
SERVICING AGREEMENT

among

NYCTL 2021-A TRUST,
Issuer,

TOWER CAPITAL MANAGEMENT, LLC
Servicer,

and

THE BANK OF NEW YORK MELLON,
Paying Agent and Collateral Agent and Custodian

Dated as of January 3, 2022

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS	1
Section 1.01 Definitions	1
Section 1.02 Certain Calculations	15
Section 1.03 Other Definitional Provisions	15
ARTICLE II GENERAL OBLIGATIONS OF SERVICER.....	16
Section 2.01 Duties and Responsibilities As to Servicing	16
Section 2.02 Asset Administration	20
Section 2.03 Employee Dishonesty Policy and Errors and Omissions Insurance.....	22
Section 2.04 Maintenance and Release of Tax Lien Documentation.....	23
Section 2.05 Financial Statements and Related Information.....	25
Section 2.06 Annual Certification by Officer.....	25
Section 2.07 Covenant Not to Cause Bankruptcy	25
Section 2.08 Performance Criterion; Transfer of Tax Liens	26
Section 2.09 Permitted Charge-Offs.....	26
Section 2.10 Permitted Liquidations	27
Section 2.11 Overpayments	27
Section 2.12 Allocation of Payments	28
Section 2.13 Second Sale Tax Liens	28
ARTICLE III TERM.....	28
Section 3.01 Term of Servicing Agreement; Early Termination	28
Section 3.02 Actions of Servicer Upon Early Termination.....	29
ARTICLE IV REPRESENTATIONS AND WARRANTIES.....	29
Section 4.01 Servicer's Representations and Warranties	29
Section 4.02 Issuer's Representations and Warranties.....	31
Section 4.03 Notice of Incorrect Representations or Warranties	31
ARTICLE V COMPENSATION, SERVICING FEES AND OTHER CHARGES	31
Section 5.01 Servicing Fees	31
Section 5.02 No Violation of Laws or Regulations.....	32
Section 5.03 No Other Servicing Fees	32
Section 5.04 Payment of Lien Administration Expenses	32

TABLE OF CONTENTS

(continued)

	Page
ARTICLE VI [RESERVED]	32
ARTICLE VII COLLECTION OF PAYMENTS	32
Section 7.01 General	32
Section 7.02 Deposits	33
Section 7.03 Forbearance	33
Section 7.04 Servicer to Prepare and Deliver Servicer Payment Date Statement and Lien Status Report	34
ARTICLE VIII PROTECTION OF SECURITY	36
Section 8.01 Inspection of REO Properties in Certain Circumstances	36
Section 8.02 Properties With Respect to Which Foreclosure Is Permitted and Has Begun	36
Section 8.03 Notice of Liens and Other Actions	37
ARTICLE IX REALIZATION AND FORECLOSURE	37
Section 9.01 Realization Upon Tax Liens	37
Section 9.02 Foreclosure Procedural Requirements	39
Section 9.03 Restrictions on Purchases of REO Property and Tax Liens	39
Section 9.04 Conveyance Documents	40
ARTICLE X REO PROPERTIES	41
Section 10.01 Title to REO Properties; Management of REO Properties	41
Section 10.02 Acquisition of REO Property	42
Section 10.03 Taxes, Assessments and Similar Items	43
Section 10.04 Maintenance of Insurance Policies	43
Section 10.05 Sale of REO Properties and Tax Liens	44
ARTICLE XI REDEMPTIONS IN FULL AND SIMILAR LIQUIDATIONS	45
Section 11.01 Redemptions in Full	45
Section 11.02 Liquidation Other Than Redemptions-In-Full	45
ARTICLE XII ACCOUNTING	46
Section 12.01 Liquidations	46
Section 12.02 REO Property	46
ARTICLE XIII ACCOUNTING SYSTEM	46
Section 13.01 General	46

TABLE OF CONTENTS

(continued)

	Page
Section 13.02 Monthly Accounting Cycle	46
ARTICLE XIV TERMINATION	46
Section 14.01 Termination for Cause	46
Section 14.02 [Reserved.].....	48
Section 14.03 Servicer's Duties Upon Termination.....	48
Section 14.04 Payment of Servicing Fees Upon Termination	48
Section 14.05 Successor Servicer.....	49
Section 14.06 Rating Agency Confirmation	49
ARTICLE XV MISCELLANEOUS PROVISIONS.....	49
Section 15.01 Assignment and Delegation of Duties by Servicer.....	49
Section 15.02 Independent Contractor	51
Section 15.03 All Funds and Records to be Held for Benefit of The Indenture Trustee	51
Section 15.04 Assignment by Issuer to Indenture Trustee	51
Section 15.05 Assignment by The Issuer	52
Section 15.06 Indemnification.....	52
Section 15.07 Notice of Significant Changes.....	52
Section 15.08 Controlling Law; Choice of Forum	53
Section 15.09 Indulgences Not Waivers	53
Section 15.10 Notices	54
Section 15.11 Titles Not to Affect Interpretation	58
Section 15.12 Attorneys' Fees.....	58
Section 15.13 Electronic Reporting.....	58
Section 15.14 Provisions Separable	58
Section 15.15 Entire Servicing Agreement; Amendment	58
Section 15.16 Counterparts	59
Section 15.17 No Recourse	59
Section 15.18 Limitation on Liability of The Issuer Trustee	59
Section 15.19 Investigations Clause.....	60

TABLE OF CONTENTS
(continued)

Page

Section 15.20 Electronic Signatures 60

EXHIBIT A	TAX LIEN SCHEDULE	A-1
EXHIBIT B	KEY PERSONNEL	B-1
EXHIBIT C	SERVICING FEES	C-1
EXHIBIT D	FORM OF MONTHLY ACCOUNTING REPORT	D-1
EXHIBIT E	FORM OF REO/FORECLOSURE STATUS REPORT	E-1
EXHIBIT F	FORM OF REO PROPERTY INSPECTION REPORT	F-1
EXHIBIT G	[RESERVED]	G-1
EXHIBIT H	FORM OF LIQUIDATION REPORT	H-1
EXHIBIT I	FORECLOSURE AND LIQUIDATION GUIDELINES	I-1
EXHIBIT J	FORM OF INDENTURE	J-1
EXHIBIT K	NON-RESIDENTIAL PROPERTIES	K-1
EXHIBIT L	FORM OF POWER OF ATTORNEY	L-1

This Servicing Agreement, dated as of January 3, 2022 (this “Servicing Agreement”), by and among NYCTL 2021-A TRUST, a Delaware statutory trust (the “Issuer”), TOWER CAPITAL MANAGEMENT, LLC, a Delaware limited liability company (the “Servicer”), and THE BANK OF NEW YORK MELLON, a New York banking corporation, as Paying Agent and Collateral Agent and Custodian, recites and provides as follows:

WHEREAS, pursuant to the Purchase Agreements, the City is selling various Tax Liens to the Issuer;

WHEREAS, the parties hereto contemplate that the Issuer will pay the purchase price for the Tax Liens out of the net proceeds of the Bonds proposed to be issued under the Indenture or by providing other Consideration on the Closing Date;

WHEREAS, concurrently herewith, the Issuer, the Servicer, the Co-Servicer and the Bank have entered into the Paying Agent and Custody Agreement, to provide for certain arrangements in respect of the Tax Liens and Collections by the Servicer and the Co-Servicer thereon; and

WHEREAS, the Issuer desires to provide for the servicing of a portion of the Tax Liens by the Servicer, and the Servicer is willing to provide such services, all upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, based upon the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. All of the capitalized terms used herein shall have the meanings given them in the Indenture or the Paying Agent and Custody Agreement, as applicable, or as set forth below except where otherwise expressly defined or where the context clearly indicates another definition is intended, and such meanings are equally applicable to the singular and the plural forms of such terms, as the context may require.

“Adjusted Net Collections”: For any period, Net Collections excluding any Collections resulting from the repurchase by the City from the Issuer, on or before the second Payment Date after the applicable Sale Date, of Defective Tax Liens.

“Adjusted Redemptive Value”: With respect to any Tax Lien, Eligible Substitute Tax Lien or Deleted Tax Lien and any date of calculation, (i) the Tax Lien Principal Balance thereof plus all accrued interest thereon and recoverable Lien Administration Expenses on such date, as of such date of calculation, exclusive of, in the case of the Bankruptcy Tax Liens where a Property Owner was in Bankruptcy as of the applicable Sale Date, the 5% surcharge and any interest rate increases pursuant to Section 11-332 of Chapter 3 of Title 11 of the City Admin. Code, the costs of notice and advertisement and any other penalty amounts, or (ii) in the case of a Tax Lien that has been the subject of a judicial modification in a Bankruptcy Proceeding, the amount fixed by the applicable bankruptcy court.

“Affidavit”: A sworn statement submitted by a Person desiring to be a Responsible Purchaser pursuant to Section 9.03 hereof declaring that such person meets the criteria contained in subparagraphs (i) through (vi) of Section 9.03(c) hereof. Such sworn statement shall provide that the statements contained therein are subject to audit by a City Representative.

“Affiliate”: With respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. In addition, an “Affiliate” with respect to a Responsible Purchaser shall also include (A) any other Person controlling or controlled by or under common control with the Responsible Purchaser or any Affiliate; (B) any other Person who has, directly or indirectly, a five percent (5%) or greater ownership interest in the Responsible Purchaser; (C) any other Person in which: (i) the Responsible Purchaser, (ii) a partner who has, directly or indirectly, a five percent (5%) or greater ownership interest in the Responsible Purchaser, or (iii) a shareholder who has, directly or indirectly a five percent (5%) or greater ownership interest in, the Responsible Purchaser, has a five percent (5%) or greater interest; or (D) any Person who is a Family Member, a nominee of an Affiliate, or serves in the capacity of a straw-buyer for an Affiliate. For purposes of this definition, the term “ownership” includes beneficial ownership effected by ownership of intermediate entities and the term “control” means the power to direct the management and policies of such Person directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. The terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Applicable Percentage”: As to any Tax Lien, 100% if the Lien to-Value Ratio of such Tax Lien as of the applicable Sale Date is less than or equal to 50%, 80% if the Lien to Value Ratio of such Tax Lien as of the applicable Sale Date is greater than 50% and less than or equal to 100%, and 40% if the Lien to-Value Ratio of such Tax Lien as of the applicable Sale Date is greater than 100%.

“Asset Plans”: As defined in Section 2.02(a) hereof.

“Bank”: The Bank of New York Mellon, not in its individual capacity, but solely as Paying Agent and as Collateral Agent and Custodian under the Paying Agent and Custody Agreement.

“Bankrupt”: A Person (i) which has filed a voluntary petition for relief under the Bankruptcy Code, or (ii) which has had instituted against it an involuntary case under the Bankruptcy Code (collectively, a “Bankruptcy Proceeding”) which shall have resulted in an order for relief having been issued or which remains undismissed for a period of 30 days and, in either case, which Person remains subject to such Bankruptcy Proceeding as of the applicable date of determination.

“Bankruptcy Code”: The United States Bankruptcy Code, 11 U.S.C. Section 101 *et seq.*

“Bankruptcy Tax Liens”: As of any given date of determination, Tax Liens with respect to which the related Property Owners are Bankrupt.

“Bondholder” or “Holder”: A Person whose name appears as the holder of a Bond on the Bond Register maintained by the Bond Registrar pursuant to the Indenture.

“Bonds”: Any bonds issued by the Issuer pursuant to the Indenture.

“Business Day”: A day other than a Saturday, Sunday, or a day on which commercial banking institutions in the City, the city of Wilmington, Delaware or the city in which the Corporate Trust Office is located are authorized or obligated by Law to be closed.

“CERCLA”: The Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 (et seq.).

“City”: The City of New York.

“City Admin. Code”: The Administrative Code of the City.

“City Representative”: An agency, department, individual or individuals designated by the City of New York to perform the functions of the City or the City’s Department of Finance contained in Section 9.03 hereof.

“Closing Date”: The date on which Consideration for the Tax Liens will be provided by the Issuer to the City or, if Bonds are issued, the date of issuance of the Bonds, which shall be the same as the date on which such Consideration for the Tax Liens is provided.

“Collateral Agent and Custodian”: During the Pre-Closing Period and the Post-Indenture Period, the Bank, when acting in such capacity under the Paying Agent and Custody Agreement, and at all other times the Indenture Trustee, when acting in such capacity under the Indenture.

“Collateral Agent and Custodian’s Tax Lien File”: All documents, instruments and other papers deposited with and held by the Collateral Agent and Custodian as to any Tax Lien pursuant to the terms of the Indenture or the Paying Agent and Custody Agreement, as applicable.

“Collection Period”: With respect to any Payment Date, the period beginning with the Determination Date immediately preceding the Determination Date to which such Payment Date relates and ending on the day preceding the Determination Date to which such Payment Date relates, except that (i) the first Collection Period with respect to the First Sale Tax Liens shall begin on the applicable First Sale Date and (ii) the first Collection Period with respect to the Second Sale Tax Liens shall begin on the applicable Second Sale Date and in each case shall end on the day preceding the Determination Date related to the first Payment Date.

“Collections”: For a Collection Period and a Tax Lien, the amount actually collected during such Collection Period with respect to such Tax Lien or related REO Property, whether as a redemption by the Property Owner, proceeds of foreclosure, deposit into the Bond Account or the Collection Account, as applicable, of the Defective Tax Lien Deposit Amount or the Substitution Amount, proceeds of the sale of the Tax Lien, Gross REO Proceeds or otherwise.

“Consideration”: Cash or cash equivalent in immediately available funds, or other consideration acceptable to the Commissioner of Finance of the City of New York, or any combination thereof, in payment for the Tax Liens.

“Conveyance”: A transfer of fee title, or the creation of a leasehold estate in real property, or the creation of any right to the use or occupancy of real property, or right to the collection or enjoyment of rents or issues in real property, or the assignment of any such right or interest.

“Co-Servicer”: MTAG Services, LLC, or its permitted successors or assigns as servicer under the Co-Servicer Agreement.

“Co-Servicer Agreement”: The servicing agreement, dated as of January 3, 2022, among the Issuer, the Paying Agent and Collateral Agent and Custodian and the Co-Servicer.

“CPLR”: The Civil Practice Law and Rules of the State of New York.

“Current Principal Amount”: With respect to any Bond as of any date of determination, the original principal amount of such Bond reduced by all prior payments, if any, made with respect to principal.

“Debt Collection Laws”: As defined in Section 2.02(h) hereof.

“Defective Tax Lien”: Any Tax Lien which is the subject of a notice given pursuant to Section 3.01(c)(ii) of the related Purchase Agreement or pursuant to Section 2.04(d)(ii) of the Indenture, as applicable, and as to which the reason for such notice or listing has not been cured or remedied within 30 days of the Issuer’s receipt of such notice or report.

“Defective Tax Lien Deposit Amount”: As to any Defective Tax Lien as of the date of calculation, the Applicable Percentage of the then current Redemptive Value thereof, increased by the amount of any Lien Administration Expenses incurred with respect thereto, whether or not recoverable, and reduced by the amount, if any, of Proceeds realized from the liquidation of such Defective Tax Lien.

“Deleted Tax Lien”: As defined in Section 3.01(d)(i) of the related Purchase Agreement or in Section 2.04(e)(i) of the Indenture, as applicable.

“DEP”: The Department of Environmental Protection of the City.

“Departure”: The death, permanent disability or departure of any Key Personnel.

“Determination Date”: With respect to any Payment Date, the first Business Day of the month in which such Payment Date occurs, commencing in May 2022.

“DOF”: The Department of Finance of the City.

“DOF Initial Tax Liens”: Each First Sale Tax Lien that is listed on the Tax Lien Schedule.

“DOF Subsequent Tax Liens”: Each Second Sale Tax Lien that is listed on the Tax Lien Schedule.

“Early Termination Date”: March 1, 2022.

“Eligible Substitute Tax Lien”: One or more tax liens to be sold in exchange for one or more Deleted Tax Liens pursuant to the terms of Section 3.01(c) of the related Purchase Agreement or Section 2.04(d) of the Indenture, as applicable, that have the following characteristics: (a) the Redemptive Value with respect to such Tax Lien (or the aggregate thereof with respect to more

than one such Tax Lien) shall be no greater than the Redemptive Value with respect to such Deleted Tax Lien (or the aggregate thereof with respect to more than one such Deleted Tax Lien); (b) the Property related to such Tax Lien or Liens shall be of like property tax class as the Property related to the Deleted Tax Lien or Liens (except that liens on Class 1 properties may be substituted for liens on Class 2 or Class 4 properties); (c) the Lien to Value Ratio with respect to such Tax Lien (or the weighted average thereof with respect to more than one such Tax Lien) shall not be greater than the Lien to Value Ratio of such Deleted Tax Lien (or the weighted average thereof with respect to more than one such Deleted Tax Lien) (A) if foreclosure proceedings have commenced with respect to such Deleted Tax Lien, as of the date such Deleted Tax Lien was acquired by the Issuer and (B) otherwise as of the Substitution Date; (d) the age of such Tax Lien (or the weighted average thereof with respect to more than one such Tax Lien) shall be equal to or less than the age of the Deleted Tax Lien (or the weighted average thereof with respect to more than one such Deleted Tax Lien) (except that there shall be no age limit if liens on Class 1 properties are being substituted for Class 2 or Class 4 properties); (e) such Tax Lien shall be in conformity with all representations and warranties set forth in the Purchase Agreement pursuant to which the Deleted Tax Lien was acquired by the Issuer; and (f) with respect to such Tax Lien, foreclosure proceedings related thereto shall be able to be commenced no later than three years prior to December 31, 2028.

“Employee Dishonesty Policy”: An employee dishonesty policy issued by a Qualified Insurer under which such insurer (a) agrees to indemnify the Servicer for all loss sustained as a result of any theft, embezzlement, fraud or other dishonest act on the part of the Servicer’s directors, officers or employees, (b) provides for aggregate limits of liability for directors, officers or employees of the lesser of \$1 million or the amount of coverage that would be required by Fannie Mae with respect to the Servicer if the Servicer were servicing and administering mortgage loans for Fannie Mae in addition to other mortgage loans being serviced and administered by the Servicer and (c) names the Issuer and the Indenture Trustee as joint loss payees under such Employee Dishonesty Policy as their interests may appear.

“Environmental Assessment”: A “Phase I Environmental Assessment” relating to any Property, prepared by an Independent Person who regularly conducts environmental site assessments for purchasers of commercial property in the region where such Property is located (as determined by the Servicer in a manner consistent with the servicing standard set forth in Section 2.01(a) hereof), and which assessment is performed generally in accordance with industry standards prevailing at the time such assessment is completed. Such assessment may be qualified by the inability of the preparer thereof to gain physical access to the related Property.

“Event of Default”: As defined in Section 14.01 hereof.

“Exchange Act”: The Securities Exchange Act of 1934.

“Family Member”: Any individual who is a member of the immediate family of a Responsible Purchaser or an Affiliate. “Immediate family” includes for purposes of this definition a spouse, a domestic partner, a sibling (including an individual related by or through legal adoption) of such individual or his/her spouse or domestic partner, a lineal descendant or ancestor (including an individual related by or through legal adoption) of any of the foregoing, or a trust for the benefit of any of the foregoing.

“Fannie Mae”: The Federal National Mortgage Association or any successor thereto.

“FDCPA”: As defined in Section 2.02(h) hereof.

“Federal Court”: As defined in Section 15.08 hereof.

“First Sale Agreement”: The Purchase and Sale Agreement, dated December 17, 2021, between the City and the Issuer pursuant to which the City has sold the First Sale Tax Liens to the Issuer.

“First Sale Date”: With respect to the First Sale Tax Liens, December 17, 2021.

“First Sale Tax Liens”: The Tax Liens sold by the City to the Issuer pursuant to the First Sale Agreement.

“Flood Insurance Policy”: Any policy of insurance issued in accordance with the Flood Disaster Protection Act of 1973, as amended from time to time, or, if repealed or amended, any superseding legislation governing similar insurance coverage, or any other policy providing similar coverage against loss sustained by floods.

“Foreclosure Status Report”: A report substantially in the form of Exhibit E hereto complying with the provisions of Section 9.02(b) hereof.

“Gross REO Proceeds”: With respect to each REO Property, all proceeds received from the management or sale thereof (including but not limited to operating income, condemnation proceeds and insurance proceeds).

“Hazard Insurance Policy”: A policy of fire and hazard insurance issued by a Qualified Insurer that complies with the requirements of Section 10.04 hereof.

“Hazardous Materials”: Any dangerous, toxic or hazardous pollutants, chemicals, contaminants, wastes, medical wastes, materials, or substances, including, without limitation, those so identified or regulated pursuant to CERCLA, or any other federal, state or local environmental Law now existing, and specifically including, without limitation, asbestos and asbestos-containing materials, polychlorinated biphenyls (“PCBs”), radon gas, petroleum and petroleum products, urea formaldehyde and any substances classified as being “in inventory,” “usable work in process” or similar classification which would, if classified as unusable, be included in the foregoing definition.

“Identified Tax Liens”: As defined in Section 2.02(h) hereof.

“Indenture”: The trust indenture proposed to be entered into by the Issuer, the Servicer, the Co-Servicer and the Indenture Trustee, to be dated as of the date of the issuance of the Bonds, pursuant to which the Issuer proposes to issue the Bonds, substantially in the form of Exhibit J attached hereto, with such changes thereto as the parties to said Indenture may agree, including any such agreement actually entered into by such parties.

“Indenture Trustee”: The indenture trustee under the Indenture, contemplated to be The Bank of New York Mellon.

“Independent”: When used with respect to any specified Person, any such Person who (i) does not have any direct financial interest, or any material indirect financial interest, in any of the Issuer, the Bank, the Indenture Trustee, the Servicer, the Co-Servicer or any Affiliate thereof and (ii) is not connected with the Issuer, the Bank, the Indenture Trustee, the Servicer, the Co-Servicer or any Affiliate thereof as an officer, employee, promoter, underwriter, trustee, partner, director or Person performing similar functions; provided, however, that a Person shall not fail to be Independent of the Issuer, the Bank, the Indenture Trustee, the Servicer, the Co-Servicer or any Affiliate thereof merely because such Person is the beneficial owner of 1% or less of any class of securities issued by the Issuer, the Indenture Trustee, the Servicer, the Co-Servicer or any Affiliate thereof, as the case may be.

“Initial Tax Lien Principal Balance”: In respect of a given Tax Lien, the Redemptive Value of such Tax Lien as of the applicable Sale Date, as set forth in the Tax Lien Schedule.

“Insolvency Event”: (a) The making by a Person of a general assignment for the benefit of creditors or any admission by a Person in writing of its inability to pay its debts as they become due, or the institution of any proceeding by a Person seeking relief on its behalf as debtor, or to adjudicate it a bankrupt or insolvent, or seeking liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any Law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, a Person consenting by answer or otherwise to the institution of any such proceeding against it or the taking by a Person of any action in furtherance or contemplation of any of the foregoing; or (b) the institution of any proceeding against a Person seeking to have an order for relief entered against such Person as debtor or to adjudicate it a bankrupt or insolvent, or seeking liquidation, reorganization, arrangement, adjustment or composition of such Person or its debts under any Law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for such Person or for any substantial part of its property, which either (i) results in any such entry of an order of relief, adjudication of bankruptcy or insolvency, appointment, or issuance or entry of any other order having a similar effect or (ii) remains undismissed for a period of 30 days.

“Instruments of Release”: As defined in Section 2.04(c) hereof.

“Insurance Policy”: Any Hazard Insurance Policy, Flood Insurance Policy, Public Liability Insurance Policy, errors and omissions insurance policy or Employee Dishonesty Policy, including all riders and endorsements thereto or any other insurance policies procured with respect to the Properties.

“Insurance Proceeds”: Any amounts paid upon settlement of claims filed under any Insurance Policy, and the proceeds of any other insurance policy or bond providing coverage with respect to any REO Property related to a Tax Lien.

“Issuer Trustee”: Wilmington Trust Company, in its capacity as trustee of the Issuer under the Trust Agreement, and any successor trustee under the Trust Agreement.

“Judicial Sale”: A judicial sale by public auction of real property pursuant to Section 231 of the RPAPL as a result of tax lien foreclosure proceedings commenced pursuant to Title 11, Chapter 3, of the City Admin. Code, and the CPLR.

“KBRA”: Kroll Bond Rating Agency, LLC. If such agency or a successor thereto is no longer in existence, such nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Bank, the Indenture Trustee, the Servicer and the Co-Servicer.

“Key Personnel”: Any member of the Servicer’s staff listed as Key Personnel on Exhibit B hereto.

“Law Department”: The Law Department of the City.

“Laws”: All statutes, rules, regulations, ordinances, orders, or decrees of any federal or state government or political subdivision, agency or public official thereof, including all applicable debtor and consumer protection laws.

“Legal Challenge”: As defined in Section 2.01(c) hereof.

“Lien Administration Expenses”: All expenses (exclusive of Overhead Expenses) determined by the Servicer to be necessary or desirable in connection with performing its duties hereunder, the pursuit of any Collections or the foreclosure of, or other realization (such realization to include, but not be limited to, Tax Lien redemptions) upon, the Tax Liens, and the operation and maintenance of REO Properties, and the protection of the interests and enforcement of the rights of the Issuer and the Indenture Trustee in any matter relating to their duties hereunder, including, (i) fees and expenses related to the foreclosure process generally and to specific foreclosure proceedings such as recording, filing and other court-related fees; (ii) postage relating to servicing activities, the cost of credit reports, skip trace, bankruptcy, lien and title searches and asset location data base and research services; (iii) the cost of all title, hazard, flood, environmental and public liability insurance policies and any other asset specific insurance policy required or deemed appropriate under the terms hereof (whether paid with respect to an REO Property or advanced with respect to a Tax Lien), as well as the cost of any deductible relating thereto; (iv) the reasonable fees (including attorney incentive fees) and disbursements of all counsel and trustees retained in connection with such foreclosure and other realization proceedings, both individually and collectively; (v) expenses relating to appraisals, property inspections and valuations; (vi) all expenses related to environmental assessments and the preparation of reports in connection therewith pursuant to Section 9.01(d) hereof; (vii) the cost of clean-up of Hazardous Materials and any other environmental remediation (including associated penalties) necessary to enable the commencement or completion of foreclosure proceedings or to bring REO Properties into compliance with applicable environmental Laws; (viii) the cost of complying with applicable Laws relating to REO Properties; (ix) ordinary and necessary expenses in connection with REO Properties, including fees of any property management company; (x) the reasonable fees and disbursements of all counsel retained in connection with proceedings relating to the Tax Liens or

the Properties, including landlord/ tenant proceedings and proceedings involving the Issuer or the Indenture Trustee; (xi) all taxes on REO Properties; (xii) capital expenditures necessary to place REO Properties in saleable condition or that are otherwise required or appropriate under the terms of this Servicing Agreement; (xiii) mortgage recording taxes; (xiv) fees, costs and expenses (including formation costs) relating to any special purpose entity created to hold REO Properties, including, but not limited to, the capitalization of any such entity; (xv) expenses related to the sale of REO Properties such as advertising, brokerage fees, transfer taxes, legal fees and the cost of setting up reserves for tenant security deposits; (xvi) rental fees regarding the Tower Issuer Lockbox and the Tower REO Lockbox and (xvii) any other expenses and costs reasonably incurred in connection with the administration of the Tax Liens and REO Properties.

“Lien-to-Value Ratio”: With respect to any Property as of the date of any determination, the fraction, expressed as a percentage, the numerator of which is the sum of (i) the Redemptive Value in respect of such Property as of such date, (ii) all delinquent Subsequent Taxes and Assessments in respect of such Property as of such date and (iii) all delinquent amounts due on any tax liens in respect of such Property that rank pari passu with the Tax Liens in respect of such Property, and the denominator of which is the Value of the related Property.

“Liquidated Lien”: A Tax Lien which has been the subject of a charge-off pursuant to Section 2.09 hereof.

“Liquidation Proceeds”: As the context shall require, (i) proceeds received upon redemption of a Tax Lien, (ii) proceeds received in connection with the sale of a Tax Lien or (iii) Gross REO Proceeds.

“Liquidation Report”: As defined in Section 11.01 hereof.

“Monthly Accounting Report”: A report reasonably satisfactory in form and substance to the Issuer and complying with the provisions of Section 13.02 hereof, substantially in the form of Exhibit D hereto.

“Moody’s”: Moody’s Investors Service, Inc., or any successor thereto. If such agency or a successor thereto is no longer in existence, such nationally recognized statistical rating agency or other comparable Person designated by the Issuer, notice of which designation shall be given to the Bank, the Indenture Trustee, the Servicer and the Co-Servicer.

“Net Collections”: For any Collection Period, all Collections received for such Collection Period, net of Lien Administration Expenses.

“New York Governmental Agency”: Any governmental agency or authority of the State of New York or the City that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath.

“New York State Courts”: As defined in Section 15.08 hereof.

“Non-Residential Property”: A Property having a building code specified on Exhibit K hereto.

“Notices”: As defined in Section 15.10 hereof.

“Officer”: With respect to the designated entity, an officer or employee duly authorized to act on behalf of the designated entity for the referenced purpose.

“Officer’s Certificate”: A certificate signed by an Officer of, as the case may be, the Indenture Trustee, the Servicer, the Co-Servicer, the Collateral Agent and Custodian or the Issuer, as may be delivering such certificate, and delivered to the appropriate addressee thereof. The signatory of any Officer’s Certificate must be a person whose name and specimen signature appears on a list of officers or employees of the Person delivering such certificate furnished to all other Persons whose names are set forth herein on the Closing Date, as such list may be amended from time to time.

“Original Declaration”: The Declaration and Agreement of Trust relating to the Issuer, dated as of December 8, 2021, by and between the Issuer Trustee and the City.

“Overhead Expenses”: Any expenses relating to the general business operations of the Servicer, including but not limited to rental payments with respect to Servicer’s office space; expenses relating to electricity, heating and air conditioning with respect to Servicer’s office space; staff salaries, telephone, photocopying and telecopying expenses; expenses relating to benefits provided to the Servicer’s employees; taxes paid by the Servicer on its own behalf; and any other expenses relating to the general operation of its offices.

“Owner”: The owner of the ownership interest in the Issuer.

“Paying Agent”: The Bank, when acting in such capacity under the Paying Agent and Custody Agreement.

“Paying Agent and Custody Agreement”: The Paying Agent and Custody Agreement, dated as of January 3, 2022, between the Issuer, the Bank, the Servicer and the Co-Servicer.

“Payment Date”: Each of February 10, May 10, August 10 and November 10 or, if any such day is not a Business Day, the Business Day immediately following such day, commencing in May 2022.

“Performance Criterion”: As defined in Section 2.08(a) hereof.

“Permitted Deductible”: As defined in Section 10.04(c) hereof.

“Person”: Any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust (including any beneficiary thereof), unincorporated organization or government or any agency or political subdivision thereof.

“Policies and Procedures”: As defined in Section 2.02(c) hereof.

“Post-Indenture Period”: The period commencing on the first date on which no Bonds remain Outstanding through the first date on which neither this Servicing Agreement nor the Co-Servicing Agreement remains in effect.

“Pre-Closing Period”: The period commencing on the date hereof, and ending on the earlier of (i) the Closing Date and (ii) the Early Termination Date.

“Proceeds”: With respect to any Tax Lien that is liquidated, the proceeds realized in connection with such liquidation without, for the avoidance of doubt, deducting therefrom any Lien Administration Expenses incurred with respect to such Tax Lien.

“Program Manager”: RESF Advisors, Inc.

“Property”: The underlying real property encumbered by a Tax Lien.

“Property Inspection Report”: As provided in Section 8.01 hereof.

“Property Owner”: As to each Property, the owner of record thereof; provided, however, that (i) where the context makes reference to redemption of a Tax Lien related to a Property, the term “Property Owner” shall also include any Person that has a statutory right to redeem such Tax Lien, and (ii) where the context makes reference to any actions to be taken by the Servicer prior to the time that a title search has been ordered, “ownership of record” may be based solely on the records of the DOF or the DEP and/or any other applicable City agency or department which has sold the subject Tax Lien to the Issuer.

“Public Liability Insurance Policy”: A policy of public liability insurance issued by a Qualified Insurer.

“Purchase Agreements”: The First Sale Agreement and/or the Second Sale Agreement, as applicable.

“Qualified Insurer”: An insurance company or security or bonding company qualified to write the related insurance policy in the relevant jurisdiction which shall have a General Policyholder Rating of “A+,” “A,” “A-” or “B+” and a Financial Rating of Class VI, Class VII and Class X, respectively, as indicated in the Best’s Insurance Reports as of the date the related policy is issued.

“Rating Agency”: Moody’s or KBRA.

“Realized Loss”: With respect to any Tax Lien, the amount, if any, by which the Tax Lien Principal Balance of such Tax Lien has been charged-off pursuant to Section 2.09 of either Servicing Agreement.

“Redemptive Value”: With respect to any Tax Lien, Eligible Substitute Tax Lien or Deleted Tax Lien and any date of calculation, (i) the Tax Lien Principal Balance thereof plus all accrued interest thereon as of such date of calculation, exclusive of, in the case of the Bankruptcy Tax Liens where a Property Owner was Bankrupt as of the applicable Sale Date, the 5% surcharge and any interest rate increases pursuant to Section 11-332 of Chapter 3 of Title 11 of the City Admin. Code, the costs of notice and advertisement and any other penalty amounts, or (ii) in the case of a Tax Lien that has been the subject of a judicial modification in a Bankruptcy Proceeding, the amount fixed by the applicable bankruptcy court.

“REO Property”: A Property legal title to which has been acquired through foreclosure or otherwise by the Issuer or any special purpose entity created by the Issuer the ownership interest in which has been included in the Trust Estate.

“REO Related Tax Lien”: A Tax Lien as to which the related Property is an REO Property.

“Responsible Purchaser”: A Person eligible to purchase REO Properties or Tax Liens for sale under Article X of this Agreement and who has been determined to be a Responsible Purchaser pursuant to the procedures contained in Section 9.03 hereof.

“Restrained Acts”: As defined in Section 2.01(d) hereof.

“RPAPL”: The Real Property Actions and Proceedings Law of the State of New York.

“Sale Date”: The First Sale Date in the case of the First Sale Tax Liens and the Second Sale Date in the case of the Second Sale Tax Liens, as appropriate.

“Second Sale Agreement”: The Purchase and Sale Agreement, dated as of December 21, 2021, between the City and the Issuer, pursuant to which the City sold the Second Sale Tax Liens to the Issuer.

“Second Sale Date”: With respect to the Second Sale Tax Liens, December 21, 2021.

“Second Sale Tax Liens”: The Tax Liens sold by the City to the Issuer pursuant to the Second Sale Agreement.

“Section 2.09 Charge-Off”: As defined in Section 2.09 hereof.

“Securities Act”: The Securities Act of 1933.

“Servicer”: Tower Capital Management, LLC, a Delaware limited liability company, or any successor thereto hereunder.

“Servicer Ombudsman”: As defined in Section 2.02(e) hereof.

“Servicer Payment Date Statement”: As defined in Section 7.04 hereof.

“Servicer’s Tax Lien File”: The file containing copies of the items set forth in Section 2.04(a) hereof, which the Servicer retains for the purposes of servicing the Tax Liens.

“Servicing Agreement”: This Servicing Agreement and all exhibits, schedules and appendices hereto.

“Servicing Fee”: The fees payable to the Servicer pursuant to the provisions of Section 5.01 of this Servicing Agreement.

“Servicing Officer”: Any officer or employee of the Servicer involved in, or responsible for, the administration and servicing of the Tax Liens whose name and specimen signature appears on a list of servicing officers or employees of the Servicer furnished by the Servicer to the

Indenture Trustee on the Closing Date, as such list may be amended by the Servicer from time to time.

“Subsequent Taxes and Assessments”: As defined in Section 7.03 hereof.

“Substitution Amount”: With respect to any Eligible Substitute Tax Lien or Liens to be substituted for any Deleted Tax Lien or Liens pursuant to the provisions of clause (C) of Section 3.01(c)(iii) of the related Purchase Agreement or of Section 2.04(d)(iii) of the Indenture, as applicable, a sum in immediately available funds equal to the excess of the Applicable Percentage of the aggregate Substitution Date Redemptive Value of such Deleted Tax Lien or Liens over the Applicable Percentage of the aggregate Substitution Date Redemptive Value of such Eligible Substitute Tax Lien or Liens.

“Tax Lien”: With respect to any Property listed on the Tax Lien Schedule, the “tax lien” related thereto, as defined in Section 11-301 of the City Admin. Code and including, with respect to any Bankruptcy Tax Lien, the related Claim, sold by the City to the Issuer pursuant to the First Sale Agreement or the Second Sale Agreement.

“Tax Lien Certificate”: With respect to any Tax Lien, the “tax lien certificate” related thereto, as defined in Section 11-301 of the City Admin. Code, which may include a global tax lien certificate relating to more than one Tax Lien, together with any interest that has accrued thereon at the Tax Lien Interest Rate and any applicable penalties.

“Tax Lien Interest Rate”: The rate of 18% per annum, compounded daily, in the case of Tax Liens where the assessed value of the Property is greater than \$250,000, or 5% per annum, compounded daily, in the case of Tax Liens where the assessed value of the Property is \$250,000 or less; provided, however, that such rate shall be the statutory judgment rate of interest, currently 9% per annum, in the case of any Tax Lien with respect to which a judgment of foreclosure has been entered.

“Tax Lien Principal Balance”: With respect to any Tax Lien as of a particular date, the Initial Tax Lien Principal Balance thereof less all Collections thereon allocated pursuant to clause (C) of Section 1.02(iii) hereof and all Realized Losses thereon after the applicable Sale Date, as the case may be, to such particular date.

“Tower Issuer Lockbox”: The post office box(es) to be established and maintained by the Issuer in respect of Tax Liens pursuant to Section 4.02(d) of the Paying Agent and Custody Agreement or Section 8.02(d) of the Indenture, as applicable.

“Tower REO Lockbox”: The post office box(es) to be established and maintained by the Issuer in respect of REO Properties pursuant to Section 4.02(d) of the Paying Agent and Custody Agreement or Section 8.02(d) of the Indenture, as applicable.

“Transaction Documents”: Collectively, the Purchase Agreements, the Original Declaration, the Paying Agent and Custody Agreement, this Servicing Agreement, the Co-Servicer Agreement; upon execution thereof by the parties thereto, the Trust Agreement and, if Bonds are offered, the Indenture, and any other agreement, instrument or document executed and delivered in connection with the transactions contemplated by such agreements.

“Trust Agreement”: The Declaration and Agreement of Trust, relating to the Issuer, dated as of December 8, 2021, between the City and the Issuer Trustee, to be amended and restated as the Amended and Restated Declaration and Agreement of Trust, to be dated as of the date of the issuance of the Bonds.

“Uniform Commercial Code”: The Uniform Commercial Code of the State of New York, as amended and in effect from time to time.

“Value”: With respect to any Property and as of any given date of determination, shall mean the most recent full value of such Property from time to time, as reflected on the records relating thereto of the DOF.

Section 1.02 Certain Calculations. Unless otherwise specified herein, the following provisions shall apply:

(a) All calculations of interest (other than with respect to the Tax Lien Interest Rate) provided for herein shall be made on the basis of a 360-day year consisting of twelve 30-day months.

(b) Notwithstanding any acquisition of title to any REO Property by the Issuer (or by any special purpose entity established to take title to REO Properties on behalf of the Issuer) and extinguishment of the related Tax Lien, such Tax Lien shall (for all purposes hereunder, including, without limitation, the calculation of the Servicing Fees, if any) be considered to be a Tax Lien held in the Trust Estate until such time as the related REO Property is sold. Consistent with the foregoing, for purposes of all calculations hereunder, so long as such Tax Lien is considered to be a Tax Lien held in the Trust Estate it shall be assumed that, notwithstanding that the related Tax Lien shall have been extinguished, in connection with the calculation of any servicing compensation, the Redemptive Value thereof shall be deemed to remain outstanding until Gross REO Proceeds are received with respect thereto.

(c) Collections received with respect to any Tax Lien shall be applied (A) first, to reduce the portion of the Adjusted Redemptive Value thereof representing recoverable Lien Administration Expenses relating to such Tax Lien, (B) second, to reduce the portion of the Adjusted Redemptive Value thereof representing interest accrued thereon, as applicable, and (C) third, to reduce that portion of the Adjusted Redemptive Value thereof representing principal.

(d) The Tax Lien Principal Balance of each Tax Lien may comprise multiple components, including, but not limited to, real estate taxes, emergency repair charges or alternative enforcement expenses and fees, and water and sewer charges. All Collections received with respect to a Tax Lien shall be applied to the Tax Lien Principal Balance thereof pro rata based on the percentage of the Tax Lien Principal Balance as of the applicable Sale Date represented by each of the respective components of such Tax Lien.

Section 1.03 Other Definitional Provisions. Unless otherwise specified herein, the following provisions shall apply:

(a) Capitalized terms used herein and not otherwise defined herein have the meanings assigned to them in the Indenture.

(b) All terms defined in this Servicing Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(c) As used in this Servicing Agreement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Servicing Agreement or in any such certificate or other document, and accounting terms partly defined in this Servicing Agreement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under generally accepted accounting principles. To the extent that the definitions of accounting terms in this Servicing Agreement or in any such certificate or other document are inconsistent with the meanings of such terms under generally accepted accounting principles, the definitions contained in this Servicing Agreement or in any such certificate or other document shall control.

(d) The words “hereof”, “herein”, “hereunder” and words of similar import when used in this Servicing Agreement shall refer to this Servicing Agreement as a whole and not to any particular provision of this Servicing Agreement; Article, Section, Schedule and Exhibit references contained in this Servicing Agreement are references to Articles, Sections, Schedules and Exhibits in or to this Servicing Agreement unless otherwise specified; the term “including” shall mean “including without limitation”; the term “to” a given date shall mean “to but not including” such date; and the term “through” a given date shall mean “through and including” such date.

(e) The definitions contained in this Servicing Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

(f) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time amended, modified or supplemented in accordance with its terms and includes (i) in the case of agreements or instruments, references to all attachments thereto and instruments incorporated therein and (ii) in the case of statutes, any successor statutes; references to a Person are also to its permitted successors and assigns.

(g) Unless the context clearly requires otherwise, references herein to “the Indenture Trustee” shall be construed to mean (i) prior to the date of execution of the Indenture and during the Post-Indenture Period, the Bank, and (ii) at all other times, the Indenture Trustee.

ARTICLE II

GENERAL OBLIGATIONS OF SERVICER

Section 2.01 Duties and Responsibilities As to Servicing.

(a) The Servicer shall service and administer the Tax Liens listed on Exhibit A attached hereto and made a part hereof (as such Exhibit A may be amended from time to time to reflect Tax Liens listed on Schedule B to the Second Sale Agreement, Deleted Tax Liens, Eligible Substitute Tax Liens and Tax Liens charged-off pursuant to Section 2.09(a) hereof) for the purposes for which the Issuer was created as set forth in Section 2.05 of the Trust Agreement in accordance with the

terms of this Servicing Agreement and the provisions of all applicable Laws and, unless expressly provided to the contrary herein, giving due consideration to customary and usual standards of practice of prudent institutional residential and commercial loan servicers and asset managers servicing or managing, as the case may be, comparable assets for their own account, and taking into account its other obligations hereunder, but without regard to:

- (i) any relationship that the Servicer or any Affiliate of the Servicer may have with the related Property Owner;
- (ii) the ownership of any Bond by the Servicer or any Affiliate of the Servicer;
- (iii) the Servicer's right to receive compensation for its services hereunder or with respect to any particular transaction;
- (iv) the ownership, or servicing or management for others by the Servicer or any Affiliate of the Servicer of any other assets similar to the Tax Liens; or
- (v) the fact that the Servicer's best interest and the Owner's best interest may not be the same.

In the event the Servicer discovers that its servicing activities on behalf of any other Person conflict or may conflict with the Servicer's obligations under this Servicing Agreement, then the Servicer shall give written notice to the Issuer and the Owner of such conflict within ten days of discovering such conflict, and the Servicer shall resolve such conflict within ninety days of giving such notice to the Issuer and the Owner. Without intending to limit the rights of the Servicer under Section 15.01 hereof, in the event that the Servicer believes that it is unable to comply with the requirements of this Section 2.01 with respect to any particular Tax Lien or REO Property as a result of one or more of the factors described in the foregoing clauses (i) through (iv) or is unable to comply as a matter of law, it may arrange for the Co-Servicer to perform its duties with respect to such Tax Lien or REO Property. In such event, the Servicer shall be deemed to be in compliance therewith.

(b) Subject to any express limitations set forth in this Servicing Agreement, the Servicer shall seek to recover on a timely basis the largest amount possible with respect to each Tax Lien; provided, however, that nothing herein contained shall be construed as an express or implied guarantee by the Servicer of the collectability of the Tax Liens or of its ability to effect the timely or complete recovery thereof. Subject only to the above-described servicing standards and the terms of this Servicing Agreement and of the respective Tax Liens, the Servicer shall have full power and authority to do or cause to be done any and all things in connection with such servicing and administration which it may deem necessary or desirable; provided, however, that under no circumstances (other than during a period when a Property Owner is Bankrupt) shall the Servicer agree with any Property Owner to compromise or reduce the Redemptive Value of any Tax Lien. Without limiting the generality of the foregoing, the Servicer shall, and is hereby authorized and empowered by the Issuer to, with respect to each Tax Lien it is obligated to service pursuant to this Servicing Agreement, prepare, execute and deliver, on behalf of the Bondholders and the Indenture Trustee and the Issuer or any of them, any and all documents or other instruments necessary to maintain the lien of or enforce the Tax Liens on each Property if, in its reasonable

judgment, such action is in accordance with, or is required by, this Servicing Agreement. Without limiting the generality of the power and authority granted herein, the Servicer shall also have full power and authority to prepare, execute, acknowledge and deliver, in connection with any foreclosure action brought pursuant to Section 9.01 hereof, on behalf of the applicable parties to this Agreement, the following documents: (i) affidavit of verification of debt, (ii) affidavit in support of default judgment, (iii) affidavit in support of motion for summary judgment, (iv) affidavit regarding testimony before referee, (v) computation of amount due oath, (vi) combined verification, oath and designation regarding the appointment of an administrator with the surrogates court and (vii) such other oaths, affidavits and/or documents as may be necessary for the prosecution of the foreclosure action. The Servicer shall take such steps as are customary to monitor the status of liens or other encumbrances that could be superior in lien priority to the lien of the Tax Liens, but shall have no obligation hereunder to take any action, as the Servicer may deem appropriate, to protect the Trust Estate against any such superior liens until the time, if any, of the actual foreclosure of such superior lien, and such actions shall be subject to the availability of funds hereunder for such purpose. Subject to Section 2.03 hereof, the Issuer and the Collateral Agent and Custodian shall, upon the receipt of a written request of a Servicing Officer, execute and deliver to the Servicer any powers of attorney and other documents prepared by the Servicer and necessary or appropriate (as certified in such written request) to enable the Servicer to carry out its servicing and administrative duties hereunder, including but not limited to a power of attorney in substantially the form set forth as Exhibit L hereto, which shall be executed and delivered to the Servicer on the Closing Date and, at the Servicer's discretion, filed in each county in the City. The execution of this Agreement by the Servicer hereby constitutes the written request of a Servicing Officer for the Issuer and the Collateral Agent and Custodian to execute and deliver such power of attorney, and certification that such power of attorney is necessary and appropriate to enable the Servicer to carry out its servicing and administrative duties hereunder.

(c) The Servicer shall at all times maintain accurate records and books of account, an adequate system of audit and internal controls and otherwise service the Tax Liens in a responsible, business-like manner and in accordance with good and accepted commercial practice. Except as the City (or the Law Department) may otherwise instruct the Servicer in writing, the Servicer shall promptly notify the City, and shall notify the Issuer and the Indenture Trustee on at least a monthly basis, in writing of any event, circumstance or occurrence of which it has actual knowledge that could, in the reasonable judgment of the Servicer, materially adversely affect: (a) the terms of any Tax Lien, including any legal challenges filed in any judicial or administrative proceeding (whether in a foreclosure or Bankruptcy Proceeding or otherwise) to the amount, the enforceability or the lien priority thereof (a "Legal Challenge"), (b) the Property related to such Tax Lien, or (c) the ability of the Servicer to service any Tax Lien or to otherwise perform and carry out its duties, responsibilities and obligations under this Servicing Agreement. Except as the Law Department may otherwise instruct the Servicer in writing, the Servicer shall promptly notify the Law Department of any and all Legal Challenges of which the Servicer has actual knowledge, whether or not the Servicer deems them to be material. Recognizing the obligation of the City in Section 5.02 of the applicable Purchase Agreement to defend and protect the interests of the Issuer in the Tax Liens and in the proceeds thereof, the Servicer shall, unless notified to the contrary by the City, turn over the defense of any Legal Challenge to the City. In connection therewith the Servicer shall forthwith provide the Law Department with copies of any papers served or filed in connection with such a Legal Challenge. The Servicer acknowledges that the City, in defending any such Legal Challenge, may authorize a compromise or reduction of the Redemptive Value of the Tax

Lien which is the subject of such Legal Challenge. If at any time in connection with a Legal Challenge the Indenture Trustee shall receive any discovery request, including a request to produce documents, the Indenture Trustee shall notify the Servicer of such request and the Servicer shall be responsible for responding to such request within the applicable time frame. If at any time in connection with a Legal Challenge the Indenture Trustee receives a request to provide a deposition, the Indenture Trustee shall notify the Servicer of such request and the Servicer shall be responsible for responding to such request within the applicable time frame. In the event that it is necessary for the Indenture Trustee to provide a deposition, the Servicer shall appear at such deposition on behalf of the Indenture Trustee. The Servicer shall have the sole obligation to file any and all proofs of claim relating to any Tax Lien where the Property Owner or the Property is or becomes the subject of a Bankruptcy Proceeding, and shall provide the Law Department with copies thereof upon request; provided, however, that the Servicer shall have no such obligation with respect to any unidentified Bankruptcy Tax Lien existing prior to the applicable Sale Date in the event that the time for filing a proof of claim with respect to such Tax Lien has elapsed by the date on which the Servicer becomes aware that such Tax Lien is a Bankruptcy Tax Lien. The Servicer shall file a notice of appearance and request for notice in accordance with Rule 2002 of the Federal Rules of Bankruptcy Procedure in any and all Bankruptcy Proceedings relating to the Tax Liens. The Servicer shall comply with Rule 3001(e) of the Federal Rules of Bankruptcy Procedure with respect to the Bankruptcy Tax Liens.

(d) The Servicer shall not take any steps in violation of applicable bankruptcy laws regarding any Tax Lien as to which the related Property Owner is Bankrupt. To this end but without limiting the generality of the foregoing, the Servicer shall, with respect to the Bankruptcy Tax Liens, unless authorized by the applicable bankruptcy court, refrain from any acts of collection during the time that the related Property Owner or the Property is the subject of a Bankruptcy Proceeding (the “Restrained Acts”), including (i) the application of costs of any advertisements and notices given in connection with the sale of such Bankruptcy Tax Liens by the City to the Issuer as well as the additional 5% surcharge on the total amount of the Bankruptcy Tax Lien which is added pursuant to the City Admin. Code, (ii) interest rate increases pursuant to Section 11-332 of the City Admin. Code and (iii) any act to enforce or collect the Bankruptcy Tax Liens by act of foreclosure or other legal means (including but not limited to the sending of letters other than those required by statute) without first obtaining appropriate judicial relief; provided, however, that the Servicer may send each Property Owner a so-called “hello letter” in which the Servicer identifies itself as the servicer of the Tax Liens. Additionally, any time periods for the commencement of foreclosure proceedings shall be suspended during the time the related Property Owner is Bankrupt.

(e) The Servicer shall keep confidential all communications, whether written, oral, or otherwise, between the Servicer and the City with respect to Legal Challenges, with respect to any compromises or reductions of the Redemptive Value of one or more Tax Liens; provided, however, that the Servicer may disclose such information to (i) its professional consultants and (ii) to any other person to which such disclosure may be required (1) in compliance with any law, rule, regulation or order applicable to it, (2) in response to any subpoena or other legal process or (3) by this Servicing Agreement.

(f) The Servicer shall charge interest on the Tax Liens through the date of collection, subject to applicable Laws. In the event of payments sent to the Servicer rather than the Tower Issuer Lockbox, the Servicer shall charge an additional day's interest, subject to applicable Laws.

Section 2.02 Asset Administration.

(a) Asset Plans. Within 180 days of the Second Sale Date, and annually by January 31st of each calendar year thereafter, the Servicer shall, in accordance with its servicing standard, prepare a written plan with respect to the servicing of the Tax Liens required to be serviced hereunder. Each such written plan shall include (i) the Servicer's strategy for collection of such Tax Liens and, if appropriate, the foreclosure thereof and the management of any REO Property, including a projection of anticipated revenues, expenses and capital costs, (ii) the annual budget for managing any REO Property, and (iii) specific actions to be taken and/or strategies to be followed in connection with the foreclosure of such Tax Liens and the management and/or disposition of any REO Property during the relevant time period. All such written plans are referred to herein as the "Asset Plans." All Asset Plans shall be delivered by the Servicer to the Issuer, the Owner, the Program Manager and to the Indenture Trustee promptly following their preparation.

(b) Implementation of Asset Plans. The Servicer shall take such actions as it is required to take pursuant to the Asset Plans. If the Servicer in the exercise of its reasonable judgment believes that subsequent prevailing facts and circumstances render such actions inconsistent with its servicing standard hereunder, it shall immediately advise the Issuer, the Owner, the Program Manager and the Indenture Trustee and shall refrain from taking such actions and shall revise the Asset Plans accordingly and promptly deliver such revised Asset Plans to the Issuer, the Owner, the Program Manager and the Indenture Trustee.

(c) Policies and Procedures. The Servicer and the Co-Servicer shall promptly develop written policies and procedures (the "Policies and Procedures") to coordinate the performance of their respective functions under their respective servicing agreements in an orderly, integrated and efficient manner. The Policies and Procedures shall include, among other matters, procedures for the acceptance and processing of transferred Tax Liens. The Policies and Procedures shall be revised by the Servicer and the Co-Servicer from time to time as needed. In no event shall the Policies and Procedures be deemed to be part of, or to amend or otherwise modify, this Servicing Agreement. The Servicer shall have no obligation to make any proprietary information, including its own internal servicing policies and procedures, available to the Co-Servicer. The Servicer and the Co-Servicer shall provide a copy of the Policies and Procedures to the Issuer and the Bank within 180 days of the date of execution of this Agreement.

(d) Servicer Staffing. The Servicer shall maintain (and hire if necessary) a sufficient number of employees to enable the Servicer to perform its responsibilities under this Servicing Agreement. All such servicing personnel shall have sufficient qualifications, experience and administrative support to timely, efficiently, competently and professionally perform the servicing obligations hereunder in the manner contemplated by this Servicing Agreement. The Servicer shall promptly notify the Issuer of any changes in senior management personnel involved with the Tax Liens.

(e) Servicer Ombudsman. During the term of this Servicing Agreement, a designated employee of the Servicer (the “Servicer Ombudsman”) will serve as the representative of the Servicer responsible for the process of resolving inquiries and complaints concerning the Tax Liens from the Property Owners, the general public, financial institutions and other interested parties. The Servicer Ombudsman will coordinate investigations and respond to inquiries and complaints. The Servicer Ombudsman will monitor the resolution of pending complaints. The Servicer Ombudsman will coordinate as appropriate with the City ombudsman designated in the City Admin. Code. The Servicer Ombudsman will report to senior management of the Servicer.

(f) Information Provided to Property Owners.

(i) The Servicer shall provide the owner of Property on which a Tax Lien has been sold a detailed itemization of taxes, interest, surcharges, and fees charged to such owner on all tax lien statements of amounts due or bill of charges. Such fees shall be bona fide, reasonable and, in the case of attorney fees, customary.

(ii) Any written communication from the Servicer to a Property Owner shall include the following information, which, to the extent necessary, shall be provided to the Servicer by the Issuer:

(A) an explanation of the roles of the Issuer as purchaser of the Tax Lien and the Servicer and the employee or employees designated pursuant to subdivision f of Section 11-320 of the City Admin. Code;

(B) the names and contact information, including the telephone number, electronic mail and mailing addresses of such persons; and

(C) a statement informing such Property Owner that he or she may be eligible to enter into a forbearance agreement with the Servicer of such Tax Lien.

The requirement to send such written communication shall be subject to applicable Debt Collection Laws.

(g) Integration of Computer Systems.

(i) The Servicer acknowledges that efficient and timely reporting and exchange of information regarding the Tax Liens among the Servicer, the Co-Servicer, the Indenture Trustee, the Program Manager and the City are critical to the efficient servicing and management of the Tax Liens by the Servicer and the Co-Servicer. Accordingly, the Servicer shall, if requested and at the Servicer’s expense, have its computer technicians consult with those of the Program Manager, the City, the Co-Servicer and the Indenture Trustee to facilitate the Servicer’s efficient exchange of servicing data in electronic format with the Program Manager, the City, the Servicer, the Co-Servicer and the Indenture Trustee. If requested, the Servicer shall provide access to the servicing data maintained for the Tax Liens (including the information used to compile the servicer reports) in a format reasonably acceptable to the receiving party. The Servicer will perform such other functions as may be reasonably necessary or desirable from time to time hereunder to perform the servicing obligations hereunder in a timely and efficient manner. In no event

will the Servicer be required to replace or substantially alter its existing computer system or incur any expenses relating to the alteration of the computer systems of the City, the Co-Servicer or the Indenture Trustee.

(ii) The Servicer shall, at its expense, also develop, in consultation with the City, an accounting system for the City which will coordinate all accounting and other information developed by the Servicer regarding the Tax Liens and the City's activities in connection therewith, including without limitation, all information relating to or necessary for (A) the monitoring of servicing activities, (B) the preparation of servicing reports and tax reports, (C) the calculation and monitoring of servicing fees, trial balances and cash flow, and (D) the overall management of the Tax Liens.

(iii) The Servicer represents and warrants that it has an existing "disaster recovery" feature in place with respect to its computer system which is designed to recover all computer stored information relating to the Tax Liens in the event of a power outage or other disruptive event, and agrees that it shall maintain such feature throughout the term of this Servicing Agreement.

(h) Special Treatment of Certain Residential Tax Liens. The Servicer acknowledges that the servicing of the water and sewer component of certain residential Tax Liens may require special procedures to assure that the actions of the Servicer in servicing such Liens do not violate the Federal Fair Debt Collection Practices Act (the "FDCPA") or other similar federal, state or local laws (collectively, "Debt Collection Laws"). In furtherance thereof and with respect to those Tax Liens identified by the City to the Servicer (the "Identified Tax Liens"), the Servicer shall not initiate contact with any Person who is not specified in FDCPA Section 805 regarding the water and sewer component of an Identified Tax Lien, unless (a) it has the consent of the consumer or the express permission of a court of competent jurisdiction in accordance with applicable Debt Collection Laws; (b) it is for the acquisition of location information in accordance with applicable Debt Collection Laws; (c) it is reasonably necessary to effectuate a postjudgment judicial remedy in accordance with applicable Debt Collection Laws or (d) the Servicer has determined that such contact is not prohibited by any Debt Collection Laws or any other Laws; provided, however, that the Servicer is authorized and directed to respond to inquiries from the debtor or any other Person relating to an Identified Tax Lien, including but not limited to providing payoff calculations, forbearance agreements and information regarding the Tax Lien.

Section 2.03 Employee Dishonesty Policy and Errors and Omissions Insurance. The Servicer, at its expense, shall maintain in effect during the term of this Servicing Agreement (i) an Employee Dishonesty Policy and (ii) an errors and omissions insurance policy, in each case with such coverage as shall then be available on commercially reasonable terms. The Employee Dishonesty Policy shall protect and insure against losses, including forgery, theft, embezzlement and fraud of the directors, officers and employees of the Servicer, and shall contain an endorsement listing the Indenture Trustee and the Issuer as joint loss payees. The Servicer shall be deemed to have complied with the terms of this provision with respect to an Employee Dishonesty Policy if one of its Affiliates has such employee dishonesty coverage and, by the terms of such Employee Dishonesty Policy, the coverage thereunder extends to the Servicer. The errors and omissions insurance policy shall insure against loss arising from errors, omissions or negligent acts of the Servicer solely with respect to its services hereunder, have a policy limit of not less than \$1 million,

and name the Indenture Trustee and the Issuer as additional insureds, but solely with respect to their vicarious liability for work performed by the Servicer, affording coverage for all directors, officers and employees of the Servicer. No provision of this Section 2.03 requiring such Employee Dishonesty Policy and errors and omissions insurance (nor the provision of such insurance) shall diminish or relieve the Servicer from its duties and obligations as set forth in this Agreement. The Servicer shall promptly report any changes of which it is actually aware that may occur in the Employee Dishonesty Policy or errors and omissions insurance policy, including any information that the provider thereof has ceased to be a Qualified Insurer, and shall furnish to the Issuer, the Owner and the Indenture Trustee on request, copies of all binders and policies or certificates evidencing that such bonds and insurance policies are in full force and effect. The Servicer shall promptly report to the Issuer, the Owner and the Indenture Trustee all cases of embezzlement or fraud, or irregularities of operation, suspected or otherwise, whether or not such events involve funds relating to the Tax Liens. The total losses, regardless of whether claims are filed with the applicable insurer or surety, shall be disclosed in such reports together with the amount of such losses covered by insurance. If a bond or insurance claim report is filed with any of the Servicer's bonding companies or insurers, a copy of such report shall be promptly furnished to the Issuer, the Owner and the Indenture Trustee.

Section 2.04 Maintenance and Release of Tax Lien Documentation.

(a) Maintenance, Custody and Ownership of Tax Lien Files and Records. On or prior to the Closing Date, the Issuer shall deliver or cause to be delivered the original Tax Lien Certificate for each Tax Lien to the Indenture Trustee, in its capacity as Collateral Agent and Custodian under the Indenture, if Bonds have been issued, or under the Paying Agent and Custody Agreement, if Bonds have not been issued.

On the Closing Date, the Issuer shall deliver or cause to be delivered, a copy of the original Tax Lien Certificate for each Tax Lien to the Servicer, and the Servicer shall retain such copy as a part of the Servicer's Tax Lien File for such Tax Lien. The Servicer shall also maintain, as a part of the Servicer's Tax Lien File for each Tax Lien (i) copies of any instruments or documents that modify or supplement the terms or conditions of the applicable Tax Lien Certificate, and (ii) all other papers and documents generated by or coming into the possession of the Servicer (including but not limited to, tax receipts, insurance premium receipts, ledger sheets, payment records, insurance claim files and correspondence, foreclosure files and correspondence, current and historical computerized data files, whether developed or originated by the Servicer or others) that are required to document or service such Tax Lien. The Servicer's Tax Lien Files shall remain a part of the Trust Estate at all times, subject however, to the right of the Servicer to retain copies of the Servicer's Tax Lien Files for its own purposes, and all such records, documents and instruments in the possession and custody of the Servicer constituting a part of the Servicer's Tax Lien File relating to such Tax Lien shall be held by the Servicer as the agent and bailee of the Indenture Trustee for purposes of perfecting the Indenture Trustee's security interest in the Tax Liens, in the event it is determined that such perfection is achieved through possession by the secured party or its agent and bailee as may be contemplated by the Uniform Commercial Code or other applicable Law. On written request of the Indenture Trustee, the Servicer and/or the Collateral Agent and Custodian shall immediately deliver all or any of such records and documents in its possession or custody to the Indenture Trustee, together with a list identifying each Tax Lien to which such records pertain. The Servicer, at its option, may microfilm, microfiche or otherwise

condense any records or documents constituting a part of, or relating to, any Tax Lien or the Servicer's Tax Lien File except for the Hazard Insurance Policy or any Flood Insurance Policy, provided that the Servicer will, upon written request by the Indenture Trustee, promptly reproduce in their entirety any or all such records or documents, the cost of such reproduction to be considered a Lien Administration Expense.

(b) Tax Lien Record. On each Business Day, the Indenture Trustee shall provide to the Servicer a record of all payments received on the prior Business Day with respect to each Tax Lien being serviced hereunder. The Servicer shall maintain an appropriate account record for each Tax Lien being serviced hereunder. The account record for each Tax Lien shall include the borough, tax block, lot designation, tax class and building code of the related Property. Any system utilized for the Tax Lien account records shall be capable of producing, at any time for any Tax Lien, an account transcript itemizing in chronological order the date, amount, and distribution (with respect to principal and/or interest) of each amount paid by the Property Owner with respect to amounts due and owing with respect to the Tax Lien, the status of any Property that is an REO Property, and the accrual of statutory interest on the Tax Lien Certificate calculated at the Tax Lien Interest Rate set forth on the Tax Lien Schedule.

(c) Release of Collateral Agent and Custodian's Tax Lien File Upon Tax Lien Redemption or Other Liquidation.

(i) Upon the redemption in full of any Tax Lien, the Servicer shall prepare and deliver to the Collateral Agent and Custodian an Officer's Certificate directing the release of the Property from the lien of the Tax Lien. Upon receipt of the Officer's Certificate, the Collateral Agent and Custodian shall prepare an instrument or instruments necessary to release the lien of the Tax Lien (all such instruments collectively, the "Instruments of Release"), and shall also deliver such Instruments of Release, in recordable form, to or for the benefit of the Property Owner, and deposit any remaining documents into the Servicer's Tax Lien File.

(ii) Upon the receipt of all condemnation proceeds awarded in an eminent domain proceeding relating to a Tax Lien, the Servicer may prepare and deliver to the Collateral Agent and Custodian an Officer's Certificate directing the release of the Property from the lien of the Tax Lien. Upon receipt of the Officer's Certificate, the Collateral Agent and Custodian shall prepare Instruments of Release and shall also deliver such Instruments of Release, in recordable form, as directed by the Servicer, and deposit any remaining documents into the Servicer's Tax Lien File.

(d) No Release of Documents from Collateral Agent and Custodian's Tax Lien File for Other Purposes. If the Servicer requires a Tax Lien Certificate from time to time to for any purpose hereunder, the Servicer shall obtain a certified copy of the appropriate Tax Lien Certificate from the appropriate public office of land records. The Collateral Agent and Custodian shall retain custody of the original Tax Lien Certificates at all times, and shall provide reasonable cooperation to the Servicer or outside foreclosure counsel if the production of any original Tax Lien Certificate is necessary for any judicial proceeding relating to the Tax Lien.

Section 2.05 Financial Statements and Related Information. For each year this Servicing Agreement is in effect, the Servicer shall submit electronically to the Issuer, the Program Manager and the Indenture Trustee (with a copy to the Law Department sent to albrodri@law.nyc.gov) a copy of its annual financial statements within 150 days after the end of its fiscal year. Such financial statements of the Servicer shall include a balance sheet, statement of operations, statement of cash flows and all related notes and schedules and shall be in comparative form, certified by its independent public accountants to the effect that such statements were examined and prepared in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

In addition, the Servicer's independent public accountants shall also prepare and present with such financial statements a report satisfactory to the Issuer regarding compliance with this Servicing Agreement. Such report shall include a reconciliation of the records of the Servicer with those of the Indenture Trustee regarding lockbox activity and the application by the Servicer of Collections to reduce Tax Lien Principal Balances. Such report shall also include a review of any fees paid to the Servicer or any of its Affiliates in connection with Section 15.01(c) hereof. The cost of the report described in the first sentence of this paragraph shall be deemed a Lien Administration Expense.

Section 2.06 Annual Certification by Officer. On or before April 30 in each calendar year, commencing in 2023, the Servicer shall deliver to the Issuer and the Indenture Trustee an Officer's Certificate to the effect that:

(a) To the best of the knowledge of the officer signing such certificate, all premiums for each Hazard Insurance Policy and Flood Insurance Policy (if any), with respect to each REO Property have been paid and that all such insurance policies are in full force and effect.

(b) The officer signing such certificate has reviewed the activities and performance of the Servicer during the preceding fiscal year under the Servicing Agreement and, to the best of such officer's knowledge, the Servicer has fulfilled all of its duties, responsibilities or obligations under the Servicing Agreement throughout such year, or, if there has been a default or failure of the Servicer to perform any of such duties, responsibilities or obligations, a description of each default or failure and the nature and status thereof and the actions that the Servicer proposes to take to cure the same.

(c) Such officer has confirmed that the insurance required by Section 2.03 of this Servicing Agreement is in full force and effect, and that the relevant insurer(s) is/are still Qualified Insurer(s) as of the date of the certification.

(d) To the best of the knowledge of the officer signing such certificate, all inspections required to be made pursuant to Section 8.01 of this Servicing Agreement have been made.

The Servicer shall also furnish and certify such other information as to its organization, activities and personnel as the Issuer or the Indenture Trustee may reasonably request from time to time.

Section 2.07 Covenant Not to Cause Bankruptcy. The Servicer will not file any petition that would cause the Issuer to become Bankrupt until one year and one day after the date on which the Indenture or the Paying Agent and Custody Agreement is terminated, whichever occurs later.

Section 2.08 Performance Criterion; Transfer of Tax Liens.

(a) The Servicer will service the Tax Liens listed on Exhibit A hereto; provided, however, that if the performance criterion described in this Section 2.08(a) (the “Performance Criterion”) is not satisfied, all or a portion of such Tax Liens may, at the option of the Issuer, be transferred to the Co-Servicer or any other servicer for servicing. The Performance Criterion is as follows: by the second anniversary of the Second Sale Date, the Servicer shall have collected 40% of the Initial Tax Lien Principal Balance of the Tax Liens being serviced hereunder as of such anniversary; or by the fourth anniversary of the Second Sale Date, the Servicer shall have collected 70% of the Initial Tax Lien Principal Balance of the Tax Liens being serviced hereunder as of such anniversary. If the Performance Criterion is not satisfied and the Issuer elects to direct the Servicer to transfer a portion of the Tax Liens for this reason (or any other reason provided in this Servicing Agreement), the Servicer shall first transfer the Tax Liens featuring the highest Lien-to-Value Ratios. The Servicer shall coordinate as appropriate with the Co-Servicer or other Servicer, as applicable, to facilitate the transfer of Tax Liens hereunder.

(b) [Reserved].

(c) From time to time the Co-Servicer may transfer Tax Liens to the Servicer pursuant to Section 2.08(a) of the Co-Servicer Agreement if the Issuer elects to direct such transfer. The Servicer acknowledges the existence of the Co-Servicer Agreement and agrees to accept any Tax Liens transferred from the Co-Servicer thereunder as aforesaid. The Servicer shall coordinate as appropriate with the Co-Servicer. The Servicer shall promptly give the Indenture Trustee and the Collateral Agent and Custodian written notice of its receipt of a transferred Tax Lien, including identifying information relating to such Tax Lien. The Servicer shall service such transferred Tax Liens in accordance with the servicing standard set forth in Section 2.01(a) of this Servicing Agreement. In no event shall the Servicer be liable for any acts or omissions of the Co-Servicer in connection with any such transferred Tax Liens.

Section 2.09 Permitted Charge-Offs. The Servicer shall be permitted to charge-off amounts from the aggregate Tax Lien Principal Balance in accordance with this Section 2.09.

(a) The Servicer shall identify the Tax Liens with respect to which estimates of the related Lien Administration Expenses exceed the anticipated Collections with respect to such Tax Liens. At any time following the Closing Date, the Servicer may deliver to the Issuer and the Owner notice of the Tax Liens so identified, which shall include a list of such Tax Liens and materials in support of the Servicer’s determination that the related Lien Administration Expenses exceed the anticipated Collections with respect to such Tax Liens as aforesaid. Within 90 days from the receipt of such notice by both parties, the Owner shall deliver to the Servicer written acceptance or rejection of any items contained in the list of Tax Liens described in the notice from the Servicer. The written acceptance or rejection by the Owner shall not be unreasonably delayed or conditioned, and any written rejection shall include a reasonable basis therefor. If the Owner has not responded within 60 days after the Servicer has delivered such notice, the Servicer shall

send an additional notice to the Owner which shall be identified as a second notice. If the Servicer has delivered both notices, but fails to receive written acceptance or rejection from the Owner within 90 days from the delivery of the first notice, then the Owner shall be deemed to have approved the charge-off requested by the Servicer.

(b) The Servicer may charge-off any Tax Lien (or, in respect of a partially defective Tax Lien, the defective portion thereof) with respect to which the Servicer has received less than the Adjusted Redemptive Value of such Tax Lien (i) through the sale or disposition of the underlying Property, (ii) through an assignment of the winning foreclosure bid for the underlying Property, (iii) through the receipt of the amount representing a cure of a Defective Tax Lien or the defective portion of a Tax Lien or (iv) through judicial determination. The Servicer shall effect such charge-off by the later of (A) the next succeeding Payment Date or (B) 30 days from the date on which the Servicer has received such amount. The Servicer may also immediately charge-off any Tax Lien the Adjusted Redemptive Value of which is less than or equal to \$50. If the Servicer so directs in an Officer's Certificate, the Collateral Agent and Custodian, for any Tax Lien charged-off in full pursuant to this Section 2.09(b), shall issue an Instrument of Release as provided in Section 2.04(c) hereof for redemption of a Tax Lien.

(c) The Tax Lien Principal Balance of any such charged-off Tax Lien in accordance with Section 2.09(a) or (b) hereof (or, in respect of a partially defective Tax Lien, the defective portion thereof), after any reduction thereof by the portion of the Collections thereon allocable pursuant to clause (C) of Section 1.02(iii) hereof, shall be written down to zero (the amount of such write down being a "Section 2.09 Charge-Off"). Whenever the Servicer charges-off any amount from the Tax Lien Principal Balance in accordance with this Section 2.09, it must promptly notify the Indenture Trustee and the Collateral Agent and Custodian of such permitted charge-off within 90 days or quarterly. Notwithstanding anything to the contrary set forth in this Section 2.09, in respect of any Tax Lien which was only partially defective, the Servicer shall remain obligated to service and administer the non-defective portion thereof in accordance with the provisions of this Servicing Agreement.

Section 2.10 Permitted Liquidations. If Bonds have been issued, then when (i) no Bonds remain Outstanding, (ii) the aggregate Tax Lien Principal Balance of the Tax Liens being serviced hereunder is less than 10% of the aggregate Tax Lien Principal Balance as of the Sale Date and (iii) it is the Servicer's reasonable and prudent judgment that prompt liquidation of the remaining portfolio is advisable, the Servicer may, with the approval of the Issuer (which approval shall not be unreasonably withheld), give the Indenture Trustee and the Issuer Trustee 30 days' notice of its intention to completely liquidate the remainder of the Tax Liens on an accelerated basis. Such accelerated liquidation may include an auction of individual Tax Lien Certificates or REO Properties without reserve prices, discounted sales to any third party, or such other method of disposition designed to completely liquidate the portfolio at the maximum net recovery value; provided that the sale of a Tax Lien Certificate or REO property shall be to a Person who is a Responsible Purchaser. Such liquidation shall be consistent with the servicing standard provided herein.

Section 2.11 Overpayments. If a Property Owner, or a Person on behalf of a Property Owner, has made any payments with respect to a Tax Lien on such Property Owner's Property that has been determined to be a Defective Tax Lien and the deposit of the Defective Tax Lien

Deposit Amount or the Substitution Amount with respect thereto results in an overpayment of such Tax Lien, the amount of the overpayment shall be forwarded to or at the direction of the City by the Servicer.

Section 2.12 Allocation of Payments. In the event that (i) a payment is received by the Servicer from a Property Owner whose Property is subject to tax liens owned not only by the Issuer, but also by other trusts for which the Indenture Trustee is the indenture trustee, and (ii) the Servicer is required to determine the allocation of such payment between these trusts, the Servicer shall allocate such payment to the various trusts in inverse order of the original date of sale to the trusts of the tax liens to which such Property is subject. The Indenture Trustee shall notify the Servicer as to Properties which are subject to Tax Liens owned by the Issuer and such other trusts. In the event that (i) a payment is received by the Servicer from a Property Owner whose Property is subject to Tax Liens or portions of Tax Liens bearing interest at any combination of 5%, 6%, 7%, 9% and 18%, and (ii) the Servicer is required to determine the allocation of such payment between such Tax Liens or portions of Tax Liens, the Servicer shall allocate such payment in the following order: first, to the payment of recoverable Lien Administration Expenses; second, to the payment of accrued interest on and the principal of the Tax Liens or portions thereof bearing interest at 18%, third, to the payment of accrued interest on and the principal of the Tax Liens or portions thereof bearing interest at 9%, fourth, to the payment of accrued interest on and the principal of the Tax Liens or portions thereof bearing interest at 7%, fifth, to the payment of accrued interest on and the principal of the Tax Liens or portions thereof bearing interest at 6%, and sixth, to the payment of accrued interest on and the principal of the Tax Liens or portions thereof bearing interest at 5%. If the Servicer receives a payment from a Property Owner that does not specify the delinquent tax lien to which the payment is to be applied, then such payment shall be applied in accordance with applicable Law and, as to the Tax Liens and any other tax lien that ranks pari passu therewith, on a pro rata basis in accordance with the Adjusted Redemptive Value (or comparable amount) thereof.

Section 2.13 [Reserved.]

ARTICLE III

TERM

Section 3.01 Term of Servicing Agreement; Early Termination. This Servicing Agreement shall be effective as of the date hereof and shall terminate on the earlier of (i) the Early Termination Date (but only if the Closing Date shall not have occurred by the Early Termination Date) and (ii) if the Closing Date shall have occurred, when the aggregate outstanding Tax Lien Principal Balance has been reduced to zero; provided, however, that, if Bonds shall have been issued and an Indenture has been executed, the provisions of this Servicing Agreement that affect the Indenture Trustee shall terminate upon the earlier of (1) the payment in full of all principal and interest due under the Bonds pursuant to the Indenture and (2) the termination of the Indenture in accordance with its terms or the disposition of the Trust Estate in accordance with the terms of the Indenture, and such provisions shall thereafter be deemed to apply to the Bank (as defined in the Paying Agent and Custody Agreement), unless the context clearly requires otherwise.

Section 3.02 Actions of Servicer Upon Early Termination. In the event that the Early Termination Date shall occur, without the Closing Date having previously occurred:

(a) The Servicer shall, as promptly as practicable and in any event within 30 days after the Early Termination Date, prepare and deliver to each Property Owner a letter stating that the sale of such Property Owner's Tax Lien(s) to the Issuer was voided, and that all inquiries in respect of such Tax Liens should be directed to the New York City Department of Finance; with respect to the water and sewer component of such Tax Liens, to the New York City Water Board; or, with respect to emergency repair charges or alternative enforcement expenses and fees, to the New York City Department of Housing, Preservation and Development, as applicable.

(b) Any Collections received by the Servicer on or after the Early Termination Date shall promptly be paid over by the Servicer to the City or as the City may direct.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.01 Servicer's Representations and Warranties. The Servicer represents and warrants to the Issuer and to the Indenture Trustee, and at all times during the term of the Servicing Agreement shall be deemed to represent and warrant, as follows:

(a) The Servicer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and is or will be in compliance with all applicable Laws to the extent such compliance is necessary to enforce each Tax Lien in accordance with the terms of this Servicing Agreement.

(b) The execution and delivery of this Servicing Agreement by it and its performance and compliance with the terms of this Servicing Agreement will not violate its organizational documents or bylaws or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach of, any contract, agreement or other instrument to which it is a party or which may be applicable to it or any of its assets, which default or breach would materially and adversely affect its condition (financial or other) or operations or its properties or might have consequences that would materially affect the performance of its duties hereunder.

(c) This Servicing Agreement, assuming due authorization, execution and delivery by each of the other parties hereto, constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of this Agreement, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws relating to or affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(d) It is not in violation of, and the execution and delivery of this Servicing Agreement by it and its performance and compliance with the terms of this Agreement will not constitute a violation with respect to, any order or decree of any court or any order or regulation of any federal, state, municipal or governmental agency having jurisdiction, which violation would have consequences that would materially and adversely affect its condition (financial or other) or

operations or its properties or might have consequences that would materially affect the performance of its duties hereunder.

(e) No litigation is pending or, to the best of its knowledge, threatened against it which would prohibit its entering into or performing its obligations under this Servicing Agreement or which could have a material adverse effect on its financial condition.

(f) It does not believe, nor does it have any reason or cause to believe, that as of the date hereof it cannot perform each and every covenant and obligation on its part hereunder to be performed in accordance with the terms hereof in all material respects.

(g) No consent, approval, authorization or order of any court, governmental agency or governmental body is required for the execution, delivery and performance by it of, or compliance by it with, this Servicing Agreement, or the consummation by it of the transactions contemplated by this Servicing Agreement, except for those which have been obtained.

(h) To the best of its knowledge, neither any factual information provided by, or any statements made in this Servicing Agreement by, it nor any statement, report or other document furnished or to be furnished by it pursuant to this Servicing Agreement or in connection with the transactions contemplated herein contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained herein or therein not misleading.

(i) It has received and reviewed complete copies of this Servicing Agreement, and each of the other Transaction Documents, and agrees that through the term hereof it shall (i) perform its obligations under this Servicing Agreement in compliance with the provisions of the Transaction Documents which are applicable to it or its duties hereunder and the provisions of this Servicing Agreement relevant to such performance, and (ii) refrain from taking any actions which are prohibited by such provisions.

(j) If Bonds have been issued, then upon receipt from the Issuer of a complete copy of the Private Placement Memorandum relating to such Bonds, it will promptly review the information therein relating to and furnished by it under the heading "THE SERVICER—Tower Capital Management, LLC" therein, and will deliver to the Issuer on the Closing Date a certificate to the effect that such information relating to and furnished by it is true and correct in all material respects and does not omit to state a material fact necessary to make the information contained therein not misleading.

It is understood and agreed that the representations and warranties set forth in this Section 4.01 shall survive delivery of the Collateral Agent and Custodian's Tax Lien Files to the Indenture Trustee or its designee, until the termination of this Servicing Agreement, and shall inure to the benefit of the Issuer, the Bank and the Indenture Trustee.

Section 4.02 Issuer's Representations and Warranties. The Issuer represents and warrants to the Servicer, and at all times during the term of this Servicing Agreement shall be deemed to represent and warrant, as follows:

(a) It is duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) This Servicing Agreement, assuming due authorization, execution and delivery by each of the other parties hereto, constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms of this Servicing Agreement, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws relating to or affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law).

It is understood and agreed that the representations and warranties set forth in this Section 4.02 shall survive until the termination of this Servicing Agreement, and shall inure to the benefit of the Servicer.

Section 4.03 Notice of Incorrect Representations or Warranties. If any party hereto during the term of this Servicing Agreement discovers that any of the representations or warranties contained in this Article IV are false, incorrect or misleading, or if any party hereto obtains knowledge of any event or circumstance that would reasonably cause it to believe that any of its representations or warranties are false, incorrect or misleading, it shall promptly deliver to the other parties hereto an Officer's Certificate (i) certifying as to the event or circumstance that caused, or may have caused, the representation or warranty to be false, incorrect or misleading and (ii) summarizing the action, if any, that it intends to take (or has taken) to cause or assure that its representation or warranty is true, correct and not misleading.

ARTICLE V

COMPENSATION, SERVICING FEES AND OTHER CHARGES

Section 5.01 Servicing Fees. As compensation for the services provided by the Servicer under this Servicing Agreement, the Servicer shall be entitled to receive a Servicing Fee which shall be payable on the Early Termination Date, if applicable, and otherwise quarterly on each Payment Date. The Servicing Fee is set forth in Exhibit C attached hereto. In the event that Tax Liens are transferred from the Co-Servicer to the Servicer pursuant to Section 2.08(c) hereof, the Servicer shall be entitled to a fee, payable by the Issuer at the time of such transfer, of \$100 per Tax Lien so transferred, subject to a maximum of \$75,000 with respect to any such transfer.

Except as otherwise expressly provided in this Servicing Agreement, the Servicer shall perform all of the obligations to be performed by it under this Servicing Agreement at its expense and without cost or charge to the Issuer or the Indenture Trustee. The Servicing Fee shall be paid to the Servicer subject to, and in accordance with, the provisions of Section 2.12 of the Indenture or Section 2.02 of the Paying Agent and Custody Agreement, as applicable. Notwithstanding the preceding sentence, the Indenture Trustee shall not be required to pay the Servicing Fee to the Servicer if the Indenture Trustee has not received the Servicer Payment Date Statement in accordance with Section 7.04 hereof.

Section 5.02 No Violation of Laws or Regulations. Notwithstanding any other provisions of this Servicing Agreement, the Servicer shall not charge or impose on any Property Owner, nor seek to charge or impose, or assert a right to receive, any fee, charge, premium or penalty that if charged or collected would violate or contravene any Law, including usury laws.

Section 5.03 No Other Servicing Fees. The Servicing Fee set forth in Section 5.01 hereof is the only Servicing Fee that shall be paid in connection with the performance of the obligations of the Servicer set forth herein. The Servicer shall be required to pay all expenses incurred by it in connection with its activities under this Servicing Agreement and shall not be entitled to reimbursement therefor except to the extent set forth in Section 5.04 hereof.

Section 5.04 Payment of Lien Administration Expenses. The Servicer shall, after the date of execution of the Indenture in connection with the issuance of Bonds, pay Lien Administration Expenses from amounts withdrawn from the Working Capital Reserve Fund or from advances made by the Indenture Trustee pursuant to Section 6.14(b) of the Indenture. The Servicer shall, prior to and until the date of execution of an Indenture, pay Lien Administration Expenses from amounts withdrawn from the Initial Working Capital Reserve Fund. The Servicer shall request, pursuant to Section 8.05(c) of the Indenture, if Bonds have been issued, or, prior to and until the execution of an Indenture and during the Post-Indenture Period, pursuant to Section 4.03(d) or Section 4.04(c) of the Paying Agent and Custody Agreement, as applicable, that the Indenture Trustee or the Bank, as applicable, withdraw from the Initial Working Capital Reserve Fund or the Working Capital Reserve Fund, as applicable, such amounts as will be sufficient to pay Lien Administration Expenses as they become due and payable. The Servicer also will be reimbursed for any Lien Administration Expenses paid by it on the Early Termination Date, but only if the Closing Date has not occurred, as provided in Section 2.02(b) of the Paying Agent and Custody Agreement.

ARTICLE VI

[RESERVED]

ARTICLE VII

COLLECTION OF PAYMENTS

Section 7.01 General. The Servicer shall direct the Property Owners to pay to the Tower Issuer Lockbox established and maintained by the Issuer solely in the name of the Indenture Trustee all installments of principal and interest and other sums remitted from time to time in payment and redemption of the Tax Liens. Notwithstanding the foregoing, within the three day period prior to a foreclosure auction of a Property, the Servicer may instruct the taxpayer to make payment directly to the Servicer or the attorney representing the Issuer in the foreclosure auction.

Section 7.02 Deposits. The Servicer shall transfer, on a daily basis and in no event later than one (1) Business Day after the Servicer's receipt thereof, (A) to the Tower Issuer Lockbox, all payments and collections received by the Servicer in respect of the Tax Liens on or after the applicable Sale Date, including:

- (a) all payments on account of the Adjusted Redemptive Values of the Tax Liens, including payments received on any forbearance agreement;
- (b) all proceeds received upon redemption of a Tax Lien;
- (c) all proceeds received in connection with the sale of a Tax Lien; and

(d) any other proceeds of Tax Liens or related Property acquired under this Servicing Agreement, including, without limitation, Liquidation Proceeds.

and (B) to the Tower REO Lockbox established and maintained by the Issuer solely in the name of the Indenture Trustee, all Gross REO Proceeds and Insurance Proceeds received by the Servicer in respect of any REO Property, other than funds to be applied to the restoration or repair of such REO Property.

Section 7.03 Forbearance. The Servicer is hereby authorized to forbear in connection with its enforcement of Tax Liens, provided that the subject Property Owners comply with the individual terms and conditions of forbearance established by the Servicer in its sole discretion, but which shall include (a) the repayment in full of the Adjusted Redemptive Value of the applicable Tax Lien over a period ending no later than February 1, 2025, unless it is determined by the Servicer that an extension of the repayment period is in the best economic interest of the Issuer, but in no event shall the repayment period exceed thirty-six (36) months from the due date of the first forbearance payment, (b) payments on a periodic basis directly to the Indenture Trustee for deposit to the Tower Issuer Lockbox, (c) the requirement that all required payments accruing subsequently to the subject Tax Lien for the subject Property that if not paid could result in the creation of a further “tax lien” (as defined in the Section 11-301 of the City Admin. Code) on such Property (the “Subsequent Taxes and Assessments”) remain current, (d) an acknowledgement of the amount due with respect to the Tax Lien that is the subject of such forbearance, a waiver of any waivable defenses to any foreclosure action and any other similar stipulations deemed necessary or desirable by the Servicer, (e) other than with respect to Properties classified by the City as within Tax Class 1, the subject Property Owner agrees to permit access to the Property for purposes of any Environmental Assessment relating thereto, (f) the Property Owner agrees that in connection with any foreclosure action relating to the Property, the holder of the related Tax Lien shall have the right to appoint a receiver, and (g) such forbearance is evidenced by a written agreement executed by each of the Servicer and the Property Owner; provided, however, that the Servicer may not agree to any such forbearance (in writing or otherwise) until after the Closing Date. The details of such forbearance shall be maintained in the Servicer’s collection system. The Servicer shall provide the City and its representatives with access to such information during the Servicer’s customary business hours, at the City’s request. Any reasonable expenses incurred by the Servicer in negotiating and monitoring the terms and conditions of forbearance shall be considered Lien Administration Expenses.

Section 7.04 Servicer to Prepare and Deliver Servicer Payment Date Statement and Lien Status Report. Not later than 10:00 a.m. Eastern time as in effect in the City on the third Business Day prior to each Payment Date, the Servicer shall prepare and deliver to the Indenture Trustee, a statement (a “Servicer Payment Date Statement”) with respect to Tax Liens serviced by the Servicer and such Payment Date setting forth:

- (i) the aggregate amounts, if any, to be paid to the Servicer in respect of any outstanding and unpaid Servicing Fees due pursuant to Section 5.01 hereof;
- (ii) the aggregate amounts, if any, to be paid to the Servicer in respect of any outstanding payments due pursuant to Section 15.06 hereof or Section 6.07 of the Indenture or Section 3.05(b)(2) of the Paying Agent and Custody Agreement, as applicable;

- (iii) the Collections for the Collection Period relating to such Payment Date;
- (iv) the number of Tax Lien Certificates outstanding and their aggregate Redemptive Value and Tax Lien Principal Balance on the current Determination Date;
- (v) the number of Tax Lien Certificates (and the aggregate of their related Redemptive Values and Tax Lien Principal Balances) under forbearance agreements on the current Determination Date;
- (vi) the number and aggregate Redemptive Value and Tax Lien Principal Balance on the current Determination Date of Tax Lien Certificates with respect to which a foreclosure action has been filed on behalf of the Issuer;
- (vii) the number and aggregate Redemptive Value and Tax Lien Principal Balance on the current Determination Date of Tax Lien Certificates with respect to which the Issuer's tax liens are subsequent to a foreclosure action filed by a tax lien trust for which the City was the seller;
- (viii) the number and aggregate Redemptive Value and Tax Lien Principal Balance of Tax Lien Certificates redeemed by or on behalf of the relevant Property Owners during the related Collection Period;
- (ix) the number and aggregate Redemptive Value and Tax Lien Principal Balance of Tax Lien Certificates with respect to which a foreclosure sale has been completed and the applicable Property sold to a third party during the related Collection Period;
- (x) the number and net realizable value (as determined by the Servicer in the exercise of its reasonable discretion) of (a) REO Properties and (b) successful foreclosure bids held by the Issuer (or, in the case of REO Properties, by a special purpose entity created by the Issuer), in each case on the current Determination Date and their related applicable Tax Lien Principal Balances;
- (xi) the date of the first real property delinquency or water and sewer payment delinquency in the case of Tax Liens without a real property tax component, tax class and building code class, Redemptive Value and applicable Tax Lien Principal Balance of each Tax Lien with respect to which the Property Owner has become Bankrupt during the period beginning on the previous Determination Date and ending on the day before the current Determination Date and the number and aggregate Redemptive Value of all Tax Liens with respect to which the Property Owners thereof remain Bankrupt;
- (xii) the number and aggregate Redemptive Value of all Eligible Substitute Tax Liens which have been substituted for Tax Liens and the aggregate dollar amount of all Substitution Amounts received in connection with the actual substitution of one or more Tax Liens during the related Collection Period;
- (xiii) the number and aggregate Redemptive Value and Tax Lien Principal Balance of Tax Lien Certificates relating to REO Properties which were resolved or

otherwise collected, and the amount of such Collections, during the related Collection Period;

(xiv) the aggregate amount of all Defective Tax Lien Deposit Amounts received during the related Collection Period, including all Substitution Amounts received during such Collection Period in respect of partial cures that did not involve the actual substitution of a Tax Lien; and

(xv) the aggregate number of permitted lien charge-offs performed by the Servicer in accordance with any applicable provision of Section 2.09 hereof during related Collection Period.

For purposes of the Payment Date Statement, the term “Redemptive Value” does not include recoverable Lien Administration Expenses unless such expenses have been awarded by a court of proper jurisdiction.

Promptly after each Determination Date, the Servicer shall prepare and deliver to the Indenture Trustee a statement with respect to Tax Liens serviced by the Servicer during the Collection Period relating to such Determination Date, which shall consist of an update of the information (other than the column entitled, “Wtd. Avg. LTV”) originally set forth in the Private Placement Memorandum relating to the Bonds under the heading “COMPOSITION OF THE TAX LIENS” and such other information as the Indenture Trustee reasonably requests and as necessary in the performance of its duties set forth in the Indenture.

On each Payment Date, the Servicer shall provide to the New York City Council (with a copy to the Program Manager) a list of all Properties with respect to which it has actual knowledge that Tax Liens have been sold where, subsequent to such sale, there has been a transfer of ownership of the Property for the following groups:

(i) all Properties on which liens for emergency repair charges or alternative enforcement expenses and fees have been sold to such purchaser pursuant to subdivision a-4 of Section 11-319 of the City Admin. Code;

(ii) all class two residential property owned by a company organized pursuant to Article XI of the state private housing finance law that is not a residential condominium or a residential cooperative on which any Tax Lien has been sold pursuant to subdivision a, a-2 or a-4 of Section 11-319 of the City Admin. Code; and

(iii) when available, the Servicer shall include the names and contact information of the new owners of record of such properties.

The Servicer shall prepare and provide to the Issuer (with a copy to the Program Manager) a Property status report, produced quarterly in a time and format specified by the Issuer, of all Properties, which shall include:

(i) information about such Property, including property tax class, property type, description and amount of the Tax Lien or Tax Liens, the costs of any advertisements

and notices, the amount of the surcharge pursuant to Section 11-332 of the City Admin. Code, and the amount of interest and penalties; and

(ii) the status of the Tax Lien or Tax Liens, including foreclosure information, if applicable, whether the Property Owner entered into an installment agreement, whether the Property Owner is current on such installment agreement, and whether the Tax Lien or Tax Liens on such property have been deemed defective, and, if so, the reason any such Lien was deemed defective.

ARTICLE VIII

PROTECTION OF SECURITY

Section 8.01 Inspection of REO Properties in Certain Circumstances. The Servicer shall visit and inspect each REO Property from time to time (but at least as frequently as once every 12 months) in accordance with its servicing standard of care and as provided in this Article VIII to determine whether the related REO Property is properly maintained or has been repaired or restored and is being preserved and protected. The Servicer shall, if requested by the Indenture Trustee, furnish to the Issuer, the Owner and the Indenture Trustee a Property Inspection Report in the form of Exhibit F hereto. All property inspections, regardless of purpose, shall be documented by a Property Inspection Report and made a part of the Servicer's Tax Lien File. Each Property Inspection Report submitted by the Servicer must be accompanied by photographs of the Property if such Property is in need of repair or restoration. Any reasonable expenses incurred by the Servicer in preparing such Property Inspection Reports shall be considered Lien Administration Expenses.

Section 8.02 Properties With Respect to Which Foreclosure Is Permitted and Has Begun. The Servicer shall prepare and place in the Servicer's Tax Lien File a Property Inspection Report as to any Property with respect to which foreclosure is permissible under applicable Law and with respect to which foreclosure proceedings have been commenced. Subject to the ability of the Servicer to gain access to or control of the Property, the Servicer shall also perform any and all other acts as may be consistent with accepted commercial practice for inspection and protection of properties secured by delinquent mortgage loans; provided, however, that, subject to Section 10.02(c) hereof, the Servicer may, but shall not be required to, insure any Property. The Servicer shall also complete and place in the Servicer's Tax Lien File, at regular intervals, Property Inspection Reports on REO Property. All Property Inspection Reports shall be delivered to the Indenture Trustee or the Owner, as applicable, upon request.

Section 8.03 Notice of Liens and Other Actions. The Servicer shall promptly notify the Issuer and the Indenture Trustee in writing of the existence of any lien or judicial levy upon or writ of attachment against a Property as to which the Servicer is notified or otherwise has actual knowledge, that is, or may be, superior to the lien of the Tax Lien including, for example, certain federal liens. Similarly, notice shall promptly be given by the Servicer to the Indenture Trustee in the event the Servicer is notified or otherwise has actual knowledge that a Property Owner is Bankrupt or that any condemnation of a Property is pending or threatened.

ARTICLE IX

REALIZATION AND FORECLOSURE

Section 9.01 Realization Upon Tax Liens.

(a) The Servicer shall foreclose upon Properties encumbered by Tax Liens, if the Servicer determines that such action is required by the servicing standard set forth in Section 2.01(a) and (b) hereof. The Servicer shall not be required to pursue any deficiency judgments or to bring any collection actions against any assets of the Property Owners other than the Properties encumbered by Tax Liens.

(b) Actions to foreclose upon Properties encumbered by Tax Liens shall be commenced pursuant to the applicable provisions of the City Admin. Code, the RPAPL and the CPLR. Notwithstanding any other provision contained in this Agreement, in any tax lien foreclosure action, the Servicer shall be required to make a bid on behalf of the Issuer for the related Property in an amount not less than the full amount of the Redemptive Value of the Tax Lien. If the Issuer is the winning bidder and the Property or the winning bid is offered for sale by the Servicer, the Property or the winning bid shall be sold only to the Responsible Purchaser who has made a conforming bid in the highest net present value.

(c) In the event that title to any Property is acquired by foreclosure, a recorded deed or judgment of foreclosure conveying title to such Property shall be obtained in the name of a special purpose entity created by the Issuer, the ownership interest in which is included in the Trust Estate. Notwithstanding any such acquisition of title and extinguishment of the related Tax Lien, the provisions of Section 1.02 hereof shall apply with respect to such Tax Lien.

(d) Notwithstanding any provision to the contrary contained in this Servicing Agreement, unless required by applicable Law, the Servicer shall not knowingly obtain title to a Non-Residential Property as a result of foreclosure or otherwise, and shall not otherwise acquire possession of, or take any other action with respect to, any Non-Residential Property if, as a result of any such action, the Indenture Trustee, the Servicer, the Collateral Agent and Custodian, the Issuer, the Trust Estate or the Bondholders, if Bonds have been issued, or any other parties under the Transaction Documents, would be considered to hold title to, to be a "mortgagee-in-possession" of, or to be an "owner" or "operator" of such Property within the meaning of CERCLA, or any comparable Law, unless the Servicer has previously determined in accordance with the servicing standard set forth in Section 2.01(a) hereof, based on an Environmental Assessment prepared by an Independent Person who regularly conducts environmental site assessments, that:

(i) such Property is in substantial compliance with applicable environmental Laws or, if not, that it would be in the best economic interest of the Issuer to take such actions as are necessary to bring such Property in compliance therewith; and

(ii) there are no known circumstances present at such Property relating to the use, management, storage or disposal of any Hazardous Materials for which investigation, testing, monitoring, containment, cleanup or remediation could be required under any

currently effective federal, state or local Law, or that, if any such Hazardous Materials are present for which such action could be required, it would be in the best economic interest of the Trust Estate to take such actions with respect to the affected Property.

The Servicer shall obtain an Environmental Assessment with respect to each Non-Residential Property prior to the Issuer's (or any special purpose entity created by or on behalf of the Issuer) taking title thereto. In the event that the Environmental Assessment first obtained by the Servicer with respect to a Non-Residential Property indicates that such Property may not be in compliance with applicable environmental Laws or that Hazardous Materials may be present but does not definitively establish such fact, the Servicer shall, but only if it can obtain permission to access such Property, cause such further environmental tests to be conducted by an Independent Person who regularly conducts environmental site assessments in the region where such Property is located as the Servicer shall deem prudent to protect the interests of the Issuer. Any such tests shall be deemed part of the Environmental Assessment obtained by the Servicer for purposes of this Section 9.01(d).

(e) Notwithstanding the provisions of Section 9.01(d) hereof, if it has been determined pursuant to Section 9.01(d)(1) that a Non-Residential, Property is not in compliance with applicable environmental Laws (or if it is unknown whether such Property is in such compliance) but that it is in the best economic interest of the Issuer to take such actions as are necessary to bring such Property into compliance therewith, or if it has been determined pursuant to Section 9.01(d)(2) that the circumstances referred to therein relating to Hazardous Materials are present (or if it is unknown whether Hazardous Materials are present) but that it is in the best economic interest of the Issuer to take such action with respect to the containment, cleanup or remediation of Hazardous Materials affecting such Property as is required by law or regulation, the Servicer shall take such action (including taking title to such Property) as it deems to be in the best economic interest of the Issuer. Notwithstanding the foregoing, the Servicer is not obligated to remediate any REO Property and may sell REO Property on an "as is" basis in accordance with applicable Law.

(f) Notwithstanding the provisions of Section 9.01(e) hereof or any provision to the contrary in this Servicing Agreement, if the amount that is estimated to be the cost of compliance, containment, clean-up or remediation of any Hazardous Materials which may exist on a Non-Residential Property, as determined pursuant to subsection (d) of this Section 9.01, is greater than the amount reasonably determined by the Servicer to be ultimately available as Gross REO Proceeds less the related Lien Administration Expenses (without regard to such remediation expenses), no foreclosure proceedings with respect to such Property shall be completed by the Servicer.

(g) Prior to any foreclosure of the Tax Lien related to any Property, the Servicer may in its discretion after taking into account the servicing standard set forth in Section 2.01(a) hereof obtain an appraisal thereof conducted by an Independent appraiser familiar with the area in which such Property is located in order to determine the fair market value of such Property. Such appraisal may be qualified by the inability of the preparer thereof to gain physical access to the Property. Notwithstanding the provisions of Section 9.01(e) or 9.01(f) hereof or any provision to the contrary in this Servicing Agreement, if the amount reasonably determined by the Servicer to be the Lien Administration Expenses payable with respect to such Property is greater than the

amount that is reasonably determined by the Servicer to be ultimately available as Gross REO Proceeds with respect thereto, no foreclosure proceedings with respect to such Property shall be completed by the Servicer.

(h) The Servicer shall not be liable in the event that any estimates made by an expert pursuant to subsections (f) and (g) of this Section 9.01 are different from actual figures, provided that prior to retaining such expert the Servicer has reasonably determined that such expert was qualified and duly licensed. The Servicer shall also not be liable with respect to a hazardous environmental condition or with respect to a Property that is not in substantial compliance with applicable environmental Laws as long as the Servicer has followed the procedures set forth in this Section.

(i) In conducting foreclosure and post-foreclosure liquidation proceedings, the Servicer will comply with the guidelines set out in Exhibit I hereof.

Section 9.02 Foreclosure Procedural Requirements.

(a) Responsibilities on Foreclosure or Other Realization. The Servicer shall be responsible for managing or causing to be managed any Property after such Property has become an REO Property until such Property has been liquidated pursuant to the terms hereof.

(b) Reports from Servicer. The Servicer shall provide the notices required by Section 11-335 of the City Admin. Code to the Commissioner of Finance of the City. No later than the 20th day of each February, May, August and November, commencing in May 2022, the Servicer shall provide the Issuer, the Owner and the Indenture Trustee with a Foreclosure Status Report for each Property substantially in the form of Exhibit E hereto.

Section 9.03 Restrictions on Purchases of REO Property and Tax Liens.

(a) Any Person desiring to be a Responsible Purchaser shall deliver an Affidavit to the Servicer prior to the sale of the applicable Property (or the winning bid therefor) or the applicable Tax Lien. The Servicer shall forward copies of the Affidavit to the City within a reasonable period of time. Any failure of any Person to deliver such Affidavit in a timely manner shall cause such Person to be deemed not a Responsible Purchaser.

(b) If, in the exercise of its duties and responsibilities hereunder, the Servicer deems it desirable or necessary to bid less than the Redemptive Value of the Tax Lien, it may do so with the prior approval of the Owner. The Servicer shall request such approval in writing. If the Owner fails to respond within 10 Business Days after receiving such request, the request shall be deemed to be approved.

(c) Any Person may be a Responsible Purchaser (1) if the City makes a determination that such Person is a Responsible Purchaser or (2) if pursuant to this Section 9.03(c) such Person, under oath, represents that it:

(i) is not the owner or an Affiliate of the owner of the property;

(ii) has not been convicted of fraud, bribery, grand larceny, arson, tenant harassment, or other felony under the New York Penal Law, within 7 years of the date of sale and has no pending charges for such crimes, and has not been convicted by a court of competent jurisdiction, within 7 years of the date of the sale, of a violation of any section of Article 150 (relating to arson), Article 175 (relating to false written statements), Article 176 (relating to insurance fraud), Article 180 (relating to bribery), Article 185 (relating to creditor fraud), Article 200 (relating to bribery involving public servants), of the New York Penal Law, or any similar laws of another jurisdiction, and is not an Affiliate of a Person who has been so convicted, and has not been indicted for any of the above specified crimes;

(iii) is not delinquent in the payment of real property taxes, water and sewer charges and assessments, or other taxes, charges and assessments in the City, for over one year and in an aggregate amount exceeding \$20,000, nor is an Affiliate of any Person who has been so delinquent or in default on such taxes, charges and assessments;

(iv) has not lost title to real property by reason of a tax lien foreclosure proceeding or other tax enforcement proceeding within five years of the date of the sale and does not have pending any such enforcement proceedings against any such real property, nor is an Affiliate of a Person who has lost real property by such proceedings or has pending such proceedings;

(v) is not the owner or holder of real property, nor is an Affiliate of a Person owning or holding real property, with an average of five or more hazardous or immediately hazardous violations of record per dwelling unit under the New York City Housing Maintenance Code, or that is subject to a lien or liens for the repair or the elimination of any dangerous or unlawful conditions pursuant to Section 27-2144 of the City Admin. Code, in an amount equal to or greater than one thousand dollars; and

(vi) is not suspended or debarred from contracting with the City or any department or agency of the City pursuant to Section 335 of the New York City Charter and is not an Affiliate of any Person who is so suspended or debarred.

Section 9.04 Conveyance Documents. Any conveyance to any purchaser of an REO Property shall be made by quitclaim deed or bargain and sale deed without covenants. The Servicer shall endeavor to have the necessary conveyance documents prepared and sent to the Issuer not later than two weeks prior to the scheduled closing date. The Issuer shall execute such documents or grant a power of attorney to the Servicer or its agent for the purpose of executing such documents.

ARTICLE X

REO PROPERTIES

Section 10.01 Title to REO Properties; Management of REO Properties.

(a) In the event that title to any Property is acquired by foreclosure or otherwise, title shall be taken in the name of a special purpose entity created by the Issuer, the ownership interest in which is included in the Trust Estate. The Servicer shall manage, conserve, protect and operate

each REO Property, or cause such REO Property to be managed, conserved, protected and operated, for the benefit of the Issuer and the Indenture Trustee solely for the purpose of its prompt disposition and sale.

(b) The Servicer shall have full power and authority, subject only to the specific requirements and prohibitions of this Servicing Agreement (including, without limitation, the servicing standard specified in Section 2.01(a) hereof), to do any and all things in connection with any REO Property as are consistent with the manner in which the Servicer manages and operates similar property owned or managed by the Servicer or any of its Affiliates, all on such terms and for such period as the Servicer deems to be in accordance with its servicing standard hereunder. In connection therewith, the Servicer shall deposit or cause to be deposited in the Tower REO Lockbox all revenues received by it with respect to any REO Property within two (2) Business Days of its receipt thereof.

(c) The Servicer may contract with any Independent contractor for the operation and management of any REO Property, provided that:

(i) the terms and conditions of any such contract shall not be inconsistent herewith;

(ii) any such contract shall require, or shall be administered to require, that the Independent contractor remit all revenues related to the operation and management of such REO Property (net of the related costs and expenses) to the Servicer as soon as practicable, but in no event later than seven (7) days following the receipt thereof by such Independent contractor;

(iii) none of the provisions of this Section 10.01 relating to any such contract or to actions taken through any such Independent contractor shall be deemed to relieve the Servicer of any of its duties and obligations to the Issuer or the Indenture Trustee, individually or on behalf of the Bondholders, with respect to the operation and management of any such REO Property; and

(iv) the Servicer shall be obligated with respect thereto to the same extent as if it alone were performing all duties and obligations in connection with the operation and management of such REO Property.

(d) The Servicer shall be entitled to enter into any agreement with any Independent contractor performing services for it related to its duties and obligations hereunder for indemnification of the Servicer by such Independent contractor, and nothing in this Servicing Agreement shall be deemed to limit or modify such indemnification. Provided that such fees are reasonable and customary in the area where such REO Property is located for independent contractors providing services similar to those being provided by such Independent contractor, fees owed by the Servicer to any Independent contractor other than an Affiliate of the Servicer shall be payable as Lien Administration Expenses.

Section 10.02 Acquisition of REO Property. The Servicer is authorized to cause the Issuer to form one or more special purpose entities to hold title to REO Property. Any special purpose entity created hereunder shall be managed by the Servicer in accordance with the terms of this

Servicing Agreement. The Issuer shall be responsible for preparing, filing and maintaining all Federal, State, and local tax returns for any such special purpose entity. Upon the acquisition of an REO Property by foreclosure or otherwise, the Servicer shall notify the Issuer and the Indenture Trustee on a monthly basis that the REO Property has been acquired and shall thereafter, unless otherwise provided herein:

- (a) manage or cause to be managed the acquired REO Property until it is disposed of;
- (b) sell or otherwise dispose of the REO Property, as provided in this Servicing Agreement and deposit or cause to be deposited in the Tower REO Lockbox the related Gross REO Proceeds pursuant to the provisions of Section 7.02 hereof; and
- (c) take whatever steps are necessary to insure that, upon such Property becoming an REO Property, such Property is covered by Insurance Policies naming each of the Servicer, the Indenture Trustee and the Issuer as an additional insured as their interests may appear.

Until an REO Property is liquidated, the Servicer shall, unless otherwise required herein:

- (a) take appropriate action to secure the REO Property and maintain proper surveillance over it;
- (b) if required by the servicing standard set forth in Section 2.01 hereof, pay all Subsequent Taxes and Assessments with respect to the related REO Property as provided in Section 10.03 hereof;
- (c) maintain or cause to be maintained the REO Property so as to preserve its value and prevent any additional deferred maintenance, provided that the Servicer reasonably determines that such maintenance would increase the related Gross REO Proceeds relative to the cost of such maintenance or demolish the REO Property if the Servicer determines such measure to be required by its servicing standard hereunder;
- (d) submit to the Issuer, the Owner and the Indenture Trustee upon their request statements for income received and expenses and capital expenditures incurred in connection with the operation and maintenance of the REO Property together with additional documentation (including, without limitation, photographs and field reports); and
- (e) file at least monthly with the Issuer, the Owner and the Indenture Trustee the REO Status Report in the form attached hereto as Exhibit E.

Section 10.03 Taxes, Assessments and Similar Items. With respect to each REO Related Tax Lien, the Servicer shall obtain from the City accurate records reflecting the status of any Subsequent Taxes and Assessments with respect to the related REO Property and determine the status of Insurance Policy premiums payable with respect thereto. From time to time, the Servicer (with respect to REO Properties) shall (i) obtain all bills for the payment of such items (including renewal premiums) and (ii) to the extent required by the servicing standard set forth in Section 2.01 hereof, effect payment of all such bills with respect to such REO Properties prior to any applicable penalty or termination date.

Section 10.04 Maintenance of Insurance Policies.

(a) The Servicer shall cause to be maintained a Hazard Insurance Policy or Policies with extended coverage on each REO Property in an amount which is at least equal to the greater of (i) an amount not less than is necessary to avoid the application of any coinsurance clause contained in the related fire and hazard insurance policy and (ii) the actual cash value of the improvements which are a part of such REO Property. The Servicer shall cause to be maintained with respect to each REO Property a Public Liability Insurance Policy providing such coverage against such risks as the Servicer determines is consistent with the servicing standard set forth in Section 2.01(a) hereof. Any amounts collected by the Servicer under any such policies (other than amounts to be applied to the restoration or repair of the related REO Property) shall be deposited in the Tower REO Lockbox. It is understood and agreed that no earthquake or other additional insurance other than a Flood Insurance Policy, subject to the qualification set forth in the next sentence hereof, is to be maintained by the Servicer. If an REO Property was located at the date of the related Tax Lien Certificate in a federally designated special flood hazard area, the Servicer will obtain a Flood Insurance Policy as soon as practicable. If a recovery under a Hazard Insurance Policy, Public Liability Insurance Policy or a Flood Insurance Policy in respect of an REO Property would have been available if such insurance were maintained thereon in accordance with the standards applied to REO Properties described herein and such insurance was not so maintained, the Servicer shall either (i) deposit in the Tower REO Lockbox from its own funds, without any right of reimbursement therefor, the amount that would have been recovered by the date such recovery would have been received or (ii) apply to the restoration and repair of the Property from its own funds the amount that would have been recovered or an amount sufficient to repair or restore the casualty, if such application would be consistent with the servicing standard set forth in Section 2.01(a) hereof; provided, however, that the Servicer's obligations under this sentence shall arise only in the event that the described insurance was not maintained solely as a result of the Servicer's negligence or willful misconduct. For example, and, without limiting the foregoing, the Servicer shall have no obligations under the previous sentence if the Servicer received direction from the Indenture Trustee or the Issuer to not obtain, or to cancel, the insurance. Furthermore, any calculation of the amount of any such supposed recovery shall take into consideration the standard policy terms, conditions, exclusions, deductible amounts and claims processing procedures, and the Servicer, upon making the deposit described in this Section 10.04(a), shall have all of the rights, including subrogation rights, that the issuer of such an insurance policy would have had in similar circumstances (such rights to continue notwithstanding any termination of this Servicing Agreement).

(b) The Servicer agrees, with respect to the REO Related Tax Liens, to prepare and present, on behalf of itself, the Indenture Trustee and the Issuer, claims under each related insurance policy maintained pursuant to this Section 10.04 in a timely fashion in accordance with the terms of such policy and to take such reasonable steps as are necessary to receive payment or to permit recovery thereunder.

(c) If the Servicer obtains and maintains a blanket policy with a Qualified Insurer insuring against fire and hazard losses on all or a significant portion of the REO Properties it shall conclusively be deemed to have satisfied its obligations concerning the maintenance of insurance coverage set forth in Section 10.04(a) hereof with respect to the REO Properties covered by such blanket policy, it being understood and agreed that such policy may contain a deductible clause

not greater than \$10,000 (except that the deductible for flood, earthquake and Category 1 windstorm shall not be greater than customary for similarly situated properties) (“Permitted Deductible”), in which case the Servicer shall, in the event that there shall not have been maintained on the related REO Property a policy otherwise complying with the provisions of Section 10.04(a) hereof, and there shall have been one or more losses which would have been covered by such a policy had it been maintained, immediately deposit in the Tower REO Lockbox from its own funds, without any right of reimbursement therefor, the amount not otherwise payable under the blanket policy because of such deductible clause to the extent such deductible exceeds the Permitted Deductible. In connection with its activities as Servicer hereunder, the Servicer agrees to prepare and present, on behalf of itself, the Indenture Trustee and the Issuer, claims under any such blanket policy which it maintains in a timely fashion in accordance with the terms of such policy and to take such reasonable steps as are necessary to receive payment or permit recovery thereunder.

Section 10.05 Sale of REO Properties and Tax Liens.

(a) The Servicer shall use all commercially reasonable efforts to sell any REO Property as soon as possible taking into account the goal of maximizing the proceeds of sale of the REO Property. The Servicer may sell any REO Property to a Person that is not an Affiliate of the Servicer and who is a Responsible Purchaser.

(b) The Servicer may offer to sell to any other Person any Tax Lien for an amount not less than the Adjusted Redemptive Value thereof, if and when the Servicer determines, consistent with the servicing standard set forth in Section 2.01(a) hereof, that such a sale would be appropriate. The Servicer may sell Tax Liens only with the permission of the Issuer, only to Independent Persons and only after the second anniversary of the First Sale Date. The Servicer shall give the Indenture Trustee, the Owner and the Issuer not less than thirty days’ prior written notice of its intention to sell any Tax Lien to such Person. The Servicer shall comply with the provisions of paragraph d. of Section 11-321.1 of the City Admin. Code in effecting any sale of a Tax Lien. Neither the Servicer nor any Affiliate of the Servicer may purchase any Tax Lien.

(c) In determining whether any bid constitutes a fair price for any Tax Lien or any REO Property, the Servicer shall take into account, among other factors, the period and amount of any delinquency on the affected Tax Lien, the physical condition of the Property or REO Property and the state of the local economy.

(d) In the event that the Servicer shall, after the exercise of due diligence, determine that it is unable to dispose of any REO Property for the price required pursuant to subsection (c) hereof, the Servicer shall be permitted to dispose of such REO Property at a price determined by it to be commercially reasonable.

(e) Subject to the provisions of Section 9.02 hereof and the servicing standard set forth in Section 2.01(a) hereof, the Servicer shall negotiate and take any other action necessary or appropriate in the Servicer’s judgment in connection with the sale of any REO Property or any Tax Lien, including the collection of all amounts payable in connection therewith. Any sale of any REO Property or any Tax Lien shall be without recourse to, or representation or warranty by (other than representations as to ownership), the Indenture Trustee, the Issuer or the Servicer

(including its directors, officers, employees, agents, Affiliates, successors or shareholders) and, if consummated in accordance with the terms of this Servicing Agreement, and, if Bonds have been issued, none of the Servicer (including its directors, officers, employees, agents, Affiliates, successors or shareholders), the Issuer or the Indenture Trustee shall have any liability to the Bondholders with respect to the purchase price therefor accepted by the Servicer, the Issuer or the Indenture Trustee. Any contract for the sale of an REO Property may provide for a sum to be deducted from the purchase price and held in escrow by a Person acceptable to the Servicer pending the satisfaction of conditions intended to be satisfied or undertakings intended to be accomplished after the closing of title to such REO Property.

(f) The Servicer may act as a broker or co-broker, and collect reasonable and customary fees resulting therefrom, in connection with the sale of any REO Property provided that (i) such party has all appropriate licenses permitting it to so act, (ii) advertises the availability of such REO Property for sale and (iii) agrees to entertain bids from all brokers operating in the area in which such Property is located.

(g) Gross REO Proceeds related to the sale of any REO Property and all proceeds from the sale of any Tax Lien shall be promptly deposited, or caused to be deposited, by the Servicer in the Tower REO Lockbox in accordance with Section 7.02 hereof.

ARTICLE XI

REDEMPTIONS IN FULL AND SIMILAR LIQUIDATIONS

Section 11.01 Redemptions in Full. Upon the redemption of a Tax Lien in full, the Servicer shall, no later than the 20th day of each February, May, August and November, complete and deliver to the Issuer, the Owner and the Indenture Trustee a liquidation report in the form of Exhibit H hereto (the “Liquidation Report”). An Officer’s Certificate of the Servicer certifying that, based on the information provided by the Collateral Agent and Custodian, the Tax Lien has been paid and satisfied in full, shall be forwarded to the Collateral Agent and Custodian.

Section 11.02 Liquidation Other Than Redemptions-In-Full. Proceeds from liquidations in full (other than redemptions in full) including from the condemnation of any Property shall be applied in payment of the Tax Lien, and reported by the Servicer to the Issuer, the Owner and the Indenture Trustee on the Liquidation Report as provided in Section 11.01 hereof for redemptions-in-full. Proceeds shall be applied, first to any Subsequent Taxes and Assessments until paid and satisfied in full, and then, to the Tax Liens and any other tax lien that ranks pari passu therewith, on a pro rata basis in accordance with the Adjusted Redemptive Value (or comparable amount) thereof.

ARTICLE XII

ACCOUNTING

Section 12.01 Liquidations. Liquidation Proceeds shall be reported on the Liquidation Report. A copy of the closing statement relating to the sale of any REO Property, including a breakdown of any sums collected with respect to the Property or in partial payment of any sums

due with respect to the related Tax Lien to the date of liquidation must be reflected or otherwise summarized in an attached report.

Section 12.02 REO Property. A record of rental income collections and disbursements shall be maintained with respect to each REO Property so that an accounting may be made to the Issuer and the Indenture Trustee on a monthly basis. If rents are collected through a property manager, only the net rental income shall be forwarded to the Tower REO Lockbox.

ARTICLE XIII

ACCOUNTING SYSTEM

Section 13.01 General. All accounting and Tax Lien servicing records pertaining to each Tax Lien shall be maintained in such manner (including in electronic format) as will permit the Issuer and the Indenture Trustee, or their duly authorized representatives and designees, to examine and audit and make legible reproduction of records at any time, including by electronic delivery. Following the termination of this Servicing Agreement, the Servicer shall box and index all records compiled in connection with this Servicing Agreement and the Tax Liens serviced hereunder, and shall deliver said records upon the direction of the Issuer.

Section 13.02 Monthly Accounting Cycle. The Servicer shall deliver, on or before the 15th day of each month, to the Issuer, the Owner and the Indenture Trustee a monthly collection report in a form agreed to by the parties hereto (the “Monthly Accounting Report”), current as of the close of business on the last Business Day of the previous month. The initial reporting period shall begin on the First Sale Date and end on the last Business Day of the month following the Closing Date.

ARTICLE XIV

TERMINATION

Section 14.01 Termination for Cause. The Issuer may, upon five (5) Business Days’ prior notice to the Indenture Trustee, terminate the rights and obligations (but not the liabilities) of the Servicer under this Servicing Agreement upon written notice to the Servicer upon the happening of any of the following events (an “Event of Default”):

(a) If the Servicer fails to remit or transfer any funds received that the Servicer is required to remit or transfer pursuant to this Servicing Agreement, and such failure is not cured within two (2) Business Days after the earlier of (i) the Servicer’s having knowledge of such failure and (ii) the giving by the Issuer or the Indenture Trustee to the Servicer of written notice of such failure.

(b) If any representation or warranty made by the Servicer in this Servicing Agreement is false, incorrect or misleading in any material respect, or if any representation or warranty made by the Servicer in any report, document, certificate or other papers delivered by the Servicer to the Issuer or the Indenture Trustee from time to time is false, incorrect or misleading in any material respect, and such breach has not been cured by the Servicer within 30 days of the Servicer’s receipt

of written notice of such breach by an Officer of the Indenture Trustee (or the Issuer, as the case may be).

(c) If the Servicer breaches or fails to perform or observe any obligation or condition (other than those referred to in subparagraphs (a) and (b) of this Section 14.01), to be performed or observed by it under this Servicing Agreement (including any obligation specified in Sections 15.19(a) or (b) hereof) and such breach or default is not cured within 30 days after the earlier of (i) the Servicer's having knowledge of such breach or default and (ii) the giving by the Issuer or the Indenture Trustee to the Servicer of written notice demanding that such breach or default be cured; or, if the Indenture Trustee (or the Issuer, as the case may be) has not given such written notice to the Servicer, the Indenture Trustee (or the Issuer, as the case may be) has made a good faith determination that such default cannot be cured within 30 days.

(d) If an Insolvency Event shall have occurred in respect of the Servicer or any Person holding all or substantially all of the issued and outstanding shares of capital stock representing ordinary voting rights of the Servicer.

(e) If at any time (i) there has occurred the Departure of one of the Key Personnel from the Servicer who has not been replaced by a replacement reasonably acceptable to the Issuer, (ii) there has occurred the Departure of another of the Key Personnel from the Servicer, and (iii) one of the two Key Personnel has not been replaced by a replacement reasonably acceptable to the Issuer within the later of (A) one year from the date of the first Departure and (B) 120 days from the date of the second Departure.

(f) If at any time there has occurred the Departure of three or more of the Key Personnel from the Servicer who have not been replaced by replacements reasonably acceptable to the Issuer so as to reduce the number of unreplaced Departures to two or less within 120 days from the date of the third Departure.

(g) [Reserved.]

(h) So long as Tower Capital Management, LLC, is the Servicer, failure of John Garzone, Kurt Shadle and Jim Purcell to collectively own at least 51% of the Servicer; provided, however, that such event shall not be deemed an Event of Default hereunder if the Servicer gives at least 90 days' prior written notice of the date such change of control or transfer of ownership is scheduled to occur, the Issuer provides written consent thereto (which consent shall not be unreasonably withheld) and, if Bonds have been issued, each Rating Agency rating such Bonds has confirmed in writing that such transfer or change in control will not cause the rating by such Rating Agency on the Bonds to be withdrawn, reduced or qualified in any material respect; provided, further, that in the event the Issuer has given such written consent and the Rating Agencies have given such written confirmation, the failure of the Servicer to give the notice required by this paragraph (h) shall not constitute an Event of Default hereunder.

Section 14.02 [Reserved.]

Section 14.03 Servicer's Duties Upon Termination.

(a) Upon the automatic termination of this Servicing Agreement on the Early Termination Date, if applicable, the Servicer, at the Issuer's expense, shall promptly deliver to the Issuer or its designee the Servicer's Tax Lien Files together with all other reports, documents, data and information in the possession, custody or control of the Servicer that relate to the Tax Liens and shall otherwise exercise its best efforts to effect and carry out an orderly and efficient transfer of the duties, responsibilities and obligations of the Servicer to the Issuer or its designee.

(b) Upon any termination by the Issuer of the rights and obligations of the Servicer under this Servicing Agreement, other than an automatic termination of this Servicing Agreement on the Early Termination Date, the Servicer, at its expense, shall promptly deliver to any Person designated by the Issuer the Servicer's Tax Lien Files together with all other reports, documents, data and information in the possession, custody or control of the Servicer that relate to the Tax Liens and shall otherwise exercise its best efforts to effect and carry out an orderly and efficient transfer of the duties, responsibilities and obligations of the Servicer to a new Servicer designated by the Issuer or by the Holders of more than 50% of the Aggregate Current Principal Amount of the Bonds Outstanding as of such date. Such successor Servicer must meet the criteria therefor set forth in Section 14.05 hereof. In the event that the rights and obligations of the Servicer under this Servicing Agreement are terminated for cause and in addition to any other claim, right or remedy that the Issuer may have against the Servicer, the Servicer shall reimburse the Issuer, on demand, for any loss, damage or expense including court costs and reasonable attorneys' fees, incidental to the termination of this Servicing Agreement and to the transfer of the servicing of the Tax Liens to the successor Servicer.

(c) Termination of the rights and obligations of the Servicer under this Servicing Agreement, whether by automatic termination of this Servicing Agreement on the Early Termination Date, for cause or otherwise shall not release the Servicer from any liability or obligation that shall have arisen or may thereafter arise as a result of acts or omissions by the Servicer prior to such termination.

Section 14.04 Payment of Servicing Fees Upon Termination. Any termination of the rights and obligations of the Servicer under this Servicing Agreement by the Indenture Trustee (or the Issuer, as the case may be) as to all or any Tax Liens, whether by automatic termination of this Servicing Agreement on the Early Termination Date or otherwise, shall not extinguish the Servicer's right, if any, to payment of Servicing Fees that the Servicer was entitled to be paid prior to the date of termination; except, however, the Issuer shall be entitled to deduct from and offset against any funds due to the Servicer the amount of any loss, liability, damage, cost or expense for which the Servicer is liable or obligated to pay the Issuer as a result of the Servicer's breach of any representation or warranty made by it in this Servicing Agreement or in any reports, documents, certificates or other papers delivered to the Issuer, or as a result of the Servicer's breach or failure to perform or observe any covenants, obligations or conditions to be performed or observed by it under this Servicing Agreement subject to the rights of the Servicer to cure pursuant to Section 14.01 hereof.

Section 14.05 Successor Servicer. Any successor Servicer hereunder shall be (A) reasonably satisfactory to the Issuer and the Indenture Trustee and (B) an organization experienced in the management and disposition of tax liens, distressed real estate and nonperforming income property. Such successor Servicer shall execute and deliver to the

Indenture Trustee an agreement, in form and substance reasonably satisfactory to the Indenture Trustee, which contains an assumption by such Person of the due and punctual performance of each covenant and condition to be performed or observed by the Servicer under this Servicing Agreement from and after the date of such agreement.

Section 14.06 Rating Agency Confirmation. Notwithstanding anything herein to the contrary, if Bonds have been issued, no termination of this Servicing Agreement or of the Servicer shall be effective unless and until (a) each of the Rating Agencies rating such Bonds shall have confirmed its then current rating of the Bonds outstanding under the Indenture at the time of any such termination and (b) if required by such Rating Agencies, (i) a successor shall have been appointed and accepted such appointment in the manner provided in Section 14.05 hereof and (ii) such Rating Agencies shall have approved of such successor servicer.

ARTICLE XV

MISCELLANEOUS PROVISIONS

Section 15.01 Assignment and Delegation of Duties by Servicer.

(a) Except as otherwise provided by subsection (b) hereof, the Servicer shall not assign or transfer any of its rights, benefits or privileges under this Servicing Agreement to any other Person, nor delegate to or subcontract with, nor authorize or appoint, any other Person to perform any of the duties, covenants or obligations to be performed by the Servicer hereunder without the prior written consent of the Issuer, such consent to be withheld in its sole discretion. Any agreement, instrument or act purporting to effect any such assignment, transfer, subcontract, delegation or appointment without such consent shall be void.

(b) In performing and carrying out its duties, responsibilities and obligations under this Servicing Agreement, the Servicer may, without the prior written consent of the Indenture Trustee or the Issuer, hire, retain or subcontract with the following types of Persons, the cost of which shall be considered Lien Administration Expenses; provided, however, that neither such Person nor any Affiliate, equityholder, officer or employee of, or Person deriving direct economic benefit from, such Person or of any Affiliate thereof, is also an Affiliate, equityholder, officer or employee of the Servicer or of any Affiliate thereof:

(i) attorneys licensed to practice in the applicable jurisdiction to perform customary legal services in connection with the foreclosure or landlord/tenant proceedings relating to such REO Property, or acquisition of any Property, the sale or disposition of REO Property acquired at or in lieu of foreclosure, including legal research related to foreclosure, acquisition, sale, disposition and landlord/tenant matters whether related to specific Properties and REO Properties or generally;

(ii) professional property inspection companies to conduct routine inspections of, and provide written inspection reports on, Properties as required by this Servicing Agreement;

(iii) real estate tax service companies to provide periodic reports as to the amount of Subsequent Taxes and Assessments due on any Property and the amount due on

any tax lien that ranks pari passu with any Tax Lien and the due date or dates of each installment;

(iv) independent Persons who regularly conduct environmental site assessments to perform Environmental Assessments pursuant to Section 9.01 hereof;

(v) construction companies, contractors and laborers to provide labor, materials and supplies necessary to protect, preserve, repair and perform capital improvements with respect to any specific Property or REO Property as provided by this Servicing Agreement;

(vi) professional property management companies, auctioneers, real estate brokers, appraisers, architects, engineers, surveyors, title searchers, rent receivers and tax preparers;

(vii) skiptracing and asset search companies or contractors to assist in the location of Property Owners or interested parties;

(viii) mass mailing or similar service companies to assist in the production and distribution of collection letters and marketing of specific Properties and REO Properties; and

(ix) media broker companies to assist in the marketing and placement of advertisements regarding specific Properties and REO Properties.

The Servicer shall require that each Person that is retained to provide any of the foregoing services is fully licensed and holds all required governmental franchises, certificates and permits necessary to conduct the business in which it is engaged and that such Person is reputable, knowledgeable, skilled and experienced and has the necessary personnel, facilities and equipment required to provide the services for which such Person is retained. In selecting such Persons, the Servicer shall, all other factors being equal, give strong preference to Persons based in the City. Any such Person shall not be deemed to be a partner or member of the Indenture Trustee or the Issuer. The Servicer shall require that each Independent property manager furnish evidence that it maintains the insurance described in Section 2.03 hereof with at least \$1 million in coverage.

(c) Notwithstanding Sections 10.01(d) or 15.01(b) hereof, any of the functions listed in Section 15.01(b) hereof may be performed by the Servicer or an Affiliate of the Servicer, the cost of which shall be considered Lien Administration Expenses, provided that the Servicer delivers to the Issuer and the Indenture Trustee an Officer's Certificate indicating that (i) the Person performing such functions is qualified to do so; (ii) the fees charged by such Person for performing such functions are commercially reasonable and customary; and (iii) the performance of such functions by such Person does not conflict with the Servicer's obligations hereunder.

Section 15.02 Independent Contractor. The Servicer undertakes to service the Tax Liens and to otherwise perform and carry out the duties, responsibilities and obligations to be performed and carried out by it under this Servicing Agreement as an independent contractor, and the Servicer shall not be deemed, nor shall the Servicer represent or hold itself out as, a partner or member of the Issuer or the Indenture Trustee.

Section 15.03 All Funds and Records to be Held for Benefit of The Indenture Trustee. All of the Servicer's Tax Lien Files and all funds collected or held by the Servicer for the benefit of the Indenture Trustee in respect of any Tax Liens, whether from the collection of payments from Property Owners or from Liquidation Proceeds or Insurance Proceeds, shall be held by the Servicer for and on behalf of the Indenture Trustee, and shall be and remain the sole and exclusive property of the Indenture Trustee. The Servicer also agrees that it shall not create, incur or subject any Servicer's Tax Lien File or any funds which otherwise are or may become due or payable to the Indenture Trustee or the Issuer, to any claim, lien, security interest, judgment, levy, writ or attachment or other encumbrance, nor assert by legal action or any claim or right of set-off against any Servicer's Tax Lien File or any funds collected on, or in connection with, a Tax Lien except as expressly permitted by this Servicing Agreement. The Servicer hereby acknowledges that, concurrently with the execution and delivery of the Indenture by the parties thereto, the Indenture Trustee will acquire and hold a security interest in the Servicer's Tax Lien Files (and in all Tax Liens represented by such Servicer's Tax Lien Files) and in all funds now or hereafter held by, or under the control of, the Servicer that are collected by the Servicer in connection with the Tax Liens, whether as collections of full or partial payments related to the Tax Liens or as Insurance Proceeds or Liquidation Proceeds, and in all proceeds of the foregoing and proceeds of proceeds. Moreover, the Servicer agrees that so long as the Tax Liens are assigned to and held by the Collateral Agent and Custodian, the Servicer shall retain possession and custody of the Servicer's Tax Lien Files and such funds for and on behalf of the Indenture Trustee as the Indenture Trustee's agent and bailee for purposes of perfecting the Indenture Trustee's security interest therein in the event it is determined that perfection of a security interest in any or all of such items is achieved through possession by the secured party or its agent and bailee as may be contemplated by the Uniform Commercial Code or other applicable Laws.

Section 15.04 Assignment by Issuer to Indenture Trustee. The Servicer hereby acknowledges and agrees to the assignment by the Issuer to the Indenture Trustee in the Indenture of all of the Issuer's rights and remedies under this Servicing Agreement. Upon such assignment, the Servicer shall thereafter render to the Indenture Trustee, and to the extent provided in this Servicing Agreement, to the Issuer, acting for or on behalf of the Indenture Trustee, the services that are to be performed by it under this Servicing Agreement.

Section 15.05 Assignment by The Issuer. The Servicer agrees that the Issuer may at any time after the Closing Date and after the first date on which the Bonds are no longer Outstanding, without the consent of the Servicer, assign and transfer its right, title and interest under this Servicing Agreement to any other Person financially capable of performing the Issuer's obligations hereunder; provided that such Person expressly assumes the obligations of the Issuer under this Servicing Agreement and the obligations of the Trust (as such term is defined in the Paying Agent and Custody Agreement) under the Paying Agent and Custody Agreement. Upon any such assignment and transfer, whether by sale at foreclosure or otherwise, the Servicer shall thereafter render to the assignee the services that are to be performed by it under this Servicing Agreement, and unless otherwise expressly agreed in writing, neither the Issuer nor the Indenture Trustee, as the case may be, shall have any further obligation or liability to the Servicer following such assignment and transfer, except, however, that the Servicer shall be entitled to receive the Servicing Fees and any other amounts due to the Servicer that shall have accrued to the Servicer prior to such assignment and transfer pursuant to the terms of this Servicing Agreement. However,

the Servicer shall in no event be entitled to receive payment from the Issuer, but must instead be paid from funds available under the Paying Agent and Custody Agreement.

Section 15.06 Indemnification. (a) The Servicer shall indemnify, defend and hold harmless the Issuer, the Issuer Trustee, the Owner, the City, the Indenture Trustee, the Bank and the Collateral Agent and Custodian from and against any loss, liability or expense (including reasonable attorneys' fees) arising out of any breach of the Servicer's obligations under this Servicing Agreement without negligence or bad faith on the part of such indemnified party.

(a) The Issuer shall indemnify, defend and hold harmless the Servicer from and against any loss, liability or expense (including reasonable attorneys' fees) arising out of (i) a breach of the Issuer's obligations under this Servicing Agreement without negligence or bad faith on the part of such indemnified party and (ii) the water and sewer component of a Tax Lien that is not an Identified Tax Lien being subject to Debt Collection Laws; provided, however, that the Servicer shall in no event be entitled to receive any such payment from the Issuer, but must instead be paid from funds available under Section 2.12 of the Indenture or Section 2.02 of the Paying Agent and Custody Agreement, as applicable.

(b) The obligations of the Servicer and the Issuer under this Section 15.06 shall survive the termination of this Servicing Agreement.

(c) At the option of the Issuer and absent any conflict of interest, any indemnified party shall be represented by counsel selected by the Issuer with respect to any litigation brought by or against such indemnified party or its officers, directors or employees with respect to any claims, damages, judgments, liabilities or causes of action to which such persons may be subject and to which they are entitled to be indemnified hereunder. Without limiting its rights to indemnification hereunder, any indemnified party may also, at its own expense, retain co-counsel chosen by it.

Section 15.07 Notice of Significant Changes. The Servicer shall promptly notify the Issuer and the Owner in the event of (a) a reorganization, merger or consolidation of the Servicer, (b) a change of its trade name or business address, (c) the closing of any office utilized in providing services under this Servicing Agreement, (d) the occurrence of a significant negative change in its financial position, (e) the initiation of any material litigation or governmental or regulatory investigations with respect to the Servicer or (f) the issuance of any subpoenas to the Servicer.

Section 15.08 Controlling Law; Choice of Forum. This Servicing Agreement and all questions relating to its validity, interpretation, performance and enforcement, shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of New York, notwithstanding any New York or other choice-of-law rules to the contrary. This Servicing Agreement shall be deemed to be executed in the City, regardless of the domicile of the Servicer.

The parties hereto agree that any and all claims asserted by or against the Issuer arising under this Servicing Agreement or related thereto shall be heard and determined either in the courts of the United States located in the City ("Federal Court") or in the courts of the State of New York ("New York State Courts") located in the City and County of New York. To effect this Agreement and intent, the Servicer agrees:

(a) If the Issuer initiates any action against it in Federal Court or in New York State Court, service of process may be made on it either in person, wherever it may be found, or by registered mail addressed to it at its address as set forth in this Servicing Agreement, or to such other address as it may provide to the Issuer in writing.

(b) With respect to any action between the Issuer and it in New York State Court, it hereby expressly waives and relinquishes any rights it might otherwise have (i) to move to dismiss on grounds of forum non conveniens; (ii) to remove to Federal Court; and (iii) to move for a change of venue to a New York State Court outside New York County.

(c) With respect to any action between the Issuer and it in Federal Court located in New York City, it expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City.

(d) If it commences any action against the Issuer in a court located other than in the City and State of New York, upon request of the Issuer, it shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, it shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in New York City.

If any provision(s) of this Section is held unenforceable for any reason, each and all other provision(s) shall nevertheless remain in full force and effect.

Section 15.09 Indulgences Not Waivers. Neither the failure nor any delay on the part of a party to exercise any right, remedy, power or privilege under this Servicing Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege under this Servicing Agreement operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

Section 15.10 Notices.

(a) Except as expressly provided in subsection (b) below, all notices, requests, demands, reports and other communications (collectively, "Notices") required or permitted under this Servicing Agreement shall be in writing and shall be deemed to have been duly given, made and received when delivered against receipt or upon actual receipt of registered or certified mail, postage prepaid, return receipt requested, or solely with respect to the annual financial statements required to be submitted pursuant to Section 2.05 hereof, by email and evidenced by confirmed receipt, addressed as set forth below:

(i) If to the Issuer:

NYCTL 2021-A TRUST
c/o Wilmington Trust Company

Rodney Square North
1100 North Market Street
Wilmington, DE 19890-0001
Attention: Global Capital Markets
E-mail address: DCostello@wilmingtontrust.com

with a copy to:

RESF Advisors, Inc.
89 Headquarters Plaza
Suite 327
Morristown, NJ, 07960
Attention: Thomas Gallagher

(ii) If to the Owner:

Before the Closing Date:

The City of New York
Department of Finance
66 John St., 13th Floor
New York, NY 10007
Attention: Commissioner of Finance

On and after the Closing Date:

NYCTL 2021-A RESIDUAL TRUST
c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890-0001
Attention: Global Capital Markets
E-mail address: DCostello@wilmingtontrust.com

(iii) If to the Servicer:

Tower Capital Management, LLC
10 North Park Place, Suite 300
Morristown, NJ 07960
Attention: Kurt Shadle, Managing Director
E-mail address: KShadle@tcmfund.com

(iv) If to the Bank or the Indenture Trustee:

The Bank of New York Mellon
240 Greenwich Street, 7 East
New York, NY 10286
Attention: Corporate Trust – Structured Finance-NY Asset Backed

Securities

E-mail address: jacqueline.kuhn@bnymellon.com

- (v) If to the Paying Agent and Collateral Agent and Custodian:

The Bank of New York Mellon

240 Greenwich Street, 7 East

New York, NY 10286

Attention: Corporate Trust – Structured Finance-NY Asset Backed
Securities

- (vi) If to the City:

The City of New York

Department of Finance

66 John St., 13th Floor

New York, NY 10007

Attention: Commissioner of Finance

- (vii) If to the Law Department:

The City of New York

Law Department

Municipal Finance Division

100 Church Street

New York, NY 10007

Attention: Division Chief

and

The City of New York

Law Department

Tax and Bankruptcy Division

100 Church Street

New York, NY 10007

Attention: Division Chief

- (viii) If to the City Commissioner of Finance:

The City of New York

Department of Finance

66 John St., 13th Floor

New York, NY 10007

Attention: Commissioner of Finance

Each party providing any Notice as set forth above shall deliver a copy thereof to each Rating Agency rating the Bonds, if Bonds have been issued; provided, however, that with respect to information subject to Rule 17g-5 (as defined in the Indenture), such party shall deliver a copy

of the relevant Notice to the Program Manager for posting on the Rule 17g-5 Website (as defined in the Indenture). Any party may alter the address to which communications or copies are to be sent as set forth above by giving notice of such change of address in conformity with the provisions of this Subsection for the giving of notice.

(b) The Servicer's notices and other communications required or permitted under Section 2.01(c) of this Servicing Agreement shall be in writing and shall be deemed to have been duly given, made and received when (i) delivered against receipt or upon actual receipt of registered or certified mail, postage prepaid, return receipt requested, (ii) delivered against receipt or upon actual receipt of delivery from a nationally recognized overnight courier, (iii) given by facsimile and evidenced by confirmed receipt, (iv) by email and evidenced by confirmed receipt, or (v) in the case of the Issuer and the Indenture Trustee, delivered in a manner set forth in the foregoing subsections (i) and (ii) in an electronic format reasonably acceptable to the Issuer and the Indenture Trustee, each addressed (as applicable) as set forth below:

(i) If to the Issuer:

NYCTL 2021-A TRUST
c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890-0001
Attention: Global Capital Markets
Facsimile Number: (302) 636-4140
E-mail address: DCostello@wilmingtontrust.com

with a copy to:

RESF Advisors, Inc.
89 Headquarters Plaza
Suite 327
Morristown, NJ, 07960
Attention: Thomas Gallagher

(ii) If to the Bank or the Indenture Trustee:

The Bank of New York Mellon
240 Greenwich Street, 7 East
New York, NY 10286
Attention: Corporate Trust – Structured Finance-NY Asset Backed
Securities
Facsimile Number: (212) 815-3883
E-mail address: jacqueline.kuhn@bnymellon.com

(iii) If to the Law Department:

The City of New York
Law Department

Tax and Bankruptcy Division
100 Church Street
New York, NY 10007
Attention: Chief, Tax and Bankruptcy Division
Facsimile Number: (212) 788-0450
E-mail address: vdorazio@law.nyc.gov

The City of New York
Law Department
Municipal Finance Division
100 Church Street, Room 5-152
New York, NY 10007
Attention: Chief, Municipal Finance Division
Facsimile Number: (212) 788-0450
E-mail address: albrodri@law.nyc.gov

(iv) If to the Owner:

Before the Closing Date:

The City of New York
Department of Finance
66 John St., 13th Floor
New York, NY 10007
Attention: Commissioner of Finance

On and after the Closing Date:

NYCTL 2021-A RESIDUAL TRUST
c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890-0001
Attention: Global Capital Markets
Facsimile Number: (302) 636-4140
E-mail address: DCostello@wilmingtontrust.com

(v) If to the New York City Council:

New York City Council
250 Broadway, 18th Floor
New York, NY 10007
Attention: Speaker Corey Johnson

with a copy to:

New York City Council
250 Broadway, 15th Floor

New York, NY 10007

Attention: Ms. Rebecca Chasan, Counsel to the Finance Division

Any party may alter the party, address, facsimile number and/or email address to which communications or copies are to be sent as set forth above by giving notice of such change of address in conformity with the provisions of this Subsection for the giving of notice.

Section 15.11 Titles Not to Affect Interpretation. The titles or paragraphs and subparagraphs contained in this Servicing Agreement are for convenience only, and they neither form a part of this Servicing Agreement nor are they to be used in the construction or interpretation hereof.

Section 15.12 Attorneys' Fees. If any party hereto shall bring suit against any other party as a result of any alleged breach or failure by such other party to fulfill or perform any covenants or obligations under this Servicing Agreement or in any deed, instrument or other document delivered hereunder, or to seek declaratory relief as to the rights or obligations of either party hereto, then in such event, the prevailing party in such action shall, in addition to any other relief granted or awarded by the court, be entitled to judgment or award for reasonable attorneys' fees incurred by reason of such action and all costs of suit and those incurred in preparation thereof, at both trial and appellate levels; provided, however, that any such amounts payable by the Indenture Trustee shall be payable solely from the Trust Estate.

Section 15.13 Electronic Reporting. With the express prior written consent of the Indenture Trustee, all reports to be made by the Servicer to the Indenture Trustee (or such reports as may be specified by the Servicer) may be transmitted electronically in lieu of written reporting in accordance with this Servicing Agreement. Regardless of the method of submission, reporting shall be complete, accurate and timely.

Section 15.14 Provisions Separable. The provisions of this Servicing Agreement are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason other or others of them may be invalid or unenforceable in whole or in part.

Section 15.15 Entire Servicing Agreement; Amendment. This Servicing Agreement contains the entire agreement and understanding between the parties hereto with respect to the subject matter thereof and supersedes all prior and contemporaneous servicing agreements, understandings, inducements and conditions, expressed or implied, oral or written, of any nature whatsoever with respect to the subject matter thereof. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent with any of the terms hereof. This Servicing Agreement may not be modified or amended, or the provisions hereof waived, other than by an agreement in writing. For so long as any Bonds have been issued and remain outstanding, (i) the Owner shall furnish to the Rating Agencies rating the Bonds copies of the form of each proposed amendment pursuant to this Section at least fifteen (15) Business Days prior to the proposed date of adoption of any such proposed amendment and (ii) promptly after the execution of any amendment pursuant to this Section, the Indenture Trustee shall mail to such Rating Agencies a copy of the executed amendment. Any failure of the Indenture Trustee to mail

such copy, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment.

Section 15.16 Counterparts. This Servicing Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were on the same instrument.

Section 15.17 No Recourse. No recourse may be taken, directly or indirectly, with respect to the obligations of the Issuer under this Servicing Agreement or any certificate or other writing delivered in connection herewith, against:

- (i) the owner of a beneficial interest in the Issuer; or
- (ii) any partner, owner, beneficiary, agent, officer, director, employee or agent of the Issuer, any holder of a beneficial interest in the Issuer or of any successor or assign of any such holder, except as any such person may have expressly agreed (it being understood that no such holder of a beneficial interest in the Issuer has any such obligations in its individual capacity) and except that any such partner, owner or beneficiary shall be fully liable, to the extent provided by applicable law, for any unpaid consideration for stock, unpaid capital contribution or failure to pay any installment or call owing to such entity.

It is not the intent of this Section to expand the Servicer's obligations under this Servicing Agreement. Except as otherwise provided in this Section 15.17, nothing in this Servicing Agreement, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Servicing Agreement.

Section 15.18 Limitation on Liability of The Issuer Trustee. Notwithstanding anything contained herein to the contrary, this Servicing Agreement has been executed and delivered on behalf of the Issuer by Wilmington Trust Company not in its individual capacity but solely in its capacity as Issuer Trustee under the Original Declaration, and in no event shall Wilmington Trust Company in its individual capacity, or as Issuer Trustee, have any liability for the representations, warranties, covenants, agreements or other obligations of the Issuer hereunder or under any other Transaction Document or in any of the certificates, notices, agreements or other writings delivered in connection therewith, as to all of which recourse shall be had solely to the assets of the Issuer. For all purposes of this Servicing Agreement and each other Transaction Document, Wilmington Trust Company shall be entitled to the benefits of the Original Declaration and the Trust Agreement, as the case may be.

Section 15.19 Investigations Clause.

(a) The Servicer agrees to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a New York Governmental Agency. A failure to cooperate fully and faithfully on the part of the Servicer shall be cause for termination under Section 14.01(c) of this Servicing Agreement.

(b) It shall be cause for termination under Section 14.01(c) of this Servicing Agreement for any person, as defined below: (1) who has been advised that his or her statement and any information from such statement will not be used against him or her in any subsequent criminal proceeding, to fail to testify when so required before a grand jury or other New York Governmental Agency, concerning performance of this Servicing Agreement; or (2) to fail to testify when so required for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a New York Governmental Agency or the assertion of the attorney-client privilege. For purposes of this Section 15.19(b), the term “person” shall mean any natural person associated with the Servicer as a partner, director, officer, principal or employee.

(c) In determining whether cause exists for termination pursuant to Sections 15.19(b) and 14.01(c) hereof the Issuer shall give due consideration to the following:

(i) the Servicer’s good faith endeavors, or lack thereof, to cooperate fully and faithfully with any governmental investigation or audit, including the discipline, discharge or disassociation of any person failing to testify, the production of accurate and reasonably complete books and records, and the forthcoming testimony of all other Persons whose testimony is sought;

(ii) the relationship of the person who refused to testify to the Servicer, including whether the person whose testimony is sought has an ownership interest in the Servicer and/or the degree of authority and responsibility the person has with the Servicer; and

(iii) the nexus of the testimony sought with the Servicer.

Section 15.20 Electronic Signatures. Each of the parties hereto agrees that the transaction consisting of this Servicing Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party’s intent, that if such party signs this Servicing Agreement using an electronic signature, it is signing, adopting, and accepting this Servicing Agreement and that signing this Servicing Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Servicing Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Servicing Agreement in a usable format.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Issuer, the Servicer and the Paying Agent and Collateral Agent and Custodian have caused their names to be signed hereto by their respective officers thereunto duly authorized all as of the day and year first above written.

NYCTL 2021-A TRUST

By: WILMINGTON TRUST COMPANY, not
in its individual capacity, but solely as Issuer
Trustee on behalf of the Trust

By: 
Name: Dorri Costello
Title: Vice President

TOWER CAPITAL MANAGEMENT, LLC, as
Servicer

By: _____
Name:
Title:

THE BANK OF NEW YORK MELLON, as Paying
Agent and Collateral Agent and Custodian

By: _____
Name:
Title:

Acknowledged and agreed to by:

THE BANK OF NEW YORK MELLON, as Indenture Trustee

By: _____
Name:
Title:


IN WITNESS WHEREOF, the Issuer, the Servicer and the Paying Agent and Collateral Agent and Custodian have caused their names to be signed hereto by their respective officers thereunto duly authorized all as of the day and year first above written.

NYCTL 2021-A TRUST

By: WILMINGTON TRUST COMPANY, not
in its individual capacity, but solely as Issuer
Trustee on behalf of the Trust

By: _____
Name:
Title:

TOWER CAPITAL MANAGEMENT, LLC, as
Servicer

By: 
Name: KURT SHADLE
Title: MANAGING DIRECTOR

THE BANK OF NEW YORK MELLON, as Paying
Agent and Collateral Agent and Custodian

By: _____
Name:
Title:

Acknowledged and agreed to by:

THE BANK OF NEW YORK MELLON, as Indenture Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Issuer, the Servicer and the Paying Agent and Collateral Agent and Custodian have caused their names to be signed hereto by their respective officers thereunto duly authorized all as of the day and year first above written.

NYCTL 2021-A TRUST

By: WILMINGTON TRUST COMPANY, not
in its individual capacity, but solely as Issuer
Trustee on behalf of the Trust

By: _____
Name:
Title:

TOWER CAPITAL MANAGEMENT, LLC, as
Servicer

By: _____
Name:
Title:

THE BANK OF NEW YORK MELLON, as Paying
Agent and Collateral Agent and Custodian

By: 
Name: Latoya S. Elvin
Title: Vice President

Acknowledged and agreed to by:

THE BANK OF NEW YORK MELLON, as Indenture Trustee

By: 
Name: Latoya S. Elvin
Title: Vice President

EXHIBIT A

TAX LIEN SCHEDULE

EXHIBIT B

KEY PERSONNEL

John Garzone

Kurt Shadle

Jim Purcell

Donna Ernwein

EXHIBIT C

SERVICING FEES

I. DEFINITIONS

All of the capitalized terms used in this Exhibit C shall have the meanings given them in the Indenture, the Paying Agent and Custody Agreement, elsewhere in this Servicing Agreement, or as set forth below, except where otherwise expressly defined or where the context clearly indicates another definition is intended, and such meanings are equally applicable to the singular and the plural forms of such terms, as the context may require.

“Base Fee”: A type of Servicing Fee which serves as a portion of the Servicer’s compensation hereunder and which provides a minimum base compensation to the Servicer.

“Collection Period Payment Amounts”: The Base Fee payment amounts pro-rated based on the number of days in the applicable Collection Period and a 365-day year.

“Eligible Charge-Offs”: All Section 2.09 Charge-Offs made pursuant to (i) Section 2.09(b) of this Servicing Agreement and (ii) Section 2.09(a) of this Servicing Agreement, provided that such Section 2.09(a) Charge-Offs were made during the thirty (30) month period following the latest Sale Date.

“IFTLPB Ratio”: The fraction, expressed as a percentage, the numerator of which is the Incentive Fee Tax Lien Principal Balance, and the denominator of which is the Initial Tax Lien Principal Balance.

“Incentive Fee”: A type of Servicing Fee which serves as a portion of the Servicer’s compensation hereunder and which is designed to provide an incentive for the Servicer to maximize Net Collections hereunder.

“Incentive Fee Percentage”: A percentage used to determine the amount of an Incentive Fee.

“Incentive Fee Tax Lien Principal Balance”: With respect to any Tax Lien, the Initial Tax Lien Principal Balance thereof, reduced by (i) all Collections allocated to principal pursuant to Section 1.02 (iii) of this Servicing Agreement and (ii) all Eligible Charge-Offs.

II. BASE FEES

Commencing as of the date of this Servicing Agreement, the Servicer shall be entitled to Base Fees equal to the product of the applicable pro rata percentage of 1.00% on an annualized basis multiplied by the daily average outstanding Incentive Fee Tax Lien Principal Balance of the Tax Liens serviced during the applicable Collection Period. Such Base Fees shall be paid to the Servicer on the applicable Payment Dates in the applicable Collection Period Payment Amounts.

III. INCENTIVE FEES

A. An Incentive Fee equal to the product of the applicable Incentive Fee Percentage(s) in the Tax Liens Incentive Fee Percentage Chart below, multiplied by Adjusted Net Collections for Tax Liens during the Collection Period, shall be paid to the Servicer on the applicable Payment Dates.

Tax Liens Incentive Fee Percentage Chart		
IFTLPB Ratio Greater Than	IFTLPB Ratio Less Than Or Equal To	Incentive Fee Percentage
50%	100%	1.0%
25%	50%	2.5%
15%	25%	3.5%
0%	15%	6.0%

B. Any increase in the applicable Incentive Fee Percentage, as provided in this section, shall be effective as of the date on which the IFTLPB Ratio fell within the requisite range entitling the Servicer to an increased Incentive Fee, and shall apply only to those Collections falling within such requisite range. For purposes of calculating the applicable Incentive Fee in respect of Tax Liens hereunder, (i) the aggregate outstanding Incentive Fee Tax Lien Principal Balance of the Tax Liens being serviced hereunder shall exclude the Incentive Fee Tax Lien Principal Balance of any Tax Liens transferred to the Servicer from the Co-Servicer, and (ii) the Net Collections relating to Tax Liens transferred to the Servicer from the Co-Servicer shall be included in Net Collections.

C. In the event that a Tax Lien is charged-off pursuant to Sections 2.09(a) or 2.09(b)(iii) of this Servicing Agreement, all Lien Administration Expenses associated with said Tax Lien shall be subtracted from the aggregate amount of Lien Administration Expenses for all Tax Liens for the purpose of calculating Net Collections.

D. In the event that the Issuer substitutes an Eligible Substitute Tax Lien pursuant to Section 2.04(d)(iii)(C) of the Indenture or Section 3.01(c)(iii)(C) of the applicable Purchase Agreement, as a result of a Tax Lien having become a Defective Tax Lien, then the resulting Substitution Amount shall be subtracted from the aggregate outstanding Incentive Fee Tax Lien Principal Balance of the Tax Liens being serviced hereunder.

E. In the event that Tax Liens are transferred from the Co-Servicer to the Servicer, the Servicer shall be entitled to a fee, payable by the Issuer at the time of such transfer, in the total amount of \$100 per Tax Lien so transferred, subject to a maximum of \$75,000 with respect to any such transfer.

EXHIBIT D

FORM OF MONTHLY ACCOUNTING REPORT

ON FILE WITH SERVICER

EXHIBIT E

FORM OF REO/FORECLOSURE STATUS REPORT

The REO Status Report will be a summary of information stored electronically and will include, at a minimum, the following fields:

- Tax ID Number
- Original Lien Balance
- Current Lien Balance
- Property Description (Type)
 - Land Only
 - Single Family
 - Multi Family
 - Office
 - Industrial
 - Other
- Property Address
 - Street
 - City, ZIP
- Occupancy Status
- Property Management Company Information
 - Name
 - Contact
- Last Valuation Amount
- Last Valuation Date
- Last Inspection Date
- Estimated Holding and Liquidation Cost
 - Estimated Liquidation Date

EXHIBIT F

FORM OF REO PROPERTY INSPECTION REPORT

ON FILE WITH SERVICER

EXHIBIT G

[RESERVED]

EXHIBIT H

FORM OF LIQUIDATION REPORT

Liens Redeemed From To:

Account Number	Redemption Date	Count	Initial Tax Lien Principal Balance	Principal Payment	Accrued Interest	Interest Payments	Redemptive Value	Overpayments

EXHIBIT I

FORECLOSURE AND LIQUIDATION GUIDELINES

The following outline describes the minimum requirements the Servicer must satisfy when disposing of Tax Liens which have been foreclosed and are offered for sale for the benefit of the NYCTL 2021-A TRUST (the “Trust”).

Pre-Auction Bidding:

For liens which are to be sold at judicially supervised auctions:

- 1) Servicer shall use its best efforts to post liens scheduled for judicial auction on its website on or about 30 days prior to a tax lien’s scheduled auction date (such tax lien’s “Auction Date”)
- 2) Such web-posting shall include, at a minimum, the following information for each lien:
 - a. Property’s borough, block, lot, street address, and building class and/or Servicer’s description of the property
 - b. Date, time, and location of the auction
 - c. Good faith estimate of the amount of all liens and subsequent taxes on the property subject to auction.
 - d. Name of the referee conducting the auction
 - e. A brief description of the judicial auction process, which is substantially similar to the description provided in Schedule A to this Exhibit I.

Marketing the Foreclosure Bid or Taking Title

Servicer shall develop a procedure to determine whether the Trust, or its designee, shall take title upon foreclosure, or if a sale and assignment of the foreclosure bid may be a feasible recovery alternative. The procedures to market and sell a foreclosure bid, outlined below, shall be applied where applicable to the marketing and sale of any real estate to which the Trust, or its designee, takes title.

Sales of Foreclosure Bids via Servicer-Administered Private Auctions

- 1) Servicer shall promulgate a written Procedures Memorandum (“PM”) outlining the rules, regulations, and procedures that its employees will follow in conducting its private auction process.

- 2) Servicer shall provide a copy of the PM to the Trust on an annual basis or upon the Trust's request. The PM must be signed by the Project Manager and an officer of the Servicer.
- 3) The PM shall include, at a minimum, the requirements outlined below:
 - a) Approvals
 1. Various decisions shall require the approval of management. The PM shall state what decisions require this approval, what level of approval is required and how this approval is documented.
 2. Two minimum levels of approval are the Key Employee (to be specified in the PM) and the Foreclosure Committee (as hereinafter defined).
 - a. The PM shall describe the membership, structure and operating rules of the Foreclosure Committee (the "Foreclosure Committee")
 - b. At a minimum, the Foreclosure Committee will consist of at least 3 employees with at least one member being a Key Employee.
 - b) Documentation
 1. The PM shall state how each step of the sale process is to be documented, and where and how these documents are to be maintained
 2. At a minimum, all files are to be kept for a period of 5 years after the sale of the asset.
 3. At a minimum, written copies of the following documents must be maintained for each asset.
 - a. Bid Logs
 - b. All decisions of the Foreclosure Committee are to be documented in writing and signed by a member of the committee who is a Key Employee. All written decisions should include the names of all members who served on the Foreclosure Committee at the time a decision was rendered.
 - c. Any approval request that is denied by the Foreclosure Committee must be documented in writing and signed by the Foreclosure Committee.

c) Website Postings

1. Each foreclosure bid offered for sale via private auction shall be posted on the Servicer's website.
2. The PM must specify the minimum number of days that the posting is to be listed prior to the commencement of any private auction. In no instance is this to be less than 45 days.
3. The PM must specify what information must be included on internet postings. Postings must include at a minimum
 - a. Property's borough, block, lot, street address, building class and/or Servicer's description of the property
 - b. Brief explanation of the process, rules, timeline and deadlines to be employed by the Servicer to sell its foreclosure bid via private auction
 - c. List Price, i.e. – the Trust's "asking" price for the asset, which shall reflect the Servicer's best effort to generate sufficient market interest in the auction and generate maximum sale proceeds to the Trust in a timely manner
 - d. Description of the standard contract terms

d) Target Recovery Amount ("TRA")

1. Prior to the marketing of each foreclosure bid for sale, the Servicer shall, determine the asset's TRA
2. The PM shall specify how the TRA will be determined
 - a. At a minimum, the servicer shall request a Broker Price Opinion ("BPO") or similar third-party evaluation of each asset subject to auction to help determine an asset's TRA
 - b. For assets with a tax debt greater than \$500,000, the Servicer shall obtain an evaluation by a licensed appraiser or similar real estate valuation professional to assist in its effort to develop an asset's TRA; provided that the requirement to obtain such an evaluation may be waived by the Foreclosure Committee, which waiver must be in writing, signed by a member of the Foreclosure Committee who is a Key Employee and specifically set forth the justification for the waiver and include supporting documentation

- c. TRAs shall remain confidential during the private auction process
- d. Servicer shall maintain a log which records the TRA established for each asset offered for sale
- e. TRAs for assets with tax debt less than \$500,000 may be approved or set by a Key Employee
- f. TRAs for assets with tax debts of \$500,000 or greater shall be approved by the Foreclosure Committee

e) Standard Bid Form

- 1. Servicer shall accept all best and final offers for the sale of its foreclosure bids on a Standard Bid Form.
- 2. The PM shall define what information is required on the Standard Bid Form. If possible, the PM shall include a copy of an approved Standard Bid Form.

f) Bid Log

- 1. All offers to purchase each foreclosure bid shall be maintained by the Servicer in a Bid Log which records at a minimum, the following information:
 - a. Name of bidder and contact information
 - b. Bid amount
 - c. Date bid received
 - d. Whether the bid was the highest, qualifying bid, i.e. – the “Successful Bid”

g) Bidding

- 1. All bids received by the Servicer shall remain confidential during any round of bidding. The PM will state if, how, and when the highest bid is to be revealed.
- 2. The PM will outline procedures for when and how multiple rounds of bidding will take place. For those private auctions involving multiple bidders and multiple rounds of bidding, the Servicer shall inform all participating bidders in writing when the “last and final round” of bids will be accepted by the Servicer.

h) Acceptance/Awarding of Winning Bid

1. On behalf of the Trust, the Servicer shall select and award the Successful Bid for each private auction in the following manner:
 - a. If the highest qualifying bid received is greater than 85% of the TRA and the tax debt is less than \$500,000, awarding of the sale of the foreclosure bid to the proposed purchaser requires the approval of a designated Key Employee of the Servicer.
 - b. If the highest, qualifying bid received is less than 85% of the TRA, or the tax debt is greater than \$500,000, awarding of the sale of the foreclosure bid to the proposed purchaser requires the approval of the Foreclosure Committee.
 - c. If the highest, qualifying bid for a foreclosure bid is deemed unacceptable by a Key Employee or the Foreclosure Committee, then the Servicer must, within a reasonable timeframe, offer the foreclosure bid for sale via a new private auction or cause the Trust, or its designated subsidiary, to take title to the property.
 - d. Approval by the Foreclosure Committee shall be required for the rejection of any qualifying bid that is higher than the bid awarded.

i) Notification of Winning Bid

1. The PM shall state how and when the bidders will be notified of the results of the last and final round of bidding.
2. Participating bidders, whose bid was not selected as the winning bid, will be so notified if they contact the servicer.
3. Notification to the Successful Bidder shall include a Standard Contract of Sale delineating the terms and conditions of the sale and assignment of the foreclosure bid

j) Contract of Sale with Successful Bidder

1. Within at least 10 days of being informed that it has submitted the winning bid, the Successful Bidder shall be required to return the executed purchase contract and remit to the Trust a deposit of at least 10% of its bid amount

2. Within at least 45 days of being informed that it has submitted the winning bid, the Successful Bidder shall be required to close and remit to the Trust the balance of funds due
3. Key Employees of the Servicer shall have the discretion to reasonably extend the timetables established in (1) and (2) above if, in their judgment, such extensions are justified and in the best interests of the Trust; however, any extension greater than 90 days must be approved by the Foreclosure Committee in writing with a stated reason for such extension
4. Successful Bidders unable to meet their obligations in a timely manner shall be promptly notified in writing that they are in default under the Standard Bid Form/the Standard Contract of Sale (a "Default"), and such notice shall specify the deadline by which they must cure the Default. The PM shall state methods and timetable required for this notification.
5. Employee(s) of the Servicer primarily responsible for executing contracts of sale with Successful Bidders shall not be directly involved in the solicitation, evaluation, or acceptance of bids during the private auction process; except however, such employees may be a member of the Foreclosure Committee

k) Defaulted Bidder

1. The PM will state how, in those cases where a Successful Bidder has defaulted on its purchase, the Servicer shall determine whether it should offer the foreclosure bid for sale to the second highest bidder of the private auction, or alternatively, to subject the asset to a new private auction. In either case, any Successful Bid shall be approved in accordance with the requirements outlined in the subsections above.
- 4) For those instances where the Trust is the winning bidder in the judicial auction process, and if, following an open and active marketing effort of at least 45 days, there is insufficient market interest, the Servicer shall use its best efforts to achieve the highest possible recovery. The Servicer will follow procedures similar to marketing properties with multiple bidders, setting a deadline for a best and final offer, requiring a deposit and implementing a similar closing timetable. Approval of the sale of such bids will be required in accordance with delegated authority described above.

SCHEDULE A
TO
EXHIBIT I

DESCRIPTION OF JUDICIAL AUCTION PROCESS

EXHIBIT J
FORM OF INDENTURE

See Tab 21

EXHIBIT K

NON-RESIDENTIAL PROPERTIES

ON FILE WITH SERVICER

EXHIBIT L

FORM OF POWER OF ATTORNEY

Pursuant to Section 2.01(b) of the Servicing Agreement (“Servicing Agreement”), a copy of such section being attached hereto, among the NYCTL 2021-A Trust, as Issuer, Tower Capital Management, LLC, as Servicer, and The Bank of New York Mellon, as Paying Agent and Collateral Agent and Custodian, dated as of January 3, 2022 concerning certain real property tax liens held by the NYCTL 2021-A Trust (the “Trust”), the Trust and the Collateral Agent and Custodian, in order for Servicer to fulfill its duties under Section 2.01(b) of the Servicing Agreement, hereby constitute and appoint the Servicer their true and lawful attorney-in-fact and agent, to execute, acknowledge, verify, and deliver in their name, place and stead, any and all documents or instruments necessary to maintain or enforce any such lien, including, without limitation, the following documents which may be required in connection with the prosecution of a foreclosure action:

(i) affidavit of verification of debt, (ii) affidavit in support of default judgment, (iii) affidavit in support of motion for summary judgment, (iv) affidavit regarding testimony before a referee, (v) computation of amount due oath, (vi) combined verification, oath and designation regarding the appointment of an administrator with the surrogate’s court, and (vii) such other oaths, affidavits and/or documents as may be necessary for the prosecution of the foreclosure action.

This Power of Attorney is effective for three (3) years from the date hereof or the earlier of (i) revocation by the Trust or the Collateral Agent, or (ii) the Attorney shall no longer be retained on behalf of the Trust or the Collateral Agent.

The authority granted to the attorney-in-fact by the Power of Attorney is not transferable to any other party or entity.

This Power of Attorney shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflicts of law principles.

IN WITNESS WHEREOF, the Trust and the Collateral Agent and Custodian have caused this Power of Attorney to be executed by their authorized signatories as of the dates below, respectively.

THE BANK OF NEW YORK MELLON, as Collateral Agent and Custodian

By: _____

Date: _____

Name:

Title:

STATE OF NEW JERSEY)

COUNTY OF PASSAIC) SS.:

On this _____ day of _____ 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me by satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity with The Bank of New York Mellon, and by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

NYCTL 2021-A TRUST

By: WILMINGTON TRUST COMPANY, not in its individual capacity, but solely as Issuer
Trustee on behalf of the Trust

By:

Date: _____

Name:

Title:

STATE OF DELAWARE)

COUNTY OF NEW CASTLE) SS.:

On this _____ day of _____ 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me by satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity with Wilmington Trust Company, and by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument and that said subscribing witness made such appearance before the undersigned in the city/town of _____ in the State of Delaware.

Notary Public