

Marks Paneth LLP  
685 Third Avenue  
New York, NY 10017  
P 212.503.8800  
F 212.370.3759  
www.markspaneth.com

Manhattan  
Long Island  
Westchester  
Cayman Islands

**M A R K S P A N E T H**  
ACCOUNTANTS & ADVISORS

## Independent Auditors' Report

The Board of Directors of the  
Hudson Yards Development Corporation

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Hudson Yards Development Corporation ("HYDC"), a component unit of The City of New York, as of and for the year ended June 30, 2014 and have issued our report thereon dated September 29, 2014.

In connection with our audit, nothing came to our attention that caused us to believe that HYDC had not complied, in all material respects, with the terms, covenants, provisions or conditions of the Trust Indenture dated December 1, 2006, the Second Supplemental Trust Indenture dated February 1, 2008, and as further amended and restated as of October 1, 2011 (collectively, the "Amended and Restated Indenture"), and the Third Supplemental Trust Indenture dated October 1, 2011 (collectively, with the Amended and Restated Indenture, the "Indenture"), by and between HYDC and U.S. Bank National Association insofar as they relate to financial and accounting matters. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with the Trust Indenture referred to above. Accordingly, we do not express such an opinion.

This report is intended solely for the information of HYDC's Audit Committee, Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

*Marks Paneth LLP*

September 29, 2014  
New York, NY