

Capalino+Company

2014 RETAINER AGREEMENT

August 15, 2014

Delancey Street Associates LLC
c/o Taconic Investment Advisors
111 Eighth Avenue, Suite 1599
New York, NY 10111
Attn: Charles Bendit

Re: Government Relations/Lobbying Retainer Agreement: **Delancey Street Associates LLC**

Dear Mr. Bendit,

This letter, when signed and returned to us, will serve as the retainer for James F. Capalino & Associates, Inc. aka Capalino+Company ("Consultant") to represent Delancey Street Associates LLC ("Client") in connection with aiding the Client in seeking to secure the necessary permits and appeals in order to complete the project for the Seward Park Urban Renewal Area, and to ensure community support for the project.

Our firm's engagement under this agreement may include, but is not limited to, representation before Manhattan Borough President Gale Brewer, New York City Council Member Rosie Mendez, New York City Council Member Margaret Chin, New York City Deputy Mayor for Housing and Economic Development Alicia Glen, New York City Planning Commission Chair Carl Weisbrod, New York City Department of Transportation Commissioner Polly Trottenberg and Metropolitan Transit Authority Chair Thomas Prendergrast.

Services. Specifically, the Consultant will assist the Client with government and community relations related to the above.

Term. The term of this Agreement shall commence on September 1, 2014 and continue through December 31, 2015. The term of this agreement may be mutually extended, in writing, through the agreement of the parties. Notwithstanding the foregoing, this Agreement may be terminated by the Client upon five (5) days written notice to the Consultant. If the contract is cancelled any day past the first of the month, the Client shall pay the Consultant the full amount of the monthly retainer fee for that entire month, and no other fees or charges shall thereafter be payable to Consultant.

Compensation. As compensation for its services the Consultant will receive a monthly retainer of Seven Thousand Five Hundred Dollars [\$7,500.00]. The first month's retainer is due upon execution of this agreement. Subsequently, the Consultant will submit to the Client by the first of each month an invoice for its services.

In addition, the Client shall reimburse the Consultant for all reasonable out-of-pocket costs and expenses incurred by the Consultant in connection with the provision of the Services, including without limitation, all lobbying registration fees, long distance telephone, facsimile, messenger, photocopying, travel, postage and other reasonable out-of-pocket costs and expenses. Such disbursements will be billed by the Consultant, at cost, on a monthly basis.

Acknowledgments. The Client acknowledges that the Consultant has not made any representations concerning the potential success or failure of the matters to be undertaken by the Consultant on the Client's behalf.

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Proprietary Information. Any proprietary information regarding, but not limited to, both parties' services and products will remain confidential unless otherwise agreed to by the Client and the Consultant in writing.

Lobbying Requirements. Pursuant to the requirements of the New York City Administrative Code, information regarding our engagement under this agreement, and a copy of this agreement itself, will be registered with the Lobbying Bureau of the Office of the City Clerk of the City of New York ("Lobbying Bureau").

In order for the Consultant to begin lobbying on the Client's behalf, the Client is required to enroll in the eLobbyist system of the Lobbying Bureau in conjunction with one another. Enrollment must be completed by the Client within 5 days of the start date above in order for the Consultant to register the Client within the timeframe allowed by law. If the Consultant is unable to register the Client on time due to the Client's late enrollment, any late fees incurred by the Consultant will be reimbursed by the Client. Lobbying Bureau imposes a fine of \$25 per day for each day the registration is late.

As a registered lobbying client, the Client is required to file the required Annual Report with the Lobbying Bureau of the Office of the City Clerk of the City of New York. The Annual Report must be filed on-line by January 15th for the previous year. The Client's failure to comply with the New York City lobbying requirements will result in fines that are the responsibility of the Client. The Consultant will give the Client all the information necessary in order to comply with the lobbying client requirements in a timely fashion.

Additionally, the Client will be registered as lobbying client with the New York State Joint Commission on Public Ethics. If so, the Client will each be required to file semi-annual reports to the State which must be submitted by July 15th of the current year AND by the 15th day of January for the previous year's July to December period. Failure to comply with the New York State Joint Commission on Public Ethics' lobbying requirements will result in fines that are the responsibility of the Client.

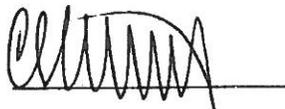
If you are in agreement with the above terms and conditions for the provision of the Services, please sign in the space below on both original copies of this letter and return one original copy to us, whereupon this Agreement shall become binding.

Sincerely,

James F. Capalino & Associates, Inc.

Delancey Street Associates LLC

By: 
James F. Capalino
President

By: 

Name: Charles R. BENDIT

Title: Auth Sig.

Date: 9/11/14

Date: 9/10/14