GUARANTEE AGREEMENT

This GUARANTEE AGREEMENT ("Agreement"), effective as of __________, 20__ (the "Effective Date") is by and between DOWNSTATE AT LIC HOLDING COMPANY, INC., a New York not-for-profit corporation, having an office c/o the State University of New York Health Science Center at Brooklyn, 450 Clarkson Avenue, Brooklyn, New York 11203 ("Seller") and FORTIS PROPERTY GROUP, LLC, a Delaware limited liability company ("Guarantor"). Each of Seller and Guarantor is a "Party" and collectively the "Parties".

WHEREAS, Seller is a party and Guarantor for certain purposes is a party to that certain First Amended and Restated Purchase and Sale Agreement (the "PSA"), effective as of the 30th day of June, 2014, to which FPG Cobble Hill Acquisitions, LLC ("Purchaser") and NYU Hospitals Center ("NYUHC") are also parties (capitalized terms used but not defined herein shall have the meanings given to them in the PSA); and

WHEREAS, pursuant to the PSA, Purchaser will acquire certain Premises currently owned by Seller in two separate Closings for a total Purchase Price (subject to certain adjustments) of Two Hundred Forty Million Dollars ($240,000,000); and

WHEREAS, pursuant to Section 2.1(a) of the PSA, Purchaser has made a downpayment to Seller of Twenty Four Million Dollars ($24,000,000) (the "Downpayment") to secure Purchaser's obligation to consummate the Closings and acquire the Premises; and

WHEREAS, pursuant to Sections 2.1(c) and (d) and Section 2.5 of the PSA, following the Initial Closing, fifty percent (50%) of the Downpayment will remain on deposit with Seller to secure Purchaser’s obligations between the Initial Closing and the Subsequent Closing, including Purchaser's obligation to consummate the Subsequent Closing and acquire the Subsequent Closing Premises; and

WHEREAS, to provide additional security for Purchaser’s obligations after the Initial Closing, Guarantor has agreed, pursuant to Sections 2.3 and 14.1(b) of the PSA, that if Purchaser commits any of the acts or omissions set forth in Section 14.1(b) of the PSA after the Initial Closing but prior to the Subsequent Closing, or if Purchaser defaults in is obligation to consummate the Subsequent Closing and acquire the Subsequent Closing Premises, Guarantor shall immediately pay Three Million Dollars ($3,000,000) to Seller ("Guaranteed Obligation").

NOW, THEREFORE, in consideration of the foregoing and the promises and obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

Section 1. The Guarantee.

1.1 The Guarantee. The Guarantor hereby unconditionally guarantees, as primary obligor, the prompt payment in full of the Guaranteed Obligation to Seller when and if due pursuant to Section 14.1(b) of the PSA.

1.2 Acknowledgments, Waivers and Consents. Guarantor agrees that its obligations under this Section 1 shall, to the fullest extent permitted by applicable law, be primary, absolute,
irrevocable and unconditional under any and all circumstances. Without limiting the foregoing, the Guarantor agrees that:

(a) **Waiver of Defenses.** The enforceability of this Agreement and the liability of the Guarantor and the rights, remedies, powers and privileges of Seller under this Agreement shall not be affected, limited, reduced, discharged or terminated, and the Guarantor hereby expressly waives to the fullest extent permitted by law any defense now or in the future arising, by reason of:

(i) the illegality, invalidity or unenforceability of any of the Guaranteed Obligation, the PSA or any other agreement or instrument whatsoever relating to any of the Guaranteed Obligation;

(ii) any disability or other defense with respect to the Guaranteed Obligation, including the effect of any statute of limitations, that may bar the enforcement thereof or the obligations of such Guarantor relating thereto;

(iii) any counterclaim, set-off or other claim which the Purchaser or the Guarantor has or claims with respect to the Guaranteed Obligation;

(iv) any bankruptcy, insolvency, reorganization, winding-up or adjustment of debts, or appointment of a custodian, liquidator or the like of it, or similar proceedings commenced by or against Purchaser or any other person or entity, including any discharge of, or bar, stay or injunction against collecting the Guaranteed Obligation in or as a result of any such proceeding;

(v) any law, regulation, decree or order of any jurisdiction, or any other event, affecting the Guaranteed Obligation or Seller’s rights with respect thereto; or

(vi) any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a guarantor or obligor.

(b) **Waiver of Set-off and Counterclaim, Etc.** Guarantor expressly waives, to the fullest extent permitted by law, for the benefit of Seller, any right of set-off and counterclaim with respect to payment of its obligations hereunder, and all diligence, presentment, demand for payment or performance, notice of nonpayment or nonperformance, protest, notice of protest, notice of dishonor and all other notices or demands whatsoever, and any requirement that the Seller exhaust any right, remedy, power or privilege or proceed against the Purchaser under the PSA or any other agreement or instrument referred to herein or therein, or against any other person or entity, and all notices of acceptance of this Agreement or of the existence, creation, incurring or assumption of new or additional guaranteed obligations. Guarantor further expressly waives the benefit of any and all statutes of limitation to the fullest extent permitted by applicable law.

(c) **Other Waivers.** Guarantor expressly waives, to the fullest extent permitted by law, for the benefit of Seller, any right to which it may be entitled:

(i) that the assets of Purchaser first be used, depleted and/or applied in satisfaction of the Guaranteed Obligation prior to any amounts being claimed from or paid by Guarantor; and
(ii) to require that Purchaser be sued and all claims against Purchaser be completed prior to an action or proceeding being initiated against Guarantor.

1.3 Payments. All payments by Guarantor under this Agreement shall be made in Dollars, in immediately available funds, without deduction, set off or counterclaim, to such account or accounts as Seller directs, free and clear of and without reduction or withholding for any taxes or other costs or expenses.

1.4 General Limitation on Guarantee Obligations. In any action or proceeding involving any state corporate law, or any state or federal bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of Guarantor under Section 1.01 would otherwise be held or determined to be void, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 1.01, then, notwithstanding any other provision hereof to the contrary, the amount of such liability shall, without any further action by Guarantor, Seller or any other person or entity, be automatically limited and reduced to the highest amount that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

1.5 Instrument for the Payment of Money. Guarantor hereby acknowledges that the guaranty in Section 1.01 constitutes an instrument for the payment of money, and consents and agrees that Seller, at its sole option, in the event of a dispute by Guarantor in the payment of any moneys due hereunder, shall have the right to bring motion action under New York CPLR Section 3213.

Section 2. Miscellaneous.

2.1 No Waiver. No failure on the part of Seller to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise by Seller of any right, power or remedy under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein are cumulative and not exclusive of any remedies provided by law.

2.2 Approvals. The Parties hereby acknowledge and agree that this Agreement is subject to the approval of the AG and OSC and that this Agreement shall not be valid and enforceable until such approvals are given. The Parties further acknowledge and agree that this Agreement shall not be effective until it has been fully approved and executed by all applicable governmental agencies, including AG and OSC. In the event such approvals are obtained (regardless of when they are obtained), the effective date of this Agreement shall be the Effective Date.

2.3 Notices. All notices, requests, consents and demands to the Parties hereunder shall be delivered as set forth in Section 23 of the PSA at the respective addresses set forth therein.

2.4 Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by Guarantor herefrom, shall in any event be effective unless the same shall be in writing, signed by Seller and approved and signed by AG and OSC, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
2.5 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of Guarantor and Seller, provided that Guarantor shall not assign or transfer its rights or obligations hereunder without the prior written consent of Seller. Seller may assign its rights and obligations hereunder without the consent of Guarantor. The State University of New York and the State of New York are intended third party beneficiaries of this Agreement.

2.6 **Separability of Provisions; Headings.** In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Section headings in this Agreement are included for convenience of reference only and shall not be given any substantive effect.

2.7 **Execution in Counterparts; Etc.** This Agreement may be executed in any number of counterparts and by different 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. Delivery of an executed counterpart of this Agreement by facsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement.

2.8 **Governing Law; Submission to Jurisdiction; Etc.**

(a) **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 ITS CHOICE OF LAW PRINCIPLES WHICH WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION.

(b) **Consent to Jurisdiction; Venue.** All judicial proceedings brought against Guarantor with respect to this Agreement may be brought in any state or federal court of competent jurisdiction in the State of New York, in and for the County of Albany, and by execution and delivery of this Agreement, Guarantor hereby accepts for itself and in connection with its properties, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts, and hereby irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Guarantor hereby irrevocably waives any right it may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceeding is brought in accordance with this Section 2.8.

2.9 **Waiver of Jury Trial.** EACH PARTY HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY DEALINGS BETWEEN ANY GUARANTOR AND SELLER RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.

2.10 ** Entire Agreement.** This Agreement the PSA embody the entire agreement and understanding by and among the Parties hereto and thereto relating to the subject matter hereof and thereof and supersedes any and all prior agreements and understandings, oral or written, relating to the subject matter hereof and thereof.

[remainder of page intentionally left blank]
IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the Parties to be effective as of the Effective Date.

SELLER:

DOWNSTATE AT LICH HOLDING COMPANY, INC.

By: __________________________
Name: 
Title: 

GUARANTOR:

FORTIS PROPERTY GROUP, LLC

By: __________________________
Name: 
Title: 
Approval as to Form
Eric T. Schneiderman
Attorney General

By: ______________________
Name: ______________________
Date: ______________________

Approved:
Thomas P. DiNapoli
State Comptroller

By: ______________________
Name: ______________________
Date: ______________________