be paid to or made available for a sinking fund for the redemption of any such shares) by the Corporation (except (1) by conversion into or exchange for other stock of the Corporation ranking junior to the Series B Preferred as to distributions and upon liquidation or (2) redemptions for the purpose of preserving the Corporation's status as a real estate investment trust (a "REIT") under the Internal Revenue Code of 1986, as amended (the "Code").

(f) Any distribution payment made on shares of the Series B Preferred shall first be credited against the earliest accumulated but unpaid distribution due with respect to such shares which remains payable.

(g) If the Corporation fails to file a registration statement within the period of time required by the Registration Rights Agreement dated June 2, 1999 between the Corporation and the initial purchasers named therein (the "Registration Rights Agreement"), or such registration statement does not become effective within the period of time required by the Registration Rights Agreement, or the Corporation fails to maintain the effectiveness of the required registration statement as required by the Registration Rights Agreement, liquidated damages shall accumulate on the liquidation preference of the Series B Preferred at a rate of 0.25% per annum (equivalent to a fixed annual amount of $0.125 per share).

(4) Liquidation Preference.

(a) Upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation (referred to herein as a "liquidation"), the holders of the Series B Preferred will be entitled to be paid out of the assets of the Corporation legally available for distribution to its stockholders liquidating distributions, in cash or property at its fair market value as determined by the Corporation's Board of Directors, in the amount of a liquidation preference of $25.00 per share, plus an amount equal to any accumulated and unpaid distributions to the date of such liquidation, before any distribution or payment is made to holders of Common Stock or any other equity securities of the Corporation ranking junior to the Series B Preferred as to the distribution of assets upon a liquidation. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of Series B Preferred will have no right or claim to any of the remaining assets of the Corporation.

(b) In the event that, upon any liquidation of the Corporation, the available assets of the Corporation are insufficient to pay the amount of the liquidating distributions on all outstanding shares of Series B Preferred and the corresponding amounts payable on all other equity securities of the Corporation ranking on a parity with Series B Preferred in the distribution of assets upon a liquidation, then the holders of Series B Preferred and all other such equity securities shall share ratably in any such distribution of assets in proportion to the full liquidating distributions per share to which they would otherwise be respectively entitled.

(c) The consolidation or merger of the Corporation with or into any other entity, or the merger of another entity with or into the Corporation, or a statutory share exchange by the Corporation, or the sale, lease or conveyance of all or substantially all of the property or business of the Corporation, shall not be deemed to constitute a liquidation of the Corporation.

(d) The liquidation preference of the outstanding shares of Series B Preferred will not be added to the liabilities of the Corporation for the purpose of determining whether under the Maryland General Corporation Law a distribution may be made to stockholders of the Corporation whose preferential rights upon dissolution of the Corporation are junior to those of holders of Series B Preferred. This Section 4(d) shall be without prejudice to the provisions of Sections 3(a) and 4(a) hereof.

(5) Redemption.

(a) Shares of Series B Preferred will not be redeemable prior to March 2, 2002, subject to the provisions of Sections 5(d) and 8. On or after March 2, 2002, the Corporation may redeem shares of the Series B Preferred, in whole or in part, from time to time, at a redemption price per share in cash equal to (i) in the case of a redemption from and including March 2, 2002 to and including June 2, 2003, an amount that provides an annual rate of return in respect of such share of 15% calculated based on the timing and amount of all payments (including all distributions other than liquidated damages) made to and including the date of redemption, relative to the liquidation preference thereof, (ii) in the case of a redemption from and including June 2, 2003 to and including June 2, 2004, $25.50 and (iii) in the case of a redemption from and including June 2, 2004 and thereafter, $25.00, plus, in each case, all accumulated and unpaid distributions thereon to the date of redemption (the "Cash Redemption Right").

(b) In addition to the Cash Redemption Right, on or after March 2, 2002, the Series B Preferred shall be redeemable by the Corporation, in whole or in part, at the option of the Corporation, for such number of shares of Common Stock (as defined in Section 7(a)) as equals the redemption price per share of Series B Preferred referred to in clause (i), (ii) or (iii), as applicable, in Section 5(a), exclusive of accumulated and unpaid distributions to the date of redemption, divided by the Conversion Price (as defined in Section 7(a)) as of the opening of business on the date set forth for such redemption (the "Stock Redemption Right").

(c) If fewer than all of the outstanding shares of Series B Preferred are to be redeemed pursuant to the Cash Redemption Right or the Stock Redemption Right, the shares to be redeemed shall be determined pro rata or by lot or in such other manner as prescribed by the Board of Directors of the Corporation. In the event that such redemption is to be by lot and, as a result of such redemption, any holder of Series B Preferred would own, or be deemed by virtue of the attribution provisions of the Code to own, in excess of 9.0% in value of all outstanding equity securities of the Corporation because such holder's

shares were not redeemed, or were only redeemed in part, then the Corporation, to the extent permitted by operative law, will redeem the requisite number of shares of Series B Preferred of such stockholder such that such stockholder will not own, or be deemed by virtue of the attribution provisions of the Code to own, in excess of 9.0% in value of all equity securities of the Corporation issued and outstanding subsequent to such redemption.

(d) Notwithstanding anything to the contrary contained herein, the Corporation may redeem shares of Series B Preferred at any time, whether or not prior to March 2, 2002, if the Board of Directors of the Corporation determines that such redemption is necessary or advisable to preserve the Corporation's status as a REIT at a redemption price per share equal to (i) in the case of a redemption prior to March 2, 2002, in cash or stock , the greater of the liquidation preference of such shares of Series B Preferred and the fair market value of such shares of Series B Preferred as determined in good faith by the Corporation's Board of Directors; and (ii) in the case of a redemption or after March 2, 2002, as set forth in Section 5(a).

(e) Notice of redemption will be mailed by the Corporation, postage prepaid, not less than 30 nor more than 60 days prior to the date fixed for redemption (the "Series B Preferred Stock Redemption Date"), addressed to the respective holders of record of the Series B Preferred to be redeemed at their respective addresses as they appear on the stock transfer records of the Corporation.

Each notice of redemption shall state: (i) the Series B Preferred Stock Redemption Date; (ii) the number of shares of Series B Preferred to be redeemed; (iii) with respect to the Cash Redemption Right, the redemption price; (iv) with respect to the Stock Redemption Right, the number of shares of Common Stock to be issued with respect to each share of Series B Preferred; (v) the place or places where certificates representing such shares of Series B Preferred are to be surrendered for payment of the redemption price in cash, with respect to the Cash Redemption Right, and in certificates representing shares of Common Stock, with respect to the Stock Redemption Right; (vi) that distributions on the shares to be redeemed will cease to accumulate on such Series B Preferred Stock Redemption Date; and (vii) the date upon which the holder's conversion rights as to such shares shall terminate. If fewer than all the shares of Series B Preferred are to be redeemed, the notice mailed to each such holder thereof shall also specify the number of shares of Series B Preferred to be redeemed from each such holder.

(f) At its election, the Corporation, prior to the Series B Preferred Stock Redemption Date, may irrevocably deposit the redemption price (including accumulated and unpaid distributions) (in cash or shares of Common Stock, as applicable) of the Series B Preferred so called for redemption in trust for the holders thereof with a bank or trust company organized and doing business under the laws of the United States of America or any State thereof and having a combined capital and surplus of not less than $50,000,000, in which case the notice of redemption to holders of the Series B Preferred to be redeemed will (i) state the date of such deposit, (ii) specify the office of such bank or trust company as the place of payment of the redemption price and (iii) state that such holders will be paid only against presentation and surrender of the certificates representing such Series B Preferred at such place on or about the date fixed in such redemption notice (which may not be later than the Series B Preferred Stock Redemption Date). Any monies or shares of Common Stock so deposited which remain unclaimed by the holders of the Series B Preferred at the end of two years after the Series B Preferred Stock Redemption Date will be returned by such bank or trust company to the Corporation, without prejudice to the claims of such holders of the Series B Preferred in respect of the Corporation.

(g) No failure to give notice of redemption or any defect thereto or in the mailing thereof shall affect the validity of the proceedings for the redemption of any shares of Series B Preferred except as to the holder to whom notice was defective or not given.

(h) On or after the Series B Preferred Stock Redemption Date, the redemption price of the related Series B Preferred (in cash or shares of Common Stock, as applicable) will be paid to or on the order of the person whose name appears on the certificates representing the Series B Preferred as the owner thereof against presentation and surrender of such certificates to the Corporation at the place designated in the notice of redemption and thereupon each surrendered certificate will be canceled. In the event that fewer than all the shares of Series B Preferred are to be redeemed, a new certificate will be issued representing the unredeemed shares.

(i) At the close of business on a Series B Preferred Stock Redemption Date relating to the exercise of the Corporation's Stock Redemption Right, each holder of Series B Preferred to be redeemed (unless the Corporation defaults in the delivery of the shares of Common Stock payable on such Series B Preferred Stock Redemption Date) will be deemed to be the record holder of the number of

shares of Common Stock into which such Series B Preferred is to be redeemed, regardless of whether such holder has surrendered the certificates representing the Series B Preferred shares.

(j) From and after the Series B Preferred Stock Redemption Date (unless the Corporation defaults in payment of the redemption price), all distributions on the Series B Preferred called for redemption will cease to accumulate and all rights of the holders thereof, except the right to receive the redemption price thereof (including all accumulated and unpaid distributions to the Series B Preferred Stock Redemption Date), will cease and terminate and such shares will not thereafter be transferred (except with the consent of the Corporation) on the Corporation's records, and such shares shall not be deemed to be outstanding for any purpose whatsoever.

(k) Unless full distributions on all shares of Series B Preferred shall have been or contemporaneously are authorized and paid or authorized and a sum sufficient for the payment thereof is set apart in trust for payment for all past distribution periods and the then current distribution period, no shares of Series B Preferred shall be redeemed unless all outstanding shares of Series B Preferred are simultaneously redeemed; provided, however, that the foregoing shall not prevent the purchase or acquisition of shares of Series B Preferred to preserve the REIT status of the Corporation or pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Series B Preferred.

(l) Unless full distributions on all shares of Series B Preferred have been or contemporaneously are authorized and paid or authorized and a sum sufficient for the payment thereof is set apart in trust for payment for all past distribution periods and the then current distribution period, the Corporation shall not purchase or otherwise acquire or cause any Affiliate (as defined in Section 9) to purchase or otherwise acquire, directly or indirectly, any shares of Series B Preferred (except by conversion into or exchange for equity securities of the Corporation ranking junior to the Series B Preferred as to distributions and upon liquidation); provided, however, that the foregoing shall not prevent the purchase or acquisition of Series B Preferred to preserve the REIT status of the Corporation or pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Series B Preferred.

(m) Immediately prior to any redemption of Series B Preferred, the Corporation shall pay, in cash, any accumulated and unpaid distributions to the Series B Preferred Stock Redemption Date against presentation and surrender of the certificates representing such Series B Preferred, unless such Series B Preferred Stock Redemption Date falls after a Distribution Payment Record Date and on or prior to the corresponding Distribution Payment Date, in which case each holder of Series B Preferred at the close of business on such Distribution Payment Record Date shall be entitled to the distribution payable on such shares on the corresponding Distribution Payment Date notwithstanding the redemption of such shares on or prior to such Distribution Payment Date. Except as provided above, the Corporation will make no payment or allowance for unpaid distributions, whether or not in arrears, on Series B Preferred for which a notice of redemption has been given.

(n) Any shares of Series B Preferred that have been redeemed shall, after such redemption, have the status of authorized but unissued Preferred Stock, without designation as to series, until such shares are once more designated as part of a particular series by the Board of Directors of the Corporation.

(o) No fractional shares of Common Stock will be issued upon redemption of Series B Preferred pursuant to the Corporation's Stock Redemption Right. Instead of any fractional interest in a share of Common Stock that would otherwise be deliverable upon the redemption of Series B Preferred, the Corporation will pay to the holder of such Series B Preferred an amount in cash in respect of such fractional interest (computed to the nearest cent) based upon the Current Market Price of shares of Common Stock on the Trading Day immediately preceding the Series B Preferred Stock Redemption Date. If more than one share of Series B Preferred shall be surrendered for redemption at one time by the same holder, the number of full shares of Common Stock issuable upon redemption thereof shall be computed on the basis of the aggregate number of shares of Series B Preferred so surrendered.

(p) The Corporation covenants that any shares of Common Stock issued upon redemption of Series B Preferred will be validly issued, fully paid and non-assessable.

(q) The Series B Preferred will not have a stated maturity date and will not be subject to any sinking fund or mandatory redemption provisions.

(6) Voting Rights.

(a) Holders of the Series B Preferred will not have any voting rights,

except as set forth below. In any matter in which the Series B Preferred is entitled to vote, including any action by written consent, each share of Series B Preferred shall be entitled to one vote.

(b) So long as any shares of Series B Preferred remain outstanding, the Corporation shall not, without the affirmative vote or consent of the holders of record of at least two-thirds of the outstanding shares of the Series B Preferred given in person or by proxy, either in writing or at a meeting (such series voting separately as a class), (i) authorize or create, or increase the authorized or issued amount of, any equity securities ranking senior to the Series B Preferred with respect to payment of distributions or the distribution of assets upon a liquidation of the Corporation or reclassify any authorized stock of the Corporation into any such equity securities, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase any such stock or (ii) amend, alter or repeal the provisions of the Articles, whether by merger, consolidation or otherwise (an "Event"), so as to materially and adversely affect any right, preference, privilege or voting power of the Series B Preferred or the holders thereof; provided, however, that the holders of the Series B Preferred shall not be entitled to any voting rights in connection with an Event if as a result of such Event (a) shares of Series B Preferred remain outstanding with the terms thereof materially unchanged or (b) the Corporation is not the surviving entity but the surviving entity issues to the holders of the Series B Preferred the same number of shares of a separate class of preferred stock with rights, preferences, privileges and voting powers that are materially unchanged from the preferences, rights, privileges and other terms of the Series B Preferred; and provided, further, that (x) any increase in the amount of the authorized Series B Preferred or the creation or issuance of any other series of Preferred Stock or (y) any increase in the amount of authorized shares of such series, in each case ranking on a parity with or junior to the Series B Preferred with respect to payment of distributions or the distribution of assets upon a liquidation of the Corporation, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

(c) The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of Series B Preferred shall have been converted, redeemed or called for redemption upon proper notice and sufficient funds or shares of Common Stock, as applicable, shall have been deposited in trust to effect such redemption.

(d) Whenever distributions on any shares of Series B Preferred shall be in arrears for six or more quarterly periods (a "Preferred Distribution Default"), the holders of such shares of Series B Preferred (voting separately as a class with all other series of Preferred Stock upon which like voting rights have been conferred and are exercisable) will be entitled to vote for the election of two additional directors of the Corporation (the "Preferred Stock Directors") at a special meeting called by the holders of record of at least 10% of the outstanding shares of Series B Preferred or the holders of any other series of Preferred Stock so in arrears (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of stockholders) or at the next annual meeting of stockholders, and at each subsequent annual meeting until all distributions accumulated on such shares of Series B Preferred for the past distribution periods and the then current distribution period shall have been fully paid or declared and a sum sufficient for the payment thereof is set aside in trust for payment. In such cases, the entire Board of Directors of the Corporation will be increased by two directors.

(e) If and when all accumulated distributions and the distribution for the current distribution period on the Series B Preferred shall have been paid in full or set aside in trust for payment in full, the holders of shares of Series B Preferred shall be divested of the voting rights set forth in Section 6(d) (subject to revesting in the event of each and every Preferred Distribution Default) and, if all accumulated distributions and the distribution for the current distribution period have been paid in full or set aside in trust for payment in full on all other series of Preferred Stock upon which like voting rights have been conferred and are exercisable, the term of office of each Preferred Stock Director so elected shall terminate immediately. So long as a Preferred Distribution Default shall continue, any vacancy in the office of a Preferred Stock Director may be filled by written consent of the Preferred Stock Director remaining in office or, if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of Series B Preferred when they have the voting rights set forth in Section 6(d) (voting separately as a class with all other series of Preferred Stock upon which like voting rights have been conferred and are exercisable). The Preferred Stock Directors shall each be entitled to one vote per director on any matter presented to the Board of Directors.

(7) Conversion.

(a) Subject to Section 8, shares of Series B Preferred will be convertible at any time, at the option of the holders thereof, into Class A common stock of the Corporation (the "Common Stock") at a conversion price of $26.05 per share of Common Stock (equivalent to a conversion rate of .9597 shares of Common Stock for each share of Series B Preferred), subject to adjustment as described below (the "Conversion Price"); provided, however, that the right to convert shares of Series B Preferred called for redemption will terminate at the close of business on the fifth Business Day prior to any Series B Preferred Stock Redemption Date for such shares.

(b) To exercise the conversion right, the holder of each Series B Preferred to be converted shall surrender the certificate representing such Series B Preferred, duly endorsed or assigned to the Corporation or in blank, at the principal office of the Transfer Agent accompanied by written notice to the Corporation that such holder elects to convert such Series B Preferred. Unless the shares of Common Stock issuable on conversion are to be issued in the same name as the name in which such Series B Preferred is registered, in which case the Corporation shall bear the related taxes, each share surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder or such holder's duly authorized attorney and an amount sufficient to pay any transfer or similar tax (or evidence reasonably satisfactory to the Corporation demonstrating that such taxes have been paid or that such taxes are not due).

(c) Each conversion shall be deemed to have been effected immediately prior to the close of business on the date on which the certificates representing shares of Series B Preferred shall have been surrendered and such notice (and if applicable, payment of an amount equal to the distribution payable on such shares) received by the Corporation as aforesaid, and the person or persons in whose name or names any certificate or certificates representing shares of Common Stock shall be issuable upon such conversion shall be deemed to have become the holder or holders of record of the shares represented thereby at such time on such date, and such conversion shall be at the Conversion Price in effect at such time and on such date unless the stock transfer records of the Corporation shall be closed on that date, in which event such person or persons shall be deemed to have become such holder or holders of record at the close of business on the next succeeding day on which such stock transfer records are open, but such conversion shall be at the Conversion Price in effect on the date on which such shares have been surrendered and such notice received by the Corporation.

(d) Holders of shares of Series B Preferred at the close of business on a Distribution Payment Record Date shall be entitled to receive the distribution payable on such shares on the corresponding Distribution Payment Date notwithstanding the conversion of such shares following such Distribution Payment Record Date and prior to such Distribution Payment Date. A holder of Series B Preferred on a Distribution Payment Record Date who (or whose transferee) tenders any such shares for conversion into Common Stock on such Distribution Payment Date shall receive the distribution payable by the Corporation on such Series B Preferred on such date, and the converting holder need not include payment of the amount of such distribution upon surrender of certificates representing such Series B Preferred for conversion. Except as provided above, the Corporation shall make no payment or allowance for unpaid distributions, whether or not in arrears, on converted shares or for distribution on the Common Stock that is issued upon such conversion.

As promptly as practicable after the surrender of certificates for Series B Preferred as aforesaid, the Corporation shall issue and shall deliver at such office to such holder, or on his written order, a certificate or certificates for the number of full shares of Common Stock issuable upon the conversion of such shares in accordance with the provisions of this Section 7, and any fractional interest in respect of a share of Common Stock arising upon such conversion shall be settled as provided in Section 7(e).

(e) No fractional shares of Common Stock shall be issued upon conversion of Series B Preferred. Instead of any fractional share of Common Stock that would otherwise be deliverable upon the conversion of a share of Series B Preferred, the Corporation shall pay to the holder of such share an amount in cash in respect of such fractional interest based upon the Current Market Price of a share of Common Stock on the Trading Day immediately preceding the date of conversion. If more than one share of Series B Preferred shall be surrendered for conversion at one time by the same holder, the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Series B Preferred so surrendered.

(f) The Conversion Price shall be adjusted from time to time as follows:

(i) If the Corporation shall after the date on which shares of Series B Preferred are first issued (the "Issue Date") (A) pay or make a distribution in Common Stock to holders of its equity securities, (B) subdivide its outstanding Common Stock into a greater number of shares, (C) combine its

outstanding Common Stock into a smaller number of shares or (D) issue any equity securities by reclassification of its Common Stock, then the Conversion Price in effect at the opening of business on the day following the record date for the determination of stockholders entitled to receive such distribution or at the opening of business on the day following the day on which such subdivision, combination or reclassification becomes effective, as the case may be, shall be adjusted so that the holder of any share of Series B Preferred thereafter surrendered for conversion shall be entitled to receive the number of shares of Common Stock that such holder would have owned or have been entitled to receive after the happening of any of the events described above had such shares been converted immediately prior to the record date in the case of a distribution or the effective date in the case of a subdivision, combination or reclassification. An adjustment made pursuant to this subsection (i) shall become effective immediately after the opening of business on the day following such record date (except as provided in Section 7(j)) in the case of a distribution and shall become effective immediately after the opening of business on the day next following the effective date in the case of a subdivision, combination or reclassification.

(ii) If the Corporation shall issue after the Issue Date rights, options or warrants to all holders of Common Stock entitling them to subscribe for or purchase shares of Common Stock (or securities convertible into or exchangeable for Common Stock) at a price per share less than the Fair Market Value per share of Common Stock on the record date for the determination of stockholders entitled to receive such rights, options or warrants, then the Conversion Price in effect at the opening of business on the day following such record date shall be adjusted to equal the price determined by multiplying (I) the Conversion Price in effect immediately prior to the opening of business on the day following the record date for such determination by (II) a fraction, the numerator of which shall be the sum of (A) the number of shares of Common Stock outstanding on the close of business on the record date for such determination and (B) the number of shares that the aggregate proceeds to the Corporation from the exercise of such rights, options or warrants for Common Stock would purchase at such Fair Market Value, and the denominator of which shall be the sum of (A) the number of shares of Common Stock outstanding on the close of business on the record date for such determination and (B) the number of additional shares of Common Stock offered for subscription or purchase pursuant to such rights, options or warrants. Such adjustment shall become effective immediately after the opening of business on the day following such record date (except as provided in Section 7(j)). In determining whether any rights, options or warrants entitle the holders of Common Stock to subscribe for or purchase Common Stock at less than the Fair Market Value, there shall be taken into account any consideration received by the Corporation upon issuance and upon exercise of such rights, options or warrants, the value of such consideration, if other than cash, to be determined in good faith by the Corporation's Chief Executive Officer or the Board of Directors of the Corporation.

(iii) If the Corporation shall distribute to all holders of its Common Stock any equity securities of the Corporation (other than Common Stock) or evidences of its indebtedness or assets (excluding Permitted Common Stock Cash Distributions and those rights, options and warrants referred to in and treated under subsection (ii) above), then the Conversion Price shall be adjusted so that it shall equal the price determined by multiplying (I) the Conversion Price in effect immediately prior to the close of business on the record date for the determination of stockholders entitled to receive such distribution by (II) a fraction, the numerator of which shall be the Fair Market Value per share of Common Stock on the record date for such determination less the then fair market value (as determined by the Corporation's Chief Executive Officer or the Board of Directors of the Corporation, whose determination shall be conclusive) of the portion of the equity securities, evidences of indebtedness or assets so distributed applicable to one share of Common Stock, and the denominator of which shall be the Fair Market Value per share of Common Stock on the record date for such determination. Such adjustment shall become effective immediately at the opening of business on the day following such record date (except as provided in Section7(j)). For the purposes of this subsection (iii), the distribution of equity securities, evidences of indebtedness or assets which are distributed not only to the holders of Common Stock on the record date for the determination of stockholders entitled to such distribution, but also are distributed with each share of Common Stock delivered to a person converting a share of Series B Preferred after such record date, shall not require an adjustment of the Conversion Price pursuant to this subsection (iii), provided that on the date, if any, on which a person converting a share of Series B Preferred would no longer be entitled to receive such equity securities, evidences of indebtedness or assets with a share of Common Stock (other than as a result of the termination of all such equity securities, evidences of indebtedness or assets), a distribution of such equity securities, evidences of indebtedness or assets shall be deemed to have occurred and the Conversion Price shall be adjusted as provided in this subsection (iii) (and such day shall be deemed to be "the record date for the determination of the stockholders entitled to receive such distribution" within the meaning of the two preceding sentences).

(iv) No adjustment in the Conversion Price shall be required unless such adjustment would require a cumulative increase or decrease of at least 1% in the Conversion Price; provided, however, that any adjustments that by reason of this subsection (iv) are not required to be made shall be carried forward and taken into account in any subsequent adjustment until made; and provided, further, that any adjustment shall be required and made in accordance with the provisions of this Section 7 (other than this subsection (iv)) not later than such time as may be required in order to preserve the tax-free nature of a distribution to the holders of Common Stock. Notwithstanding any other provisions of this Section 7, the Corporation shall not be required to make any adjustment of the Conversion Price for the issuance of any Common Stock pursuant to any plan providing for the reinvestment of distributions or interest payable on securities of the Corporation and the investment of additional optional amounts in Common Stock under such plan. All calculations under this Section 7 shall be made to the nearest cent (with $.005 being rounded upward) or to the nearest one-tenth of a share (with .05 of a share being rounded upward), as the case may be. Anything in this subsection (f) to the contrary notwithstanding, the Corporation shall be entitled, to the extent permitted by law, to make such reductions in the Conversion Price, in addition to those required by this subsection (f), as it in its discretion shall determine to be advisable in order that any share distributions, subdivision, reclassification or combination of shares, distribution of rights, options or warrants to purchase shares or securities, or a distribution of other assets (other than cash distributions) hereafter made by the Corporation to its stockholders shall not be taxable.

(g) Except as otherwise provided for in Section 7(f), if the Corporation shall be a party to any transaction (including, without limitation, a merger, consolidation, statutory share exchange, tender offer for all or substantially all of the Common Stock or sale of all or substantially all of the Corporation's assets), in each case as a result of which Common Stock shall be converted into the right to receive shares, stock, securities or other property (including cash or any combination thereof (each of the foregoing being referred to herein as a "Transaction")), each share of Series B Preferred, if convertible after the consummation of the Transaction, which is not converted into the right to receive shares, stock, securities or other property in connection with such Transaction shall thereafter be convertible into the kind and amount of shares, stock, securities and other property (including cash or any combination thereof) receivable upon the consummation of such Transaction by a holder of that number of shares of Common Stock into which one share of Series B Preferred was convertible immediately prior to such Transaction, assuming such holder of Common Stock (i) is not a Person with which the Corporation consolidated or into which the Corporation merged or which merged into the Corporation or to which such sale or transfer was made, as the case may be (a "Constituent Person"), or an affiliate of a Constituent Person and (ii) failed to exercise his rights of the election, if any, as to the kind or amount of shares, stock, securities and other property (including cash or any combination thereof) receivable upon such Transaction (each, a "Non-Electing Share") (provided that if the kind and amount of shares, stock, securities and other property (including cash or any combination thereof) receivable upon consummation of such Transaction is not the same for each Non-Electing Share, the kind and amount receivable by each Non-Electing Share shall be deemed to be the kind and amount receivable per share by a plurality of the Non-Electing Shares). The Corporation shall not be a party to any Transaction unless the terms of such Transaction are consistent with the provisions of this subsection (g), and it shall not consent or agree to the occurrence of any Transaction until the Corporation has entered into an agreement with the successor or purchasing entity, as the case may be, for the benefit of the holders of the Series B Preferred that will contain provisions enabling holders of Series B Preferred that remains outstanding after such Transaction to convert into the consideration received by holders of Common Stock at the Conversion Price in effect immediately prior to such Transaction. The provisions of this subsection (g) shall similarly apply to successive Transactions.

(h) If:

(i) the Corporation shall declare a distribution on the Common Stock (other than Permitted Common Stock Cash Distributions) or there shall be a reclassification, subdivision or combination of the Common Stock; or

(ii) the Corporation shall grant to the holders of the Common Stock rights, options or warrants to subscribe for or purchase Common Stock at less than Fair Market Value; or

(iii) the Corporation shall enter into a Transaction; or

(iv) there shall occur the voluntary or involuntary liquidation, dissolution or winding up of the Corporation,

then the Corporation shall cause to be filed with the Transfer Agent and shall cause to be mailed to the holders of the Series B Preferred at their addresses

as shown on the stock transfer records of the Corporation, as promptly as possible, but at least 15 days prior to the applicable date hereinafter specified, a notice stating (A) the date on which a record is to be taken for the purpose of such distribution or rights, options or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such distribution or rights, options or warrants are to be determined or (B) the date on which such reclassification, subdivision, combination, Transaction or liquidation, dissolution or winding up is expected to become effective, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their Common Stock for securities or other property, if any, deliverable upon such reclassification, subdivision, combination, Transaction or liquidation, dissolution or winding up. Failure to give or receive such notice or any defect therein shall not affect the legality or validity of the proceedings described in this Section 7.

(i) Whenever the Conversion Price is adjusted as herein provided, the Corporation shall promptly file with the Transfer Agent an officer's certificate setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment absent manifest error. Promptly after delivery of such certificate, the Corporation shall prepare a notice of such adjustment of the Conversion Price setting forth the adjusted Conversion Price and the effective date such adjustment becomes effective and shall mail such notice of such adjustment of the Conversion Price to the holder of each share of Series B Preferred at such holder's last address as shown on the stock transfer records of the Corporation.

(j) In any case in which Section 7(f) provides that an adjustment shall become effective on the day following the record date for an event, the Corporation may defer until the occurrence of such event (A) issuing to the holder of any share of Series B Preferred converted after such record date and before the occurrence of such event the additional shares of Common Stock issuable upon such conversion by reason of the adjustment required by such event over and above the shares of Common Stock issuable upon such conversion before giving effect to such adjustment and (B) fractionalizing any share of Series B Preferred and/or paying to such holder any amount of cash in lieu of any fraction pursuant to Section 7(e).

(k) There shall be no adjustment of the Conversion Price in case of the issuance of any equity securities of the Corporation in a reorganization, acquisition or other similar transaction except as specifically set forth in this Section 7. If any action or transaction would require adjustment of the Conversion Price pursuant to more than one subsection of Section 7(f), only one adjustment shall be made, and such adjustment shall be the amount of adjustment that has the highest absolute value.

(l) If the Corporation shall take any action affecting the Common Stock, other than action described in this Section 7, that in the judgment of the Board of Directors of the Corporation would materially adversely affect the conversion rights of the holders of the Series B Preferred, the Conversion Price for the Series B Preferred may be adjusted, to the extent permitted by law, in such manner, if any, and at such time, as the Board of Directors of the Corporation, in its sole discretion, may determine to be equitable under the circumstances.

(m) The Corporation shall at all times reserve and keep available, free from preemptive rights, out of the aggregate of its authorized but unissued Common Stock, for the purpose of effecting conversion of the Series B Preferred, the full number of shares of Common Stock deliverable upon the conversion of all outstanding shares of Series B Preferred not theretofore converted. For purposes of this subsection (m), the number of shares of Common Stock that shall be deliverable upon the conversion of all outstanding shares of Series B Preferred shall be computed as if at the time of computation all such outstanding shares were held by a single holder.

(n) The Corporation will pay any and all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of Common Stock or other securities or property on conversion of the Series B Preferred pursuant hereto; provided, however, that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involved in the issue or delivery of Common Stock or other securities or property in a name other than that of the record holder of the Series B Preferred to be converted, and no such issue or delivery shall be made unless and until the person requesting such issue or delivery has paid to the Corporation the amount of any such tax or established, to the reasonable satisfaction of the Corporation, that such tax has been paid.

(8) Ownership Limitations. Notwithstanding Article VII of the Articles, the
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provisions of this Section 8 shall apply with respect to the limitations on the ownership and acquisition of shares of Series B Preferred.

(a) Restriction on Ownership and Transfer.

(i) Except as provided in Section 8(h), no Person shall Beneficially Own or Constructively Own any shares of Series B Preferred such that such Person would Beneficially Own or Constructively Own Capital Stock in excess of the Aggregate Stock Ownership Limit, and the intended transferee shall acquire no rights in such Series B Preferred; and

(ii) Notwithstanding any other provisions contained in this Section 8, any Transfer (whether or not such Transfer is the result of a transaction entered into through the facilities of the NYSE) or other event that, if effective, would result in the Corporation being "closely held" within the meaning of Section 856(h) of the Code, or would otherwise result in the Corporation failing to qualify as a REIT (including, but not limited to, a Transfer or other event that would result in the Corporation owning (directly or Constructively) an interest in a tenant that is described in Section 856(d)(2)(B) of the Code if the income derived by the Corporation from such tenant would cause the Corporation to fail to satisfy any of the gross income requirements of Section 856(c) of the Code) shall be void ab initio as to the Transfer of the Series B Preferred or other event which would cause the Corporation to be "closely held" within the meaning of Section 856(h) of the Code or would otherwise result in the Corporation failing to qualify as a REIT; and the intended transferee or owner or Constructive or Beneficial Owner shall acquire or retain no rights in such Series B Preferred.

(b) Conversion Into and Exchange For Series B Excess Preferred. If, notwithstanding the other provisions contained in this Section 8, at any time after the Issue Date, there is a purported Transfer or Acquisition (whether or not such Transfer or Acquisition is the result of a transaction entered into through the facilities of the NYSE), change in the capital structure of the Corporation or other event such that one or more of the restrictions on ownership and transfers described in Section 8(a), above, has been violated, then the Series B Preferred being Transferred or Acquired (or in the case of an event other than a Transfer or Acquisition, the Series B Preferred owned or Constructively Owned or Beneficially Owned or, if the next sentence applies, the Series B Preferred identified in the next sentence) which would cause one or more of the restrictions on ownership or transfer to be violated (rounded up to the nearest whole share) shall be automatically converted into an equal number of shares of Series B Excess Preferred. If at any time of such purported Transfer or Acquisition any of the shares of the Series B Preferred are then owned by a depositary to permit the trading of beneficial interests in fractional shares of Series B Preferred, then shares of Series B Preferred that shall be converted to Series B Excess Preferred shall be first taken from any Series B Preferred that is not in such depositary that is Beneficially Owned or Constructively Owned by the Person whose Beneficial Ownership or Constructive Ownership would otherwise violate the restrictions of Section 8(a) prior to converting any shares in such depositary. Any conversion pursuant to this subparagraph shall be effective as of the close of business on the Business Day prior to the date of such Transfer or other event.

(c) Remedies For Breach. If the Board of Directors or its designees shall at any time determine in good faith that a Transfer or other event has taken place in violation of Section 8(a) or that a Person intends to Transfer or Acquire, has attempted to Transfer or Acquire or may Transfer or Acquire direct ownership, beneficial ownership (determined without reference to any rules of attribution), Beneficial Ownership or Constructive Ownership of any shares of the Corporation in violation of Section 8(a), the Board of Directors or its designees shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer, Acquisition or other event, including, but not limited to, causing the Corporation to purchase such shares upon the terms and conditions specified by the Board of Directors in its sole discretion, refusing to give effect to such Transfer, Acquisition or other event on the books of the Corporation or instituting proceedings to enjoin such Transfer, Acquisition or other event; provided, however, that any Transfer or Acquisition (or, in the case of events other than a Transfer or Acquisition, ownership or Constructive Ownership or Beneficial Ownership) in violation of Section 8(a) shall automatically result in the conversion described in Section 8(b), irrespective of any action (or non-action) by the Board of Directors.

(d) Notice of Restricted Transfer. Any Person who Acquires or attempts to Acquire or Beneficially Owns or Constructively Owns shares of Series B Preferred in excess of the aforementioned limitations, or any Person who is or attempts to become a transferee such that Series B Excess Preferred results under the provisions of these Articles, shall immediately give written notice or, in the event of a proposed or attempted Transfer, give at least 15 days prior written notice to the Corporation of such event and shall provide to the Corporation such other information as it may request in order to determine the effect of any such Transfer on the corporation's status as a REIT.

(e) Owners Required To Provide Information. From and after the Issue Date, each Person who is a beneficial owner or Beneficial Owner or Constructive Owner

of Series B Preferred and each Person (including the stockholder of record) who is holding Series B Preferred for a Beneficial Owner or Constructive Owner shall provide to the Corporation such information that the Corporation may request, in good faith, in order to determine the Corporation's status as a REIT.

(f) Remedies Not Limited. Nothing contained in this Section 8 (but subject to Section 8(l)) shall limit the authority of the Board of Directors to take such other action as it deems necessary or advisable to protect the Corporation and the interests of its stockholders by preservation of the Corporation's status as a REIT.

(g) Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Section 8, including any definition contained in Section 9, the Board of Directors shall have the power to determine the application of the provisions of this Section 8 with respect to any situation based on the facts known to it (subject, however, to the provisions of Section 8(l)).

(h) Exceptions.

(i) Subject to Section 8(a)(ii), the Board of Directors, in its sole and absolute discretion, with the advice of the Corporation's tax counsel, may exempt a Person from the limitation on a Person Beneficially Owning Series B Preferred in excess of the Aggregate Stock Ownership Limit if such Person is not an individual for purposes of Section 542(a)(2) of the Code and the Board of Directors obtains such representations and undertakings from such Person as are reasonably necessary to ascertain that no individual's Beneficially Owning Series B Preferred would violate the Aggregate Stock Ownership Limit and such Person agrees that any violation of such representations or undertaking (or other action which is contrary to the restrictions contained in this Section 8) or attempted violation will result in such Series B Preferred being exchanged for Series B Excess Preferred in accordance with Section 8(b).

(ii) Subject to Section 8(a)(ii), the Board of Directors, in its sole and absolute discretion, with advice of the Corporation's tax counsel, may exempt a Person from the limitation on a Person Beneficially Owning or Acquiring Series B Preferred in excess of the Aggregate Stock Ownership Limit if such Person does not and represents that it will not own, directly or constructively (by virtue of the application of Section 318 of the Code, as modified by Section 856(d)(5) of the Code), own more than a 9% interest (as set forth in Section 856(d)(2)(B) of the Code) in a tenant of the Corporation and the Board of Directors obtains such representations and undertakings from such Person as are reasonably necessary to ascertain this fact and such Person agrees that any violation or attempted violation will result in such Series B Preferred in excess of the Aggregate Stock Ownership Limit being exchanged for Series B Excess Preferred in accordance with Section 8(b).

(iii) Prior to granting any exception pursuant to Section 8(h)(ii), the Board of Directors may require a ruling from the IRS, or an opinion of counsel, in either case in form and substance satisfactory to the Board of Directors, in its sole discretion as it may deem necessary or advisable in order to determine or ensure the Corporation's status as a REIT; provided, however, that obtaining a favorable ruling or opinion shall not be required for the Board of Directors to grant an exception hereunder.

(i) Legend. Each certificate for Series B Preferred shall bear substantially the following legend:

"The Corporation will furnish to any stockholder, on request and without charge, a full statement of the information required by Section 2-211(b) of the Corporations and Associations Article of the Annotated Code of Maryland with respect to the designations and any preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications, and terms and conditions of redemptions of the stock of each class which the Corporation has authority to issue and, if the Corporation is authorized to issue any preferred or special class in series, (i) the differences in the relative rights and preferences between the shares of each series to the extent set, and (ii) the authority of the Board of Directors to set such rights and preferences of subsequent series. The foregoing summary does not purport to be complete and is subject to and qualified in its entirety by reference to the charter of the Corporation including all amendments and supplements thereto (the "Charter"), a copy of which will be sent without charge to each stockholder who so requests. Such request must be made to the Secretary of the Corporation at its principal office or to the Transfer Agent.

The securities represented by this certificate are subject to restrictions on ownership and transfer for the purpose of the Corporation's maintenance of its status as a real estate investment trust under the Internal Revenue Code of 1986, as amended. Except as otherwise provided pursuant to the Charter of the Corporation, no Person may Acquire any shares of Series B Preferred if, as a result of such Acquisition, such Person shall Beneficially Own or Constructively Own any shares of Series B Preferred such that such Person would Beneficially

Own or Constructively Own Capital Stock in excess of 9% in value of the aggregate of the outstanding shares of Capital Stock of the Corporation. Any Person who Acquires or attempts to Acquire or Beneficially Owns or Constructively Owns shares of Series B Preferred in excess of the aforementioned limitation, or any Person who is or attempts to become a transferee such that Series B Excess Preferred would result under the provisions of the Charter, shall immediately give written notice or, in the event of a proposed or attempted Transfer, give at least 15 days prior written notice to the Corporation of such event and shall provide to the Corporation such other information as it may request in order to determine the effect of any such Transfer on the corporation's status as a REIT. All capitalized terms in this legend have the meanings defined in the Charter of the Corporation, a copy of which, including the restrictions on transfer, will be sent to any stockholder on request and without charge. Transfers in violation of the restrictions described above shall be void ab initio. If the restrictions on ownership and transfer are violated, the securities represented hereby will be designated and treated as shares of Series B Excess Preferred which will be held in trust by the Corporation. The foregoing summary does not purport to be complete and is subject to and qualified in its entirety by reference to the Charter, a copy of which, including the restrictions on transfer, will be sent without charge to each stockholder who so requests. Such request must be made to the Secretary of the Corporation at its principal office or to the Transfer Agent."

(j) Severability. If any provision of this Section 8 or any application of any such provision is determined to be invalid by any federal or state court having jurisdiction, the validity of the remaining provisions shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court.

(k) Series B Excess Preferred.

(i) Ownership In Trust. Upon any purported Transfer (whether or not
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such Transfer is the result of a transaction entered into through the facilities of the NYSE) that results in the issuance of Series B Excess Preferred pursuant to Section 8(b), such Series B Excess Preferred shall be deemed to have been transferred to the Corporation, as Trustee of a Trust for the exclusive benefit of such Beneficiary or Beneficiaries to whom an interest in such Series B Excess Preferred may later be transferred pursuant to Section 8(k)(v). Series B Excess Preferred so held in trust shall be issued and outstanding shares of stock of the Corporation. The Purported Record Transferee shall have no rights in such Series B Excess Preferred except the right to designate a transferee of such Series B Excess Preferred upon the terms specified in Section 8(k)(v). The Purported Beneficial Transferee shall have no rights in such Series B Excess Preferred except as provided in this Section 8.

(ii) Dividend Rights. Series B Excess Preferred will be entitled to
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dividends and distributions authorized and declared with respect to the Series B Preferred from which the Series B Excess Preferred was converted and will be payable to the Trustee of the Trust in which such Series B Excess Preferred is held, for the benefit of the Charitable Beneficiary. Dividends and distributions will be authorized and declared with respect to each share of Series B Excess Preferred in an amount equal to the dividends and distributions authorized and declared on each share of Series B Preferred from which the Series B Excess Preferred was converted. Any dividend or distribution paid prior to the discovery by the Corporation that Series B Preferred has been transferred in violation of the provisions of the Articles shall be repaid by the Purported Record Transferee to the Trustee upon demand. The Corporation shall rescind any dividend or distribution authorized and declared but unpaid as void ab initio with respect to the Purported Record Transferee, and the Corporation shall pay such dividend or distribution when due to the Trustee of the Trust for the benefit of the Charitable Beneficiary.

(iii) Conversion Rights. Holders of shares of Series B Excess
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Preferred shall not be entitled to convert any shares of Series B Excess Preferred into shares of Common Stock. Any conversion made prior to the discovery by the Corporation that shares of Series B Preferred have been converted into Series B Excess Preferred shall be void ab initio and the Purported Record Transferee shall return the shares of Common Stock into which the Series B Preferred were converted upon demand to the Corporation for reconversion into Series B Preferred and deposit into the Trust.

(iv) Rights Upon Liquidation. In the event of any voluntary or
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involuntary liquidation, dissolution or winding up of, or any other distribution of all or substantially all of the assets of the Corporation, each holder of shares of Series B Excess Preferred shall be entitled to receive, in the case of Series B Excess Preferred converted from Series B Preferred, ratably with each other holder of Series B Preferred and Series B Excess Preferred converted from

Series B Preferred, that portion of the assets of the Corporation available for distribution to its stockholders as the number of shares of the Series B Excess Preferred held by such holder bears to the total number of shares of Series B Preferred and Series B Excess Preferred then outstanding (in the case of Series B Excess Preferred converted from Series B Preferred).

Any liquidation distributions to be distributed with respect to Series B Excess Preferred shall be distributed in the same manner as proceeds from the sale of Series B Excess Preferred are distributed as set forth in Section 8(k)(v).

(v) Non-Transferability of Excess Stock. Series B Excess Preferred shall not be transferable. In its sole discretion, the Trustee of the Trust may transfer the interest in the Trust representing shares of Series B Excess Preferred to any Person if the shares of Series B Excess Preferred would not be Series B Excess Preferred in the hands of such Person. If such transfer is made, the interest of the Charitable Beneficiary in the Series B Excess Preferred shall terminate and the proceeds of the sale shall be payable by the Trustee to the Purported Record Transferee and the Charitable Beneficiary as herein set forth. The Purported Record Transferee shall receive from the Trustee the lesser of (i) the price paid by the Purported Record Transferee for its shares of Series B Preferred that were converted into Series B Excess Preferred or, if the Purported Record Transferee did not give value for such shares (e.g., the stock was received through a gift, devise or other transaction), the average closing price for the class of shares from which such shares of Series B Excess Preferred were converted for the ten trading days immediately preceding such sale or gift, and (ii) the price received by the Trustee from the sale or other disposition of the Series B Excess Preferred held in trust. The Trustee may reduce the amount payable to the Purported Record Transferee by the amount of dividends and distributions which have been paid to the Purported Record Transferee and are owed by the Purported Record Transferee to the Trustee pursuant to Section 8(k)(i). Any proceeds in excess of the amount payable to the Purported Record Transferee shall be paid by the Trustee to the Charitable Beneficiary. Upon such transfer of an interest in the Trust, the corresponding shares of Series B Excess Preferred in the Trust shall be automatically exchanged for an equal number of shares of Series B Excess Preferred and such shares of Series B Excess Preferred shall be transferred of record to the transferee of the interest in the Trust if such shares of Series B Excess Preferred would not be Series B Excess Preferred in the hands of such transferee. Prior to any transfer of any interest in the Trust, the Corporation must have waived in writing its purchase rights under Section 8(k)(vii).

(vi) Voting Rights for Series B Excess Preferred. Any vote cast by a Purported Record Transferee of Series B Excess Preferred prior to the discovery by the Corporation that Series B Preferred has been transferred in violation of the provisions of these Articles shall be void ab initio. While the Series B Excess Preferred is held in trust, the Purported Record Transferee will be deemed to have given an irrevocable proxy to the Trustee to vote the shares of Series B Preferred which have been converted into shares of Series B Excess Preferred for the benefit of the Charitable Beneficiary.

(vii) Purchase Rights in Series B Excess Preferred. Notwithstanding the provisions of Section 8(k)(v), shares of Series B Excess Preferred shall be deemed to have been offered for sale to the Corporation, or its designee, at a price per share equal to the lesser of (i) the price per share in the transaction that required the issuance of such Series B Excess Preferred (or, if the Transfer or other event that resulted in the issuance of Series B Excess Preferred was not a transaction in which the Purported Beneficial Transferee gave full value for such Series B Excess Preferred, a price per share equal to the Market Price on the date of the purported Transfer or other event that resulted in the issuance of Series B Excess Preferred) and (ii) the Market Price on the date the Corporation, or its designee, accepts such offer. The Corporation shall have the right to accept such offer for a period of ninety (90) days after the later of (i) the date of the Transfer or other event which resulted in the issuance of such shares of Series B Excess Preferred and (ii) the date the Board of Directors determines in good faith that a Transfer or other event resulting in the issuance of shares of Series B Excess Preferred has occurred, if the Corporation does not receive a notice of such Transfer or other event pursuant to Section 8(d). The Corporation may appoint a special trustee of the Trust for the purpose of consummating the purchase of Series B Excess Preferred by the Corporation. In the event that the Corporation's actions cause a reduction in the number of shares of Series B Preferred outstanding and such reduction results in the issuance of Series B Excess Preferred, the Corporation is required to exercise its option to repurchase such shares of Series B Excess Preferred if the Beneficial Owner notifies the Corporation that it is unable to sell its rights to such Series B Excess Preferred.

(l) Settlement. Nothing in this Section 8 shall preclude the settlement of

any transaction entered into through facilities of the NYSE.

(9) Definitions.

"Acquire". The term "Acquire" shall mean the acquisition of Beneficial Ownership or Constructive Ownership of shares of Preferred Equity Stock by any means including, without limitation, a Transfer, the exercise of or right to exercise any rights under any option, warrant, convertible security, pledge or other security interest or similar right to acquire shares, but shall not include the acquisition of any such rights unless, as a result, the acquiror would be considered a Beneficial Owner or Constructive Owner, as defined below and shall not include Beneficial Ownership or Constructive Ownership that does not result from an acquisition. The term "Acquisition" shall have the correlative meaning.

"Affiliate". The term "Affiliate" has the same meaning as given to that term in Rule 405 under the Securities Act of 1933, as amended, or any successor rule thereunder.

"Aggregate Stock Ownership Limit". The term "Aggregate Stock Ownership Limit" shall mean not more than 9% in value of the aggregate of the outstanding shares of Capital Stock. The number and value of shares of the outstanding shares of Capital Stock shall be determined by the Board of Directors of the Corporation in good faith, which determination shall be conclusive for all purposes thereof.

"Beneficial Ownership". The term "Beneficial Ownership" shall mean ownership of Series B Preferred or Series B Excess Preferred by a Person who is or would be treated as an owner of such Series B Preferred or Series B Excess Preferred either directly or constructively through the application of Section 544 of the Code, as modified by Section 856(h)(1)(B) of the Code. The terms "Beneficial Owner," "Beneficially Owns" and "Beneficially Owned" shall have the correlative meanings.

"Business Day". The term "Business Day" shall mean any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in The City of New York are authorized or required by law, regulation or executive order to close.

"Capital Stock". The term "Capital Stock" shall mean all classes of series of stock of the Corporation, including, without limitation, Common Equity and Preferred Equity Stock.

"Charitable Beneficiary". The term "Charitable Beneficiary" shall mean a beneficiary of the Trust as determined pursuant to Section 8(k).

"Common Equity". The term "Common Equity" shall mean all shares now or hereafter authorized of any class of common stock of the Corporation, including the Common Stock, and any other stock of the Corporation, howsoever designated, authorized after the Issue Date, which has the right (subject always to prior rights of any class or series of preferred stock) to participate in the distribution of the assets and earnings of the Corporation without limit as to per share amount.

"Constructive Ownership". The term "Constructive Ownership" shall mean ownership of Series B Preferred or Series B Excess Preferred by a Person who is or would be treated as an owner of such Series B Preferred or Series B Excess Preferred either directly or constructively through the application of Section 318 of the Code, as modified by Section 856(d)(5) of the Code. The terms "Constructive Owner," "Constructively Owns" and "Constructively Owned" shall have the correlative meanings.

"Current Market Price" of publicly traded Common Stock or any other equity security of the Corporation or any other issuer for any day shall mean the last reported sales price, regular way, on such day, or, if no sale takes place on such day, the average of the reported closing bid and asked prices on such day, regular way, in either case as reported on the NYSE or, if such security is not listed or admitted for trading on the NYSE, on the principal national securities exchange on which such security is listed or admitted for trading or, if not listed or admitted for trading on any national securities exchange, on the Nasdaq National Market or, if such security is not quoted on the Nasdaq National Market, the average of the closing bid and asked prices on such day in the over-the-counter market as reported by Nasdaq or, if bid and asked prices for such security on such day shall not have been reported through Nasdaq the average of the bid and asked prices on such day as furnished by any NYSE member firm regularly making a market in such security selected for such purpose by the Corporation's Chief Executive Officer or the Board of Directors of the Corporation.

"Fair Market Value" shall mean the average of the daily Current Market

Prices per share of Common Stock during the five consecutive Trading Days selected by the Corporation commencing not more than 20 Trading Days before, and ending not later than, the earlier of the day in question and the day before the "ex" date with respect to the issuance or distribution requiring such computation. The term "ex-date", when used with respect to any issuance or distribution, means the first day on which the shares of Common Stock trade regular way, without the right to receive such issuance or distribution, on the exchange or in the market, as the case may be, for purposes of determining that day's Current Market Price.

"IRS". The term "IRS" shall mean the United States Internal Revenue Service.

"Market Price". The term "Market Price" as to any date shall mean the average of the last sales price reported on the NYSE of Series B Preferred, on the ten trading days immediately preceding the relevant date, or if not then traded on the NYSE, the average of the last reported sales price of the Series B Preferred on the ten trading days immediately preceding the relevant date as reported on any exchange or quotation system over which the Series B Preferred may be traded, of it not then traded over any exchange or quotation system, then the market price of the Series B Preferred on the relevant date as determined in good faith by the Board of Directors.

"Permitted Common Stock Cash Distributions" shall mean those cumulative cash distributions paid with respect to the Common Stock after June 2, 1999, which are not in excess of the following: the sum of (i) the Corporation's cumulative undistributable funds from operations ("FFO"), as determined by the Board of Directors of the Corporation, at June 2, 1999 plus (ii) the cumulative amount of FFO, as determined by the Board of Directors of the Corporation, after June 2, 1999 minus (iii) the cumulative amount of distributions accumulated or paid on any other Preferred Stock after the Issue Date.

"Person". The term "Person" shall mean an individual, corporation, partnership, estate, trust (including a trust qualified under Section 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity, and also includes a group as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended; but does not include an underwriter which participates in a public offering of the Series B Preferred or any interest therein, provided that such ownership by such underwriter would not result in the Corporation being "closely held" within the meaning of Section 856(h) of the Code, or otherwise result in the Corporation failing to qualify as a REIT.

"Preferred Equity Stock." The term "Preferred Equity Stock" shall mean shares of stock that are either Series B Preferred or Series B Excess Preferred.

"Purported Beneficial Transferee." The term "Purported Beneficial Transferee" shall mean, with respect to any purported Transfer which results in Series B Excess Preferred, the purported beneficial transferee or owner for whom the Purported Record Transferee would have acquired or owned shares of Series B Preferred if such Transfer had been valid under Section 8(a) below.

"Purported Record Transferee". The term "Purported Record Transferee" shall mean, with respect to any purported Transfer which results in Series B Excess Preferred Stock, the record holder of the Preferred Equity Stock if such Transfer had been valid under Section 8(a) below.

"Trading Day" shall mean any day on which the securities in question are traded on the NYSE or, if such securities are not listed or admitted for trading on the NYSE, on the principal national securities exchange on which such securities are listed or admitted or, if not listed or admitted for trading on any national securities exchange, on the Nasdaq National Market or, if such securities are not quoted on the Nasdaq National Market, in the applicable securities market in which the securities are traded.

"Transfer". The term "Transfer" shall mean any sale, transfer, gift, assignment, devise or other disposition of Preferred Equity Stock, including (i) the granting of any option or entering into any agreement for the sale, transfer or other disposition of Preferred Equity Stock or (ii) the sale, transfer, assignment or other disposition of any securities (or rights convertible into or exchangeable for Preferred Equity Stock), whether voluntary or involuntary, whether of record or beneficially or Beneficially or Constructively Owned (including but not limited to Transfers of interests in other entities which result in changes in Beneficial or Constructive Ownership of Preferred Equity Stock), and whether by operation of law or otherwise. The term "Transferring" and "Transferred" shall have the correlative meanings.

"Transfer Agent" means American Stock Transfer & Trust Company, or such other agent or agents of the Corporation as may be designated by the Board of

Directors of the Corporation or its designee as the transfer agent for the Series B Preferred.

"Trust". The term "Trust" shall mean the trust created pursuant to Section 8(k).

"Trustee". The term "Trustee" shall mean the Person that is appointed by the Corporation pursuant to Section 8(k) to serve as trustee of the Trust, and any successor thereto.

(10) Any determination by the Board of Directors pursuant to the terms of the Series B Preferred shall be final and binding upon the holders thereof and shall be conclusive for all purposes.

Third: The Series B Preferred has been classified and designated by the Board of Directors under the authority contained in the Charter.

Fourth: These Articles Supplementary have been approved by the Board of Directors in the manner and by the vote required by law.

Fifth: These Articles Supplementary shall be effective at the time the State Department of Assessments and Taxation of Maryland accepts these Articles Supplementary for record.

IN WITNESS WHEREOF, RECKSON ASSOCIATES REALTY CORP. has caused these presents to be signed in its name and on its behalf by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and the said officers of the Corporation further acknowledge said instrument to be the corporate act of the Corporation, and state under the penalties of perjury that, to the best of their knowledge, information and belief, the matters and facts therein set forth with respect to approval are true in all material respects.

RECKSON ASSOCIATES REALTY CORP.

By:/s/ Scott H. Rechler

Name: Scott H. Rechler
Title: President

[SEAL]

ATTEST:

/s/ Gregg Rechler

Name: Gregg Rechler
Title: Secretary

Exhibit 10.1

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CREDIT AGREEMENT

Dated as of May 24, 1999

among

METROPOLITAN OPERATING PARTNERSHIP, L.P.

THE INSTITUTIONS FROM TIME TO TIME
PARTY HERETO AS LENDERS,

WARBURG DILLON READ,
AS ARRANGER AND BOOK MANAGER,

and

UBS AG, STAMFORD BRANCH,
AS ADMINISTRATIVE AGENT,

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CREDIT AGREEMENT

THIS CREDIT AGREEMENT dated as of May 24, 1999 (as amended, supplemented or modified from time to time, the "Agreement") is entered into among METROPOLITAN OPERATING PARTNERSHIP, L.P., a Delaware limited partnership ("Borrower"), the institutions from time to time a party hereto as Lenders, whether by execution of this Agreement or an Assignment and Acceptance, WARBURG DILLON READ, as Arranger and Book Manager, UBS AG, STAMFORD BRANCH, as Administrative Agent, and 810 SEVENTH AVENUE, L.P., a New York limited partnership ("Mortgagor").

The parties hereto agree as follows:

ARTICLE I
DEFINITIONS

1.1. Certain Defined Terms. The following terms used in this Agreement shall have the following meanings, applicable both to the singular and the plural forms of the terms defined:

"Administrative Agent" means UBS.

"Affiliate", as applied to any Person, means any other Person that directly or indirectly controls, is controlled by, or is under common control with, that Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to vote ten percent (10.0%) or more of the equity Securities having voting power for the election of directors of such Person or otherwise to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting equity Securities or by contract or otherwise.

"Agents" means, collectively, UBS in its capacity as Administrative Agent, the Arranger, and each successor agent appointed pursuant to the terms of Article XII of this Agreement.

"Agreement" has the meaning set forth in the preamble hereto.

"Applicable Lending Office" means, with respect to a particular Lender, (i) its Eurodollar Lending Office in respect of provisions relating to Eurodollar Rate Loans, and (ii) its Domestic Lending Office in respect of provisions relating to Base Rate Loans.

"Applicable Margin" means, with respect to the Eurodollar Loans secured by the Existing 810 Seventh Avenue Loan, 2.00%, with respect to each

other Eurodollar Loan, 2.25%, and with respect to each Base Rate Loan, 1%.

"Arranger" means WDR, appointed pursuant to the terms of Article XII of this Agreement.

"Assignment and Acceptance" means an Assignment and Acceptance in substantially the form of EXHIBIT A attached hereto and made a part hereof (with blanks appropriately completed) delivered to the Administrative Agent in connection with an assignment of a Lender's interest under this Agreement in accordance with the provisions of Section 14.1.

"Authorized Financial Officer" means a chief executive officer, president, chief financial officer, treasurer or other qualified senior officer acceptable to the Administrative Agent.

"Base Eurodollar Rate" means, with respect to any Eurodollar Interest Period applicable to a Borrowing of Eurodollar Rate Loans, an interest rate per annum determined by the Administrative Agent to be the rate per annum at which deposits in Dollars are offered by the principal office of the Reference Bank in London, England to major banks in the London interbank market at approximately 11:00 a.m. (London time) on the Eurodollar Interest Rate Determination Date for such Eurodollar Interest Period for a period equal to such Eurodollar Interest Period and in an amount substantially equal to the amount of the Eurodollar Rate Loan.

"Base Rate" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time, which rate per annum shall at all times be equal to the higher of:

(i) the rate of interest announced publicly by UBS in New York, New York from time to time, as UBS's prime rate; and

(ii) the sum of (A) one-half of one percent (0.50%) per annum plus (B) the Federal Funds Rate in effect from time to time during such period.

"Base Rate Loan" means (i) a Loan which bears interest at a rate determined by reference to the Base Rate and the Applicable Margin as provided in Section 5.1(a) or (ii) an overdue amount which was a Base Rate Loan immediately before it became due.

"Benefit Plan" means any Plan that is subject to Title IV of ERISA.

"Book Manager" means WDR, appointed pursuant to the terms of Article XII of this Agreement.

"Borrower" has the meaning set forth in the introductory paragraph hereof.

"Borrower Partnership Agreement" means the Agreement of Limited Partnership of the Borrower dated July 2, 1998, as amended by the First Amendment dated December 8, 1998, as such agreement may be further amended, restated, modified or supplemented from time to time with the consent of the Agents or as permitted under Section 10.9.

"Borrowing" means a borrowing consisting of Loans of the same type made, continued or converted on the same day.

"Business Day" means a day, in the applicable local time, which is not a Saturday or Sunday or a legal holiday and on which banks are not required or permitted by law or other governmental action to close (i) in New York, New York and (ii) in the case of Eurodollar Rate Loans, in London, England.

"Capital Expenditures" means, for any period, the aggregate of all expenditures (whether payable in cash or other Property or accrued as a liability (but without duplication)) during such period that, in conformity with GAAP, are required to be included in or reflected by the Company's, the Borrower's or any of its Subsidiaries' fixed asset accounts as reflected in any of their respective balance sheets; provided, however, Capital Expenditures

shall include the sum of all expenditures by the Consolidated Businesses allocable to the Consolidated Businesses for tenant improvements, leasing commissions, property level capital expenditures (e.g., roof replacement, parking lot repairs, etc., but not capital expenditures in connection with expansions).

"Capital Lease" means any lease of any property (whether real, personal or mixed) by a Person as lessee which, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of that Person.

"Capital Stock" means, with respect to any Person, any capital stock of such Person, regardless of class or designation, and all warrants, options, purchase rights, conversion or exchange rights, voting rights, calls or claims of any character with respect thereto.

"Capitalization Rate" means, with respect to each Project, the capitalization rate for such Project as set forth on SCHEDULE A hereto.

"Capitalization Value" means the sum of (i) the quotient of (x) NOI from each Project multiplied by four (4), and (y) the applicable Capitalization Rate; (ii) unrestricted Cash and Cash Equivalents; (iii) land and Projects under development (at book value), which credit will be limited to ten percent (10%) of Capitalization Value;

"Cash and Cash Equivalents" means unrestricted (i) cash, (ii) marketable direct obligations issued or unconditionally guaranteed by the United States government and backed by the full faith and credit of the United States government; and (iii) domestic and Eurodollar certificates of deposit and time deposits, bankers' acceptances and floating rate certificates of deposit issued by any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, any foreign bank, or its branches or agencies (fully protected against currency fluctuations), which, at the time of acquisition, are rated A-1 (or better) by S&P or P-1 (or better) by Moody's provided that the maturities of such Cash and Cash Equivalents shall not exceed one year.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., any amendments thereto, any successor statutes, and any regulations or guidance promulgated thereunder.

"Claim" means any claim or demand, by any Person, of whatsoever kind or nature for any alleged Liabilities and Costs, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute, Permit, ordinance or regulation, common law or otherwise.

"Closing Date" means May 24, 1999.

"Commission" means the Securities and Exchange Commission and any Person succeeding to the functions thereof.

"Commitment" means with respect to any Lender, the obligation of such Lender to make Loans pursuant to the terms and conditions of this Agreement, and which shall not exceed the principal amount set forth opposite such Lender's name under the heading "Commitment" on the signature pages hereof or the signature page of the Assignment and Acceptance by which it became a Lender, as modified from time to time pursuant to the terms of this Agreement or to give effect to any applicable Assignment and Acceptance, and "Commitments" means the aggregate principal amount of the Commitments of all the Lenders, the maximum amount of which shall be $130,000,000 as reduced from time to time pursuant to Section 4.1.

"Company" means Metropolitan Partners LLC, a Delaware limited liability company.

"Compliance Certificate" has the meaning set forth in Section 8.2(b).

"Consolidated" means consolidated, in accordance with GAAP.

"Consolidated Businesses" means the Company, the Borrower and their
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wholly-owned Subsidiaries.

"Contaminant" means any waste, pollutant, hazardous substance, toxic
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substance, hazardous waste, special waste, petroleum or petroleum-derived substance or waste, radioactive materials, asbestos containing materials (in any form or condition), polychlorinated biphenyls (PCBs), or any constituent of any such sub stance or waste, and includes, but is not limited to, these terms as defined in federal, state or local laws or regulations.

"Contingent Obligation" as to any Person means, without duplication,
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(i) any contingent obligation of such Person required to be shown on such Person's balance sheet in accordance with GAAP, and (ii) any obligation required to be disclosed in the footnotes to such Per son's financial statements in accordance with GAAP, guaranteeing partially or in whole any non-recourse Indebtedness, lease, dividend or other obligation, exclusive of contractual indemnities (including, without limitation, any indemnity or price-adjustment provision relating to the purchase or sale of securities or other assets) and guarantees of non-monetary obligations (other than guarantees of completion) which have not yet been called on or quantified, of such Person or of any other Person. Notwithstanding the foregoing, any litigation required to be disclosed in the footnotes to such Person's financial statements in accordance with GAAP shall not be included as a "Contingent Obligation" unless the same shall have been reserved for in accordance with GAAP. The amount of any Contingent Obligation described in clause (ii) shall be deemed to be (a) with respect to a guaranty of interest or interest and principal, or operating income guaranty, the sum of all payments required to be made there under (which in the case of an operating income guaranty shall be deemed to be equal to the debt service for the note secured thereby), calculated at the interest rate applicable to such Indebtedness, through (i) in the case of an interest or interest and principal guaranty, the stated date of maturity of the obligation (and commencing on the date interest could first be payable thereunder), or (ii) in the case of an operating income guaranty, the date through which such guaranty will remain in effect, and (b) with respect to all guarantees not covered by the preceding clause (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such guaranty is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as recorded on the balance sheet and on the footnotes to the most recent financial statements of the Borrower required to be delivered pursuant hereto. Notwithstanding anything contained herein to the contrary, guarantees of completion shall not be deemed to be Contingent Obligations unless and until a claim for payment has been made thereunder, at which time any such guaranty of completion shall be deemed to be a Contingent Obligation in an amount equal to any such claim. Subject to the preceding sentence, (i) in the case of a joint and several guaranty given by such Person and another Person (but only to the extent such guaranty is recourse, directly or indirectly to the Borrower), the amount of the guaranty shall be deemed to be 100% thereof unless and only to the extent that (X) such other Person has delivered Cash or Cash Equivalents to secure all or any part of such Person's guaranteed obligations or (Y) such other Person holds a credit rating from either Moody's or S&P of BBB- (or its equivalent) or better, and (ii) in the case of a guaranty, (whether or not joint and several) of an obligation otherwise constituting Debt of such Person, the amount of such guaranty shall be deemed to be only that amount in excess of the amount of the obligation constituting Indebtedness of such Person. Notwithstanding anything contained herein to the contrary, "Contingent Obligations" shall not be deemed to include guarantees of loan commitments or of construction loans to the extent the same have not been drawn.

"Contractual Obligation", as applied to any Person, means any provision of any Securities issued by that Person or any indenture, mortgage, deed of trust, security agreement, pledge agreement, guaranty, contract, undertaking, agreement or instrument to which that Person is a party or by which it or any of its properties is bound, or to which it or any of its properties is subject.

"Credit Obligations" means, at any particular time, the outstanding
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principal amount of the Loans at such time.

"Cure Loans" has the meaning set forth in Section 4.2(b)(v)(C).

"Customary Permitted Liens" means

(i) Liens (other than Environmental Liens and Liens in favor of the

PBGC) with respect to the payment of taxes, assessments or governmental charges or levies in all cases which are not yet due or which are being contested in good faith by appropriate proceedings in accordance with Section 9.4 and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP;

(ii) statutory and common law Liens of land lords against any Property of the Borrower or any of its Subsidiaries;

(iii) Liens against any Property of the Borrower or any of its Subsidiaries in favor of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other Liens against any Property of the Borrower or any of its Subsidiaries imposed by law created in the ordinary course of business for amounts which could not reasonably be expected to result in a Material Adverse Effect;

(iv) Liens (other than any Lien in favor of the PBGC) incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds; provided that (A) all such Liens do not in the aggregate materially detract from the value of the Borrower's or such Subsidiary's assets or Property or materially impair the use thereof in the operation of their respective businesses, and (B) all Liens of attachment or judgment and Liens securing bonds to stay judgments or in connection with appeals which do not secure at any time an aggregate amount of recourse Indebtedness exceeding $2,000,000; and

(v) Liens against any Property of the Borrower or any Subsidiary of the Borrower arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of Real Property which do not materially interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(vi) leases or subleases granted to other Persons not materially interfering with the conduct of the business of the Borrower and its Subsidiaries taken as a whole;

(vii) Liens placed upon equipment or machinery used in the ordinary course of business of the Borrower or any of its Subsidiaries at the time of acquisition thereof by the Borrower or any such Subsidiary or within 180 days thereafter to secure Indebtedness incurred to pay all or a portion of the purchase price thereof, provided that the Lien encumbering the equipment or machinery so acquired does not encumber any other asset of the Borrower or such Subsidiary;

(viii) customary restrictions imposed by licensors of software or trademarks on users thereof;

(ix) interests of licensees and sublicensees in any trademarks or other intellectual property license or sublicense by the Borrower or any of its Subsidiaries; and

(x) Environmental Liens less than $5,000,000, which are being contested in good faith by appropriate proceedings.

"Debt Yield" has the meaning set forth in Section 10.11(d).

"Designated Lender" has the meaning set forth in Section 13.4.

"DOL" means the United States Department of Labor and any Person
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succeeding to the functions thereof.

"Dollars" and "$" mean the lawful money of the United States.
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"Domestic Lending Office" means, with respect to any Lender, such
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Lender's office, located in the United States, specified as the "Domestic Lending Office" under its name on the signature pages hereof or on the Assignment and Acceptance by which it became a Lender or such other United States office of such Lender as it may from time to time specify by written notice to the Borrower and the Administrative Agent.

"Eligible Assignee" means (i) a Lender or any Affiliate thereof; (ii)
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a commercial bank having total assets in excess of $2,500,000,000; (iii) the central bank of any country which is a member of the Organization for Economic Cooperation and Development; or (iv) a finance company or other financial institution reasonably acceptable to the Administrative Agent, which is regularly engaged in making, purchasing or investing in loans and having total assets in excess of $300,000,000 or is otherwise reasonably acceptable to the Administrative Agent.

"Environmental, Health or Safety Requirements of Law" means all
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Requirements of Law derived from or relating to any federal, state or local law, ordinance, rule, regulation, Permit, license or other binding determination of any Governmental Authority relating to, imposing liability or standards concerning, or otherwise addressing the environment, health and/or safety, including, but not limited to the Clean Air Act, the Clean Water Act, CERCLA, RCRA, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act and OSHA, and public health codes, each as from time to time in effect.

"Environmental Lien" means a Lien in favor of any Governmental
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Authority for any (i) liabilities under any Environmental, Health or Safety Requirement of Law, or (ii) damages arising from, or costs incurred by such Governmental Authority in response to, a Release or threatened Release of a Contaminant into the environment.

"Environmental Property Transfer Act" means any applicable Requirement
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of Law that conditions, restricts, prohibits or requires any notification or disclosure triggered by the transfer, sale, lease or closure of any Property or deed or title for any Property for environmental reasons, including, but not limited to, any so-called "Environmental Cleanup Responsibility Act" or "Responsible Property Transfer Act".

"Equipment" means equipment used in connection with the maintenance of
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Projects and Properties.

"ERISA" means the Employee Retirement Income Security Act of 1974, 29

U.S.C. Section 1000 et seq., any amendments thereto, any successor statutes, and any regulations or guidance promulgated thereunder.

"ERISA Affiliate" means (i) any corporation which is a member of the
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same controlled group of corporations (within the meaning of Section 414(b) of the Internal Revenue Code) as the Borrower; (ii) a partner ship or other trade or business (whether or not incorporated) which is under common control (within the meaning of Section 414(c) of the Internal Revenue Code) with the Borrower; and (iii) a member of the same affiliated service group (within the meaning of Section 414(m) of the Internal Revenue Code) as the Borrower, any corporation described in clause (i) above or any partnership or trade or business described in clause (ii) above.

"ERISA Termination Event" means (i) a Report able Event with respect
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to any Benefit Plan or Multiemployer Plan; (ii) the withdrawal of the Borrower or any ERISA Affiliate from a Benefit Plan during a plan year in which the Borrower or such ERISA Affiliate was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or the cessation of operations which results in the termination of employment of 20% of Benefit Plan participants who are employees of the Borrower or any ERISA Affiliate; (iii) the imposition of an obligation on the Borrower or any ERISA Affiliate under Section 4041 of ERISA to provide affected parties written notice of intent to terminate a Benefit Plan in a distress termination described in Section 4041(c) of ERISA; (iv) the institution by the PBGC of proceedings to terminate a Benefit Plan; (v) any event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Benefit Plan; or (vi) the partial or complete withdrawal of the Borrower or any ERISA Affiliate from a Multiemployer Plan.

"Eurodollar Affiliate" means, with respect to each Lender, the
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Affiliate of such Lender (if any) set forth below such Lender's name under the heading "Eurodollar Affiliate" on the signature pages hereof or on the Assignment and Acceptance by which it became a Lender or such Affiliate of a Lender as it may from time to time specify by written notice to the Borrower and the Administrative Agent.

"Eurodollar Interest Period" has the meaning set forth in Section
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5.2(b).

"Eurodollar Interest Rate Determination Date" has the meaning set forth in Section 5.2(c).

"Eurodollar Lending Office" means, with respect to any Lender, such Lender's office (if any) specified as the "Eurodollar Lending Office" under its name on the signature pages hereof or on the Assignment and Acceptance by which it became a Lender or such other office or offices of such Lender as it may from time to time specify by written notice to the Borrower and the Administrative Agent.

"Eurodollar Rate" means, with respect to any Eurodollar Interest Period applicable to a Eurodollar Rate Loan, an interest rate per annum obtained by dividing (i) the Base Eurodollar Rate applicable to that Eurodollar Interest Period by (ii) a percentage equal to 100% minus the Eurodollar Reserve Percentage in effect on the relevant Eurodollar Interest Rate Determination Date.

"Eurodollar Rate Loan" means (i) a Loan which bears interest at a rate determined by reference to the Eurodollar Rate and the Applicable Margin for Eurodollar Rate Loans, as provided in Section 5.1(a) or (ii) an overdue amount which was a Eurodollar Loan immediately before it became due.

"Eurodollar Reserve Percentage" means, for any day, that percentage which is in effect on such day, as prescribed by the Federal Reserve Board for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York, New York with deposits exceeding five billion Dollars in respect of "Eurocurrency Liabilities" (or in respect of any other category of liabilities which includes deposits by reference to which the interest rate on Eurodollar Rate Loans is determined or any category of extensions of credit or other assets which includes loans by a non-United States office of any bank to United States residents).

"Event of Default" means any of the occurrences set forth in Section 11.1 after the expiration of any applicable grace period and the giving of any applicable notice, in each case as expressly provided in Section 11.1.

"Existing Credit Agreement" means the Amended and Restated Credit Agreement, dated as of January 12, 1999, among Reckson, Reckson Morris Operating Partner ship, L.P., the institutions from time to time party thereto as lender, ING (U.S.) Capital LLC, as documentation agent, and The Chase Manhattan Bank, as arranger, book manager and administrative agent, as the same may be amended, modified or restated.

"Existing 810 Seventh Avenue Loan" the mortgage securing a portion of the Loans, not to exceed $60,000,000 in the aggregate, from 810 Seventh Avenue, L.P. to the Administrative Agent, on behalf of the Lenders, effective as of the date of the consummation of the Mergers.

"Existing Permitted Liens" means each of the Liens other than Customary Permitted Liens set forth on SCHEDULE 1.1.1 hereto.

"Fair Market Value" means, for any Project hereafter acquired, the lesser of (x) purchase price of such Project and (y) the quotient of (i) the NOI from such Project and (ii) the Weighted Average Capitalization Rate.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day in New York, New York, for the next preceding Business Day) in New York, New York by the Federal Reserve Bank of New York, or if such rate is not so published for any day which is a Business Day in New York, New York, the average of the quotations for such day on transactions by the Reference Bank, as determined by the Administrative Agent.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System or any Governmental Authority succeeding to its functions.

"Financial Statements" means (i) quarterly and annual consolidated
statements of income and retained earnings, statements of cash flow, and balance sheets, prepared in accordance with GAAP, consistently applied, and (ii) such other financial statements of the Borrower, the Company and the other Consolidated Businesses that the Company shall routinely and regularly prepare and that the Arranger or the Requisite Lenders may from time to time reasonably request.

"Fiscal Year" means the fiscal year of the Company and the Borrower for accounting and tax purposes, which shall be the 12-month period ending on December 31 of each calendar year.

"Fixed Charges" means, with respect to any fiscal period, the sum of (a) Total Interest Expense and (b) the aggregate of all scheduled principal payments on Total Outstanding Indebtedness according to GAAP made or required to be made during such fiscal period for the Consolidated Businesses (but excluding balloon payments of principal due upon the stated maturity of an Indebtedness), (c) the aggregate of all scheduled ground lease rental payments required to be made during such fiscal period for the Consolidated Business, if any, and (d) the aggregate of all dividends payable (whether paid or accrued) on all preferred stock and other preferred securities or preferential arrangements of the Consolidated Businesses, including preferred stock owned by Reckson Associates Realty Corp. and Crescent Real Estate Equities Limited Partnership.

"Funding Date" means the date on or after the Closing Date, on which all of the conditions described in Section 6.1 have been satisfied (or waived) in a manner satisfactory to the Administrative Agent and the Lenders and on which the Loans under this Agreement are made by the Lenders to the Borrower.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the American Institute of Certified Public Accountants' Accounting Principles Board and Financial Accounting Standards Board or in such other statements by such other entity as may be in general use by significant segments of the accounting profession as in effect on the Closing Date (unless otherwise specified herein as in effect on another date or dates).

"General Partner" means the Company and any successor general partner(s) of the Borrower.

"Governmental Approval" means all right, title and interest in any existing or future certificates, licenses, permits, variances, authorizations and approvals issued by any Governmental Authority having jurisdiction with respect to any Project.

"Governmental Authority" means any nation or government, any federal, state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Guarantors" means the Company, and all subsidiaries of the Borrower and the Company (as more particularly named in the Guaranty Agreement).

"Guaranty" means the Guaranty Agreement, dated as of the date hereof, made by the Guarantors for the benefit of the Lenders.

"Improvements" means all buildings, fixtures, structures, parking areas, landscaping and all other improvements whether existing now or hereafter constructed, together with all machinery and mechanical, electrical, HVAC and plumbing systems presently located thereon and used in the operation thereof, excluding (a) any such items owned by utility service providers, (b) any such items owned by tenants or other third-parties unaffiliated with the Borrower and (c) any items of personal property.

"Indebtedness", as applied to any Person, means, at any time, without duplication, (a) all indebtedness, obligations or other liabilities of such Person (whether consolidated or representing the proportionate interest in any other Person) (i) for borrowed money (including construction loans) or evidenced by debt securities, debentures, acceptances, notes or other similar

instruments, and any accrued interest and fees relating thereto, (ii) under profit payment agreements or in respect of obligations to redeem, repurchase or exchange any Securities of such Person or to pay dividends in respect of any preferred stock (but only to the extent that such Person shall be contractually obligated to pay the same), (iii) with respect to letters of credit issued for such Person's account, (iv) to pay the deferred purchase price of property or services, except accounts payable and accrued expenses arising in the ordinary course of business, (v) in respect of Capital Leases, (vi) which are Contingent Obligations or (vii) under indemnities but only at such time as a claim shall have been made thereunder; (b) all indebtedness, obligations or other liabilities of such Person or others secured by a Lien on any property of such Person, whether or not such indebtedness, obligations or liabilities are assumed by such Person, all as of such time; (c) all indebtedness, obligations or other liabilities of such Person in respect of interest rate contracts and foreign exchange contracts, net of liabilities owed to such Person by the counterparties thereon; (d) all preferred stock subject (upon the occurrence of any contingency or otherwise) to mandatory redemption; and (e) all Contractual Obligations with respect to any of the foregoing.

"Indemnified Matters" has the meaning set forth in Section 14.3.

"Indemnitees" has the meaning set forth in Section 14.3.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, any successor statute and any regulations or guidance promulgated thereunder.

"Investment" means, with respect to any Person, (i) any purchase or other acquisition by that Person of Securities, or of a beneficial interest in Securities, issued by any other Person, (ii) any purchase by that Person of all or substantially all of the assets of a business conducted by another Person, (iii) any loan, advance (other than deposits with financial institutions available for withdrawal on demand, prepaid expenses, accounts receivable, advances to employees and similar items made or incurred in the ordinary course of business) or capital contribution by that Person to any other Person, including all Indebtedness to such Person arising from a sale of property by such Person other than in the ordinary course of its business, and (iv) any purchase or other acquisition by that Person of Real Property, whether directly or indirectly. The amount of any In vestment shall be the original cost of such Investment, without any adjustments for increases or decreases in value or write-ups, write-downs or write-offs with respect to such Investment.

"IRS" means the Internal Revenue Service and any Person succeeding to the functions thereof.

"knowledge" with reference to the Company, the Borrower or any Subsidiary of either of them, means the actual knowledge of such Person after reasonable inquiry (which reasonable inquiry shall include, without limitation, interviewing and questioning such other Persons as the Company, the Borrower or such Subsidiary, as applicable, deems reasonably necessary).

"Lease" means a lease, license, concession agreement or other agreement providing for the use or occupancy of any portion of any Project, including all amendments, supplements, modifications and assignments thereof and all side letters or side agreements relating thereto.

"Lender" means the Administrative Agent, and each financial institution a signatory hereto as a Lender as of the Closing Date and, at any other given time, each financial institution which is a party hereto as Administrative Agent or Lender, whether as a signatory hereto or pursuant to an Assignment and Acceptance, and regardless of the capacity in which such entity is acting (i.e. whether as Administrative Agent or Lender).

"Leverage Ratio" has the meaning set forth in Section 10.11(a).

"Liabilities and Costs" means all liabilities, obligations, responsibilities, losses, damages, personal injury, death, punitive damages, economic damages, consequential damages, treble damages, intentional, willful or wanton injury, damage or threat to the environment, natural resources or public health or welfare, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation, feasibility or

Remedial Action studies), fines, penalties and monetary sanctions, interest, direct or indirect, known or unknown, absolute or contingent, past, present or future.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, conditional sale agreement, deposit arrangement, security interest, encumbrance, lien (statutory or other and including, without limitation, any Environmental Lien), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever in respect of any property of a Person, whether granted voluntarily or imposed by law, and includes the interest of a lessor under a Capital Lease or under any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement or similar notice (other than a financing statement filed by a "true" lessor pursuant to Section 9-408 of the Uniform Commercial Code), naming the owner of such property as debtor, under the Uniform Commercial Code or other comparable law of any jurisdiction.

"Limited Partners" means those Persons who from time to time are limited partners of the Borrower; and "Limited Partner" means each of the Limited Partners, individually.

"Loan Account" has the meaning set forth in Section 4.3(b).

"Loan Documents" means this Agreement, the Notes and the Guaranty.

"Loans" means the loans made by a Lender pursuant to Section 2.1; provided, that if any such loan or loans (or portions thereof) are combined or subdivided pursuant to a Notice of Conversion/Continuation, the term "Loan" shall refer to the combined principal amount resulting from such combination or to each of the separate principal amounts resulting from such subdivision, as the case may be.

"LTV Ratio" means, as of any date, the ratio, expressed as a percentage, of the aggregate amount of any Indebtedness to the Fair Market Value of the Real Property encumbered thereby.

"Management Company" means, collectively (i) Reckson Management Group, Inc., a Delaware corporation, and its wholly-owned or controlled Subsidiaries and (ii) such other property management companies controlled (directly or indirectly) by Reckson, the Company or the Borrower and which property management companies manage properties owned by the Company, the Borrower and its Subsidiaries and for which the Borrower has previously provided the Administrative Agent with: (1) notice of such property management company, (2) evidence reasonably satisfactory to the Administrative Agent that such property management company is controlled (directly or indirectly) by Reckson, the Company or the Borrower, and (3) evidence reasonably satisfactory to the Administrative Agent that such property management company manages properties owned, in whole or in part by Reckson, the Company or the Borrower or its Subsidiaries.

"Margin Stock" means "margin stock" as such term is defined in Regulation U.

"Material Adverse Effect" means a material adverse effect upon (i) the financial condition or assets of the Company, the Borrower and their Subsidiaries taken as a whole, (ii) the ability of the Borrower to perform its material obligations under the Loan Documents, (iii) the ability of each Guarantor to perform its material obligations under the Guaranty, or (iv) the ability of the Lenders or the Administrative Agent to enforce any of the Loan Documents.

"Maximum Credit Amount" means, at any particular time, the Commitments at such time, less the amount of the Existing 810 Seventh Avenue Loan outstanding from time to time under the notes secured thereby.

"Mergers" means the collective reference to the merger of Tower Realty Trust, Inc. with and into the Company with the Company being the survivor after the merger and the merger of Tower Realty Operating Partner ship, L.P. with and into the Borrower with the Borrower being the survivor after the merger and the merger of certain Affiliates of Tower Realty Operating Partnership, L.P. with

and into certain Affiliates of the Borrower.

"Minimum Unsecured Debt Yield" has the meaning set forth in Section 10.11(g).

"Minority Holdings" means any interests in partnerships, joint ventures, limited liability companies, trusts, associations and corporations held or owned directly or indirectly by the Borrower and/or the Company which are not wholly-owned by the Borrower and/or the Company.

"Moody's" means Moody's Investor Services, Inc.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA which is, or within the immediately preceding six (6) years was, contributed to (or is or was required to be contributed to) by either the Borrower or any ERISA Affiliate or in respect of which the Borrower or any ERISA Affiliate has assumed any liability.

"Net Cash Proceeds" means all cash when and as received in connection with the sale or refinancing of any asset, or any sale of any equity interest (other than such as would give rise to Net Offering Proceeds) in the Borrower, the Company or any of their Subsidiaries, less reasonable costs and expenses, repayment of secured indebtedness with respect to the applicable asset, and net of an amount equal to taxable capital gains and real estate transfer taxes payable in connection with any asset sale.

"Net Offering Proceeds" means all cash or other assets received by the Company as a result of the sale of common shares, preferred shares, partnership interests, limited liability company interests, convertible securities or other ownership or equity interests in the Company, other than in connection with the acquisition of an asset or the equity securities of any Person but only to the extent that no cash is received in connection there with, less customary costs, expenses and discounts of issuance paid by the Company.

"NOI" means, for any period, (x) net income determined in accordance with GAAP, before gains or losses from extraordinary items relating to any Real Property, plus (y) (i) any interest expense relating to such Real Property, and (ii) depreciation and amortization relating to such Real Property, less (z) (i) free rent and accrued rent with respect to tenants that are more than 60 days in arrears in the payment of rent, and further adjusted to omit the straight line treatment of rent, so as to account for rent on an accrual basis, (ii) any interest income relating to such Real Property, (iii) management fees for each Real Property calculated as the greater of (x) actual management fees and (y) an amount equal to 2% of gross revenues with respect to a Real Property, and (iv) Capital Expenditures calculated as the greater of (x) actual capital expenditures and (y) an amount per annum equal to $0.25 multiplied by the number of gross square feet for the Real Property.

"Non Pro Rata Loan" has the meaning set forth in Section 4.2 (b)(v).

"Note" has the meaning set forth in Section 4.3(a); "Notes" means, collectively, all of such Notes outstanding at any given time.

"Notice of Borrowing" means a notice substantially in the form of EXHIBIT C attached hereto and made a part hereof.

"Notice of Conversion/Continuation" means a notice substantially in the form of EXHIBIT D attached hereto and made a part hereof with respect to a proposed conversion or continuation of a Loan pursuant to Section 5.1(c).

"Obligations" means all Loans, advances, debts, liabilities and monetary obligations owing by the Borrower to the Administrative Agent, any other Lender, or any Person entitled to indemnification pursuant to Section 14.3 of this Agreement, of any kind or nature, arising under this Agreement, the Notes or any other Loan Document. The term includes, without limitation, all interest, charges, reasonable expenses, fees, reasonable attorneys' fees and disbursements and any other sum chargeable to the Borrower under this Agreement or any other Loan Document.

"Officer's Certificate" means, as to a corporation, a certificate executed on behalf of such corporation by the chairman of its board of directors (if an officer of such corporation) or its chief executive officer, president, any of its vice-presidents, its chief financial officer, or its treasurer and, as to a partner ship, a certificate executed on behalf of such partner ship by the chairman of the board of directors (if an officer of such corporation) or chief executive officer, president, any vice-president, or treasurer of the general partner of such partnership.

"OP Units" means limited partnership interests in the Borrower.

"Operating Lease" means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee which is not a Capital Lease.

"Organizational Documents" means, with respect to any corporation, limited liability company, or partnership (i) the articles/certificate of incorporation (or the equivalent organizational documents) of such corporation or limited liability company, (ii) the partnership agreement executed by the partners in the partnership, (iii) the by-laws (or the equivalent governing documents) of the corporation, limited liability company or partner ship, and (iv) any document setting forth the designation, amount and/or relative rights, limitations and preferences of any class or series of such corporation's Capital Stock or such limited liability company's or partnership's equity or ownership interests.

"OSHA" means the Occupational Safety and Health Act of 1970, 29 U.S.C. Section 651 et seq., any amendments thereto, any successor statutes and any regulations or guidance promulgated thereunder.

"PBGC" means the Pension Benefit Guaranty Corporation and any Person succeeding to the functions thereof.

"Permits" means any permit, consent, approval, authorization license, variance, or permission required from any Person, including any Governmental Approvals.

"Permitted Securities Options" means the subscriptions, options, warrants, rights, convertible Securities and other agreements or commitments relating to the issuance of the Borrower's Securities or the Company's Capital Stock identified as such on SCHEDULE 1.1.2.

"Person" means any natural person, corporation, limited liability company, limited partnership, general partnership, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust or other organization, whether or not a legal entity, and any Governmental Authority.

"Plan" means an employee benefit plan defined in Section 3(3) of ERISA in respect of which the Borrower or any ERISA Affiliate (i) is, or within the immediately preceding six (6) years was, an "employer" as defined in Section 3(5) of ERISA or (ii) has assumed or is otherwise subject to any liability.

"Potential Event of Default" means an event which, with the giving of notice or the lapse of time, or both, would constitute an Event of Default.

"Prepayment Date" has the meaning set forth in Section 4.1(d).

"Project" means any office properties wholly owned, directly or indirectly, by any of the Consolidated Businesses, as set forth on SCHEDULE B or any wholly owned office properties, or mortgage encumbering the office property located at 919 Third Avenue, New York, New York, that may hereafter be acquired, directly or indirectly, by any of the Consolidated Businesses.

"Property" means any Real Property or personal property, plant, building, facility, structure, equipment, general intangible, receivable, or other asset owned or leased by any Consolidated Business or Minority Holding.

The definition "Property" shall specifically exclude items of Real Property or personal property owned or leased by members of the Reckler family.

"Pro Rata Share" means, with respect to any Lender, the percentage obtained by dividing (i) the sum of such Lender's Commitment (in each case, as adjusted from time to time in accordance with the provisions of this Agreement or any Assignment and Acceptance to which such Lender is a party) by (ii) the aggregate amount of all of the Commitments.

"Quarterly Compliance Certificate" has the meaning set forth in Section 8.2(a)(iii).

"RCRA" means the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., any amendments thereto, any successor statutes, and any regulations or guidance promulgated thereunder.

"Real Property" means all of the Borrower's and the consolidated Subsidiaries' present and future right, title and interest (including, without limitation, any leasehold estate) in (i) any plots, pieces or parcels of land, (ii) any Improvements of every nature whatsoever (the rights and interests described in clauses (i) and (ii) above being the "Premises"), (iii) all easements, rights of way, gores of land or any lands occupied by streets, ways, alleys, passages, sewer rights, water courses, water rights and powers, and public places adjoining such land, and any other interests in property constituting appurtenances to the Premises, or which hereafter shall in any way belong, relate or be appurtenant thereto and (iv) all other rights and privileges thereunto belonging or appertaining and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to or of any of the rights and interests described in clause (iii) above.

"Reckson" means Reckson Operating Partnership, L.P., a Delaware limited partnership.

"Reference Bank" means UBS.

"Register" has the meaning set forth in Section 14.1(c).

"Regulation A" means Regulation A of the Federal Reserve Board as in effect from time to time.

"Regulation T" means Regulation T of the Federal Reserve Board as in effect from time to time.

"Regulation U" means Regulation U of the Federal Reserve Board as in effect from time to time.

"Regulation X" means Regulation X of the Federal Reserve Board as in effect from time to time.

"REIT" means a domestic trust or corporation that qualifies as a real estate investment trust under the provisions of Sections 856, et seq. of the Internal Revenue Code.

"Release" means any release, spill, emission, leaking, pumping, pouring, dumping, injection, deposit, disposal, abandonment, or discarding of barrels, containers or other receptacles, discharge, emptying, escape, dispersal, leaching or migration into the indoor or outdoor environment or into or out of any Property, including the movement of Contaminants through or in the air, soil, surface water, groundwater or Property.

"Remedial Action" means actions required to (i) clean up, remove, treat or in any other way address Contaminants in the indoor or outdoor environment; (ii) prevent the Release or threat of Release or minimize the further Release of Contaminants; or (iii) investigate and determine if a remedial response is needed and design such a response and post-remedial investigation, monitoring, operation and maintenance and care.

"Reportable Event" means any of the events described in Section
4043(c) of ERISA and the regulations promulgated thereunder as in effect from time to time but not including any such event as to which the thirty (30) day notice requirement has been waived by applicable PBGC regulations.

"Requirements of Law" means, as to any Person, the charter and by-laws or other organizational or governing documents of such Person, and any law, rule or regulation, or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject including, without limitation, the Securities Act, the Securities Exchange Act, Regulations T, U and X, ERISA, the Fair Labor Standards Act, the Worker Adjustment and Retraining Notification Act, Americans with Disabilities Act of 1990, and any certificate of occupancy, zoning ordinance, building, environmental or land use requirement or Permit and Environmental, Health or Safety Requirement of Law.

"Requisite Lenders" means Lenders whose Pro Rata Shares, in the aggregate, are equal to or greater than sixty-six and two-thirds percent (66.67%); provided, however, that, in the event any of the Lenders shall have failed to fund its Pro Rata Share of any Loan requested by the Borrower which such Lenders are obligated to fund under the terms of this Agreement and any such failure has not been cured as provided in Section 4.2(b)(v)(B), then for so long as such failure continues, "Requisite Lenders" means Lenders (excluding all Lenders whose failure to fund their respective Pro Rata Shares of such Loans have not been so cured) whose Pro Rata Shares represent sixty-six and two-thirds percent (66.67%) or more of the aggregate Pro Rata Shares of such Lenders; provided, further, however, that, in the event that the Commitments have been terminated pursuant to the terms of this Agreement, "Requisite Lenders" means Lenders (without regard to such Lenders' performance of their respective obligations hereunder) whose aggregate ratable shares (stated as a percentage) of the aggregate outstanding principal balance of all Loans are sixty six and two thirds percent (66.67%) or more.

"Revolving Credit Agreement" means the Credit Agreement, dated as of July 23, 1998, among Reckson, Reckson Morris Operating Partnership, L.P., The Chase Manhattan Bank, as administrative agent, UBS, as successor to UBS AG, New York Branch, as syndication agent, and the other lenders party thereto, as the same may be amended, modified or restated.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc.

"Secured Indebtedness" means any Indebtedness secured by a Lien, other than the Existing 810 Seventh Avenue Loan.

"Securities" means any stock, shares, voting trust certificates, partnership interests, bonds, debentures, notes or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities", including, without limitation, any "security" as such term is defined in Section 8-102 of the Uniform Commercial Code, or any certificates of interest, shares, or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire any of the foregoing, but shall not include the Notes or any other evidence of the Obligations.

"Securities Act" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"Securities Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

"Solvent", when used with respect to any Per son, means that at the time of determination:

(i) the fair saleable value of its as sets is in excess of the total amount of its liabilities (including, without limitation, contingent liabilities); and

(ii) the present fair saleable value of its assets is greater than its

probable liability on its existing debts as such debts become absolute and matured; and

(iii) it is then able and expects to be able to pay its debts (including, without limitation, contingent debts and other commitments) as they mature; and

(iv) it has capital sufficient to carry on its business as conducted and as proposed to be conducted.

"Subsidiary" of a Person means any corporation, limited liability company, general or limited partnership, or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned or controlled by such Per son, one or more of the other subsidiaries of such Per son or any combination thereof.

"Taxes" has the meaning set forth in Section 13.1(a).

"Tenant Allowance" means a cash allowance paid to a tenant by the landlord pursuant to a Lease.

"Termination Date" means the earlier to occur of (i) November 24, 1999 (or, if not a Business Day, the next preceding Business Day); and (ii) the date of termination or acceleration of the Credit Obligations pursuant to the terms of this Agreement.

"TI Work" means any construction or other "build-out" of tenant leasehold improvements to the space demised to such tenant under Leases (excluding such tenant's furniture, fixtures and equipment) per formed pursuant to the terms of such Leases, whether or not such tenant improvement work is performed by or on behalf of the landlord or as part of a Tenant Allowance.

"Total Interest Expense" means, for any period, the sum of (i) interest expense of the Consolidated Businesses paid during such period and (ii) interest expense of the Consolidated Businesses accrued and/or capitalized for such period and (iii) the portion of the interest expense of Minority Holdings allocable to the Borrower in accordance with GAAP and paid during such period with respect to recourse Indebtedness and (iv) the portion of the interest expense of Minority Holdings allocable to the Borrower in accordance with GAAP and accrued and/or capitalized for such period with respect to recourse Indebtedness, in each case including participating interest expense but excluding extraordinary interest expense, and net of amortization of deferred costs associated with new financings or refinancings of existing Indebtedness.

"Total NOI" means, as of the first day of each fiscal quarter for the immediately preceding fiscal quarter, the sum of NOI relating to all Projects for such period. An example of the foregoing calculation is set forth on EXHIBIT G hereto.

"Total Outstanding Indebtedness" means, for any period, the sum of (i) the amount of Indebtedness of the Consolidated Businesses set forth on the then most recent quarterly financial statements of the Borrower, prepared in accordance with GAAP, plus any additional Indebtedness incurred by the Consolidated Businesses since the time of such statements, less any Indebtedness repaid by the Consolidated Businesses since the time of such statements, and (ii) the outstanding amount of recourse Indebtedness allocable to the Minority Holdings set forth on the then most recent quarterly financial statements of the Borrower or the applicable Minority Holding, prepared in accordance with GAAP and allocable in accordance with GAAP to any of the Consolidated Businesses, plus any additional Indebtedness allocable to the Minority Holdings in accordance with GAAP to any of the Consolidated Businesses since the time of such statements, less any Indebtedness repaid by the Minority Holdings allocable in accordance with GAAP to any of the Consolidated Businesses since the time of such statements, and (iii) without duplication, the Contingent Obligations of the Consolidated Businesses, including trade debt not incurred in the ordinary course of business.

"Treasury Rate" means, as of any date, a rate equal to the annual yield to maturity on the U.S. Treasury Constant Maturity Series with a ten year maturity, as such yield is reported in Federal Reserve Statistical Release H.15 - -- Selected Interest Rates, published most recently prior to the date the

applicable Treasury Rate is being determined. Such yield shall be determined by straight line linear interpolation between the yields reported in Release H.15, if necessary. In the event Release H.15 is no longer published, the Administrative Agent shall select, in its reasonable discretion, an alternate basis for the determination of Treasury yield for U.S. Treasury Constant Maturity Series with ten year maturities.

"UBS" means UBS AG, Stamford Branch.

"Unencumbered NOI" means, for any period, Total NOI from the

Consolidated Businesses from Projects that are not subject to or encumbered by Secured Indebtedness.

"Unencumbered Value" means, for any period, that portion of

Capitalization Value attributable to Projects not encumbered by Secured Indebtedness.

"Uniform Commercial Code" means the Uniform Commercial Code as enacted
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in the State of New York, as it may be amended from time to time.

"Unsecured Indebtedness" means that portion of Total Outstanding
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Indebtedness that is not secured by a Lien.

"Unsecured Interest Expense" means that portion of Total Interest
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Expense attributable to Unsecured Indebtedness.

"WDR" means Warburg Dillon Read.

"Weighted Average Capitalization Rate" means the greater of (x)9.7%,
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the current Weighted Average Capitalization Rate as attached on SCHEDULE A hereto, and (y) the percentage that would result from the weighted average of the Capitalization Rates of the resultant Projects. Notwithstanding the foregoing, how ever, in determining the Weighted Average Capitalization Rate with respect to a Project acquired from and after the date hereof and located in the County of New York, the Capitalization Rates of only the other Projects located in the County of New York, exclusive of the Capitalization Rate with respect to the Project commonly known as Tower 45, shall be averaged, but in no event shall the same be less than 9.5%.

1.2. Computation of Time Periods. In this Agreement, in the
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computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding". Periods of days referred to in this Agreement shall be counted in calendar days unless Business Days are expressly prescribed. Any period determined hereunder by reference to a month or months or year or years shall end on the day in the relevant calendar month in the relevant year, if applicable, immediately preceding the date numerically corresponding to the first day of such period, provided that if such period commences on the last day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month during which such period is to end), such period shall, unless otherwise expressly required by the other provisions of this Agreement, end on the last day of the calendar month.

1.3. Accounting Terms. Subject to Section 14.4, for purposes of this
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Agreement, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP.

1.4. Other Terms. All other terms contained in this Agreement shall,
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unless the context indicates otherwise, have the meanings assigned to such terms by the Uniform Commercial Code to the extent the same are defined therein.

ARTICLE II
AMOUNTS AND TERMS OF LOANS

2.1. Loans.

(a) Availability. Subject to the terms and conditions set forth in
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this Agreement, each Lender hereby sever ally and not jointly agrees to make loans, in Dollars (each individually, a "Loan" and, collectively, the "Loans") to the Borrower on the Funding Date, in an amount not to exceed such Lender's Pro Rata Share of the Maximum Credit Amount at such time. The aggregate amount of Loans to be made hereunder with respect to the Borrower shall not exceed One Hundred Thirty Million Dollars ($130,000,000). All Loans must be borrowed on the Funding Date and Commitments not so funded shall be deemed cancelled. All Loans comprising the same Borrowing under this Agreement shall be made by the Lenders simultaneously and proportionately to their then respective Pro Rata Shares, it being understood that no Lender shall be responsible for any failure by any other Lender to perform its obligation to make a Loan hereunder nor shall the Commitment of any Lender be increased or decreased as a result of any such failure. Subject to the provisions of this Agreement, the Borrower may repay any outstanding Loan on any day which is a Business Day and any amounts so repaid may not be reborrowed.

(b) Notice of Borrowing. When the Borrower desires to borrow under
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this Section 2.1, the Borrower shall deliver to the Administrative Agent a Notice of Borrowing, signed by it (x) no later than 12:00 noon (New York time) on the Business Day immediately preceding the proposed Funding Date, in the case of a Borrowing of Base Rate Loans and (y) no later than 11:00 a.m. (New York time) at least three (3) Business Days in advance of the proposed Funding Date, in the case of a Borrowing of Eurodollar Rate Loans. Such Notice of Borrowing shall specify (i) the proposed Funding Date (which shall be a Business Day), (ii) the amount of the proposed Borrowing, (iii) the Maximum Credit Amount as of the date of such Notice of Borrowing, (iv) whether the proposed Borrowing will be of Base Rate Loans or Eurodollar Rate Loans, (v) in the case of Eurodollar Rate Loans, the requested Eurodollar Interest Period, (vi) instructions for the disbursement of the proceeds of the proposed Borrowing, (vii) an Officer's Certificate of the Borrower with respect to compliance with (including calculation thereof) Sections 10.11(a) and 10.11(e), and (viii) that no Event of Default shall have occurred and be outstanding. Any Notice of Borrowing (or telephonic notice in lieu thereof) given pursuant to this Section 2.1(b) shall be irrevocable.

(c) Making of Loans. (i) Promptly after receipt of a Notice of
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Borrowing under Section 2.1(b), the Administrative Agent shall notify each Lender by facsimile trans mission, or other similar form of transmission, of the pro posed Borrowing (which notice to the Lenders, in the case of a Borrowing of Eurodollar Rate Loans, shall be at least three (3) Business Days in advance of the proposed Funding Date for such Loans). Each Lender shall deposit an amount equal to its Pro Rata Share of the Borrowing requested by the Borrower with the Administrative Agent at its office in New York, New York, in immediately available funds, not later than 12:00 noon. (New York time) on the Funding Date. Subject to the fulfillment of the conditions precedent set forth in Section 6.1, the Administrative Agent shall make the proceeds of such amounts received by it available to the Borrower at the Administrative Agent's office in New York, New York on the Funding Date (or on the date received if later than the Funding Date) and shall disburse such proceeds in accordance with the Borrower's disbursement instructions set forth in the applicable Notice of Borrowing. The failure of any Lender to deposit the amount described above with the Administrative Agent on the Funding Date shall not relieve any other Lender of its obligations hereunder to make its Loan on the Funding Date. In the event the conditions precedent set forth in Section 6.1 are not fulfilled as of the proposed Funding Date for any Borrowing, the Administrative Agent shall promptly return, by wire transfer of immediately available funds, the amount deposited by each Lender to such Lender.

(ii) Unless the Administrative Agent shall have been notified by any Lender on the Business Day immediately preceding the Funding Date in respect of any Borrowing that such Lender does not intend to fund its Loan requested to be made on the Funding Date, the Administrative Agent may assume that such Lender has funded its Loan and is depositing the proceeds thereof with the Administrative Agent on the Funding Date, and the Administrative Agent in its sole discretion may, but shall not be obligated to, disburse a corresponding amount to the Borrower on the Funding Date. If the Loan proceeds corresponding to that amount are advanced to the Borrower by the Administrative Agent but are not in fact deposited with the Administrative Agent by such Lender on or prior to the Funding Date, such Lender agrees to pay, and in addition the Borrower as the case may be, agrees to repay, to the Administrative Agent forthwith on demand such corresponding amount, together with interest thereon, for each day from the date such amount is disbursed to the Borrower until the date such amount is paid or repaid to the Administrative Agent, at the interest rate applicable to such Borrowing. If such Lender shall pay to the Administrative Agent the corresponding amount, the amount so paid shall constitute such Lender's Loan, and if both such Lender and the Borrower shall pay and repay such corresponding amount, the Administrative Agent shall promptly pay to the Borrower such corresponding amount. This Section 2.1(c)(ii) does not relieve any Lender of its obligation to make its Loan on the Funding Date.

2.2. Intentionally Omitted.

2.3. Use of Proceeds of Loans. The proceeds of the Loans hereunder shall be used for the sole purpose of consummating the Mergers.

2.4. Termination Date. The Commitments shall terminate on the earlier of (x) May __, 1999 and (y) the Funding Date. All outstanding Credit Obligations shall be paid in full on the Termination Date.

2.5. Maximum Credit Facility. Notwithstanding any thing in this Agreement to the contrary, in no event shall the aggregate principal Credit Obligations exceed the Maximum Credit Amount.

2.6. Authorized Agents. On the Closing Date and from time to time thereafter, the Borrower shall deliver to the Administrative Agent an Officer's Certificate setting forth the names of the employees and agents authorized to request Loans and to request a conversion/continuation of any Loans and containing a specimen signature of each such employee or agent. The employees and agents so authorized shall also be authorized to act for the Borrower in respect of all other matters relating to the Loan Documents. The Administrative Agent, the Arranger, and the Lenders shall be entitled to rely conclusively on such employee's or agent's authority to request such Loan or such conversion/continuation until the Administrative Agent and the Arranger receive written notice to the contrary. None of the Administrative Agent or the Arranger shall have any duty to verify the authenticity of the signature appearing on any written Notice of Borrowing or Notice of Conversion/Continuation or any other document, and, with respect to an oral request for such a Loan or such conversion/continuation, the Administrative Agent and the Arranger shall have no duty to verify the identity of any person representing himself or herself as one of the employees or agents authorized to make such request or otherwise to act on behalf of the Borrower. None of the Administrative Agent, the Arranger or the Lenders shall incur any liability to the Borrower or any other Person in acting upon any telephonic or facsimile notice referred to above which the Administrative Agent or the Arranger believes to have been given by a person duly authorized to act on behalf of the Borrower and the Borrower hereby indemnifies and holds harmless the Administrative Agent, the Arranger and each other Lender from any loss or expense the Administrative Agent, the Arranger or the Lenders might incur in acting in good faith as provided in this Section 2.6; provided, however, that Borrower shall not indemnify the applicable party for acts resulting from its own gross negligence or willful misconduct.

ARTICLE III
INTENTIONALLY OMITTED

ARTICLE IV
PAYMENTS AND PREPAYMENTS

4.1. Prepayments; Reductions in Commitments.

(a) Voluntary Prepayments. The Borrower may, at any time and from time to time, prepay the Loans, in part or in their entirety, subject to the following limitations. The Borrower shall give at least five (5) Business Days' prior written notice to the Administrative Agent (which the Administrative Agent shall promptly transmit to each Lender) of any prepayment in the entirety to be made prior to the occurrence of an Event of Default, which notice of prepayment shall specify the date (which shall be a Business Day) of prepayment. When notice of prepayment is delivered as provided herein, the outstanding principal amount of the Loans on the prepayment date specified in the notice shall become due and payable on such prepayment date. Each voluntary partial prepayment of the Loans shall be in a minimum amount of $1,000,000 and in integral multiples of $500,000 in excess of that amount (or such lesser amount in the event the unpaid principal amount of any Loan is less than such minimum prepayment amount). Eurodollar Rate Loans may be prepaid in part or in their entirety only upon payment of the amounts described in Section 5.2(f). Amounts prepaid pursuant to this Section 4.1(a) may not be reborrowed.

(b) Voluntary Reductions In Commitments. The Borrower may, upon at least five (5) days' prior written notice to the Administrative Agent (which the Administrative Agent shall promptly transmit to each Lender), at any time and from time to time, terminate in whole or permanently reduce in part the Commitments, provided that (i) the Borrower shall have made whatever payment may be required to reduce the Credit Obligations to an amount less than or equal to

the Commitments as reduced, which amount shall become due and payable on the date specified in such notice and (ii) in the case of a reduction, the minimum Commitments that shall remain outstanding shall be $10,000,000. Any partial reduction of the Commitments shall be in an aggregate minimum amount of $1,000,000 and integral multiples of $1,000,000 in excess of that amount, and shall reduce the Commitment of each Lender proportionately in accordance with its Pro Rata Share. Any notice of termination or reduction given to the Administrative Agent under this Section 4.1(b) shall specify the date (which shall be a Business Day) of such termination or reduction and, with respect to a partial reduction, the aggregate principal amount thereof.

(c) No Penalty. The prepayments and payments in respect of reductions and terminations described in clauses (a) and (b) of this Section 4.1 may be made without premium or penalty (except as provided in Section 5.2(f)).

(d) Mandatory Prepayment. If at any time during the term of this Agreement, the Borrower or the Company shall receive Net Offering Proceeds or Net Cash Proceeds then, simultaneously therewith, the Borrower or the Company, as the case may be, shall repay the Loans in an amount equal to the lesser of (x) the aggregate Net Offering Proceeds and/or Net Cash Proceeds received by the Company from and after the date hereof and (y) the outstanding principal balance of the Loans. If at any time from and after the Closing Date: (i) the Company or the Borrower merges or consolidates with another Person and the Company or Borrower, as the case may be, is not the surviving entity (other than a merger or consolidation of the Company or the Borrower with Reckson or any other Person so long as, in the case of a merger or consolidation of the Company, Reckson is the surviving entity and retains not less than a 66 2/3% interest in Borrower; (ii) any interest in the Borrower or the Company is sold to any Person, other than to Reckson or the Company or in connection with the grant of OP Units (x) in partial payment of an acquisition of a Property or (y) the proceeds of which are used to purchase a Property; (iii) the Management Company ceases to provide property management and leasing services to all of the Projects located in the State of New York or to provide asset management services for all of the Projects located outside of the State of New York; or (iv) the Revolving Credit Agreement is terminated for any reason (the date any such event shall occur being the "Prepayment Date"), the Borrower shall be required to prepay the Loans in their entirety as if the Prepayment Date were the Termination Date and, the Credit Commitment thereupon shall be terminated. The Borrower shall immediately make such prepayment together with interest accrued to the date of the prepayment on the principal amount prepaid. In connection with the prepayment of any Loan prior to the maturity thereof, the Borrower shall also pay any applicable expenses pursuant to Section 5.2(f). Each such prepayment shall be applied to prepay ratably the Loans of the Lenders. Amounts prepaid pursuant to this Section 4.1(d) may not be reborrowed.

4.2. Payments.

(a) Manner and Time of Payment. All payments of principal of and interest on the Loans and other Obligations (including, without limitation, fees and expenses) which are payable to the Administrative Agent or any other Lender shall be made without condition or reservation of right, in immediately available funds, delivered to the Administrative Agent not later than 12:00 noon (New York time) on the date and at the place due, to such account of the Administrative Agent as it may designate, for the account of the Administrative Agent or such other Lender, as the case may be; and funds received by the Administrative Agent, including, without limitation, funds in respect of any Loans to be made on that date, not later than 12:00 noon (New York time) on any given Business Day shall be credited against payment to be made that day and funds received by the Administrative Agent after that time shall be deemed to have been paid on the next succeeding Business Day. Payments actually received by the Administrative Agent for the account of the Lenders, or any of them, shall be paid to them by the Administrative Agent promptly after receipt thereof.

(b) Apportionment of Payments. (i) Subject to the provisions of Section 4.2(b)(v), all payments of principal and interest in respect of outstanding Loans, all payments of fees and all other payments in respect of any other Obligations, shall be allocated among such of the Lenders as are entitled thereto, in proportion to their respective Pro Rata Shares or otherwise as provided herein. Subject to the provisions of Section 4.2(b)(ii), all such payments and any other amounts received by the Administrative Agent from or for the benefit of the Borrower shall be applied in the following order:

(A) to pay principal of and interest on any portion of the Loans which the Administrative Agent may have advanced on behalf of any Lender other than UBS for which the Administrative Agent has not then been reimbursed by

such Lender or the Borrower, as the case may be,

(B) to pay all other Obligations then due and pay able, and

(C) as the Borrower so designates.

Unless otherwise designated by the Borrower, all principal payments in respect of its Loans shall be applied first, to repay its outstanding Base Rate Loans not secured by the Existing 810 Seventh Avenue Loan, second, to repay its out standing Eurodollar Rate Loans not secured by the Existing 810 Seventh Avenue Loan, third, to repay any other outstanding Base Rate Loans, and then to repay any other outstanding Eurodollar Rate Loans with those Eurodollar Rate Loans which have earlier expiring Eurodollar Interest Periods being repaid prior to those which have later expiring Eurodollar Interest Periods.

(ii) After the occurrence of an Event of Default and while the same is continuing which results in an acceleration of the Obligations in accordance with Section 11.2, the Administrative Agent shall apply all payments in respect of any Obligations in the following order:

(A) first, to pay principal of and interest on any portion of the Loans which the Administrative Agent may have advanced on behalf of any Lender other than UBS for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower, as the case may be;

(B) second, to pay Obligations in respect of any fees, expense reimbursements or indemnities then due to the Administrative Agent;

(C) third, to pay Obligations in respect of any fees, expense reimbursements or indemnities then due to the Lenders;

(D) fourth, to pay interest due in respect of Loans not secured by the Existing 810 Seventh Avenue Loan;

(E) fifth, to the ratable payment or prepayment of principal outstanding on Loans not secured by the Existing 810 Seventh Avenue Loan;

(F) sixth, to pay interest due in respect of Loans secured by the Existing 810 Seventh Avenue Loan;

(G) seventh, to the ratable payment or prepayment of principal outstanding on Loans not secured by the Existing 810 Seventh Avenue Loan; and

(H) eighth, to the ratable payment of all other Obligations.

The order of priority set forth in this Section 4.2(b)(ii) and the related provisions of this Agreement are set forth solely to determine the rights and priorities of the Administrative Agent and the other Lenders as among themselves. The order of priority set forth in clauses (A) and (B) of this Section 4.2(b)(ii) may be changed only with the prior written consent of the Administrative Agent.

(iii) The Administrative Agent, in its sole discretion subject only to the terms of this Section 4.2(b)(iii), may pay from the proceeds of Loans made to the Borrower hereunder, whether made following a request by the Borrower pursuant to Section 2.1 or a deemed request as provided in this Section 4.2(b)(iii), all amounts payable by the Borrower hereunder, including, without limitation, amounts payable with respect to payments of principal, interest, and fees. The Borrower hereby irrevocably authorize the Lenders to make Loans, which Loans shall be Base Rate Loans, in each case, upon notice from the Administrative Agent as described in the following sentence for the purpose of paying principal, interest, and fees due from the Borrower, and agrees that all such Loans so made shall be deemed to have been requested by it pursuant to Section 2.1 as of the date of the aforementioned notice. The Administrative Agent shall request Loans on behalf of the Borrower as described in the preceding sentence by notifying the Lenders by facsimile transmission or other similar form of transmission (which notice the Administrative Agent shall thereafter promptly transmit to the Borrower), of the amount and Funding Date of the proposed Borrowing and that such Borrowing is being requested on the Borrower's behalf pursuant to this Section 4.2(b)(iii). On the proposed Funding Date, the Lenders shall make the requested Loans in accordance with the procedures and subject to the conditions specified in Section 2.1.

(iv) Subject to Section 4.2(b)(v), the Administrative Agent shall promptly distribute to each Lender at its primary address set forth on the appropriate signature page hereof or the signature page to the Assignment and Acceptance by which it became a Lender, or at such other address as a Lender may request in writing, such funds as such Person may be entitled to receive, subject to the provisions of Article XII; provided that the Administrative Agent shall under no circumstances be bound to inquire into or determine the validity,

scope or priority of any interest or entitlement of any Lender and may suspend all payments or seek appropriate relief (including, without limitation, instructions from the Requisite Lenders or an action in the nature of interpleader) in the event of any doubt or dispute as to any apportionment or distribution contemplated hereby.

(v) In the event that any Lender fails to fund its Pro Rata Share of any Loan requested by the Borrower on its behalf which such Lender is obligated to fund under the terms of this Agreement (the funded portion of such Loan being hereinafter referred to as a "Non Pro Rata Loan"), until such Lender's cure of such failure, the proceeds of all amounts thereafter repaid to the Administrative Agent by the Borrower and otherwise required to be applied to such Lender's share of all other Obligations pursuant to the terms of this Agreement shall be advanced to the Borrower by the Administrative Agent on behalf of such Lender to cure, in full or in part, such failure by such Lender, but shall nevertheless be deemed to have been paid to such Lender in satisfaction of such other Obligations. Notwithstanding anything in this Agreement to the contrary:

(A) the foregoing provisions of this Section 4.2(b)(v) shall apply only with respect to the proceeds of payments of Obligations and shall not affect the conversion or continuation of Loans pursuant to Section 5.1(c);

(B) a Lender shall be deemed to have cured its failure to fund its Pro Rata Share of any Loan at such time as an amount equal to such Lender's original Pro Rata Share of the requested principal portion of such Loan is fully funded to the Borrower, whether made by such Lender itself or by operation of the terms of this Section 4.2(b)(v), and whether or not the Non Pro Rata Loan with respect thereto has been repaid, converted or continued;

(C) amounts advanced to the Borrower to cure, in full or in part, any such Lender's failure to fund its Pro Rata Share of any Loan ("Cure Loans") shall bear interest at the Base Rate in effect from time to time, and for all other purposes of this Agreement shall be treated as if they were Base Rate Loans; and

(D) regardless of whether or not an Event of Default has occurred or is continuing, and notwithstanding the instructions of the Borrower as to its desired application, all repayments of principal which, in accordance with the other terms of this Section 4.2, would be applied to its outstanding Base Rate Loans shall be applied first, ratably to its Base Rate Loans constituting Non Pro Rata Loans, second, ratably to its Base Rate Loans other than those constituting Non Pro Rata Loans or Cure Loans and, third, ratably to its Base Rate Loans constituting Cure Loans.

(c) Payments on Non-Business Days. Whenever any payment to be made by
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the Borrower hereunder or under the Notes is stated to be due on a day which is not a Business Day, the payment shall instead be due on the next succeeding Business Day (or, as set forth in Section 5.2(b)(iv), the next preceding Business Day).

4.3. Promise to Repay; Evidence of Indebtedness.

(a) Promise to Repay. The Borrower hereby agrees to pay when due the
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principal amount of each Loan which is made to it and, to the extent not paid when due (after giving effect to any grace period as more particularly set forth in Section 11.1(a)) and further agrees to pay all unpaid interest accrued thereon, in accordance with the terms of this Agreement and the Notes. The Borrower shall execute and deliver to each Lender on the Closing Date, a promissory note, in the form of Exhibit B attached hereto with blanks appropriately completed, evidencing the Loans and thereafter shall execute and deliver such other promissory notes as are necessary to evidence the Loans made to it owing to the Lenders after giving effect to any assignment thereof pursuant to Section 14.1, all in the form of Exhibit B attached hereto with blanks appropriately completed (all such promissory notes and all amendments thereto, replacements thereof and substitutions therefor being collectively referred to as the "Notes"; and "Note" means any one of the Notes).

(b) Loan Account. Each Lender shall maintain in accordance with its
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usual practice an account or accounts (a "Loan Account") evidencing the Indebtedness of the Borrower to such Lender resulting from each Loan owing to such Lender from time to time, including the amount of principal and interest payable and paid to such Lender from time to time hereunder and under the Notes.

(c) Control Account. The Register maintained by the Administrative

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Agent pursuant to Section 14.1(c) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing made hereunder, the type of Loan comprising such Borrowing and any Eurodollar Interest Period applicable thereto, (ii) the effective date and amount of each Assignment and Acceptance delivered to and accepted by it and the parties thereto, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder or under the Notes and (iv) the amount of any sum received by the Administrative Agent from the Borrower hereunder and each Lender's share thereof.

(d) Entries Binding. The entries made in the Register and each Loan Account shall be conclusive and binding for all purposes, absent manifest error.

(e) No Recourse. Notwithstanding anything contained in this Agreement, any Note, or the Guaranty to the contrary, it is expressly understood and agreed that nothing herein or therein shall be construed as creating any liability on any Limited Partner, any member of the Company, or any partner, officer, shareholder, director or employee of any Limited Partner or any officer, trustee, member, director or employee of the Borrower or any Guarantor, to pay any of the Obligations other than liability arising under applicable law from or in connection with (i) its own fraud or (ii) the misappropriation or misapplication by it of proceeds of the Loans; but nothing contained in this Section 4.3(e) shall be construed to prevent the exercise of any remedy allowed to the Administrative Agent or the Lenders by law or by the terms of this Agreement or the other Loan Documents which does not relate to or result in such an obligation by any Limited Partner or member of the Company.

ARTICLE V
INTEREST AND FEES

5.1. Interest on the Loans and other Obligations.

(a) Rate of Interest. All Loans and the outstanding principal balance of all other Obligations shall bear interest on the unpaid principal amount thereof from the date such Loans are made and such other Obligations are due and payable until paid in full, except as otherwise provided in Section 5.1(d), as follows:

(i) If a Base Rate Loan or such other Obligation, at a rate per annum equal to the sum of (A) the Base Rate, as in effect from time to time as interest accrues, plus (B) the then Applicable Mar gin for Base Rate Loans; and

(ii) If a Eurodollar Rate Loan, at a rate per annum equal to the sum of (A) the Eurodollar Rate determined for the applicable Eurodollar Interest Period, plus (B) the then Applicable Margin for Eurodollar Loans.

The applicable basis for determining the rate of interest on the Loans shall be selected by the Borrower at the time a Notice of Borrowing or a Notice of Conversion/Continuation is delivered by the Borrower to the Administrative Agent; provided, however, the Borrower may not select the Eurodollar Rate as the applicable basis for determining the rate of interest on such a Loan if at the time of such selection an Event of Default has occurred and is continuing. If on any day any Loan is outstanding with respect to which notice has not been timely delivered to the Administrative Agent in accordance with the terms of this Agreement specifying the basis for determining the rate of interest on that day, then for that day interest on that Loan shall be determined by reference to the Base Rate.

(b) Interest Payments. (i) Interest accrued on each Loan, whether a Base Rate Loan or a Eurodollar Loan shall be calculated on the last day of each calendar month and shall be payable in arrears (A) on the first day of each calendar month, commencing on the first such day following the making of such Loan, (B) upon the payment or prepayment thereof in full or in part, and (C) if not theretofore paid in full, at maturity (whether by acceleration or otherwise) of such Loan.

(ii) Interest accrued on the principal balance of all other Obligations shall be calculated on the last day of each calendar month and shall be payable in arrears (A) on the first day of each calendar month, commencing on the first such day following the incurrence of such Obligation, (B) upon repayment thereof in full or in part, and (C) if not thereto fore paid in full, at the time such other Obligation becomes due and payable (whether by acceleration or otherwise).

(c) Conversion or Continuation. (i) The Borrower shall have the option
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(A) to convert at any time all or any part of outstanding Base Rate Loans to Eurodollar Rate Loans; (B) to convert all or any part of outstanding Eurodollar Rate Loans having Eurodollar Interest Periods which expire on the same date to Base Rate Loans on such expiration date; or (C) to continue all or any part of outstanding Eurodollar Rate Loans having Eurodollar Interest Periods which expire on the same date as Eurodollar Rate Loans, and the succeeding Eurodollar Interest Period of such continued Loans shall commence on such expiration date; provided, however, no such outstanding Loan may be continued as, or be converted into, a Eurodollar Rate Loan (i) if the continuation of, or the conversion into, would violate any of the provisions of Section 5.2 or (ii) if an Event of Default has occurred and is continuing. Any conversion into or continuation of Eurodollar Rate Loans under this Section 5.1(c) shall be in a minimum amount of $3,000,000 and in integral multiples of $500,000 in excess of that amount, except in the case of a conversion into or a continuation of an entire Borrowing of Non Pro Rata Loans.

(ii) To convert or continue a Loan under Section 5.1(c)(i), the Borrower shall deliver a Notice of Conversion/ Continuation to the Administrative Agent no later than 11:00 a.m. (New York time) at least three (3) Business Days in advance of the proposed conversion/continuation date. A Notice of Conversion/Continuation shall specify (A) the pro posed conversion/continuation date (which shall be a Business Day), (B) the principal amount of the Loan to be converted/continued, (C) whether such Loan shall be converted and/or continued and (D) in the case of a conversion to, or continuation of a Eurodollar Rate Loan, the requested Eurodollar Interest Period. Promptly after receipt of a Notice of Conversion/Continuation under this Section 5.1(c)(ii), the Administrative Agent shall notify each Lender by facsimile transmission, or other similar form of transmission, of the proposed conversion/continuation. Any Notice of Conversion/Continuation for conversion to, or continuation of, a Loan (or telephonic notice in lieu thereof) given pursuant to this Section 5.1(c)(ii) shall be irrevocable, and the Borrower shall be bound to convert or continue in accordance therewith. In the event no Notice of Conversion/Continuation is delivered as and when specified in this Section 5.1(c)(ii) with respect to outstanding Eurodollar Rate Loans, upon the expiration of the Eurodollar Interest Period applicable thereto, such Loans shall automatically be converted to a Base Rate Loan.

(d) Default Interest. Notwithstanding the rates of interest specified
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in Section 5.1(a) or elsewhere in this Agreement, effective immediately upon the occurrence of an Event of Default, and for as long thereafter as such Event of Default shall be continuing, the principal balance of all Loans and other Obligations shall bear interest at a rate equal to (A) in the case of any Eurodollar Rate Loans out standing as of the date of occurrence of any Event of Default, the sum of (x) the applicable Eurodollar Rate, plus (y) six percent (6.0%) per annum, and (B) in the case of any Base Rate Loan (including any Eurodollar Loan that is converted to a Base Rate Loan at maturity) the sum of (x) the Base Rate, as in effect from time to time as interest accrues, plus (y) five percent (5.0%) per annum.

(e) Computation of Interest. Interest on all Obligations shall be
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computed on the basis of the actual number of days elapsed in the period during which interest accrues and a year of 360 days. In computing interest on any Loan, the date of the making of the Loan or the first day of a Eurodollar Interest Period, as the case may be, shall be included and the date of payment or the expiration date of a Eurodollar Interest Period, as the case may be, shall be excluded; provided, however, if a Loan is repaid on the same day on which it is made, one (1) day's interest shall be paid on such Loan.

(f) Eurodollar Rate Information. Upon the request of the Borrower, the
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Administrative Agent shall promptly provide to the Borrower such information with respect to the applicable Eurodollar Rate as may be so requested.

5.2. Special Provisions Governing Eurodollar Rate Loans.

(a) Amount of Eurodollar Rate Loans. Each Eurodollar Rate Loan shall
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be in a minimum principal amount of $3,000,000 and in integral multiples of $500,000 in excess of that amount.

(b) Determination of Eurodollar Interest Period. By giving notice as
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set forth in Section 2.1(b) (with respect to a Borrowing of Eurodollar Rate Loans), or Section 5.1(c) (with respect to a conversion into or continuation of Eurodollar Rate Loans), the Borrower shall have the option, subject to the other

provisions of this Section 5.2, to select an interest period (each, a "Eurodollar Interest Period") to apply to the Loans described in such notice, subject to the following provisions:

(i) The Borrower may only select, as to a particular Borrowing of Eurodollar Rate Loans, a Eurodollar Interest Period of one month in duration;

(ii) Intentionally Omitted;

(iii) In the case of immediately successive Eurodollar Interest Periods applicable to a Borrowing of Eurodollar Rate Loans, each successive Eurodollar Interest Period shall commence on the day on which the next preceding Eurodollar Interest Period expires;

(iv) If any Eurodollar Interest Period would otherwise expire on a day which is not a Business Day, such Eurodollar Interest Period shall be ex tended to expire on the next succeeding Business Day if the next succeeding Business Day occurs in the same calendar month, and if there will be no succeeding Business Day in such calendar month, the Eurodollar Interest Period shall expire on the immediately preceding Business Day;

(v) The Borrower may not select a Eurodollar Interest Period as to any Loan if such Eurodollar Interest Period terminates later than the Termination Date; and

(vi) The Borrower may not select a Eurodollar Interest Period with respect to any portion of principal of a Loan which extends beyond a date on which the Borrower is required to make a scheduled payment of such portion of principal of which the Borrower is aware on the date of such request, in the case of a payment pursuant to Section 4.1(d) hereof.

(c) Determination of Eurodollar Interest Rate. As soon as practicable
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on the second Business Day prior to the first day of each Eurodollar Interest Period (the "Eurodollar Interest Rate Determination Date"), the Administrative Agent shall determine (pursuant to the procedures set forth in the definition of "Eurodollar Rate") the interest rate which shall apply to the Eurodollar Rate Loans for which an interest rate is then being determined for the applicable Eurodollar Interest Period and shall promptly give notice thereof (in writing or by telephone or by facsimile confirmed in writing) to the Borrower and to each Lender. The Administrative Agent's determination shall be presumed to be correct, absent manifest error, and shall be binding upon the Borrower.

(d) Interest Rate Unascertainable, Inadequate or Unfair. In the event
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that at least one (1) Business Day before the Eurodollar Interest Rate Determination Date:

(i) the Administrative Agent is advised by the Reference Bank that deposits in Dollars (in the applicable amounts) are not being offered by the Reference Bank in the London interbank market for such Eurodollar Interest Period; or

(ii) the Administrative Agent determines that adequate and fair means do not exist for ascertaining the applicable interest rates by reference to which the Eurodollar Rate then being determined is to be fixed; or

(iii) the Requisite Lenders advise the Administrative Agent that the Eurodollar Rate for Eurodollar Rate Loans comprising such Borrowing will not adequately reflect the cost to such Requisite Lenders of obtaining funds in Dollars in the London interbank market in the amount substantially equal to such Lenders' Eurodollar Rate Loans in Dollars and for a period equal to such Eurodollar Interest Period;

then the Administrative Agent shall forthwith give notice thereof to the Borrower, whereupon (until the Administrative Agent notifies the Borrower that the circumstances giving rise to such suspension no longer exist) the right of the Borrower to elect to have Loans bear interest based upon the Eurodollar Rate shall be suspended and each outstanding Eurodollar Rate Loan shall be converted into a Base Rate Loan on the last day of the then current Eurodollar Interest Period therefor, notwithstanding any prior election by the Borrower to the contrary.

(e) Illegality. (i) If at any time any Lender determines (which
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determination shall, absent manifest error, be final and conclusive and binding upon all parties) that the making or continuation of any Eurodollar Rate Loan has become unlawful or impermissible by compliance by that Lender with any law, governmental rule, regulation or order of any Govern mental Authority (whether or not having the force of law and whether or not failure to comply therewith

would be unlawful or would result in costs or penalties), then, and in any such event, such Lender may give notice of that determination, in writing, to the Borrower and the Administrative Agent, and the Administrative Agent shall promptly transmit the notice to each other Lender.

(ii) When notice is given by a Lender under Section 5.2(e)(i), (A) the Borrower's right to request from such Lender and such Lender's obligation, if any, to make Eurodollar Rate Loans to the Borrower shall be immediately suspended, and such Lender shall make a Base Rate Loan as part of any requested Borrowing of Eurodollar Rate Loans and (B) if the affected Eurodollar Rate Loan or Loans are then outstanding, the Borrower shall immediately, or if permitted by applicable law, no later than the date permitted thereby, upon at least one (1) Business Day's prior written notice to the Administrative Agent and the affected Lender, convert each such Loan into a Base Rate Loan.

(iii) If at any time after a Lender gives notice under Section 5.2(e)(i) such Lender determines that it may lawfully make Eurodollar Rate Loans, such Lender shall promptly give notice of that determination, in writing, to the Borrower and the Administrative Agent, and the Administrative Agent shall promptly transmit the notice to each other Lender. The Borrower's right to request, and such Lender's obligation, if any, to make Eurodollar Rate Loans to the Borrower shall thereupon be restored.

(f) Compensation. In addition to all amounts required to be paid by
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the Borrower, as the case may be, pursuant to Section 5.1 and Article XIII, the Borrower shall compensate each Lender, upon demand, for all losses, expenses and liabilities (including, without limitation, any loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain such Lender's Eurodollar Rate Loans to the Borrower but excluding any loss of Applicable Margin on the relevant Loans) which that Lender may sustain (i) if for any reason a Borrowing, conversion into or continuation of Eurodollar Rate Loans does not occur on a date specified therefor in a Notice of Borrowing or a Notice of Conversion/Continuation given by the Borrower or in a telephonic request by it for borrowing or conversion/continuation or a successive Eurodollar Interest Period does not commence after notice therefor is given pursuant to Section 5.1(c), other than pursuant to Sections 5.2(d) or (e), or (ii) if for any reason any Eurodollar Rate Loan is prepaid (other than pursuant to Section 4.1(d) or Section 5.2(d) or (e)) on a date which is not the last day of the applicable Eurodollar Interest Period or (iii) as a consequence of any failure by the Borrower to repay a Eurodollar Rate Loan when required by the terms of this Agreement. The Lender making demand for such compensation shall deliver to the Borrower concurrently with such demand a written statement in reasonable detail as to such losses, expenses and liabilities, and this statement shall be conclusive as to the amount of compensation due to that Lender, absent manifest error.

(g) Booking of Eurodollar Rate Loans. Any Lender may make, carry or
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transfer Eurodollar Rate Loans at, to, or for the account of, its Eurodollar Lending Office or Eurodollar Affiliate or its other offices or Affiliates. No Lender shall be entitled, however, to receive any greater amount under Sections 4.2 or 5.2(f) or Article XIII as a result of the transfer of any such Eurodollar Rate Loan to any office (other than such Eurodollar Lending Office) or any Affiliate (other than such Eurodollar Affiliate) than such Lender would have been entitled to receive immediately prior thereto, unless (i) the transfer occurred at a time when circumstances giving rise to the claim for such greater amount did not exist and (ii) such claim would have arisen even if such transfer had not occurred.

(h) Affiliates Not Obligated. No Eurodollar Affiliate or other
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Affiliate of any Lender shall be deemed a party to this Agreement or shall have any liability or obligation under this Agreement.

(i) Adjusted Eurodollar Rate. Any failure by any Lender to take into
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account the Eurodollar Reserve Percentage when calculating interest due on Eurodollar Rate Loans shall not constitute, whether by course of dealing or otherwise, a waiver by such Lender of its right to collect such amount for any future period.

(j) Application of Mandatory Prepayments. The principal amount of any
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mandatory prepayment pursuant to Section 4.1(d) hereof, shall be applied, first, to the out standing Base Rate Loans and then, to the outstanding Eurodollar Rate Loans. The Administrative Agent shall hold such principal amounts allocated for prepayment of Eurodollar Rate Loans until the end of the applicable Eurodollar Interest Period(s) and, during the interim period, shall invest said sums in Cash Equivalents. Interest earned thereon shall be forwarded to the Borrower upon the payment of the Eurodollar Rate Loans at the end of said

Eurodollar Interest Period.

ARTICLE VI
CONDITIONS TO LOANS

6.1. Conditions Precedent to the Loans. The obligation of each Lender on the Funding Date to make any Loan requested to be made by it, shall be subject to the satisfaction of all of the following conditions precedent:

(a) Documents. The Administrative Agent shall have received on or before the Funding Date all of the following:

(i) this Agreement, the Notes, the Guaranty, and, to the extent not otherwise specifically referenced in this Section 6.1(a), all other Loan Documents and agreements, documents and instruments described in the List of Closing Documents attached hereto as EXHIBIT E and made a part hereof, each duly executed, and in form and substance satisfactory to the Agents; without limiting the foregoing, the Borrower hereby directs its counsel, Brown & Wood LLP to prepare and deliver to the Agents, the Lenders, and Skadden, Arps, Slate, Meagher & Flom LLP the legal opinions referred to in such List of Closing Documents; and

(ii) such additional documentation as the Agents may reasonably request.

(b) No Legal Impediments. No law, regulation, order, judgment or decree of any Governmental Authority shall, and the Administrative Agent shall not have received any notice that litigation is pending or threatened which is likely to (i) enjoin, prohibit or restrain the making of the Loans on the Funding Date or (ii) impose or result in the imposition of a Material Adverse Effect.

(c) No Change in Condition. No change in the business, assets, management, operations, financial condition or prospects of the Borrower or any of its Properties shall have occurred since December 31, 1998 which change, in the judgment of the Administrative Agent, will have a Material Adverse Effect.

(d) Interim Liabilities and Equity. Except as disclosed to the Arranger and the Lenders, since December 31, 1998, neither the Borrower nor the Company shall have (i) entered into any (as determined in good faith by the Administrative Agent) commitment or transaction, including, without limitation, transactions for borrowings and capital expenditures, which are not in the ordinary course of the Borrower's business, (ii) declared or paid any dividends or other distributions other than in the ordinary course of business, (iii) established compensation or employee benefit plans, or (iv) redeemed or issued any equity Securities, other than those described on SCHEDULE 6.1(D) hereto.

(e) No Loss of Material Agreements and Licenses. Since December 31, 1998, no agreement or license relating to the business, operations or employee relations of the Borrower or any of its Real Properties shall have been terminated, modified, revoked, breached or declared to be in default, the termination, modification, revocation, breach or default under which, in the reasonable judgment of the Administrative Agent, would result in a Material Adverse Effect.

(f) No Market Changes. Since the Closing Date no material adverse change shall have occurred in the conditions in the capital markets.

(g) No Default. No Event of Default or Potential Event of Default shall have occurred and be continuing or would result from the making of the Loans.

(h) Representations and Warranties. All of the representations and warranties contained in Section 7.1 and in any of the other Loan Documents shall be true and correct in all material respects on and as of the Funding Date.

(i) Acquisition of Tower Realty Trust. All conditions precedent to the Mergers shall have been satisfied or will be satisfied simultaneously with the making of the Loans on the Funding Date.

(j) Take-Out Application. The Borrower shall have delivered to the Administrative Agent a copy of an application, executed by the Borrower, to an institutional lender for long-term financing, the proceeds of which shall be used to repay in part the Loans.

(k) Fees and Expenses Paid. There shall have been paid to the Administrative Agent, for the accounts of the Agents and the other Lenders, as applicable, all fees due and payable on or before the Funding Date and all expenses due and payable on or before the Funding Date, including, without limitation, reasonable attorneys' fees and expenses, and other costs and expenses incurred in connection with the Loan Documents.

(l) Compliance Certificate. Borrower shall have delivered to the Administrative Agent a Quarterly Compliance Certificate demonstrating compliance with the covenants and financial ratios set forth in Sections 9.9, 9.11, 10.1, 10.3, 10.6, 10.7, 10.11 and 10.12 hereof.

ARTICLE VII
REPRESENTATIONS AND WARRANTIES

7.1. Representations and Warranties of the Borrower. In order to induce the Lenders to enter into this Agreement and to make the Loans and the other financial accommodations to the Borrower, the Borrower hereby represents and warrants to each Lender that the following statements are true, correct and complete:

(a) Organization; Powers. (i) The Borrower (A) is a limited partnership duly organized, validly existing and in good standing under the laws of the State of Delaware, (B) is duly qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have a Material Adverse Effect, (C) has all requisite partnership power and authority to own, operate and encumber its Property and to conduct its business as presently conducted and as proposed to be conducted in connection with and following the consummation of the transactions contemplated by this Agreement, and (D) is a partner ship for federal income tax purposes.

(ii) The Company (A) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, (B) is duly authorized and qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have a Material Adverse Effect, and (C) has all requisite corporate, limited liability company or partnership power and authority to own, operate and encumber its Property and to conduct its business as presently conducted.

(iii) True, correct and complete copies of the Organizational Documents of the Borrower and the Company identified on SCHEDULE 7.1-A have been delivered to the Administrative Agent, each of which is in full force and effect, has not been modified or amended except to the extent set forth therein or as otherwise permitted hereby and, to the best of the Borrower's knowledge, there are no defaults under such Organizational Documents and no events which, with the passage of time or giving of notice or both, would constitute a default under such Organizational Documents. Borrower shall update SCHEDULE 7.1-A from time to time in order to keep said Schedule true and correct.

(iv) Neither the Borrower nor the Company are "foreign persons" within the meaning of Section 1445 of the Internal Revenue Code.

(b) Authority. (i) The Company has the requisite power and authority to execute and deliver this Agreement on behalf of the Borrower and each of the other Loan Documents which are required to be executed on behalf of the Borrower as required by this Agreement. The Company is the Person who has executed this Agreement and such other Loan Documents on behalf of the Borrower and is the sole general partner of the Borrower.

(ii) The execution, delivery and performance of each of the Loan Documents which must be executed in connection with this Agreement by the Borrower and to which the Borrower is a party and the consummation of the transactions contemplated thereby are within the Borrower's partnership powers, have been duly authorized by all necessary partnership action (and, in the case of the Company acting on behalf of the Borrower in connection therewith, all necessary limited liability company action of the Company) and such authorization has not been rescinded. No other partnership or limited liability company action or proceedings on the part of the Borrower or the Company is

necessary to consummate such transactions.

(iii) Each of the Loan Documents to which the Borrower is a party has been duly executed and delivered on behalf of the Borrower and constitutes the Borrower's legal, valid and binding obligation, enforceable against the Borrower in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity regardless of whether enforcement is considered in a proceeding at law or in equity. Each of the Loan Documents to which Borrower is a party is in full force and effect and all the terms, provisions, agreements and conditions set forth therein and required to be performed or complied with by the Company and the Borrower on or before the Funding Date have been performed or complied with, and no Potential Event of Default or Event of Default exists hereunder.

(c) Subsidiaries; Ownership of Capital Stock and Partnership Interests. (i) SCHEDULE 7.1-C (A) contains a diagram indicating the corporate structure of the Company, the Borrower, and, after giving effect to the Mergers, any other Person in which the Company or the Borrower holds a direct or indirect partnership, joint venture or other equity interest indicating the nature of such interest with respect to each Person included in such diagram; and (B) accurately sets forth (1) the correct legal name of such Person, the jurisdiction of its incorporation or organization and the jurisdictions in which it is qualified to transact business as a foreign corporation, or otherwise, and (2) the authorized, issued and outstanding shares or interests of each class of equity Securities of the Company, the Borrower and, after giving effect to the Mergers, the Subsidiaries of the Borrower and (3) the ownership interest of the Borrower, the Company, and, after giving effect to the Mergers, the Subsidiaries of the Borrower in all Minority Holdings. None of such issued and outstanding Securities is subject to any vesting, redemption, or repurchase agreement, and there are no warrants or options (other than Permitted Securities Options) outstanding with respect to such Securities, except as noted on SCHEDULE 7.1-C. The out standing Securities of the Company is duly authorized, validly issued, fully paid and nonassessable and the outstanding Securities of the Borrower and their Subsidiaries are duly authorized and validly issued. Attached hereto as part of SCHEDULE 7.1-C is a true, accurate and complete copy of the Borrower Partnership Agreement as in effect on the Closing Date and such Partnership Agreement has not been amended, supplemented, replaced, restated or otherwise modified in any respect since the Closing Date, except as otherwise permitted hereby. Borrower shall update SCHEDULE 7.1-C as of the first day of each fiscal quarter, and shall deliver the same together with the Quarterly Compliance Certificates, to the extent required, in order to keep said Schedule true and correct.

(ii) Except where failure would not have a Material Adverse Effect on the Borrower, after giving effect to the Mergers, each of its Subsidiaries: (A) is a corporation, limited liability company or partnership, as indicated on SCHEDULE 7.1-C, duly organized or formed, validly existing and, if applicable, in good standing under the laws of the jurisdiction of its organization, (B) is duly qualified to do business and, if applicable, is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing would have a Material Adverse Effect, and (C) has all requisite power and authority to own, operate and encumber its Property and to conduct its business as presently conducted and as proposed to be conducted hereafter.

(iii) None of the Subsidiaries of the Borrower which are not Guarantors has entered into any agreement or arrangement of any kind prohibiting the payment of dividends or other distributions to the Borrower or the Company.

(d) No Conflict. The execution, delivery and performance of each of the Loan Documents to which the Borrower is a party do not and will not (i) conflict with the Organizational Documents of the Borrower or the Company, as the case may be, (ii) conflict with, result in a breach of or constitute (with or without notice or lapse of time or both) a default under any Requirement of Law or material Contractual Obligation of the Borrower or the Company, as the case may be, or require termination of any such material Contractual Obligation which would subject the Administrative Agent or any of the other Lenders to any liability, (iii) result in or require the creation or imposition of any Lien whatsoever upon any of the Property or assets of the Borrower or the Company, as the case may be, or (iv) require any approval of members of the Company (other than such approvals that have been obtained and are in full force and effect).

(e) Governmental Consents. The execution, delivery and performance of each of the Loan Documents to which the Borrower is a party do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by any Governmental Authority, except filings, consents or

notices which have been made, obtained or given.

(f) Governmental Regulation. None of the Borrower or the Company is subject to regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act, the Interstate Commerce Act, or the Investment Company Act of 1940, or any other federal or state statute or regulation which limits its ability to incur indebtedness as contemplated by this Agreement.

(g) Financial Position. Complete and accurate copies of the following financial statements and materials have been delivered to the Administrative Agent: unaudited pro forma financial statements of the Company for the fiscal year ended December 31, 1998. All annual financial statements of the Borrower shall be accompanied by an Officer's Certificate of the Borrower, and shall be certified by the Chief Financial Officer of the Borrower as complying as to form in all respects with the applicable accounting requirements of Rule 11-02 of Regulation S-X and properly applying the pro forma adjustments to the historical amounts, which have been fairly presented, in the compilation of such statements. All financial statements included in such materials were prepared in all material respects in conformity with GAAP, except as otherwise noted therein, and comply with the applicable accounting requirements of Rule 11-02 of Regulation S-X and properly apply the pro forma adjustments to the historical amounts, which have been fairly presented, in the compilation of such statements. Neither the Borrower nor the Company has any Contingent Obligation, contingent liability or liability for any taxes, long-term leases or commitments, not reflected in its financial statements delivered to the Administrative Agent on or prior to the Closing Date or otherwise disclosed to the Administrative Agent and the Lenders in writing on or prior to the Closing Date, which will have a Material Adverse Effect.

(h) Indebtedness. SCHEDULE 7.1-H sets forth, as of the Closing Date, after giving effect to the Mergers, all Indebtedness for borrowed money (other than the Obligations) of each of the Borrower, the Company, and their respective Subsidiaries, and, except as set forth on SCHEDULE 7.1-H, there are no defaults in the payment of principal or interest on any such Indebtedness and no payments thereunder have been deferred or extended beyond their stated maturity and there has been no material change in the type or amount of such Indebtedness (except for the repayment of certain Indebtedness) since the Closing Date.

(i) Litigation; Adverse Effects. Except as set forth in SCHEDULE 7.1-I, as of the Closing Date, there is no action, suit, proceeding, investigation or arbitration before or by any Governmental Authority or private arbitrator pending or, to the knowledge of the Borrower, threatened against the Company, the Borrower, or any of their respective Subsidiaries, or any Property of any of them (i) challenging the validity or the enforceability of any of the Loan Documents, (ii) which could reasonably be expected to result in any Material Adverse Effect, or (iii) under the Racketeering Influenced and Corrupt Organizations Act or any similar federal or state statute where such Person is a defendant in a criminal indictment that provides for the forfeiture of assets to any Govern mental Authority as a potential criminal penalty. There is no material loss contingency within the meaning of GAAP which has not been reflected in the consolidated financial statements of the Company and the Borrower. None of the Company, the Borrower, or, to the best of the Borrower's knowledge, any Subsidiary of the Borrower is (A) in violation of any applicable Requirements of Law which violation will have or is reasonably likely to have a Material Adverse Effect, or (B) in default with respect to any final judgment, writ, injunction, re straining order or order of any nature, decree, rule or regulation of any court or Governmental Authority which will have a Material Adverse Effect.

(j) No Material Adverse Effect. Since December 31, 1998, there has occurred no event which has had a Material Adverse Effect.

(k) Intentionally Omitted.

(l) Payment of Taxes. All material tax returns, reports and similar statements or, to the best of the Borrower's and the Company's knowledge, filings of the Company, the Borrower, and their respective Subsidiaries required to be filed have been timely filed (or extensions to file have been obtained), and, except for Customary Permitted Liens, all material taxes, assessments, fees and other charges of Govern mental Authorities thereupon and upon or relating to their respective Properties, assets, receipts, sales, use, payroll, employment, income, licenses and franchises which are shown in such returns or reports to be due and payable have been paid, except to the extent (i) such taxes, assessments, fees and other charges of Governmental Authorities are being

contested in good faith by an appropriate proceeding diligently pursued as permitted by the terms of Section 9.4 and (ii) such taxes, assessments, fees and other charges of Governmental Authorities pertain to Property of the Borrower or any of its Subsidiaries and the non-payment of the amounts thereof would not, individually or in the aggregate, result in a Material Adverse Effect. All other material taxes (including, without limitation, real estate taxes), assessments, fees and other governmental charges upon or relating to the respective Properties of the Borrower and, to the best of the Borrower's knowledge, its Subsidiaries which are due and payable have been paid, except for Customary Permitted Liens and except to the extent described in clauses (i) and (ii) hereinabove. The Borrower has no knowledge of any proposed tax assessment against the Borrower, any of its Subsidiaries, or any of the Projects that will have or is reasonably likely to have a Material Adverse Effect.

(m) Performance. To the knowledge of the Borrower, neither the Company, nor any of its Subsidiaries has received any written notice or citation, nor has actual knowledge, that (i) it is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Contractual Obligation applicable to it, or (ii) any condition exists which, with the giving of notice or the lapse of time or both, would constitute a default with respect to any such Contractual Obligation, in each case, except where such default or defaults, if any, will not have a Material Adverse Effect.

(n) Disclosure. The representations and warranties of the Borrower contained in the Loan Documents, and all certificates and other documents delivered to the Administrative Agent pursuant to the terms thereof, do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, taken as a whole, not misleading. Notwithstanding the foregoing, the Lenders acknowledge that the Borrower shall not have liability under this clause (n) with respect to its projections of future events or for any financial projections.

(o) Requirements of Law. The Borrower, the Company and, to the best of the Borrower's and the Company's knowledge, each of their respective Subsidiaries is in compliance with all Requirements of Law applicable to it and its respective businesses and Properties, in each case where the failure to so comply individually or in the aggregate will have a Material Adverse Effect.

(p) Environmental Matters.

(i) Except as disclosed on SCHEDULE 7.1-P (the Borrower shall update SCHEDULE 7.1-P as of the first day of each fiscal quarter, and deliver the same together with the Quarterly Compliance Certificates, to the extent required, in order to keep said Schedule true and correct):

(A) the operations of the Borrower, to the best of the Borrower's knowledge, its Subsidiaries, and its Properties comply with all applicable Environmental, Health or Safety Requirements of Law, except to the extent any failure to do so would not have a Material Adverse Effect;

(B) the Borrower and, to the best of the Borrower's knowledge, its Subsidiaries have obtained all material environmental, health and safety Permits necessary for their respective operations, and all such Permits are in good standing and the holder of each such Permit is currently in compliance with all terms and conditions of such Permits, except to the extent any failure to do so would not have a Material Adverse Effect;

(C) to the knowledge of the Borrower none of the Borrower, or any of its Subsidiaries or any of their respective present or past Property or operations are subject to or are the subject of any investigation of any Governmental Authority, judicial or administrative proceeding, order, judgment or decree, negotiations, agreement or settlement respecting (I) any Remedial Action, (II) any Claims or Liabilities and Costs arising from the Release or threatened Release of a Contaminant into the environment, or (III) any violation of or liability under any Environmental, Health or Safety Requirement of Law, except to the extent none of the foregoing would have a Material Adverse Effect;

(D) none of Borrower or, to the best of the Borrower's knowledge, any of its Subsidiaries has filed any notice under any applicable Requirement of Law (I) re porting a Release of a Contaminant; (II) indicating past or present treatment, storage or disposal of a hazardous waste, as that term is defined under 40 C.F.R. Part 261 or any state equivalent; or (III) reporting a violation of any applicable Environmental, Health or Safety Requirement of Law with respect to any of the foregoing, the substance of which would have a Material Adverse Effect;

(E) none of the Borrower's or, to the best of the Borrower's knowledge, any of its Subsidiaries' present or past Property is listed or, to the knowledge of the Borrower, proposed for listing on the National Priorities List ("NPL") pursuant to CERCLA or on the Comprehensive Environmental Response Compensation Liability Information System List ("CERCLIS") or any similar state list of sites requiring Remedial Action;

(F) to the knowledge of the Borrower none of the Borrower or any of its Subsidiaries has sent or directly arranged for the transport of any waste to any site listed or proposed for listing on the NPL, CERCLIS or any similar state list;

(G) to the best of the Borrower's knowledge, there is not now, and to the Borrower's knowledge there has never been on or in any Project, (I) any treatment, recycling, storage away from the site of generation or disposal of any hazardous waste, as that term is defined under 40 C.F.R. Part 261 or any state equivalent, (II) any solid waste management facility, (III) any underground storage tanks the presence or use of which is in violation of applicable Environmental, Health or Safety Requirements of Law, (IV) any asbestos-containing material which, in its present state, such Person has any reason to believe could subject such Person or its Property to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect; or (V) any polychlorinated biphenyls (PCB) used in hydraulic oils, electrical transformers or other Equipment, which, in any such case, would subject the Borrower or its Property to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect;

(H) to the knowledge of the Borrower, neither the Borrower nor any of its Subsidiaries has received any notice or Claim to the effect that any of such Persons is or may be liable to any Person as a result of the Release or threatened Release of a Contaminant into the environment which would result in a Material Adverse Effect;

(I) neither the Borrower nor, to the best of the Borrower's knowledge, any of its Subsidiaries has any contingent liability in connection with any Release or threatened Release of any Contaminants into the environment which will result in a Material Adverse Effect;

(J) no Environmental Lien has attached to any Property of the Borrower or, to the best of the Borrower's knowledge, any of its Subsidiaries (other than those otherwise permitted hereunder) or which do not constitute an Event of Default; and

(K) no Property of the Borrower, or any of its Subsidiaries is subject to any Environmental Property Transfer Act, or to the extent such acts are applicable to any such Property, the Borrower and/or such Subsidiary whose Property is subject thereto has complied in all material respects with the requirements of such acts.

(q) ERISA. Neither the Borrower nor any ERISA Affiliate maintains or
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contributes to any Benefit Plan or Multiemployer Plan other than those listed on SCHEDULE 7.1-Q hereto. Each Plan which is intended to be qualified under Section 401(a) of the Internal Revenue Code as currently in effect has been determined by the IRS to be so qualified, and each trust related to any such Plan has been determined to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code as currently in effect. Except as disclosed in SCHEDULE 7.1-Q, neither the Borrower nor any of its Subsidiaries maintains or contributes to any employee welfare benefit plan within the meaning of Section 3(1) of ERISA that provides benefits to employees after termination of employment other than as required by Section 601 of ERISA. The Borrower and, to the best of the Borrower's knowledge, each of its Subsidiaries is in compliance in all material respects with the responsibilities, obligations and duties imposed on it by ERISA, the Internal Revenue Code and regulations promulgated thereunder with respect to all Plans. No Benefit Plan has incurred any accumulated funding deficiency (as defined in Sections 302(a)(2) of ERISA and 412(a) of the Internal Revenue Code) whether or not waived. Neither the Borrower nor any ERISA Affiliate nor any fiduciary of any Plan which is not a Multiemployer Plan (i) has engaged in a nonexempt prohibited transaction described in Sections 406 of ERISA or 4975 of the Internal Revenue Code or (ii) has taken or failed to take any action which would constitute or result in a Termination Event. Neither the Borrower nor any ERISA Affiliate is subject to any liability under Sections 4063, 4064, or 4204 of ERISA which would have a Material Adverse Effect. Neither the Borrower nor any ERISA Affiliate is subject to any liability under Sections 4069 or 4212(c) of ERISA or has incurred any liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. Schedule B to the most recent annual report filed with the IRS with respect to each Benefit Plan has been furnished to the Administrative Agent and is complete and accurate in all

material respects. Since the date of each such Schedule B, there has been no material adverse change in the funding status or financial condition of the Benefit Plan relating to such Schedule B. Neither the Borrower nor any ERISA Affiliate has (i) failed to make a required contribution or payment to a Multiemployer Plan or (ii) made a complete or partial withdrawal under Sections 4203 or 4205 of ERISA from a Multiemployer Plan which would have a Material Adverse Effect. Neither the Borrower, nor any ERISA Affiliate has failed to make a required installment or any other required payment under Section 412 of the Internal Revenue Code on or before the due date for such installment or other payment. Neither the Borrower nor any ERISA Affiliate is required to provide security to a Benefit Plan under Section 401(a)(29) of the Internal Revenue Code due to a Benefit Plan amendment that results in an increase in current liability for the plan year. Except as disclosed on SCHEDULE 7.1-Q, which shall be updated by Borrower as of the first day of each fiscal quarter, to the extent required, neither the Borrower nor any of its Subsidiaries has, by reason of the transactions contemplated hereby, any obligation to make any payment to any employee pursuant to any Plan or existing contract or arrangement.

(r) Securities Activities. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock except as described on SCHEDULE 7.1-R.

(s) Solvency. After giving effect to the Loans to be made on the Funding Date or such other date as Loans requested hereunder are made, and the disbursement of the proceeds of such Loans pursuant to the Borrower's instructions, the Borrower is Solvent.

(t) Insurance. SCHEDULE 7.1-T accurately sets forth as of the Closing Date all insurance policies and pro grams currently in effect with respect to the respective Property and assets and business of the Borrower and, after giving effect to the Mergers, its Subsidiaries, specifying for each such policy and program, (i) the amount thereof, (ii) the risks insured against thereby, (iii) the name of the insurer and each insured party thereunder, (iv) the policy or other identification number thereof, and (v) the expiration date thereof. The Borrower has delivered to the Administrative Agent copies of all insurance policies set forth on SCHEDULE 7.1-T. Such insurance policies and programs are currently in full force and effect, in compliance with the requirements of Section 9.5 hereof and, together with payment by the insured of scheduled deductible payments, are, to the knowledge of the Borrower, in amounts which should reasonably be expected to be sufficient to cover the replacement value of the respective Property and assets of the Borrower and/or its Subsidiaries.

(u) Projects. After giving effect to the Mergers, and except as otherwise described on SCHEDULE 7.1-U, the Borrower owns 100% fee simple title to each of the Projects and, with the exception of Tower 45, 810 Seventh Avenue, One Orlando Center, Deer Valley Phase I and Corporate Center, no such Project is encumbered by any Indebtedness.

(v) Ownership of Projects and Property. After giving effect to the Mergers, ownership of all wholly owned Projects, Minority Holdings and other Property of the Consolidated Businesses is held by the Borrower and its Subsidiaries and is not held directly by the Company.

(w) Year 2000 Compliance. The Borrower has commenced a comprehensive review and assessment of the Borrower's computer applications and has commenced inquiry of the Borrower's key suppliers, vendors and customers with respect to the "year 2000 problem" (that is, the risk that computer applications may not be able to properly perform date sensitive functions after December 31, 1999) and, based on that review and inquiry, the Borrower does not believe the year 2000 problem could reasonably be expected to result in a Material Adverse Effect. The Borrower will complete such review, assessment and inquiry on or before July 31, 1999.

(x) Representations and Warranties of Mortgagor. Mortgagor, by execution of this Agreement, hereby represents and warrants to Lenders all matters set forth herein that have been represented by Borrower with respect to the Mortgagor as its warranties and representations.

ARTICLE VIII
REPORTING COVENANTS

The Borrower covenants and agrees that so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 14.3 not yet due), unless the

Requisite Lenders shall otherwise give prior written consent thereto:

8.1. Borrower Accounting Practices. The Borrower shall maintain, and cause each of its consolidated Subsidiaries to maintain, a system of accounting established and administered in accordance with sound business practices to permit preparation of consolidated financial statements in conformity with GAAP.

8.2. Financial Reports. The Borrower shall deliver or cause to be delivered to the Administrative Agent (with copies for each of the Lenders):

(a) Quarterly Reports.

(i) Borrower Quarterly Financial Reports. As soon as practicable, and in any event within forty-five (45) days after the end of each fiscal quarter in each Fiscal Year commencing June 30, 1999 (other than the last fiscal quarter in each Fiscal Year), a consolidated balance sheet of the Borrower and the related consolidated statements of income and cash flow of the Borrower (to be prepared and delivered quarterly in conjunction with the other reports delivered hereunder at the end of each fiscal quarter) for each such fiscal quarter, certified by an Authorized Financial Officer of the Borrower as fairly presenting in all material respects the consolidated financial position of the Borrower as of the dates indicated and the results of their operations and cash flow for the months indicated in accordance with GAAP, subject to normal quarterly adjustments.

(ii) Company Quarterly Financial Reports. As soon as practicable, and in any event within forty-five (45) days after the end of each fiscal quarter commencing June 30, 1999 in each Fiscal Year (other than the last fiscal quarter in each Fiscal Year), the Financial Statements of the Company and its consolidated Subsidiaries at the end of such period, certified by an Authorized Financial Officer of the Company as fairly presenting in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as at the date indicated and the results of their operations and cash flow for the period indicated in accordance with GAAP, subject to normal adjustments.

(iii) Quarterly Compliance Certificates. Together with each delivery of any quarterly report pursuant to paragraph (a)(i) of this Section 8.2, the Borrower, shall deliver Officer's Certificates of the Borrower and the Company (the "Quarterly Compliance Certificates"), signed by the Borrower's and the Company's respective Authorized Financial Officers representing and certifying (1) that the Authorized Financial Officer signatory thereto has reviewed the terms of the Loan Documents, and has made, or caused to be made under his/her supervision, a review in reasonable detail of the consolidated financial condition of the Company and its Consolidated Subsidiaries, for the fiscal quarter covered by such reports, that such review has not disclosed the existence during or at the end of such fiscal quarter, and that such officer does not have knowledge of the existence as at the date of such Officer's Certificate, of an Event of Default or Potential Event of Default or mandatory prepayment event, or, if any such condition or event existed or exists, the nature and period of existence thereof and what action the Company and/or the Borrower or any of their Subsidiaries has taken, is taking and proposes to take with respect thereto; (2) the calculations in the form of Exhibit G hereto for the period then ended which demonstrate compliance with the covenants and financial ratios set forth in Sections 9.9, 9.11, 10.1, 10.3, 10.6, 10.7, 10.11, and 10.12 hereof and, when applicable, that no Event of Default described in Section 11.1 exists, (3) a schedule of the Borrower's outstanding Indebtedness, including the amount, maturity, interest rate and amortization requirements, as well as such other information regarding such Indebtedness as may be reasonably requested by the Administrative Agent, (4) a schedule of NOI for each Real Property and (5) a schedule of Projects in which Borrower owns, directly or indirectly, 100% fee simple in the form of SCHEDULE B hereto.

(b) Annual Reports.

(i) Borrower Financial Statements. As soon as practicable, and in any event within ninety (90) days after the end of each Fiscal Year, the Financial Statements of the Borrower and its consolidated Subsidiaries as at the end of such Fiscal Year, accompanied by an Officer's Certificate of the Borrower, certified by the Chief Financial Officer of the Borrower that the Financial Statements fairly present in all material respects the consolidated financial position of the Borrower and its consolidated Subsidiaries as of the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP consistently applied, and which Officer's

Certificate shall explain any inconsistencies between the Financial Statements of the Borrower and the Financial Statements of the Company.

(ii) Company Financial Statements. As soon as practicable, and in any event within ninety (90) days after the end of each Fiscal Year, (i) the Financial Statements of the Company and its consolidated Subsidiaries as at the end of such Fiscal Year and a report setting forth in comparative form the corresponding figures from the consolidated Financial Statements of the Company and its Subsidiaries for the prior Fiscal Year; (ii) a report with respect thereto of Ernst & Young LLP or other independent certified public accountants acceptable to the Administrative Agent (it being understood that any "Big Five" certified public accountants are accept able to the Administrative Agent), which report shall be unqualified and shall state that such financial statements fairly present the consolidated financial position of each of the Company and its consolidated Subsidiaries as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP (except for changes with which Ernst & Young LLP or any such other independent certified public accountants, if applicable, shall concur and which shall have been disclosed in the notes to the financial statements) (which report shall be subject to the confidentiality limitations set forth herein); and (iii) in the event that the report referred to in clause (ii) above is qualified, a copy of the management letter or any similar report delivered to the Company or to any officer or employee thereof by such independent certified public accountants in connection with such financial statements. The Administrative Agent and each Lender (through the Administrative Agent) may, with the consent of the Company (which consent shall not be unreasonably withheld), communicate directly with such accountants, with any such communication to occur together with a representative of the Company, at the expense of the Administrative Agent (or the Lender requesting such communication), upon reasonable notice and at reasonable times during normal business hours.

(iii) Annual Compliance Certificates. Together with each delivery of any annual report pursuant to clauses (i) and (ii) of this Section 8.2(b), the Borrower shall deliver an Officer's Certificates of the Borrower and the Company (the "Annual Compliance Certificates" and, collectively with the Quarterly Compliance Certificates, the "Compliance Certificates"), signed by the Borrower's and the Company's respective Authorized Financial Officers, representing and certifying (1) that the officer signatory thereto has reviewed the terms of the Loan Documents, and has made, or caused to be made under his/her supervision, a review in reasonable detail of the consolidated financial condition of the Company and its consolidated Subsidiaries, for the accounting period covered by such reports, that such review has not disclosed the existence at the end of such accounting period, and that such officer does not have knowledge of the existence as at the date of such Officer's Certificate, of an Event of Default or Potential Event of Default or mandatory prepayment event, or, if any such condition or event existed or exists, the nature and period of existence thereof and what action the Company and/or the Borrower or any of their Subsidiaries has taken, is taking and proposes to take with respect thereto; (2) the calculations in the form of Exhibit G hereto for the period then ended which demonstrate compliance with the covenants and financial ratios set forth in Sections 9.9, 9.11, 10.1, 10.3, 10.6, 10.7, 10.11, and 10.12 hereof and, when applicable, that no Event of Default described in Section 11.1 exists, (3) a schedule of the Borrower's outstanding Indebtedness including the amount, maturity, interest rate and amortization requirements, as well as such other information regarding such Indebtedness as may be reasonably requested by the Administrative Agent, (4) a schedule of NOI for each Real Property and (5) a schedule of Projects in which Borrower owns, directly or indirectly, 100% fee simple in the form of SCHEDULE B.

(iv) Tenant Bankruptcy Reports. As soon as practicable, and in any event within ninety (90) days after the end of each Fiscal Year, the Borrower shall deliver a written report, in form reasonably satisfactory to the Administrative Agent, of all bankruptcy proceedings filed by or against any tenant of any of the Projects, which tenant occupies three and one half percent (3.5%) or more of the gross leasable area in the Projects in the aggregate. The Borrower shall deliver to the Administrative Agent and the Lenders, immediately upon the Borrower's learning thereof, of any bankruptcy proceedings filed by or against, or the cessation of business or operations of, any tenant of any of the Projects which tenant occupies three and one half percent (3.5%) or more of the gross leasable area in the Projects in the aggregate.

(v) Property Reports. Simultaneously with the delivery of the Compliance Certificates, a rent roll.

8.3. Events of Default. Promptly upon the Borrower obtaining knowledge (a) of any condition or event which constitutes an Event of Default or Potential

Event of Default; (b) that any Person has given any notice to the Borrower or any Subsidiary of the Borrower or taken any other action with respect to a claimed default or event or condition of the type referred to in Section 11.1(e); or (c) or of any condition or event which has a Material Adverse Effect, the Borrower shall deliver to the Administrative Agent (with copies for each of the Lenders) an Officer's Certificate specifying (i) the nature and period of existence of any such claimed default, Event of Default, Potential Event of Default, condition or event, (ii) the notice given or action taken by such Person in connection therewith, and (iii) what action the Borrower has taken, is taking and proposes to take with respect thereto.

8.4. Lawsuits. (i) Promptly upon the Borrower's obtaining knowledge of the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration against or affecting the Borrower or any of its Subsidiaries not previously disclosed pursuant to Section 7.1(i), which action, suit, proceeding, governmental investigation or arbitration exposes, or in the case of multiple actions, suits, proceedings, governmental investigations or arbitrations arising out of the same general allegations or circumstances which expose, in the Borrower's reasonable judgment, the Borrower or any of its Subsidiaries to liability in an amount aggregating $1,000,000 or more and is not covered by the Borrower's or such Subsidiary's insurance, the Borrower shall give written notice thereof to the Administrative Agent (with copies for each of the Lenders) and provide such other information as may be reasonably available to enable each Lender and the Administrative Agent and its counsel to evaluate such matters; (ii) as soon as practicable and in any event within forty-five (45) days after the end of each fiscal quarter of the Borrower, the Borrower shall provide a written quarterly report to the Administrative Agent and the Lenders covering the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration in an amount equal to or in excess of $5,000,000 to the extent not previously reported) against or affecting the Borrower or any of its Subsidiaries or any Property of the Borrower or any of its Subsidiaries not previously disclosed by the Borrower to the Administrative Agent and the Lenders, and shall provide such other information at such time as may be reasonably available to enable each Lender and the Administrative Agent and its counsel to evaluate such matters; and (iii) in addition to the requirements set forth in clauses (i) and (ii) of this Section 8.4, the Borrower upon request of the Administrative Agent or the Requisite Lenders shall promptly give writ ten notice of the status of any action, suit, proceeding, governmental investigation or arbitration covered by a report delivered pursuant to clause (i) or (ii) above and provide such other information as may be reasonably requested and available to it to enable each Lender and the Administrative Agent and its counsel to evaluate such matters. Notwithstanding the foregoing, the Borrower shall not be not required to disclose any information which is subject to the attorney-client privilege.

8.5. Intentionally Omitted.

8.6. ERISA Notices. The Borrower shall deliver or cause to be delivered to the Administrative Agent (with copies for each of the Lenders), at the Borrower's expense, the following information and notices as soon as reasonably possible, and in any event:

(a) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate knows or has reason to know that a Termination Event has occurred, a written statement of an Authorized Financial Officer of the Borrower describing such Termination Event and the action, if any, which the Borrower or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto, and when known, any action taken or threatened by the IRS, DOL or PBGC with respect thereto;

(b) within fifteen (15) Business Days after the Borrower knows or has reason to know that a non-exempt prohibited transaction (as defined in Sections 406 of ERISA and Section 4975 of the Internal Revenue Code) has occurred with respect to the Borrower, any ERISA Affiliate or any Plan, a statement of an Authorized Financial Officer of the Borrower describing such transaction with respect to the Borrower, any ERISA Affiliate or any Plan and the action which the Borrower or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto;

(c) within fifteen (15) Business Days after the filing of the same with the DOL, IRS or PBGC, copies of each annual report (Form 5500 series), including Schedule B thereto, filed with respect to each Benefit Plan;

(d) within fifteen (15) Business Days after receipt by the Borrower or any ERISA Affiliate of each actuarial report for any Benefit Plan or Multiemployer Plan and each annual report for any Multiemployer Plan, copies of each such report;

(e) within fifteen (15) Business Days after the filing of the same with the IRS, a copy of each funding waiver request filed with respect to any Benefit Plan and all written communications received by the Borrower or any ERISA Affiliate with respect to such request;

(f) within fifteen (15) Business Days after the occurrence of any material increase in the benefits of any existing Benefit Plan or Multiemployer Plan or the establishment of any new Benefit Plan or the commencement of contributions to any Benefit Plan or Multiemployer Plan to which the Borrower or any ERISA Affiliate to which the Borrower or any ERISA Affiliate was not previously contributing, notification of such increase, establishment or commencement;

(g) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate receives notice of the PBGC's intention to terminate a Benefit Plan or to have a trustee appointed to administer a Benefit Plan, copies of each such notice;

(h) within fifteen (15) Business Days after the Borrower or any of its Subsidiaries receives notice of any unfavorable determination letter from the IRS regarding the qualification of a Plan under Section 401(a) of the Internal Revenue Code, copies of each such letter to the extent any of the foregoing would have a Material Adverse Effect;

(i) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate receives notice from a Multiemployer Plan regarding the imposition of withdrawal liability, copies of each such notice;

(j) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate fails to make a required installment or any other required payment under Section 412 of the Internal Revenue Code on or before the due date for such installment or payment which failure has not been cured, a notification of such failure; and

(k) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate knows or has reason to know that (i) a Multiemployer Plan has been terminated, (ii) the administrator or plan sponsor of a Multiemployer Plan intends to terminate a Multiemployer Plan, or (iii) the PBGC has instituted or has given written notice that it will institute proceedings under Section 4042 of ERISA to terminate a Multiemployer Plan, notification of such termination, intention to terminate, or institution of proceedings.

For purposes of this Section 8.6, the Borrower and any ERISA Affiliate shall be deemed to know all facts known by the "Administrator" of any Plan of which the Borrower or any ERISA Affiliate is the plan sponsor.

8.7. Environmental Notices. The Borrower shall notify the

Administrative Agent (with copies for each of the Lenders) in writing, promptly upon any Officer of the Borrower responsible for the environmental matters at any Property of the Borrower learning thereof, of any of the following (together with any material documents and correspondence received or sent in connection therewith):

(a) notice or claim to the effect that the Borrower or any of its Subsidiaries is or may be liable to any Person as a result of the Release or threatened Release of any Contaminant into the environment, if such liability would result in a Material Adverse Effect;

(b) notice that the Borrower or any of its Subsidiaries is subject to investigation by any Governmental Authority evaluating whether any Remedial Action is needed to respond to the Release or threatened Release of any Contaminant into the environment which would have a Material Adverse Effect;

(c) notice that any Property of the Borrower or any of its Subsidiaries is subject to an Environmental Lien if the claim to which such Environmental Lien relates would result in a Material Adverse Effect;

(d) notice of violation by the Borrower or any of its Subsidiaries of any Environmental, Health or Safety Requirement of Law which violation would have a Material Adverse Effect;

(e) commencement or written threat of any judicial or administrative proceeding alleging a violation by the Borrower or any of its Subsidiaries of any Environmental, Health or Safety Requirement of Law, which would result in a Material Adverse Effect; or

(f) any proposed acquisition of stock, assets, real estate, or leasing of Property by the Borrower or any of its Subsidiaries that would subject

the Borrower or any of its Subsidiaries to environmental, health or safety Liabilities and Costs which would result in a Material Adverse Effect.

8.8. Labor Matters. The Borrower shall notify the Administrative Agent (with copies for each of the Lenders) in writing, promptly upon the Borrower's learning thereof, of any labor dispute to which the Borrower or any of its Subsidiaries is reasonably expected to become a party (including, without limitation, any strikes, lockouts or other disputes relating to any Property of such Persons' and other facilities) which would result in a Material Adverse Effect.

8.9. Notices of Asset Sales and/or Acquisitions. The Borrower shall deliver to the Administrative Agent and the Lenders written notice of each of the following not less than five (5) Business Days prior to the occurrence thereof: (a) a sale, transfer or other disposition of assets, in a single transaction or series of related transactions, (b) an acquisition of assets, in a single transaction or series of related transactions within the two preceding calendar quarter period, and (c) the grant of a Lien with respect to assets, in a single transaction or series of related transactions, exclusive of the granting of Liens on equipment which do not exceed $250,000 in the aggregate. In addition, simultaneously with delivery of any such notice, the Borrower shall deliver to the Administrative Agent a certificate of an Authorized Officer certifying that Borrower is in compliance with this Agreement and the other Loan Documents both on a historical basis and on a pro forma basis, exclusive of the property sold, transferred and/or encumbered and inclusive of the property to be acquired or the indebtedness to be incurred.

To the extent such proposed transaction would result in a failure to comply with the financial covenants set forth herein, proceeds of such transaction (together with such additional amounts as may be required), in an amount, as determined by the Administrative Agent, equal to that which would be required to reduce the Obligations so that Borrower will be in compliance with the covenants set forth herein upon the consummation of the contemplated transaction, shall be applied to prepay the Obligations.

8.10. Notices of Minority Holdings. The Borrower shall deliver to the Administrative Agent and the Lenders written notice of each of the following not less than two (2) Business Days prior to the occurrence thereof: (a) the acquisition of an interest in a Minority Holding in excess of $1,000,000, (b) the investment of an amount in excess of $1,000,000 in a Minority Holding of which the Administrative Agent and the Lenders have not previously received notice, and (c) the sale of an interest in a Subsidiary that results in the same becoming a Minority Holding. Simultaneously with the delivery of the Compliance Certificates, the Borrower shall deliver to the Administrative Agent and the Lenders written notice of the formation of any other Minority Holding.

8.11. Tenant Notifications. The Borrower shall promptly notify the Administrative Agent upon obtaining knowledge of the bankruptcy or cessation of operations of any tenant to which greater than three and one half percent (3.5%) of the Borrower's share of consolidated minimum rent is attributable to such tenant.

8.12. Other Reports. The Borrower shall deliver or cause to be delivered to the Administrative Agent (with copies for each of the other Lenders) copies of all financial statements and reports, if any, sent or made available generally by the Company and/or the Borrower to its respective Securities holders, including, without limitation, supplemental quarterly forms, or (to the extent not otherwise provided hereunder), all press releases made available generally by the Company and/or the Borrower or any of their Subsidiaries to the public concerning material adverse developments in the business of the Company, the Borrower or any such Subsidiary and all material notifications received by the Company, the Borrower or their Subsidiaries pursuant to the Securities Exchange Act and the rules promulgated thereunder.

8.13. SEC Filings. The Borrower shall deliver to the Administrative Agent copies of any documents filed by Reckson with the SEC in connection with the Borrower, the Company and/or their Consolidated Subsidiaries, as soon as practicable after, and in any event within three (3) days of, such filing.

8.14. Capital Expenditure Summaries. As soon as practicable and in any event by February 15 of each calendar year, the Borrower shall deliver to the Administrative Agent (i) an annual summary of any and all capital expenditures made at each of the Projects during the prior Fiscal Year and (ii) a budget for all Capital Expenditures proposed for each Project for the current Fiscal Year,

on a property-by-property basis.

8.15. Other Information. Promptly upon receiving a request therefor from the Administrative Agent or any Arranger, the Borrower shall prepare and deliver to the Administrative Agent (with copies for each of the other Lenders) such other information with respect to the Company, the Borrower or any of its Subsidiaries, as from time to time may be reasonably requested by the Administrative Agent or the Arranger.

ARTICLE IX
AFFIRMATIVE COVENANTS

Borrower covenants and agrees that so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 14.3 not yet due), unless the Requisite Lenders shall otherwise give prior written consent:

9.1. Existence, Etc. The Borrower shall, and shall cause each of its Subsidiaries to, at all times maintain its corporate existence or existence as a limited partnership, limited liability company or joint venture, as applicable, and preserve and keep, or cause to be preserved and kept, in full force and effect its rights and franchises material to its businesses, except where the loss or termination of such rights and franchises will not have a Material Adverse Effect.

9.2. Powers; Conduct of Business. The Borrower shall remain qualified, and shall cause each of its Subsidiaries to qualify and remain qualified, to do business and maintain its good standing in each jurisdiction in which the nature of its business and the ownership of its Property requires it to be so qualified and in good standing if the failure to do so will have a Material Adverse Effect.

9.3. Compliance with Laws, Etc. The Borrower shall, and shall cause each of its Subsidiaries to, (a) comply with all Requirements of Law and all restrictive covenants affecting such Person or the business, Property or operations of such Person, and (b) obtain and maintain as needed all Permits necessary for its operations (including, without limitation, the operation of the Projects) and maintain such Permits in good standing, except where noncompliance with either clause (a) or (b) above will not have a Material Ad verse Effect.

9.4. Payment of Taxes and Claims. (a) The Borrower shall pay, and cause each of its Subsidiaries to pay, (i) all material taxes, assessments and other governmental charges imposed upon it or on any of its Property or assets or in respect of any of its franchises, licenses, receipts, sales, use, payroll, employment, business, income or Property before any penalty or interest accrues thereon, and (ii) all material Claims (including, without limitation, claims for labor, services, materials and supplies) for sums which have become due and payable and which by law have or may become a Lien (other than Customary Permitted Lien for property taxes and assessments not yet due upon any of the Borrower's or any of its Subsidiaries' Property, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, however, that no such taxes, assessments, fees and governmental charges referred to in clause (i) above or Claims referred to in clause (ii) above need be paid if being contested in good faith by appropriate proceedings diligently instituted and conducted and if such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor.

9.5. Insurance. The Borrower shall maintain for itself and its Subsidiaries, or shall cause each of its Subsidiaries to maintain in full force and effect the insurance policies and programs listed on SCHEDULE 7.1-T or substantially similar policies and programs or other policies and programs as are reasonably acceptable to the Administrative Agent. All such policies and programs shall be maintained with insurers having an Alfred M. Best Company, Inc. rating of "A" or better and a financial size category of not less than IX.

9.6. Inspection of Property; Books and Records; Discussions. The Borrower shall permit, and cause each of its Subsidiaries and the Company to permit, any authorized representative(s) designated by the Administrative Agent, the Arranger or any other Lender to visit and inspect any of the Projects, to examine, audit, and check their respective financial and accounting records, books, journals, orders, receipts and any correspondence and other data relating to their respective businesses or the transactions

contemplated hereby (including, without limitation, in connection with environmental compliance, hazard or liability), and to discuss their affairs, finances and accounts with their officers and independent certified public accountants, upon reasonable notice and at such reasonable times during normal business hours, as often as may be reasonably requested. Each such visitation and inspection shall be at such visitor's expense. The Borrower shall keep and maintain, and cause its Subsidiaries to keep and maintain, in all material respects proper books of record and account in which entries will be made in conformity with GAAP.

9.7. ERISA Compliance. The Borrower shall, and shall cause each of its Subsidiaries and ERISA Affiliates to, establish, maintain and operate all Plans to comply in all material respects with the provisions of ERISA, the Internal Revenue Code, all other applicable laws, and the regulations and interpretations thereunder and the respective requirements of the governing documents for such Plans.

9.8. Maintenance of Property. The Borrower shall, and shall cause each of its Subsidiaries to, maintain in all material respects all of their respective owned and leased Property in good, safe and insurable condition and repair (ordinary wear and tear excepted), and not permit, commit or suffer any waste or abandonment of any such Property and from time to time shall make or cause to be made all material repairs, renewal and replacements thereof, including, without limitation, any capital improvements which may be required to maintain the same; provided, however, that such Property may be altered or renovated in the ordinary course of business of the Borrower or such applicable Subsidiary. Without any limitation on the foregoing, the Borrower shall maintain the Projects in a manner such that each Project can be used in the manner and substantially for the purposes such Project is used on the Closing Date, including, without limitation, maintaining all utilities, access rights, zoning and necessary Permits for such Project.

9.9. Company Status. Reckson, as the owner of the Company, shall at all times retain direct or indirect, through the Company, management and control of the Borrower.

9.10. Ownership of Projects, Minority Holdings and Property. The ownership of substantially all wholly owned Projects, Minority Holdings and other Property of the Consolidated Businesses shall be held by the Borrower and its Subsidiaries and shall not be held directly by the Company.

9.11. Ownership of Projects. Except as otherwise described on SCHEDULE 7.1-U, the Borrower shall own, directly or indirectly, 100% fee simple title to each of the Projects owned as of the date hereof.

9.12. Negative Pledge. At such time as the Revolving Credit Agreement and the Existing Credit Agreement shall be terminated or otherwise modified to exclude prohibitions on negative pledges, Borrower shall grant a negative pledge to Lenders under this Agreement such that neither Borrower nor any of its Subsidiaries shall directly or indirectly create, incur, assume or permit to exist any Lien on or with respect to any Property other than Liens permitted under Section 10.2 of the Revolving Credit Agreement. Nothing contained in this Section 9.12 shall be construed as an agreement prohibiting the creation or assumption of any Lien upon the properties, revenues or assets of Borrower or any of its Subsidiaries in contravention of the Revolving Credit Agreement or the Existing Credit Agreement.

9.13. Affirmative Covenants of Mortgagor. Mortgagor, by execution of this Agreement, hereby agrees to keep and perform the covenants and agreements set forth in this Article IX applicable to the Mortgagor.

ARTICLE X
NEGATIVE COVENANTS

Borrower covenants and agrees that it shall comply with the following covenants so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 14.3 not yet due), unless the Requisite Lenders shall otherwise give prior written consent:

10.1. Sale of Projects. Neither the Borrower nor any of its Subsidiaries shall sell, transfer or convey the Projects listed on SCHEDULE B hereto, whether now owned or hereafter acquired, or sell, transfer or convey any

other Project; provided, however, that the Borrower and its Subsidiaries may sell, assign or convey any of such Projects, provided that the Borrower shall comply with the provisions of Section 4.1(d) hereof.

10.2. Intentionally Omitted.

10.3. Indebtedness. None of the Borrower, the Company or any of their respective Subsidiaries shall create, incur, assume or otherwise become or remain directly or indirectly liable for any Indebtedness, except nonrecourse Indebtedness incurred in a single occurrence in connection with Borrower's acquisition or refinancing of a Project and having an LTV Ratio of less than or equal to 75%.

10.4. Conduct of Business. Neither the Borrower nor any of its Subsidiaries shall engage in any business, enterprise or activity other than (a) the businesses of acquiring, developing, re-developing and managing predominantly office and industrial Projects and portfolios of like Projects, and (b) any business or activities which are substantially similar, related or incidental thereto.

10.5. Transactions with Partners and Affiliates. Neither the Borrower nor any of its Subsidiaries shall directly or indirectly enter into or permit to exist any trans action (including, without limitation, the purchase, sale, lease or exchange of any property or the rendering of any service) with any holder or holders of more than five percent (5%) of any class of equity Securities of the Borrower, or with any Affiliate of the Borrower which is not its Subsidiary, unless such transaction is determined by the respective Boards of Directors (or managers or trustees) of the Company to be no less favorable to the Borrower or any of its Subsidiaries than those that might be obtained in an arm's length transaction at the time from Persons who are not such a holder or Affiliate (other than transactions permitted by Section 2.3). Nothing contained in this Section 10.5 shall prohibit (a) increases in compensation and benefits for officers and employees of the Borrower or any of its Subsidiaries; (b) payment of officers', managers', trustees', directors', partners' and other similar indemnities; (c) performance of any obligations arising under the Loan Documents; or (d) loans to Persons in connection with such Person's contribution of Real Property to the Consolidated Businesses.

10.6. Restriction on Fundamental Changes. The Borrower shall not enter into any merger or consolidation, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), or convey, lease, sell, transfer or otherwise dispose of, in one transaction or series of transactions, all or substantially all of the Borrower's business or Property, whether now or hereafter acquired, except in connection with issuance, transfer, conversion or repurchase of limited partnership interests in the Borrower or as otherwise permitted hereby. Notwithstanding the foregoing, the Borrower shall be permitted to merge or consolidate with another Person so long as the Borrower is the surviving Person following such merger or consolidation, and the Borrower shall be permitted to merge or consolidate with Reckson or another Person so long as Reckson is the surviving Person following any such merger or consolidation.

10.7. Margin Regulations; Securities Laws. None of the Borrower nor any of its Subsidiaries, shall use all or any portion of the proceeds of any credit extended under this Agreement to purchase or carry Margin Stock, except as other wise contemplated by the Mergers.

10.8. ERISA. The Borrower shall not and shall not permit any of its Subsidiaries or ERISA Affiliates to:

(a) engage in any prohibited transaction described in Sections 406 of ERISA or 4975 of the Internal Revenue Code for which a statutory or class exemption is not available or a private exemption has not been previously obtained from the DOL, except to the extent engaging in such transaction would not have a Material Adverse Effect;

(b) permit to exist any accumulated funding deficiency (as defined in Sections 302 of ERISA and 412 of the Internal Revenue Code), with respect to any Benefit Plan, whether or not waived;

(c) fail to pay timely required contributions or annual installments due with respect to any waived funding deficiency to any Benefit Plan;

(d) terminate any Benefit Plan which would result in any liability of Borrower or any ERISA Affiliate under Title IV of ERISA;

(e) fail to make any contribution or payment to any Multiemployer Plan which Borrower or any ERISA Affiliate may be required to make under any agreement relating to such Multiemployer Plan, or any law pertaining thereto, except to the extent such failure would not have a Material Adverse Effect;

(f) fail to pay any required installment or any other payment required under Section 412 of the Internal Revenue Code on or before the due date for such installment or other payment; or

(g) amend a Benefit Plan resulting in an in crease in current liability for the plan year such that the Borrower or any ERISA Affiliate is required to provide security to such Plan under Section 401(a)(29) of the Internal Revenue Code.

10.9. Organizational Documents. Neither the Company nor the Borrower shall amend, modify or otherwise change any of the terms or provisions in any of their respective Organizational Documents as in effect on the Closing Date, except amendments to effect (a) a change of name of the Borrower, provided that the Borrower shall have provided the Administrative Agent with thirty (30) days prior written notice of any such name change, or (b) changes that would not affect such Organizational Documents in any material manner not otherwise permitted under this Agreement.

10.10. Fiscal Year. Neither the Company, the Borrower, nor any of their respective Subsidiaries shall change its Fiscal Year for accounting or tax purposes from a period consisting of the 12-month period ending on December 31 of each calendar year.

10.11. Financial Covenants.

(a) Maximum Leverage Ratio. As of the first day of each calendar quarter, for the immediately preceding calendar quarter, the ratio (the "Leverage Ratio"), expressed as a percentage, of (i) Total Outstanding Indebtedness to (ii) Capitalization Value shall at no time exceed fifty-five per cent (55%).

(b) Minimum Total Interest Expense Ratio. As of the first day of each calendar quarter for the immediately preceding calendar quarter, the ratio of (i) Total NOI to (ii) Total Interest Expense shall not be less than 2.1 to 1.0.

(c) Minimum Fixed Charge Coverage Ratio. As of the first day of each calendar quarter for the immediately preceding calendar quarter, the ratio of (i) Total NOI to (ii) Fixed Charges shall not be less than 1.6 to 1.0.

(d) Minimum Debt Yield. As of the first day of each calendar quarter for the immediately preceding calendar quarter, the ratio (the "Debt Yield"), expressed as a percent age, of (i) Total NOI multiplied by four (4), to (ii) Total Outstanding Indebtedness shall not be less than 16%.

(e) Maximum Unencumbered Value Ratio. As of the first day of each calendar quarter for the immediately preceding calendar quarter, the ratio, expressed as a percentage, of (i) Unsecured Indebtedness to (ii) Unencumbered Value shall not exceed fifty percent (50%).

(f) Minimum Unsecured Interest Expense Coverage Ratio. As of the first day of each calendar quarter, for the immediately preceding calendar quarter, the ratio of (i) Unencumbered NOI to (ii) Unsecured Interest Expense shall not be less than 2.5 to 1.0.

(g) Minimum Unsecured Debt Yield. As of the first day of each calendar quarter for the immediately preceding calendar quarter, the ratio (the "Minimum Unsecured Debt Yield"), expressed as a percentage, of (i) Unencumbered NOI multiplied by four (4) to (ii) Unsecured Indebtedness shall not be less than nineteen percent (19%).

(h) Negative Pledge. From and after the date here of, neither the Borrower nor the Company will, and will not permit any Subsidiary, to enter into any agreement containing any provision prohibiting the creation or assumption of

any Lien upon its properties (other than with respect to prohibitions on subordinate liens set forth in a mortgage on a particular property), revenues or assets, whether now owned or hereafter acquired, or restricting the ability of the Borrower to amend or modify this Agreement or any other Loan Document.

10.12. Pro Forma Calculations. In connection with an acquisition or disposition of a Project owned by the Consolidated Businesses or a Property owned by a Minority Holding, certain financial ratios shall be calculated as follows on a pro forma basis (with respect to the pro rata share of the Borrower or the Company in the case of an acquisition or disposition by a Minority Holding, as applicable), which pro forma calculation shall be effective until the first day of the second calendar quarter following an acquisition (or such earlier test period, as applicable), at which time actual performance will be utilized for such calculations.

(a) NOI. NOI for the acquired Project, as of the first day of a fiscal quarter for the immediately preceding fiscal quarter, shall be deemed to be the "In-Place NOI" from such acquired Project during such preceding fiscal quarter following Borrower's acquisition of such Project. For the purposes of this Section 10.12(a), In-Place NOI for any period shall mean the NOI for such period adjusted to include the portion of NOI from leases expiring during such period and leases commencing during such period, but, in either case, only to the extent allocable to such period.

(b) Total NOI. The pro forma calculation of NOI for the acquired Project shall be added to the calculation of Total NOI.

(c) Unencumbered NOI. If, after giving effect to an acquisition of a Project wholly-owned by the Consolidated Businesses, the acquired Project will not be encumbered by Secured Indebtedness, the pro forma NOI for the acquired Project shall be added to the calculation of Unencumbered NOI.

(d) Capitalization Value. Capitalization Value for the acquired Project shall be deemed to be the lesser of (x) the purchase price of the Project and (y) the quotient of the pro forma calculation of NOI and the Weighed Average Capitalization Rate.

(e) Total Outstanding Indebtedness. Any Indebtedness incurred and/or assumed in connection with such acquisition, including the pro rata share of recourse Indebtedness allocable to the Consolidated Businesses in connection with an acquisition by a Minority Holding, shall be added to the calculation of Total Outstanding Indebtedness.

10.13. Negative Covenants with respect to the Company.

(a) From and after the date hereof, the Company will not acquire any assets of any nature whatsoever other than additional units in the Borrower.

(b) From and after the date hereof, the Company will not incur any Indebtedness or any other obligations or liabilities except as the general partner of the Borrower in connection with trade payables incurred in the ordinary course of business.

(c) From and after the date hereof, the Company will not retain any Net Offering Proceeds, and the same will be contributed by the Company to the Borrower simultaneously with receipt thereof by the Company.

(d) The Company shall not enter into any merger or consolidation, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), or convey, lease, sell, transfer or otherwise dispose of, in one transaction or series of transactions, any of its business or assets, including its interests in the Borrower. Notwithstanding the foregoing, the Company shall be permitted to merge or consolidate with an other Person so long as the Company is the surviving Person following such merger and Reckson maintains a 100% ownership interest in the Company, and the Company may merge or consolidate with Reckson or another Person so long as Reckson is the surviving Person following any such merger or consolidation and Reckson retains not less than a 66 2/3% interest in the Borrower.

ARTICLE XI
EVENTS OF DEFAULT; RIGHTS AND REMEDIES

11.1. Events of Default. Each of the following occurrences shall

constitute an Event of Default under this Agreement:

(a) Failure to Make Payments When Due. The Borrower shall fail to pay
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(i) when due any principal payment on the Obligations which is due on the Termination Date or pursuant to the terms of Section 2.1(a), Section 2.4, Section 4.1(a), or Section 4.1(d) or (ii) when due, any interest payment on the Obligations, or (iii) when due, any principal payment on the Obligations not referenced in clauses (i) or (ii) hereinabove or (iv) when due, any fees due.

(b) Breach of Certain Covenants. The Borrower shall fail duly and
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punctually to perform or observe any agreement, covenant or obligation binding on such Person under Sections 9.1, 9.4, 9.5, 9.10, 9.11 or Article X.

(c) Breach of Representation or Warranty. Any representation or
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warranty made by the Borrower, or any Guarantor to the Administrative Agent, the Arranger or any other Lender herein or by the Borrower or any Guarantor or any of their Subsidiaries in any of the other Loan Documents or in any statement or certificate at any time given by any such Person pursuant to any of the Loan Documents shall be false or misleading in any material respect on the date as of which made.

(d) Other Defaults. The Borrower shall default in the performance of
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or compliance with any term contained in this Agreement (other than as identified in paragraphs (a), (b) or (c) of this Section 11.1), or any default or event of default shall occur under any of the other Loan Documents, and such default or event of default shall continue for thirty (30) days after receipt of written notice from the Administrative Agent thereof.

(e) Acceleration of Other Indebtedness. Any breach, default or event
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of default shall occur and be continuing, or any other condition shall exist under any instrument, agreement or indenture pertaining to any recourse Indebtedness (other than the Obligations) of the Company, the Borrower or their Subsidiaries, in excess of $1,000,000 in aggregate, and the effect thereof is to cause an acceleration, mandatory redemption or other required repurchase of such Indebtedness, or permit the holder(s) of such Indebtedness to accelerate the maturity of any such Indebtedness or require a redemption or other repurchase of such Indebtedness; or any such Indebtedness shall be otherwise declared to be due and payable (by acceleration or otherwise) or required to be prepaid, redeemed or otherwise repurchased by the Borrower or any of its Subsidiaries (other than by a regularly scheduled required prepayment) prior to the stated maturity thereof.

(f) Involuntary Bankruptcy; Appointment of Receiver, Etc.

(i) An involuntary case shall be commenced against the Company, the Borrower or any of their Subsidiaries, and the petition shall not be dismissed, stayed, bonded or discharged within sixty (60) days after commencement of the case; or a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Company, the Borrower or any such Subsidiaries of the Borrower in an involuntary case, under any applicable bankruptcy, insolvency or other similar law now or hereinafter in effect; or any other similar relief shall be granted under any applicable federal, state, local or foreign law; or the respective board of directors of the Company, or Limited Partners of the Borrower, or the board of directors or partners of any such Subsidiaries of the Borrower (or any committee thereof) adopts any resolution or otherwise authorizes any action to approve any of the fore going.

(ii) A decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over the Company, the Borrower or any of their Subsidiaries, or over all or a substantial part of the Property of the Company, the Borrower or any of such Subsidiaries shall be entered; or an interim receiver, trustee or other custodian of the Company, the Borrower or any of such Subsidiaries or of all or a substantial part of the Property of the Company, the Borrower or any of such Subsidiaries shall be appointed or a warrant of attachment, execution or similar process against any substantial part of the Property of any of the Company, the Borrower or any of such Subsidiaries shall be issued and any such event shall not be stayed, dismissed, bonded or discharged within sixty (60) days after entry, appointment or issuance; or the respective board of directors of any of the Company or Limited Partners of the Borrower or the board of directors or partners of any of Borrower's Subsidiaries (or any committee thereof) adopts any resolution or otherwise authorizes any action to approve any of the foregoing.

(g) Voluntary Bankruptcy; Appointment of Receiver, Etc. The Company, the Borrower or any of their Subsidiaries, shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its Property; or the Company, the Borrower or any of such Subsidiaries shall make any assignment for the benefit of creditors or shall be unable or fail, or admit in writing its inability, to pay its debts as such debts become due.

(h) Judgments and Unpermitted Liens.

(i) Any money judgment (other than a money judgment covered by insurance as to which the insurance company has acknowledged coverage), writ or warrant of attachment, or similar process against the Borrower or any of its Subsidiaries or any of their respective assets involving in any case an amount in excess of $2,000,000 (other than with respect to Claims arising out of non-recourse Indebtedness) is entered and shall remain undischarged, unvacated, unbonded or unstayed for a period of sixty (60) days or in any event later than five (5) days prior to the date of any proposed sale thereunder.

(ii) A federal, state, local or foreign tax Lien is filed against the Borrower which is not discharged of record, bonded over or otherwise secured to the satisfaction of the Administrative Agent within sixty (60) days after the filing thereof or the date upon which the Administrative Agent receives actual knowledge of the filing thereof for an amount which, either separately or when aggregated with the amount of any judgments described in clause (i) above, equals or exceeds $2,000,000.

(iii) An Environmental Lien is filed against any Project with respect to Claims in an amount which, either separately or when aggregated with the amount of all other such Environmental Liens, equals or exceeds $2,000,000.

(i) Dissolution. Any order, judgment or decree shall be entered against the Borrower decreeing its involuntary dissolution or split up; or the Borrower shall otherwise dissolve or cease to exist except as specifically permitted by this Agreement.

(j) Loan Documents. At any time, for any reason, any Loan Document ceases to be in full force and effect or the Borrower seeks to repudiate its obligations thereunder.

(k) ERISA Termination Event. Any ERISA Termination Event occurs which the Administrative Agent believes could subject any of the Borrower or any ERISA Affiliate to liability in excess of $500,000.

(l) Waiver Application. The plan administrator of any Benefit Plan applies under Section 412(d) of the Code for a waiver of the minimum funding standards of Section 412(a) of the Internal Revenue Code and the Administrative Agent believes that the substantial business hardship upon which the application for the waiver is based could subject either the Borrower or any ERISA Affiliate to liability in excess of $500,000.

(m) Material Adverse Effect. An event shall occur which has a Material Adverse Effect.

(n) Certain Defaults Pertaining to the Company. The Company shall fail to comply with Sections 9.9, or 7.1(a)(ii), (b), (d), (l), or (o).

(o) Merger or Liquidation of the Company or the Borrower. The Company shall merge or liquidate with or into any other Person and, as a result thereof and after giving effect thereto, the Company or Reckson is not the surviving Person. The Borrower shall merge or liquidate with or into any other Person and, as a result thereof and after giving effect thereto the Borrower or Reckson is not the surviving Person.

An Event of Default shall be deemed "continuing" until cured or waived in writing in accordance with Section 14.7.

11.2. Rights and Remedies.

(a) Acceleration and Termination. Upon the occurrence of any Event of Default described in Sections 11.1(f) or 11.1(g), the Commitments shall automatically and immediately terminate and the unpaid principal amount of, and any and all accrued interest on, the Obligations and all accrued fees shall automatically become immediately due and payable, with out presentment, demand, or protest or other requirements of any kind (including, without limitation, valuation and appraisement, diligence, presentment, notice of intent to demand or accelerate and of acceleration), all of which are hereby expressly waived by the Borrower, and, upon the occurrence and during the continuance of any other Event of Default, the Administrative Agent shall at the request, or may with the consent, of the Lenders whose Pro Rata Shares, in the aggregate, are greater than fifty-one percent (51%), by written notice to the Borrower, (i) declare that the Commitments are terminated, whereupon the Commitments and the obligation of each Lender to make any Loan hereunder shall immediately terminate, and/or (ii) declare the unpaid principal amount of and any and all accrued and unpaid interest on the Obligations to be, and the same shall thereupon be, immediately due and payable, without presentment, demand, or protest or other requirements of any kind (including, without limitation, valuation and appraisement, diligence, presentment, notice of intent to demand or accelerate and of acceleration), all of which are hereby expressly waived by the Borrower.

(b) Rescission. If at any time after termination of the Commitments and/or acceleration of the maturity of the Loans, the Borrower shall pay all arrears of interest and all payments on account of principal of the Loans which shall have become due otherwise than by acceleration (with interest on principal and, to the extent permitted by law, on overdue interest, at the rates specified in this Agreement) and all Events of Default and Potential Events of Default (other than nonpayment of principal of and accrued interest on the Loans due and payable solely by virtue of acceleration) shall be remedied or waived pursuant to Section 14.7, then upon the written consent of the Requisite Lenders and written notice to the Borrower, the termination of the Commitments and/or the acceleration and their consequences may be rescinded and annulled; but such action shall not affect any subsequent Event of Default or Potential Event of Default or impair any right or remedy consequent thereon. The provisions of the preceding sentence are intended merely to bind the Lenders to a decision which may be made at the election of the Requisite Lenders; they are not intended to benefit the Borrower and do not give the Borrower the right to require the Lenders to rescind or annul any acceleration hereunder, even if the conditions set forth herein are met.

(c) Enforcement. The Borrower acknowledges that in the event the Borrower or any of its Subsidiaries fails to perform, observe or discharge any of their respective obligations or liabilities under this Agreement or any other Loan Document, any remedy of law may prove to be inadequate relief to the Administrative Agent and the other Lenders; therefore, the Borrower agrees that the Administrative Agent and the other Lenders shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

ARTICLE XII
THE AGENTS

12.1. Appointment. (a) Each Lender hereby designates and appoints UBS as the Administrative Agent and WDR as the Arranger and the Book Manager under this Agreement, and each Lender hereby irrevocably authorizes the Administrative Agent, the Arranger and the Book Manager to take such actions on its behalf under the provisions of this Agreement and the Loan Documents and to exercise such powers as are set forth herein or therein together with such other powers as are reasonably incidental thereto. The Administrative Agent, the Arranger and the Book Manager each agrees to act as such on the express conditions contained in this Article XII.

(b) The provisions of this Article XII are solely for the benefit of the Administrative Agent, the Arranger, the Book Manager and the other Lenders, and neither the Borrower, the Company nor any Subsidiary of the Borrower shall have any rights to rely on or enforce any of the provisions hereof (other than as expressly set forth in Section 12.7). In per forming its respective functions and duties under this Agreement, the Administrative Agent, the Arranger and the Book Manager shall act solely as agents of the Lenders and do not assume and shall not be deemed to have assumed any obligation or relationship of agency, trustee or fiduciary with or for the Company, the Borrower or any Subsidiary of the Borrower. The Administrative Agent, the Arranger and the Book Manager may perform any of their respective duties hereunder, or under the Loan Documents, by or through their respective agents or employees.

12.2. Nature of Duties. The Administrative Agent, the Arranger and the Book Manager shall not have any duties or responsibilities except those expressly set forth in this Agreement or in the Loan Documents. The duties of the Administrative Agent, the Arranger and the Book Manager shall be mechanical and administrative in nature. None of the Administrative Agent, the Arranger or the Book Manager shall have by reason of this Agreement a fiduciary relationship in respect of any Lender. Nothing in this Agreement or any of the Loan Documents, expressed or implied, is intended to or shall be construed to impose upon the Administrative Agent, the Arranger or the Book Manager any obligations in respect of this Agreement or any of the Loan Documents except as expressly set forth herein or therein. The Administrative Agent, the Arranger and the Book Manager each hereby agrees that its duties shall include providing copies of documents received by such Agent from the Borrower which are reasonably requested by any Lender, furnishing copies of documents to each Lender, upon request, of documents sent by the Agent to the Borrower and promptly notifying each Lender upon its obtaining actual knowledge of the occurrence of the Event of Default hereunder. In addition, the Administrative Agent shall deliver to each Lender, promptly after receipt thereof, copies of those documents and reports received by it pursuant to Sections 8.2 (other than clause (b)(iv)) and 8.3.

12.3. Right to Request Instructions. The Administrative Agent, the Arranger and the Book Manager may at any time request instructions from the Lenders with respect to any actions or approvals which by the terms of any of the Loan Documents the Agent is permitted or required to take or to grant, and the Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Person for refraining from any action or withholding any approval under any of the Loan Documents until it shall have received such instructions from those Lenders from whom the Agent is required to obtain such instructions for the pertinent matter in accordance with the Loan Documents. Without limiting the generality of the foregoing, the Agent shall take any action, or refrain from taking any action, which is permitted by the terms of the Loan Documents upon receipt of instructions from those Lenders from whom such Agent is required to obtain such instructions for the pertinent matter in accordance with the Loan Documents, provided, that no Lender shall have any right of action whatsoever against the Administrative Agent, the Arranger or the Book Manager as a result of such Agent acting or refraining from acting under the Loan Documents in accordance with the instructions of the Requisite Lenders or, where required by the express terms of this Agreement, a greater proportion of the Lenders.

12.4. Reliance. The Administrative Agent, the Arranger and the Book Manager shall each be entitled to rely upon any written notices, statements, certificates, orders or other documents believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the Loan Documents and its duties hereunder or thereunder, upon advice of legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it.

12.5. Indemnification. To the extent that the Administrative Agent, the Arranger or the Book Manager is not reimbursed and indemnified by the Borrower the Lenders will reimburse and indemnify such Agent for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, and reasonable costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it in any way relating to or arising out of the Loan Documents or any action taken or omitted by such Agent under the Loan Documents, in proportion to each Lender's Pro Rata Share. Notwithstanding anything to the contrary contained herein, none of the Administrative Agent, the Arranger or the Book Manager shall be indemnified to the extent such liabilities, obligations, losses, damages, penalties, actions, judgments, suite, costs and expenses result from such Person's gross negligence, willful misconduct or breach of this Article XII. Such Agent agrees to refund to the Lenders any of the foregoing amounts paid to it by the Lenders which amounts are subsequently recovered by such Agent from the Borrower or any other Person on behalf of the Borrower. The obligations of the Lenders under this Section 12.5 shall survive the payment in full of the Loans and all other Obligations and the termination of this Agreement.

12.6. Agent Individually. With respect to their respective Pro Rata Share of the Commitments hereunder, if any, and the Loans made by them, if any, the Administrative Agent, the Arranger or the Book Manager shall have and may exercise the same rights and powers hereunder and are subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender. The terms "Lenders" or "Requisite Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include UBS in its respective

individual capacity as a Lender or as one of the Requisite Lenders. UBS and each of its respective Affiliates may accept deposits from, lend money to, and generally engage in any kind of banking, trust or other business with the Borrower or any of its Subsidiaries as if UBS was not acting as the Administrative Agent.

12.7. Successor Agents.

(a) Resignation. The Agent may resign from the performance of all its functions and duties hereunder at any time by giving at least thirty (30) Business Days' prior written notice to the Borrower and the other Lenders, unless applicable law requires a shorter notice period or that there be no notice period, in which instance such applicable law shall control. Such resignation shall take effect upon the acceptance by a successor Agent of appointment pursuant to this Section 12.7.

(b) Appointment by Requisite Lenders. Upon any such resignation becoming effective, (i) if the Arranger shall then be acting with respect to this Agreement, the Arranger shall become the Administrative Agent or (ii) if no Arranger shall then be acting with respect to this Agreement, the Requisite Lenders shall have the right to appoint a successor Administrative Agent selected from among the Lenders with the prior written consent of the Borrower which shall not be unreasonably withheld.

(c) Appointment by Retiring Agent. If a successor Administrative Agent shall not have been appointed within the thirty (30) Business Day or shorter period provided in paragraph (a) of this Section 12.7, the retiring Agent shall then appoint a successor Agent who shall serve as Administrative Agent until such time, if any, as the Requisite Lenders appoint a successor Agent as provided above with the prior written consent of the Borrower which shall not be unreasonably withheld.

(d) Rights of the Successor and Retiring Agents. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Agent's resignation hereunder as Agent, the provisions of this Article XII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Agent under this Agreement.

12.8. Relations Among the Lenders. Each Lender agrees that it will not take any legal action, nor institute any actions or proceedings, against the Borrower or any other obligor hereunder with respect to any of the Obligations, without the prior written consent of the Lenders. Without limiting the generality of the foregoing, no Lender may accelerate or otherwise enforce its portion of the Obligations, or unilaterally terminate its Commitment except in accordance with Section 11.2(a).

12.9. Standard of Care. The Administrative Agent and the Arranger shall administer the Loans in the same manner that the Agent administers loans made for its own account.

ARTICLE XIII
YIELD PROTECTION

13.1. Taxes.

(a) Payment of Taxes. Any and all payments by the Borrower hereunder or under the Notes or other document evidencing any Obligations of such Person shall be made, in accordance with Section 4.2, free and clear of and without reduction for any and all present or future taxes, levies, imposts, deductions, charges, withholdings, and all stamp or documentary taxes, excise taxes, ad valorem taxes and other taxes which arise from the execution, delivery or registration, or from payment or performance under, or otherwise with respect to, any of the Loan Documents or the Commitments and all other liabilities with respect thereto excluding, in the case of each Lender, taxes imposed on or measured by net income or overall gross receipts and capital and franchise taxes imposed on it by (i) the United States, (ii) the Govern mental Authority of the jurisdiction in which such Lender's Applicable Lending Office is located or any political subdivision thereof or (iii) the Governmental Authority in which such

Person is organized, managed and controlled or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges and withholdings being hereinafter referred to as "Taxes"). Except as otherwise provided herein, if the Borrower shall be required by law to withhold or deduct any Taxes from or in respect of any sum payable hereunder or under any such Note or document to any Lender, (x) the sum payable to such Lender shall be increased as may be necessary so that after making all required withholding or deductions (including withholding or deductions applicable to additional sums payable under this Section 13.1) such Lender receives an amount equal to the sum it would have received had no such withholding or deductions been made, (y) the Borrower shall make such withholding or deductions, and (z) the Borrower shall pay the full amount withheld or deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) Indemnification. Except as otherwise provided herein, the Borrower
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will indemnify each Lender against, and reimburse each within ten (10) Business Days after written demand for, the full amount of all Taxes (including, without limitation, any Taxes imposed by any Governmental Authority on amounts payable under this Section 13.1 and any additional income or franchise taxes resulting therefrom) incurred or paid by such Lender and any liability (including penalties, interest, and out-of-pocket expenses paid to third parties) arising therefrom or with respect thereto, whether or not such Taxes were lawfully payable, to the extent not paid by the Borrower pursuant to Section 13.1 hereof. A certificate as to any additional amount payable to any Person under this Section 13.1 submitted by it to the Borrower shall, absent manifest error, be final, conclusive and binding upon all parties here to. Each Lender agrees, within a reasonable time after receiving a written request from the Borrower to provide the Borrower and the Administrative Agent with such certificates and other documents as are reasonably required, and take such other actions as are reasonably necessary to claim such exemptions as such Lender may be entitled to claim in respect of all or a portion of any Taxes which are otherwise required to be paid or deducted or withheld pursuant to this Section 13.1 in respect of any payments under this Agreement or under the other Loan Documents. If any Lender receives any refund with respect to any Taxes, such Lender shall promptly remit such refund to the Borrower.

(c) Receipts. Within thirty (30) days after the date of any payment of
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Taxes by the Borrower will furnish to the Administrative Agent, at its address referred to in Section 14.8, the original or a certified copy of a receipt evidencing payment thereof.

(d) Foreign Bank Certifications. (i) Each Lender that is not created
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or organized under the laws of the United States or a political subdivision thereof shall deliver to each of the Borrower and the Administrative Agent on the Closing Date or the date on which such Lender becomes a Lender pursuant to Section 14.1 hereof a true and accurate certificate executed in duplicate by a duly authorized officer of such Lender to the effect that such Lender is eligible to receive payments hereunder and under the Notes without deduction or withholding of United States federal income tax (I) under the provisions of an applicable tax treaty concluded by the United States (in which case the certificate shall be accompanied by two duly completed copies of IRS Form 1001 (or any successor or substitute form or forms)) or (II) under Sections 1442(c)(1) and 1442(a) of the Internal Revenue Code (in which case the certificate shall be accompanied by two duly completed copies of IRS Form 4224 (or any successor or substitute form or forms)).

(ii) Each Lender further agrees to deliver to each of the Borrower and the Administrative Agent from time to time, a true and accurate certificate executed in duplicate by a duly authorized officer of such Lender before or promptly upon the occurrence of any event requiring a change in the most recent certificate previously delivered by it to the Borrower and the Administrative Agent pursuant to this Section 13.1(d). Each certificate required to be delivered pursuant to this Section 13.1(d)(ii) shall certify as to one of the following:

(A) that such Lender can continue to receive payments hereunder and under the Notes without deduction or withholding of United States federal income tax;

(B) that such Lender cannot continue to receive payments hereunder and under the Notes without deduction or withholding of United States federal income tax as specified therein but does not require additional payments pursuant to Section 13.1(a) because it is entitled to recover the full amount of any such deduction or withholding from a source other than the Borrower; or

(C) that such Lender is no longer capable of receiving payments hereunder and under the Notes without deduction or withholding of United

States federal income tax as specified therein and that it is not capable of recovering the full amount of the same from a source other than the Borrower.

Each Lender agrees to deliver to each of the Borrower and the Administrative Agent further duly completed copies of the above-mentioned IRS forms on or before the earlier of (x) the date that any such form expires or becomes obsolete or other wise is required to be resubmitted as a condition to obtaining an exemption from withholding from United States federal income tax and (y) fifteen (15) days after the occurrence of any event requiring a change in the most recent form previously delivered by such Lender to the Borrower and the Administrative Agent, unless any change in treaty, law, regulation, or official interpretation thereof which would render such form inapplicable or which would prevent the Lender from duly completing and delivering such form has occurred prior to the date on which any such delivery would otherwise be required and the Lender promptly advises the Borrower that it is not capable of receiving payments hereunder and under the Notes without any deduction or withholding of United States federal income tax.

(iii) Notwithstanding anything to the contrary contained in this Section 13.1, the Borrower will not be required to make any additional payment to or for the account of any Lender under Section 13.1(a) or (b) by reason of (x) a breach by such Lender of any certification or representation set forth in any form furnished to the Borrower under Section 13.1(d), or (y) such Lender's failure or inability to furnish under Section 13.1(d) an original of an extension or renewal of a Form 1001 or Form 4224 (or successor form), as applicable, unless such failure or inability results from a change (after the date such Lender became a Lender party hereto) in any applicable law or regulation or in the interpretation thereof by any regulatory authority (including without limitation any change in any applicable tax treaty).

13.2. Increased Capital. If after the date hereof any Lender
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determines that (i) the adoption or implementation of or any change in or in the interpretation or administration of any law or regulation or any guideline or request from any central bank or other Governmental Authority or quasi-governmental authority exercising jurisdiction, power or control over any Lender or banks or financial institutions generally (whether or not having the force of law), compliance with which affects the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender and (ii) the amount of such capital is increased by or based upon the making or maintenance by any Lender of its Loans, any Lender's participation in or obligation to participate in the Loans or other advances made hereunder or the existence of any Lender's obligation to make Loans, then, in any such case, within ten (10) Business Days after written demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation therefor. Such demand shall be accompanied by a statement as to the amount of such compensation and include a brief summary of the basis for such demand. Such statement shall be conclusive and binding for all purposes, absent manifest error.

13.3. Changes; Legal Restrictions. If after the date hereof any Lender
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determines that the adoption or implementation of or any change in or in the interpretation or administration of any law or regulation or any guideline or request from any central bank or other Governmental Authority or quasi-governmental authority exercising jurisdiction, power or control over any Lender, or over banks or financial institutions generally (whether or not having the force of law), compliance with which:

(a) subjects a Lender (or its Applicable Lending Office or Eurodollar Affiliate) to charges (other than taxes) of any kind which such Lender reasonably determines to be applicable to the Commitments of the Lenders to make Eurodollar Rate Loans or change the basis of taxation of payments to that Lender of principal, fees, interest, or any other amount payable hereunder with respect to Eurodollar Rate Loans (other than taxes excluded in Section 13.1(a) hereof); or

(b) imposes, modifies, or holds applicable, in the determination of a Lender, any reserve, special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, advances or loans by, commitments made, or other credit ex tended by, or any other acquisition of funds by, a Lender or any Applicable Lending Office or Eurodollar Affiliate of that Lender in respect of Eurodollar Loans;

and the result of any of the foregoing is to increase the cost to that Lender of making, renewing or maintaining the Loans or its Commitment or to reduce any amount receivable thereunder; then, in any such case, within ten (10) Business

Days after written demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, such amount or amounts as may be necessary to compensate such Lender or its Eurodollar Affiliate for any such additional cost incurred or reduced amount received. Such demand shall be accompanied by a statement as to the amount of such compensation and include a brief summary of the basis for such demand. Such statement shall be conclusive and binding for all purposes, absent manifest error.

13.4. Replacement of Certain Lenders. In the event a Lender (a "Designated Lender") shall have (i) requested additional compensation from the Borrower under Section 13.1 or under Section 13.2 or under Section 13.3, (ii) failed to make its Pro Rata Share of any Loan requested to be made hereby or (iii) failed to make any Loan at the Eurodollar Rate, the Borrower may, at its sole election, make written demand on such Designated Lender (with a copy to the Administrative Agent) for the Designated Lender to assign, and such Designated Lender shall assign pursuant to one or more duly executed Assignment and Acceptances to one or more Eligible Assignees which the Borrower or the Administrative Agent shall have identified for such purpose, all of such Designated Lender's right and obligations under this Agreement, the Notes and the other Loan Documents (including, without limitation, its Commitment and all Loans owing to it) in accordance with Section 14.1. All out-of-pocket expenses incurred by the Administrative Agent in connection with the foregoing shall be for the sole account of the Borrower and shall constitute Obligations hereunder. In no event shall Borrower's election under the provisions of this Section 13.4 affect its obligation to pay the additional compensation required under either Section 13.1, Section 13.2 or Section 13.3.

13.5. Mitigation. Each Lender shall notify the Borrower of any event occurring after the date of this Agreement entitling such Lender to compensation under Sections 13.1, 13.2 or 13.3 as promptly as practicable, but in any event, within 45 days, after such Lender obtains actual knowledge thereof; provided that (i) if any Lender fails to give such notice within 45 days after it obtains actual knowledge of such an event, such Lender shall, with respect to compensation payable pursuant to Sections 13.1, 13.2 or 13.3 in respect of any costs resulting from such event, only be entitled to payment under Sections 13.1, 13.2 or 13.3 for costs incurred from and after the date 45 days prior to the date that such Lender does give such notice and (ii) each Lender will designate a different Applicable Lending Office for the Loans of such Lender affected by such event if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the reasonable judgment of such Lender, be disadvantageous to such Lender.

ARTICLE XIV
MISCELLANEOUS

14.1. Assignments and Participations.

(a) Assignments. No assignments or participations of any Lender's rights or obligations under this Agreement shall be made except in accordance with this Section 14.1. Each Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all of its rights and obligations with respect to the Loans) in accordance with the provisions of this Section 14.1.

(b) Limitations on Assignments. For so long as no Event of Default has occurred and is continuing, each assignment shall be subject to the following conditions: (i) each assignment shall be of a constant, and not a varying, ratable percentage of all of the assigning Lender's rights and obligations under this Agreement and, in the case of a partial assignment, shall be in a minimum principal amount of $5,000,000 (and the assignor shall maintain a minimum amount of $5,000,000 for its own account unless the assignor shall assign or participate its entire interest), (ii) each such assignment shall be to an Eligible Assignee, (iii) each assignment shall be subject to the reasonable approval of the Agent and the Borrower, (iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, and (v) each Agent shall maintain a minimum Commitment in an amount greater than the Commitment of any other Lender. Upon the occurrence and continuance of an Event of Default, none of the foregoing restrictions on assignments shall apply, provided, however, that while an Event of Default (other than an Event of Default that shall have required that the Administrative Agent shall have delivered a notice of the underlying default) shall be continuing but prior to acceleration of the Loans, the applicable Lender shall give the Borrower five

(5) days' written notice by telecopy of its intention to assign any or all of its interest in this Agreement. Upon such execution, delivery, acceptance and recording in the Register, from and after the effective date specified in each Assignment and Acceptance and agreed to by the Administrative Agent, (A) the assignee thereunder shall, in addition to any rights and obligations hereunder held by it immediately prior to such effective date, if any, have the rights and obligations hereunder that have been assigned to it pursuant to such Assignment and Acceptance and shall, to the fullest extent permitted by law, have the same rights and benefits hereunder as if it were an original Lender hereunder, (B) the assigning Lender shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of such assigning Lender's rights and obligations under this Agreement, the assigning Lender shall cease to be a party hereto) and (C) the Borrower shall execute and deliver to the assignee thereunder a Note evidencing its obligations to such assignee with respect to the Loans.

(c) The Register. The Administrative Agent shall maintain at its address referred to in Section 14.8 a copy of each Assignment and Acceptance delivered to and accepted by it and a register (the "Register") for the recordation of the names and addresses of the Lenders, the Commitment of, and the principal amount of the Loans under the Commitments owing to, each Lender from time to time and whether such Lender is an original Lender or the assignee of another Lender pursuant to an Assignment and Acceptance. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower the Administrative Agent and the other Lenders and each other party to a Loan Document may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(d) Fee. Upon its receipt of an Assignment and Acceptance executed by the assigning Lender and an Assignee and a processing and recordation fee of $3,500 (payable by the assignee to the Administrative Agent), the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in compliance with this Agreement and in substantially the form of EXHIBIT A hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower and the other Lenders.

(e) Participations. Each Lender may sell participations to one or more other financial institutions in or to all or a portion of its rights and obligations under and in respect of any and all facilities under this Agreement (including, without limitation, all or a portion of any or all of its Commitment hereunder and the Loans owing to it); provided, however, that (i) such Lender's obligations under this Agreement (including, without limitation, its Commitment hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, (iv) each participation shall be in a minimum amount of $5,000,000, and (v) such participant's rights to agree or to restrict such Lender's ability to agree to the modification, waiver or release of any of the terms of the Loan Documents, to consent to any action or failure to act by any party to any of the Loan Documents or any of their respective Affiliates, or to exercise or refrain from exercising any powers or rights which any Lender may have under or in respect of the Loan Documents, shall be limited to the right to consent to (A) increase in the Commitment of the Lender from whom such participant purchased a participation, (B) reduction of the principal of, or rate or amount of interest on the Loans subject to such participation (other than by the payment or prepayment thereof), (C) postponement of any date fixed for any payment of principal of, or interest on, the Loan(s) subject to such participation and (D) release of any guarantor of the Obligations.

(f) Information Regarding the Borrower. Any Lender may, subject to the provisions of Section 14.22, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 14.1, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower or its Subsidiaries furnished to such Lender by the Administrative Agent or by or on behalf of the Borrower.

(g) Payment to Participants. Anything in this Agreement to the contrary notwithstanding, in the case of any participation, all amounts payable by the Borrower under the Loan Documents shall be calculated and made in the

manner and to the parties required hereby as if no such participation had been sold.

(h) Lenders' Creation of Security Interests. Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, Obligations owing to it and any Note held by it) in favor of any Federal Reserve bank in accordance with Regulation A of the Federal Reserve Board.

14.2. Expenses.

(a) Generally. The Borrower agrees promptly upon demand to pay, or reimburse the Administrative Agent for the reasonable fees, expenses and disbursements of Skadden, Arps, Slate, Meagher & Flom LLP (but not of other legal counsel) and for all other reasonable out-of-pocket costs and expenses incurred by the Administrative Agent or the Arranger in connection with (i) the preparation, negotiation, and execution of the Loan Documents; (ii) the preparation, negotiation, execution and interpretation of this Agreement (including, without limitation, the satisfaction or attempted satisfaction of any of the conditions set forth in Article VI), the Loan Documents, and the making of the Loans hereunder; (iii) any amendments, consents, waivers, assignments, restatements, or supplements to any of the Loan Documents and the preparation, negotiation, and execution of the same; and (iv) any other amendments, modifications, agreements, assignments, restatements or supplements to any of the Loan Documents requested by Borrower and the preparation, negotiation, and execution of the same.

(b) After Default. The Borrower further agrees to pay or reimburse the Administrative Agent, the Arranger and each of the Lenders upon demand for all reasonable out-of-pocket costs and expenses, including, without limitation, reasonable attorneys' fees (including allocated costs of internal counsel and costs of settlement) incurred by such entity after the occurrence and during the continuance of an Event of Default (i) in enforcing any Loan Document or Obligation, the collection of any Obligation or exercising or enforcing any other right or remedy available by reason of such Event of Default; or (ii) in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "work-out" or in any insolvency or bankruptcy proceeding; (iii) in commencing, defending or intervening in any litigation or in filing a petition, complaint, answer, motion or other pleadings in any legal proceeding relating to the Obligations, a Project, any of the Consolidated Businesses and related to or arising out of the transactions contemplated hereby or by any of the other Loan Documents; and (iv) in taking any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) described in clauses (i) through (iii) above.

14.3. Indemnity. The Borrower further agrees (a) to defend, protect, indemnify, and hold harmless the Administrative Agent, the Arranger and each and all of the other Lenders and each of their respective officers, directors, employees, attorneys and agents (collectively, the "Indemnitees") from and against any and all liabilities, obligations, losses (other than loss of profits), damages, penalties, actions, judgments, suits, claims, reasonable costs, reasonable expenses and reasonable disbursements (excluding any taxes and including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees shall be designated a party thereto), imposed on, incurred by, or asserted against such Indemnitees in any manner relating to or arising out of (i) this Agreement or the other Loan Documents, the making of the Loans hereunder, the use or intended use of the proceeds of the Loans hereunder, or any of the other transactions contemplated by the Loan Documents, or (ii) any Liabilities and Costs relating to violation of any Environmental, Health or Safety Requirements of Law, the past, present or future operations of the Borrower, any of its Subsidiaries or any of their respective predecessors in interest, or, the past, present or future environmental, health or safety condition of any respective Property of the Borrower or any of its Subsidiaries, the presence of asbestos-containing materials at any respective Property of the Borrower or any of its Subsidiaries, or the Release or threatened Release of any Contaminant into the environment (collectively, the "Indemnified Matters"); provided, however, the Borrower shall have no obligation to an Indemnitee hereunder with respect to Indemnified Matters caused by or resulting from the willful misconduct or gross negligence of such Indemnitee, as determined by a court of competent jurisdiction in a non-appealable final judgment; and (b) not to assert any claim against any of the Indemnitees, on any theory of liability, for consequential or punitive damages arising out of, or in any way in connection with, the Commitments, the Credit Obligations, or the other matters governed by this Agreement and the

other Loan Documents. To the extent that the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Borrower shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees.

14.4. Change in Accounting Principles. If any change in the accounting principles used in the preparation of the most recent financial statements referred to in Sections 8.1 or 8.2 are hereafter required or permitted by the rules, regulations, pronouncements and opinions of the Financial Accounting Standards Board or the American Institute of Certified Public Accountants (or successors thereto or agencies with similar functions) and are adopted by the Company or the Borrower as applicable, with the agreement of its independent certified public accountants and such changes result in a change in the method of calculation of any of the covenants, standards or terms found in Article X, the parties hereto agree to enter into negotiations in order to amend such provisions so as to equitably reflect such changes with the desired result that the criteria for evaluating compliance with such covenants, standards and terms by the Borrower shall be the same after such changes as if such changes had not been made; provided, however, no change in GAAP that would affect the method of calculation of any of the covenants, standards or terms shall be given effect in such calculations until such provisions are amended, in a manner satisfactory to the Administrative Agent and the Borrower, to so reflect such change in accounting principles.

14.5. Intentionally Omitted.

14.6. Ratable Sharing. The Lenders agree among themselves that (i) with respect to all amounts received by them which are applicable to the payment of the Obligations (excluding the costs and fees described in Section 5.2(f) and Article XIII) equitable adjustment will be made so that, in effect, all such amounts will be shared among them ratably in accordance with their Pro Rata Shares, whether received by voluntary payment, by the exercise of the right of setoff or banker's lien, by counterclaim or cross-action or by the enforcement of any or all of the Obligations (excluding the costs and fees described in Section 5.2(f) and Article XIII), (ii) if any of them shall by voluntary payment or by the exercise of any right of counterclaim, setoff, banker's lien or otherwise, receive payment of a proportion of the aggregate amount of the Obligations held by it, which is greater than the amount which such Lender is entitled to receive hereunder, the Lender receiving such excess payment shall purchase, without recourse or warranty, an undivided interest and participation (which it shall be deemed to have done simultaneously upon the receipt of such payment) in such Obligations owed to the others so that all such recoveries with respect to such Obligations shall be applied ratably in accordance with their Pro Rata Shares; provided, however, that if all or part of such excess payment received by the purchasing party is thereafter recovered from it, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such party to the extent necessary to adjust for such recovery, but without interest except to the extent the purchasing party is required to pay interest in connection with such recovery. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 14.6 may, to the fullest extent permitted by law, exercise all its rights of payment with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

14.7. Amendments and Waivers.

(a) General Provisions. Unless otherwise provided for or required in this Agreement, no amendment or modification of any provision of this Agreement or any of the other Loan Documents shall be effective without the written agreement of the Requisite Lenders (which the Requisite Lenders shall have the right to grant or withhold in their sole discretion) and the Borrower. In the event that the Administrative Agent shall request the agreement of the Lenders to any amendment, modification or waiver, if any Lender shall fail to respond to any such request within fifteen (15) days after receipt of such request, such Lender's approval thereto shall be deemed to have been given; provided, however, that such request shall state, in capital letters that "FAILURE TO RESPOND TO THIS REQUEST WITHIN FIFTEEN (15) DAYS AFTER RECEIPT, SHALL BE DEEMED CONSENT TO THE ENCLOSED REQUEST". No termination or waiver of any provision of this Agreement or any of the other Loan Documents, or consent to any departure by the Borrower therefrom, shall be effective without the written concurrence of the Requisite Lenders, which the Requisite Lenders shall have the right to grant or withhold in their sole discretion. All amendments, waivers and consents not specifically reserved to the Administrative Agent, the Arranger or the other

Lenders in Section 14.7(b), 14.7(c), and in other provisions of this Agreement shall require only the approval of the Requisite Lenders. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

(b) Amendments, Consents and Waivers by Affected Lenders. Any amendment, modification, termination, waiver or consent with respect to any of the following provisions of this Agreement shall be effective only by a written agreement, signed by each Lender affected thereby as described below:

(i) waiver of any of the conditions specified in Section 6.1 (except with respect to a condition based upon an other provision of this Agreement, the waiver of which requires only the concurrence of the Requisite Lenders),

(ii) increase in the amount of such Lender's Commitment,

(iii) reduction of the principal of, rate or amount of interest on the Loans, or any fees or other amounts payable to such Lender (other than by the payment or prepayment thereof), and

(iv) postponement or extension of any date (other than the Termination Date postponement or extension of which is governed by Section 14.7(c)(i)) fixed for any payment of principal of, or interest on, the Loans or any fees or other amounts payable to such Lender (except with respect to any modifications of the application provisions relating to prepayments of Loans and other Obligations which are governed by Section 4.2(b)).

(c) Amendments, Consents and Waivers by All Lenders. Any amendment, modification, termination, waiver or consent with respect to any of the following provisions of this Agreement shall be effective only by a written agreement, signed by each Lender:

(i) postponement of the Termination Date, or increase in the Maximum Credit Amount to any amount in excess of $130,000,000,

(ii) change in the definition of Requisite Lenders or in the aggregate Pro Rata Share of the Lenders which shall be required for the Lenders or any of them to take action hereunder or under the other Loan Documents,

(iii) amendment of Section 14.6 or this Section 14.7,

(iv) assignment of any right or interest in or under this Agreement or any of the other Loan Documents by the Borrower,

(v) waiver of any Event of Default under Section 11.1(a), Section 11.1(f) or Section 11.1(g), and

(vi) amendment or release of the Guaranty other than a release of any Guarantor in connection with the sale, transfer or other disposition thereof or the refinancing of any Project thereof otherwise permitted hereunder.

(d) Administrative Agent Authority. Subject to the second succeeding sentence of this subsection (d), the Administrative Agent may, but shall have no obligation to, with the written concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of that Lender. Notwithstanding anything to the contrary contained in this Section 14.7, no amendment, modification, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement and the other Loan Documents, unless made in writing and signed by the Administrative Agent in addition to the Lenders required above to take such action. Notwithstanding anything herein to the contrary, in the event that the Borrower shall have requested, in writing, that any Lender agree to an amendment, modification, waiver or consent with respect to any particular provision or provisions of this Agreement or the other Loan Documents, and such Lender shall have failed to state, in writing, that it either agrees or disagrees (in full or in part) with all such requests (in the case of its statement of agreement, subject to satisfactory documentation and such other conditions it may specify) within fifteen (15) days after such request, then such Lender hereby irrevocably authorizes the Administrative Agent to agree or disagree, in full or in part, and in the Administrative Agent's sole discretion, to such requests on behalf of such Lender as such Lenders' attorney-in-fact and to execute and deliver any writing approved by the Administrative Agent which evidences such agreement as such Lender's duly

authorized agent for such purposes.

14.8. Notices. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, sent by facsimile transmission or by courier service or United States certified mail and shall be deemed to have been given when delivered in person or by courier service, upon receipt of a facsimile transmission, or four (4) Business Days after deposit in the United States mail with postage prepaid and properly addressed. Notices to the Administrative Agent pursuant to Articles II, IV or XII shall not be effective until received by the Administrative Agent.

For the purposes hereof, the addresses of the parties hereto (until notice of a change thereof is delivered as provided in this Section 14.8) shall be as set forth below each party's name on the signature pages hereof or the signature page of any applicable Assignment and Acceptance, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties to this Agreement.

14.9. Survival of Warranties and Agreements. All representations and warranties made herein and all obligations of the Borrower in respect of taxes, indemnification and expense reimbursement shall survive the execution and delivery of this Agreement and the other Loan Documents, the making and repayment of the Loans and, in the case of any Lender that may assign any interest in its Commitment or Loans hereunder, shall survive the making of such assignment, notwithstanding that such assigning Lender may cease to be a "Lender" hereunder, and, except for the representations and warranties, the termination of this Agreement other than any of the foregoing set forth in Section 13.1 or Section 13.2 or Section 13.3 or Section 5.2(f) shall survive for thirty (30) days after termination of this Agreement.

14.10. Failure or Indulgence Not Waiver; Remedies Cumulative. No failure or delay on the part of the Administrative Agent or any other Lender in the exercise of any power, right or privilege under any of the Loan Documents shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. All rights and remedies existing under the Loan Documents are cumulative to and not exclusive of any rights or remedies otherwise available.

14.11. Payments Set Aside. To the extent that the Borrower makes a payment or payments to the Administrative Agent, any Arranger or any other Lender or any such Person exercises its rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all right and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

14.12. Severability. In case any provision in or obligation under this Agreement or the other Loan Documents shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

14.13. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement or be given any substantive effect.

14.14. Governing Law. THIS AGREEMENT SHALL BE INTERPRETED, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED, IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ITS CONFLICT OF LAWS PRINCIPLES.

14.15. Limitation of Liability. No claim may be made by any Lender, the Arranger, the Administrative Agent, or any other Person against any Lender (acting in any capacity hereunder) or the Affiliates, directors, officers, employees, attorneys or agents of any of them for any consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this

Agreement, or any act, omission or event occurring in connection therewith; and each Lender, the Arranger and the Administrative Agent hereby waives, releases and agrees not to sue upon any such claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

14.16. Successors and Assigns. This Agreement and the other Loan Documents shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and permitted assigns of the Lenders. Except as otherwise provided in Section 10.6, the rights hereunder of the Borrower, or any interest therein, may not be assigned without the written consent of all Lenders.

14.17. Certain Consents and Waivers of the Borrower.

(a) PERSONAL JURISDICTION. (i) EACH OF THE AGENT, THE LENDERS AND THE BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY NEW YORK STATE COURT OR FEDERAL COURT SITTING IN NEW YORK, NEW YORK, AND ANY COURT HAVING JURISDICTION OVER APPEALS OF MATTERS HEARD IN SUCH COURTS, IN ANY ACTION OR PROCEEDING ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT, EQUITY OR OTHERWISE, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE AGENTS, THE LENDERS AND THE BORROWER AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. EACH OF THE AGENTS, THE LENDERS AND THE BORROWER WAIVES IN ALL DISPUTES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT CONSIDERING THE DISPUTE.

(ii) THE BORROWER AGREES THAT THE ADMINISTRATIVE AGENT SHALL HAVE THE RIGHT TO PROCEED AGAINST THE BORROWER OR ITS PROPERTY IN A COURT IN ANY LOCATION NECESSARY OR APPROPRIATE TO ENABLE THE ADMINISTRATIVE AGENT AND THE OTHER LENDERS TO ENFORCE A JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF THE ADMINISTRATIVE AGENT OR ANY OTHER LENDER. THE BORROWER WAIVES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT IN WHICH THE ADMINISTRATIVE AGENT OR ANY LENDER MAY COMMENCE A PROCEEDING DESCRIBED IN THIS SECTION.

(b) SERVICE OF PROCESS. THE BORROWER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE PROCESS AGENT OR THE BORROWER'S NOTICE ADDRESS SPECIFIED BELOW, SUCH SERVICE TO BECOME EFFECTIVE UPON RECEIPT. THE BORROWER IRREVOCABLY WAIVES ANY OBJECTION (INCLUDING, WITHOUT LIMITATION, ANY OBJECTION OF THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS) WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY JURISDICTION SET FORTH ABOVE. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR THE OTHER LENDERS TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION.

(C) WAIVER OF JURY TRIAL. EACH OF THE AGENT AND THE OTHER LENDERS AND THE BORROWER IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.

14.18. Counterparts; Effectiveness; Inconsistencies. This Agreement and any amendments, waivers, consents, or supplements hereto may be executed in counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. This Agreement shall become effective against the Borrower and each Agent and Lender on the Closing Date. This Agreement and each of the other Loan Documents shall be construed to the extent reasonable to be consistent one with the other, but to the extent that the terms and conditions of this Agreement are actually inconsistent with the terms and conditions of any other Loan Document, this Agreement shall govern.

14.19. Limitation on Agreements. All agreements between the Borrower, the Administrative Agent, the Arranger and each Lender in the Loan Documents are hereby expressly limited so that in no event shall any of the Loans or other amounts payable by the Borrower under any of the Loan Documents be directly or indirectly secured (within the meaning of Regulation U) by Margin Stock.

14.20. Disclaimers. The Administrative Agent, the Arranger and the other Lenders shall not be liable to any contractor, subcontractor, supplier, laborer, architect, engineer, tenant or other party for services performed or materials supplied in connection with any work performed on the Projects, including any TI Work. The Administrative Agent, the Arranger and the other Lenders shall not be liable for any debts or claims accruing in favor of any such parties against the Borrower or others or against any of the Projects. The Borrower is not and shall not be an agent of the Agent, the Arranger or the other Lenders for any purposes and none of the Lenders, the Arranger, or the Agents shall be deemed partners or joint venturers with Borrower. None of the Administrative Agent, the Arranger or the other Lenders shall be deemed to be in privity of contract with any contractor or provider of services to any Project, nor shall any payment of funds directly to a contractor or subcontractor or provider of services be deemed to create any third party beneficiary status or recognition of same by any of the Administrative Agent, the Arranger or the other Lenders and the Borrower agrees to hold the Administrative Agent, the Arranger and the other Lenders harmless from any of the damages and expenses resulting from such a construction of the relationship of the parties or any assertion thereof.

14.21. Entire Agreement. This Agreement, taken together with all of the other Loan Documents, embodies the entire agreement and understanding among the parties hereto and supersedes all prior agreements and understandings, writ ten and oral, relating to the subject matter hereof.

14.22. Confidentiality. Each of the Agent, the Arranger and the Lenders agrees to keep confidential all non-public information provided to it by the Borrower pursuant to this Agreement that is designated by the Borrower as confidential; provided that nothing herein shall prevent the Agents or the Lenders from disclosing any such information (a) to the Agents, any other Lender or any Affiliate of any Lender (provided such Affiliate is made aware of the confidentiality of such information and agrees to keep such information confidential), (b) to any Assignee, Participant or prospective Assignee or Participant (provided such Person is made aware of the confidentiality of such information and agrees to keep such information confidential), (c) to the employees, directors, agents, attorneys, accountants and other professional advisors of any Lender, Assignee, Participant, prospective Assignee or Participant who are advised of the provisions of this Section, (d) upon the request or demand of any Governmental Authority having or asserting jurisdiction over either Agent or any Lender, (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, (f) if requested or required to do so in connection with the exercise of any remedy hereunder or under any other Loan Document or (i) upon the advice of counsel that such disclosure is required by law.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first above written.

BORROWER:

METROPOLITAN OPERATING PARTNERSHIP, L.P.
a Delaware limited partnership

By: Metropolitan Partners LLC,
its general partner

By: /s/ Michael Maturo

Name:
Title: Executive Vice President and
Chief Financial Officer

Notice Address:

Reckson Associates Realty Corp.
225 Broadhollow Road
Melville, New York 11747
Telephone: 516-694-6900
Telecopy: 516-622-6786
Attention: Michael Maturo
Chief Financial Officer

MORTGAGOR: (for the purposes set forth in Section 7.1(x) and Section 9.13 hereto
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only)

810 7th AVENUE, L.P.,
a Delaware limited partnership

By: 810 7th Avenue GP LLC,
its general partner

By: Metropolitan Operating
Partnership, L.P.,
its managing member

By: Metropolitan Partners LLC,
its general partner

By: /s/ Michael Maturo

Name:
Title: Executive Vice President
and Chief Financial
Officer

ADMINISTRATIVE AGENT
AND LENDER: UBS AG, STAMFORD BRANCH

By: /s/ Jeffrey Walb

Name:
Title: Executive Director

By: /s/ Jeffrey Walb

Name:
Title: Executive Director

Notice Address, Domestic and
Eurodollar Lending Office:

UBS AG, Stamford Branch
299 Park Avenue
New York, New York 10171
Attn: Ms. Xiomara Martez
Telecopy: (212) 821-4138

Pro Rata Share: 100%

Commitment: $130,000,000

ARRANGER AND
BOOK MANAGER: WARBURG DILLON READ

By: /s/ Joseph Bassil

Name:
Title: Executive Director

By: /s/ Joseph Bassil

Name:
Title: Executive Director

EXHIBIT A

ASSIGNMENT AND ACCEPTANCE

LIST OF EXHIBITS AND SCHEDULES

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Exhibit 10.2

GUARANTY AGREEMENT

UNCONDITIONAL GUARANTY OF PAYMENT (this "Guaranty"), is made as of May 24, 1999 by METROPOLITAN PARTNERS LLC (the "Company"), and each of the other guarantor signatory parties hereto, (collectively, "Guarantor"), in favor of UBS AG, STAMFORD BRANCH, as administrative agent (the "Agent") for the benefit of the banks (the "Lenders") that are from time to time parties to that certain Credit Agreement (the "Credit Agreement"), dated as of May 24, 1999, among Metropolitan Operating Partnership, L.P. ("Borrower"), the Lenders, Warburg Dillon Read, as Arranger and Book Manager, and the Agent.

Capitalized terms not otherwise defined in this Guaranty shall have the meanings ascribed to them in the Credit Agreement.

W I T N E S S E T H:

WHEREAS, pursuant to the terms of the Credit Agreement, the Borrower has requested that the Lenders make a Loan to the Borrower, to be jointly and severally guaranteed by the Guarantor and to be evidenced by certain Promissory Notes (the "Notes"), each dated as of May 24, 1999, in the aggregate principal amount of $130,000,000, payable by the Borrower to the order of the Lenders respective to their Pro Rate Shares of the Loans;

WHEREAS, this Guaranty is the "Guaranty" referred to in the Credit Agreement;

WHEREAS, the Company owns [99.8%] limited and general partnership interest in the Borrower;

[WHEREAS, after giving effect to the consummation of the Mergers (as defined in the Credit Agreement) the remaining Guarantors are each directly or indirectly wholly-owned businesses of the Company or the Borrower]; and

WHEREAS, in order to induce the Agent and the Lenders to make the Loans to the Borrower, and to satisfy one of the conditions in the Credit Agreement with respect thereto, Guarantor has agreed to enter into this Guaranty.

NOW THEREFORE, in consideration of the premises and the direct and indirect benefits to be derived from the making of the Loans by the Lenders to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Guarantor hereby agrees as follows:

1. Guarantors, on behalf of themselves and their successors and assigns, each hereby irrevocably, absolutely, and unconditionally jointly and severally guarantee the full and punctual payment when due, whether at stated maturity or otherwise, of all obligations of the Borrower now or hereafter existing under the Note or under any of the other Loan Documents to which the Borrower is a party (all such obligations set forth in this Paragraph 1 being referred to as the "Guaranteed Obligations"), and any and all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the Agent in enforcing its rights under this Guaranty.

2. It is agreed that the obligations of Guarantor hereunder are primary and this Guaranty shall be enforceable against Guarantor and its successors and as signs without the necessity for any suit or proceeding of any kind or nature whatsoever brought by the Agent against the Borrower or its successors or assigns or any other party or against any security for the payment and performance of the Guaranteed Obligations and, to the extent permitted by applicable law, without the necessity of any notice of non-payment or non-observance or of any notice of acceptance of this Guaranty or of any notice or demand to which Guarantor might otherwise be entitled (including, without limitation, diligence, presentment, notice of maturity, extension of time, change in nature or form of the Guaranteed Obligations, acceptance of further security, release of further security, imposition or agreement arrived at as to the amount of or the terms of the Guaranteed Obligations, notice of adverse change in the Borrower's financial condition and any other fact which might materially increase the risk to Guarantor), all of which Guarantor, to the extent permitted by applicable law, hereby expressly waives; and, to the extent permitted by applicable law, Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of the Guarantor hereunder shall in no way be terminated, affected, diminished, modified or impaired by reason of the assertion of, or the failure to assert by the Agent against the Borrower or its respective successors or assigns, any of the rights or remedies reserved to the Agent pursuant to the provisions of the Loan Documents. Guarantor hereby agrees that, to the extent permitted by applicable law, any notice or directive given

at any time to the Agent which is inconsistent with the waiver in the immediately preceding sentence shall be void and may be ignored by the Agent, and, in addition, may not be pleaded or introduced as evidence in any litigation relating to this Guaranty for the reason that such pleading or introduction would be at variance with the written terms of this Guaranty, unless the Agent has specifically agreed otherwise in writing, signed by a duly authorized officer. Guarantor specifically acknowledges and agrees that the foregoing waivers are of the essence of this transaction and that, but for this Guaranty and such waivers, the Agent, the Lenders would not make the requested Loan to the Borrower.

3. To the extent permitted by applicable law, Guarantor hereby waives, and covenants and agrees that it will not at any time insist upon, plead or in any manner whatsoever claim or take the benefit or advantage of, any and all appraisal, valuation, stay, extension, marshalling-of-assets or redemption laws, or right of homestead exemption, whether now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance by Guarantor of its obligations under, or the enforcement by the Agent of, this Guaranty. To the extent permitted by applicable law, Guarantor further covenants and agrees not to set up or claim any defense, counterclaim, offset, set-off or other objection of any kind to any action, suit or proceeding in law, equity or otherwise, or to any demand or claim that may be instituted or made by the Agent other than the defense of the actual timely payment and performance by the Borrower of the Guaranteed Obligations hereunder. Guarantor represents, warrants and agrees that, as of the date hereof, its obligations under this Guaranty are not subject to any counterclaims, offsets or defenses against the Agent of any kind.

4. The provisions of this Guaranty are for the benefit of the Agent on behalf of the Lenders and their successors and permitted assigns, and nothing herein contained shall impair as among the Borrower and the Agent the obligations of the Borrower under the Loan Documents.

5. This Guaranty shall be a continuing, unconditional and absolute guaranty and, to the extent permitted by applicable law, the liability of Guarantor hereunder shall in no way be terminated, affected, modified, impaired or diminished by reason of the happening, from time to time, of any of the following, although without notice or the further consent of Guarantor:

(i) any assignment, amendment, modification or waiver of or change in any of the terms, covenants, conditions or provisions of any of the Guaranteed Obligations or the Loan Documents or the invalidity or unenforceability of any of the foregoing; or

(ii) any extension of time that may be granted by the Agent to the Borrower, any guarantor, or their respective successors or assigns; or

(iii) any action which the Agent may take or fail to take under or in respect of any of the Loan Documents or by reason of any waiver of, or failure to enforce any of the rights, remedies, powers or privileges available to the Agent under this Guaranty or available to the Agent at law, in equity or otherwise, or any action on the part of the Agent granting indulgence or extension in any form whatsoever; or

(iv) any sale, exchange, release, or other disposition of any property pledged, mortgaged or conveyed, or any property in which the Agent and/or the Lenders have been granted a lien or security interest to secure any indebtedness of the Borrower to the Agent and/or the Lenders; or

(v) any release of any person or entity who may be liable in any manner for the payment and collection of any amounts owed by the Borrower to the Agent and/or the Lenders; or

(vi) the application of any sums by whomsoever paid or however realized to any amounts owing by the Borrower to the Agent and/or the Lenders under the Loan Documents in such manner as the Agent shall determine in its sole discretion; or

(vii) the Borrower's or any guarantor's voluntary or involuntary liquidation, dissolution, sale of all or substantially all of their respective assets and liabilities, appointment of a trustee, receiver, liquidator, sequestrator or conservator for all or any part of the Borrower's or guarantor's assets, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment, or the commencement of other similar proceedings affecting the Borrower or any guarantor or any of the assets of any of them, including, without limitation, (i) the release or discharge of the Borrower or any guarantor from the payment and performance of their respective obligations under any of the Loan Documents by operation of law, or (ii) the impairment, limitation or modification of the liability of the Borrower or any guarantor in bankruptcy, or of any remedy for the enforcement of the

Guaranteed Obligations under any of the Loan Documents, or Guarantor's liability under this Guaranty, resulting from the operation of any present or future provisions of the Bankruptcy Code or other present or future federal, state or applicable statute or law or from the decision in any court; or

(viii) any improper disposition by the Borrower of the proceeds of the Loans, it being acknowledged by Guarantor that the Agent shall be entitled to honor any request made by the Borrower for a disbursement of such proceeds and that the Agent shall have no obligation to see the proper disposition by the Borrower of such proceeds.

6. Guarantor hereby agrees that if at any time all or any part of any payment at any time received by the Agent from the Borrower under any of the Notes or other Loan Documents or Guarantor under or with respect to this Guaranty is or must be rescinded or returned by the Agent for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of the Borrower or Guarantor), then Guarantor's obligations hereunder shall, to the extent of the payment rescinded or returned, be deemed to have continued in existence notwithstanding such previous receipt by the Agent, and Guarantor's obligations hereunder shall continue to be effective or reinstated, as the case may be, as to such payment, as though such previous payment to the Agent had never been made.

7. Until this Guaranty is terminated pursuant to the terms hereof, the Guarantor (i) shall have no right of subrogation against the Borrower or any entity comprising same by reason of any payments or acts of performance by Guarantor in compliance with the obligations of Guarantor hereunder; (ii) hereby waives any right to enforce any remedy which Guarantor now or hereafter shall have against the Borrower or any entity comprising the same by reason of any one or more payments or acts of performance in compliance with the obligations of Guarantor hereunder; and (iii) shall subordinate any liability or indebtedness of the Borrower or any entity comprising same now or hereafter held by Guarantor to the obligations of the Borrower under the Loan Documents; provided that nothing contained herein shall limit the right of the Guarantor to receive any amount from the Borrower or any entity comprising the same that is not prohibited by the terms of the Loan Documents.

8. Guarantor hereby represents and warrants on its own behalf to the Agent with the knowledge that the Agent is relying upon the same, as follows:

(i) as of the date hereof, the Company owns a 99.8% limited partnership interest in the Borrower and the Company is familiar with the financial condition of the Borrower;

(ii) as of the date hereof, and after giving effect to the consummation of the mergers, each Guarantor (other than the Company) is a subsidiary of the Borrower

(iii) based upon such relationship, Guarantor has determined that it is in its best interest to enter into this Guaranty;

(iv) this Guaranty is necessary and convenient to the conduct, promotion and attainment of Guarantor's business, and is in furtherance of Guarantor's business purposes;

(v) the benefits to be derived by Guarantor from the Borrower's access to funds made possible by the Loan Documents are at least equal to the obligations of Guarantor undertaken pursuant to this Guaranty;

(vi) each Guarantor is Solvent and has full corporate, partnership, limited liability company or trust power, as the case may be, and legal right to enter into this Guaranty and to perform its obligations under the terms hereof and (i) Guarantor is organized or formed and validly existing under the laws of the state of its establishment or formation, (ii) Guarantor has complied with all provisions of applicable law in connection with all aspects of this Guaranty, and (iii) the person executing this Guaranty on behalf of Guarantor has all the requisite power and authority to execute and deliver this Guaranty; and

(vii) this Guaranty has been duly executed by Guarantor and constitutes the legal, valid and binding obligation of Guarantor, enforceable against it in accordance with its terms except as enforce ability may be limited by applicable insolvency, bankruptcy or other laws affecting creditors' rights generally or general principles of equity whether such enforceability is considered in a proceeding in equity or at law.

9. Guarantor and the Agent acknowledge and agree that this Guaranty is a guaranty of payment and not of collection and enforcement in respect of any obligations which may accrue to the Agent and/or the Lenders from the Borrower

under the provisions of any Loan Document.

10. Subject to the terms and conditions of the Credit Agreement, and only in conjunction with a transfer permitted thereunder, the Agent may assign any or all of its rights under this Guaranty.

11. Guarantor agrees, upon the written request of the Agent, to execute and deliver to the Agent, from time to time, any modification or amendment hereto or any additional instruments or documents reasonably considered necessary by the Agent or its counsel to cause this Guaranty to be, become or remain valid and effective in accordance with its terms or in order to implement more fully the intent of this Guaranty, provided, that, any such modification, amendment, additional instrument or document shall not increase Guarantor's obligation's or diminish its rights hereunder and shall be reasonably satisfactory as to form to Guarantor and to Guarantor's counsel.

12. The representation and warranties of the Guarantor set forth in this Guaranty shall survive until this Guaranty shall terminate in accordance with the terms hereof.

13. This Guaranty together with the Credit Agreement and the other Loan Documents contains the entire agreement among the parties with respect to the Loans being made to the Borrower simultaneously with the execution and delivery hereof, and supersedes all prior agreements relating to such Loans and may not be modified, amended, supplemented or discharged except by a written agreement signed by Guarantor and the Agent.

14. If all or any portion of any provision contained in this Guaranty shall be determined to be invalid, illegal or unenforceable in any respect for any reason, such provision or portion thereof shall be deemed stricken and severed from this Guaranty and the remaining provisions and portions thereof shall continue in full force and effect.

15. In order for any demand, request or notice to the respective parties hereto to be effective, such demand, request or notice shall be given, in writing, by delivering the same personally or by nationally recognized overnight courier service or by mailing, by certified or registered mail, postage prepaid or by telecopying the same, addressed to such party at the address set forth below or to such other address as may be identified by any party in a written notice to the others. Any such demand, request or notice sent as aforesaid shall be deemed to have been received by the party to whom it is addressed upon delivery, if personally delivered and on the actual receipt thereof, if sent by certified or registered mail or by telecopier, and when transmitted, if sent by telex:

If to the Borrower:	225 Broadhollow Road Melville, New York 11747 Attention: Michael Maturo Telecopy: (516) 756-1764
If to Guarantor:	Metropolitan Partners LLC 225 Broadhollow Road Melville, New York 11747 Attention: Michael Maturo Telecopy: (516) 756-1764
With Copies of Notices to the Borrower or Guarantor to:	Brown & Wood LLP One World Trade Center New York, New York 10048 Attention: Patricia A. Murphy, Esq. Telecopy: (212) 839-5599
If to the Agent:	UBS AG, Stamford Branch 299 Park Avenue New York, New York 10171 Attention: Xiomara Martez Telecopy: (212) 821-3000
With Copies to:	Skadden, Arps, Slate, Meagher & Flom LLP 919 Third Avenue New York, New York 10022 Attention: Martha Feltenstein, Esq. Telecopy: (212) 735-2000

16. This Guaranty shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of the Agent and its successors and

assigns.

17. The failure of the Agent to enforce any right or remedy hereunder, or promptly to enforce any such right or remedy, shall not constitute a waiver thereof, nor give rise to any estoppel against the Agent, nor excuse Guarantor from its obligations hereunder. Any waiver of any such right or remedy to be enforceable against the Agent must be expressly set forth in a writing signed by the Agent.

18. (i) THIS GUARANTY AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

(ii) Any legal action or proceeding with respect to this Guaranty and any action for enforcement of any judgment in respect thereof may be brought in the courts of the State of New York or of the United States of America for the Southern District of New York, and, by execution and delivery of this Guaranty, Guarantor hereby accepts for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts and appellate courts from any thereof. Guarantor irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to Guarantor at the address for notices set forth herein. Guarantor hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Guaranty brought in the courts referred to above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein shall affect the right of the Agent to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against Guarantor in any other jurisdiction.

(iii) GUARANTOR AND AGENT BY THEIR EXECUTION HEREOF AND THE LENDERS ACCEPTANCE HEREOF EACH HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON OR ARISING OUT OF THIS GUARANTY. IT IS HEREBY ACKNOWLEDGED BY GUARANTOR THAT THE WAIVER OF A JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE AGENT TO ACCEPT THIS GUARANTY AND THAT THE LOANS MADE BY THE LENDERS ARE MADE IN RELIANCE UPON SUCH WAIVER. GUARANTOR FURTHER WARRANTS AND REPRESENTS THAT SUCH WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE, FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, THIS GUARANTY MAY BE FILED BY THE AGENT IN COURT AS A WRITTEN CONSENT TO A NON-JURY TRIAL.

(iv) Guarantor does hereby further covenant and agree to and with the Agent that Guarantor may be joined in any action against the Borrower in connection with the Loan Documents and that recovery may be had against Guarantor in such action or in any independent action against Guarantor (with respect to the Guaranteed Obligations), without the Agent first pursuing or exhausting any remedy or claim against the Borrower or its successors or assigns. Guarantor also agrees that, in an action brought with respect to the Guaranteed Obligations in any jurisdiction, it shall be conclusively bound by the judgment in any such action by the Agent (wherever brought) against the Borrower or their successors or assigns, as if Guarantor were a party to such action, even though Guarantor was not joined as parties in such action.

(v) Guarantor hereby agrees to pay all expenses (including, without limitation, reasonable attorneys' fees and disbursements) which may be incurred by the Agent in connection with the enforcement of its rights under this Guaranty, whether or not suit is initiated; provided, however, that such expenses shall be paid by the Agent if a final judgment in favor of Guarantor is rendered by a court of competent jurisdiction. Moreover, Guarantor covenants and agrees to indemnify and save the Agent harmless of and from, and defend it against, all losses, out-of-pocket costs and expenses, liabilities, damages or claims arising by reason of Guarantor's failure to perform its obligations hereunder.

19. Subject to the terms of Section 6 and Section 22 hereof, this Guaranty shall terminate and be of no further force or effect upon the full performance and payment of the Guaranteed Obligations hereunder. Upon termination of this Guaranty in accordance with the terms of this Guaranty, the Agent promptly shall deliver to Guarantor such documents as Guarantor or Guarantor's counsel reasonably may request in order to evidence such termination.

20. All of the Agent's rights and remedies under each of the Loan Documents or under this Guaranty are intended to be distinct, separate and cumulative and no such right or remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any other right or remedy available to the Agent.

21. Recourse with respect to any claim arising under or in connection with this Guaranty by the Agent, the Arranger, the Book Manager and the Lenders shall be limited to the same extent as is provided in Section 4.3(e) of the Credit Agreement with respect to claims against the Guarantor and the other parties named therein and the terms, covenants and conditions of Section 4.3(e) of the Credit Agreement are hereby incorporated by reference as if fully set forth herein.

22. This Guaranty shall terminate as to any Guarantor (other than the Company) upon the sale, transfer or other disposition of the real property owned by such Guarantor (or the general partner of such Guarantor) provided any such sale, transfer or other disposition is otherwise permitted under the Credit Agreement and the proceeds thereof are used to prepay the Loans under and to the extent required by the terms of the Credit Agreement.

IN WITNESS WHEREOF, the undersigned have caused this Guaranty to be duly executed and delivered as of the date first set forth above.

GUARANTOR:

METROPOLITAN PARTNERS LLC
a Delaware limited liability company

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

EAST BROADWAY 5151 LIMITED PARTNERSHIP

By: Metropolitan Arizona GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

METROPOLITAN ARIZONA GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

MAITLAND WEST ASSOCIATES LIMITED PARTNER
SHIP

By: Metropolitan Florida GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

5750 ASSOCIATES LIMITED PARTNERSHIP

By: Metropolitan Florida GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

MAITLAND ASSOCIATES, LTD.

By: Metropolitan Florida GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

TOWER MINEOLA LIMITED PARTNERSHIP

By: Metropolitan Florida GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

METROPOLITAN MINEOLA GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

810 7TH AVENUE, L.P.

By: 810 7th Avenue GP LLC, its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

810 7th AVENUE GP LLC

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

100 WALL COMPANY LLC

By: 100 Wall MM LLC, its Managing Member

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

100 WALL MM LLC

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

METROPOLITAN FLORIDA GP LLC,
its General Partner

By: Metropolitan Operating Partnership, L.P.,
its Managing Member

By: Metropolitan Partners LLC,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Chief Financial Officer

AGENT:

UBS AG, STAMFORD BRANCH,
as Administrative Agent

By: /s/ Jeffrey Walb

Name:
Title: Executive Director

By: /s/ Jeffrey Walb

Name:

Title: Executive Director

Exhibit 10.3

EXECUTION COPY

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RECKSON ASSOCIATES REALTY CORP.

Series B Convertible Cumulative Preferred Stock

PURCHASE AGREEMENT

Dated: May 27, 1999

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TABLE OF CONTENTS

RECKSON ASSOCIATES REALTY CORP.
225 Broadhollow Road
Melville, New York 11747

Series B Convertible Cumulative Preferred Stock

May 27, 1999

TO THE PURCHASERS LISTED ON
THE ATTACHED SCHEDULE A:

Ladies and Gentlemen:

Reckson Associates Realty Corp., a Maryland corporation (the "ISSUER"), and Reckson Operating Partnership, L.P., a Delaware limited partnership (the "OPERATING PARTNERSHIP"), each agrees with you as follows:

1. AUTHORIZATION OF PREFERRED STOCK.

The Issuer has duly authorized the 6,000,000 million shares of its Series B Convertible Cumulative Preferred Stock with a liquidation preference of $25.00 per share (the "Preferred Stock"). The terms and provisions of the Preferred Stock will be set forth in the Articles Supplementary (the "Articles Supplementary") to the Issuer's charter, substantially in the form set forth in Exhibit 1, which will be filed on or prior to the Closing (as defined in Section 3).

2. PURCHASE AND SALE OF PREFERRED STOCK.

Subject to the terms and conditions of this Agreement, the Issuer will issue and sell to you, severally, and you, severally, will purchase from the Issuer, at the Closing, the shares of Preferred Stock specified opposite your name in Schedule A hereto at a price equal to $25.00 per share.

3. CLOSING.

The delivery of the Preferred Stock to be purchased by you shall occur at the offices of Brown & Wood LLP, One World Trade Center, New York, New York 10048, at or about 10:00 a.m., New York City time, at a closing on June 2, 1999 or such other date as may be agreed upon by the Issuer and you (the "CLOSING"). At the Closing, the Issuer will deliver to each of you a single certificate representing the number of shares of Preferred Stock specified opposite your name on Schedule A hereto, which will be dated the date of the Closing and registered in your name (or in the name of your nominee), and you shall simultaneously deliver to the Issuer (by wire transfer to the Issuer's Account No. 304-220191, The Chase Manhattan Bank, 380 Madison Avenue, New York, New York 10017, Account Name: Reckson Associates Realty Corp., ABA No.: 021000021), in immediately available funds, the purchase price for such shares referred to in Section 2.

If at the Closing the Issuer shall fail to tender any certificates as provided above, or any of the conditions specified in Section 4 shall not have been fulfilled, you shall, at your election, be relieved of all further obligations under this Agreement, without thereby waiving any rights you may have by reason of such failure or nonfulfillment. If, however, at the Closing you shall fail to pay for the Preferred Stock in full as provided above, the Issuer shall, at its election, be relieved of all further obligations under this Agreement, without thereby waiving any rights the Issuer may have by reason of such failure.

4. CONDITIONS TO CLOSING.

Your obligation to purchase the Preferred Stock at the Closing is subject to the fulfillment of the following conditions on or prior to the Closing:

4.1. REPRESENTATIONS AND WARRANTIES.

The representations and warranties of the Issuer and the Operating Partnership in this Agreement shall be true and correct when made and on the date of the Closing.

4.2. COMPLIANCE.

The Issuer shall have complied with all agreements and satisfied all conditions contained in this Agreement required to be performed or complied with

by it prior to or on the Closing.

4.3. COMPLIANCE CERTIFICATES.

(a) Officer's Certificate. The Issuer shall have delivered to you a certificate executed by an officer of the Issuer on behalf of the Issuer for itself and as general partner of the Operating Partnership, dated the date of the Closing, certifying that the conditions specified in Section 4 have been fulfilled.

(b) Secretary's Certificate. The Issuer shall have delivered to you a certificate executed by the secretary or assistant secretary of the Issuer on behalf of the Issuer for itself and as general partner of the Operating Partnership certifying as to the resolutions of the Issuer relating to the authorization, execution and delivery of this Agreement and consummation of the transactions contemplated hereby.

4.4. OPINION OF COUNSEL.

You shall have received an opinion dated the date of the Closing from Brown & Wood LLP, counsel for the Issuer, substantially in the form set forth in Exhibit 4.4.

4.5. DOCUMENTS REQUIRED.

You shall have received the following documents, each dated the date of Closing:

(a) a certificate registered in your name (or in the name of your nominee) representing the number of shares of Preferred Stock to be purchased by you pursuant to Section 2, duly executed by the Issuer;

(b) the Articles Supplementary, substantially in the form set forth in Exhibit 1, duly executed by the Issuer and evidence reasonably satisfactory to the Purchasers demonstrating that such Articles Supplementary have been filed;

(c) the Registration Rights Agreement (the "Registration Rights Agreement"), substantially in the form set forth in Exhibit 4.5, duly executed by the Issuer and the Operating Partnership; and

(d) the documents contemplated in Section 4.3 and Section 4.4 hereof.

5. REPRESENTATIONS AND WARRANTIES.

Each of the Issuer and the Operating Partnership represents and warrants, jointly and severally, to you as of the date hereof that:

5.1. GOOD STANDING OF THE ISSUER.

The Issuer is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland and is duly qualified as a foreign corporation and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (as defined below). The Issuer has the corporate power and authority to own, lease and operate its properties, to conduct its business and to enter into and perform its obligations under this Agreement. As used herein, "Material Adverse Effect" means a material adverse effect on the financial condition, results of operations or business of the Issuer and its consolidated subsidiaries taken as a whole.

5.2. GOOD STANDING OF THE OPERATING PARTNERSHIP.

The Operating Partnership is a limited partnership duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly qualified as a foreign limited partnership and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Operating Partnership has the partnership power and authority to own, lease and operate its properties, to conduct its business and to enter into and perform its obligations under this Agreement.

5.3. GOOD STANDING OF SIGNIFICANT SUBSIDIARIES.

Each subsidiary of the Issuer that is a "significant subsidiary", as

such term is defined in Section 1-02 of Regulation S-X (each a "Significant Subsidiary," and collectively, the "Significant Subsidiaries"), has been duly organized and is validly existing as a corporation, limited partnership, limited liability company or other entity, as the case may be, in good standing under the laws of the state of its jurisdiction of incorporation or organization, as the case may be, with the requisite power and authority to own, lease and operate its properties and to conduct its business. Each such entity is duly qualified or registered as a foreign corporation, limited partnership or limited liability company or other entity, as the case may be, to transact business and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. All of the issued and outstanding capital stock or other equity interests of each such entity has been duly authorized and validly issued and is fully paid and non-assessable and, except as otherwise stated in the Exchange Act Reports (as defined below), are owned by the Issuer or the Operating Partnership, as the case may be, in each case free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity (collectively, "Liens"). As used herein, "Exchange Act Reports" means the Issuer's Annual Report on Form 10-K for the year ended December 31, 1998, the Quarterly Report on Form 10-Q for the quarter ended March 31, 1999 and the Current Reports on Form 8-K dated February 5, 1999, March 1, 1999, March 26, 1999 and May 11, 1999.

5.4. FINANCIAL STATEMENTS.

The Issuer has delivered to you copies of the financial statements of the Issuer and its consolidated subsidiaries as of and for the year ended December 31, 1998 and the quarter ended March 31, 1999. All of said financial statements fairly present, in all material respects, the financial position of the Issuer and its consolidated subsidiaries as of the respective dates specified therein and the results of their operations and cash flows for the respective periods so specified in conformity with generally accepted accounting principles (subject, in the case of any interim financial statements, to normal recurring adjustments).

5.5. CAPITALIZATION.

As of the date of this Agreement, the authorized capital stock of the Issuer consists of 100,000,000 shares of Class A common stock (the "Common Stock"), 6,000,000 shares of Class B common stock (the "Class B Common Stock"), 75,000,000 shares of excess stock, par value $0.01 per share, and 25,000,000 shares of preferred stock, par value $0.01 per share, of which 40,263,378 shares of Common Stock, 9,192,000 shares of 7-5/8% Series A Convertible Cumulative Preferred Stock (the "Series A Preferred Stock") and no shares of such Class B Common Stock or such excess stock are issued and outstanding as of May 1, 1999. All issued and outstanding shares of capital stock have been duly authorized and validly issued by the Issuer and are fully paid and non-assessable and none of such shares of capital stock were issued in violation of preemptive or other similar rights arising by operation of law, under the charter and by-laws of the Issuer or under any agreement to which the Issuer is a party or otherwise. Except for (i) shares of Common Stock issuable upon (1) conversion of the Series A Preferred Stock, (2) conversion of Crescent Real Estate Equities Limited Partnership's preferred membership interest in Metropolitan Partners LLC, (3) exchange of units of partnership interest in the Operating Partnership (the "Units") or (4) exercise of options under the stock option plans and/or distribution reinvestment plans of the Issuer, (ii) shares of Class B Common Stock issuable in connection with the acquisition of Tower Realty Trust, Inc., (iii) shares of preferred stock issuable upon exchange of certain Units and (iv) excess stock issuable in exchange for the Issuer's capital stock in certain circumstances in each case as described in the Exchange Act Reports, there are no shares of capital stock of the Issuer reserved for any purpose and there are no outstanding securities convertible into or exchangeable for any shares of capital stock of the Issuer.

5.6. AUTHORIZATION, VALIDITY AND ENFORCEABILITY OF THIS AGREEMENT AND THE REGISTRATION RIGHTS AGREEMENT.

This Agreement and the Registration Rights Agreement, as the case may be, have been duly authorized by the Issuer and the Operating Partnership and, assuming due authorization, execution and delivery thereof by all parties thereto other than the Issuer and the Operating Partnership, constitute valid and legally binding agreements of such party enforceable against such party in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the enforcement of creditors' rights generally or general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and except further as the enforcement of the indemnification and the contribution provisions contained therein may be limited by federal or state securities laws or the public policy underlying such laws.

5.7. AUTHORIZATION OF PREFERRED STOCK.

The Preferred Stock has been duly authorized by the Issuer for issuance and sale pursuant to this Agreement and, when issued and delivered by the Issuer pursuant to this Agreement against payment of the consideration therefor, will be validly issued, fully paid and non-assessable and will not be subject to preemptive or other similar rights arising by operation of law, under the charter and by-laws of the Issuer or under any agreement to which the Issuer is a party or otherwise. The Articles Supplementary will be in full force and effect on or prior to the Closing and will comply with all applicable legal requirements.

5.8. AUTHORIZATION OF COMMON STOCK.

The Common Stock into which the Preferred Stock is convertible has been duly authorized and reserved for issuance by the Issuer upon conversion of the Preferred Stock. Such Common Stock, if and when issued upon such conversion, will be validly issued, fully paid and non-assessable and will not be subject to preemptive or other similar rights arising by operation of law, under the charter and by-laws of the Issuer or under any agreement to which the Issuer is a party or otherwise.

5.9. COMPLIANCE WITH LAWS, OTHER INSTRUMENTS, ETC.

The execution, delivery and performance by the Issuer and the Operating Partnership of this Agreement and the consummation of the transactions contemplated herein will not (i) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any of their property under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, charter or by-laws, or any other agreement or instrument to which they are bound or by which they or any of their properties may be bound or affected, (ii) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or governmental authority applicable to them or (iii) violate any provision of any statute or other rule or regulation of any governmental authority applicable to them.

5.10. GOVERNMENTAL AUTHORIZATIONS, ETC.

No consent, approval or authorization of, or registration, filing or declaration with, any governmental authority is required in connection with its execution, delivery or performance by the Issuer and the Operating Partnership of this Agreement and the consummation of the transactions contemplated herein.

5.11. LITIGATION.

Except as otherwise stated in the Exchange Act Reports, there are no actions, suits or proceedings pending or, to the Issuer's knowledge, threatened against or affecting the Issuer or the Operating Partnership or any of their property in any court or before any arbitrator of any kind or before or by any governmental authority that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.12. NO DEFAULTS.

Neither the Issuer nor the Operating Partnership is in default under any term of any agreement or instrument to which it is a party or by which it is bound or any order, judgment, decree or ruling of any court, arbitrator or governmental authority or in violation of any applicable law, ordinance, rule or regulation of any governmental authority, which default or violation would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.13. TITLE TO PROPERTY; LEASES AND MORTGAGES.

Each of the Issuer and the Operating Partnership has good and marketable title to its properties that, individually or in the aggregate, are material to the financial condition, results of operations or business of the Issuer and its consolidated subsidiaries taken as a whole. All leases and mortgages that, individually or in the aggregate, are material to the financial condition, results of operations or business of the Issuer and its consolidated subsidiaries taken as a whole are valid and subsisting and are in full force and effect in all material respects, and there are no known defaults by others individually or in the aggregate with respect to such leases and mortgages which would reasonably be expected to have a Material Adverse Effect.

5.14. LICENSES AND APPROVALS.

Each of the Issuer and the Operating Partnership has all necessary licenses, permits and governmental authorizations from governmental authorities

to own, lease and operate its properties and to transact its business, the absence of which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.15. ENVIRONMENTAL MATTERS.

Except as otherwise stated in the Exchange Act Reports, and except such violations as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, to the Issuer's knowledge after due inquiry and investigation,

(A) neither the Issuer nor the Operating Partnership is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance or code, including any judicial or administrative order, consent, decree of judgment, relating to pollution or protection of human health or safety, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "Hazardous Materials") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "Environmental Laws"),

(B) the Issuer and the Operating Partnership have all permits, authorizations and approvals required under any applicable Environmental Laws and are in compliance with such requirements,

(C) there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Issuer or the Operating Partnership, and

(D) there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Issuer or the Operating Partnership relating to any Hazardous Materials or the violation of any Environmental Law.

5.16. MATERIAL ADVERSE CHANGE.

Since December 31, 1998, there has been no material adverse change in the financial condition, results of operations or business of the Issuer and its consolidated subsidiaries taken as a whole.

5.17. PRIVATE OFFERING.

Neither the Issuer nor anyone acting on its behalf has offered the Preferred Stock or any similar securities for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, such type or number of persons or in such manner so as to require registration of the Preferred Stock or the underlying Common Stock under the Securities Act of 1933, as amended (the "Securities Act"), except as contemplated under the Registration Rights Agreement.

5.18. REIT QUALIFICATION.

Commencing with the Issuer's taxable year ended December 31, 1995, the Issuer has been, and upon the sale of the Preferred Stock, the Issuer will continue to be organized in conformity with the requirements for qualification as a real estate investment trust under the Internal Revenue Code of 1986, as amended (the "Code"), and its proposed method of operation will enable it to continue to meet the requirements for taxation as a real estate investment trust under the Code.

5.19. TAX RETURNS.

The Issuer has filed all federal, state, local and foreign income tax returns which have been required to be filed (except in any case in which an extension has been granted or the failure to so file would not have a Material Adverse Effect) and has paid all taxes required to be paid in respect of the periods covered thereby and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except, in all cases, for any such tax, assessment, fine or penalty that is being contested in good faith.

6. REPRESENTATIONS OF THE PURCHASERS.

(a) Each of you represents that you are acquiring the Preferred Stock for your own account or for one or more separate investor accounts maintained by you for investment purposes and not with a view to the

distribution thereof, provided that the disposition of your or their property shall at all times be within your or their control, as the case may be. You understand that the Preferred Stock and the Common Stock into which the Preferred Stock is convertible have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from such registration is available, and that the Issuer is not required to register the Preferred Stock or such Common Stock except as specified in the Registration Rights Agreement.

(b) Each of you and each investor account for which you are acting as fiduciary or agent represents and warrants, and, with respect to transfers occurring prior to (i) the date which is two years (or such stated period of time as permitted by Rule 144(k) under the Securities Act) after the later of the date of original issue of the Preferred Stock and the last date on which the Issuer or any affiliate of the Issuer was the owner of such Preferred Stock (or any predecessor thereto) and (ii) such later date, if any, as may be required by a change in applicable law, unless, in either case, the transfer is made pursuant to an effective registration statement under the Securities Act, each subsequent holder of Preferred Stock, by such holder's acquisition of the Preferred Stock, shall be deemed to have represented and warranted, that it is an institutional investor that qualifies as an "accredited investor," as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, and agrees or shall be deemed to agree, to notify subsequent transferees of the restrictions referred to in clause (a) above and this clause (b).

(c) Each of you is aware that you (or any investor account on whose behalf you are purchasing the Preferred Stock) must bear the economic risk of investment in the Preferred Stock for an indefinite period of time, and each of you represents and warrants that you (or such accounts) are able to bear such risk for an indefinite period of time.

(d) Each of you (or any investor account on whose behalf you are purchasing the Preferred Stock) acknowledges that neither the Issuer nor anyone acting on behalf of the Issuer has made any representation to you (or any investor account on whose behalf you are purchasing the Preferred Stock) with respect to the Issuer or the Operating Partnership or the offering or sale of any Preferred Stock or the Common Stock into which the Preferred Stock is convertible other than as set forth herein or in the Exchange Act Reports, which have been delivered to you, and upon which you (or any investor account on whose behalf you are purchasing the Preferred Stock) are relying solely in making an investment decision with respect to the Preferred Stock.

(e) Each of you (or any investor account on whose behalf you are purchasing the Preferred Stock) represents and warrants that, in the normal course of business, you and any such investor account invest in or purchase securities similar to the Preferred Stock, and you and any such investor account have such knowledge and experience in financial and business matters that you and any such investor account are capable of evaluating the merits and risks of purchasing the Preferred Stock.

(f) Each of you (or any investor account on whose behalf you are purchasing the Preferred Stock) represents and warrants that you and any such investor account have had access to such financial and other information concerning the Issuer and its subsidiaries as you and any such investor account have deemed necessary in connection with making an investment decision to purchase the Preferred Stock.

7. INDEMNIFICATION.

The Issuer and the Operating Partnership agree, jointly and severally, to indemnify, pay and hold you and your respective officers, directors and affiliates and their executive officers and directors (each, an "Indemnified Party") harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits and claims, and all reasonable out-of-pocket costs, expenses and disbursements, of any kind or nature whatsoever (including, without limitation, reasonable fees and disbursements of counsel for such Indemnified Parties) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of, or in connection with the preparation for a defense of, any investigation, litigation or proceeding arising out of, related to, or in connection with, this Agreement or the transactions contemplated herein; provided, however, that neither the Issuer nor the Operating Partnership shall have any obligation to any Indemnified Party hereunder with respect to Indemnified Liabilities arising from (a) the gross negligence or willful misconduct of such Indemnified Party or (b) such Indemnified Party not being authorized or permitted to enter into this Agreement or to consummate the transactions contemplated herein.

8. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.

All representations and warranties contained herein shall survive the

execution and delivery of this Agreement, the issuance of the Preferred Stock, the transfer by you of your Preferred Stock, and any conversion or redemption of your Preferred Stock. In addition, all statements contained in any certificate delivered by or on behalf of the Issuer or the Operating Partnership pursuant to this Agreement shall be deemed representations and warranties of the Issuer or the Operating Partnership, as the case may be, under this Agreement. Subject to the preceding sentence, this Agreement, the Articles Supplementary, the certificates representing the Preferred Stock and the Registration Rights Agreement embody the entire agreement and understanding among each of you, the Issuer and the Operating Partnership and supersede all prior agreements and understandings relating to the subject matter hereof.

9. NOTICES.

All notices and communications provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), (b) by registered or certified mail with return receipt requested (postage prepaid), or (c) by a recognized overnight delivery service (with charges prepaid). Any such notice must be sent:

(i) if to you or your nominee, to you or it at the address specified for such communications in Schedule A, or at such other address as you or it shall have specified to the Issuer in writing,

(ii) if to any other holder of Preferred Stock, to such holder at such address as such other holder shall have specified to the Issuer in writing, or

(iii) if to the Issuer or the Operating Partnership, to the Issuer at its address set forth at the beginning hereof to the attention of the President of the Issuer, or at such other address as the Issuer shall have specified to the holders of the Preferred Stock in writing.

Notices under this Section 9 will be deemed given only when actually received.

10. PAYMENTS ON PREFERRED AND COMMON STOCK.

10.1. HOME OFFICE PAYMENT.

So long as you or your nominee shall be the holder of any certificate representing shares of Preferred Stock or Common Stock acquired upon any conversion or redemption of any share of Preferred Stock, the Issuer will make all payments becoming due and payable on such certificate by the method and at the address specified for such purpose below your name in Schedule A attached hereto, or by such other reasonable method or at such other address as you shall have from time to time specified to the Issuer in writing for such purpose, without the presentation or surrender of certificates representing such shares, except that upon redemption or conversion of any shares of Preferred Stock, the surrender of the certificates representing such shares shall, as provided in the Articles Supplementary, be a condition of payment in cash or shares of Common Stock, as the case may be, to the order of the person whose name appears on the certificates representing such shares.

11. CONFIDENTIAL INFORMATION.

For the purposes of this Section 11, "CONFIDENTIAL INFORMATION" means information delivered to you by or on behalf of the Issuer, the Operating Partnership or any of their respective affiliates in connection with the transactions contemplated by or otherwise pursuant to this Agreement that is proprietary in nature and that was clearly marked or labeled or otherwise adequately identified in writing when received by you as being confidential, provided that such term does not include information that (a) was publicly known prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by you or any person acting on your behalf, (c) otherwise becomes known to you other than through the Issuer or Operating Partnership's disclosure to you or (d) constitutes financial statements that are otherwise publicly available. You will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by you in good faith to protect confidential information of third parties delivered to you, provided that you may deliver or disclose Confidential Information to (i) your directors, officers, employees, agents, attorneys and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by your Preferred Stock), (ii) your financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 11, (iii) any other holder of Preferred Stock, (iv) any institutional "accredited investor" to which you sell or offer to sell your Preferred Stock (if such person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 11), (v) any federal or state or foreign regulatory authority having jurisdiction over you or any

affiliate or (vi) any other person to which such delivery or disclosure may be necessary or appropriate (w) to effect compliance with any law, rule, regulation or order applicable to you, (y) in response to any subpoena or other legal process or (z) in connection with any litigation to which you are a party. Each holder of Preferred Stock, by its acceptance thereof, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 11 as though it were a party to this Agreement. On request by the Issuer in connection with the delivery to any holder of Preferred Stock of information requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Issuer embodying the provisions of this Section 11.

12. MISCELLANEOUS.

12.1. SUCCESSORS AND ASSIGNS.

All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including, without limitation, any subsequent holder of Preferred Stock or Common Stock into which Preferred Stock was converted), whether so expressed or not.

12.2. SEVERABILITY.

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the fullest extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

12.3. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

12.4. GOVERNING LAW.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without giving effect to any provisions relating to conflicts of laws.

If you are in agreement with the foregoing, please sign this Agreement on the accompanying counterpart and return it to the Issuer, whereupon the foregoing shall become a binding agreement among you, the Issuer and the Operating Partnership.

Very truly yours,

RECKSON ASSOCIATES REALTY CORP.

By: /s/ Michael Maturo

Name:
Title: Executive Vice President
and Chief Financial Officer

RECKSON OPERATING PARTNERSHIP, L.P.
By: Reckson Associates Realty Corp.,
its General Partner

By: /s/ Michael Maturo

Name:
Title: Executive Vice President
and Chief Financial Officer

The foregoing is hereby agreed to
as of the date hereof.

STICHTING PENSIOENFONDS ABP

By: /s/ Jean Frijns

Name:
Title: Chairman and
Chief Investment Officer

By: /s/ Wim Borgdorff

Name:
Title: Managing Director -
Structured Investments

THE TRAVELERS INSURANCE COMPANY

By: /s/ Douglas D. Fitton

Name:
Title: Vice President

THE TRAVELERS LIFE AND ANNUITY COMPANY

By: /s/ Michael Watson

Name:
Title: Vice President

THE STANDARD FIRE INSURANCE COMPANY

By: /s/ Douglas D. Fitton

Name:
Title: Vice President

TRAVELERS CASUALTY AND SURETY COMPANY

By: /s/ Douglas D. Fitton

    Name:
    Title: Vice President

SCHEDULE A

INFORMATION RELATING TO PURCHASERS

Name and Address of Purchaser	Shares of Preferred Stock to be Issued
Stichting Pensioenfonds ABP Chase Manhattan Bank, New York ABA #021000021 Credit Account #920-1-033231 for further credit to: ABN AMRO Bank N.V. a/c Global Custody Dept. Breda, The Netherlands Account #0281170	4,000,000
The Travelers Insurance Company One Tower Square Hartford, Connecticut 06183 Home Office Payment Information: Travelers Private Placement Account Chase Manhattan Bank ABA #021 0000 21 Credit Account #9102587434	900,000
The Travelers Life and Annuity Company One Tower Square Hartford, Connecticut 06183 Home Office Payment Information: Travelers Private Placement Account Chase Manhattan Bank ABA #021 0000 21 Credit Account #9102587434	100,000
The Standard Fire Insurance Company One Tower Square Hartford, Connecticut 06183 Home Office Payment Information: Travelers Private Placement Account Chase Manhattan Bank ABA #021 0000 21 Credit Account #9102587434	120,000

Name and Address of Purchaser	Shares of Preferred Stock to be Issued
Travelers Casualty and Surety Company One Tower Square Hartford, Connecticut 06183 Home Office Payment Information: Travelers Private Placement Account Chase Manhattan Bank ABA #021 0000 21 Credit Account #9102587434	880,000
	6,000,000

Notices to Stichting Pensioenfonds ABP

Stichting Pensioenfonds ABP
Oude Lindestraat 70 - 6401 DJ Heerlen - The Netherlands
Attention: Leo Palmen
Telephone: 31-455-79-21-36

with a copy to:

ABP Investments (US)
450 Lexington Avenue, Suite 1800
New York, New York 10017
Atttention: Barden Gale
Telephone: (212) 338-0800 ext. 518

Notices to each Travelers Affiliated Purchaser

The Travelers Insurance Company
One Tower Square
Hartford, Connecticut 06183
Attention: Heidi Rajala
Telephone: (860) 954-8353

with a copy to:

Travelers Investment Group
388 Greenwich Street, 36th Floor
New York, New York 10013
Attention: Mike Watson
Telephone: (212) 816-7277

EXHIBIT 1

FORM OF ARTICLES SUPPLEMENTARY

EXHIBIT 4.4

FORM OF OPINION OF COUNSEL
TO THE ISSUER

EXHIBIT 4.5

FORM OF REGISTRATION RIGHTS AGREEMENT

Exhibit 10.4

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (the "Agreement") is made and entered into as of June 2, 1999 between RECKSON ASSOCIATES REALTY CORP., a Maryland corporation (the "Company") and STICHTING PENSIOENFONDS ABP, a Dutch pension fund, THE TRAVELERS INSURANCE COMPANY, a Connecticut insurance company, THE TRAVELERS LIFE AND ANNUITY COMPANY, a Connecticut insurance company, THE STANDARD FIRE INSURANCE COMPANY, a Connecticut insurance company, and TRAVELERS CASUALTY AND SURETY COMPANY, a Connecticut insurance company (the "Initial Purchasers").

This Agreement is made pursuant to the Purchase Agreement, dated May 27, 1999 (the "Purchase Agreement"), between the Company, as issuer of the Series B Convertible Cumulative Preferred Stock (the "Preferred Securities"), and the Initial Purchasers, which provides for, among other things, the sale by the Company to the Initial Purchasers of the Preferred Securities. In order to induce the Initial Purchasers to enter into the Purchase Agreement, the Company has agreed to provide to the Initial Purchasers and its direct and indirect transferees the registration rights set forth in this Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following capitalized defined terms shall have the following meanings:

"Advice" shall have the meaning set forth in the last paragraph of Section 3 hereof.

"Affiliate" has the same meaning as given to that term in Rule 405 under the Securities Act or any successor rule thereunder.

"Business Day" means any day other than a Saturday, a Sunday, or a day on which banking institutions in The City of New York are authorized or required by law, executive order or regulation to remain closed.

"Common Stock" means the Class A common stock of the Company initially issuable upon conversion or, in certain cases, redemption of the Preferred Securities.

"Company" shall have the meaning set forth in the preamble to this Agreement and also includes the Company's successors and permitted assigns.

"Closing Time" shall mean the date of Closing, as defined in the Purchase Agreement.

"Effectiveness Period" shall have the meaning set forth in Section 2(a) hereof.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"Holder" shall mean the Initial Purchasers, for so long as it owns any Registrable Securities, and each of its respective successors, assigns and direct and indirect transferees who become holders of record of Registrable Securities.

"Initial Purchasers" shall have the meaning set forth in the preamble to this Agreement.

"Inspectors" shall have the meaning set forth in Section 3(m) hereof.

"Issue Date" shall mean June 2, 1999, the date of original issuance of the

Preferred Securities.

"Liquidated Damages" shall have the meaning set forth in Section 2(c) hereof.

"Majority Holders" shall mean the Holders of a majority of the aggregate liquidation preference of outstanding Preferred Securities.

"Operating Partnership" shall mean Reckson Operating Partnership, L.P., a Delaware limited partnership.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization, limited liability corporation, or a government or agency or political subdivision thereof.

"Prospectus" shall mean the prospectus included in a Shelf Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by a Shelf Registration Statement, and by all other amendments and supplements to a prospectus, including post-effective amendments, and, in each case, including all documents incorporated by reference therein.

"Purchase Agreement" shall have the meaning set forth in the preamble to this Agreement.

"Records" shall have the meaning set forth in Section 3(m) hereof.

"Registrable Securities" shall mean the Securities; provided, however, that Securities shall cease to be Registrable Securities when the earlier of the following occurs (i) a Shelf Registration Statement with respect to such Securities for the resale thereof shall have been declared effective under the Securities Act and such Securities shall have been disposed of pursuant to such Shelf Registration Statement, (ii) such Securities shall have been sold to the public pursuant to Rule 144(k) (or any similar provision then in force, but not Rule 144A) under the Securities Act or are eligible to be sold without restriction as contemplated by Rule 144(k) or (iii) such Securities shall have ceased to be outstanding.

"Registration Expenses" shall mean any and all expenses incident to performance of or compliance by the Company with this Agreement, including without limitation: (i) all SEC or National Association of Securities Dealers, Inc. (the "NASD") registration and filing fees, including, if applicable, the fees and expenses of any "qualified independent underwriter" (and its counsel) that is required to be retained by any Holder of Registrable Securities in accordance with the rules and regulations of the NASD, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws (including reasonable fees and disbursements of one counsel for all underwriters or Holders as a group in connection with blue sky qualification of any of the Registrable Securities) and compliance with the rules of the NASD, (iii) all expenses of any Persons in preparing or assisting in preparing, word processing, printing and distributing any Shelf Registration Statement, any Prospectus and any amendments or supplements thereto, and in preparing or assisting in preparing, printing and distributing any underwriting agreements, securities sales agreements and other documents relating to the performance of and compliance with this Agreement, (iv) all rating agency fees, (v) the fees and disbursements of counsel for the Company and of the independent certified public accountants of the Company, including the expenses of any "cold comfort" letters required by or incident to the performance of and compliance with this Agreement, and (vi) the reasonable fees and expenses of any special experts retained by the Company in connection with the Shelf Registration Statement.

"Rule 144(k) Period" shall mean the period of two years (or such shorter period as may hereafter be referred to in Rule 144(k) under the Securities Act (or similar successor rule)) commencing on the Issue Date.

"SEC" shall mean the Securities and Exchange Commission.

"Securities" shall mean the Preferred Securities and the Common Stock.

"Securities Act" shall mean the Securities Act of 1933, as amended from time to time.

"Shelf Registration" shall mean a registration effected pursuant to Section 2(a) hereof.

"Shelf Registration Statement" shall mean a "shelf" registration statement of the Company pursuant to the provisions of Section 2(a) hereof which covers all of the Registrable Securities on an appropriate form under Rule 415 under the Securities Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all documents incorporated by reference therein.

2. Registration Under the Securities Act.

(a) Shelf Registration. The Company shall file or cause to be filed, on or prior to December 2, 1999, a Shelf Registration Statement providing for the sale by the Holders of all of the Registrable Securities and shall use its best efforts to have such Shelf Registration Statement declared effective by the SEC as promptly as practicable after filing thereof. No Holder of Registrable Securities shall be entitled to include any of its Registrable Securities in any Shelf Registration pursuant to this Agreement unless and until such Holder agrees in writing to be bound by all of the provisions of this Agreement applicable to such Holder and furnishes to the Company in writing, within 15 days after receipt of a request therefor, such information as the Company may, after conferring with counsel with regard to information relating to Holders that would be required by the SEC to be included in such Shelf Registration Statement or Prospectus included therein, reasonably request for inclusion in any Shelf Registration Statement or Prospectus included therein. Each Holder as to which any Shelf Registration is being effected agrees to furnish to the Company all information with respect to such Holder necessary to make the information previously furnished to the Company by such Holder not materially misleading.

The Company agrees to use its best efforts to keep the Shelf Registration Statement continuously effective and the Prospectus usable for resales during the Rule 144(k) Period (subject to extension pursuant to the last paragraph of Section 3 hereof), or for such shorter period which will terminate when all of the Securities covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement or cease to be Registrable Securities (the "Effectiveness Period"); provided, however, that for 60 days or less (whether or not consecutive) in any twelve-month period, the Company shall be permitted to suspend sales of Securities if the Shelf Registration Statement is no longer effective or the Prospectus usable for resales due to circumstances relating to pending developments, public filings with the SEC and similar events, or because the Prospectus includes an untrue statement of a material fact or omits to state a material fact necessary in order to make statements therein, in the light of the circumstances under which they were made, not misleading. The Company will, in the event a Shelf Registration Statement is declared effective, provide to each Holder a reasonable number of copies of the Prospectus which is a part of the Shelf Registration Statement, notify each such Holder when the Shelf Registration Statement has become effective and take such other actions as are required to permit unrestricted resales of the Registrable Securities. The Company further agrees to supplement or amend the Shelf Registration Statement if and as required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement or by the Securities Act or by any other rules and regulations thereunder for shelf registrations, and the Company agrees to furnish to the Holders of Registrable Securities copies of any such supplement or amendment promptly after its being used or filed with the SEC.

(b) Expenses. The Company, as issuer of the Securities, shall pay all Registration Expenses in connection with any Shelf Registration Statement filed pursuant to Section 2(a) hereof and will reimburse any single counsel designated in writing by the Majority Holders to act as counsel for the Holders of the Registrable Securities in connection with a Shelf Registration Statement, which other counsel shall be reasonably satisfactory to the Company. Except as provided herein, each Holder shall pay all expenses of its counsel, underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Registrable Securities pursuant to the Shelf

Registration Statement.

(c) Effective Shelf Registration Statement. A Shelf Registration Statement will not be deemed to have become effective unless it has been declared effective by the SEC; provided, however, that if, after it has been declared effective, the offering of Registrable Securities pursuant to such Shelf Registration Statement is interfered with by any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court, such Shelf Registration Statement will be deemed not to have been effective during the period of such interference, until the offering of Registrable Securities pursuant to such Shelf Registration Statement may legally resume. The Company will be deemed not to have used its reasonable best efforts to cause a Shelf Registration Statement to become, or to remain, effective during the requisite period if it voluntarily takes any action that would result in any such Shelf Registration Statement not being declared effective or that would result in the Holders of Registrable Securities covered thereby not being able to offer and sell such Registrable Securities during that period, unless such action is required by applicable law.

(d) Liquidated Damages. In the event that:

(i) a Shelf Registration Statement is not filed with the SEC on or prior to December 2, 1999, then liquidated damages ("Liquidated Damages") shall accumulate on the liquidation preference of the Preferred Securities at a rate of 0.25% per annum;

(ii) a Shelf Registration Statement is not declared effective by the SEC on or prior to the 90th day after the date such Shelf Registration Statement was initially filed with the SEC, then Liquidated Damages shall accumulate on the liquidation preference of the Preferred Securities at a rate of 0.25% per annum; or

(iii) a Shelf Registration Statement has been declared effective and such Shelf Registration Statement ceases to be effective or the Prospectus usable for resales (A) at any time prior to the expiration of the Effectiveness Period and (B) if related to corporate developments, public filings with the SEC or similar events or to correct a material misstatement or omission in the Prospectus contained in the Shelf Registration Statement, for more than 60 days (whether or not consecutive) in any twelve-month period, then, following the day or 60th day, as the case may be, such Shelf Registration Statement ceases to be effective or the Prospectus usable for resales, Liquidated Damages shall accumulate on the liquidation preference of the Preferred Securities at a rate of 0.25% per annum;

provided, however, that the Liquidated Damages rate on the liquidation preference of the Preferred Securities may not exceed in the aggregate 0.25% per annum; provided, further, however, that (1) upon the filing of a Shelf Registration Statement (in the case of clause (i) above), (2) upon the effectiveness of a Shelf Registration Statement (in the case of clause (ii) above), or (3) upon such time as the Shelf Registration Statement which had ceased to remain effective or the Prospectus usable for resales again becomes effective and usable for resales (in the case of clause (iii) above), Liquidated Damages on the liquidation preference of the Preferred Securities as a result thereof shall cease to accumulate.

Any amounts of Liquidated Damages due pursuant to Section 2(d)(i), (ii) or (iii) above will be payable in cash on the next succeeding January 31, April 30, July 31 or October 31, as the case may be, to Holders on the relevant record dates for the payment of distributions.

(e) Specific Enforcement. Without limiting the remedies available to the Holders, the Company acknowledges that any failure by it to comply with its obligations under Section 2(a) hereof may result in material irreparable injury to the Holders for which there is no adequate remedy at law, that it would not be possible to measure damages for such injuries precisely and that, in the event of any such failure, any Holder may obtain such relief as may be required to specifically enforce the Company's obligations under Section 2(a) hereof.

3. Registration Procedures. In connection with the obligations of the Company with respect to the Shelf Registration Statement pursuant to Section 2(a) hereof, the Company shall use its best efforts to:

(a) prepare and file with the SEC a Shelf Registration Statement as prescribed by Section 2(a) hereof within the relevant time period specified in Section 2(a) hereof on the appropriate form under the Securities Act, which form shall (i) be selected by the Company, (ii) be available for the sale of the Registrable Securities by the selling Holders thereof, and

(iii) comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the SEC to be filed therewith; the Company shall use its best efforts to cause such Shelf Registration Statement to become effective and remain effective and the Prospectus usable for resales in accordance with Section 2 hereof; provided, however, that, before filing any Shelf Registration Statement or Prospectus or any amendments or supplements thereto, the Company shall furnish to and afford the Holders of the Registrable Securities covered by such Shelf Registration Statement, their counsel and the managing underwriters, if any, a reasonable opportunity to review copies of all such documents (including copies of any documents to be incorporated by reference therein and all exhibits thereto) proposed to be filed; and the Company shall not file any Shelf Registration Statement or Prospectus or any amendments or supplements thereto in respect of which the Holders must be afforded an opportunity to review prior to the filing of such document, other than filings required under the Exchange Act, if the Majority Holders, their counsel or the managing underwriters, if any, shall reasonably object in a timely manner;

(b) prepare and file with the SEC such amendments and post-effective amendments to the Shelf Registration Statement as may be necessary to keep such Shelf Registration Statement effective for the Effectiveness Period, subject to the proviso contained in the second paragraph in Section 2(a), and cause each Prospectus to be supplemented, if so determined by the Company or requested by the SEC, by any required prospectus supplement and as so supplemented to be filed pursuant to Rule 424 (or any similar provision then in force) under the Securities Act, and comply with the provisions of the Securities Act, the Exchange Act and the rules and regulations promulgated thereunder applicable to it with respect to the disposition of all securities covered by a Shelf Registration Statement during the Effectiveness Period in accordance with the intended method or methods of distribution by the selling Holders thereof described in this Agreement;

(c) (i) notify each Holder of Registrable Securities included in the Shelf Registration Statement, at least three Business Days prior to filing, that a Shelf Registration Statement with respect to the Registrable Securities is being filed and advising such Holder that the distribution of Registrable Securities will be made in accordance with the method selected by the Majority Holders, (ii) furnish to each Holder of Registrable Securities included in the Shelf Registration Statement and to each underwriter of an underwritten offering of Registrable Securities, if any, without charge, as many copies of each Prospectus, including each preliminary prospectus, and any amendment or supplement thereto, and such other documents as such Holder or underwriter may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Securities and (iii) consent to the use of the Prospectus or any amendment or supplement thereto by each of the selling Holders of Registrable Securities included in the Shelf Registration Statement in connection with the offering and sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(d) register or qualify the Registrable Securities under all applicable state securities or "blue sky" laws of such jurisdictions by the time the applicable Shelf Registration Statement is declared effective by the SEC as any Holder of Registrable Securities covered by a Shelf Registration Statement and each underwriter of an underwritten offering of Registrable Securities shall reasonably request in writing in advance of such date of effectiveness, and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holder and underwriter to consummate the disposition in each such jurisdiction of such Registrable Securities owned by such Holder; provided, however, that the Company shall not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(d), (ii) file any general consent to service of process in any jurisdiction where it would not otherwise be subject to such service of process or (iii) subject itself to taxation in any such jurisdiction if it is not then so subject;

(e) promptly notify each Holder of Registrable Securities, their counsel and the managing underwriters, if any, and promptly confirm such notice in writing (i) when a Shelf Registration Statement has become effective and when any post-effective amendments thereto become effective, (ii) of any request by the SEC or any state securities authority for amendments and supplements to a Shelf Registration Statement or Prospectus or for additional information after the Shelf Registration Statement has become effective, (iii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a Shelf Registration Statement or the qualification of the Registrable Securities in any jurisdiction described in Section 3(d) hereof or the initiation of any proceedings for that purpose, (iv) if, between the effective date of a

Shelf Registration Statement and the closing of any sale of Registrable Securities covered thereby, the representations and warranties of the Company contained in any purchase agreement, securities sales agreement or other similar agreement cease to be true and correct in all material respects, (v) of the happening of any event or the failure of any event to occur or the discovery of any facts, during the Effectiveness Period, which makes any statement made in a Shelf Registration Statement or the related Prospectus untrue in any material respect or which causes such Shelf Registration Statement or Prospectus to omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (vi) of the reasonable determination of the Company that a post-effective amendment to the Shelf Registration Statement would be appropriate;

(f) obtain the withdrawal of any order suspending the effectiveness of the Shelf Registration Statement at the earliest possible moment;

(g) furnish to each Holder of Registrable Securities included within the coverage of a Shelf Registration Statement, without charge, at least one conformed copy of the Shelf Registration Statement relating to such Shelf Registration and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(h) cooperate with the selling Holders of Registrable Securities to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends and registered in such names as the selling Holders or the underwriters may reasonably request at least two Business Days prior to the closing of any sale of Registrable Securities pursuant to the Shelf Registration Statement;

(i) promptly after the occurrence of any event specified in Section 3(e)(ii), 3(e)(iii), 3(e)(v) (subject to a 60 day grace period within any twelve-month period) or 3(e)(vi) hereof, prepare a supplement or post-effective amendment to the Shelf Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities, such Prospectus will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and the Company shall notify each Holder to suspend use of the Prospectus as promptly as practicable after the occurrence of such an event, and each Holder hereby agrees to suspend use of the Prospectus until the Company has amended or supplemented the Prospectus to correct such misstatement or omission;

(j) a reasonable time prior to the filing of any document which is to be incorporated by reference into a Shelf Registration Statement or a Prospectus after the initial filing of a Shelf Registration Statement, provide a reasonable number of copies of such document to the Holders and make such of the representatives of the Company as shall be reasonably requested by the Holders of Registrable Securities or the Initial Purchasers on behalf of such Holders available for discussion of such document;

(k) enter into such agreements (including underwriting agreements) as are customary in underwritten offerings and take all such other appropriate actions in connection therewith as are reasonably requested by the Holders of at least 25% in aggregate liquidation preference of the Registrable Securities in order to expedite or facilitate the registration or the disposition of the Registrable Securities;

(l) whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration, if requested by the Holders of at least 25% in aggregate liquidation preference of the Registrable Securities covered thereby: (i) make such representations and warranties to Holders of such Registrable Securities and the underwriters (if any), with respect to the business of the Company and its subsidiaries as then conducted and with respect to the Shelf Registration Statement, Prospectus and documents, if any, incorporated or deemed to be incorporated by reference therein, in each case, as are customarily made by issuers to underwriters in underwritten offerings, and confirm the same if and when requested; (ii) obtain opinions of counsel to the Company and updates thereof (which may be in the form of a reliance letter) in form and substance reasonably satisfactory to the managing underwriters (if any) and the Holders of a majority in aggregate liquidation preference of the Registrable Securities being sold, addressed to each selling Holder and the underwriters (if any) covering the matters customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by such underwriters (it

being agreed that the matters to be covered by such opinion may be subject to customary qualifications and exceptions); (iii) obtain "cold comfort" letters and updates thereof in form and substance reasonably satisfactory to the managing underwriters from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement), addressed to each of the underwriters, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings and such other matters as reasonably requested by such underwriters in accordance with Statement on Auditing Standards No. 72; and (iv) if an underwriting agreement is entered into, the same shall contain indemnification provisions and procedures no less favorable than those set forth in Section 4 hereof (or such other provisions and procedures acceptable to Holders of a majority in aggregate liquidation preference of Registrable Securities covered by such Shelf Registration Statement and the managing underwriters) customary for such agreements with respect to all parties to be indemnified pursuant to said Section (including, without limitation, such underwriters and selling Holders); and in the case of an underwritten registration, the above requirements shall be satisfied at each closing under the related underwriting agreement or as and to the extent required thereunder;

(m) make reasonably available for inspection by any selling Holder of Registrable Securities who certifies to the Company that it has a current intention to sell Registrable Securities pursuant to the Shelf Registration, any underwriter participating in any such disposition of Registrable Securities, if any, and any attorney, accountant or other agent retained by any such selling Holder or underwriter (collectively, the "Inspectors"), at the offices where normally kept, during the Company's normal business hours, all financial and other records, pertinent organizational and operational documents and properties of the Company and its subsidiaries (collectively, the "Records") as shall be reasonably necessary to enable them to exercise any applicable due diligence responsibilities, and cause the officers, trustees and employees of the Company and its subsidiaries to supply all relevant information in each case reasonably requested by any such Inspector in connection with such Shelf Registration Statement; records and information which the Company, in good faith, to be confidential and any Records and information which it notifies the Inspectors are confidential shall not be disclosed to any Inspector except where (i) the disclosure of such Records or information is necessary to avoid or correct a material misstatement or omission in such Shelf Registration Statement, (ii) the release of such Records or information is ordered pursuant to a subpoena or other order from a court of competent jurisdiction or is necessary in connection with any action, suit or proceeding or (iii) such Records or information previously has been made generally available to the public; each selling Holder of such Registrable Securities will be required to agree in writing that Records and information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it as the basis for any market transactions in the securities of the Company unless and until such is made generally available to the public through no fault of an Inspector or a selling Holder; and each selling Holder of such Registrable Securities will be required to further agree in writing that it will, upon learning that disclosure of such Records or information is sought in a court of competent jurisdiction, or in connection with any action, suit or proceeding, give notice to the Company and allow the Company at its expense to undertake appropriate action to prevent disclosure of the Records and information deemed confidential;

(n) comply with all applicable rules and regulations of the SEC so long as any provision of this Agreement shall be applicable and make generally available to its securityholders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar rule promulgated under the Securities Act) no later than 45 days after the end of any twelve-month period (or 90 days after the end of any twelve-month period if such period is a fiscal year) (i) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm commitment or best efforts underwritten offering and (ii) if not sold to underwriters in such an offering, commencing on the first day of the first fiscal quarter of the Company after the effective date of a Shelf Registration Statement, which statements shall cover said twelve-month periods, provided that the obligations under this Section 3(n) shall be satisfied by the timely filing of quarterly and annual reports on Forms 10-Q and 10-K under the Exchange Act;

(o) cooperate with each seller of Registrable Securities covered by a Shelf Registration Statement and each underwriter, if any, participating in the disposition of such Registrable Securities and their respective counsel

in connection with any filings required to be made with the NASD;

(p) take all other steps necessary to effect the registration of the Registrable Securities covered by a Shelf Registration Statement contemplated hereby; and (q) the Company may require each seller of Registrable Securities as to which any registration is being effected to furnish to it such information regarding such seller as may be required by the staff of the SEC to be included in a Shelf Registration Statement; the Company may exclude from such registration the Registrable Securities of any seller who unreasonably fails to furnish such information within a reasonable time after receiving such request; and the Company shall have no obligation to register under the Securities Act the Registrable Securities of a seller who so fails to furnish such information.

Each Holder agrees that, upon receipt of any notice from the Company of the occurrence of any event specified in Section 3(e)(ii), 3(e)(iii), 3(e)(v) or 3(e)(vi) hereof, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to a Shelf Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 3(i) hereof or until it is advised in writing (the "Advice") by the Company that the use of the applicable Prospectus may be resumed, and, if so directed by the Company, such Holder will deliver to the Company (at the Company's expense) all copies in such Holder's possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Securities current at the time of receipt of such notice. If the Company shall give any such notice to suspend the disposition of Registrable Securities pursuant to a Shelf Registration Statement, the Company shall use its best efforts to file and have declared effective (if an amendment) as soon as practicable after the resolution of the related matters an amendment or supplement to the Shelf Registration Statement and related Prospectus and shall extend the period during which such Shelf Registration Statement is required to be maintained effective and the Prospectus usable for resales pursuant to this Agreement by the number of days in the period from and including the date of the giving of such notice to and including the date when the Company shall have made available to the Holders (x) copies of the supplemented or amended Prospectus necessary to resume such dispositions or (y) the Advice.

4. Indemnification and Contribution. (a) The Company and the Operating Partnership hereby agree, jointly and severally, to indemnify and hold harmless each Holder, each underwriter who participates in an offering of the Registrable Securities, each Person, if any, who controls any of such parties within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act and each of their respective directors, officers, employees and agents, as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in a Shelf Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact required to be stated therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, provided that (subject to Section 4(d) hereof) such settlement is effected with the prior written consent of the Company and the Operating Partnership; and

(iii) against any and all expenses whatsoever, as incurred (including the reasonable fees and disbursements of counsel chosen by such Holder), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under subparagraph (i) or (ii) of this Section 4(a);

provided, however, that this indemnity does not apply to any loss, liability, claim, damage or expense to the extent arising out of an untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished in writing to the Company and the Operating Partnership by such Holder or underwriter for use in the Shelf

Registration Statement (or any amendment thereto) or any Prospectus (or any amendment or supplement thereto).

(b) The Initial Purchasers and each Holder or underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its trustees and officers (including each officer of the Company who signed the Shelf Registration Statement), and the Operating Partnership and each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense whatsoever described in the indemnity contained in Section 4(a) hereof, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Shelf Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Holder expressly for use in such Shelf Registration Statement (or any amendment thereto) or such Prospectus (or any amendment or supplement thereto); provided, however, that no Holder shall be liable for any claims hereunder in excess of the amount of net proceeds received by such Holder from the sale of Registrable Securities.

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability which it may have under this Section 4 to the extent that it is not materially prejudiced by such failure as a result thereof, and in any event shall not relieve it from liability which it may have otherwise on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 4(a) or (b) above, counsel to the indemnified parties shall be selected by such parties. An indemnifying party may participate at its own expense in the defense of such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties be liable for the fees and expenses of more than one counsel (in addition to local counsel), separate from their own counsel, for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 4 (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional written release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) If at any time an indemnified party shall have validly requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 4(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) In order to provide for just and equitable contribution in circumstances in which the indemnity agreement set forth in this Section 4 is for any reason held to be unenforceable by an indemnified party although applicable in accordance with its terms, the Company and the Operating Partnership, on the one hand, and the Holders, on the other hand, shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by such indemnity agreement incurred by the Company, the Operating Partnership and the Holders, as incurred; provided, however, that no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any Person that was not guilty of such fraudulent misrepresentation. As between the Company and the Operating Partnership, on the one hand, and the Holders, on the other hand, such parties shall contribute to such aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by such indemnity agreement in such proportion as shall be appropriate to reflect the relative fault of the Company and the Operating Partnership, on the one hand, and the Holders, on the other hand, with respect to the statements or omissions which resulted in such loss, liability, claim, damage or expense, or action in respect thereof, as well as any other relevant equitable considerations. The relative fault of the Company and the Operating Partnership, on the one hand, and of the Holders, on the other hand, 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 Company or the Operating Partnership, on the one hand, or by or on behalf of the Holders, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, the Operating Partnership and the Holders of the Registrable Securities agree that it would not be just and equitable if contribution pursuant to this Section 4 were to be determined by pro rata allocation or by any other method of allocation that does not take into account the relevant equitable considerations. For purposes of this Section 4, each Affiliate of a Holder, and each director, officer and employee and Person, if any, who controls a Holder or such Affiliate within the meaning of Section 15 of the Securities Act shall have the same rights to contribution as such Holder, and each trustee and officer of the Company and each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Company and the Operating Partnership.

5. Participation in an Underwritten Registration. No Holder may participate in an underwritten registration hereunder unless such Holder (a) agrees to sell such Holder's Registrable Securities on the basis provided in the underwriting arrangement approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all reasonable questionnaires, powers of attorney, indemnities, underwriting agreements, lock-up letters and other documents reasonably required under the terms of such underwriting arrangements.

6. Selection of Underwriters. The Holders of Registrable Securities covered by the Shelf Registration Statement who desire to do so may sell the Securities covered by such Shelf Registration in an underwritten offering, subject to the provisions of Section 3(l) hereof. In any such underwritten offering, the underwriter or underwriters and manager or managers that will administer the offering will be selected by the Holders of a majority in aggregate liquidation preference of the Registrable Securities included in such offering; provided, however, that such underwriters and managers must be reasonably satisfactory to the Company.

7. Miscellaneous.

(a) Rule 144. For so long as the Company is subject to the reporting requirements of Section 13 or 15 of the Exchange Act and any Registrable Securities remain outstanding, the Company will file the reports required to be filed by it under the Securities Act and Section 13(a) or 15(d) of the Exchange Act and the rules and regulations adopted by the SEC thereunder; provided, however, that if the Company ceases to be so required to file such reports, it will, upon the request of any Holder of Registrable Securities (a) make publicly available such information as is necessary to permit sales of its securities pursuant to Rule 144 under the Securities Act and (b) take such further action that is reasonable in the circumstances, in each case, to the extent required from time to time to enable such Holder to sell its Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 under the Securities Act, as such rule may be amended from time to time, or any similar rules or regulations hereafter adopted by the SEC. Upon the request of any Holder of Registrable Securities, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements.

(b) No Inconsistent Agreements. The Company has not entered into, and will not enter into, any agreement which is inconsistent with the rights granted to the Holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Company's other issued and outstanding securities under any such agreements.

(c) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company has obtained the written consent of Holders of a majority in aggregate liquidation preference of the outstanding Registrable Securities affected by such amendment, modification, supplement, waiver or departure; provided that no amendment, modification or supplement or waiver or consent to the departure with respect to the provisions of Section 4 hereof shall be effective as against any Holder of Registrable Securities unless consented to in writing by such Holder of Registrable Securities.

Notwithstanding the foregoing sentence, (i) this Agreement may be amended, without the consent of any Holder of Registrable Securities, by written agreement signed by the Company, the Operating Partnership and the Initial Purchasers, to cure any ambiguity, correct or supplement any provision of this Agreement that may be inconsistent with any other provision of this Agreement or to make any other provisions with respect to matters or questions arising under this Agreement which shall not be inconsistent with other provisions of this Agreement, (ii) this Agreement may be amended, modified or supplemented, and waivers and consents to departures from the provisions hereof may be given, by written agreement signed by the Company, the Operating Partnership and the Initial Purchasers to the extent that any such amendment, modification, supplement, waiver or consent is, in their reasonable judgment, necessary or appropriate to comply with applicable law (including any interpretation of the Staff of the SEC) or any change therein and (iii) to the extent any provision of this Agreement relates to the Initial Purchasers, such provision may be amended, modified or supplemented, and waivers or consents to departures from such provisions may be given, by written agreement signed by the Initial Purchasers, the Operating Partnership and the Company.

(d) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery (i) if to a Holder, at the most current address given by such Holder to the Company by means of a notice given in accordance with the provisions of this Section 7(d), which address initially is, with respect to the Initial Purchasers, the address set forth in the Purchase Agreement; and (ii) if to the Company or the Operating Partnership, initially at the Company's address set forth in the Purchase Agreement and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 7(d).

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt is acknowledged, if telecopied; and on the next Business Day, if timely delivered to an air courier guaranteeing overnight delivery.

(e) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of the Initial Purchasers, including, without limitation and without the need for an express assignment, subsequent Holders; provided, however, that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of the Purchase Agreement or amended charter of the Company. If any transferee of any Holder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities, such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement and such Person shall be entitled to receive the benefits hereof.

(f) Third Party Beneficiaries. Each Holder shall be a third party beneficiary of the agreements made hereunder among the Company, the Operating Partnership and the Initial Purchasers, and the Initial Purchasers shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(g) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to any provisions relating to conflicts of laws.

(j) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions

contained herein shall not be affected or impaired thereby.

(k) Securities Held by the Company or its Affiliates. Whenever the consent or approval of Holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the Company or any Affiliates shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Very truly yours,

RECKSON ASSOCIATES REALTY CORP.

By: /s/ Scott Rechler

Name:
Title: President

RECKSON OPERATING PARTNERSHIP, L.P.
By: Reckson Associates Realty Corp.,
its General Partner solely with respect
to Section 4 hereof

By: /s/ Scott Rechler

Name:
Title: President

CONFIRMED AND ACCEPTED,
as of the date first
above written:

STICHTING PENSIOENFONDS ABP

By: /s/ Jean Frijns

Name:
Title: Chairman and
Chief Investment Officer

By: /s/ Wim Borgdorff

Name:
Title: Managing Director -
Structured Investments

THE TRAVELERS INSURANCE COMPANY

By: /s/ Douglas D. Fitton

Name:
Title: Vice President

THE TRAVELERS LIFE AND ANNUITY COMPANY

By: /s/ Michael Watson

Name:
Title: Vice President

THE STANDARD FIRE INSURANCE COMPANY

By: /s/ Douglas D. Fitton

Name:

Title: Vice President

TRAVELERS CASUALTY AND SURETY COMPANY

By: /s/ Douglas D. Fitton

Name:
Title: Vice President

Exhibit 99.1

RECKSON AND TOWER ANNOUNCE COMPLETION OF MERGER
May 24, 1999 05:58 PM
MELVILLE, N.Y.--(BUSINESS WIRE)--May 24, 1999--Reckson Associates Realty Corp. RA today announced that Tower stockholders have approved the merger of the two companies and that the merger was completed today. As a result of the approval by Reckson stockholders relating to the consideration to be paid in the merger, only Reckson class B common stock and cash will be issued in the merger.

Scott Rechler, Reckson's President and Chief Operating Officer, stated, "Wea5e very excited about the closing of the tower merger. We believe that through this transaction along with our recently announced transaction relating to 919 Third Avenue, Reckson has created a strong platform in New York City from which to build the Reckson franchise."

Lester S. Garfinkel, Tower's Chief Financial Officer and Executive Vice President for Finance and Administration, said, "The Board and management of Tower have been committed to achieving a transaction that serves the best interests of our shareholders. Today's vote is the culmination of our efforts to enable Tower shareholders to realize both an immediate cash return and ongoing participation in the future of another publicly traded REIT."

Reckson also announced that, based on preliminary results, the cash election offered in the merger was oversubscribed. However, the exact ratio of cash and stock that will be received by Tower stockholders that elected to receive cash will not be determined until after the May 26th deadline for holders who have made cash elections to deliver their shares to the exchange agent.

Prior to the closing of the merger, Tower sold its Class B New York City properties consisting of four properties aggregating approximately 671,000 square feet. Reckson has acquired, through Metropolitan Partners, Tower's remaining 22 properties with an aggregate of approximately 3.5 million square feet in the Manhattan, Phoenix/Tucson and Orlando markets.

Reckson Associations Realty Corp. is a self-administered and self-managed real estate investment trust (REIT) specializing in the acquisition, leasing, financing, management and development of office and industrial properties.

Reckson's core growth strategy is focused on the markets surrounding and including New York City. Since the completion of its initial public offering in May 1995, Reckson has acquired or contracted to acquire approximately $1.6 billion of properties comprising approximately 18.8 million square feet of space.

Reckson is one of the largest publicly traded owners and managers of Class A office and industrial properties in the New York City "Tri-State" area, with 206 properties comprised of approximately 23.3 million square feet either owned and controlled, directly or indirectly, or under contract.

This information contains forward-looking information that is subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those projected. Among those risks, trends and uncertainties are the general economic climate; the supply of and demand for office and industrial properties in the New York metropolitan tri-state area; interest rate levels; the availability of financing; and other risks associated with the development and acquisition of properties, including risks that development may not be completed on schedule, that the tenants will not take occupancy or pay rent, or that development or operating costs may be greater than anticipated. For further information on factors which could impact the Company, reference is made to the Company's filings with the Securities and Exchange Commission.

Exhibit 99.2

RECKSON RAISES DIVIDEND, NAMES CO-CEO

May 26, 1999 08:52 AM
MELVILLE, N.Y., May 26 (Reuters) - Reckson Associates Realty Corp. said on Wednesday its board named President and Chief Operating Officer Scott Rechler co-chief executive officer and president, and the company raised its dividend.

Rechler now shares the chief executive title with Chairman and co-Chief Executive Officer Donald Rechler.

Mitchell Rechler and Gregg Rechler, both executive vice presidents at Reckson, have been named co-chief operating officers.

Reckson increased its dividend 10 percent to an annualized dividend rate of $1.485 a share, an increase from $1.35 a share.

The company's quarterly dividend of $0.37125 is payable July 16 to shareholders of record as of July 8. The prior dividend was $0.3375 a share.

Exhibit 99.3

RECKSON ASSOCIATES REALTY CORP. ANNOUNCES
REVISED RESULTS OF MERGER CONSIDERATION
ELECTIONS IN THE TOWER MERGER

MELVILLE, N.Y.--(BUSINESS WIRE)--June 1, 1999--[Reckson Associates Realty Corp]. (NYSE: RA) has announced revised results of merger consideration elections after being informed by the Exchange Agent that the Tower shareholder and unitholder elections previously reported to Reckson understated the number of securities for which cash elections were made by approximately 1.2 million. The Exchange Agent has reported revised election results as to the form of merger consideration in connection with the merger of [Tower Realty Trust, Inc]. into a subsidiary of Reckson as follows:

Election Results Number of Tower Shares and Units Cash
Election 14,277,014 Non-Election 4,357,113

Under the terms of the merger agreement, an aggregate of approximately 75% of the shares of common stock of Tower and limited partnership units of Tower Realty Operating Partnership, L.P. will be exchanged for shares of class B exchangeable common stock of Reckson at a ratio of 0.8364 of a Reckson share per Tower share or unit, and an aggregate of 25% of the shares of common stock and limited partnership units will be exchanged for $23 in cash per Tower share or unit. As a result of the elections, the merger consideration will be paid as follows:

- - Cash Election: approximately 0.5633 of a share of Reckson class B stock and approximately $7.51 in cash for each Tower share or unit, in each case subject to rounding.

- - Non-Election: 0.8364 of a share of Reckson class B stock for each Tower share or unit.

Approximately 11.7 million shares of Reckson class B exchangeable common stock and $107.2 million in cash will be paid in total to former Tower shareholders and unitholders. The aggregate consideration to be paid in the merger will not change as a result of the revised election results. In lieu of the issuance of fractional shares to former Tower security holders, the Exchange Agent will aggregate all fractional interests otherwise payable and will sell such shares on behalf of such security holders on the [New York Stock Exchang]e. Former Tower security holders will receive their proportionate interest in the net proceeds of such sale.

Reckson Associates Realty Corp. is a self-administered an self-managed real estate investment trust (REIT) specializing in the acquisition, leasing, financing, management and development of office and industrial properties.

Reckson's core growth strategy is focused on the markets surrounding and including New York City. Since the completion of its initial public offering in May 1995, Reckson has acquired, contracted to acquire or developed approximately $2 billion of properties comprising approximately 20.5 million square feet of space.

Reckson is one of the largest publicly traded owners and managers of Class A office and industrial properties in the New York City "Tri-State" area, with 210 properties comprised of approximately 25 million square feet either owned and controlled, directly or indirecty, or under contract.

This information contains forward-looking information that is subject to certain risks, trends and uncertainties that co8uld cause actual results to differ materially from those projected. Among those risks, trends and uncertainties are the general economic climate; the supply of and demand for office and industrial properties in the New York metropolitan Tri-State area; interest rate levels; the availability of financing; and other risks associated with the development and acquisition of properties, including risks that development may not be completed on schedule, that the tenants will not take occupancy or pay rent, or that development or operating costs may be greater than anticipated. For further information on factors that could impact Reckson, reference is made to Reckson's filings with the Securities and Exchange Commission.