

C3 ACQUISITION CO. LLC

Executive Summary of Key Terms

July 30, 2009

The following information is presented as a summary of certain of key terms of an investment in C3 Acquisition Co. LLC only and is qualified in its entirety by reference to the company's Limited Liability Company Agreement.

The Company	C3 Acquisition Co. LLC, a Delaware limited liability company (the " Company ").
Purpose	To fund the costs of pursuing an acquisition of some or all of the assets, liabilities and business operations of Centerline Holding Company and its subsidiaries (collectively, " Centerline "), as contemplated by the Authorization Agreement dated July 4, 2009 (the " Authorization Agreement ") between Island C-III Holdings LLC (" Island ") and Centerline (the " Centerline Transaction "), including payment of advisory fees to Island Capital Group LLC (" ICG ") in connection therewith.
Managing Member	C3 Directives LLC, a Delaware limited liability company, will be the managing member of the Company (the " Managing Member "). Island Capital Group LLC (" ICG ") is the sole managing member of the Managing Member.
Company Capitalization	<p>Members of the Company other than the Managing Member ("Investors") will contribute, in the aggregate, \$15 million in cash to the equity capital of the Company, all of which will be funded at a single closing and deposited by the Company into a cash reserves bank account (the "Cash Reserves Account").</p> <p>Commitments for membership interests in the Company will be made by Investors by execution and delivery to the Managing Member of counterpart signature pages to the Company's Limited Liability Company Agreement, which will be held in escrow by the Managing Member until commitments from Investors totaling \$15 million have been received.</p>
Term	As determined at the discretion of the Managing Member. The final liquidating distribution shall be made at such time and in such manner as to allow for an orderly liquidation, subject to the Managing Member's discretion.

<p>Use of Proceeds</p>	<p>The capital contributions received from Investors will be used by the Company for the following purposes:</p> <ol style="list-style-type: none"> 1) to pay directly, or reimburse Island, ICG and their affiliates for, all reasonable out-of-pocket, third-party costs and expenses (“Third-Party Expenses”) incurred Island, ICG and their affiliates in connection with pursuing the Centerline Transaction from and after May 1, 2009, including without limitation legal, accounting, tax and other professional fees and expenses; 2) to pay to ICG, as compensation for the extensive resources committed by ICG and its affiliates to pursuing the Centerline Transaction, a non-accountable overhead expense allowance (an “Overhead Expense Allowance”) of \$750,000 per month, retroactive to May 1, 2009, to be paid monthly in advance on the first business day of the month, except that the amounts payable in respect of May through August 2009 shall be payable promptly following the closing of the investments in the Company; and 3) to pay directly, or to reimburse Island, ICG and their affiliates for, general administrative expenses of the Company payable to third parties, including organizational costs, annual filing fees, preparation of financial statements and tax returns and similar items. <p>The Company shall cease to pay the monthly Overhead Expense Allowance upon, and shall not pay or reimburse Third-Party Expenses incurred following, the earlier to occur of (i) the consummation of the Centerline Transaction or (ii) the termination by Island of its pursuit of the Centerline Transaction.</p>
<p>Reimbursement; Equity Participation by the Company in the Centerline Transaction</p>	<p>If (i) the Authorization Agreement is terminated for any reason without the Centerline Transaction being consummated by Island or another affiliate of ICG and (ii) Island receives the expense Reimbursement and/or any Restructuring Fees (as such terms are defined in the Authorization Agreement) pursuant to the Authorization Agreement, then Island shall remit to the Company, promptly after its receipt thereof:</p> <ol style="list-style-type: none"> 1) 100% of each Reimbursement payment; and 2) 50% of each Restructuring Fee payment.

	<p>If the Centerline Transaction is consummated by Island or another affiliate of ICG (such acquiring entity being hereinafter referred to as the “Acquisition Entity”), then promptly following the closing thereof:</p> <ol style="list-style-type: none"> 1) the Acquisition Entity shall pay (or cause to be paid) to the Company 100% of the Third-Party Expenses and Overhead Expense Allowance amounts paid or reimbursed by the Company; and 2) the Acquisition Entity shall issue to the Company, for no additional consideration, an equity interest in the Acquisition Entity representing five percent (5%) of the total issued and outstanding equity capital of the Acquisition Entity, calculated as of the time the Centerline Transaction is consummated. Such equity interest may be a non-voting interest, and may have such other terms and rights associated therewith as the Acquisition Entity reasonably determines with the approval of ICG.
<p>Distributions</p>	<p>Distributions of cash and securities (valued at fair market value) will be made by the Company to its members as follows:</p> <ol style="list-style-type: none"> 1) <i>first</i>, 100% to the Investors, pro rata based on the respective amounts invested by them, until the Investors have received aggregate distributions in an amount equal to the sum of (a) 100% of the amount invested by them (i.e., \$15 million) plus (b) 100% of the total amount withdrawn by the Company from the Cash Reserves Account for any purpose other than distribution of cash in such account to the Investors; and 2) <i>thereafter</i>, 50% to the Managing Member as a profits interest and 50% to the Investors, pro rata based on the respective amounts invested by them.
<p>Pre-emptive Rights</p>	<p><u>If Centerline Transaction IS Consummated</u></p> <p>If the Centerline Transaction is consummated on or prior to June 30, 2010, then the Investors shall collectively have non-transferable rights to subscribe for or otherwise invest in (i) up to 45% of the non-sponsor equity interests in the Acquisition Entity offered or otherwise made available for purchase by the Acquisition Entity or the sponsor thereof and/or (ii) up to 45% of the non-sponsor equity interests in the initial entity affiliated with the Acquisition Entity formed</p>

	<p>for the primary purpose of “mining” non-operating company/business commercial real estate investment opportunities that are controlled or otherwise sourced by the Acquisition Entity (or a controlled subsidiary thereof), in each case upon such economic and other terms and pursuant to such procedures as are reasonably established by the sponsor(s) of such entities and approved by ICG.</p> <p><u>If Centerline Transaction IS NOT Consummated</u></p> <p>If the Authorization Agreement is terminated for any reason without the Centerline Transaction being consummated by Island or another affiliate of ICG, then the Investors shall collectively have non-transferable pre-emptive rights, for a period of one year following such termination, to subscribe for or otherwise invest in 100% of the non-sponsor equity interests in any entity sponsored by ICG (or a controlled affiliate thereof) that is formed for a purpose that is substantially the same as the purpose of the Company with respect to a commercial real estate operating business/platform acquisition opportunity other than the Centerline Transaction, upon such economic and other terms and pursuant to such procedures as are reasonably established by ICG.</p>
<p>Transfers of Interests</p>	<p><u>By Investors</u></p> <p>An Investor may not sell, assign or transfer, directly or indirectly, all or any part of its membership interest in the Company without the prior written consent of the Managing Member, which consent the Managing Member may grant or withhold in its sole discretion; provided, however, that such consent may not to be unreasonably withheld, conditioned or delayed in the case of a proposed transfer to an Investor’s affiliate.</p> <p><u>By the Managing Member</u></p> <p>Without the consent of any Investors, the Managing Member may (i) indirectly transfer economic interests in its membership interest in the Company to any person or entity and (ii) directly transfer its entire membership interest in the Company to any person or entity that is directly or indirectly controlled by Andrew L. Farkas. Any other direct or indirect transfer of the Managing Member’s membership interest in the Company shall require the approval of a majority-in-interest (by investment amount) of the Investors.</p>