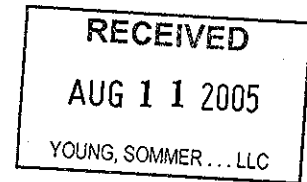


350



Metropolitan Transportation Authority

State of New York



August 8, 2005

Mr. Jeffrey S. Baker
Young, Sommer, Ward, Ritzenberg, Baker & Moore
Executive Woods
Five Palisades Drive
Albany, NY 12205

Re: Vanderbilt Yards RFP

Dear Mr. Baker:

MTA Chairman Peter Kalikow has asked that I respond to your letter, dated July 27, 2005, regarding the disposition of the Long Island Rail Road's Vanderbilt Yard.

First, let me assure you that the Metropolitan Transportation Authority's ("MTA") decision to negotiate with the Forest City Ratner Companies was made following a full Request for Proposal process, and a review of competing proposals, which were submitted to the MTA. The proposals and appraisal of the project site were reviewed by MTA staff and Board members. If you are interested in receiving a copy of the proposals and site appraisal, please let me know, and they will be made available to you.

The project is about to undergo an ESDC sponsored public environmental and land use review process and you and any other interested party can participate and offer their suggestions and comments during that process.

The MTA is committed to following a full and open process for the disposition of its property, and to ensuring that it receives the maximum value for its property. Thank you for your interest.

Sincerely,

Roco Krsulic
Director, Real Estate

cc: Peter S. Kalikow
Katherine N. Lapp