

ISLAND CAPITAL GROUP LLC

717 Fifth Avenue
New York, NY 10022

_____, 2009

(Name of Recipient)

(Address of Recipient)

Attention: _____

Gentlemen:

As a condition to and as part of the consideration for the evaluation by the addressee hereof ("Recipient") of a potential investment by Recipient (or an affiliate) in Island C-III Holdings LLC and/or other affiliate(s) of Island Capital Group LLC ("Island") for the purpose of pursuing and consummating an acquisition of some or all of the assets, liabilities and business operations of Centerline Holding Company ("Centerline") (the "Potential Transaction"), Island requires that Recipient execute and deliver this letter agreement in order to keep confidential and restrict the use of proprietary information about the Island Companies (as defined below), Centerline and the Potential Transaction, as more specifically defined below. This letter agreement is not intended to create, nor shall it be deemed to create, any obligation whatsoever on the part of Island to accept an investment by Recipient (or an affiliate) in any Island Company, it being understood and agreed that such acceptance shall be at the sole and absolute discretion of Island. Recipient has been furnished with a copy of that certain Confidentiality Agreement, dated as of May 4, 2009, between Island and Centerline (the "Island-Centerline Agreement"). Recipient acknowledges that it is an "Associate" of Island under the Island-Centerline Agreement and that Recipient's breach of this letter agreement would result in Island's breach of the Island-Centerline Agreement.

As used herein:

"Island Companies" shall mean Island and entities affiliated with Island (including without limitation Island C-III Holdings LLC).

"Island Representative" shall mean any individual person who is an officer, director, manager or employee of Island or any entity that is acting as a legal, financial, accounting or tax advisor to any Island Company in connection with an investment in any Island Company or the Potential Transaction.

"Recipient Representative" shall mean any individual person who is both (A) an officer, director, member, agent, representative or employee of (i) Recipient, (ii) an affiliate of Recipient or (iii) an entity that is acting as a legal, accounting, financial or tax

advisor to Recipient or an affiliate of Recipient in connection with Recipient's evaluation of an investment in any Island Company or the Potential Transaction, and (B) actively involved in evaluating an investment in any Island Company or the Potential Transaction and reasonably needs to have access to Proprietary Information in order to do so.

"Proprietary Information" shall mean all information (whether oral or written, including in electronic format) whether or not identified as confidential relating to any Island Company, Centerline or the Potential Transaction that is provided to Recipient by Island prior to, on or after the date hereof; provided, however, that Proprietary Information shall not include information that (i) is or becomes generally available to the public other than as a result of a disclosure by Recipient or any Recipient Representative, (ii) was available to Recipient or any Recipient Representative on a non-confidential basis prior to its disclosure by Island or any Island Representative, (iii) becomes available to Recipient or any Recipient Representative on a non-confidential basis from a source other than Island or any Island Representative, provided that neither Recipient nor any Recipient Representative knows that such source is bound by a confidentiality agreement with any Island Company or otherwise under any obligation (whether contractual, legal, fiduciary or otherwise) to keep such information confidential or (iv) is independently developed by Recipient or any Recipient Representative without reliance on such information.

Unless otherwise permitted herein or agreed to in writing by Island, Recipient agrees: (a) to require that each Recipient Representative observe the terms of this letter agreement; (b) to use reasonable efforts to keep all Proprietary Information confidential and not to disclose or reveal any Proprietary Information to any person other than Recipient Representatives; (c) not to disclose to any person other than a Recipient Representative any information about the Island Companies or the Potential Transaction, or the terms and conditions or any other facts relating to an investment in any Island Company, including without limitation the fact that (i) an investment in any Island Company or the Potential Transaction is being considered, (ii) Recipient may be a participant in any Island Company or (iii) the Proprietary Information has been made available to Recipient; (d) not to use the Proprietary Information for any purpose other than evaluating an investment in any Island Company or the Potential Transaction; and (e) not to disclose to others anything about the nature of an investment in any Island Company, the Potential Transaction or the status of negotiations with respect thereto.

Recipient shall be responsible for any breach of this letter agreement by any Recipient Representative.

Recipient agrees that, upon the request of Island, Recipient shall (a) promptly deliver, or cause to be delivered, to Island, or destroy, or cause to be destroyed, all Proprietary Information, including all copies, reproductions and extracts (in each case, regardless of the format) thereof, provided to Recipient or any Recipient Representative by Island or any Island Representative, and (b) destroy or permanently delete or erase, or cause to be destroyed or permanently deleted

or erased, all other documents, files (electronic and otherwise) and records in the possession of Recipient or any Recipient Representative that are based on, derived from or otherwise reflect Proprietary Information.

In the event that Recipient is requested or required (by statute, rule or regulation or interrogatory, request for information or documents, subpoena, depositions, civil investigative demand, regulatory request or similar process) to disclose any Proprietary Information, or the fact that discussions are taking place concerning an investment in any Island Company or the Potential Transaction, Recipient will provide Island with prompt notice of any such request or requirement to the extent permitted by law, so that Island may seek an appropriate protective order or waive its compliance with the provisions of this Agreement. Failing the entry of a protective order or the receipt of a waiver hereunder, Recipient may disclose that portion of the Proprietary Information which Recipient's counsel advises that it is required to disclose. In any event, Recipient will not oppose action by Island to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Proprietary Information.

Each of Island and Recipient acknowledges that neither of them nor any of their affiliates or respective representatives, will be deemed to have made any representation or warranty or commitment with respect to an investment in any Island Company or the Potential Transaction except as may be set forth in one or more final, legally binding definitive agreements. Neither party will have any recourse against the other, or against any of their respective affiliates or representatives, or against any former, current or future general or limited partner, member, officer, employee or stockholder of the foregoing, in connection with or otherwise arising out of any potential investment in the Island Company or the Potential Transaction, whether by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, except as may be expressly set forth in the final, legally binding definitive agreements. The foregoing shall not affect either party's rights under this letter agreement.

Please note that nothing in this letter should be construed as an offer to sell or the solicitation of an offer to buy any security.

Without the prior written consent of Island, during the period beginning on the date of this letter agreement and ending on December 31, 2010, neither Recipient nor any of its affiliates shall engage in or pursue any acquisition of all or substantially all of the assets of Centerline or any subsidiary or any material component or business of Centerline or any subsidiary.

Any assignment of this letter agreement by either party without the prior written consent of the other party shall be void. The prevailing party in a final non-appealable judgment by a court of competent jurisdiction shall be entitled to recover reasonable attorneys' fees incurred in connection with the enforcement of this letter agreement.

This letter agreement contains the entire contractual agreement between Island and Recipient concerning the confidentiality of the Proprietary Information and the other terms

herein, and no modification of this letter agreement shall be binding upon Island or Recipient unless approved in writing by both Island and Recipient. No waiver of the any term or condition of this letter agreement shall be valid unless it is set forth in a writing signed by the party charged therewith. This letter agreement shall be binding upon and shall inure to the benefit of each party hereto and their successors and permitted assigns.

Recipient acknowledges that Island would suffer irreparable damage upon any breach of this letter agreement by Recipient or any Recipient Representative, and agrees that Island shall be entitled to seek injunctive relief in connection with any actual or threatened breach of this letter agreement by Recipient or any Recipient Representative, and that no showing of actual damage or posting of any bond or other security shall be required in connection therewith.

This letter agreement will remain in full force and effect until the earliest to occur of the following: (i) the Potential Transaction is consummated between the parties or their affiliates, and (ii) December 31, 2010. The interpretation and enforcement of this letter agreement shall be governed by, and construed in accordance with, the laws of the State of New York without reference to the conflict of law principles thereof. RECIPIENT HEREBY IRREVOCABLY AGREES FOR THE BENEFIT OF ISLAND TO SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS LETTER AGREEMENT, AND RECIPIENT HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH NEW YORK STATE OR FEDERAL COURT. RECIPIENT HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT THAT IT MAY LEGALLY DO SO, THE DEFENSES OF AN INCONVENIENT FORUM OR LACK OF PERSONAL JURISDICTION TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING.

[Signature Page Follows]

Please confirm your agreement with the foregoing by executing and returning one originally executed copy of this letter agreement to us.

ISLAND CAPITAL GROUP LLC

By: _____
Name:
Title:

**CONFIRMED, AGREED AND
ACCEPTED AS OF THE DATE
FIRST WRITTEN ABOVE:**

(Print Name of Entity)

By: _____
Name:
Title: