

PURCHASE APPLICATION
FOR
EASTERN RAIL YARD TRANSFERABLE DEVELOPMENT RIGHTS

DATA SHEET

Application Date: _____

Applicant Information

Name: _____

Address: _____

Phone Number: _____ E-mail Address: _____

T.I.N. _____

Primary Contact Person

Name: _____

Title: _____

Phone Number: _____ E-mail Address: _____

Receiving Site Information

Block and Lot: _____

Address: _____

Lot Area: _____

As of Right ZSF: _____

Anticipated DIB ZSF: _____

Is Applicant now the owner of the Receiving Site? Y/N

If No, please explain. _____

ERY TDR Purchase Information

Anticipated Closing Date: _____

Anticipated ERY TDR ZSF to be Purchased: _____

Applicant acknowledges that the purchase of ERY TDR is subject to the Policies and Procedures set forth in the Purchase Application. Applicant represents that the Applicant's Purchase Application, and all materials now or subsequently provided to Administrator in connection therewith, are and shall be accurate, true and correct to the best of Applicant's knowledge and belief.

By: _____

Name: _____

Title: _____

PURCHASE APPLICATION
FOR
EASTERN RAIL YARD TRANSFERABLE DEVELOPMENT RIGHTS

POLICIES AND PROCEDURES

1. Introduction.

This Purchase Application is for the purchase of Floor Area from the Eastern Rail Yard Subarea for distribution to a Zoning Lot within the Hudson Yards District ERY TDR Receiving Area pursuant to Section 93-34 of the Zoning Resolution. (See Section 2 below for definitions).

This Purchase Application shall be in effect for ERY TDR Purchases to occur on or before December 31, 2020, unless this Purchase Application is earlier modified, replaced or withdrawn by the Administrator.

2. Definitions. For purposes of this Purchase Application, the following definitions shall apply:

"Administrator" means the Hudson Yards Development Corporation or such other entity as may be designated by HYIC as the administrator of ERY TDR Purchases.

"Applicant" means the applicant for the Subject ERY TDR Purchase.

"Appraisal" means the Administrator's appraisal of the Subject Receiving Site for purposes of the Subject ERY TDR Purchase.

"Appraisal Instructions" means the appraisal instructions in the form attached to this Application as Appendix 1.

"Closing Date" means the closing date of the Subject ERY TDR Purchase.

"CP Certification" means the City Planning Commission Chairperson's certification for the Subject ERY TDR Purchase, as described in Section 93-34 of the Zoning Resolution.

"CP Application" means the application for the CP Certification, as described in Section 93-34(b) of the Zoning Resolution.

"Disposition and Pricing Mechanism Policy" means the ERY TDR Disposition and Pricing Mechanism Policy in effect at the time a completed Purchase Application is submitted to Administrator. See Appendix 2 attached to this Application.

"Distribution Instrument and Notice of Restrictions" means the distribution instrument and the notice of restrictions referred to in Section 93-34(b)(2) of the Zoning Resolution.

"ERY Subarea" means Eastern Rail Yard Subarea A1 as defined in the Zoning Resolution.

"ERY TDR" means Floor Area in the ERY Subarea that is available for purchase and distribution to Zoning Lots within the Hudson Yards District ERY TDR Receiving Area pursuant to Section 93-34 of the Zoning Resolution.

"Floor Area" shall have the meaning set forth in the Zoning Resolution.

"Hudson Yards District ERY TDR Receiving Area" means Subareas A2 through A5 of Hudson Yards District Large Scale Plan Subdistrict A as defined in the Zoning Resolution.

"HYDC" means the Hudson Yards Development Corporation.

"HYIC" means the Hudson Yards Infrastructure Corporation.

"PAAA" means the New York State Public Authorities Accountability Act.

"Purchase Price" means the price of ERY TDR per ZSF for purposes of the Subject ERY TDR Purchase, as determined according to the Appraisal and the Disposition and Pricing Mechanism Policy, multiplied by the ZSF of ERY TDR to be purchased.

"Subject ERY TDR Purchase" means the ERY TDR Purchase that is the subject of this Purchase Application.

"Subject Receiving Site" means the property to which ERY TDR shall be distributed pursuant to the Subject ERY TDR Purchase.

"Zoning Lot" shall have the meaning set forth in the Zoning Resolution.

"Zoning Resolution" means the New York City Zoning Resolution.

"ZSF" means zoning square feet.

3. Purchase Application Requirements.

a) Applicant shall submit the following items to Administrator:

- i) A completed Purchase Application Data Sheet.
- ii) A draft of the CP Application.

iii) A) Following Applicant's submission of a complete Purchase Application, Administrator shall cause the MTA and HYIC to join the CP Application as and to the extent necessary under Section 93-34 of the Zoning Resolution.

B) The complete CP Application shall be submitted to Administrator as soon it is accepted by the New York City Department of City Planning.

iii) Application Fee. Applicant shall pay a one-time non-refundable application fee of \$10,000 made payable to HYIC by check or wire payment (the "Application Fee"). Wire payment instructions shall be provided by the Administrator upon request.

4. Appraisal.

a) Appraisal Fee.

i) Within ten (10) business days following Administrator's receipt of a complete Purchase Application and the Application Fee, Administrator shall notify Applicant of the appraisal fee (the "Appraisal Fee") for the Appraisal. The Appraisal Fee shall promptly be paid to HYDC by check or wire transfer. The Appraisal Fee shall not exceed \$20,000, subject to annual CPI increases beginning with January 1, 2014, except in the event that Administrator's appraiser determines, in its sole discretion, that the Appraisal will require an income capitalization, land residual or similar analysis.

ii) Upon receipt of the Appraisal Fee, Administrator shall promptly notify its appraiser to commence the appraisal process, and shall use reasonable efforts to cause the Appraisal to be completed within 45 days.

b) Appraisal Process.

i) The Appraisal shall be conducted by Administrator's appraiser in accordance with the ERY TDR Disposition and Pricing Mechanism Policy.

ii) Upon completion of the Appraisal Process, Administrator shall notify Applicant of the price per ZSF of ERY TDR for purposes of the Subject ERY TDR Purchase. Administrator shall provide a copy of the Appraisal to Applicant for informational purposes only. This Appraisal shall be valid for a period of six (6) months from the appraiser's completion date.

iii) In the event that the price per ZSF of ERY TDR as determined on the basis of the Appraisal requires MTA approval according to the Disposition and Pricing Mechanism Policy, the price per ZSF of ERY TDR shall not be effective for the Subject ERY TDR Purchase until MTA approval is obtained. Administrator shall use its reasonable best effort to obtain such approval.

c) Additional Appraisal.

i) The Appraisal shall be considered stale, and an additional Appraisal shall be required, in the event that:

A) The Closing does not occur within six (6) months of the date of the original Appraisal.

B) The boundaries of the Receiving Site that was the subject of the Appraisal are changed subsequent to the Appraisal and prior the Closing, and Administrator determines, in its sole discretion, but in consultation with its appraiser, that the boundary changes materially affect the Appraisal.

ii) In the event an Additional Appraisal is required, an additional Appraisal Fee shall be required, the amount of which shall be determined and paid according to Section 4(a) above.

5. New York State Public Authorities Accountability Act

Section 2897(6)(d) of the New York State Public Authorities Accountability Act requires public authorities to submit a written explanation of the circumstances involving the disposal of property through a negotiated transaction to the Authorities Budget Office (ABO) not less than 90 days prior to the scheduled date of the transaction. The Administrator shall promptly issue the notice to the PAAA, including the price, following the completion of the Appraisal. The PAAA notice will set forth the price of the ERY TDRs on a per square foot basis, according to the Appraisal.

6. Closing Matters.

a) Closing.

i) Applicant shall deliver its executed counterparts of the Transfer and Distribution Instrument and the Notice of Restrictions attached hereto as Appendices 3 and 4.

ii) Administrator shall deliver counterparts of the Transfer and Distribution Instrument and the Notice of Restrictions executed by MTA and HYIC in accordance with the completed CP Application.

iii) Applicant shall pay the Purchase Price, in its entirety, by wire transfer to HYIC, according to wire instructions to be provided by Administrator.

b) Closing Date. The Closing Date shall be determined by Applicant, except that, due to pre-conveyance notice requirements of the New York State Public Authorities Law, the closing may not take place fewer than one hundred (100) days after the completion of the Appraisal and must occur on a business day.

APPENDIX 1

Standard Form of Appraisal Instructions

Appraisal Scope of Services
in connection with
Purchase of Eastern Rail Yard Transferable Development Rights (“ERY TDRs”)

Appraiser shall prepare a full-narrative, self-contained appraisal report of the “Appraisal Report”) of the fair market value per zoning square foot (“ZSF”) of the fee simple estate in the Subject Property, as if vacant and unimproved. The appraisal report shall conform with the Code of Professional Ethics and Standards of Professional Appraisal Practice set forth by the Appraisal Institute.

1. Subject Property: _____
New York, New York
(Block ____, Lot __)

2. Valuation Date: _____

3. Zoning: Subarea ____ of the Special Hudson Yards District.

4. Purpose of Appraisal: The appraisal will be used to calculate, pursuant to the Hudson Yards Development Corporation’s ERY TDR Disposition and Pricing Mechanism Policy, the purchase price of ERY TDRs to be transferred to the Subject Property.

5. Consideration of Adjustment for District Improvement Fund Bonus Eligibility. In comparing the Subject Property to recent land sales of similar properties (including recent land sales of the Subject Property, if applicable) (hereinafter, “Comps”), for each Comp (a “DIB Eligible Comp”) involving a site that was eligible for an FAR increase pursuant to New York City Zoning Resolution Section 93-31 (Hudson Yards District Improvement Fund Bonus) (“DIB”) as of the date of the Comp, the following shall apply:
 - (a) Without limiting appraiser’s consideration of any other adjustments such as for time, location, size or exposure, appraiser shall consider whether an adjustment (“DIB Adjustment”) should be made to the DIB Eligible Comp to take into account the site’s eligibility for an FAR increase at the DIB price as of the date of the Hudson Yards Comp. In determining whether to make a DIB Adjustment, appraiser shall
 - (i) analyze financing and other transactional documents relating to the DIB Eligible Comp;
 - (ii) analyze whether, on a price per zoning square foot (“ZSF”) basis, the value of the particular DIB Eligible Comp without any DIB Adjustment, but with all other appropriate adjustments, is materially inconsistent with the value of non-DIB Eligible Comps;
 - (iii) consider any other relevant information.
 - (b) If it is determined that a DIB Adjustment should be made, then the DIB Adjustment shall be made as follows, unless appraiser determines that another methodology should be used.

(i) For the DIB Eligible Comp, the total site acquisition cost for the purpose of determining the value of the fee interest on a price per ZSF basis shall be deemed to be the sum of (X) the actual purchase price and (Y) the total cost of obtaining the remaining¹ DIB FAR increase for which the site was eligible after the Comp, based on the DIB price as of the date of the Comp.

(ii) For the DIB Eligible Comp, the total ZSF of the site for the purpose of determining the value of the fee interest on a price per ZSF basis shall be deemed to be the sum of (X) the site's Base Floor Area pursuant to the Special Hudson Yards District Zoning and (Y) the site's maximum possible DIB Floor Area.²

6. ERY TDRs. In performing the appraisal of the Subject Property, appraiser shall not take into the account the eligibility, if any, of the Subject Property's or of any Comp site for any FAR increase pursuant to New York City Zoning Resolution Section 93-34 (Distribution of ERY TDRs) as of the date of the Comp, or the cost of obtaining such an FAR increase.

¹ For the avoidance of doubt, the total site acquisition cost for purpose of determining the value of the fee interest of the DIB-Eligible Comp on a price per ZSF basis shall exclude the cost of any DIB FAR increase that was obtained for the site prior to the date of the Comp.

² For the avoidance of doubt, the site's total ZSF for the purpose of determining the value of the fee interest of the DIB-Eligible Comp on a price per ZSF basis shall include the maximum possible DIB Floor Area whether or not any DIB FAR increase was obtained for the site prior to the date of the Comp.

APPENDIX 2

Eastern Rail Yard Transferrable Development Rights (“ERY TDRs”) Disposition and Pricing Mechanism Policy

Adopted January 16, 2009; Amended April 9, 2013 and November 25, 2014

Disposition and Pricing Mechanism Policy

Sales of the ERY TDRs will be pursuant to the disposition and pricing mechanism policy (“Disposition and Pricing Mechanism Policy”), as set forth below. This Disposition and Pricing Mechanism Policy shall remain in effect until the MTA is entitled to elect, and has elected to assume control of ERY TDR dispositions pursuant to the 2006 City-MTA Railyard Agreement (“Railyard Agreement”) and the City-MTA Letter Agreement dated as of May 25, 2010 (“Letter Agreement”) concerning the Railyard Agreement.

1. Disposition Process

a. HYDC will negotiate and effectuate ERY TDR sales with each eligible property owner that desires to purchase ERY TDRs under this Disposition and Pricing Mechanism Policy.

i. The price per square foot of ERY TDRs to be sold will be established through the Pricing Mechanism, as described below.

ii. All sales will be cash sales in one lump sum payment at closing.

b. Eligible property owners may apply to purchase ERY TDRs by sending an application to HYDC containing the following items:

i. Amount of ERY TDRs to be purchased.

ii. Demonstration of fee ownership of the receiving parcel. A contract for the purchase of such fee ownership is acceptable, but ERY TDRs sale will not close prior to the closing on such contract

iii. Proposed timing of transaction.

iv. Draft application to Department of City Planning, and other required documents, for the certification to transfer ERY TDRs pursuant to Section 93-34 of the Zoning Resolution.

v. Non-refundable application fee in the amount of \$10,000.

c. A non-refundable appraisal fee will be charged in an amount to be determined by HYDC.

d. HYDC will be solely responsible for engaging appraisers, determining the timing of the transaction and for determining other normal terms and conditions to closing in its sole discretion.

e. Sales of ERY TDRs shall require HYIC approval, but shall not require MTA approval provided that the price is equal to or greater than the Threshold Price or New Threshold Price, as applicable, as defined in the Pricing Mechanism section below.

f. HYDC will prepare an Explanatory Statement describing each negotiated sale for submission by the MTA and HYIC to the required State officials in satisfaction of PAAA requirements. Sales of TDRs subject to an explanatory statement cannot be closed until the 90-day statutory waiting period following the transmission of such statements to such State officials.

g. Upon closing, MTA and HYIC will execute all documentation required to effectuate the transfer of the subject ERY TDRs.

h. HYDC shall not amend or deviate from this Disposition and Pricing Mechanism Policy without the prior written consent of HYIC and MTA.

2. Pricing Mechanism

The price per square foot of ERY TDRs to be sold shall be established pursuant to this pricing mechanism ("Pricing Mechanism"):

a. Upon receiving an application for purchase of ERY TDRs, all required supporting documentation, application fee, and a non-refundable appraisal fee, HYDC will order an appraisal of the fee value as of the date of the application letter of the receiving site from one of its on-call appraisers. The appraisal fee shall be determined by HYDC. The appraisal shall be finalized before it is discussed or shared with the transfer applicant.

b. Based upon a pricing study prepared for HYDC in 2008, and a pricing study update prepared for HYDC in 2013, HYDC will apply a percentage of 65% to the final appraised value per square foot of the fee of the receiving parcel to establish the per square foot value of the ERY TDRs. HYDC shall commission a new study every three (3) years, or more frequently as HYDC deems necessary, to determine whether such percentage should be adjusted; provided, however, that the next pricing study shall be completed prior to April 15, 2015. Once a pricing study has been completed and if HYDC determines that the percentage should be adjusted, HYDC shall publish the new percentage in an amended pricing policy. The new percentage shall not apply to applicants that (1) submit its application before the amended pricing policy has been published ("Publish Date") and (2) have closed on the purchase within six (6) months of the Publish Date.

c. The price established for the ERY TDRs pursuant to this Pricing Mechanism shall not require MTA approval, provided that (1) if the sale shall take place prior to September 28, 2020, the ERY TDR price per square foot is equal to or greater than the higher of (X) the price per square foot then in effect for the District Improvement Fund Bonus under Section 93-31 of the Zoning Resolution (the "DIB Contribution Amount"), or (Y) \$103 (the threshold price determined according to this subitem (1), the "Threshold Price"); or (2) if the sale shall take place on or after September 28, 2020, the ERY TDR price per square foot is equal to or greater than such new threshold price per square foot as has been agreed to by the MTA pursuant to the Railyard Agreement or otherwise determined pursuant to the arbitration process set forth in the Railyards Agreement (the threshold price determined according to this subitem (2), the "New Threshold Price").

APPENDIX 3

**TRANSFER AND DISTRIBUTION OF A PORTION OF EASTERN RAIL YARD FLOOR AREA
PURSUANT TO SECTIONS 93-21 AND 93-34 OF THE
ZONING RESOLUTION OF THE CITY OF NEW YORK**

This Transfer and Distribution of Development Rights Instrument (“Transfer and Distribution Instrument”) is made as of the _____ day of _____, 201_ by and among the **METROPOLITAN TRANSPORTATION AUTHORITY** (“MTA”), a body corporate and politic constituting a public benefit corporation of the State of New York, having an office at 347 Madison Avenue, New York, New York 10017, the **HUDSON YARDS INFRASTRUCTURE CORPORATION** (“HYIC”), a New York State not-for-profit corporation, with an address of 255 Greenwich Street, New York, NY 10007 (MTA and HYIC are collectively referred to herein as “Transferors”); and _____ (“Transferee”), a _____ [corporation], with an address of _____.

W I T N E S S E T H:

WHEREAS, pursuant to Sections 93-21(b)(2) and 93-34 of the Zoning Resolution of the City of New York (hereinafter, the “Zoning Resolution”), the Chairperson of the City Planning Commission of the City of New York (the “CPC Chairperson”) shall allow, by certification, the distribution of a maximum of 10 Floor Area Ratio (“FAR”) of Floor Area that is generated by Eastern Rail Yards Subarea A1, but not used thereat (“ERY Transferable Floor Area”), to Zoning Lots in Subareas A2 through A5 of Large Scale Plan Subdistrict A of the Special Hudson Yards District (as such terms are defined in the Zoning Resolution), subject to the terms and conditions set forth in the Zoning Resolution; and

WHEREAS, pursuant to that certain ERY Declaration of Easements (Eastern Rail Yard Section of the John D. Caemmerer West Side Yard) (“Original Declaration of Easements”) dated as of May 26, 2010 and recorded on June 10, 2010 in the Office of the City Register, New York County (“City Register’s Office”), as CRFN 2010000194078, as amended by that certain First Amendment to Declaration of Easements (Eastern Rail Yard Section of the John D. Caemmerer West Side Yard), dated as of April 10, 2013 and recorded on July 12, 2013 in the City Register’s Office as CRFN 2013000276090, made by MTA as declarant, as the same has been and may be amended, modified or supplemented from time to time, the “Declaration of Easements”) concerning that certain real property which comprises Eastern Rail Yards Subarea A1 (hereinafter, the “Eastern Rail Yard”), the MTA’s fee interest in the Eastern Rail Yard was subdivided into two separate and distinct fee parcels designated as the “Yards Parcel” and the “Facility Airspace Parcel”, and the Floor Area appurtenant to the Eastern Rail Yard as of the date of the Original Declaration of Easements was allocated between the Yards Parcel and the Facility Airspace Parcel; and

WHEREAS, as of the date hereof, the Yards Parcel is designated as Block 702, Lot 8001 on the Tax Map of the Borough of Manhattan, City and State of New York, as more particularly described in the Declaration of Easements; and

WHEREAS, the Declaration of Easements provides that only the Floor Area allocated to the Yards Parcel (“Yards Parcel Floor Area”) may be distributed pursuant to Sections 93-21 and 93-34 of the Zoning Resolution and that, as of the date of the Original Declaration of Easements, a minimum amount of Yards Parcel Floor Area equal to eight (8.0) multiplied by the Lot Area (as defined in the Zoning Resolution) of the Eastern Rail Yard was available for, and solely for, such distributions (hereinafter, the “Original ERY Transferable Floor Area”); and

WHEREAS, as of the date hereof, the MTA is the fee owner of the Yards Parcel; and

WHEREAS, the MTA and HYIC jointly own, as their interests may appear, all of the Original ERY Transferable Floor Area; and

WHEREAS, as of the date hereof, none of the Original ERY Transferable Floor Area has been distributed from the Eastern Rail Yard³; and

WHEREAS, Transferee is the fee owner of that certain real property located in New York County, City and State of New York, designated as Block ____, Lot[s] __ (the "Receiving Site"), as more particularly described in Exhibit A attached hereto; and

WHEREAS, the Receiving Site consists of a single Zoning Lot with a Lot Area of _____ (_____) square feet; and

WHEREAS, the Receiving Site is located in a C6-4 zoning district in Subarea A__ of Large Scale Plan Subdistrict A of the Special Hudson Yards District; and

WHEREAS, pursuant to Section 93-21(a) of the Zoning Resolution, the Receiving Site has a basic maximum permitted FAR of ten (10); and

WHEREAS, pursuant to Section 93-31 of the Zoning Resolution and Transferee's application to the CPC Chairperson, designated _____, dated _____ (the "93-31 Application"), Transferee has executed and recorded that certain Hudson Yards District Improvement Fund and Bonus Restrictive Declaration, dated as of _____, and the CPC Chairperson has certified the 93-31 Application, thereby increasing the maximum permitted FAR of the Receiving Site from ten (10) to eighteen (18); and

WHEREAS, pursuant to Sections 93-21 and 93-34 of the Zoning Resolution, the permitted maximum FAR of the Receiving Site may be further increased to a maximum of _____ (____) by the distribution of Floor Area from Eastern Rail Yard Subarea A1 to the Receiving Site, being in Subarea A__ of Large Scale Plan Subdistrict A of the Special Hudson Yards District; and

WHEREAS, pursuant to Section 93-34(b) of the Zoning Resolution, Transferors and Transferee have jointly submitted an application, designated _____, dated _____ (the "93-34 Application"), to the CPC Chairperson to allow, by certification, the distribution of _____ (_____) square feet of Floor Area from the Eastern Rail Yard to the Receiving Site to further increase the permitted maximum FAR of the Receiving Site from eighteen (18) to _____ (____), thus allowing a maximum of _____ (____) square feet of Floor Area at the Receiving Site;

WHEREAS, the CPC Chairperson has certified the 93-34 Application thereby further increasing the permitted maximum FAR of the Receiving Site to _____ (____).

NOW, THEREFORE, in consideration of the sum of _____ Dollars (\$____), paid by Transferee to _____, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Transferors, jointly, as their interests may appear, do hereby transfer and distribute _____ (_____) square feet (the "Transferred Floor Area") of the Original ERY Transferable Floor Area from the Yards Parcel to the Receiving Site (the "Transfer and

³ to be updated for each ERY TDR sale

Distribution”), solely for the use and benefit in perpetuity of the Receiving Site (and not for the use or benefit or any other lot or parcel of land).

2. The Transfer and Distribution is subject to the trust fund provisions of Section 13 of the New York State Lien Law.

3. This Transfer and Distribution Instrument has been made and delivered by Transferors without representations, warranties or recourse of any kind.

4. This Transfer and Distribution Instrument shall be recorded and indexed against the Yards Parcel and the Receiving Site in the City Register’s Office, and a certified copy shall be provided to the CPC Chairperson, in accordance with Section 93-34 of the Zoning Resolution. This Transfer and Distribution Instrument shall not bind or restrict the Facility Airspace Parcel.

5. Transferee covenants that it shall not apply for nor seek or cause the issuance of nor accept a building permit by the New York City Department of Buildings (“DOB”) for any Development or Enlargement (as such terms are defined in the Zoning Resolution) at the Receiving Site that would involve use of the Transferred Floor Area until it has provided to the New York City Department of City Planning (“DCP”) the certified copy referenced in Paragraph 4, above, and a Notice of Restrictions on Development of the Yards Parcel portion of Eastern Rail Yard Subarea A1 in a form satisfactory to DCP, as the same have been recorded in the City Register’s Office.

6. This Transfer and Distribution Instrument may be executed in counterparts, all of which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Transfer and Distribution Instrument to be executed as of the day and year first above written.

**METROPOLITAN TRANSPORTATION
AUTHORITY**

By: _____
Name:
Title:

**HUDSON YARDS INFRASTRUCTURE
CORPORATION**

By: _____
Name:
Title:

[TRANSFEEE]

By: _____
Name:
Title:

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 201_ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notary Public)

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 201_ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notary Public)

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 201_ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notary Public)

EXHIBIT A
to
Transfer and Distribution Instrument
Description of Receiving Site

APPENDIX 4

NOTICE OF RESTRICTIONS ON DEVELOPMENT OF THE YARDS PARCEL PORTION OF EASTERN RAIL YARDS SUBAREA A1

This NOTICE OF RESTRICTIONS, dated as of the ____ day of _____, 201_, is given and made pursuant to Section 93-34 of the Zoning Resolution of the City of New York (the "Zoning Resolution") concerning future development of the Yards Parcel Portion of Eastern Rail Yards Subarea A1, as defined in the Zoning Resolution.

1. As of the date hereof, Eastern Rail Yards Subarea A1 is comprised of (i) the real property designated as Block 702, Lot 8001, on the Tax Map for the Borough of Manhattan, City and State of New York (the "Yards Parcel"), which is subject to this Notice of Restrictions, and (ii) the real property known as the "Facility Airspace Parcel" (as defined in that certain ERY Declaration of Easements (Eastern Rail Yard Section of the John D. Caemmerer West Side Yard) dated as of May 26, 2010 and recorded on June 10, 2010 in the Office of the City Register, New York County ("City Register's Office"), as CRFN 2010000194078, as amended by that certain First Amendment to Declaration of Easements (Eastern Rail Yard Section of the John D. Caemmerer West Side Yard), dated as of April 10, 2013 and recorded on July 12, 2013 in the City Register's Office, as CRFN 2013000276090, made by the Metropolitan Transportation Authority ("MTA") as declarant, as the same has been and may be amended, modified or supplemented from time to time), which is not subject to this Notice of Restrictions.

2. Pursuant to a Transfer and Distribution of Development Rights Instrument dated of even date herewith by and among the MTA, the Hudson Yards Infrastructure Corporation ("HYIC") (collectively, "Transferors") and _____ ("Transferee"), _____ (_____) square feet of Floor Area (as defined in the Zoning Resolution) generated by the Yards Parcel portion of the Eastern Rail Yards Subarea A1 was distributed from the Yards Parcel portion of the Eastern Rail Yards Subarea A1 to a Zoning Lot in Subarea A _____ of Large Scale Plan Subdistrict A of the Special Hudson Yards District comprised of that certain real property designated as Block ____, Lot __ on the Tax Map of the Borough of Manhattan, City and State of New York ("Receiving Site" and such distribution, the "Receiving Site Distribution").

3. The Receiving Site Distribution has irrevocably reduced by _____ (_____) square feet the amount of Floor Area that may be developed at or distributed from the Yards Parcel portion of the Eastern Rail Yards Subarea A1 pursuant to Sections 93-21 and 93-34 of the Zoning Resolution.

4. This Notice of Restrictions shall bind and restrict only the Yards Parcel portion of the Eastern Rail Yards Subarea A1, and not the Facility Airspace Parcel.

5. Pursuant to Section 93-34 of the Zoning Resolution, this Notice of Restrictions shall be filed in the City Register's Office, and indexed against the Receiving Site and the Yards Parcel.

[Remainder Blank/Signatures to Follow]

Signature Page for Notice of Restrictions on Development of the
Yards Parcel Portion of Eastern Rail Yard Subarea A1

**METROPOLITAN TRANSPORTATION
AUTHORITY**

By: _____
Name:
Title:

**HUDSON YARDS INFRASTRUCTURE
CORPORATION**

By: _____
Name:
Title:

[TRANSFeree]

By: _____
Name:
Title:

Notary Page for Notice of Restrictions on Development of the
Yards Parcel Portion of Eastern Rail Yard Subarea A1

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 201_ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notary Public)

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 201_ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notary Public)

State of New York)
) ss.:
County of New York)

On the ____ day of _____ in the year 201_ before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

(Notary Public)