Section 1: 10-Q (MACK-CALI REALTY CORP. - 10-Q)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[X] **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2015

or

[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ____________

Commission File Number: 1-13274

Mack-Cali Realty Corporation
(Exact name of registrant as specified in its charter)

Maryland	22-3305147
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
343 Thornall Street, Edison, New Jersey	08837-2206
(Address of principal executive offices)	(Zip Code)

(732) 590-1000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past ninety (90) days. YES X NO _

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES X NO _

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES _ NO X

As of October 26, 2015, there were 89,310,574 shares of the registrant's Common Stock, par value $0.01 per share, outstanding.

MACK-CALI REALTY CORPORATION

FORM 10-Q

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Part I – Financial Information

Item 1. Financial Statements

The accompanying unaudited consolidated balance sheets, statements of operations, of changes in equity, and of cash flows and related notes thereto, have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the disclosures required by GAAP for complete financial statements. The financial statements reflect all adjustments consisting only of normal, recurring adjustments, which are, in the opinion of management, necessary for a fair presentation for the interim periods.

The aforementioned financial statements should be read in conjunction with the notes to the aforementioned financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations and the financial statements and notes thereto included in Mack-Cali Realty Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

The results of operations for the three and nine month periods ended September 30, 2015 are not necessarily indicative of the results to be expected for the entire fiscal year or any other period.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS *(in thousands, except per share amounts) (unaudited)*

ASSETS		September 30, 2015		December 31, 2014
Rental property				
Land and leasehold interests	$	706,122	$	760,855
Buildings and improvements		3,619,200		3,753,300
Tenant improvements		398,812		431,969
Furniture, fixtures and equipment		13,582		12,055
		4,737,716		4,958,179
Less – accumulated depreciation and amortization		(1,434,603)		(1,414,305)
Net investment in rental property		3,303,113		3,543,874
Cash and cash equivalents		30,866		29,549
Investments in unconsolidated joint ventures		299,486		247,468
Unbilled rents receivable, net		118,466		123,885
Deferred charges, goodwill and other assets, net		200,723		204,650
Restricted cash		40,068		34,245
Accounts receivable, net of allowance for doubtful accounts of $1,579 and $2,584		9,180		8,576
Total assets	$	4,001,902	$	4,192,247
LIABILITIES AND EQUITY				
Senior unsecured notes	$	1,268,568	$	1,267,744
Revolving credit facility		35,000		-
Mortgages, loans payable and other obligations		740,024		820,910
Dividends and distributions payable		15,582		15,528
Accounts payable, accrued expenses and other liabilities		136,673		126,971
Rents received in advance and security deposits		47,645		52,146
Accrued interest payable		27,413		26,937
Total liabilities		2,270,905		2,310,236
Commitments and contingencies				
Equity:				
Mack-Cali Realty Corporation stockholders' equity:				
Common stock, $0.01 par value, 190,000,000 shares authorized, 89,310,243 and 89,076,578 shares outstanding		893		891
Additional paid-in capital		2,565,143		2,560,183
Dividends in excess of net earnings		(1,070,456)		(936,293)
Total Mack-Cali Realty Corporation stockholders' equity		1,495,580		1,624,781
Noncontrolling interests in subsidiaries:				
Operating Partnership		180,691		202,173
Consolidated joint ventures		54,726		55,057
Total noncontrolling interests in subsidiaries		235,417		257,230
Total equity		1,730,997		1,882,011
Total liabilities and equity	$	4,001,902	$	4,192,247

The accompanying notes are an integral part of these consolidated financial statements.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS *(in thousands, except per share amounts) (unaudited)*

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
REVENUES				
Base rents	$ 119,707	$ 125,793	$ 364,746	$ 393,054
Escalations and recoveries from tenants	15,050	19,172	49,291	61,736
Real estate services	7,510	7,622	22,555	21,323
Parking income	2,749	2,255	8,141	6,605
Other income	1,142	647	3,707	2,667
Total revenues	146,158	155,489	448,440	485,385
EXPENSES				
Real estate taxes	19,143	22,154	63,005	69,880
Utilities	13,172	15,701	44,146	58,555
Operating services	24,535	26,519	78,607	83,581
Real estate services expenses	6,673	6,933	19,520	20,213
General and administrative	13,670	12,665	36,669	49,219
Depreciation and amortization	44,099	41,983	127,266	131,679
Impairments	164,176	-	164,176	-
Total expenses	285,468	125,955	533,389	413,127
Operating income (loss)	(139,310)	29,534	(84,949)	72,258
OTHER (EXPENSE) INCOME				
Interest expense	(24,689)	(27,353)	(78,677)	(85,458)
Interest and other investment income	5	908	563	2,216
Equity in earnings (loss) of unconsolidated joint ventures	3,135	(1,268)	(2,723)	(2,060)
Realized gains (losses) on disposition of rental property, net	18,718	264	53,261	54,848
Gain on sale of investment in unconsolidated joint venture	-	-	6,448	-
Total other (expense) income	(2,831)	(27,449)	(21,128)	(30,454)
Net income (loss)	(142,141)	2,085	(106,077)	41,804
Noncontrolling interest in consolidated joint ventures	(281)	145	582	757
Noncontrolling interest in Operating Partnership	15,530	(248)	11,461	(4,754)
Net income (loss) available to common shareholders	$ (126,892)	$ 1,982	$ (94,034)	$ 37,807
Basic earnings per common share:				
Net income (loss) available to common shareholders	$ (1.42)	$ 0.02	$ (1.05)	$ 0.43
Diluted earnings per common share:				
Net income (loss) available to common shareholders	$ (1.42)	$ 0.02	$ (1.05)	$ 0.43
Basic weighted average shares outstanding	89,249	88,875	89,229	88,621
Diluted weighted average shares outstanding	100,172	100,052	100,236	100,014

The accompanying notes are an integral part of these consolidated financial statements.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(in thousands) (unaudited)*

	Common Stock		Additional Paid-In Capital	Dividends in Excess of Net Earnings	Noncontrolling Interests in Subsidiaries	Total Equity
	Shares	Par Value				
Balance at January 1, 2015	89,077	$ 891	$ 2,560,183	$ (936,293)	$ 257,230	$ 1,882,011
Net income (loss)	-	-	-	(94,034)	(12,043)	(106,077)
Common stock dividends	-	-	-	(40,129)	-	(40,129)
Common unit distributions	-	-	-	-	(4,927)	(4,927)
Increase in noncontrolling interest in consolidated joint ventures	-	-	-	-	251	251
Redemption of common units for common stock	294	3	5,367	-	(5,370)	-
Shares issued under Dividend Reinvestment and Stock Purchase Plan	2	-	54	-	-	54
Directors' deferred compensation plan	-	-	297	-	-	297
Stock compensation	46	-	1,556	-	-	1,556
Cancellation of shares	(109)	(1)	(2,038)	-	-	(2,039)
Rebalancing of ownership percentage between parent and subsidiaries	-	-	(276)	-	276	-
Balance at September 30, 2015	89,310	$ 893	$ 2,565,143	$ (1,070,456)	$ 235,417	$ 1,730,997

The accompanying notes are an integral part of these consolidated financial statements.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS *(in thousands) (unaudited)*

	Nine Months Ended September 30, 2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (106,077)	$ 41,804
Adjustments to reconcile net income to net cash provided by		
Operating activities:		
Depreciation and amortization, including related intangible assets	128,422	132,698
Amortization of deferred stock units	297	309
Amortization of stock compensation	1,500	6,439
Amortization of deferred financing costs	2,846	2,306
Amortization of debt discount and mark-to-market	2,791	5,502
Equity in (earnings) loss of unconsolidated joint ventures	2,723	2,060
Distributions of cumulative earnings from unconsolidated joint ventures	3,145	10,974
Realized (gains) loss on disposition of rental property, net	(53,261)	(54,848)
Realized (gains) loss on sale of investment in unconsolidated joint venture	(6,448)	-
Impairments	164,176	-
Changes in operating assets and liabilities:		
Decrease (increase) in unbilled rents receivable, net	17	(4,477)
Increase in deferred charges, goodwill and other assets	(23,387)	(28,544)
Increase in accounts receivable, net	(603)	(1,911)
Increase in accounts payable, accrued expenses and other liabilities	5,298	13,565
Decrease in rents received in advance and security deposits	(4,502)	(5,938)
Increase (decrease) in accrued interest payable	7,751	(4,440)
Net cash provided by operating activities	$ 124,688	$ 115,499
CASH FLOWS FROM INVESTING ACTIVITIES		
Rental property acquisitions and related intangibles	$ (6,057)	$ (46,883)
Rental property additions and improvements	(59,700)	(77,109)
Development of rental property and other related costs	(49,959)	(4,881)
Proceeds from the sales of rental property	81,049	274,839
Proceeds from the sale of investment in unconsolidated joint venture	6,448	-
Investments in notes receivable	-	(62,276)
Repayment of notes receivable	7,750	10,250
Investment in unconsolidated joint ventures	(68,468)	(57,568)
Distributions in excess of cumulative earnings from unconsolidated joint ventures	4,329	36,303
Increase in restricted cash	(5,823)	(6,777)
Net cash (used in) provided by investing activities	$ (90,431)	$ 65,898
CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings from revolving credit facility	$ 179,000	$ 262,328
Repayment of revolving credit facility	(144,000)	(262,328)
Repayment of senior unsecured notes	-	(200,000)
Proceeds from mortgages and loans payable	6,193	28,350
Repayment of mortgages, loans payable and other obligations	(29,307)	(44,825)
Payment of contingent consideration	-	(5,228)
Payment of financing costs	(98)	(1,021)
Cash from noncontrolling interests	251	-
Payment of dividends and distributions	(44,979)	(74,851)
Net cash used in financing activities	$ (32,940)	$ (297,575)
Net increase (decrease) in cash and cash equivalents	$ 1,317	$ (116,178)
Cash and cash equivalents, beginning of period	29,549	221,706
Cash and cash equivalents, end of period	$ 30,866	$ 105,528

The accompanying notes are an integral part of these consolidated financial statements.

1. ORGANIZATION AND BASIS OF PRESENTATION

ORGANIZATION

Mack-Cali Realty Corporation, a Maryland corporation, together with its subsidiaries (collectively, the "Company"), is a fully-integrated, self-administered, self-managed real estate investment trust ("REIT") providing leasing, management, acquisition, development, construction and tenant-related services for its properties and third parties. As of September 30, 2015, the Company owned or had interests in 274 properties, consisting of 146 office and 109 flex properties, totaling approximately 29.7 million square feet, leased to approximately 1,900 commercial tenants, and 19 multi-family rental properties containing 5,644 residential units, plus developable land (collectively, the "Properties"). The Properties are comprised of 146 office buildings totaling approximately 24.4 million square feet (which include 36 buildings, aggregating approximately 5.6 million square feet owned by unconsolidated joint ventures in which the Company has investment interests), 94 office/flex buildings totaling approximately 4.8 million square feet, six industrial/warehouse buildings totaling approximately 387,400 square feet, 19 multi-family properties totaling 5,644 apartments (which include 13 properties aggregating 4,343 apartments owned by unconsolidated joint ventures in which the Company has investment interests), five parking/retail properties totaling approximately 121,500 square feet (which include two buildings aggregating 81,500 square feet owned by unconsolidated joint ventures in which the Company has investment interests), one hotel (which is owned by an unconsolidated joint venture in which the Company has an investment interest) and three parcels of land leased to others. The Properties are located in seven states, primarily in the Northeast, plus the District of Columbia.

BASIS OF PRESENTATION

The accompanying consolidated financial statements include all accounts of the Company, its majority-owned and/or controlled subsidiaries, which consist principally of Mack-Cali Realty, L.P. (the "Operating Partnership"), and variable interest entities for which the Company has determined itself to be the primary beneficiary, if any. See Note 2: Significant Accounting Policies – Investments in Unconsolidated Joint Ventures, for the Company's treatment of unconsolidated joint venture interests. Intercompany accounts and transactions have been eliminated.

Accounting Standards Codification ("ASC") 810, Consolidation, provides guidance on the identification of entities for which control is achieved through means other than voting rights ("variable interest entities" or "VIEs") and the determination of which business enterprise, if any, should consolidate the VIEs. Generally, the consideration of whether an entity is a VIE applies when either: (1) the equity investors (if any) lack (i) the ability to make decisions about the entity's activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity, or (iii) the right to receive the expected residual returns of the entity; (2) the equity investment at risk is insufficient to finance that entity's activities without additional subordinated financial support; or (3) the equity investors have voting rights that are not proportionate to their economic interests and the activities of the entity involve or are conducted on behalf of an investor with a disproportionately small voting interest. The Company consolidates VIEs in which it is considered to be the primary beneficiary. The primary beneficiary is defined by the entity having both of the following characteristics: (1) the power to direct the activities that, when taken together, most significantly impact the variable interest entity's performance: and (2) the obligation to absorb losses and right to receive the returns from the VIE that would be significant to the VIE.

As of September 30, 2015 and December 31, 2014, the Company's investments in consolidated real estate joint ventures in which the Company is deemed to be the primary beneficiary have total real estate assets of $254 million and $242.9 million, respectively, mortgages of $100.7 million and $94.3 million, respectively, and other liabilities of $17.5 million and $15.7 million, respectively.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Certain reclassifications have been made to prior period amounts in order to conform with current period presentation.

2. SIGNIFICANT ACCOUNTING POLICIES

Rental Property Rental properties are stated at cost less accumulated depreciation and amortization. Costs directly related to the acquisition, development and construction of rental properties are capitalized. Acquisition–related costs are expensed as incurred. Capitalized development and construction costs include pre-construction costs essential to the development of the property, development and construction costs, interest, property taxes, insurance, salaries and other project costs incurred during the period of development. Capitalized development and construction salaries and related costs approximated $0.9 million and $1.0 million for the three months ended September 30, 2015 and 2014, respectively, and $3.5 million and $2.7 million for the nine months ended September 30, 2015 and 2014, respectively. Included in total rental property is construction, tenant improvement and development in-progress of $103.1 million and $62.8 million as of September 30, 2015 and December 31, 2014, respectively. Ordinary repairs and maintenance are expensed as incurred; major replacements and betterments, which improve or extend the life of the asset, are capitalized and depreciated over their estimated useful lives. Fully-depreciated assets are removed from the accounts.

The Company considers a construction project as substantially completed and held available for occupancy upon the substantial completion of tenant improvements, but no later than one year from cessation of major construction activity (as distinguished from activities such as routine maintenance and cleanup). If portions of a rental project are substantially completed and occupied by tenants, or held available for occupancy, and other portions have not yet reached that stage, the substantially completed portions are accounted for as a separate project. The Company allocates costs incurred between the portions under construction and the portions substantially completed and held available for occupancy, primarily based on a percentage of the relative square footage of each portion, and capitalizes only those costs associated with the portion under construction.

Properties are depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Leasehold interests	Remaining lease term
Buildings and improvements	5 to 40 years
Tenant improvements	The shorter of the term of the related lease or useful life
Furniture, fixtures and equipment	5 to 10 years

Upon acquisition of rental property, the Company estimates the fair value of acquired tangible assets, consisting of land, building and improvements, and identified intangible assets and liabilities assumed, generally consisting of the fair value of (i) above and below market leases, (ii) in-place leases and (iii) tenant relationships. The Company allocates the purchase price to the assets acquired and liabilities assumed based on their fair values. The Company records goodwill or a gain on bargain purchase (if any) if the net assets acquired/liabilities assumed exceed the purchase consideration of a transaction. In estimating the fair value of the tangible and intangible assets acquired, the Company considers information obtained about each property as a result of its due diligence and marketing and leasing activities, and utilizes various valuation methods, such as estimated cash flow projections utilizing appropriate discount and capitalization rates, estimates of replacement costs net of depreciation, and available market information. The fair value of the tangible assets of an acquired property considers the value of the property as if it were vacant.

Above-market and below-market lease values for acquired properties are initially recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) management’s estimate of fair market lease rates for each corresponding in-place lease, measured over a period equal to the remaining term of the lease for above-market leases and the remaining initial term plus the term of any below-market fixed rate renewal options for below-market leases. The capitalized above-market lease values are amortized as a reduction of base rental revenue over the remaining terms of the respective leases, and the capitalized below-market lease values are amortized as an increase to base rental revenue over the remaining initial terms plus the terms of any below-market fixed rate renewal options of the respective leases.

Other intangible assets acquired include amounts for in-place lease values and tenant relationship values, which are based on management’s evaluation of the specific characteristics of each tenant’s lease and the Company’s overall relationship with the respective tenant. Factors to be considered by management in its analysis of in-place lease values include an estimate of carrying costs during hypothetical expected lease-up periods considering current market conditions, and costs to execute similar leases. In estimating carrying costs, management includes real estate taxes, insurance and other operating expenses and estimates of lost rentals at market rates during the expected lease-up periods, depending on local market conditions. In estimating costs to execute similar leases, management considers leasing commissions, legal and other related expenses. Characteristics considered by management in valuing tenant relationships include the nature and extent of the Company’s existing business relationships with the tenant, growth prospects for developing new business with the tenant, the tenant’s credit quality and expectations of lease renewals. The value of in-place leases are amortized to expense over the remaining initial terms of the respective leases. The value of tenant relationship intangibles are amortized to expense over the anticipated life of the relationships.

On a periodic basis, management assesses whether there are any indicators that the value of the Company's rental properties held for use may be impaired. In addition to identifying any specific circumstances which may affect a property or properties, management considers other criteria for determining which properties may require assessment for potential impairment. The criteria considered by management include reviewing low leased percentages, significant near-term lease expirations, recently acquired properties, current and historical operating and/or cash flow losses, near-term mortgage debt maturities or other factors that might impact the Company's intent and ability to hold the property. A property's value is impaired only if management's estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property is less than the carrying value of the property. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying value of the property over the fair value of the property. The Company's estimates of aggregate future cash flows expected to be generated by each property are based on a number of assumptions. These assumptions are generally based on management's experience in its local real estate markets and the effects of current market conditions. The assumptions are subject to economic and market uncertainties including, among others, demand for space, competition for tenants, changes in market rental rates, and costs to operate each property. As these factors are difficult to predict and are subject to future events that may alter management's assumptions, the future cash flows estimated by management in its impairment analyses may not be achieved, and actual losses or impairments may be realized in the future. See Note 3: Recent Transactions – Impairments on Properties Held and Used.

Rental Property Held for Sale

When assets are identified by management as held for sale, the Company discontinues depreciating the assets and estimates the sales price, net of selling costs, of such assets. If, in management's opinion, the estimated net sales price of the assets which have been identified as held for sale is less than the net book value of the assets, a valuation allowance is established.

If circumstances arise that previously were considered unlikely and, as a result, the Company decides not to sell a property previously classified as held for sale, the property is reclassified as held and used. A property that is reclassified is measured and recorded individually at the lower of (a) its carrying value before the property was classified as held for sale, adjusted for any depreciation (amortization) expense that would have been recognized had the property been continuously classified as held and used, or (b) the fair value at the date of the subsequent decision not to sell.

Investments in Unconsolidated Joint Ventures

The Company accounts for its investments in unconsolidated joint ventures under the equity method of accounting. The Company applies the equity method by initially recording these investments at cost, as Investments in Unconsolidated Joint Ventures, subsequently adjusted for equity in earnings and cash contributions and distributions. The outside basis portion of the Company's joint ventures is amortized over the anticipated useful lives of the underlying ventures' tangible and intangible assets acquired and liabilities assumed. Generally, the Company would discontinue applying the equity method when the investment (and any advances) is reduced to zero and would not provide for additional losses unless the Company has guaranteed obligations of the venture or is otherwise committed to providing further financial support for the investee. If the venture subsequently generates income, the Company only recognizes its share of such income to the extent it exceeds its share of previously unrecognized losses.

On a periodic basis, management assesses whether there are any indicators that the value of the Company's investments in unconsolidated joint ventures may be impaired. An investment is impaired only if management's estimate of the value of the investment is less than the carrying value of the investment, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying value of the investment over the value of the investment. The Company's estimates of value for each investment (particularly in real estate joint ventures) are based on a number of assumptions that are subject to economic and market uncertainties including, among others, demand for space, competition for tenants, changes in market rental rates, and operating costs. As these factors are difficult to predict and are subject to future events that may alter management's assumptions, the values estimated by management in its impairment analyses may not be realized, and actual losses or impairment may be realized in the future. See Note 4: Investments in Unconsolidated Joint Ventures.

Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

Deferred Financing Costs

Costs incurred in obtaining financing are capitalized and amortized over the term of the related indebtedness. Amortization of such costs is included in interest expense and was $945,000 and $778,000 for the three months ended September 30, 2015 and 2014, respectively, and $2,846,000 and $2,306,000 for the nine months ended September 30, 2015 and 2014, respectively. If a financing obligation is extinguished early, any unamortized deferred financing costs are written off and included in gains (losses) from early extinguishment of debt. No such unamortized costs were written off for the nine months ended September 30, 2015 and 2014.

Deferred Leasing Costs

Costs incurred in connection with commercial leases are capitalized and amortized on a straight-line basis over the terms of the related leases and included in depreciation and amortization. Unamortized deferred leasing costs are charged to amortization expense upon early termination of the lease. Certain employees of the Company are compensated for providing leasing services to the Properties. The portion of such compensation related to commercial leases, which is capitalized and amortized, was approximately $922,000 and $940,000 for the three months ended September 30, 2015 and 2014, respectively, and approximately $2,738,000 and $2,816,000 for the nine months ended September 30, 2015 and 2014, respectively.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of net tangible and intangible assets acquired in a business combination. Goodwill is allocated to various reporting units, as applicable. Each of the Company's segments consists of a reporting unit. Goodwill is not amortized. Management performs an annual impairment test for goodwill during the fourth quarter and between annual tests, management evaluates the recoverability of goodwill whenever events or changes in circumstances indicate that the carrying value of goodwill may not be fully recoverable. In its impairment tests of goodwill, management first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If, based on this assessment, management determines that the fair value of the reporting unit is not less than its carrying value, then performing the additional two-step impairment test is unnecessary. If the carrying value of goodwill exceeds its fair value, an impairment charge is recognized.

Derivative Instruments

The Company measures derivative instruments, including certain derivative instruments embedded in other contracts, at fair value and records them as an asset or liability, depending on the Company's rights or obligations under the applicable derivative contract. For derivatives designated and qualifying as fair value hedges, the changes in the fair value of both the derivative instrument and the hedged item are recorded in earnings. For derivatives designated as cash flow hedges, the effective portions of the derivative are reported in other comprehensive income ("OCI") and are subsequently reclassified into earnings when the hedged item affects earnings. Changes in fair value of derivative instruments not designated as hedging and ineffective portions of hedges are recognized in earnings in the affected period.

Revenue Recognition

Base rental revenue is recognized on a straight-line basis over the terms of the respective leases. Unbilled rents receivable represents the cumulative amount by which straight-line rental revenue exceeds rents currently billed in accordance with the lease agreements.

Above-market and below-market lease values for acquired properties are initially recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) management's estimate of fair market lease rates for each corresponding in-place lease, measured over a period equal to the remaining term of the lease for above-market leases and the remaining initial term plus the term of any below-market fixed-rate renewal options for below-market leases. The capitalized above-market lease values for acquired properties are amortized as a reduction of base rental revenue over the remaining terms of the respective leases, and the capitalized below-market lease values are amortized as an increase to base rental revenue over the remaining initial terms plus the terms of any below-market fixed-rate renewal options of the respective leases.

Escalations and recoveries from tenants are received from tenants for certain costs as provided in the lease agreements. These costs generally include real estate taxes, utilities, insurance, common area maintenance and other recoverable costs. See Note 13: Tenant Leases.

Real estate services revenue includes property management, development, construction and leasing commission fees and other services, and payroll and related costs reimbursed from clients. Fee income derived from the Company's unconsolidated joint ventures (which are capitalized by such ventures) are recognized to the extent attributable to the unaffiliated ownership interests.

Parking income includes income from parking spaces leased to tenants and others.

Other income includes income from tenants for additional services arranged for by the Company and income from tenants for early lease terminations.

Allowance for Doubtful Accounts

Management performs a detailed review of amounts due from tenants to determine if an allowance for doubtful accounts is required based on factors affecting the collectability of the accounts receivable balances. The factors considered by management in determining which individual tenant receivable balances, or aggregate receivable balances, require a collectability allowance include the age of the receivable, the tenant's payment history, the nature of the charges, any communications regarding the charges and other related information. Management's estimate of the allowance for doubtful accounts requires management to exercise significant judgment about the timing, frequency and severity of collection losses, which affects the allowance and net income.

Income and Other Taxes

The Company has elected to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"). As a REIT, the Company generally will not be subject to corporate federal income tax (including alternative minimum tax) on net income that it currently distributes to its shareholders, provided that the Company satisfies certain organizational and operational requirements including the requirement to distribute at least 90 percent of its REIT taxable income (determined by excluding any net capital gains) to its shareholders. If and to the extent the Company retains and does not distribute any net capital gains, the Company will be required to pay federal, state and local taxes on such net capital gains at the rate applicable to capital gains of a corporation. The Company has elected to treat certain of its corporate subsidiaries as taxable REIT subsidiaries (each a "TRS"). In general, a TRS of the Company may perform additional services for tenants of the Company and generally may engage in any real estate or non-real estate related business (except for the operation or management of health care facilities or lodging facilities or the providing to any person, under a franchise, license or otherwise, rights to any brand name under which any lodging facility or health care facility is operated). A TRS is subject to corporate federal income tax. The Company has conducted business through its TRS entities for certain property management, development, construction and other related services, as well as to hold a joint venture interest in a hotel and other matters.

As of September 30, 2015, the Company had a deferred tax asset related to its TRS activity with a balance of approximately $16.0 million which has been fully reserved for through a valuation allowance. If the Company fails to qualify as a REIT in any taxable year, the Company will be subject to federal income tax (including any applicable alternative minimum tax) on its taxable income at regular corporate tax rates. The Company is subject to certain state and local taxes.

Pursuant to the amended provisions related to uncertain tax provisions of ASC 740, Income Taxes, the Company recognized no material adjustments regarding its tax accounting treatment. The Company expects to recognize interest and penalties related to uncertain tax positions, if any, as income tax expense, which is included in general and administrative expense.

In the normal course of business, the Company or one of its subsidiaries is subject to examination by federal, state and local jurisdictions in which it operates, where applicable. As of September 30, 2015, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are generally from the year 2010 forward.

Earnings Per Share

The Company presents both basic and diluted earnings per share ("EPS"). Basic EPS excludes dilution and is computed by dividing net income available to common shareholders by the weighted average number of shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock, where such exercise or conversion would result in a lower EPS from continuing operations amount. Shares whose issuance is contingent upon the satisfaction of certain conditions shall be considered outstanding and included in the computation of diluted EPS as follows (i) if all necessary conditions have been satisfied by the end of the period (the events have occurred), those shares shall be included as of the beginning of the period in which the conditions were satisfied (or as of the date of the grant, if later) or (ii) if all necessary conditions have not been satisfied by the end of the period, the number of contingently issuable shares included in diluted EPS shall be based on the number of shares, if any, that would be issuable if the end of the reporting period were the end of the contingency period (for example, the number of shares that would be issuable based on current period earnings or period-end market price) and if the result would be dilutive. Those contingently issuable shares shall be included in the denominator of diluted EPS as of the beginning of the period (or as of the date of the grant, if later).

Dividends and Distributions Payable

The dividends and distributions payable at September 30, 2015 represents dividends payable to common shareholders (89,310,308 shares) and distributions payable to noncontrolling interest common unitholders of the Operating Partnership (10,790,142 common units) for all such holders of record as of October 5, 2015 with respect to the third quarter 2015. The third quarter 2015 common stock dividends and common unit distributions of $0.15 per common share and unit were approved by the Board of Directors on September 22, 2015 and paid on October 15, 2015.

The dividends and distributions payable at December 31, 2014 represents dividends payable to common shareholders (88,866,652 shares) and distributions payable to noncontrolling interest common unitholders of the Operating Partnership (11,083,876 common units) for all such holders of record as of January 6, 2015 with respect to the fourth quarter 2014. The fourth quarter 2014 common stock dividends and common unit distributions of $0.15 per common share and unit were approved by the Board of Directors on December 9, 2014 and paid on January 14, 2015.

Costs Incurred For Stock Issuances

Costs incurred in connection with the Company's stock issuances are reflected as a reduction of additional paid-in capital.

Stock Compensation

The Company accounts for stock compensation in accordance with the provisions of ASC 718, Compensation-Stock Compensation. These provisions require that the estimated fair value of restricted stock ("Restricted Stock Awards"), restricted stock units ("RSUs"), performance share units ("PSUs"), total stockholder return based performance shares ("TSR") and stock options at the grant date be amortized ratably into expense over the appropriate vesting period. The Company recorded stock compensation expense of $695,000 and $830,000 for the three months ended September 30, 2015 and 2014, respectively, and $1,500,000 and $5,094,000 for the nine months ended September 30, 2015 and 2014, respectively. The amount for the nine months ended September 30, 2014 included $3,150,000 related to the departure of certain executive officers.

Other Comprehensive Income

Other comprehensive income (loss), if any, includes items that are recorded in equity, such as unrealized holding gains or losses on marketable securities available for sale. There was no difference in other comprehensive income to net income for the three and nine months ended September 30, 2015 and 2014, and no accumulated other comprehensive income as of September 30, 2015 and December 31, 2014.

Fair Value Hierarchy

The standard Fair Value Measurements specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). The following summarizes the fair value hierarchy:

- Level 1: Quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2: Quoted prices for identical assets and liabilities in markets that are inactive, quoted prices for similar assets and liabilities in active markets or financial instruments for which significant inputs are observable, either directly or indirectly, such as interest rates and yield curves that are observable at commonly quoted intervals and
- Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Discontinued Operations

In April 2014, the Financial Accounting Standards Board ("FASB") issued guidance related to the reporting of discontinued operation and disclosures of disposals of components of an entity. This guidance defines a discontinued operation as a component or group of components disposed or classified as held for sale and represents a strategic shift that has (or will have) a major effect on an entity's operations and final result; the guidance states that a strategic shift could include a disposal of a major geographical area of operations, a major line of business, a major equity method investment or other major parts of an entity. The guidance also provides for additional disclosure requirements in connection with both discontinued operations and other dispositions not qualifying as discontinued operations. The guidance is effective for all companies for annual and interim periods beginning on or after December 15, 2014. The guidance applies prospectively to new disposals and new classifications of disposal groups as held for sale after the effective date. All entities could early adopt the guidance for new disposals (or new classifications as held for sale) that had not been reported in financial statements previously issued or available for issuance. The Company elected to early adopt this standard effective with the interim period beginning January 1, 2014. Prior to January 1, 2014, properties identified as held for sale and/or disposed of were presented in discontinued operations for all periods presented.

Impact Of Recently-Issued Accounting Standards

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09 Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09"). ASU 2014-09 is a comprehensive new revenue recognition model requiring a company to recognize revenue to depict the transfer of goods or services to a customer at an amount reflecting the consideration it expects to receive in exchange for those goods or services. In adopting ASU 2014-09, companies may use either a full retrospective or a modified retrospective approach. Additionally, this guidance requires improved disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. ASU 2014-09 is effective for the first interim period within annual reporting periods beginning after December 15, 2017, and early adoption is permitted for periods beginning after December 15, 2016. The Company is currently in the process of evaluating the impact the adoption of ASU 2014-09 will have on the Company's financial position or results of operations.

In June 2014, the FASB issued ASU 2014-12 Compensation—Stock Compensation (Topic 718) - Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period ("ASU 2014-12"). The amendments in ASU 2014-12 apply to all reporting entities that grant their employees share-based payments in which the terms of the award provide that a performance target that affects vesting could be achieved after the requisite service period. That is, the employee would be eligible to vest in the award regardless of whether the employee is rendering service on the date the performance target is achieved. Current GAAP does not contain explicit guidance on how to account for those share-based payments. ASU 2014-12 is intended to resolve the accounting treatment of such awards. The amendments in ASU 2014-12 are effective for annual periods and interim periods within those annual periods beginning after December 15, 2015 with early adoption permitted. The Company is currently in the process of evaluating the impact the adoption of ASU 2014-12 will have on the Company's financial position or results of operations.

In August 2014, the FASB issued ASU 2014-15, which requires management to evaluate whether there are conditions or events that raise substantial doubt about the entity’s ability to continue as a going concern, and to provide certain disclosures when it is probable that the entity will be unable to meet its obligations as they become due within one year after the date that the financial statements are issued. ASU 2014-15 is effective for the annual period ended December 31, 2016 and for annual periods and interim periods thereafter with early adoption permitted. The adoption of ASU 2014-15 is not expected to materially impact the Company’s consolidated financial statements.

In February 2015, the FASB issued ASU 2015-02, Consolidation–Amendments to the Consolidation Analysis (Topic 810) (“ASU 2015-02”). ASU 2015-02 updates guidance related to accounting for consolidation of certain limited partnerships. ASU 2015-02 does not add or remove any of the five characteristics that determine if an entity is a VIE; however, it changes the manner in which a reporting entity assesses its ability to make decisions about the entity's activities. Additionally, ASU 2015-02 removes three of the six criteria that must be met for a fee arrangement to not be a VIE and modifies how an entity assesses interests held through related parties. ASU 2015-02 is effective for fiscal years and interim periods within those years beginning after December 15, 2015, with early adoption permitted. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements when adopted.

In April 2015, the FASB issued ASU 2015-03, Interest–Imputation of Interest-Simplifying the Presentation of Debt Issuance Costs (Subtopic 835-30) (“ASU 2015-03”). ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by this update. Debt issuance costs related to revolving lines of credit are not within the scope of this new guidance. Additionally, in August 2015 the FASB issued guidance expanding the April 2015 update (ASU 2015-15). It states that, given the absence of authoritative guidance within the update, the SEC staff would not object to an entity deferring and presenting debt issuance costs as an asset for revolving lines of credit and subsequently amortizing the deferred debt issuance costs ratably over the term of the arrangement, regardless of whether there are any outstanding borrowings on the line of credit. This guidance is effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years, with early adoption permitted for financial statements that have not been previously issued. Full retrospective application is required. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements when adopted.

3. RECENT TRANSACTIONS

Acquisitions

On October 23, 2015, the Company signed an agreement to acquire a 196,000 square-foot office property located in Edison, New Jersey, for approximately $53.1 million, subject to certain conditions. The acquisition is expected to be completed in the fourth quarter of 2015.

On April 1, 2015, the Company acquired vacant land to accommodate a two-phase development of 365 multi-family residential units located in Worcester, Massachusetts (the “CitySquare Project”) for a purchase price of $3.1 million with an additional $1.25 million to be paid (which is accrued as of September 30, 2015), subject to certain conditions, in accordance with the terms of the purchase and sale agreement. The purchase price for the acquisition was funded primarily through borrowing under the Company’s unsecured revolving credit facility. The first phase with 237 units started construction in the third quarter 2015 with anticipated initial deliveries in the second quarter 2017. The second phase, with 128 units, is projected to begin construction in 2017. Total development costs are estimated to be approximately $92.5 million (of which $7.1 million was incurred by the Company through September 30, 2015). For the nine months ended September 30, 2015, included in general and administrative expense was approximately $111,000 in transaction costs related to this acquisition.

Dispositions

On June 26, 2015, the Company sold its 203,506 square foot office property located at 14 Sylvan Way in Parsippany, New Jersey for net sales proceeds of approximately $80 million, with a gain of approximately $24.7 million from the sale.

On June 1, 2015, the Company sold its 25 percent equity interest in Rosewood Lafayette Holdings L.L.C., a joint venture which owns the Highlands at Morristown Station, a 217-unit multi-family property located in Morristown, New Jersey, to its joint venture partner with a gain on the sale of approximately $6.4 million.

On January 15, 2015, the Company sold its 21,600 square foot office/flex property located at 1451 Metropolitan Drive in West Deptford, New Jersey for net sales proceeds of approximately $1.1 million, with a gain of approximately $0.1 million from the sale.

During the three months ended September 30, 2015, the Company transferred the deeds for two of its office properties to the lender in satisfaction of its mortgage loan obligations. The properties transferred consisted of 5 Becker Farm Road in Roseland, New Jersey, aggregating 118,343 square feet, which was collateral for a $14.4 million mortgage loan scheduled to mature on May 11, 2016, and 210 Clay Avenue in Lyndhurst, New Jersey, aggregating 121,203 square feet, which was collateral for a $13.8 million mortgage loan also scheduled to mature on May 11, 2016. During the three months ended June 30, 2015, the Company transferred the deeds for two of its office properties to the lender in satisfaction of its mortgage loan obligations. The properties transferred consisted of 4 Sylvan Way in Parsippany, New Jersey, aggregating 105,135 square feet, which was collateral for a $14.6 million mortgage loan that matured on August 11, 2014, and 10 Independence Boulevard in Warren, New Jersey, aggregating 120,528 square feet, which was collateral for a $16.9 million mortgage loan that matured on August 11, 2014. The Company had previously recorded impairment charges on these four properties totaling $25.2 million during the year ended December 31, 2013. During the three and nine months ended September 30, 2015, the Company recorded gains on the disposal of these office properties for a total of $18.7 million and $28.4 million, respectively.

On January 1, 2014, the Company early adopted the new discontinued operations accounting standard and as the properties disposed of during the nine months ended September 30, 2015 will not represent a strategic shift (as the Company is not entirely exiting markets or property types), they have not been reflected as part of discontinued operations.

The following table summarizes income (loss) for the three and nine month periods ended September 30, 2015 and 2014 from the properties disposed of during the nine months ended September 30, 2015 and the 16 properties sold during the year ended December 31, 2014: *(dollars in thousands)*

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Total revenues	$ 225	$ 8,891	$ 9,118	$ 48,196
Operating and other expenses	(700)	(3,627)	(4,136)	(22,576)
Depreciation and amortization	(3,585)	(1,363)	(7,509)	(9,178)
Interest expense	(1,146)	(2,588)	(6,374)	(7,795)
Income (loss) from properties disposed of	$ (5,206)	$ 1,313	$ (8,901)	$ 8,647
Realized gains on dispositions	18,718	264	53,261	54,848
Total income from properties disposed of	$ 13,512	$ 1,577	$ 44,360	$ 63,495

Impairments on Properties Held and Used

In September 2015, the Company announced a three-year strategic initiative to transform the Company into a more concentrated owner of New Jersey Hudson River waterfront and transit-oriented office properties and a regional owner of luxury multi-family residential properties. In connection with the transformation of the Company's portfolio, management began developing a disposition plan in September 2015, which will be an ongoing assessment process. Through this plan, the Company, in the coming years, expects to dispose of primarily office properties considered non-core to its ongoing operations. As a result, at September 30, 2015, the Company evaluated the recoverability of the carrying values of these non-core properties, and determined that due to the shortening of the expected periods of ownership, it was necessary to reduce the carrying values of 22 rental properties to their estimated fair values. Accordingly, the Company recorded an impairment charge of $158.6 million at September 30, 2015 reducing the aggregate carrying values of these properties from $554.3 million to their estimated fair values of $395.7 million.

Four of the Company's office properties are collateral for a mortgage loan that matured on August 11, 2014, with a principal balance of $65.0 million as of September 30, 2015. The loan was not repaid at maturity and the Company is in discussions with the lender regarding potential options in satisfaction of the obligation (see Note 9: Mortgages, Loans Payable and Other Obligations). As of September 30, 2015, the Company estimated that the carrying value of three of these properties, aggregating 479,877 square feet and located in Roseland and Parsippany, New Jersey, may not be recoverable over their anticipated holding periods. In order to reduce the carrying values of the properties to their estimated fair values, the Company recorded impairment charges of $5.6 million at September 30, 2015, which resulted from the current decline in leasing activity and market rents of the properties identified. The Company had previously recorded impairment charges on these properties at September 30, 2013 of $12.5 million.

Appointment of executive officers

On June 3, 2015, the Company announced the appointments of Mitchell E. Rudin as chief executive officer and Michael J. DeMarco as president and chief operating officer of the Company, effective immediately. The Company entered into employment agreements dated June 3, 2015 with each of Messrs. Rudin and DeMarco (together, the "Executive Employment Agreements") that each provide as follows:

- A term that ends on December 31, 2018 (the "Employment Term") unless earlier terminated;
- An annual base salary for each of Messrs. Rudin and DeMarco of $700,000, subject to potential merit increases (but not decreases) each year;
- A target annual bonus opportunity of one hundred percent (100%) of base salary, or $700,000, for each of Messrs. Rudin and DeMarco, with a threshold bonus of fifty percent (50%) of base salary, or $350,000, and a maximum bonus of two hundred percent (200%) of base salary, or $1,400,000, a pro rata bonus opportunity for 2015 based on the assessment of the Executive Compensation and Option Committee of the Board of Directors ("Committee") of each executive's development of a strategic plan for the Company and bonuses for 2016 and subsequent years to be based on objective performance goals to be established annually by the Committee;
- 2015 long-term incentive ("LTI") awards under the Company's 2013 Incentive Stock Plan (the "2015 LTI Awards"), consisting of the granting to each of Messrs. Rudin and DeMarco on June 5, 2015 of 18,775.27 restricted stock units subject to time-based vesting over three years, and of 56,325.82 performance share units ("PSUs") which will vest from 0 to 150 percent of the number of PSUs granted based on the Company's total shareholder return relative to a peer group of equity office REITs over a three-year performance period; and
- The grant on June 5, 2015 (the "Grant Date") to each of Messrs. Rudin and DeMarco of options to purchase 400,000 shares of the Company's common stock, exercisable for a period of ten years with an exercise price equal to the closing price of the Company's common stock on the NYSE on the Grant Date (which price was $17.31 per share), with 200,000 of such options vesting in three equal annual installments commencing on the first anniversary of the Grant Date, and 200,000 of such options vesting if the Company's common stock trades at or above $25.00 per share for 30 consecutive trading days while Mr. Rudin and Mr. DeMarco is employed, as applicable, or on or before June 30, 2019 if Mr. Rudin and Mr. DeMarco is employed for the entire Employment Term (except if the executive's employment has been terminated by the Company for cause following expiration of the Employment Term).

4. INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

As of September 30, 2015, the Company had an aggregate investment of approximately $299.5 million in its equity method joint ventures. The Company formed these ventures with unaffiliated third parties, or acquired interests in them, to develop or manage primarily office and multi-family rental properties, or to acquire land in anticipation of possible development of office and multi-family rental properties. As of September 30, 2015, the unconsolidated joint ventures owned: 36 office and two retail properties aggregating approximately 5.7 million square feet, 13 multi-family properties totaling 4,343 apartments, a 350-room hotel, development projects for up to approximately 1,074 apartments; and interests and/or rights to developable land parcels able to accommodate up to 2,910 apartments and 1.4 million square feet of office space. The Company's unconsolidated interests range from 7.5 percent to 85 percent subject to specified priority allocations in certain of the joint ventures.

On October 23, 2012, the Company acquired the real estate development and management businesses (the "Roseland Business") of Roseland Partners, L.L.C. ("Roseland Partners"), a premier multi-family rental community developer and manager based in Short Hills, New Jersey, and the Roseland Partners' interests (the "Roseland Transaction"), principally through unconsolidated joint venture interests in various entities which, directly or indirectly, own or have rights with respect to various residential and/or commercial properties or vacant land (collectively, the "Roseland Assets"). The locations of the properties extend from New Jersey to Massachusetts, with the majority of the properties located in New Jersey. Certain of the entities which own the Roseland Assets are controlled by the Company upon acquisition and are therefore consolidated. However, many of the entities are not controlled by the Company and, therefore, are accounted for under the equity method as investments in unconsolidated joint ventures.

The amounts reflected in the following tables (except for the Company's share of equity in earnings) are based on the historical financial information of the individual joint ventures. The Company does not record losses of the joint ventures in excess of its investment balances unless the Company is liable for the obligations of the joint venture or is otherwise committed to provide financial support to the joint venture. The outside basis portion of the Company's investments in joint ventures is amortized over the anticipated useful lives of the underlying ventures' tangible and intangible assets acquired and liabilities assumed. Unless otherwise noted below, the debt of the Company's unconsolidated joint ventures generally is non-recourse to the Company, except for customary exceptions pertaining to such matters as intentional misuse of funds, environmental conditions, and material misrepresentations.

The Company has agreed to guarantee repayment of a portion of the debt of its unconsolidated joint ventures. As of September 30, 2015, such debt had a total facility amount of $453.6 million of which the Company agreed to guarantee up to $62 million. As of September 30, 2015, the outstanding balance of such debt totaled $268.3 million of which $53.1 million was guaranteed by the Company. The Company also posted a $3.6 million letter of credit in support of the South Pier at Harborside joint venture, half of which is indemnified by Hyatt Corporation, the Company's joint venture partner. The Company performed management, leasing, development and other services for the properties owned by the unconsolidated joint ventures and recognized $1.3 million and $1.9 million for such services in the three months ended September 30, 2015 and 2014, respectively, and $4.4 million and $5.1 million for the nine months ended September 30, 2015 and 2014, respectively, which are included in real estate services revenue for the periods presented. The Company had $0.7 million and $1.0 million in accounts receivable due from its unconsolidated joint ventures as of September 30, 2015 and December 31, 2014.

Included in the Company's investments in unconsolidated joint ventures as of September 30, 2015 are five unconsolidated development joint ventures, which are VIEs for which the Company is not the primary beneficiary. These joint ventures are primarily established to develop real estate property for long-term investment and were deemed VIEs primarily based on the fact that the equity investment at risk was not sufficient to permit the entities to finance their activities without additional financial support. The initial equity contributed to these entities was not sufficient to fully finance the real estate construction as development costs are funded by the partners throughout the construction period. The Company determined that it was not the primary beneficiary of these VIEs based on the fact that the Company has shared control of these entities along with the entity's partners and therefore does not have controlling financial interests in these VIEs. The Company's aggregate investment in these VIEs was approximately $168.4 million as of September 30, 2015. The Company's maximum exposure to loss as a result of its involvement with these VIEs is estimated to be approximately $202.1 million, which includes the Company's current investment and estimated future funding commitments/guarantees of approximately $33.7 million. The Company has not provided financial support to these VIEs that it was not previously contractually required to provide. In general, future costs of development not financed through third party will be funded with capital contributions from the Company and its outside partners in accordance with their respective ownership percentages.

The following is a summary of the Company's unconsolidated joint ventures as of September 30, 2015 and December 31, 2014: *(dollars in thousands, including footnotes)*

Entity / Property Name	Number of Apartment Units or Square Feet (sf)		Company's Effective Ownership % (a)	Carrying Value September 30, 2015	Carrying Value December 31, 2014	Property Debt As of September 30, 2015 Balance	Maturity Date	Interest Rate	
Multi-family									
Marbella RoseGarden, L.L.C./ Marbella (b)	412	units	24.27 %	$ 15,686	$ 15,779	$ 95,000	05/01/18	4.99%	
RoseGarden Monaco Holdings, L.L.C./ Monaco (b)	523	units	15.00 %	1,237	2,161	165,000	02/01/21	4.19%	
Rosewood Lafayette Holdings, L.L.C./ Highlands at Morristown Station (c)	217	units	25.00 %	-	62	-	-	-	
PruRose Port Imperial South 15, LLC /RiversEdge at Port Imperial (b)	236	units	50.00 %	-	-	57,500	09/01/20	4.32%	
Rosewood Morristown, L.L.C. / Metropolitan at 40 Park (d) (e)	130	units	12.50 %	5,810	6,029	46,206	(f)	(f)	
Overlook Ridge JV 2C/3B, L.L.C./The Chase at Overlook Ridge (b)	371	units	50.00 %	2,261	2,524	52,662	12/26/15	L+2.50%	(g)
PruRose Riverwalk G, L.L.C./ RiverTrace at Port Imperial (b)	316	units	25.00 %	274	955	79,380	07/15/21	6.00%	(h)
Elmajo Urban Renewal Associates, LLC / Lincoln Harbor (Bldg A&C) (b)	355	units	7.50 %	-	-	128,100	03/01/30	4.00%	(i)
Crystal House Apartments Investors LLC / Crystal House (j)	798	units	25.00 %	27,716	27,051	165,000	04/01/20	3.17%	
Portside Master Company, L.L.C./ Portside at Pier One - Bldg 7 (b)	176	units	38.25 %	-	1,747	42,336	12/04/15	L+2.50%	(k)
PruRose Port Imperial South 13, LLC / RiverParc at Port Imperial (b)	280	units	20.00 %	-	1,087	69,916	06/27/16	L+2.15%	(l)
Roseland/Port Imperial Partners, L.P./ Riverwalk C (b) (m)	363	units	20.00 %	1,678	1,800	-	-	-	
RoseGarden Marbella South, L.L.C./ Marbella II	311	units	24.27 %	15,946	11,282	63,627	03/30/17	L+2.25%	(n)
Estuary Urban Renewal Unit B, LLC / Lincoln Harbor (Bldg B) (b)	227	units	7.50 %	-	-	81,900	03/01/30	4.00%	(o)
Riverpark at Harrison I, L.L.C./ Riverpark at Harrison	141	units	45.00 %	2,575	4,744	30,000	08/01/25	3.70%	(p)
Capitol Place Mezz LLC / Station Townhouses	378	units	50.00 %	47,156	49,327	94,671	07/01/33	4.82%	(q)
Harborside Unit A Urban Renewal, L.L.C. / URL Harborside	763	units	85.00 %	95,978	34,954	22,916	08/01/29	5.197%	(r)
RoseGarden Monaco, L.L.C./ San Remo Land	250	potential units	41.67 %	1,325	1,283	-	-	-	
Grand Jersey Waterfront URA, L.L.C./ Liberty Landing	850	potential units	50.00 %	337	337	-	-	-	
Office									
Red Bank Corporate Plaza, L.L.C./ Red Bank	92,878	sf	50.00 %	4,073	3,963	15,310	05/17/16	L+3.00%	(s)
12 Vreeland Associates, L.L.C./ 12 Vreeland Road	139,750	sf	50.00 %	5,730	5,620	12,912	07/01/23	2.87%	
BNES Associates III / Offices at Crystal Lake	106,345	sf	31.25 %	2,126	1,993	6,292	11/01/23	4.76%	
Hillsborough 206 Holdings, L.L.C./ Hillsborough 206	160,000	sf	50.00 %	1,962	1,962	-	-	-	
KPG-P 100 IMW JV, LLC / 100 Independence Mall West	339,615	sf	33.33 %	-	-	61,500	09/09/16	L+7.00%	(t)
Keystone-Penn	1,842,820	sf	(u)	-	-	223,546	(v)	(v)	
Keystone-TriState	1,266,384	sf	(w)	4,376	6,140	206,878	(x)	(x)	
KPG-MCG Curtis JV, L.L.C./ Curtis Center (y)	885,000	sf	50.00 %	56,441	59,911	(z)	(z)	(z)	
Other									
Plaza VIII & IX Associates, L.L.C./ Vacant land (parking operations)	1,225,000	sf	50.00 %	3,969	4,022	-	-	-	
Roseland/North Retail, L.L.C./ Riverwalk at Port Imperial (b)	30,745	sf	20.00 %	1,776	1,828	-	-	-	
South Pier at Harborside / Hyatt Regency Jersey City on the Hudson	350	rooms	50.00 %	(aa)	(aa)	64,092	(ab)	(ab)	
Stamford SM LLC / Senior Mezzanine Loan (ac)	n/a	n/a	80.00 %	-	-	-	-	-	
Other (ad)				1,054	907	-	-	-	
Totals:				$ 299,486	$ 247,468	$ 1,784,744			

(a) Company's effective ownership % represents the Company's entitlement to residual distributions after payments of priority returns, where applicable.

(b) The Company's ownership interests in this venture are subordinate to its partner's preferred capital balance and the Company is not expected to meaningfully participate in the venture's cash flows in the near term.

(c) See discussion in Recent Transactions following in this footnote for disposition of Company's interest in the unconsolidated joint ventures.

(d) Through the joint venture, the Company also owns a 12.5 percent interest in a 50,973 square feet retail building ("Shops at 40 Park") and a 25 percent interest in a to-be-built 59-unit, five story multi-family rental development property ("Lofts at 40 Park").

(e) The Company's ownership interests in this venture are subordinate to its partner's preferred capital balance and the payment of the outstanding balance remaining on a note ($975 as of September 30, 2015), and is not expected to meaningfully participate in the venture's cash flows in the near term.

(f) Property debt balance consists of: (i) a loan, collateralized by the Metropolitan at 40 Park, with a balance of $38,600, bears interest at 3.25 percent, matures in September 2020 and is interest only through September 2015; (ii) an amortizable loan, collateralized by the Shops at 40 Park, with a balance of $6,489, bears interest at 3.63 percent, matures in August 2018; and (iii) a loan, collateralized by the Lofts at 40 Park, with a balance of $1,117, bears interest at LIBOR plus 250 basis points and matures in September 2016. The Shops at 40 Park mortgage loan also provides for additional borrowing proceeds of $1 million based on certain preferred thresholds being achieved.

(g) The construction loan has a maximum borrowing amount of $55,500 and provides, subject to certain conditions, two one-year extension options with a fee of 25 basis points each. The joint venture has a swap agreement that fixes the all-in rate to 3.0875 percent per annum on an initial notional amount of $1,840, increasing to $52,000, for the period from September 3, 2013 to November 2, 2015.

(h) The permanent loan has a maximum borrowing amount of $80,249.

(i) The construction loan with a maximum borrowing amount of $91,000 converted to a permanent loan on February 27, 2015.

(j) The Company also owns a 50 percent interest in a vacant land to accommodate the development of approximately 295 additional units of which 252 are currently approved.

(k) The construction loan has a maximum borrowing amount of $42,500 and provides, subject to certain conditions, two two-year extension options with a fee of 12.5 basis points for the first two-year extension and 25 basis points for the second two-year extension.

(l) The construction loan has a maximum borrowing amount of $73,350 and provides, subject to certain conditions, one-year extension option followed by a six-month extension option with a fee of 25 basis points each. The joint venture has a swap agreement that fixes the all-in rate to 2.79 percent per annum on an initial notional amount of $1,620, increasing to $69,500 for the period from July 1, 2013 to January 1, 2016.

(m) The Company also owns a 20 percent residual interest in undeveloped land parcels: parcels 6, I, and J ("Port Imperial North Land") that can accommodate the development of 836 apartment units.

(n) The construction loan has a maximum borrowing amount of $77,400 and provides, subject to certain conditions, two one-year extension options with a fee of 25 basis points for each year.

(o) The construction loan with a maximum borrowing amount of $57,000 converted to a permanent loan on February 27, 2015.

(p) The construction loan with a maximum borrowing amount of $23,400 converted to a permanent loan on July 14, 2015. See discussion in Recent Transactions following in this footnote.

(q) The construction/permanent loan has a maximum borrowing amount of $100,700 with amortization starting in August 2017.

(r) The construction/permanent loan has a maximum borrowing amount of $192,000.

(s) The joint venture has a swap agreement that fixes the all-in rate to 3.99375 percent per annum on an initial notional amount of $13,650 and then adjusting in accordance with an amortization schedule, which is effective from October 17, 2011 through loan maturity.

(t) The mortgage loan has two one-year extension options, subject to certain conditions, and includes a $25 million construction escrow with a balance of $0.5 million to be drawn at September 30, 2015.

(u) The Company's equity interests in the joint ventures will be subordinated to Keystone Entities receiving a 15 percent internal rate of return ("IRR") after which the Company will receive a 10 percent IRR on its subordinate equity and then all profit will be split equally. See discussion in Recent Transactions following in this footnote.

(v) Principal balance of $127,600 bears interest at 5.114 percent and matures in August 27, 2023; principal balance of $85,521 bears interest at rates ranging from LIBOR+5.0 percent to LIBOR+5.75 percent and matures in August 27, 2016; principal balance of $10,425 bears interest at LIBOR+6.0 percent matures in August 27, 2015.

(w) Includes the Company's pari-passu interests of $4.4 million in five properties and Company's subordinated equity interests to Keystone Entities receiving a 15 percent internal rate of return ("IRR") after which the Company will receive a 10 percent IRR on its subordinate equity and then all profit will be split equally.

(x) Principal balance of $41,849 bears interest at 4.95 percent and matures on July 1, 2017; principal balance of $72,329 bears interest at rates ranging from 5.65 percent to 6.75 percent and matures on September 9, 2017; principal balance of $14,250 bears interest at 4.88 percent and matures on July 6, 2024; principal balance of $63,400 bears interest at 4.93 percent and matures on July 6, 2044; principal balance of $15,050 bears interest at 4.71 percent and matures on August 6, 2044.

(y) Includes undivided interests in the same manner as investments in noncontrolling partnership, pursuant to ASC 970-323-25-12.

(z) See Note 9: Mortgages, Loans Payable and Other Obligations for debt secured by interests in these assets.

(aa) The negative carrying value for this venture of $1,419 and $1,854 as of September 30, 2015 and December 31, 2014, respectively, were included in accounts payable, accrued expenses and other liabilities.

(ab) Balance includes: (i) mortgage loan, collateralized by the hotel property, with a balance of $60,498, bears interest at 6.15 percent and matures in November 2016, and (ii) loan with a balance of $3,594, bears interest at fixed rates ranging from 6.09 percent to 6.62 percent and matures in August 1, 2020. The Company posted a $3.6 million letter of credit in support of this loan, half of which is indemnified by the partner.

(ac) The joint venture collected net proceeds of $47.2 million at maturity, of which the Company received its share of $37.8 million on August 6, 2014.

(ad) The Company owns other interests in various unconsolidated joint ventures, including interests in assets previously owned and interest in ventures whose businesses are related to its core operations. These ventures are not expected to significantly impact the Company's operations in the near term.

The following is a summary of the Company's equity in earnings (loss) of unconsolidated joint ventures for the three and nine months ended September 30, 2015 and 2014: *(dollars in thousands)*

Entity / Property Name	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Multi-family				
Marbella RoseGarden, L.L.C./ Marbella	$ 64	$ 3	$ 186	$ (13)
RoseGarden Monaco Holdings, L.L.C./ Monaco	(295)	(249)	(924)	(764)
Rosewood Lafayette Holdings, L.L.C./ Highlands at Morristown Station	-	(221)	(62)	(639)
PruRose Port Imperial South 15, LLC /RiversEdge at Port Imperial	-	-	-	-
Rosewood Morristown, L.L.C. / Metropolitan at 40 Park	(93)	(90)	(277)	(264)
Overlook Ridge JV 2C/3B, L.L.C./The Chase at Overlook Ridge	(16)	(217)	(263)	(155)
PruRose Riverwalk G, L.L.C./ RiverTrace at Port Imperial	(151)	(615)	(681)	(1,766)
Elmajo Urban Renewal Associates, LLC / Lincoln Harbor (Bldg A&C)	-	-	-	(203)
Crystal House Apartments Investors LLC / Crystal House	(44)	68	(41)	(206)
Portside Master Company, L.L.C./ Portside at Pier One - Bldg 7	(379)	(228)	(1,736)	(661)
PruRose Port Imperial South 13, LLC / RiverParc at Port Imperial	(257)	(220)	(988)	(638)
Roseland/Port Imperial Partners, L.P./ Riverwalk C	(85)	(173)	(394)	(518)
RoseGarden Marbella South, L.L.C./ Marbella II	-	-	-	-
Estuary Urban Renewal Unit B, LLC / Lincoln Harbor (Bldg B)	-	-	-	(15)
Riverpark at Harrison I, L.L.C./ Riverpark at Harrison	(54)	-	(377)	-
Capitol Place Mezz LLC / Station Townhouses	(1,454)	-	(2,642)	-
Harborside Unit A Urban Renewal, L.L.C. / URL Harborside	-	-	-	(212)
RoseGarden Monaco, L.L.C./ San Remo Land	-	-	-	-
Grand Jersey Waterfront URA, L.L.C./ Liberty Landing	(12)	-	(32)	(54)
Office				
Red Bank Corporate Plaza, L.L.C./ Red Bank	110	101	332	306
12 Vreeland Associates, L.L.C./ 12 Vreeland Road	38	22	110	165
BNES Associates III / Offices at Crystal Lake	13	127	133	273
Hillsborough 206 Holdings, L.L.C./ Hillsborough 206	-	-	(5)	(5)
KPG-P 100 IMW JV, LLC / 100 Independence Mall West	(37)	(412)	(800)	(1,548)
Keystone-Penn	3,663	-	3,663	-
Keystone-TriState	(173)	(733)	(1,763)	(733)
KPG-MCG Curtis JV, L.L.C./ Curtis Center	327	113	755	364
Other				
Plaza VIII & IX Associates, L.L.C./ Vacant land (parking operations)	102	74	258	220
Roseland/North Retail, L.L.C./ Riverwalk at Port Imperial	(17)	(34)	(52)	(81)
South Pier at Harborside / Hyatt Regency Jersey City on the Hudson	1,151	583	1,934	1,874
Stamford SM LLC / Senior Mezzanine Loan	-	493	-	2,337
Other	734	340	943	876
Company's equity in earnings (loss) of unconsolidated joint ventures	$ 3,135	$ (1,268)	$ (2,723)	$ (2,060)

The following is a summary of the financial position of the unconsolidated joint ventures in which the Company had investment interests as of September 30, 2015 and December 31, 2014: *(dollars in thousands)*

	September 30, 2015	December 31, 2014
Assets:		
Rental property, net	$ 1,602,899	$ 1,534,812
Other assets	460,762	398,222
Total assets	$ 2,063,661	$ 1,933,034
Liabilities and partners'/ members' capital:		
Mortgages and loans payable	$ 1,246,582	$ 1,060,020
Other liabilities	228,045	211,340
Partners'/members' capital	589,034	661,674
Total liabilities and partners'/members' capital	$ 2,063,661	$ 1,933,034

The following is a summary of the results from operations of the unconsolidated joint ventures for the period in which the Company had investment interests during the three and nine months ended September 30, 2015 and 2014: *(dollars in thousands)*

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Total revenues	$ 82,586	$ 80,711	$ 238,138	$ 224,822
Operating and other expenses	(55,969)	(58,684)	(169,278)	(173,642)
Depreciation and amortization	(16,823)	(15,134)	(51,632)	(31,715)
Interest expense	(14,622)	(11,296)	(39,280)	(26,423)
Net loss	$ (4,828)	$ (4,403)	$ (22,052)	$ (6,958)

Recent Transactions

KEYSTONE-PENN

On August 28, 2015, Rosetree KPG III, L.L.C., which owns a 236,417 square-foot two-building office property located in Media, Pennsylvania refinanced its $31.8 million loan and obtained a new $45.5 million mortgage loan. The Company received a distribution of $3.7 million as its share of the loan proceeds recognized as equity in earnings during the three and nine months ended September 30, 2015 (as a result of having no carrying value of its investment in the unconsolidated joint venture).

RIVERPARK AT HARRISON I, L.L.C./RIVERPARK AT HARRISON

On July 14, 2015, Riverpark at Harrison I, L.L.C. ("Riverpark"), which owns a 141-unit multi-family rental property located in Harrison, New Jersey, refinanced the $23.4 million construction loan, and obtained a $30 million mortgage loan. The Company received a distribution of $1.7 million from the loan proceeds. Concurrent with the loan refinancing, the Company, which holds a 36 percent interest in Riverpark, and its venture partners that hold ownership interests aggregating 44 percent acquired the 20 percent interest of the remaining partner group for $2.1 million. As a result of the 20 percent redemption, the Company's ownership interest increased to 45 percent with the remaining venture partners owning 55 percent. The Company has determined that the joint venture is not a VIE since the equity investment at risk is sufficient to permit Riverpark to finance its activities without additional financial support. As control is shared with the partners in accordance with the operating agreement, the Company will continue to have an unconsolidated joint venture interest in Riverpark under the provisions of ASC 810, Consolidation.

ROSEWOOD LAFAYETTE HOLDINGS, L.L.C./HIGHLANDS AT MORRISTOWN STATION

On June 1, 2015, the Company sold its 25 percent equity interest in Rosewood Lafayette Holdings L.L.C., a joint venture which owns the Highlands at Morristown Station, a 217-unit multi-family property located in Morristown, New Jersey, to its joint venture partner and realized a gain on the sale of $6.4 million.

OVERLOOK RIDGE JV, LLC/QUARRYSTONE AT OVERLOOK RIDGE

On May 13, 2015, LR Overlook Phase II, LLC, of which the Company held a 50 percent interest, sold its 251-unit multi-family rental property located in Malden, Massachusetts ("Quarrystone Property") for approximately $74.6 million. The Company received no share of the distributable cash from the sale as the Company's equity interest in the venture is subordinated to its joint venture partner, and realized no gain or loss from the sale.

5. DEFERRED CHARGES, GOODWILL AND OTHER ASSETS, NET

(dollars in thousands)	September 30, 2015	December 31, 2014
Deferred leasing costs	$ 232,291	$ 239,138
Deferred financing costs	20,823	24,042
	253,114	263,180
Accumulated amortization	(119,965)	(122,358)
Deferred charges, net	133,149	140,822
Notes receivable (a)	13,557	21,491
In-place lease values, related intangibles and other assets, net	4,936	6,565
Goodwill	2,945	2,945
Prepaid expenses and other assets, net	46,136	32,827
Total deferred charges, goodwill and other assets, net	$ 200,723	$ 204,650

(a) Includes as of September 30, 2015: a mortgage receivable for $10.4 million which bears interest at LIBOR plus six percent and matures in August 2016; and an interest-free note receivable with a net present value of $3.1 million and matures in April 2023. The Company believes these balances are fully collectible.

DERIVATIVE FINANCIAL INSTRUMENTS

The Company does not have any derivative instruments designated as cash flow hedges. The following table summarizes the notional and fair value of the Company's derivative financial instruments, designated as fair value hedges, as of September 30, 2015 and December 31, 2014 *(dollars in thousands):*

	Notional Value (a)	Strike Rate	Effective Date	Expiration Date	Fair Value September 30, 2015	Fair Value December 31, 2014
LIBOR Cap	$ 51,000	1.5%	September 2014	October 2015	$ -	$ 1
LIBOR Cap	24,000	1.5%	September 2014	October 2015	-	1
LIBOR Cap	51,000	1.75%	October 2015	October 2016	2	64
LIBOR Cap	24,000	1.75%	October 2015	October 2016	1	29
					$ 3	$ 95

(a) The notional value is an indication of the extent of our involvement in these instruments at that time, but does not represent exposure to credit, interest rate or market risks.

The Company includes these derivative financial instruments in deferred charges, goodwill and other assets, net. As changes in the fair value of these derivative financial instruments are recorded in earnings, the Company recorded a loss on the change in fair value of $12,000 and $92,000 during the three and nine months ended September 30, 2015, respectively, which is included in interest and other investment income in the consolidated statements of operations.

6. RESTRICTED CASH

Restricted cash generally includes tenant and resident security deposits for certain of the Company's properties, and escrow and reserve funds for debt service, real estate taxes, property insurance, capital improvements, tenant improvements, and leasing costs established pursuant to certain mortgage financing arrangements, and is comprised of the following: *(dollars in thousands)*

	September 30, 2015	December 31, 2014
Security deposits	$ 7,681	$ 7,795
Escrow and other reserve funds	32,387	26,450
Total restricted cash	$ 40,068	$ 34,245

7. SENIOR UNSECURED NOTES

A summary of the Company's senior unsecured notes as of September 30, 2015 and December 31, 2014 is as follows: *(dollars in thousands)*

	September 30, 2015	December 31, 2014	Effective Rate (1)
5.800% Senior Unsecured Notes, due January 15, 2016	$ 200,029	$ 200,086	5.806 %
2.500% Senior Unsecured Notes, due December 15, 2017	249,372	249,150	2.803 %
7.750% Senior Unsecured Notes, due August 15, 2019	249,173	249,013	8.017 %
4.500% Senior Unsecured Notes, due April 18, 2022	299,609	299,565	4.612 %
3.150% Senior Unsecured Notes, due May 15, 2023	270,385	269,930	3.517 %
Total senior unsecured notes	$ 1,268,568	$ 1,267,744	

(1) Includes the cost of terminated treasury lock agreements (if any), offering and other transaction costs and the discount/premium on the notes, as applicable.

The terms of the Company's senior unsecured notes include certain restrictions and covenants which require compliance with financial ratios relating to the maximum amount of debt leverage, the maximum amount of secured indebtedness, the minimum amount of debt service coverage and the maximum amount of unsecured debt as a percent of unsecured assets. The Company was in compliance with its debt covenants under the indenture relating to its senior unsecured notes as of September 30, 2015.

8. UNSECURED REVOLVING CREDIT FACILITY

On July 16, 2013, the Company amended and restated its unsecured revolving credit facility with a group of 17 lenders. The $600 million facility is expandable to $1 billion and matures in July 2017. It has two six-month extension options each requiring the payment of a 7.5 basis point fee. The interest rate on outstanding borrowings (not electing the Company's competitive bid feature) and the facility fee on the current borrowing capacity payable quarterly in arrears are based upon the Operating Partnership's unsecured debt ratings, as follows:

Operating Partnership's Unsecured Debt Ratings: Higher of S&P or Moody's	Interest Rate - Applicable Basis Points Above LIBOR	Facility Fee Basis Points
No ratings or less than BBB-/Baa3	170.0	35.0
BBB- or Baa3 (current)	130.0	30.0
BBB or Baa2	110.0	20.0
BBB+ or Baa1	100.0	15.0
A- or A3 or higher	92.5	12.5

The facility has a competitive bid feature, which allows the Company to solicit bids from lenders under the facility to borrow up to $300 million at interest rates less than those above.

The terms of the unsecured facility include certain restrictions and covenants which limit, among other things the incurrence of additional indebtedness, the incurrence of liens and the disposition of real estate properties (to the extent that: (i) such property dispositions cause the Company to default on any of the financial ratios of the facility described below, or (ii) the property dispositions are completed while the Company is under an event of default under the facility, unless, under certain circumstances, such disposition is being carried out to cure such default), and which require compliance with financial ratios relating to the maximum leverage ratio (60 percent), the maximum amount of secured indebtedness (40 percent), the minimum amount of fixed charge coverage (1.5 times), the maximum amount of unsecured indebtedness (60 percent), the minimum amount of unencumbered property interest coverage (2.0 times) and certain investment limitations (generally 15 percent of total capitalization). If an event of default has occurred and is continuing, the Company will not make any excess distributions except to enable the Company to continue to qualify as a REIT under the Code. The Company was in compliance with its debt covenants under its revolving credit facility as of September 30, 2015.

As of September 30, 2015, the Company had outstanding borrowings of $35 million under its unsecured revolving credit facility, and had no outstanding borrowings under the facility as of December 31, 2014.

9. MORTGAGES, LOANS PAYABLE AND OTHER OBLIGATIONS

The Company has mortgages, loans payable and other obligations which primarily consist of various loans collateralized by certain of the Company's rental properties. As of September 30, 2015, 24 of the Company's properties, with a total carrying value of approximately $917 million, are encumbered by the Company's mortgages and loans payable. Payments on mortgages, loans payable and other obligations are generally due in monthly installments of principal and interest, or interest only. Except as noted below, the Company was in compliance with its debt covenants under its mortgages and loans payable as of September 30, 2015.

A summary of the Company's mortgages, loans payable and other obligations as of September 30, 2015 and December 31, 2014 is as follows: *(dollars in thousands)*

Property Name	Lender	Effective Rate (a)	September 30, 2015	December 31, 2014	Maturity
Overlook - Site IIID,IIIC, IIIA (b)	Wells Fargo Bank N.A.	LIBOR+3.50%	-	$ 17,260	-
Overlook - Site IIB (Quarrystone I) (b)	Wells Fargo Bank N.A.	LIBOR+2.50%	-	5,787	-
10 Independence (c)	Wells Fargo CMBS	10.260 %	-	16,924	-
4 Sylvan (d)	Wells Fargo CMBS	10.260 %	-	14,575	-
210 Clay (e)	Wells Fargo CMBS	18.100 %	-	13,330	-
5 Becker (f)	Wells Fargo CMBS	19.450 %	-	13,867	-
6 Becker, 85 Livingston, 75 Livingston & 20 Waterview (g)	Wells Fargo CMBS	10.260 %	$ 65,035	65,035	08/11/14(h)
9200 Edmonston Road	Principal Commercial Funding L.L.C.	5.534 %	3,809	3,951	05/01/15(i)
Port Imperial South	Wells Fargo Bank N.A.	LIBOR+1.75%	44,771	44,119	11/18/15
4 Becker	Wells Fargo CMBS	9.550 %	39,914	39,421	05/11/16
Curtis Center (j)	CCRE & PREFG	LIBOR+5.912% (m)	64,000	64,000	10/09/16
Various (k)	Prudential Insurance	6.332 %	144,037	145,557	01/15/17
150 Main St.	Webster Bank	LIBOR+2.35%	6,568	1,193 (o)	03/30/17
23 Main Street	JPMorgan CMBS	5.587 %	28,713	29,210	09/01/18
Harborside Plaza 5	The Northwestern Mutual Life Insurance Co. & New York Life Insurance Co.	6.842 %	218,717	221,563	11/01/18
100 Walnut Avenue	Guardian Life Insurance Co.	7.311 %	18,342	18,542	02/01/19
One River Center (l)	Guardian Life Insurance Co.	7.311 %	42,018	42,476	02/01/19
Park Square	Wells Fargo Bank N.A.	LIBOR+1.872% (n)	27,500	27,500	04/10/19
Port Imperial South 4/5 Retail	American General Life & A/G PC	4.559%	4,000	4,000	12/01/21
Port Imperial South 4/5 Garage	American General Life & A/G PC	4.853%	32,600	32,600	12/01/29
Total mortgages, loans payable and other obligations			$ 740,024	$ 820,910	

(a) Reflects effective rate of debt, including deferred financing costs, comprised of the cost of terminated treasury lock agreements (if any), debt initiation costs, mark-to-market adjustment of acquired debt and other transaction costs, as applicable.
(b) On March 27, 2015, the Company repaid these loans at par, using borrowings on the Company's unsecured revolving credit facility.
(c) On May 27, 2015, the Company transferred the deed for 10 Independence Boulevard to the lender in satisfaction of its obligation. See Note 3: Recent Transactions.
(d) On June 11, 2015, the Company transferred the deed for 4 Sylvan Way to the lender in satisfaction of its obligation. See Note 3: Recent Transactions.
(e) On July 21, 2015, the Company transferred the deed for 210 Clay to the lender in satisfaction of its obligation. See Note 3: Recent Transactions.
(f) On August 24, 2015, the Company transferred the deed for 5 Becker to the lender in satisfaction of its obligation. See Note 3: Recent Transactions.
(g) Mortgage is cross collateralized by the four properties.
(h) The loan was not repaid at maturity and the Company is in discussions with the lender regarding potential options in satisfaction of the obligation.
(i) Excess cash flow, as defined, is being held by the lender for re-leasing costs. The deed for the property was placed in escrow and is available to the lender in the event of default or non-payment at maturity. The mortgage loan was not repaid at maturity on May 1, 2015. The Company is in discussions with the lender regarding a further extension of the loan.
(j) The Company owns a 50 percent tenants-in-common interest in the Curtis Center property. The Company's $64.0 million loan consists of its 50 percent interest in a $102 million senior loan with a current rate of 3.501 percent at September 30, 2015 and its 50 percent interest in a $26 million mezzanine loan (with a maximum borrowing capacity of $48 million) with a current rate of 9.707 percent at September 30, 2015. The senior loan rate is based on a floating rate of one-month LIBOR plus 329 basis points and the mezzanine loan rate is based on a floating rate of one-month LIBOR plus 950 basis points. The Company has entered into LIBOR caps for the periods of the loans. The loans provide for three one-year extension options.
(k) Mortgage is cross collateralized by seven properties. The Company has agreed, subject to certain conditions, to guarantee repayment of $61.1 million of the loan.
(l) Mortgage is collateralized by the three properties comprising One River Center.
(m) The effective interest rate includes amortization of deferred financing costs of 1.362 percent.
(n) The effective interest rate includes amortization of deferred financing costs of 0.122 percent.
(o) This construction loan has a maximum borrowing capacity of $28.8 million.

CASH PAID FOR INTEREST AND INTEREST CAPITALIZED

Cash paid for interest for the nine months ended September 30, 2015 and 2014 was $85,019,000 and $92,096,000, respectively. Interest capitalized by the Company for the nine months ended September 30, 2015 and 2014 was $11,744,000 and $10,650,000, respectively (of which these amounts included $3,769,000 and $3,284,000 for the nine months ended September 30, 2015 and 2014, respectively, for interest capitalized on the Company's investments in unconsolidated joint ventures which were substantially in development).

SUMMARY OF INDEBTEDNESS

As of September 30, 2015, the Company's total indebtedness of $2,043,592,000 (weighted average interest rate of 5.41 percent) was comprised of $177,839,000 of revolving credit facility borrowings and other variable rate mortgage debt (weighted average rate of 3.41 percent) and fixed rate debt and other obligations of $1,865,753,000 (weighted average rate of 5.60 percent).

As of December 31, 2014, the Company's total indebtedness of $2,088,654,000 (weighted average interest rate of 5.64 percent) was comprised of $159,860,000 of variable rate mortgage debt (weighted average rate of 3.83 percent) and fixed rate debt and other obligations of $1,928,794,000 (weighted average rate of 5.79 percent).

10. EMPLOYEE BENEFIT 401(k) PLANS AND DEFERRED RETIREMENT COMPENSATION AGREEMENTS

Employees of the Company, who meet certain minimum age and service requirements, are eligible to participate in the Mack-Cali Realty Corporation 401(k) Savings/Retirement Plan (the "401(k) Plan"). Eligible employees may elect to defer from one percent up to 60 percent of their annual compensation on a pre-tax basis to the 401(k) Plan, subject to certain limitations imposed by federal law. The amounts contributed by employees are immediately vested and non-forfeitable. The Company may make discretionary matching or profit sharing contributions to the 401(k) Plan on behalf of eligible participants in any plan year. The Company did not make any contributions to the 401(k) Plan in the nine months ended September 30, 2015. Participants are always 100 percent vested in their pre-tax contributions and will begin vesting in any matching or profit sharing contributions made on their behalf after two years of service with the Company at a rate of 20 percent per year, becoming 100 percent vested after a total of six years of service with the Company. All contributions are allocated as a percentage of compensation of the eligible participants for the Plan year. The assets of the 401(k) Plan are held in trust and a separate account is established for each participant. A participant may receive a distribution of his or her vested account balance in the 401(k) Plan in a single sum or in installment payments upon his or her termination of service with the Company. Total expense recognized by the Company for the 401(k) Plan for the three months ended September 30, 2015 and 2014 was zero and $24,000, respectively, and zero and $77,000 for the nine months ended September 30, 2015 and 2014, respectively.

On September 12, 2012, the Board of Directors of the Company approved multi-year deferred retirement compensation agreements for those executive officers in place on such date (the "Deferred Retirement Compensation Agreements"). Pursuant to the Deferred Retirement Compensation Agreements, the Company was to make annual contributions of stock units ("Stock Units") representing shares of the Company's common stock on January 1 of each year from 2013 through 2017 into a deferred compensation account maintained on behalf of each participating executive. Vesting of each annual contribution of Stock Units was to occur on December 31 of each year, subject to continued employment. In connection with the separation from service to the Company of certain executive officers effective March 31, 2014, the Company agreed to make cash payments totaling $1.2 million for all vested and unvested Stock Units and future cash contributions pursuant to the Deferred Retirement Compensation Agreements. In connection with the separation from service to the Company of its former president and chief executive officer effective June 30, 2015, the Company agreed to make cash payments of $2.3 million on the separation date for all vested and unvested Stock Units and future cash contributions pursuant to his Deferred Retirement Compensation Agreement. Total expense recognized by the Company under the Deferred Retirement Compensation Agreements for the three months ended September 30, 2015 and 2014 was zero and $47,000, respectively, and zero and $1.3 million for the nine months ended September 30, 2015 and 2014, respectively.

11. DISCLOSURE OF FAIR VALUE OF ASSETS AND LIABILITIES

The following disclosure of estimated fair value was determined by management using available market information and appropriate valuation methodologies. However, considerable judgment is necessary to interpret market data and develop estimated fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize on disposition of the assets and liabilities at September 30, 2015 and December 31, 2014. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

Cash equivalents, receivables, notes receivables, accounts payable, and accrued expenses and other liabilities are carried at amounts which reasonably approximate their fair values as of September 30, 2015 and December 31, 2014.

The fair value of the Company's long-term debt, consisting of senior unsecured notes, an unsecured revolving credit facility and mortgages, loans payable and other obligations aggregated approximately $2,067,463,000 and $2,133,214,000 as compared to the book value of approximately $2,043,592,000 and $2,088,654,000 as of September 30, 2015 and December 31, 2014, respectively. The fair value of the Company's long-term debt was categorized as a level 3 basis (as provided by ASC 820, Fair Value Measurements and Disclosures). The fair value was estimated using a discounted cash flow analysis valuation based on the borrowing rates currently available to the Company for loans with similar terms and maturities. The fair value of the mortgage debt and the unsecured notes was determined by discounting the future contractual interest and principal payments by a market rate. Although the Company has determined that the majority of the inputs used to value its derivative financial instruments fall within level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivative financial instruments utilize level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. The Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivative financial instruments. As a result, the Company has determined that its derivative financial instruments valuations in their entirety are classified in level 2 of the fair value hierarchy.

The fair value measurements used in the evaluation of the Company's rental properties are considered to be Level 3 valuations within the fair value hierarchy, as there are significant unobservable inputs. Examples of inputs that were utilized in the fair value calculations include estimated holding periods, discount rates, market capitalization rates, expected lease rental rates, and third party broker information. The valuation techniques and significant unobservable inputs used for the Company's Level 3 fair value measurements at September 30, 2015 were as follows:

Description		**Fair Value at September 30, 2015**	**Primary Valuation Techniques**	**Unobservable Inputs**	**Location Type**	**Range of Rates**
Properties held and used on which the Company recognized impairment losses	$	438,606,000	Discounted cash flows	Discount rate	Suburban	8% - 15%
					Central Business District	6% - 8%
				Exit Capitalization rate	Suburban	7.5% - 9%
					Central Business District	4.6% - 5.75%

Disclosure about fair value of assets and liabilities is based on pertinent information available to management as of September 30, 2015 and December 31, 2014. Although management is not aware of any factors that would significantly affect the fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since September 30, 2015 and current estimates of fair value may differ significantly from the amounts presented herein.

12. COMMITMENTS AND CONTINGENCIES

TAX ABATEMENT AGREEMENTS

Pursuant to agreements with certain municipalities, the Company is required to make payments in lieu of property taxes ("PILOT") on certain of its properties and has tax abatement agreements on other properties, as follows:

The Harborside Plaza 4-A agreement with the City of Jersey City, as amended, which commenced in 2002, is for a term of 20 years. The annual PILOT is equal to two percent of Total Project Costs, as defined. Total Project Costs are $49.5 million. The PILOT totaled $247,000 and $247,000 for the three months ended September 30, 2015 and 2014, respectively, and $742,000 and $742,000 for the nine months ended September 30, 2015 and 2014, respectively.

The Harborside Plaza 5 agreement, also with the City of Jersey City, as amended, which commenced in 2002, is for a term of 20 years. The annual PILOT is equal to two percent of Total Project Costs, as defined. Total Project Costs are $170.9 million. The PILOT totaled $854,000 and $854,000 for the three months ended September 30, 2015 and 2014, respectively, and $2.6 million and $2.6 million for the nine months ended September 30, 2015 and 2014, respectively.

The agreement with the City of Weehawken for its Port Imperial 4/5 garage development project has a term of five years beginning when the project is substantially complete, which occurred in the third quarter of 2013. The agreement provides that real estate taxes be paid initially on the land value of the project only and allows for a phase in of real estate taxes on the value of the improvements over a five year period.

The agreement with the City of Rahway for its Park Square multi-family rental property provides that real estate taxes will be partially abated, on a declining scale, for four years through 2015.

At the conclusion of the above-referenced agreements, it is expected that the properties will be assessed by the municipality and be subject to real estate taxes at the then prevailing rates.

LITIGATION

The Company is a defendant in litigation arising in the normal course of its business activities. Management does not believe that the ultimate resolution of these matters will have a materially adverse effect upon the Company's financial condition taken as whole.

GROUND LEASE AGREEMENTS

Future minimum rental payments under the terms of all non-cancelable ground leases under which the Company is the lessee, as of September 30, 2015, are as follows: *(dollars in thousands)*

Year		Amount
October 1 through December 31, 2015	$	99
2016		387
2017		267
2018		232
2019		235
2020 through 2084		15,583
Total	$	16,803

Ground lease expense incurred by the Company during the three months ended September 30, 2015 and 2014 amounted to $102,000 and $102,000, respectively, and $305,000 and $305,000 for the nine months ended September 30, 2015 and 2014, respectively.

ROSELAND CONTINGENT CONSIDERATION

The purchase price for the Roseland Transaction included the fair value of contingent consideration pursuant to an earn-out ("Earn Out") agreement of approximately $10 million. Since the acquisition, the Company recognized charges and benefits related to changes in fair value in the Earn Out liability and, as a result of the achievement of certain of the defined criteria, paid certain amounts such that the balance of the Earn Out as of September 30, 2015 was $1.2 million. Related to changes in the fair value of the Earn Out liability, the Company recognized a net charge of $219,000 during the three and nine months ended September 30, 2015, and recognized benefits of zero and $380,000 during the three and nine months ended September 30, 2014, respectively. Prospectively, the Earn Out liability will be remeasured at fair value until the contingency has been resolved, with any changes in fair value representing a charge or benefit directly to earnings (with no adjustment to purchase accounting). The measures of the Earn Out are based on significant inputs that are not observable in the market, which ASC 820 refers to as level 3 inputs. In addition to an appropriate discount rate, the key assumption affecting the valuation for the Roseland Assets component was the probability of occurrence of the payment events under the relevant provisions (management assumed between 92 and 99 percent for completion/start criteria and 50 percent for the tax credit/grant criteria in its initial valuation). The valuation of the TRS component includes assumptions for the risk-free rate and various other factors (i.e., stock price, dividend levels and volatility) for the Company and the relevant peer group, as defined in the Earn Out agreement.

DEPARTURE OF EXECUTIVE OFFICER

On November 4, 2014, the Company announced that Mitchell E. Hersh would step down as president and chief executive officer of the Company effective May 11, 2015 and would not stand for re-election to the Company's Board of Directors (the "Board of Directors") at the 2015 annual meeting of the Company's stockholders. Pursuant to the terms of the Separation Agreement, the Company elected to extend the separation date to June 30, 2015 (the "Separation Date"). In connection with Mr. Hersh's departure from the Company, the Company and Mr. Hersh entered into a Separation and General Release Agreement (the "Separation Agreement") dated November 4, 2014 (the "Effective Date"). The Separation Agreement provided that Mr. Hersh's employment with the Company was being terminated without cause, and further provided, pursuant to the terms of Mr. Hersh's employment agreement, multi-year performance award agreement, TSR-based performance award agreement and deferred retirement compensation agreement, for (i) a cash payment to Mr. Hersh of $8 million, (ii) payment of the premiums for the continuation of Mr. Hersh's health, dental and vision insurance for 48 months following the Separation Date, (iii) vesting of 210,000 shares of restricted common stock pursuant to Mr. Hersh's multi-year performance award agreement, (iv) a cash payment equal to the sum of (X) $504,000, plus (Y) the product of (1) 210,000 multiplied by (2) the aggregate amount of dividends on the Company's common stock that were declared and paid between the Effective Date and the Separation Date in payment of accrued but unpaid dividend equivalents pursuant to his multi-year performance award agreement, (v) issuance of 41,811 shares of common stock of the Company (the "Deferred Shares") pursuant to the acceleration of vesting of 675 performance shares pursuant to Mr. Hersh's TSR-based performance award agreement, and (vi) a cash payment of $2,311,792 pursuant to Mr. Hersh's deferred retirement compensation award agreement. All such cash amounts and Deferred Shares will be paid to Mr. Hersh on the date that is six months and one day from the Separation Date, except in the event of death or if the payment event is due to Mr. Hersh's disability, in which case the payments will occur shortly after such death or disability. Under the terms of the Separation Agreement, Mr. Hersh continued to receive his base salary in accordance with his employment agreement and to be eligible to participate in the Company's executive incentive compensation and bonus programs. In addition, upon departure Mr. Hersh was entitled to receive his accrued but unpaid base salary and to have his expenses reimbursed.

The Company's total estimated costs for the departure of the Company's former president and chief executive officer and of the departure of certain of the Company's executive officers of approximately $23.8 million during the year ended December 31, 2014, of which approximately $11 million was recognized during the nine months ended September 30, 2014 and was included in general and administrative expense (approximately $11.5 million and $11.6 million was included in accounts payable, accrued expenses and other liabilities as of September 30, 2015 and December 31, 2014, respectively).

OTHER

The Company may not dispose of or distribute certain of its properties, currently comprised of seven properties with an aggregate net carrying value of approximately $57.3 million, which were originally contributed by certain unrelated common unitholders, without the express written consent of such common unitholders, as applicable, except in a manner which does not result in recognition of any built-in-gain (which may result in an income tax liability) or which reimburses the appropriate specific common unitholders for the tax consequences of the recognition of such built-in-gains (collectively, the "Property Lock-Ups"). The aforementioned restrictions do not apply in the event that the Company sells all of its properties or in connection with a sale transaction which the Company's Board of Directors determines is reasonably necessary to satisfy a material monetary default on any unsecured debt, judgment or liability of the Company or to cure any material monetary default on any mortgage secured by a property. The Property Lock-Ups expire periodically through 2016. Upon the expiration of the Property Lock-Ups, the Company is generally required to use commercially reasonable efforts to prevent any sale, transfer or other disposition of the subject properties from resulting in the recognition of built-in gain to the specific common unitholders, which include members of the Mack Group (which includes William L. Mack, Chairman of the Company's Board of Directors; David S. Mack, director; Earle I. Mack, a former director; and Mitchell E. Hersh, former president, chief executive officer and director), the Robert Martin Group (which includes Robert F. Weinberg, a former director and current member of its Advisory Board), and the Cali Group (which includes John R. Cali, a former director and current member of its Advisory Board). 110 of the Company's properties, with an aggregate net book value of approximately $1.3 billion, have lapsed restrictions and are subject to these conditions.

In July 2012, the Company entered into a ground lease with Wegmans Food Markets, Inc. ("Wegmans") at the Company's undeveloped site located at Sylvan Way and Ridgedale Avenue in Hanover Township, New Jersey. Subject to receiving all necessary governmental approvals, Wegmans intends to construct a store of approximately 140,000 square feet on a finished pad scheduled to be completed in the first quarter of 2017. The project is expected to cost approximately $28.7 million to complete (of which, as of September 30, 2015, the Company has incurred $13.9 million of the development costs, and estimates it will need to fund an additional $14.8 million for the completion of the project).

The Company owns a 76.25 percent interest in a consolidated joint venture which is constructing a 108-unit multi-family development rental property located in Eastchester, New York (the "Eastchester Project"). The project is expected to be ready for occupancy by the second quarter of 2016. The Eastchester Project is estimated to cost a total of $50 million (of which development costs of $22.7 million have been incurred through September 30, 2015). The venture has a $28.8 million construction loan (with $6.6 million outstanding as of September 30, 2015). The Company expects to fund costs of approximately $20.9 million for the development of the project (of which, as of September 30, 2015, the Company has incurred $13.5 million of the development costs and estimates it will need to fund an additional $7.4 million for the completion of the project).

On April 1, 2015, the Company acquired vacant land to accommodate a two-phase development of the CitySquare Project for a purchase price of $3.1 million with an additional $1.25 million to be paid (which is accrued as of September 30, 2015), subject to certain conditions, in accordance with the terms of the purchase and sale agreement. The purchase price for the acquisition was funded primarily through borrowing under the Company's unsecured revolving credit facility. The first phase with 237 units started construction in the third quarter 2015 with anticipated initial deliveries in the second quarter 2017. The second phase, with 128 units, is projected to begin construction in 2017. Total development costs are estimated to be approximately $92.5 million (of which $7.1 million was incurred by the Company through September 30, 2015 and estimates it will need to fund an additional $85.4 million for the completion of the project).

On October 6, 2015, the Company entered into a joint venture partnership with XS Port Imperial Hotel, LLC ("XS") to form XS Hotel Urban Renewal Associates LLC ("XS Hotel URA") for the development and ownership of a 364-key dual branded hotel property located in Weehawken, New Jersey ("Port Imperial Hotel"). Concurrently, the Company and XS entered into a separate joint venture partnership to form XS Hotel Associates, L.L.C. ("XS Hotel") for the management and operations of the completed hotel development. The Company holds a 90 percent interest and XS holds the remaining 10 percent interest in the consolidated joint ventures, XS Hotel URA and XS Hotel, with the Company having full and complete authority, power, and discretion to manage and control the ventures' business, affairs, and property. The construction of the Port Imperial Hotel is estimated to cost a total of $129.6 million, which will be funded by a $94 million construction loan with the balance to be funded with members' capital. Upon closing, Mack-Cali's initial contribution was $27.3 million, which included a capital credit of $23.7 million for its contributed Hotel Condominium Land unit, and XS Hotel's initial contribution was $3 million. The Company expects to fund additional costs of approximately $4.8 million.

The Company owns developable land to accommodate a multi-phase development project of approximately 1,034-unit multi-family rental property located in Malden, Massachusetts. The initial phase commenced construction of 292 units in the third quarter of 2015 (the "Chase II Project"). The Chase II project is estimated to cost a total of $74.4 million (of which the Company has incurred $12.4 million through September 30, 2015) and is expected to be ready for occupancy by second quarter of 2017. The Company estimates it will need to fund additional costs of $62 million for the completion of the Chase II Project.

13. TENANT LEASES

The Properties are leased to tenants under operating leases with various expiration dates through 2035. Substantially all of the commercial leases provide for annual base rents plus recoveries and escalation charges based upon the tenant's proportionate share of and/or increases in real estate taxes and certain operating costs, as defined, and the pass-through of charges for electrical usage.

Future minimum rentals to be received under non-cancelable commercial operating leases at September 30, 2015 are as follows *(dollars in thousands)*:

Year		Amount
October 1 through December 31, 2015	$	112,433
2016		452,893
2017		410,203
2018		327,024
2019		263,918
2020 and thereafter		1,077,550
Total	$	2,644,021

Multi-family rental property residential leases are excluded from the above table as they generally expire within one year.

14. MACK-CALI REALTY CORPORATION STOCKHOLDERS' EQUITY

To maintain its qualification as a REIT, not more than 50 percent in value of the outstanding shares of the Company may be owned, directly or indirectly, by five or fewer individuals at any time during the last half of any taxable year of the Company, other than its initial taxable year (defined to include certain entities), applying certain constructive ownership rules. To help ensure that the Company will not fail this test, the Company's Charter provides, among other things, certain restrictions on the transfer of common stock to prevent further concentration of stock ownership. Moreover, to evidence compliance with these requirements, the Company must maintain records that disclose the actual ownership of its outstanding common stock and demands written statements each year from the holders of record of designated percentages of its common stock requesting the disclosure of the beneficial owners of such common stock.

SHARE REPURCHASE PROGRAM

In September 2012, the Board of Directors renewed and authorized an increase to the Company's repurchase program ("Repurchase Program"). The Company has authorization to repurchase up to $150 million of its outstanding common stock under the renewed Repurchase Program, which it may repurchase from time to time in open market transactions at prevailing prices or through privately negotiated transactions. The Company has purchased and retired 394,625 shares of its outstanding common stock for an aggregate cost of approximately $11 million (all of which occurred in the year ended December 31, 2012), with a remaining authorization under the Repurchase Program of $139 million.

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

The Company has a Dividend Reinvestment and Stock Purchase Plan (the "DRIP") which commenced in March 1999 under which approximately 5.5 million shares of the Company's common stock have been reserved for future issuance. The DRIP provides for automatic reinvestment of all or a portion of a participant's dividends from the Company's shares of common stock. The DRIP also permits participants to make optional cash investments up to $5,000 a month without restriction and, if the Company waives this limit, for additional amounts subject to certain restrictions and other conditions set forth in the DRIP prospectus filed as part of the Company's effective registration statement on Form S-3 filed with the SEC for the approximately 5.5 million shares of the Company's common stock reserved for issuance under the DRIP.

STOCK OPTION PLANS

In May 2013, the Company established the 2013 Incentive Stock Plan (the "2013 Plan") under which a total of 4,600,000 shares have been reserved for issuance. In May 2004, the Company established the 2004 Incentive Stock Plan (the "2004 Plan") under which a total of 2,500,000 shares had been reserved for issuance. The 2004 Plan was terminated upon establishment of the 2013 Plan. No options were granted under the 2004 Plan. In September 2000, the Company established the 2000 Employee Stock Option Plan ("2000 Employee Plan") and the Amended and Restated 2000 Director Stock Option Plan ("2000 Director Plan" and together with the 2000 Employee Plan, the "2000 Plans"). In May 2002, shareholders of the Company approved amendments to both of the 2000 Plans to increase the total shares reserved for issuance under both of the 2000 Plans from 2,700,000 to 4,350,000 shares of the Company's common stock (from 2,500,000 to 4,000,000 shares under the 2000 Employee Plan and from 200,000 to 350,000 shares under the 2000 Director Plan). As the 2000 Plans expired in 2010, stock options may no longer be issued under those plans. Stock options granted under the 2000 Employee Plan became exercisable over a five-year period. All stock options granted under the 2000 Director Plan became exercisable in one year. All options were granted at the fair market value at the dates of grant and have terms of 10 years. As of September 30, 2015 and December 31, 2014, the stock options outstanding had a weighted average remaining contractual life of approximately 9.7 and 4.9 years, respectively.

On June 5, 2015, in connection with the Executive Employment Agreements, the Company granted options to purchase a total of 800,000 shares of the Company's common stock, exercisable for a period of ten years with an exercise price equal to the closing price of the Company's common stock on the grant date of $17.31 per share, with 400,000 of such options vesting in three equal annual installments commencing on the first anniversary of the grant date ("Time Vesting Options"), and 400,000 of such options vesting if the Company's common stock trades at or above $25.00 per share for 30 consecutive trading days while the executive is employed ("Price Vesting Options"), or on or before June 30, 2019, subject to certain conditions.

Information regarding the Company's stock option plans is summarized below:

	Shares Under Options	Weighted Average Exercise Price	Aggregate Intrinsic Value $(000's)
Outstanding at January 1, 2015	10,000	$ 33.36	-
Granted	800,000	17.31	
Lapsed or Cancelled	(5,000)	45.47	
Outstanding at September 30, 2015 ($17.31 – $21.25)	805,000	$ 17.33	$ 1,244
Options exercisable at September 30, 2015	-		
Available for grant at September 30, 2015	3,416,456		

The weighted average fair value of options granted during the nine months ended September 30, 2015 was $3.06 per option. The fair value of each option grant is estimated on the date of grant using the Black-Scholes model for Time Vesting Options and the Monte Carlo method for Price Vesting Options. The following weighted average assumptions are included in the Company's fair value calculations of stock options granted during the nine months ended September 30, 2015:

	Time Vesting Options	Price Vesting Options
Expected life (in years)	6.0	5.8
Risk-free interest rate	2.04 %	1.96 %
Volatility	29.0 %	29.0 %
Dividend yield	3.5 %	3.5 %

There were no stock options exercised under all stock option plans for the nine months ended September 30, 2015 and 2014, respectively. The Company has a policy of issuing new shares to satisfy stock option exercises.

The Company recognized stock options expense of $185,000 and $1,000 for the three months ended September 30, 2015 and 2014, respectively, and $248,000 and $3,000 for the nine months ended September 30, 2015 and 2014, respectively.

RESTRICTED STOCK AWARDS

The Company has issued stock awards ("Restricted Stock Awards") to officers, certain other employees, and non-employee members of the Board of Directors of the Company, which allow the holders to each receive a certain amount of shares of the Company's common stock generally over a one to seven-year vesting period, of which 99,006 unvested shares were legally outstanding at September 30, 2015. Of the Restricted Stock Awards issued to executive officers and certain other employees, 210,000 were contingent upon the Company meeting certain performance goals to be set by the Committee each year ("Performance Shares"), with the remaining based on time and service.

On September 12, 2012, the Company granted Restricted Stock Awards totaling 319,667 shares for those executive officers in place on such date. The Restricted Stock Awards were to vest commencing January 1, 2014 and with the number of Restricted Stock Awards scheduled to be vested and earned on each vesting date on an annual basis over a five to seven year vesting schedule, with each annual vesting of each tranche of Restricted Stock Awards being subject to the attainment of annual performance targets to be set by the Committee for each year. In connection with the departure of two executive officers effective March 31, 2014, the Company agreed to grant and accelerate vesting of 109,667 shares of Restricted Stock Awards on April 1, 2014. In connection with the departure of the Company's former president and chief executive officer effective June 30, 2015, the Company agreed to vest 84,000 Performance Shares and to grant and accelerate the vesting of 126,000 Performance Shares on the Separation Date. See Note 12: Commitments and Contingencies – Departure of Executive Officer.

On June 5, 2015, in connection with the Executive Employment Agreements, the Company granted a total of 37,550.54 Restricted Stock Awards, which were valued in accordance with ASC 718 – Stock Compensation, at their fair value. These awards are scheduled to vest equally over a three-year period on each annual anniversary date of the grant date.

All currently outstanding and unvested Restricted Stock Awards provided to the officers, certain other employees, and members of the Board of Directors of the Company were issued under the 2013 Plan.

Information regarding the Restricted Stock Awards grant activity is summarized below:

	Shares		Weighted-Average Grant – Date Fair Value
Outstanding at January 1, 2015	346,946	$	21.09
Granted	41,337		17.51
Vested	(249,795)		21.44
Forfeited	(1,931)		20.31
Outstanding at September 30, 2015	136,557	$	19.37

As of September 30, 2015, the Company had $2.5 million of total unrecognized compensation cost related to unvested Restricted Stock Awards granted under the Company's stock compensation plans. That cost is expected to be recognized over a weighted average period of 1.9 years.

PERFORMANCE SHARE UNITS/TSR-BASED AWARDS

On September 12, 2012, the Board of Directors of the Company approved the recommendations and ratified the determinations of the Committee with respect to new multi-year TSR based awards (the "TSR-Based Awards") totaling 5,160 performance shares (the "TSR Performance Shares") for those executive officers in place on such date, each TSR Performance Share evidencing the right to receive $1,000 in the Company's common stock upon vesting. In accordance with the amended and restated TSR-Based Awards agreements entered into between the Company and those executive officers in June 2013, the TSR Performance Shares were to vest commencing December 31, 2014, with the number of TSR Performance Shares scheduled to be granted annually over the next four years. The Company granted 1,032 TSR Performance Shares in the year ended December 31, 2013, which were valued in accordance with ASC 718, Compensation - Stock Compensation, at their fair value, utilizing a Monte-Carlo simulation to estimate the probability of the vesting conditions being satisfied. In connection with the departure of two executive officers effective March 31, 2014, the Company agreed to vest 357 TSR Performance Shares and to grant and accelerate the vesting of 528 TSR Performance Shares, for which the Company issued 45,062 shares of Common Stock on April 2, 2014. In connection with the departure of the Company's former president and chief executive officer effective June 30, 2015, the Company agreed to vest 675 TSR Performance Shares on the Separation Date, for which it issued 41,811 shares of common stock. See Note 12: Commitments and Contingencies – Departure of Executive Officer.

On June 5, 2015, in connection with the Executive Employment Agreements, the Company granted a total of 112,651.64 performance share units ("PSUs") which will vest from 0 to 150 percent of the number of PSUs granted based on the Company's total shareholder return relative to a peer group of equity office REITs over a three-year performance period starting from the grant date, each PSU evidencing the right to receive a share of the Company's common stock upon vesting. The PSUs are also entitled to the payment of dividend equivalents in respect of vested PSUs in the form of additional PSUs. The PSUs were valued in accordance with ASC 718, Compensation - Stock Compensation, at their fair value on the grant date, utilizing a Monte-Carlo simulation to estimate the probability of the vesting conditions being satisfied.

The Company has reserved shares of common stock under the 2004 Plan and 2013 Plan for issuance upon vesting of the TSR Performance Shares and PSUs in accordance with the terms and conditions of the TSR-Based Awards and PSUs.

DEFERRED STOCK COMPENSATION PLAN FOR DIRECTORS

The Amended and Restated Deferred Compensation Plan for Directors, which commenced January 1, 1999, allows non-employee directors of the Company to elect to defer up to 100 percent of their annual retainer fee into deferred stock units. The deferred stock units are convertible into an equal number of shares of common stock upon the directors' termination of service from the Board of Directors or a change in control of the Company, as defined in the plan. Deferred stock units are credited to each director quarterly using the closing price of the Company's common stock on the applicable dividend record date for the respective quarter. Each participating director's account is also credited for an equivalent amount of deferred stock units based on the dividend rate for each quarter.

During the nine months ended September 30, 2015 and 2014, 15,279 and 15,230 deferred stock units were earned, respectively. As of September 30, 2015 and December 31, 2014, there were 173,025 and 157,730 deferred stock units outstanding, respectively.

EARNINGS PER SHARE

Basic EPS excludes dilution and is computed by dividing net income available to common shareholders by the weighted average number of shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

The following information presents the Company's results for the three and nine months ended September 30, 2015 and 2014 in accordance with ASC 260, Earnings Per Share: *(dollars in thousands, except per share amounts)*

	Three Months Ended September 30,		Nine Months Ended September 30,	
Computation of Basic EPS	2015	2014	2015	2014
Net income (loss)	$ (142,141)	$ 2,085	$ (106,077)	$ 41,804
Add: Noncontrolling interest in consolidated joint ventures	(281)	145	582	757
Add: Noncontrolling interest in Operating Partnership	15,530	(248)	11,461	(4,754)
Net income (loss) available to common shareholders	$ (126,892)	$ 1,982	$ (94,034)	$ 37,807
Weighted average common shares	89,249	88,875	89,229	88,621
Basic EPS:				
Net income (loss) available to common shareholders	$ (1.42)	$ 0.02	$ (1.05)	$ 0.43

	Three Months Ended September 30,		Nine Months Ended September 30,	
Computation of Diluted EPS	2015	2014	2015	2014
Net income (loss) available to common shareholders	$ (126,892)	$ 1,982	$ (94,034)	$ 37,807
Add (deduct): Noncontrolling interest in Operating Partnership	(15,530)	248	(11,461)	4,754
Net income (loss) for diluted earnings per share	$ (142,422)	$ 2,230	$ (105,495)	$ 42,561
Weighted average common shares	100,172	100,052	100,236	100,014
Diluted EPS:				
Net income (loss) available to common shareholders	$ (1.42)	$ 0.02	$ (1.05)	$ 0.43

The following schedule reconciles the shares used in the basic EPS calculation to the shares used in the diluted EPS calculation: *(in thousands)*

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Basic EPS shares	89,249	88,875	89,229	88,621
Add: Operating Partnership – common units	10,923	11,120	11,007	11,334
Restricted Stock Awards	-	57	-	59
Diluted EPS Shares	100,172	100,052	100,236	100,014

Contingently issuable shares under the PSU awards and Price Vesting Options were excluded from the denominator in 2015 because the criteria had not been met for the period ended September 30, 2015. Contingently issuable shares under the TSR Performance Shares were excluded from the denominator in 2014 because the criteria had not been met for the period ended September 30, 2014. Not included in the computations of diluted EPS were 405,000 and 10,000 stock options as such securities were anti-dilutive during the periods ended September 30, 2015 and 2014, respectively. Unvested restricted stock outstanding as of September 30, 2015 and 2014 were 99,006 and 304,816 shares, respectively.

Dividends declared per common share for each of the three month periods ended September 30, 2015 and 2014 was $0.15 per share. Dividends declared per common share for the nine month periods ended September 30, 2015 and 2014 was $0.45 and $0.60 per share, respectively.

15. NONCONTROLLING INTERESTS IN SUBSIDIARIES

Noncontrolling interests in subsidiaries in the accompanying consolidated financial statements relate to (i) common units in the Operating Partnership, held by parties other than the Company, and (ii) interests in consolidated joint ventures for the portion of such ventures not owned by the Company.

OPERATING PARTNERSHIP

Common Units

Certain individuals and entities own common units in the Operating Partnership. A common unit and a share of Common Stock of the Company have substantially the same economic characteristics in as much as they effectively share equally in the net income or loss of the Operating Partnership. Common unitholders have the right to redeem their common units, subject to certain restrictions. The redemption is required to be satisfied in shares of Common Stock, cash, or a combination thereof, calculated as follows: one share of the Company's Common Stock, or cash equal to the fair market value of a share of the Company's Common Stock at the time of redemption, for each common unit. The Company, in its sole discretion, determines the form of redemption of common units (i.e., whether a common unitholder receives Common Stock, cash, or any combination thereof). If the Company elects to satisfy the redemption with shares of Common Stock as opposed to cash, it is obligated to issue shares of its Common Stock to the redeeming unitholder. Regardless of the rights described above, the common unitholders may not put their units for cash to the Company or the Operating Partnership under any circumstances. When a unitholder redeems a common unit, noncontrolling interest in the Operating Partnership is reduced and Mack-Cali Realty Corporation Stockholders' equity is increased.

Unit Transactions

The following table sets forth the changes in noncontrolling interests in subsidiaries which relate to the common units in the Operating Partnership for the nine months ended September 30, 2015:

	Common Units
Balance at January 1, 2015	11,083,876
Redemption of common units for shares of common stock	(293,734)
Balance at September 30, 2015	10,790,142

The following table reflects the activity of noncontrolling interests for the nine months ended September 30, 2015 and 2014, respectively *(dollars in thousands):*

	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Balance at January 1	$ 257,230	$ 276,096
Net income (loss)	(12,043)	3,997
Common unit distributions	(4,927)	(6,793)
Increase in noncontrolling interests in consolidated joint ventures	251	487
Redemption of common units for common stock	(5,370)	(14,211)
Rebalancing of ownership percentage between parent and subsidiaries	276	257
Balance at September 30	$ 235,417	$ 259,833

Pursuant to ASC 810, Consolidation, on the accounting and reporting for noncontrolling interests and changes in ownership interests of a subsidiary, changes in a parent's ownership interest (and transactions with noncontrolling interest unitholders in the subsidiary) while the parent retains its controlling interest in its subsidiary should be accounted for as equity transactions. The carrying value of the noncontrolling interest shall be adjusted to reflect the change in its ownership interest in the subsidiary, with the offset to equity attributable to the parent. Accordingly, as a result of equity transactions which caused changes in ownership percentages between Mack-Cali Realty Corporation stockholders' equity and noncontrolling interests in the Operating Partnership that occurred during the nine months ended September 30, 2015, the Company has increased noncontrolling interests in the Operating Partnership and decreased additional paid-in capital in Mack-Cali Realty Corporation stockholders' equity by approximately $0.3 million as of September 30, 2015.

Noncontrolling Interest Ownership

As of September 30, 2015 and December 31, 2014, the noncontrolling interest common unitholders owned 10.8 percent and 11.1 percent of the Operating Partnership, respectively.

CONSOLIDATED JOINT VENTURES

The Company consolidates certain joint ventures in which it has ownership interests. Various entities and/or individuals hold noncontrolling interests in these ventures.

PARTICIPATION RIGHTS

The Company's interests in certain real estate projects (three properties and a future development) each provide for the initial distributions of net cash flow solely to the Company, and thereafter, other parties have participation rights in 50 percent of the excess net cash flow remaining after the distribution to the Company of the aggregate amount equal to the sum of: (a) the Company's capital contributions, plus (b) an IRR of 10 percent per annum.

16. SEGMENT REPORTING

The Company operates in three business segments: (i) commercial and other real estate, (ii) multi-family real estate, and (iii) multi-family services. The Company provides leasing, property management, acquisition, development, construction and tenant-related services for its commercial and other real estate and multi-family real estate portfolio. The Company's multi-family services business also provides similar services for third parties. The Company no longer considers construction services as a reportable segment as it phased out this line of business in 2014. The Company had no revenues from foreign countries recorded for the nine months ended September 30, 2015 and 2014. The Company had no long lived assets in foreign locations as of September 30, 2015 and December 31, 2014. The accounting policies of the segments are the same as those described in Note 2: Significant Accounting Policies, excluding depreciation and amortization.

The Company evaluates performance based upon net operating income from the combined properties in each of its real estate segments (commercial and other, and multi-family) and from its multi-family services segment.

Selected results of operations for the three and nine months ended September 30, 2015 and 2014 and selected asset information as of September 30, 2015 and December 31, 2014 regarding the Company's operating segments are as follows. Amounts for prior periods have been restated to conform to the current period segment reporting presentation: *(dollars in thousands)*

	Real Estate				
	Commercial & Other	Multi-family	Multi-family Services	Corporate & Other (d)	Total Company
Total revenues:					
Three months ended:					
September 30, 2015	$ 131,910	$ 6,964	$ 8,409 (e)	$ (1,125)	$ 146,158
September 30, 2014	141,659	6,711	8,300 (f)	(1,181)	155,489
Nine months ended:					
September 30, 2015	406,128	20,541	24,910 (g)	(3,139)	448,440
September 30, 2014	446,036	19,801	22,650 (h)	(3,102)	485,385
Total operating and interest expenses (a):					
Three months ended:					
September 30, 2015	$ 59,810	$ 4,233	$ 9,598	$ 28,236	$ 101,877
September 30, 2014	68,537	3,529	10,249	28,102	110,417
Nine months ended:					
September 30, 2015	199,178	12,775	28,304	79,804	320,061
September 30, 2014	228,571	10,276	28,790	97,053	364,690
Equity in earnings (loss) of unconsolidated joint ventures:					
Three months ended:					
September 30, 2015	$ 5,181	$ (2,793)	$ 747	$ -	$ 3,135
September 30, 2014	328	(2,088)	492	-	(1,268)
Nine months ended:					
September 30, 2015	4,611	(8,290)	956	-	(2,723)
September 30, 2014	3,145	(6,566)	1,361	-	(2,060)
Net operating income (loss) (b):					
Three months ended:					
September 30, 2015	$ 77,281	$ (62)	$ (442)	$ (29,361)	$ 47,416
September 30, 2014	73,450	1,094	(1,457)	(29,283)	43,804
Nine months ended:					
September 30, 2015	211,561	(524)	(2,438)	(82,943)	125,656
September 30, 2014	220,610	2,959	(4,779)	(100,155)	118,635
Total assets:					
September 30, 2015	$ 3,197,838	$ 747,039	$ 9,850	$ 47,175	$ 4,001,902
December 31, 2014	3,473,176	662,208	11,158	45,705	4,192,247
Total long-lived assets (c):					
September 30, 2015	$ 2,914,461	$ 508,212	$ 3,717	$ (1,865)	$ 3,424,525
December 31, 2014	3,181,225	486,243	3,858	(622)	3,670,704
Total investments in unconsolidated joint ventures:					
September 30, 2015	$ 76,715	$ 221,717	$ 1,054	$ -	$ 299,486
December 31, 2014	81,649	164,912	907	-	247,468

(a) Total operating and interest expenses represent the sum of: real estate taxes; utilities; operating services; direct construction costs; real estate services expenses; general and administrative and interest expense (net of interest income). All interest expense, net of interest and other investment income, (including for property-level mortgages) is excluded from segment amounts and classified in Corporate & Other for all periods.

(b) Net operating income represents total revenues less total operating and interest expenses (as defined in Note "a"), plus equity in earnings (loss) of unconsolidated joint ventures, for the period.

(c) Long-lived assets are comprised of net investment in rental property, unbilled rents receivable and goodwill. The Company recorded an impairment charge of $164.2 million on assets included in the commercial and other real estate business segment for the three and nine months ended September 30, 2015. See Note 3: Recent Transactions – Impairments on Properties Held and Used.

(d) Corporate & Other represents all corporate-level items (including interest and other investment income, interest expense, non-property general and administrative expense, construction services revenue and direct construction costs) as well as intercompany eliminations necessary to reconcile to consolidated Company totals.

(e) Includes $1,621 of fees earned for this period from the multi-family real estate segment, which are eliminated in consolidation.

(f) Includes $1,199 of fees earned for this period from the multi-family real estate segment, which are eliminated in consolidation.

(g) Includes $4,452 of fees earned for this period from the multi-family real estate segment, which are eliminated in consolidation.

(h) Includes $2,962 of fees earned for this period from the multi-family real estate segment, which are eliminated in consolidation.

The following schedule reconciles net operating income to net income available to common shareholders: *(dollars in thousands)*

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Net operating income	$ 47,416	$ 43,804	$ 125,656	$ 118,635
Add (deduct):				
Depreciation and amortization	(44,099)	(41,983)	(127,266)	(131,679)
Realized gains on disposition of rental property, net	18,718	264	53,261	54,848
Gain on sale of investment in unconsolidated joint venture	-	-	6,448	-
Impairments	(164,176)	-	(164,176)	-
Net income (loss)	(142,141)	2,085	(106,077)	41,804
Noncontrolling interest in consolidated joint ventures	(281)	145	582	757
Noncontrolling interest in Operating Partnership	15,530	(248)	11,461	(4,754)
Net income (loss) available to common shareholders	$ (126,892)	$ 1,982	$ (94,034)	$ 37,807

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Consolidated Financial Statements of Mack-Cali Realty Corporation and the notes thereto (collectively, the "Financial Statements"). Certain defined terms used herein have the meaning ascribed to them in the Financial Statements.

Executive Overview

Mack-Cali Realty Corporation together with its subsidiaries, (the "Company") has been involved in all aspects of commercial real estate development, management and ownership for over 60 years and has been a publicly-traded real estate investment trust (REIT) since 1994. As of September 30, 2015, the Company owns or has interests in 274 properties (collectively, the "Properties"), consisting of 146 office and 109 flex properties, primarily class A office and office/flex buildings, totaling approximately 29.7 million square feet, leased to approximately 1,900 commercial tenants and 19 multi-family rental properties containing 5,644 residential units. The Properties are located primarily in the Northeast, some with adjacent, Company-controlled developable land sites able to accommodate up to 5.3 million square feet of additional commercial space and 10,901 apartment units.

The Company's historical strategy has been to focus its operations, acquisition and development of office properties in high-barrier-to entry markets and sub-markets where it believes it is, or can become, a significant and preferred owner and operator. With changing work force demographics and reduced demand for suburban office properties in its current markets, the Company intends to continue to leverage its experience and expertise in its core Northeast markets to pursue a strategy of rebalancing its portfolio to only include assets it believes will offer attractive risk adjusted returns. This strategy includes selectively disposing of non-core properties and redeploying the proceeds into other office assets and into the development of multi-family rental properties, as well as the repositioning of a portion of its office properties and land held for development to multi-family rental properties**.**

In September 2015, the Company announced a three-year strategic initiative to transform into a more concentrated owner of New Jersey Hudson River waterfront and transit-oriented office properties and a regional owner of luxury multi-family residential properties. In furtherance of this strategy, the Company has commenced a comprehensive review of its portfolio and operations and is developing a business strategy that focuses on reshaping its portfolio over time. As part of this plan, the Company anticipates that it may dispose of a significant portion of its properties that do not meet its long-term goals, and, in September 2015, compiled a list of its properties that it considers as non-core to its ongoing operations. Specifically, the Company considers a non-core property to have one or more of the following attributes: (1) assets that do not offer an opportunity to create a competive advantage; (2) assets that produce a low cash yield; (3) assets which have physical attributes that constrain their market competitiveness; and (4) assets located in low growth markets. The potential sales of these non-core properties over time would result in total estimated sales proceeds ranging from approximately $600 million to $800 million.

As a result of this disposition strategy, at September 30, 2015, the Company evaluated the recoverability of the carrying values of non-core properties and determined that due to the shortening of the expected periods of ownership it was necessary to reduce the carrying values of 22 rental properties to their estimated fair values and recorded an impairment charge on these properties of $158.6 million at September 30, 2015.

As an owner of real estate, almost all of the Company's earnings and cash flow is derived from rental revenue received pursuant to leased space at the Properties. Key factors that affect the Company's business and financial results include the following:

- the general economic climate;
- the occupancy rates of the Properties;
- rental rates on new or renewed leases;
- tenant improvement and leasing costs incurred to obtain and retain tenants;
- the extent of early lease terminations;
- the value of our office properties and the cash flow from the sale of such properties;
- operating expenses;
- anticipated acquisition and development costs for office and multi-family rental properties and the revenues and earnings from these properties;
- cost of capital; and
- the extent of acquisitions, development and sales of real estate, including the execution of the Company's current strategic initiative.

Any negative effects of the above key factors could potentially cause a deterioration in the Company's revenue and/or earnings. Such negative effects could include: (1) failure to renew or execute new leases as current leases expire; (2) failure to renew or execute new leases with rental terms at or above the terms of in-place leases; and (3) tenant defaults.

A failure to renew or execute new leases as current leases expire or to execute new leases with rental terms at or above the terms of in-place leases may be affected by several factors such as: (1) the local economic climate, which may be adversely impacted by business layoffs or downsizing, industry slowdowns, changing demographics and other factors; and (2) local real estate conditions, such as oversupply of the Company's product types or competition within the market.

Of the Company's 10 core office markets, several continue to be weak while others have stabilized. The percentage leased in the Company's consolidated portfolio of stabilized operating commercial properties aggregating 24 million, 25 million and 25 million square feet at September 30, 2015, June 30, 2015 and September 30, 2014, respectively, was 85.8 percent leased at September 30, 2015 as compared to 82.3 percent leased at June 30, 2015 and 83.7 percent leased at September 30, 2014. Percentage leased includes all leases in effect as of the period end date, some of which have commencement dates in the future and leases that expire at the period end date. Leases that expired as of September 30, 2015, June 30, 2015 and September 30, 2014 aggregate 64,226, 74,128 and 160,152 square feet, respectively, or 0.3, 0.3 and 0.6 percentage of the net rentable square footage, respectively. Rental rates (including escalations) on the Company's commercial space that was renewed (based on first rents payable) during the three months ended September 30, 2015 (on 481,316 square feet of renewals) increased an average of 3.7 percent compared to rates that were in effect under the prior leases, as compared to a 4.8 percent decrease during the three months ended September 30, 2014 (on 268,576 square feet of renewals). Estimated lease costs for the renewed leases during the three months ended September 30, 2015 averaged $3.19 per square foot per year for a weighted average lease term of 3.4 years and estimated lease costs for the renewed leases during the three months ended September 30, 2014 averaged $2.45 per square foot per year for a weighted average lease term of 3.4 years. Although the Company has achieved positive leasing results in its core markets recently, it believes that commercial vacancy rates may continue to increase and commercial rental rates may continue to decline in some of its markets in 2015 and possibly beyond. As of September 30, 2015, commercial leases which comprise approximately 8.0 percent of the Company's annualized base rent are scheduled to expire during the year ended December 31, 2016. Despite recent positive leasing activity, with the decline of rental rates in the Company's office markets generally over the past few years, as leases expire in 2015 and 2016, assuming no significant improvements in current market rental rates, the Company expects in many cases that the rental rates it is likely to achieve on new leases may be lower than the rates currently being paid, thereby resulting in less revenue from the same space. As a result of the above factors, the Company's future earnings and cash flow may be negatively impacted by current market conditions affecting its commercial portfolio.

As part of its strategic initiative described above, the Company may dispose of properties it considers non-core, and it may actively asset manage other low-growth real estate assets in a different way. The Company will selectively purchase assets in markets that it believes will offer above market returns. The Company believes that the opportunity to invest in multi-family development properties at higher returns on cost will position the Company to potentially produce higher levels of net operating income than if the Company were to only purchase stabilized multi-family rental properties at market returns. The Company anticipates that it will be several years before many of its multi-family development projects are income-producing. Until the recent positive leasing activity prove to be sustaining, the long-term nature of the Company's multi-family residential strategy coupled with the potential for continued weakness in some of the Company's office markets, and the disposition of income producing non-core office properties to fund the Company's planned office rental property acquisitions and multi-family residential development projects will likely result in static net operating income and cash flows relative to recent returns.

Primarily as a result of the factors described above, the Company believes that there is a potential for one or more of the three nationally recognized statistical rating organizations to lower their current investment grade ratings on the Company's senior unsecured debt to sub-investment grade in the near term. Amongst other things, any such downgrade by both Moody's and Standard & Poor's will increase the interest rate on outstanding borrowings under the Company's $600 million unsecured revolving credit facility from LIBOR plus 130 basis points to LIBOR plus 170 basis points and the annual credit facility fee it pays will increase from 30 to 35 basis points. In addition, a downgrade in its ratings to sub-investment grade would result in higher interest rates on senior unsecured debt that the Company may issue in the future as compared to issuing such debt with investment grade ratings.

The remaining portion of this Management's Discussion and Analysis of Financial Condition and Results of Operations should help the reader understand our:

- recent transactions;
- critical accounting policies and estimates;
- results from operations for the three and nine months ended September 30, 2015, as compared to the three and nine months ended September 30, 2014 and
- liquidity and capital resources.

Recent Transactions

Acquisitions
On October 23, 2015, the Company signed an agreement to acquire a 196,000 square-foot office property located in Edison, New Jersey, for approximately $53.1 million, subject to certain conditions. The acquisition is expected to be completed in the fourth quarter of 2015.

On April 1, 2015, the Company acquired vacant land to accommodate a two-phase development of the CitySquare Project for a purchase price of $3.1 million with an additional $1.25 million to be paid (which is accrued as of September 30, 2015), subject to certain conditions, in accordance with the terms of the purchase and sale agreement. The purchase price for the acquisition was funded primarily through borrowing under the Company's unsecured revolving credit facility. The first phase with 237 units started construction in the third quarter 2015 with anticipated initial deliveries in the second quarter 2017. The second phase, with 128 units, is projected to begin construction in 2017. Total development costs are estimated to be approximately $92.5 million (of which $7.1 million was incurred by the Company through September 30, 2015). For the nine months ended September 30, 2015, included in general and administrative expense was approximately $111,000 in transaction costs related to this acquisition.

Dispositions
On June 26, 2015, the Company sold its 203,506 square foot office property located at 14 Sylvan Way in Parsippany, New Jersey for net sales proceeds of approximately $80 million, with a gain of approximately $24.7 million from the sale.

On June 1, 2015, the Company sold its 25 percent equity interest in Rosewood Lafayette Holdings L.L.C., a joint venture which owns the Highlands at Morristown Station, a 217-unit multi-family property located in Morristown, New Jersey, to its joint venture partner with a gain on the sale of $6.4 million.

On January 15, 2015, the Company sold its 21,600 square foot office/flex property located at 1451 Metropolitan Drive in West Deptford, New Jersey for net sales proceeds of approximately $1.1 million, with a gain of approximately $0.1 million from the sale.

During the three months ended September 30, 2015, the Company transferred the deeds for two of its office properties to the lender in satisfaction of its mortgage loan obligations. The properties transferred consisted of 5 Becker Farm Road in Roseland, New Jersey, aggregating 118,343 square feet, which was collateral for a $14.4 million mortgage loan scheduled to mature on May 11, 2016, and 210 Clay Avenue in Lyndhurst, New Jersey, aggregating 121,203 square feet, which was collateral for a $13.8 million mortgage loan also scheduled to mature on May 11, 2016. During the three months ended June 30, 2015, the Company transferred the deeds for two of its office properties to the lender in satisfaction of its mortgage loan obligations. The properties transferred consisted of 4 Sylvan Way in Parsippany, New Jersey, aggregating 105,135 square feet, which was collateral for a $14.6 million mortgage loan that matured on August 11, 2014, and 10 Independence Boulevard in Warren, New Jersey, aggregating 120,528 square feet, which was collateral for a $16.9 million mortgage loan that matured on August 11, 2014. The Company had previously recorded impairment charges on these four properties totaling $25.2 million during the year ended December 31, 2013. During the three and nine months ended September 30, 2015, the Company recorded gains on the disposal of these office properties for a total of $18.7 million and $28.4 million, respectively.

Impairments on Properties Held and Used
In September 2015, the Company announced a three-year strategic initiative to transform the Company into a more concentrated owner of New Jersey Hudson River waterfront and transit-oriented office properties and a regional owner of luxury multi-family residential properties. In connection with the transformation of the Company's portfolio, management began developing a disposition plan in September 2015, which will be an ongoing assessment process. Through this plan, the Company, in the coming years, expects to dispose of primarily office properties considered non-core to its ongoing operations. As a result, at September 30, 2015, the Company evaluated the recoverability of the carrying values of these non-core properties, and determined that due to the shortening of the expected periods of ownership, it was necessary to reduce the carrying values of 22 rental properties to their estimated fair values. Accordingly, the Company recorded an impairment charge of $158.6 million at September 30, 2015 reducing the aggregate carrying values of these properties from $554.3 million to their estimated fair values of $395.7 million.

Four of the Company's office properties are collateral for a mortgage loan that matured on August 11, 2014, with a principal balance of $65.0 million as of September 30, 2015. The loan was not repaid at maturity and the Company is in discussions with the lender regarding potential options in satisfaction of the obligation (see Note 9: Mortgages, Loans Payable and Other Obligations). As of September 30, 2015, the Company estimated that the carrying value of three of these properties, aggregating 479,877 square feet and located in Roseland and Parsippany, New Jersey, may not be recoverable over their anticipated holding periods. In order to reduce the carrying values of the properties to their estimated fair values, the Company recorded impairment charges of $5.6 million at September 30, 2015, which resulted from the current decline in leasing activity and market rents of the properties identified. The Company had previously recorded impairment charges on these properties at September 30, 2013 of $12.5 million.

Unconsolidated Joint Venture Activity
RIVERPARK AT HARRISON I, L.L.C./RIVERPARK AT HARRISON
On July 14, 2015, Riverpark at Harrison I, L.L.C. ("Riverpark"), which owns a 141-unit multi-family rental property located in Harrison, New Jersey, refinanced the $23.4 million construction loan, and obtained a $30 million mortgage loan. The Company received a distribution of $1.7 million from the loan proceeds. Concurrent with the loan refinancing, the Company, which holds a 36 percent interest in Riverpark, and its venture partners that hold ownership interests aggregating 44 percent acquired the 20 percent interest of the remaining partner group for $2.1 million. As a result of the 20 percent redemption, the Company's ownership interest increased to 45 percent with the remaining venture partners owning 55 percent. The Company has determined that the joint venture is not a VIE since the equity investment at risk is sufficient to permit Riverpark to finance its activities without additional financial support. As control is shared with the partners in accordance with the operating agreement, the Company will continue to have an unconsolidated joint venture interest in Riverpark under the provisions of ASC 810, Consolidation.

KEYSTONE-PENN
On August 28, 2015, Rosetree KPG III, L.L.C., which owns a 236,417 square-foot two-building office property located in Media, Pennsylvania refinanced its $31.8 million loan and obtained a new $45.5 million mortgage loan. The Company received a distribution of $3.7 million as its share of the loan proceeds recognized as equity in earnings during the three and nine months ended September 30, 2015 (as a result of having no carrying value of its investment in the unconsolidated joint venture).

Critical Accounting Policies and Estimates

The accompanying consolidated financial statements include all accounts of the Company, its majority-owned and/or controlled subsidiaries, which consist principally of Mack-Cali Realty, L.P. (the "Operating Partnership"), and variable interest entities for which the Company has determined itself to be the primary beneficiary, if any. See Note 2: Significant Accounting Policies – Investments in Unconsolidated Joint Ventures – to the Financial Statements, for the Company's treatment of unconsolidated joint venture interests. Intercompany accounts and transactions have been eliminated.

Accounting Standards Codification ("ASC") 810, Consolidation, provides guidance on the identification of entities for which control is achieved through means other than voting rights ("variable interest entities" or "VIEs") and the determination of which business enterprise, if any, should consolidate the VIEs. Generally, the consideration of whether an entity is a VIE applies when either: (1) the equity investors (if any) lack (i) the ability to make decisions about the entity's activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity, or (iii) the right to receive the expected residual returns of the entity; (2) the equity investment at risk is insufficient to finance that entity's activities without additional subordinated financial support; or (3) the equity investors have voting rights that are not proportionate to their economic interests and the activities of the entity involve or are conducted on behalf of an investor with a disproportionately small voting interest. The Company consolidates VIEs in which it is considered to be the primary beneficiary. The primary beneficiary is defined by the entity having both of the following characteristics: (1) the power to direct the activities that, when taken together, most significantly impact the variable interest entity's performance: and (2) the obligation to absorb losses and right to receive the returns from the VIE that would be significant to the VIE.

The Financial Statements have been prepared in conformity with generally accepted accounting principles. The preparation of the Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements, and the reported amounts of revenues and expenses during the reported period. These estimates and assumptions are based on management's historical experience that are believed to be reasonable at the time. However, because future events and their effects cannot be determined with certainty, the determination of estimates requires the exercise of judgment. The Company's critical accounting policies are those which require assumptions to be made about matters that are highly uncertain. Different estimates could have a material effect on the Company's financial results. Judgments and uncertainties affecting the application of these policies and estimates may result in materially different amounts being reported under different conditions and circumstances.

Rental Property:

Rental properties are stated at cost less accumulated depreciation and amortization. Costs directly related to the acquisition, development and construction of rental properties are capitalized. Acquisition-related costs are expensed as incurred. Capitalized development and construction costs include pre-construction costs essential to the development of the property, development and construction costs, interest, property taxes, insurance, salaries and other project costs incurred during the period of development. Interest capitalized by the Company for the nine months ended September 30, 2015 and 2014 was $11.7 million and $10.7 million, respectively. Ordinary repairs and maintenance are expensed as incurred; major replacements and betterments, which improve or extend the life of the asset, are capitalized and depreciated over their estimated useful lives. Fully-depreciated assets are removed from the accounts.

The Company considers a construction project as substantially completed and held available for occupancy upon the substantial completion of tenant improvements, but no later than one year from cessation of major construction activity (as distinguished from activities such as routine maintenance and cleanup). If portions of a rental project are substantially completed and occupied by tenants, or held available for occupancy, and other portions have not yet reached that stage, the substantially completed portions are accounted for as a separate project. The Company allocates costs incurred between the portions under construction and the portions substantially completed and held available for occupancy, primarily based on a percentage of the relative square footage of each portion, and capitalizes only those costs associated with the portion under construction.

Properties are depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Leasehold interests	Remaining lease term
Buildings and improvements	5 to 40 years
Tenant improvements	The shorter of the term of the related lease or useful life
Furniture, fixtures and equipment	5 to 10 years

Upon acquisition of rental property, the Company estimates the fair value of acquired tangible assets, consisting of land, building and improvements, and identified intangible assets and liabilities assumed, generally consisting of the fair value of (i) above and below market leases, (ii) in-place leases and (iii) tenant relationships. The Company allocates the purchase price to the assets acquired and liabilities assumed based on their fair values. The Company records goodwill or a gain on bargain purchase (if any) if the net assets acquired/liabilities assumed exceed the purchase consideration of a transaction. In estimating the fair value of the tangible and intangible assets acquired, the Company considers information obtained about each property as a result of its due diligence and marketing and leasing activities, and utilizes various valuation methods, such as estimated cash flow projections utilizing appropriate discount and capitalization rates, estimates of replacement costs net of depreciation, and available market information. The fair value of the tangible assets of an acquired property considers the value of the property as if it were vacant.

Above-market and below-market lease values for acquired properties are initially recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) management's estimate of fair market lease rates for each corresponding in-place lease, measured over a period equal to the remaining term of the lease for above-market leases and the remaining initial term plus the term of any below-market fixed rate renewal options for below-market leases. The capitalized above-market lease values are amortized as a reduction of base rental revenue over the remaining terms of the respective leases, and the capitalized below-market lease values are amortized as an increase to base rental revenue over the remaining initial terms plus the terms of any below-market fixed rate renewal options of the respective leases.

Other intangible assets acquired include amounts for in-place lease values and tenant relationship values, which are based on management's evaluation of the specific characteristics of each tenant's lease and the Company's overall relationship with the respective tenant. Factors to be considered by management in its analysis of in-place lease values include an estimate of carrying costs during hypothetical expected lease-up periods considering current market conditions, and costs to execute similar leases. In estimating carrying costs, management includes real estate taxes, insurance and other operating expenses and estimates of lost rentals at market rates during the expected lease-up periods, depending on local market conditions. In estimating costs to execute similar leases, management considers leasing commissions, legal and other related expenses. Characteristics considered by management in valuing tenant relationships include the nature and extent of the Company's existing business relationships with the tenant, growth prospects for developing new business with the tenant, the tenant's credit quality and expectations of lease renewals. The value of in-place leases are amortized to expense over the remaining initial terms of the respective leases. The value of tenant relationship intangibles are amortized to expense over the anticipated life of the relationships.

On a periodic basis, management assesses whether there are any indicators that the value of the Company's rental properties held for use may be impaired. In addition to identifying any specific circumstances which may affect a property or properties, management considers other criteria for determining which properties may require assessment for potential impairment. The criteria considered by management include reviewing low leased percentages, significant near-term lease expirations, recently acquired properties, current and historical operating and/or cash flow losses, near-term mortgage debt maturities or other factors that might impact the Company's intent and ability to hold the property. A property's value is impaired only if management's estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property is less than the carrying value of the property. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying value of the property over the fair value of the property. The Company's estimates of aggregate future cash flows expected to be generated by each property are based on a number of assumptions. These assumptions are generally based on management's experience in its local real estate markets and the effects of current market conditions. The assumptions are subject to economic and market uncertainties including, among others, demand for space, competition for tenants, changes in market rental rates, and costs to operate each property. As these factors are difficult to predict and are subject to future events that may alter management's assumptions, the future cash flows estimated by management in its impairment analyses may not be achieved, and actual losses or impairments may be realized in the future. See Note 3: Recent Transactions – Impairments on Properties Held and Used – to the Financial Statements.

Rental Property Held for Sale:
When assets are identified by management as held for sale, the Company discontinues depreciating the assets and estimates the sales price, net of selling costs, of such assets. If, in management's opinion, the estimated net sales price of the assets which have been identified as held for sale is less than the net book value of the assets, a valuation allowance is established.

If circumstances arise that previously were considered unlikely and, as a result, the Company decides not to sell a property previously classified as held for sale, the property is reclassified as held and used. A property that is reclassified is measured and recorded individually at the lower of (a) its carrying value before the property was classified as held for sale, adjusted for any depreciation (amortization) expense that would have been recognized had the property been continuously classified as held and used, or (b) the fair value at the date of the subsequent decision not to sell.

Investments in Unconsolidated Joint Ventures:
The Company accounts for its investments in unconsolidated joint ventures under the equity method of accounting. The Company applies the equity method by initially recording these investments at cost, as Investments in Unconsolidated Joint Ventures, subsequently adjusted for equity in earnings and cash contributions and distributions. The outside basis portion of the Company's joint ventures is amortized over the anticipated useful lives of the underlying ventures' tangible and intangible assets acquired and liabilities assumed. Generally, the Company would discontinue applying the equity method when the investment (and any advances) is reduced to zero and would not provide for additional losses unless the Company has guaranteed obligations of the venture or is otherwise committed to providing further financial support for the investee. If the venture subsequently generates income, the Company only recognizes its share of such income to the extent it exceeds its share of previously unrecognized losses.

On a periodic basis, management assesses whether there are any indicators that the value of the Company's investments in unconsolidated joint ventures may be impaired. An investment is impaired only if management's estimate of the value of the investment is less than the carrying value of the investment, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying value of the investment over the value of the investment. The Company's estimates of value for each investment (particularly in real estate joint ventures) are based on a number of assumptions that are subject to economic and market uncertainties including, among others, demand for space, competition for tenants, changes in market rental rates, and operating costs. As these factors are difficult to predict and are subject to future events that may alter management's assumptions, the values estimated by management in its impairment analyses may not be realized, and actual losses or impairment may be realized in the future. See Note 4: Investments in Unconsolidated Joint Ventures – to the Financial Statements.

Revenue Recognition:
Base rental revenue is recognized on a straight-line basis over the terms of the respective leases. Unbilled rents receivable represents the cumulative amount by which straight-line rental revenue exceeds rents currently billed in accordance with the lease agreements.

Above-market and below-market lease values for acquired properties are initially recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) management's estimate of fair market lease rates for each corresponding in-place lease, measured over a period equal to the remaining term of the lease for above-market leases and the remaining initial term plus the term of any below-market fixed-rate renewal options for below-market leases. The capitalized above-market lease values for acquired properties are amortized as a reduction of base rental revenue over the remaining terms of the respective leases, and the capitalized below-market lease values are amortized as an increase to base rental revenue over the remaining initial terms plus the terms of any below-market fixed-rate renewal options of the respective leases.

Escalations and recoveries from tenants are received from tenants for certain costs as provided in the lease agreements. These costs generally include real estate taxes, utilities, insurance, common area maintenance and other recoverable costs.

Real estate services revenue includes property management, development, construction and leasing commission fees and other services, and payroll and related costs reimbursed from clients. Fee income derived from the Company's unconsolidated joint ventures (which are capitalized by such ventures) are recognized to the extent attributable to the unaffiliated ownership interests.

Parking income includes income from parking spaces leased to tenants and others.

Other income includes income from tenants for additional services arranged for by the Company and income from tenants for early lease terminations.

Allowance for Doubtful Accounts:
Management performs a detailed review of amounts due from tenants to determine if an allowance for doubtful accounts is required based on factors affecting the collectability of the accounts receivable balances. The factors considered by management in determining which individual tenant receivable balances, or aggregate receivable balances, require a collectability allowance include the age of the receivable, the tenant's payment history, the nature of the charges, any communications regarding the charges and other related information. Management's estimate of the allowance for doubtful accounts requires management to exercise significant judgment about the timing, frequency and severity of collection losses, which affects the allowance and net income.

Discontinued Operations:
In April 2014, the FASB issued guidance related to the reporting of discontinued operation and disclosures of disposals of components of an entity. This guidance defines a discontinued operation as a component or group of components disposed or classified as held for sale and represents a strategic shift that has (or will have) a major effect on an entity's operations and final result; the guidance states that a strategic shift could include a disposal of a major geographical area of operations, a major line of business, a major equity method investment or other major parts of an entity. The guidance also provides for additional disclosure requirements in connection with both discontinued operations and other dispositions not qualifying as discontinued operations. The guidance is effective for all companies for annual and interim periods beginning on or after December 15, 2014. The guidance applies prospectively to new disposals and new classifications of disposal groups as held for sale after the effective date. All entities could early adopt the guidance for new disposals (or new classifications as held for sale) that had not been reported in financial statements previously issued or available for issuance. The Company elected to early adopt this standard effective with the interim period beginning January 1, 2014. Prior to January 1, 2014, properties identified as held for sale and/or disposed of were presented in discontinued operations for all periods presented.

Results From Operations

The following comparisons for the three and nine months ended September 30, 2015 ("2015"), as compared to the three and nine months ended September 30, 2014 ("2014"), make reference to the following: (i) the effect of the "Same-Store Properties," which represent all in-service properties owned by the Company at June 30, 2014, (for the three-month period comparisons), and which represent all in-service properties owned by the Company at December 31, 2013 (for the nine-month period comparisons), excluding properties that were sold, disposed of, removed from service, or being redeveloped or repositioned from January 1, 2014 through September 30, 2015; (ii) the effect of the "Acquired Properties," which represent all properties acquired by the Company or commencing initial operations from July 1, 2014 through September 30, 2015 (for the three-month comparisons), and which represent all properties acquired by the Company or commencing initial operation from January 1, 2014 through September 30, 2015 (for the nine-month period comparisons) and (iii) the effect of "Properties Sold," which represent properties sold, disposed of, or removed from service (including properties being redeveloped or repositioned) by the Company from January 1, 2014 through September 30, 2015. During the 2015 and 2014 periods, four office properties, aggregating 657,523 square feet, were removed from service as they were being redeveloped by the Company.

Three Months Ended September 30, 2015 Compared to Three Months Ended September 30, 2014

(dollars in thousands)	Three Months Ended September 30, 2015	2014	Dollar Change	Percent Change
Revenue from rental operations and other:				
Base rents	$ 119,707	$ 125,793	$ (6,086)	(4.8) %
Escalations and recoveries from tenants	15,050	19,172	(4,122)	(21.5)
Parking income	2,749	2,255	494	21.9
Other income	1,142	647	495	76.5
Total revenues from rental operations	138,648	147,867	(9,219)	(6.2)
Property expenses:				
Real estate taxes	19,143	22,154	(3,011)	(13.6)
Utilities	13,172	15,701	(2,529)	(16.1)
Operating services	24,535	26,519	(1,984)	(7.5)
Total property expenses	56,850	64,374	(7,524)	(11.7)
Non-property revenues:				
Real estate services	7,510	7,622	(112)	(1.5)
Total non-property revenues	7,510	7,622	(112)	(1.5)
Non-property expenses:				
Real estate services expenses	6,673	6,933	(260)	(3.8)
General and administrative	13,670	12,665	1,005	7.9
Depreciation and amortization	44,099	41,983	2,116	5.0
Impairments	164,176	-	164,176	-
Total non-property expenses	228,618	61,581	167,037	271.2
Operating income (loss)	(139,310)	29,534	(168,844)	(571.7)
Other (expense) income:				
Interest expense	(24,689)	(27,353)	2,664	9.7
Interest and other investment income	5	908	(903)	(99.4)
Equity in earnings (loss) of unconsolidated joint ventures	3,135	(1,268)	4,403	347.2
Realized gains (losses) on disposition of rental property, net	18,718	264	18,454	6,990.2
Gain on sale of investment in unconsolidated joint venture	-	-	-	-
Total other (expense) income	(2,831)	(27,449)	24,618	89.7
Net income (loss)	(142,141)	2,085	(144,226)	(6,917.3)
Noncontrolling interest in consolidated joint ventures	(281)	145	(426)	(293.8)
Noncontrolling interest in Operating Partnership	15,530	(248)	15,778	6,362.1
Net income (loss) available to common shareholders	$ (126,892)	$ 1,982	$ (128,874)	(6,502.2) %

The following is a summary of the changes in revenue from rental operations and property expenses in 2015 as compared to 2014 divided into Same-Store Properties, Acquired Properties and Properties Sold in 2014 and 2015 *(dollars in thousands):*

	Total Company		Same-Store Properties		Acquired Properties		Properties Sold in 2014 and 2015	
(*dollars in thousands*)	Dollar Change	Percent Change	Dollar Change	Percent Change	Dollar Change	Percent Change	Dollar Change	Percent Change
Revenue from rental operations and other:								
Base rents	$ (6,086)	(4.8) %	$ 1,401	1.1 %	$ -	- %	$ (7,487)	(5.9) %
Escalations and recoveries from tenants	(4,122)	(21.5)	(2,939)	(15.3)	-	-	(1,183)	(6.2)
Parking income	494	21.9	303	13.4	189	8.4	2	0.1
Other income	495	76.5	493	76.2	-	-	2	0.3
Total	$ (9,219)	(6.2) %	$ (742)	(0.5) %	$ 189	0.1 %	$ (8,666)	(5.9) %
Property expenses:								
Real estate taxes	$ (3,011)	(13.6) %	$ (2,549)	(11.5) %	$ 314	1.4 %	$ (776)	(3.5) %
Utilities	(2,529)	(16.1)	(1,917)	(12.2)	-	-	(612)	(3.9)
Operating services	(1,984)	(7.5)	(638)	(2.4)	162	0.6	(1,508)	(5.7)
Total	$ (7,524)	(11.7) %	$ (5,104)	(7.9) %	$ 476	0.7 %	$ (2,896)	(4.5) %
OTHER DATA:								
Number of Consolidated Properties	222		222		-		26	
Commercial Square feet *(in thousands)*	24,016		24,016		-		3,959	
Multi-family portfolio *(number of units)*	1,301		1,301		-		-	

Base rents. Base rents for the Same-Store Properties increased $1.4 million, or 1.1 percent, for 2015 as compared to 2014, due primarily to an increase in occupancy in 2015 as compared to 2014, which resulted from a 160 basis point increase in the average same store percent leased to 85.3 percent from 83.7 percent, partially offset by a $0.19 decrease in average annual rents per square foot to $22.18 from $22.37.

Escalations and recoveries. Escalations and recoveries from tenants for the Same-Store Properties decreased $2.9 million, or 15.3 percent, for 2015 over 2014 due primarily to recoveries from tenants of higher electric expenses in 2014 which the Company partially recovers from tenants pursuant to the terms of most of its leases with significantly lower expenses to recover in 2015.

Parking income. Parking income for the Same-Store Properties increased $0.3 million, or 13.4 percent, for 2015 as compared to 2014 due primarily to increased usage.

Other income. Other income for the Same-Store Properties increased $0.5 million, or 76.2 percent, for 2015 as compared to 2014, due primarily to various small income items in 2015 as compared to 2014.

Real estate taxes. Real estate taxes on the Same-Store Properties decreased $2.5 million, or 11.5 percent, for 2015 as compared to 2014. The change in real estate taxes principally results from an increase in tax appeal proceeds received in 2015 as compared to 2014. Real estate taxes, without the effect of net tax appeal proceeds, increased $0.4 million, or 1.7 percent, for 2015 as compared to 2014 due primarily to increased rates.

Utilities. Utilities for the Same-Store Properties decreased $1.9 million, or 12.2 percent, for 2015 as compared to 2014, due primarily to decreased electricity rates in 2015 as compared to 2014.

Operating Services. Operating services for the Same-Store Properties decreased $0.6 million, or 2.4 percent, due primarily to a decrease in property maintenance costs in 2015 as compared to 2014.

Real estate services revenue. Real estate services revenue (primarily reimbursement of property personnel costs) decreased $0.1 million, or 1.5 percent, for 2015 as compared to 2014, due primarily to decreased third party development and management activity in multi-family services in 2015 as compared to 2014.

Real estate services expense. Real estate services expense decreased $0.3 million, or 3.8 percent, for 2015 as compared to 2014, due primarily to decreased compensation and related costs.

General and administrative. General and administrative expenses increased $1.0 million in 2015 as compared to 2014, due primarily to separation costs of $1.5 million related to terminated employees in 2015, partially offset by lower professional fees and marketing expenses for 2015 as compared to 2014.

Depreciation and amortization. Depreciation and amortization increased $2.1 million, or 5.0 percent, for 2015 over 2014. This increase was due primarily to accelerated depreciation in 2015 for properties being removed from service.

Impairments. The Company recorded impairments on assets held and used for 25 properties totaling $164.2 million in 2015. See Note 3: Recent Transactions – to the Financial Statements.

Interest expense. Interest expense decreased $2.7 million, or 9.7 percent, for 2015 as compared to 2014. This decrease was primarily the result of lower overall average debt balances in 2015 as compared to 2014.

Interest and other investment income. Interest and other investment income decreased $0.9 million, or 99.4 percent, for 2015 as compared to 2014. This was primarily due to interest income on lower average notes receivable balances in 2015.

Equity in earnings (loss) of unconsolidated joint ventures. Equity in earnings of unconsolidated joint ventures increased $4.4 million, or 347.2 percent, for 2015 as compared to 2014. The increase was due primarily to income of $3.7 million in 2015 from distributions received from the Keystone-Penn joint venture due to a loan refinancing of the venture's property.

Realized gains (losses) on disposition of rental property, net. The Company had realized gains on disposition of rental property of $18.7 million in 2015 and $0.3 million in 2014. See Note 3: Recent Transactions – to the Financial Statements.

Net income (loss). Net income decreased to a loss of $142.1 million in 2015 from income of $2.1 million in 2014. The decrease of $144.2 million was due to the factors discussed above.

Net income (loss) available to common shareholders. Net income available to common shareholders decreased $128.9 million, or 6,502.2 percent, from income of $2.0 million in 2014 to a loss of $126.9 million in 2015. The decrease was primarily due to a decrease in net income of $144.2 million (primarily due to $164.2 million in impairments in 2015) for 2015 as compared to 2014 and a decrease in noncontrolling interest in consolidated joint ventures of $0.4 million for 2015 as compared to 2014. These were partially offset by an increase in noncontrolling interest in Operating Partnership of approximately $15.7 million for 2015 as compared to 2014.

Nine Months Ended September 30, 2015 Compared to Nine Months Ended September 30, 2014

(dollars in thousands)	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014	Dollar Change	Percent Change
Revenue from rental operations and other:				
Base rents	$ 364,746	$ 393,054	$ (28,308)	(7.2) %
Escalations and recoveries from tenants	49,291	61,736	(12,445)	(20.2)
Parking income	8,141	6,605	1,536	23.3
Other income	3,707	2,667	1,040	39.0
Total revenues from rental operations	425,885	464,062	(38,177)	(8.2)
Property expenses:				
Real estate taxes	63,005	69,880	(6,875)	(9.8)
Utilities	44,146	58,555	(14,409)	(24.6)
Operating services	78,607	83,581	(4,974)	(6.0)
Total property expenses	185,758	212,016	(26,258)	(12.4)
Non-property revenues:				
Real estate services	22,555	21,323	1,232	5.8
Total non-property revenues	22,555	21,323	1,232	5.8
Non-property expenses:				
Real estate services expenses	19,520	20,213	(693)	(3.4)
General and administrative	36,669	49,219	(12,550)	(25.5)
Depreciation and amortization	127,266	131,679	(4,413)	(3.4)
Impairments	164,176	-	164,176	-
Total non-property expenses	347,631	201,111	146,520	72.9
Operating income (loss)	(84,949)	72,258	(157,207)	(217.6)
Other (expense) income:				
Interest expense	(78,677)	(85,458)	6,781	7.9
Interest and other investment income	563	2,216	(1,653)	(74.6)
Equity in earnings (loss) of unconsolidated joint ventures	(2,723)	(2,060)	(663)	(32.2)
Realized gains (losses) on disposition of rental property, net	53,261	54,848	(1,587)	(2.9)
Gain on sale of investment in unconsolidated joint venture	6,448	-	6,448	-
Total other (expense) income	(21,128)	(30,454)	9,326	30.6
Net income (loss)	(106,077)	41,804	(147,881)	(353.7)
Noncontrolling interest in consolidated joint ventures	582	757	(175)	(23.1)
Noncontrolling interest in Operating Partnership	11,461	(4,754)	16,215	341.1
Net income (loss) available to common shareholders	$ (94,034)	$ 37,807	$ (131,841)	(348.7) %

The following is a summary of the changes in revenue from rental operations and property expenses in 2015 as compared to 2014 divided into Same-Store Properties, Acquired Properties and Properties Sold or removed from service in 2014 and 2015 *(dollars in thousands):*

(*dollars in thousands*)	Total Company Dollar Change	Total Company Percent Change	Same-Store Properties Dollar Change	Same-Store Properties Percent Change	Acquired Properties Dollar Change	Acquired Properties Percent Change	Properties Sold in 2014 and 2015 Dollar Change	Properties Sold in 2014 and 2015 Percent Change
Revenue from rental operations and other:								
Base rents	$ (28,308)	(7.2) %	$ 3,474	0.9 %	$ 990	0.3 %	$ (32,772)	(8.4) %
Escalations and recoveries from tenants	(12,445)	(20.2)	(5,844)	(9.5)	37	0.1	(6,638)	(10.8)
Parking income	1,536	23.3	939	14.3	594	9.0	3	-
Other income	1,040	39.0	651	24.5	60	2.2	329	12.3
Total	$ (38,177)	(8.2) %	$ (780)	(0.2) %	$ 1,681	0.4 %	$ (39,078)	(8.4) %
Property expenses:								
Real estate taxes	$ (6,875)	(9.8) %	$ (4,119)	(5.9) %	$ 1,660	2.4 %	$ (4,416)	(6.3) %
Utilities	(14,409)	(24.6)	(8,345)	(14.3)	155	0.3	(6,219)	(10.6)
Operating services	(4,974)	(6.0)	1,851	2.2	870	1.0	(7,695)	(9.2)
Total	$ (26,258)	(12.4) %	$ (10,613)	(5.0) %	$ 2,685	1.3 %	$ (18,330)	(8.7) %
OTHER DATA:								
Number of Consolidated Properties	222		221		1		26	
Commercial Square feet *(in thousands)*	24,016		24,016		-		3,959	
Multi-family portfolio *(number of units)*	1,301		1,081		220		-	

Base rents. Base rents for the Same-Store Properties increased $3.5 million, or 0.9 percent, for 2015 as compared to 2014, due primarily to an increase in occupancy in 2015 as compared to 2014, which resulted from a 30 basis point increase in the average same store percent leased to 84.4 percent from 84.1 percent and an increase in average annual rents per square foot to $22.23 from $22.21.

Escalations and recoveries. Escalations and recoveries from tenants for the Same-Store Properties decreased $5.8 million, or 9.5 percent, for 2015 over 2014 due primarily to recoveries from tenants of higher electric expenses in 2014 which the Company partially recovers from tenants pursuant to the terms of most of its leases with significantly lower expenses to recover in 2015.

Parking income. Parking income for the Same-Store Properties increased $0.9 million, or 14.3 percent, for 2015 as compared to 2014 due primarily to increased usage.

Other income. Other income for the Same-Store Properties increased $0.7 million, or 24.5 percent, due primarily to an increase in lease breakage fees recognized in 2015 as compared to 2014.

Real estate taxes. Real estate taxes on the Same-Store Properties decreased $4.1 million, or 5.9 percent, for 2015 as compared to 2014. The change in real estate taxes principally results from an increase in tax appeal proceeds received in 2015 as compared to 2014. Real estate taxes, without the effect of net tax appeal proceeds, increased $2.4 million, or 3.4 percent, for 2015 as compared to 2014, due primarily to increased rates.

Utilities. Utilities for the Same-Store Properties decreased $8.3 million, or 14.3 percent, for 2015 as compared to 2014, due primarily to decreased electricity rates in 2015 as compared to 2014. Extended winter freeze conditions in early 2014 caused record electricity demand, and combined with reduced natural gas production and distribution disruptions, resulted in significant market price increases for electricity during the 2014 period.

Operating services. Operating services for the Same-Store Properties increased $1.9 million, or 2.2 percent, due primarily to an increase in snow removal and other maintenance and service costs of $1.8 million in 2015 as compared to 2014.

Real estate services revenue. Real estate services revenue (primarily reimbursement of property personnel costs) increased $1.2 million, or 5.8 percent, for 2015 as compared to 2014, due primarily to increased third party development and management activity in multi-family services in 2015 as compared to 2014.

Real estate services expense. Real estate services expense decreased $0.7 million, or 3.4 percent, for 2015 as compared to 2014, due primarily to decreased compensation and related costs.

General and administrative. General and administrative expenses decreased $12.6 million or 25.5 percent, in 2015 as compared to 2014, due primarily to approximately $11 million in severance costs related to the departure of two of the Company's executive officers in 2014, and acquisition transaction costs of $1.9 million incurred in 2014.

Depreciation and amortization. Depreciation and amortization decreased $4.4 million, or 3.4 percent, for 2015 over 2014. This decrease was due primarily to assets of the Same-Store Properties becoming fully amortized and depreciation in 2014 for properties sold in 2014 and early 2015. These were partially offset by accelerated depreciation in 2015 for properties being removed from service.

Impairments. The Company recorded impairment charges on properties held and used for 25 properties totaling $164.2 million in 2015. See Note 3: Recent Transactions – to the Financial Statements.

Interest expense. Interest expense decreased $6.8 million, or 7.9 percent, for 2015 as compared to 2014. This decrease was primarily the result of lower overall average debt balances in 2015 as compared to 2014.

Interest and other investment income. Interest and other investment income decreased $1.7 million, or 74.6 percent, for 2015 as compared to 2014. This was primarily due to interest income on lower average notes receivable balances in 2015.

Equity in earnings (loss) of unconsolidated joint ventures. Equity in earnings (loss) of unconsolidated joint ventures decreased $0.7 million, or 32.2 percent, for 2015 as compared to 2014. The decrease was due primarily to a gain of $2.4 million in 2014 from the Stamford SM venture (the venture's note receivable was repaid in 2014), and a loss of $2.6 million in 2015 from the Capitol Place Mezz venture (which commenced operations in 2015). These were partially offset by income of $3.7 million in 2015 from distributions received from the Keystone-Penn joint venture due to a loan refinancing of the venture's property.

Realized gains (losses) on disposition of rental property, net. The Company had realized gains on disposition of rental property of $53.3 million in 2015 and $54.8 million in 2014. See Note 3: Recent Transactions – to the Financial Statements.

Gain on sale of investment in unconsolidated joint venture. The Company realized a gain of $6.4 million in 2015 on the sale of its equity interest in the Rosewood Lafayette Holdings L.L.C. joint venture.

Net income (loss). Net income decreased to a loss of $106.1 million in 2015 from income of $41.8 million in 2014. The decrease of $147.9 million was due to the factors discussed above.

Net income (loss) available to common shareholders. Net income available to common shareholders decreased $131.8 million, or 348.7 percent, from income of $37.8 million in 2014 to a loss of $94.0 million in 2015. The decrease was primarily due to a decrease in net income of $147.9 million for 2015 (primarily due to $164.2 million in impairments in 2015) as compared to 2014 and a decrease in noncontrolling interest in consolidated joint ventures of $0.2 million for 2015 as compared to 2014. These were partially offset by an increase in noncontrolling interest in Operating Partnership of approximately $16.3 million for 2015 as compared to 2014.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Overview:
Historically, rental revenue has been the Company's principal source of funds to pay operating expenses, debt service, capital expenditures and dividends, excluding non-recurring capital expenditures. To the extent that the Company's cash flow from operating activities is insufficient to finance its non-recurring capital expenditures such as property acquisitions, development and construction costs and other capital expenditures, the Company has and expects to continue to finance such activities through borrowings under its revolving credit facility, other debt and equity financings, proceeds from the sale of properties and joint venture capital.

The Company expects to meet its short-term liquidity requirements generally through its working capital, which may include proceeds from the sales of office properties, net cash provided by operating activities and from its revolving credit facility. The Company frequently examines potential property acquisitions and development projects and, at any given time, one or more of such acquisitions or development projects may be under consideration. Accordingly, the ability to fund property acquisitions and development projects is a major part of the Company's financing requirements. The Company expects to meet its financing requirements through funds generated from operating activities, to the extent available, proceeds from property sales, joint venture capital, long-term and short-term borrowings (including draws on the Company's revolving credit facility) and the issuance of additional debt and/or equity securities.

Repositioning of the Company's Portfolio:
As described earlier relative to its current strategic initiative, the Company's management has been reviewing its portfolio and identifying opportunities to divest of non-core office properties that no longer meet its long-term strategy, have reached their potential, are less efficient to operate, or when market conditions are favorable to be sold at attractive prices. The Company anticipates redeploying the proceeds from non-core rental property sales in the near-term to acquire office properties, develop, redevelop and acquire multi-family rental properties, as well as reposition certain office properties into multi-family residential and/or mixed use properties, in its core Northeast sub-markets.

Construction Projects:
On May 21, 2014, the Company entered into a joint venture agreement with Ironstate Harborside-A LLC ("ISA") to form Harborside Unit A Urban Renewal, L.L.C. ("URL-Harborside"), a newly-formed joint venture that will develop, own and operate a high-rise tower of approximately 763 multi-family apartment units above a parking pedestal to be located on land contributed by the Company at its Harborside complex in Jersey City, New Jersey (the "URL Project"). The Company owns an 85 percent interest in URL-Harborside and the remaining interest is owned by ISA, with shared control over major decisions such as approval of budgets, property financings and leasing guidelines. The construction of the URL Project is estimated to cost a total of approximately $320 million (of which development costs of $174.4 million have been incurred by URL-Harborside through September 30, 2015). The URL Project is projected to be ready for occupancy by the fourth quarter of 2016. The venture has a construction/permanent loan with a maximum borrowing amount of $192 million (with $22.9 million outstanding as of September 30, 2015), which bears interest at a rate of 5.197 percent and matures in August 2029. The Company does not expect to fund any future development costs of the project, as future development costs will be funded by using the loan financing.

In July 2012, the Company entered into a ground lease with Wegmans Food Markets, Inc. ("Wegmans") at the Company's undeveloped site located at Sylvan Way and Ridgedale Avenue in Hanover Township, New Jersey. Subject to receiving all necessary governmental approvals, Wegmans intends to construct a store of approximately 140,000 square feet on a finished pad scheduled to be completed in the first quarter of 2017. The project is expected to cost approximately $28.7 million to complete (of which, as of September 30, 2015 the Company has incurred $13.9 million of the development costs, and estimates it will need to fund an additional $14.8 million for the completion of the project).

The Company owns a 76.25 percent interest in a consolidated joint venture which is constructing a 108-unit multi-family development rental property located in Eastchester, New York (the "Eastchester Project"). The project is expected to be ready for occupancy by the second quarter of 2016. The Eastchester Project is estimated to cost a total of $50 million (of which development costs of $22.7 million have been incurred through September 30, 2015). The venture has a $28.8 million construction loan (with $6.6 million outstanding as of September 30, 2015). The Company expects to fund approximately $20.9 million for the development of the project (of which, as of September 30, 2015, the Company has incurred $13.5 million of the development costs and estimates it will need to fund an additional $7.4 million for the completion of the project).

On April 1, 2015, the Company acquired vacant land to accommodate a two-phase development of the CitySquare Project for a purchase price of $3.1 million with an additional $1.25 million to be paid (which is accrued as of September 30, 2015), subject to certain conditions, in accordance with the terms of the purchase and sale agreement. The purchase price for the acquisition was funded primarily through borrowing under the Company's unsecured revolving credit facility. The first phase with 237 units started construction in the third quarter 2015 with anticipated initial deliveries in the second quarter 2017. The second phase, with 128 units, is projected to begin construction in 2017. Total development costs are estimated to be approximately $92.5 million (of which $7.1 million was incurred by the Company through September 30, 2015 and estimates it will need to fund an additional $85.4 million for the completion of the project).

On October 6, 2015, the Company entered into a joint venture partnership with XS Port Imperial Hotel, LLC ("XS") to form XS Hotel Urban Renewal Associates LLC ("XS Hotel URA") for the development and ownership of a 364-key dual branded hotel property located in Weehawken, New Jersey ("Port Imperial Hotel"). Concurrently, the Company and XS entered into a separate joint venture partnership to form XS Hotel Associates, L.L.C. ("XS Hotel") for the management and operations of the completed hotel development. The Company holds a 90 percent interest and XS holds the remaining 10 percent interest in the consolidated joint ventures, XS Hotel URA and XS Hotel, with the Company having full and complete authority, power, and discretion to manage and control the ventures' business, affairs, and property. The construction of the Port Imperial Hotel is estimated to cost a total of $129.6 million, which will be funded by a $94 million construction loan with the balance to be funded with members' capital. Upon closing, Mack-Cali's initial contribution was $27.3 million, which included a capital credit of $23.7 million for its contributed Hotel Condominium Land unit, and XS Hotel's initial contribution was $3 million. The Company expects to fund additional costs of approximately $4.8 million.

The Company owns developable land to accommodate a multi-phase development project of approximately 1,034-unit multi-family rental property located in Malden, Massachusetts. The initial phase commenced construction of 292 units in the third quarter of 2015 (the "Chase II Project"). The Chase II project is estimated to cost a total of $74.4 million (of which the Company has incurred $12.4 million through September 30, 2015) and is expected to be ready for occupancy by second quarter of 2017. The Company estimates it will need to fund additional costs of $62 million for the completion of the Chase II Project.

REIT Restrictions:
To maintain its qualification as a REIT under the Code, the Company must make annual distributions to its stockholders of at least 90 percent of its REIT taxable income, determined without regard to the dividends paid deduction and by excluding net capital gains. Moreover, the Company intends to continue to make regular quarterly distributions to its common stockholders. Based upon the most recently paid common stock dividend rate of $0.15 per common share, in the aggregate, such distributions would equal approximately $53.3 million ($60 million, including common units in the Operating Partnership, held by parties other than the Company) on an annualized basis. However, any such distributions, whether for federal income tax purposes or otherwise, would be paid out of available cash, including borrowings and other sources, after meeting operating requirements, preferred stock dividends and distributions, and scheduled debt service on the Company's debt. If and to the extent the Company retains and does not distribute any net capital gains, the Company will be required to pay federal, state and local taxes on such net capital gains at the rate applicable to capital gains of a corporation.

Property Lock-Ups:
The Company may not dispose of or distribute certain of its properties, currently comprised of seven properties with an aggregate net carrying value of approximately $57.3 million, which were originally contributed by certain unrelated common unitholders of the Operating Partnership, without the express written consent of such common unitholders, as applicable, except in a manner which does not result in recognition of any built-in-gain (which may result in an income tax liability) or which reimburses the appropriate specific common unitholders for the tax consequences of the recognition of such built-in-gains (collectively, the "Property Lock-Ups"). The aforementioned restrictions do not apply in the event that the Company sells all of its properties or in connection with a sale transaction which the Company's Board of Directors determines is reasonably necessary to satisfy a material monetary default on any unsecured debt, judgment or liability of the Company or to cure any material monetary default on any mortgage secured by a property. The Property Lock-Ups expire periodically through 2016. Upon the expiration of the Property Lock-Ups, the Company is generally required to use commercially reasonable efforts to prevent any sale, transfer or other disposition of the subject properties from resulting in the recognition of built-in gain to the specific common unitholders, which include members of the Mack Group (which includes William L. Mack, Chairman of the Company's Board of Directors; David S. Mack, director; Earle I. Mack, a former director; and Mitchell E. Hersh, former president, chief executive officer and director), the Robert Martin Group (which includes Robert F. Weinberg, a former director and current member of its Advisory Board), and the Cali Group (which includes John R. Cali, a former director and current member of its Advisory Board). As of September 30, 2015, 110 of the Company's properties, with an aggregate net book value of approximately $1.3 billion, have lapsed restrictions and are subject to these conditions.

Unencumbered Properties:
As of September 30, 2015, the Company had 202 unencumbered properties with a carrying value of $2.4 billion representing 91.0 percent of the Company's total consolidated property count.

Cash Flows

Cash and cash equivalents increased by $1.3 million to $30.9 million at September 30, 2015, compared to $29.6 million at December 31, 2014. This decrease is comprised of the following net cash flow items:

(1) $124.7 million provided by operating activities.

(2) $90.4 million used in investing activities, consisting primarily of the following:

- (a) $68.5 million used for investments in unconsolidated joint ventures; plus
- (b) $59.7 million used for additions to rental property and improvements; plus
- (c) $50 million used for the development of rental property, other related costs and deposits; plus
- (d) $5.8 million used for restricted cash; minus
- (e) $81 million from proceeds from the sales of rental property; minus
- (f) $7.8 million received from payments of notes receivables; minus
- (g) $6.4 million from proceeds from the sale of investment in unconsolidated joint venture; minus
- (h) $6.1 million used for rental property acquisitions and related intangibles; minus
- (i) $4.3 million received from distributions in excess of cumulative earnings from unconsolidated joint ventures.

(3) $32.9 million provided by financing activities, consisting primarily of the following:

- (a) $179 million from borrowings under the revolving credit facility; plus
- (b) $6.2 million from proceeds received from mortgages and loans payable; plus
- (c) $0.3 million from contributions from noncontrolling interests; minus
- (d) $144 million used for repayments of revolving credit facility; minus
- (e) $45 million used for payments of dividends and distributions; minus
- (f) $29.3 million used for repayments of mortgages, loans payable and other obligations; minus
- (g) $0.1 million used for repayment of finance costs.

Debt Financing

Summary of Debt:
The following is a breakdown of the Company’s debt between fixed and variable-rate financing as of September 30, 2015:

	Balance ($000’s)	% of Total	Weighted Average Interest Rate (a)	Weighted Average Maturity in Years
Fixed Rate Unsecured Debt and Other Obligations	$ 1,268,568	62.08 %	4.88 %	4.41
Fixed Rate Secured Debt	597,185	29.22 %	7.13 %	2.78
Variable Rate Secured Debt	142,839	6.99 %	3.87 %	1.25
Variable Rate Unsecured Debt (b)	35,000	1.71 %	1.51 %	1.83
Totals/Weighted Average:	$ 2,043,592	100.00 %	5.41 % (b)	3.67

(a) The actual weighted average LIBOR rate for the Company’s outstanding variable rate debt was 0.20 percent as of September 30, 2015, plus the applicable spread.
(b) Excludes amortized deferred financing costs pertaining to the Company’s unsecured revolving credit facility which amounted to $0.8 million and $2.4 million for the three and nine months ended September 30, 2015, respectively.

Debt Maturities:
Scheduled principal payments and related weighted average annual effective interest rates for the Company’s debt as of September 30, 2015 are as follows:

Period	Scheduled Amortization ($000’s)	Principal Maturities ($000’s)	Total ($000’s)	Weighted Avg. Effective Interest Rate of Future Repayments (a)
October 1 to December 31, 2015	$ 2,054	$ 113,615	$ 115,669	6.82 %
2016	8,125	304,433	312,558	6.38 %
2017 (b)	7,275	432,719	439,994	3.88 %
2018	7,311	231,536	238,847	6.67 %
2019	723	331,566	332,289	7.44 %
Thereafter	6,328	605,206	611,534	4.13 %
Sub-total	31,816	2,019,075	2,050,891	
Adjustment for unamortized debt discount/premium, net, as of September 30, 2015	(7,299)	-	(7,299)	
Totals/Weighted Average	$ 24,517	$ 2,019,075	$ 2,043,592	5.41 %(c)

(a) The actual weighted average LIBOR rate for the Company’s outstanding variable rate debt was 0.20 percent as of September 30, 2015, plus the applicable spread.
(b) Includes outstanding borrowings of the Company’s unsecured revolving credit facility of $35 million which matures in 2017 with two six-month extension options with the payment of a fee.
(c) Excludes amortized deferred financing costs pertaining to the Company’s unsecured revolving credit facility which amounted to $0.8 million and $2.4 million for the three and nine months ended September 30, 2015, respectively.

Senior Unsecured Notes:
The terms of the Company's senior unsecured notes (which totaled approximately $1.3 billion as of September 30, 2015) include certain restrictions and covenants which require compliance with financial ratios relating to the maximum amount of debt leverage, the maximum amount of secured indebtedness, the minimum amount of debt service coverage and the maximum amount of unsecured debt as a percent of unsecured assets.

Unsecured Revolving Credit Facility:
On July 16, 2013, the Company amended and restated its unsecured revolving credit facility with a group of 17 lenders. The $600 million facility is expandable to $1 billion and matures in July 2017. It has two six month extension options each requiring the payment of a 7.5 basis point fee. The interest rate on outstanding borrowings (not electing the Company's competitive bid feature) and the facility fee on the current borrowing capacity payable quarterly in arrears are based upon the Operating Partnership's unsecured debt ratings, as follows:

Operating Partnership's Unsecured Debt Ratings: Higher of S&P or Moody's	Interest Rate - Applicable Basis Points Above LIBOR	Facility Fee Basis Points
No ratings or less than BBB-/Baa3	170.0	35.0
BBB- or Baa3 (current)	130.0	30.0
BBB or Baa2	110.0	20.0
BBB+ or Baa1	100.0	15.0
A- or A3 or higher	92.5	12.5

The facility has a competitive bid feature, which allows the Company to solicit bids from lenders under the facility to borrow up to $300 million at interest rates less than those above.

The terms of the unsecured facility include certain restrictions and covenants which limit, among other things the incurrence of additional indebtedness, the incurrence of liens and the disposition of real estate properties (to the extent that: (i) such property dispositions cause the Company to default on any of the financial ratios of the facility described below, or (ii) the property dispositions are completed while the Company is under an event of default under the facility, unless, under certain circumstances, such disposition is being carried out to cure such default), and which require compliance with financial ratios relating to the maximum leverage ratio (60 percent), the maximum amount of secured indebtedness (40 percent), the minimum amount of fixed charge coverage (1.5 times), the maximum amount of unsecured indebtedness (60 percent), the minimum amount of unencumbered property interest coverage (2.0 times) and certain investment limitations (generally 15 percent of total capitalization). If an event of default has occurred and is continuing, the Company will not make any excess distributions except to enable the Company to continue to qualify as a REIT under the Code.

As of October 26, 2015, the Company had outstanding borrowings of $67 million under its unsecured revolving credit facility.

Mortgages, Loans Payable and Other Obligations and Notes Receivables:
The Company has other mortgages, loans payable and other obligations which consist of various loans collateralized by certain of the Company's rental properties. Payments on mortgages, loans payable and other obligations are generally due in monthly installments of principal and interest, or interest only.

Debt Strategy:
The Company does not intend to reserve funds to retire the Company's senior unsecured notes, outstanding borrowings under its unsecured revolving credit facility, or its mortgages, loans payable and other obligations upon maturity. Instead, the Company will seek to refinance such debt at maturity or retire such debt through the issuance of additional equity or debt securities on or before the applicable maturity dates. If it cannot raise sufficient proceeds to retire the maturing debt, the Company may draw on its revolving credit facility to retire the maturing indebtedness, which would reduce the future availability of funds under such facility. As of October 26, 2015, the Company had outstanding borrowings of $67 million under its unsecured revolving credit facility. The Company is reviewing various financing and refinancing options, including the purchase of its senior unsecured notes in privately-negotiated transactions, the issuance of additional, or exchange of current, unsecured debt, common and preferred stock, and/or obtaining additional mortgage debt, some or all of which may be completed in 2015. The Company currently anticipates that its available cash and cash equivalents, cash flows from operating activities and proceeds from the sale of office properties, together with cash available from borrowings and other sources, will be adequate to meet the Company's capital and liquidity needs in the short term. However, if these sources of funds are insufficient or unavailable, due to current economic conditions or otherwise, or if capital needs to fund acquisition and development opportunities in the multi-family rental sector arise, the Company's ability to make the expected distributions discussed in "REIT Restrictions" above may be adversely affected.

Equity Financing and Registration Statements

<u>Common Equity</u>:
The following table presents the changes in the Company's issued and outstanding shares of Common Stock and the Operating Partnership's Common Units for the nine months ended September 30, 2015:

	Common Stock	Common Units	Total
Outstanding at January 1, 2015	89,076,578	11,083,876	100,160,454
Common units redeemed for Common Stock	293,734	(293,734)	-
Shares issued under Dividend Reinvestment and Stock Purchase Plan	3,107	-	3,107
Restricted shares issued	45,597	-	45,597
Cancellation of shares	(108,773)	-	(108,773)
Outstanding at September 30, 2015	89,310,243	10,790,142	100,100,385

<u>Share Repurchase Program</u>:
The Company has a share repurchase program which was renewed and authorized by its Board of Directors in September 2012 to purchase up to $150 million of the Company's outstanding common stock ("Repurchase Program"), which it may repurchase from time to time in open market transactions at prevailing prices or through privately negotiated transactions. As of September 30, 2015, the Company has a remaining authorization under the Repurchase Program of $139 million. There were no common stock repurchases in 2014 and through October 26, 2015.

<u>Dividend Reinvestment and Stock Purchase Plan</u>:
The Company has a Dividend Reinvestment and Stock Purchase Plan (the "DRIP") which commenced in March 1999 under which approximately 5.5 million shares of the Company's common stock have been reserved for future issuance. The DRIP provides for automatic reinvestment of all or a portion of a participant's dividends from the Company's shares of common stock. The DRIP also permits participants to make optional cash investments up to $5,000 a month without restriction and, if the Company waives this limit, for additional amounts subject to certain restrictions and other conditions set forth in the DRIP prospectus filed as part of the Company's effective registration statement on Form S-3 filed with the Securities and Exchange Commission ("SEC") for the approximately 5.5 million shares of the Company's common stock reserved for issuance under the DRIP.

<u>Shelf Registration Statements</u>:
The Company has an effective shelf registration statement on Form S-3 filed with the SEC for an aggregate amount of $2.0 billion in common stock, preferred stock, depositary shares, and/or warrants of the Company, under which no securities have been sold as of October 26, 2015.

The Company and the Operating Partnership also have an effective shelf registration statement on Form S-3 filed with the SEC for an aggregate amount of $2.5 billion in common stock, preferred stock, depositary shares and guarantees of the Company and debt securities of the Operating Partnership, under which no securities have been sold as of October 26, 2015.

Off-Balance Sheet Arrangements

<u>Unconsolidated Joint Venture Debt</u>:
The debt of the Company's unconsolidated joint ventures generally provide for recourse to the Company for customary matters such as intentional misuse of funds, environmental conditions and material misrepresentations. The Company has agreed to guarantee repayment of a portion of the debt of its unconsolidated joint ventures. Such debt has a total facility amount of $453.6 million of which the Company has agreed to guarantee up to $62 million. As of September 30, 2015, the outstanding balance of such debt totaled $268.3 million of which $53.1 million was guaranteed by the Company. The Company has also posted a $3.6 million letter of credit in support of the Harborside South Pier joint venture, half of which is indemnified by Hyatt Corporation, the Company's joint venture partner.

The Company's off-balance sheet arrangements are further discussed in Note 4: Investments in Unconsolidated Joint Ventures to the Financial Statements.

Contractual Obligations

The following table outlines the timing of payment requirements related to the Company's debt (principal and interest), PILOT agreements, ground lease agreements and other obligations, as of September 30, 2015:

		Payments Due by Period				
(dollars in thousands)	**Total**	**Less than 1 Year**	**1 – 3 Years**	**4 – 5 Years**	**6 – 10 Years**	**After 10 Years**
Senior unsecured notes	$ 1,537,726	$ 253,588	$ 342,450	$ 313,700	$ 627,988	-
Revolving credit facility (a)	35,972	530	35,442	-	-	-
Mortgages, loans payable and other obligations (b)	855,975	208,373	301,285	296,940	14,334	$ 35,043
Payments in lieu of taxes (PILOT)	29,225	4,407	13,222	8,815	2,781	-
Ground lease payments	16,803	389	772	464	1,171	14,007
Other	2,822	1,167	1,655	-	-	-
Total	$ 2,478,523	$ 468,454	$ 694,826	$ 619,919	$ 646,274	$ 49,050

(a) Interest payments assume LIBOR rate of 0.21 percent, which is the weighted average rate on this outstanding variable rate debt at September 30, 2015, plus the applicable spread.

(b) Interest payments assume LIBOR rate of 0.20 percent, which is the weighted average rate on its outstanding variable rate mortgage debt at September 30, 2015, plus the applicable spread.

<u>Departure of Chief Executive Officer:</u>

On November 4, 2014, the Company announced that Mitchell E. Hersh would step down as president and chief executive officer of the Company effective May 11, 2015 and would not stand for re-election to the Company's Board of Directors (the "Board of Directors") at the 2015 annual meeting of the Company's stockholders. Pursuant to the terms of the Separation Agreement, the Company elected to extend the separation date to June 30, 2015 (the "Separation Date"). In connection with Mr. Hersh's departure from the Company, the Company and Mr. Hersh entered into a Separation and General Release Agreement (the "Separation Agreement") dated November 4, 2014 (the "Effective Date"). The Separation Agreement provided that Mr. Hersh's employment with the Company was being terminated without cause, and further provided, pursuant to the terms of Mr. Hersh's employment agreement, multi-year performance award agreement, TSR-based performance award agreement and deferred retirement compensation agreement, for (i) a cash payment to Mr. Hersh of $8 million, (ii) payment of the premiums for the continuation of Mr. Hersh's health, dental and vision insurance for 48 months following the Separation Date, (iii) vesting of 210,000 shares of restricted common stock pursuant to Mr. Hersh's multi-year performance award agreement, (iv) a cash payment equal to the sum of (X) $504,000, plus (Y) the product of (1) 210,000 multiplied by (2) the aggregate amount of dividends on the Company's common stock that were declared and paid between the Effective Date and the Separation Date in payment of accrued but unpaid dividend equivalents pursuant to his multi-year performance award agreement, (v) issuance of 41,811 shares of common stock of the Company (the "Deferred Shares") pursuant to the acceleration of vesting of 675 performance shares pursuant to Mr. Hersh's TSR-based performance award agreement, and (vi) a cash payment of $2,311,792 pursuant to Mr. Hersh's deferred retirement compensation award agreement. All such cash amounts and Deferred Shares will be paid to Mr. Hersh on the date that is six months and one day from the Separation Date, except in the event of death or if the payment event is due to Mr. Hersh's disability, in which case the payments will occur shortly after such death or disability. Under the terms of the Separation Agreement, Mr. Hersh continued to receive his base salary in accordance with his employment agreement and to be eligible to participate in the Company's executive incentive compensation and bonus programs. In addition, upon departure Mr. Hersh was entitled to receive his accrued but unpaid base salary and to have his expenses reimbursed.

Funds from Operations

Funds from operations ("FFO") is defined as net income (loss) before noncontrolling interest of unitholders, computed in accordance with GAAP, excluding gains (or losses) from extraordinary items, sales or disposals of depreciable rental property, and impairments related to depreciable rental property, plus real estate-related depreciation and amortization. The Company believes that FFO is helpful to investors as one of several measures of the performance of an equity REIT. The Company further believes that as FFO excludes the effect of depreciation, gains (or losses) from sales of properties and impairments related to depreciable rental property (all of which are based on historical costs which may be of limited relevance in evaluating current performance), FFO can facilitate comparison of operating performance between equity REITs.

FFO should not be considered as an alternative to net income available to common shareholders as an indication of the Company's performance or to cash flows as a measure of liquidity. FFO presented herein is not necessarily comparable to FFO presented by other real estate companies due to the fact that not all real estate companies use the same definition. However, the Company's FFO is comparable to the FFO of real estate companies that use the current definition of the National Association of Real Estate Investment Trusts ("NAREIT").

As the Company considers its primary earnings measure, net income available to common shareholders, as defined by GAAP, to be the most comparable earnings measure to FFO, the following table presents a reconciliation of net income available to common shareholders to FFO, as calculated in accordance with NAREIT's current definition, for the three and nine months ended September 30, 2015 and 2014 (*in thousands*):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net income (loss) available to common shareholders	$ (126,892)	$ 1,982	$ (94,034)	$ 37,807
Add (deduct): Noncontrolling interest in Operating Partnership	(15,530)	248	(11,461)	4,754
Real estate-related depreciation and amortization on continuing operations (a)	48,503	46,071	142,168	140,810
Impairments	164,176	-	164,176	-
Realized (gains) losses and unrealized losses on disposition of rental property, net	(18,718)	(264)	(53,261)	(54,848)
Gain on sale of investment in unconsolidated joint venture	-	-	(6,448)	-
Funds from operations	$ 51,539	$ 48,037	$ 141,140	$ 128,523

(a) Includes the Company's share from unconsolidated joint ventures of $4,845 and $4,181 for the three months ended September 30, 2015 and 2014, respectively, and $15,828 and $9,396 for the nine months ended September 30, 2015 and 2014, respectively. Excludes non-real estate-related depreciation and amortization of $238 and $93 for the three months ended September 30, 2015 and 2014, respectively, and $723 and $265 for the nine months ended September 30, 2015 and 2014, respectively

Inflation

The Company's leases with the majority of its commercial tenants provide for recoveries and escalation charges based upon the tenant's proportionate share of, and/or increases in, real estate taxes and certain operating costs, which reduce the Company's exposure to increases in operating costs resulting from inflation.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

We consider portions of this information, including the documents incorporated by reference, to be forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of such act. Such forward-looking statements relate to, without limitation, our future economic performance, plans and objectives for future operations and projections of revenue and other financial items. Forward-looking statements can be identified by the use of words such as "may," "will," "plan," "potential," "projected," "should," "expect," "anticipate," "estimate," "continue" or comparable terminology. Forward-looking statements are inherently subject to risks and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate. Although we believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions at the time made, we can give no assurance that such expectations will be achieved. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Among the factors about which we have made assumptions are:

- risks and uncertainties affecting the general economic climate and conditions, which in turn may have a negative effect on the fundamentals of our business and the financial condition of our tenants and residents;
- the value of our real estate assets, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing secured by our properties or on an unsecured basis;
- the extent of any tenant bankruptcies or of any early lease terminations;
- our ability to lease or re-lease space at current or anticipated rents;
- changes in the supply of and demand for our properties;
- changes in interest rate levels and volatility in the securities markets;
- our ability to complete construction and development activities on time and within budget, including without limitation obtaining regulatory permits and the availability and cost of materials, labor and equipment;
- forward-looking financial and operational information, including information relating to future development projects, potential acquisitions or dispositions, and projected revenue and income;
- changes in operating costs;
- our ability to obtain adequate insurance, including coverage for terrorist acts;
- our credit worthiness and the availability of financing on attractive terms or at all, which may adversely impact our ability to pursue acquisition and development opportunities and refinance existing debt and our future interest expense;
- changes in governmental regulation, tax rates and similar matters; and
- other risks associated with the development and acquisition of properties, including risks that the development may not be completed on schedule, that the tenants or residents will not take occupancy or pay rent, or that development or operating costs may be greater than anticipated.

For further information on factors which could impact us and the statements contained herein, see Item 1A: Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2014. We assume no obligation to update and supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.

Item 3. Quantitative And Qualitative Disclosures About Market Risk

Market risk is the exposure to loss resulting from changes in interest rates, foreign currency exchange rates, commodity prices and equity prices. In pursuing its business plan, the primary market risk to which the Company is exposed is interest rate risk. Changes in the general level of interest rates prevailing in the financial markets may affect the spread between the Company's yield on invested assets and cost of funds and, in turn, its ability to make distributions or payments to its investors.

Approximately $1.9 billion of the Company's long-term debt as of September 30, 2015 bears interest at fixed rates and therefore the fair value of these instruments is affected by changes in market interest rates. The following table presents principal cash flows (in thousands) based upon maturity dates of the debt obligations and the related weighted-average interest rates by expected maturity dates for the fixed rate debt. The interest rates on the Company's variable rate debt as of September 30, 2015 ranged from LIBOR plus 130 basis points to LIBOR plus 950 basis points. Assuming interest-rate caps are not in effect, if market rates of interest on the Company's variable rate debt increased or decreased by 100 basis points, then the increase or decrease in interest costs on the Company's variable rate debt would be approximately $1.8 million annually and the increase or decrease in the fair value of the Company's fixed rate debt as of September 30, 2015 would be approximately $63 million.

September 30, 2015

Debt, including current portion (*$s in thousands)*	10/1/2015 - 12/31/2015	2016	2017	2018	2019	Thereafter	Sub-total	Other (a)	Total	Fair Value
Fixed Rate	$ 70,898	$ 248,558	$ 397,493	$ 237,447	$ 307,122	$ 611,534	$ 1,873,052	$ (7,299)	$ 1,865,753	$ 1,889,624
Average Interest Rate	9.91%	7.44%	4.12%	6.70%	7.88%	4.13%			5.60%	
Variable Rate	$ 44,771	$ 64,000	$ 42,501(b)	$ 1,400	$ 25,167	-	$ 177,839	-	$ 177,839	$ 177,839

(a) Adjustment for unamortized debt discount/premium, net, as of September 30, 2015.
(b) Includes $35 million of outstanding borrowings under the Company's unsecured revolving credit facility which matures in 2017 with two six-month extension options with the payment of a fee.

While the Company has not experienced any significant credit losses, in the event of a significant rising interest rate environment and/or economic downturn, defaults could increase and result in losses to the Company which could adversely affect its operating results and liquidity.

Item 4. Controls and Procedures

Disclosure Controls and Procedures. The Company’s management, with the participation of the Company’s chief executive officer, president and chief operating officer and chief financial officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this report. Based on such evaluation, the Company’s chief executive officer, president and chief operating officer and chief financial officer have concluded that, as of the end of such period, the Company’s disclosure controls and procedures were effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act.

Changes In Internal Control Over Financial Reporting. There have not been any changes in the Company’s internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

Part II – Other Information

Item 1. Legal Proceedings

There are no material pending legal proceedings, other than ordinary routine litigation incidental to its business, to which the Company is a party or to which any of its Properties are subject.

Item 1A. Risk Factors

There have been no material changes in our assessment of risk factors from those set forth in our Annual Report on Form 10-K for the year ended December 31, 2014.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) **COMMON STOCK**

During the three months ended September 30, 2015, the Company issued 221,927 shares of common stock to holders of common units in the Operating Partnership upon the redemption of such common units in private offerings pursuant to Section 4(a)(2) of the Securities Act. The holders of the common units were limited partners of the Operating Partnership and accredited investors under Rule 501 of the Securities Act. The common units were redeemed for an equal number of shares of common stock. The Company has registered the resale of such shares under the Securities Act.

(b) Not Applicable.

(c) Not Applicable.

Item 3. Defaults Upon Senior Securities

(a) Not Applicable.

(b) Not Applicable.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

(a) Not Applicable.

(b) None.

Item 6. Exhibits

The exhibits required by this item are set forth on the Exhibit Index attached hereto.

MACK-CALI REALTY CORPORATION

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Mack-Cali Realty Corporation
(Registrant)

Date:	October 28, 2015	By:	/s/ Mitchell E. Rudin Mitchell E. Rudin Chief Executive Officer (principal executive officer)
Date:	October 28, 2015	By:	/s/ Michael J. DeMarco Michael J. DeMarco President and Chief Operating Officer
Date:	October 28, 2015	By:	/s/ Anthony Krug Anthony Krug Chief Financial Officer (principal financial officer and principal accounting officer)

MACK-CALI REALTY CORPORATION

EXHIBIT INDEX

Exhibit Number	Exhibit Title
3.1	Articles of Restatement of Mack-Cali Realty Corporation dated September 18, 2009 (filed as Exhibit 3.2 to the Company's Form 8-K dated September 17, 2009 and incorporated herein by reference).
3.2	Articles of Amendment to the Articles of Restatement of Mack-Cali Realty Corporation as filed with the State Department of Assessments and Taxation of Maryland on May 14, 2014 (filed as Exhibit 3.1 to the Company's Form 8-K dated May 12, 2014 and incorporated herein by reference).
3.3	Amended and Restated Bylaws of Mack-Cali Realty Corporation dated June 10, 1999 (filed as Exhibit 3.2 to the Company's Form 8-K dated June 10, 1999 and incorporated herein by reference).
3.4	Amendment No. 1 to the Amended and Restated Bylaws of Mack-Cali Realty Corporation dated March 4, 2003, (filed as Exhibit 3.3 to the Company's Form 10-Q dated March 31, 2003 and incorporated herein by reference).
3.5	Amendment No. 2 to the Mack-Cali Realty Corporation Amended and Restated Bylaws dated May 24, 2006 (filed as Exhibit 3.1 to the Company's Form 8-K dated May 24, 2006 and incorporated herein by reference).
3.6	Amendment No. 3 to the Mack-Cali Realty Corporation Amended and Restated Bylaws dated May 14, 2014 (filed as Exhibit 3.2 to the Company's Form 8-K dated 12, 2014 and incorporated herein by reference).
3.7	Second Amended and Restated Agreement of Limited Partnership of Mack-Cali Realty, L.P. dated December 11, 1997 (filed as Exhibit 10.110 to the Company's Form 8-K dated December 11, 1997 and incorporated herein by reference).
3.8	Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of Mack-Cali Realty, L.P. dated August 21, 1998 (filed as Exhibit 3.1 to the Company's and the Operating Partnership's Registration Statement on Form S-3, Registration No. 333-57103, and incorporated herein by reference).
3.9	Second Amendment to the Second Amended and Restated Agreement of Limited Partnership of Mack-Cali Realty, L.P. dated July 6, 1999 (filed as Exhibit 10.1 to the Company's Form 8-K dated July 6, 1999 and incorporated herein by reference).
3.10	Third Amendment to the Second Amended and Restated Agreement of Limited Partnership of Mack-Cali Realty, L.P. dated September 30, 2003 (filed as Exhibit 3.7 to the Company's Form 10-Q dated September 30, 2003 and incorporated herein by reference).
4.1	Indenture dated as of March 16, 1999, by and among Mack-Cali Realty, L.P., as issuer, Mack-Cali Realty Corporation, as guarantor, and Wilmington Trust Company, as trustee (filed as Exhibit 4.1 to the Operating Partnership's Form 8-K dated March 16, 1999 and incorporated herein by reference).
4.2	Supplemental Indenture No. 1 dated as of March 16, 1999, by and among Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Operating Partnership's Form 8-K dated March 16, 1999 and incorporated herein by reference).
4.3	Supplemental Indenture No. 2 dated as of August 2, 1999, by and among Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.4 to the Operating Partnership's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
4.4	Supplemental Indenture No. 3 dated as of December 21, 2000, by and among Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Operating Partnership's Form 8-K dated December 21, 2000 and incorporated herein by reference).
4.5	Supplemental Indenture No. 4 dated as of January 29, 2001, by and among Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Operating Partnership's Form 8-K dated January 29, 2001 and incorporated herein by reference).
4.6	Supplemental Indenture No. 5 dated as of December 20, 2002, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Operating Partnership's Form 8-K dated December 20, 2002 and incorporated herein by reference).

Exhibit Number	Exhibit Title
4.7	Supplemental Indenture No. 6 dated as of March 14, 2003, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated March 14, 2003 and incorporated herein by reference).
4.8	Supplemental Indenture No. 7 dated as of June 12, 2003, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated June 12, 2003 and incorporated herein by reference).
4.9	Supplemental Indenture No. 8 dated as of February 9, 2004, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated February 9, 2004 and incorporated herein by reference).
4.10	Supplemental Indenture No. 9 dated as of March 22, 2004, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated March 22, 2004 and incorporated herein by reference).
4.11	Supplemental Indenture No. 10 dated as of January 25, 2005, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated January 25, 2005 and incorporated herein by reference).
4.12	Supplemental Indenture No. 11 dated as of April 15, 2005, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated April 15, 2005 and incorporated herein by reference).
4.13	Supplemental Indenture No. 12 dated as of November 30, 2005, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated November 30, 2005 and incorporated herein by reference).
4.14	Supplemental Indenture No. 13 dated as of January 24, 2006, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated January 18, 2006 and incorporated herein by reference).
4.15	Supplemental Indenture No. 14 dated as of August 14, 2009, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated August 14, 2009 and incorporated herein by reference).
4.16	Supplemental Indenture No. 15 dated as of April 19, 2012, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated April 19, 2012 and incorporated herein by reference).
4.17	Supplemental Indenture No. 16 dated as of November 20, 2012, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee. (filed as Exhibit 4.2 to the Company’s Form 8-K dated November 20, 2012 and incorporated herein by reference).
4.18	Supplemental Indenture No. 17 dates as of May 8, 2013, by and between Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company’s Form 8-K dated May 8, 2013 and incorporated herein by reference).
10.1	Amended and Restated Employment Agreement dated as of July 1, 1999 between Mitchell E. Hersh and Mack-Cali Realty Corporation (filed as Exhibit 10.2 to the Company’s Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.2	Letter Agreement dated December 9, 2008 by and between Mack-Cali Realty Corporation and Mitchell E. Hersh (filed as Exhibit 10.4 to the Company's Form 8-K dated December 9, 2008 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.3	Second Amended and Restated Employment Agreement dated as of July 1, 1999 between Barry Lefkowitz and Mack-Cali Realty Corporation (filed as Exhibit 10.6 to the Company’s Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.4	Letter Agreement dated December 9, 2008 by and between Mack-Cali Realty Corporation and Barry Lefkowitz (filed as Exhibit 10.5 to the Company's Form 8-K dated December 9, 2008 and incorporated herein by reference).
10.5	Second Amended and Restated Employment Agreement dated as of July 1, 1999 between Roger W. Thomas and Mack-Cali Realty Corporation (filed as Exhibit 10.7 to the Company’s Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.6	Letter Agreement dated December 9, 2008 by and between Mack-Cali Realty Corporation and Roger W. Thomas (filed as Exhibit 10.8 to the Company's Form 8-K dated December 9, 2008 and incorporated herein by reference).
10.7	Contribution and Exchange Agreement among The MK Contributors, The MK Entities, The Patriot Contributors, The Patriot Entities, Patriot American Management and Leasing Corp., Cali Realty, L.P. and Cali Realty Corporation, dated September 18, 1997 (filed as Exhibit 10.98 to the Company’s Form 8-K dated September 19, 1997 and incorporated herein by reference).
10.8	First Amendment to Contribution and Exchange Agreement, dated as of December 11, 1997, by and among the Company and the Mack Group (filed as Exhibit 10.99 to the Company’s Form 8-K dated December 11, 1997 and incorporated herein by reference).
10.9	Employee Stock Option Plan of Mack-Cali Realty Corporation (filed as Exhibit 10.1 to the Company’s Post-Effective Amendment No. 1 to Form S-8, Registration No. 333-44443, and incorporated herein by reference).
10.10	Director Stock Option Plan of Mack-Cali Realty Corporation (filed as Exhibit 10.2 to the Company’s Post-Effective Amendment No. 1 to Form S-8, Registration No. 333-44443, and incorporated herein by reference).
10.11	2000 Employee Stock Option Plan (filed as Exhibit 10.1 to the Company’s Registration Statement on Form S-8, Registration No. 333-52478, and incorporated herein by reference), as amended by the First Amendment to the 2000 Employee Stock Option Plan (filed as Exhibit 10.17 to the Company’s Form 10-Q dated June 30, 2002 and incorporated herein by reference).
10.12	Amended and Restated 2000 Director Stock Option Plan (filed as Exhibit 10.2 to the Company’s Post-Effective Amendment No. 1 to Registration Statement on Form S-8, Registration No. 333-100244, and incorporated herein by reference).
10.13	Mack-Cali Realty Corporation 2004 Incentive Stock Plan (filed as Exhibit 10.1 to the Company’s Registration Statement on Form S-8, Registration No. 333-116437, and incorporated herein by reference).
10.14	Amended and Restated Mack-Cali Realty Corporation Deferred Compensation Plan for Directors (filed as Exhibit 10.3 to the Company's Form 8-K dated December 9, 2008 and incorporated herein by reference).
10.15	Mack-Cali Realty Corporation 2013 Incentive Stock Plan (filed as Exhibit 10.1 to the Company's Registration Statement on Form S-8 Registration No. 333-188729, and incorporated herein by reference).
10.16	Indemnification Agreement by and between Mack-Cali Realty Corporation and William L. Mack dated October 22, 2002 (filed as Exhibit 10.101 to the Company’s Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.17	Indemnification Agreement by and between Mack-Cali Realty Corporation and Mitchell E. Hersh dated October 22, 2002 (filed as Exhibit 10.102 to the Company’s Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.18	Indemnification Agreement by and between Mack-Cali Realty Corporation and Alan S. Bernikow dated May 20, 2004 (filed as Exhibit 10.104 to the Company’s Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.19	Indemnification Agreement by and between Mack-Cali Realty Corporation and Kenneth M. Duberstein dated September 13, 2005 (filed as Exhibit 10.106 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.20	Indemnification Agreement by and between Mack-Cali Realty Corporation and Nathan Gantcher dated October 22, 2002 (filed as Exhibit 10.107 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.21	Indemnification Agreement by and between Mack-Cali Realty Corporation and David S. Mack dated December 11, 1997 (filed as Exhibit 10.108 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.22	Indemnification Agreement by and between Mack-Cali Realty Corporation and Alan G. Philibosian dated October 22, 2002 (filed as Exhibit 10.109 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.23	Indemnification Agreement by and between Mack-Cali Realty Corporation and Irvin D. Reid dated October 22, 2002 (filed as Exhibit 10.110 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.24	Indemnification Agreement by and between Mack-Cali Realty Corporation and Vincent Tese dated October 22, 2002 (filed as Exhibit 10.111 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.25	Indemnification Agreement by and between Mack-Cali Realty Corporation and Roy J. Zuckerberg dated October 22, 2002 (filed as Exhibit 10.113 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.26	Indemnification Agreement by and between Mack-Cali Realty Corporation and Barry Lefkowitz dated October 22, 2002 (filed as Exhibit 10.114 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.27	Indemnification Agreement by and between Mack-Cali Realty Corporation and Roger W. Thomas dated October 22, 2002 (filed as Exhibit 10.116 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.28	Indemnification Agreement by and between Mack-Cali Realty Corporation and Anthony Krug dated October 22, 2002 (filed as Exhibit 10.32 to the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 and incorporated herein by reference).
10.29	Indemnification Agreement by and between Mack-Cali Realty Corporation and Jonathan Litt dated March 3, 2014 (filed as Exhibit 10.33 to the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 and incorporated herein by reference).
10.30	Indemnification Agreement by and between Mack-Cali Realty Corporation and Gary T. Wagner dated November 11, 2011 (filed as Exhibit 10.30 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2014 and incorporated herein by reference).
10.31	Indemnification Agreement dated October 22, 2002 by and between Mack-Cali Realty Corporation and John Crandall (filed as Exhibit 10.29 to the Company's Form 10-Q dated September 30, 2002 and incorporated herein by reference).
10.32	Second Amendment to Contribution and Exchange Agreement, dated as of June 27, 2000, between RMC Development Company, LLC f/k/a Robert Martin Company, LLC, Robert Martin Eastview North Company, L.P., the Company and the Operating Partnership (filed as Exhibit 10.44 to the Company's Form 10-K dated December 31, 2002 and incorporated herein by reference).
10.33	Contribution and Exchange Agreement by and between Mack-Cali Realty, L.P. and Tenth Springhill Lake Associates L.L.L.P., Eleventh Springhill Lake Associates L.L.L.P., Twelfth Springhill Lake Associates L.L.L.P., Fourteenth Springhill Lake Associates L.L.L.P., each a Maryland limited liability limited partnership, Greenbelt Associates, a Maryland general partnership, and Sixteenth Springhill Lake Associates L.L.L.P., a Maryland limited liability limited partnership, and certain other natural persons, dated as of November 21, 2005 (filed as Exhibit 10.69 to the Company's Form 10-K dated December 31, 2005 and incorporated herein by reference).
10.34	Term Loan Agreement among Mack-Cali Realty, L.P. and JPMorgan Chase Bank, N.A. as Administrative Agent, J.P. Morgan Securities Inc. as Arranger, and other lender which may become parties to this Agreement dated November 29, 2006 (filed as Exhibit 10.120 to the Company's Form 10-K dated December 31, 2006 and incorporated herein by reference).
10.35	Agreement of Purchase and Sale among SLG Broad Street A LLC and SLG Broad Street C LLC, as Sellers, and M-C Broad 125 A L.L.C. and M-C Broad 125 C L.L.C., as Purchasers, dated as of March 15, 2007 (filed as Exhibit 10.121 to the Company's Form 10-Q dated March 31, 2007 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.36	Mortgage and Security Agreement and Financing Statement dated October 28, 2008 between M-C Plaza V L.L.C., Cal-Harbor V Urban Renewal Associates, L.P., Cal-Harbor V Leasing Associates L.L.C., as Mortgagors and The Northwestern Mutual Life Insurance Company and New York Life Insurance Company as Mortgagees (filed as Exhibit 10.131 to the Company's Form 10-Q dated September 30, 2008 and incorporated herein by reference).
10.37	Promissory Note of M-C Plaza V L.L.C., Cal-Harbor V Urban Renewal Associates, L.P., Cal-Harbor V Leasing Associates L.L.C., as Borrowers, in favor of The Northwestern Mutual Life Insurance Company, as Lender, in the principal amount of $120,000,000, dated October 28, 2008. (filed as Exhibit 10.132 to the Company's Form 10-Q dated September 30, 2008 and incorporated herein by reference).
10.38	Promissory Note of M-C Plaza V L.L.C., Cal-Harbor V Urban Renewal Associates, L.P., Cal-Harbor V Leasing Associates L.L.C., as Borrowers, in favor of New York Life Insurance Company, as Lender, in the principal amount of $120,000,000, dated October 28, 2008 (filed as Exhibit 10.133 to the Company's Form 10-Q dated September 30, 2008 and incorporated herein by reference).
10.39	Guarantee of Recourse Obligations of Mack-Cali Realty, L.P. in favor of The Northwestern Mutual Life Insurance Company and New York Life Insurance Company dated October 28, 2008 (filed as Exhibit 10.134 to the Company's Form 10-Q dated September 30, 2008 and incorporated herein by reference).
10.40	Amended and Restated Loan Agreement by and among One Grande SPE LLC, 1280 Wall SPE LLC, 10 Sylvan SPE LLC, 5 Independence SPE LLC, 1 Independence SPE LLC, and 3 Becker SPE LLC, collectively, as Borrowers and Gramercy Warehouse Funding I LLC, as Lender, dated April 29, 2009 (filed as Exhibit 10.144 to the Company's Form 10-Q dated March 31, 2009 and incorporated herein by reference).
10.41	Amended and Restated Promissory Note of One Grande SPE LLC, 1280 Wall SPE LLC, 10 Sylvan SPE LLC, 5 Independence SPE LLC, 1 Independence SPE LLC, and 3 Becker SPE LLC, as Borrowers, in favor of Gramercy Warehouse Funding I, LLC, as Lender, dated April 29, 2009 (filed as Exhibit 10.145 to the Company's Form 10-Q dated March 31, 2009 and incorporated herein by reference).
10.42	Limited Liability Company Membership Interest Purchase and Sale Agreement dated April 29, 2009 by and among Gale SLG NJ LLC, Mack-Cali Ventures L.L.C., SLG Gale 55 Corporation LLC and 55 Corporate Partners L.L.C. (filed as Exhibit 10.146 to the Company's Form 10-Q dated March 31, 2009 and incorporated herein by reference).
10.43	Amended and Restated Master Loan Agreement dated as of January 15, 2010 among Mack-Cali Realty, L.P., and Affiliates of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P., as Borrowers, Mack-Cali Realty Corporation and Mack-Cali Realty L.P., as Guarantors and The Prudential Insurance Company of America and VPCM, LLC, as Lenders (filed as Exhibit 10.1 to the Company's Form 8-K dated January 15, 2010 and incorporated herein by reference).
10.44	Partial Recourse Guaranty of Mack-Cali Realty, L.P. dated as of January 15, 2010 to The Prudential Insurance Company of America and VPCM, LLC (filed as Exhibit 10.2 to the Company's Form 8-K dated January 15, 2010 and incorporated herein by reference).
10.45	Amended, Restated and Consolidated Mortgage and Security Agreement and Financing Statement dated as of January 15, 2010 by Mack-Cali Realty, L.P., as Borrower, to The Prudential Insurance Company of America and VPCM, LLC, as Mortgagees with respect to Mack-Cali Centre I in Bergen County, New Jersey (filed as Exhibit 10.165 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.46	Amended, Restated and Consolidated Mortgage and Security Agreement and Financing Statement dated as of January 15, 2010 by Mack-Cali Realty, L.P., as Borrower, to The Prudential Insurance Company of America and VPCM, LLC, as Mortgagees with respect to Mack-Cali Centre II in Bergen County, New Jersey (filed as Exhibit 10.166 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.47	Amended, Restated and Consolidated Mortgage and Security Agreement and Financing Statement dated as of January 15, 2010 by Mack-Cali Realty, L.P., as Borrower, to The Prudential Insurance Company of America and VPCM, LLC, as Mortgagees with respect to Mack-Cali Centre III in Bergen County, New Jersey (filed as Exhibit 10.167 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.48	Amended, Restated and Consolidated Mortgage and Security Agreement and Financing Statement dated as of January 15, 2010 by Mack-Cali Realty, L.P., as Borrower, to The Prudential Insurance Company of America and VPCM, LLC, as Mortgagees with respect to Mack-Cali Centre IV in Bergen County, New Jersey filed as Exhibit 10.168 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.49	Amended, Restated and Consolidated Mortgage and Security Agreement and Financing Statement dated as of January 15, 2010 by Mack-Cali F Properties, L.P., as Borrower, to The Prudential Insurance Company of America and VPCM, LLC, as Mortgagees with respect to Mack-Cali Centre VII in Bergen County, New Jersey (filed as Exhibit 10.169 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.50	Amended, Restated and Consolidated Mortgage and Security Agreement and Financing Statement dated as of January 15, 2010 by Mack-Cali Chestnut Ridge, L.L.C., as Borrower, to The Prudential Insurance Company of America and VPCM, LLC, as Mortgagees with respect to Mack-Cali Corp. Center in Bergen County, New Jersey (filed as Exhibit 10.170 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.51	Amended, Restated and Consolidated Mortgage and Security Agreement and Financing Statement dated as of January 15, 2010 by Mack-Cali Realty, L.P., as Borrower, to The Prudential Insurance Company of America and VPCM, LLC, as Mortgagees with respect to Mack-Cali Saddle River in Bergen County, New Jersey (filed as Exhibit 10.171 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.52	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of The Prudential Insurance Company of America with respect to Mack-Cali Centre I in Bergen County, New Jersey (filed as Exhibit 10.172 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.53	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of VPCM, LLC with respect to Mack-Cali Centre I in Bergen County, New Jersey (filed as Exhibit 10.173 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.54	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of The Prudential Insurance Company of America with respect to Mack-Cali Centre II in Bergen County, New Jersey (filed as Exhibit 10.174 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.55	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of VPCM, LLC with respect to Mack-Cali Centre II in Bergen County, New Jersey (filed as Exhibit 10.175 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.56	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of The Prudential Insurance Company of America with respect to Mack-Cali Centre III in Bergen County, New Jersey (filed as Exhibit 10.176 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.57	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of VPCM, LLC with respect to Mack-Cali Centre III in Bergen County, New Jersey (filed as Exhibit 10.177 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.58	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of The Prudential Insurance Company of America with respect to Mack-Cali Centre IV in Bergen County, New Jersey (filed as Exhibit 10.178 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.59	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of VPCM, LLC with respect to Mack-Cali Centre IV in Bergen County, New Jersey (filed as Exhibit 10.179 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.60	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali F Properties, L.P. in favor of The Prudential Insurance Company of America with respect to Mack-Cali Centre VII in Bergen County, New Jersey (filed as Exhibit 10.180 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.61	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali F Properties, L.P. in favor of VPCM, LLC with respect to Mack-Cali Centre VII in Bergen County, New Jersey (filed as Exhibit 10.181 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.62	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Chestnut Ridge, L.L.C. in favor of The Prudential Insurance Company of America with respect to Mack-Cali Corp. Center in Bergen County, New Jersey (filed as Exhibit 10.182 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.63	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Chestnut Ridge, L.L.C. in favor of VPCM, LLC with respect to Mack-Cali Corp. Center in Bergen County, New Jersey (filed as Exhibit 10.183 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.64	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of The Prudential Insurance Company of America with respect to Mack-Cali Saddle River in Bergen County, New Jersey (filed as Exhibit 10.184 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.65	Amended, Restated and Consolidated Promissory Note dated January 15, 2010 of Mack-Cali Realty, L.P. in favor of VPCM, LLC with respect to Mack-Cali Saddle River in Bergen County, New Jersey (filed as Exhibit 10.185 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.66	Recourse Liabilities Guaranty dated January 15, 2010 of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to certain liabilities of Mack-Cali Realty, L.P. with respect to Mack-Cali Centre I in Bergen County, New Jersey (filed as Exhibit 10.186 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.67	Recourse Liabilities Guaranty dated January 15, 2010 of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to certain liabilities of Mack-Cali Realty, L.P. with respect to Mack-Cali Centre II in Bergen County, New Jersey (filed as Exhibit 10.187 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.68	Recourse Liabilities Guaranty dated January 15, 2010 of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to certain liabilities of Mack-Cali Realty, L.P. with respect to Mack-Cali Centre III in Bergen County, New Jersey (filed as Exhibit 10.188 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.69	Recourse Liabilities Guaranty dated January 15, 2010 of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to certain liabilities of Mack-Cali Realty, L.P. with respect to Mack-Cali Centre IV in Bergen County, New Jersey (filed as Exhibit 10.189 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.70	Recourse Liabilities Guaranty dated January 15, 2010 of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to certain liabilities of Mack-Cali F Properties, L.P. with respect to Mack-Cali Centre VII in Bergen County, New Jersey (filed as Exhibit 10.190 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.71	Recourse Liabilities Guaranty dated January 15, 2010 of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to certain liabilities of Mack-Cali Chestnut Ridge, L.L.C. with respect to Mack-Cali Corp. Center in Bergen County, New Jersey (filed as Exhibit 10.191 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.72	Recourse Liabilities Guaranty dated January 15, 2010 of Mack-Cali Realty Corporation and Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to certain liabilities of Mack-Cali Realty, L.P. with respect to Mack-Cali Saddle River in Bergen County, New Jersey (filed as Exhibit 10.192 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.73	Amended and Restated Irrevocable Cross Collateral Guaranty of Payment and Performance dated January 15, 2010 of Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to Mack-Cali Centre I in Bergen County, New Jersey (filed as Exhibit 10.193 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.74	Amended and Restated Irrevocable Cross Collateral Guaranty of Payment and Performance dated January 15, 2010 of Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to Mack-Cali Centre II in Bergen County, New Jersey (filed as Exhibit 10.194 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.75	Amended and Restated Irrevocable Cross Collateral Guaranty of Payment and Performance dated January 15, 2010 of Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to Mack-Cali Centre III in Bergen County, New Jersey (filed as Exhibit 10.195 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.76	Amended and Restated Irrevocable Cross Collateral Guaranty of Payment and Performance dated January 15, 2010 of Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to Mack-Cali Centre IV in Bergen County, New Jersey (filed as Exhibit 10.196 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.77	Amended and Restated Irrevocable Cross Collateral Guaranty of Payment and Performance dated January 15, 2010 of Mack-Cali F Properties, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to Mack-Cali Centre VII in Bergen County, New Jersey (filed as Exhibit 10.197 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.78	Amended and Restated Irrevocable Cross Collateral Guaranty of Payment and Performance dated January 15, 2010 of Mack-Cali Chestnut Ridge, L.L.C. to The Prudential Insurance Company of America and VPCM, LLC with respect to Mack-Cali Corp. Center in Bergen County, New Jersey (filed as Exhibit 10.198 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.79	Amended and Restated Irrevocable Cross Collateral Guaranty of Payment and Performance dated January 15, 2010 of Mack-Cali Realty, L.P. to The Prudential Insurance Company of America and VPCM, LLC with respect to Mack-Cali Saddle River in Bergen County, New Jersey (filed as Exhibit 10.199 to the Company's Form 10-Q dated September 30, 2010 and incorporated herein by reference).
10.80	Development Agreement dated December 5, 2011 by and between M-C Plaza VI & VII L.L.C. and Ironstate Development LLC (filed as Exhibit 10.1 to the Company's Form 8-K dated December 5, 2011 and incorporated herein by reference).
10.81	Form of Amended and Restated Limited Liability Company Agreement (filed as Exhibit 10.2 to the Company's Form 8-K dated December 5, 2011 and incorporated herein by reference).
10.82	Third Amended and Restated Revolving Credit Agreement among Mack-Cali Realty, L.P., as borrower, and JPMorgan Chase Bank, N.A., as the administrative agent, the other agents listed therein and the lending institutions party thereto and referred to therein dated as of October 21, 2011 (filed as Exhibit 10.134 to the Company's Form 10-Q dated September 30, 2011 and incorporated herein by reference).
10.83	Fourth Amended and Restated Revolving Credit Agreement dated as of July 16, 2013 among Mack Cali Realty, L.P., as borrower, Mack-Cali Realty Corporation, as guarantor, and JPMorgan Chase Bank, N.A., as administrative agent and the several Lenders party thereto, as lenders (filed as Exhibit 10.1 to the Company's Form 8-K dated July 16, 2013 and incorporated herein by reference).
10.84	Multi-Year Restricted Stock Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Mitchell E. Hersh (filed as Exhibit 10.1 to the Company's Form 8-K dated September 12, 2012 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.85	Multi-Year Restricted Stock Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Barry Lefkowitz (filed as Exhibit 10.2 to the Company's Form 8-K dated September 12, 2012 and incorporated herein by reference).
10.86	Multi-Year Restricted Stock Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Roger W. Thomas (filed as Exhibit 10.3 to the Company's Form 8-K dated September 12, 2012 and incorporated herein by reference).
10.87	Amended and Restated TSR-Based Performance Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Mitchell E. Hersh (filed as Exhibit 10.1 to the Company's Form 8-K dated June 12, 2013 and incorporated herein by reference).
10.88	Amended and Restated TSR-Based Performance Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Barry Lefkowitz (filed as Exhibit 10.2 to the Company's Form 8-K dated June 12, 2013 and incorporated herein by reference).
10.89	Amended and Restated TSR-Based Performance Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Roger W. Thomas (filed as Exhibit 10.3 to the Company's Form 8-K dated June 12, 2013 and incorporated herein by reference).
10.90	Deferred Retirement Compensation Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Mitchell E. Hersh (filed as Exhibit 10.7 to the Company's Form 8-K dated September 12, 2012 and incorporated herein by reference).
10.91	Deferred Retirement Compensation Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Barry Lefkowitz (filed as Exhibit 10.8 to the Company's Form 8-K dated September 12, 2012 and incorporated herein by reference).
10.92	Deferred Retirement Compensation Agreement, dated as of September 12, 2012, between Mack-Cali Realty Corporation and Roger W. Thomas (filed as Exhibit 10.9 to the Company's Form 8-K dated September 12, 2012 and incorporated herein by reference).
10.93	Form of Restricted share Award Agreement effective December 10, 2013 by and between Mack-Cali Realty Corporation and each of Mitchell E. Hersh, Barry Lefkowitz, Roger W. Thomas and Anthony Krug (filed as Exhibit 10.1 to the Company's Form 8-K dated December 10, 2013 and incorporated herein by reference).
10.94	Form of Restricted Share Award Agreement effective December 10, 2013 by and between Mack-Cali Realty Corporation and each of William L. Mack, Alan S. Bernikow, Kenneth M. Duberstein, Nathan Gantcher, David S. Mack, Alan G. Philibosian, Dr. Irvin D. Reid, Vincent Tese and Roy J. Zuckerberg (filed as Exhibit 10.2 to the Company's Form 8-K dated December 10, 2013 and incorporated herein by reference).
10.95	Form of Restricted Share Award Agreement effective December 9, 2014 by and between Mack-Cali Realty Corporation and each of William L. Mack, Alan S. Bernikow, Kenneth M. Duberstein, Nathan Gantcher, Jonathan Litt, David S. Mack, Alan G. Philibosian, Dr. Irvin D. Reid, Vincent Tese and Roy J. Zuckerberg (filed as Exhibit 10.1 to the Company's Form 8-K dated December 9, 2014 and incorporated herein by reference).
10.96	Membership Interest and Asset Purchase Agreement, dated as of October 8, 2012 (the "Purchase Agreement"), by and among Mack-Cali Realty, L.P., Mack-Cali Realty Corporation, Mack-Cali Realty Acquisition Corp., Roseland Partners, L.L.C., and, for the limited purposes stated in the Purchase Agreement, each of Marshall B. Tycher, Bradford R. Klatt and Carl Goldberg (filed as Exhibit 10.1 to the Company's Form 8-K dated October 8, 2012 and incorporated herein by reference).
10.97	Purchase and Sale Agreement, dated as of January 17, 2013 by and between Overlook Ridge Phase I, L.L.C., Overlook Ridge Phase IB, L.L.C. and Mack-Cali Realty Acquisition Corp. (filed as Exhibit 10.1 to the Company's Form 8-K dated January 17, 2012 and incorporated herein by reference)

Exhibit Number	Exhibit Title
10.98	Agreement of Sale and Purchase dated as of July 15, 2013 by and between Mack-Cali Pennsylvania Realty Associates, L.P., as seller, and Westlakes KPG III, LLC and Westlakes Land KPG III, LLC, as purchasers (filed as Exhibit 10.1 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.99	Agreement of Sale and Purchase dated as of July 15, 2013 by and between M-C Rosetree Associates, L.P., as seller, and Rosetree KPG III, LLC and Rosetree Land KPG III, LLC, as purchasers (filed as Exhibit 10.2 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.100	Agreement of Sale and Purchase dated as of July 15, 2013 by and between Mack-Cali-R Company No. 1 L.P., as seller, and Plymouth Meeting KPG III, LLC, as purchaser (filed as Exhibit 10.3 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.101	Agreement of Sale and Purchase dated as of July 15, 2013 by and between Stevens Airport Realty Associates L.P., as seller, and Airport Land KPG III, LLC, as purchaser (filed as Exhibit 10.4 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.102	Agreement of Sale and Purchase dated as of July 15, 2013 by and between Mack-Cali Airport Realty Associates L.P., as seller, and 100 Airport KPG III, LLC, 200 Airport KPG III, LLC and 300 Airport KPG III, LLC, as purchasers (filed as Exhibit 10.5 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.103	Agreement of Sale and Purchase dated as of July 15, 2013 by and between Mack-Cali Property Trust, as seller, and 1000 Madison KPG III, LLC, as purchaser (filed as Exhibit 10.6 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.104	Agreement of Sale and Purchase dated as of July 15, 2013 by and between Monument 150 Realty L.L.C., as seller, and Monument KPG III, LLC, as purchaser (filed as Exhibit 10.7 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.105	Agreement of Sale and Purchase dated as of July 15, 2013 by and between 4 Sentry Realty L.L.C. and Five Sentry Realty Associates L.P., as sellers, and Four Sentry KPG, LLC and Five Sentry KPG III, LLC, as purchasers (filed as Exhibit 10.8 to the Company's Form 8-K dated July 18, 2013 and incorporated herein by reference).
10.106	Agreement of Sale and Purchase dated as of February 24, 2014 by and between Talleyrand Realty Associates, L.L.C., as seller, and H'Y2 Talleyrand, LLC, as purchaser (filed as Exhibit 10.1 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.107	Agreement of Sale and Purchase dated as of February 24, 2014 by and between 400 Chestnut Realty L.L.C., as seller, and H'Y2 400 Chestnut Ridge, LLC, as purchaser (filed as Exhibit 10.2 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.108	Agreement of Sale and Purchase dated as of February 24, 2014 by and between 470 Chestnut Realty L.L.C., as seller, and H'Y2 470 Chestnut Ridge, LLC, as purchaser (filed as Exhibit 10.3 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.109	Agreement of Sale and Purchase dated as of February 24, 2014 by and between 530 Chestnut Realty L.L.C., as seller, and H'Y2 530 Chestnut Ridge, LLC, as purchaser (filed as Exhibit 10.4 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.110	Agreement of Sale and Purchase dated as of February 24, 2014 by and between Mack-Cali Taxter Associates, L.L.C., as seller, and H'Y2 Taxter, LLC, as purchaser (filed as Exhibit 10.5 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.111	Agreement of Sale and Purchase dated as of February 24, 2014 by and between Mack-Cali CW Realty Associates, L.L.C., as seller, and H'Y2 570 Taxter, LLC, as purchaser (filed as Exhibit 10.6 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.112	Agreement of Sale and Purchase dated as of February 24, 2014 by and between 1717 Realty Associates L.L.C., as seller, and H'Y2 Ruote 208, LLC, as purchaser (filed as Exhibit 10.7 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.113	Agreement of Sale and Purchase dated as of February 24, 2014 by and between Knightsbridge Realty L.L.C., as seller, and H'Y2 400 Knightsbridge, LLC, as purchaser (filed as Exhibit 10.8 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.114	Agreement of Sale and Purchase dated as of February 24, 2014 by and between Kemble Plaza II Realty L.L.C., as seller, and H'Y2 400 Mt Kemble, LLC, as purchaser (filed as Exhibit 10.9 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.115	Agreement of Sale and Purchase dated as of February 24, 2014 by and between 1266 Soundview Realty L.L.C., as seller, and H'Y2 Stamford, LLC, as purchaser (filed as Exhibit 10.10 to the Company's Form 8-K dated February 24, 2014 and incorporated herein by reference).
10.116	Agreement dated February 28, 2014 by and among Mack-Cali Realty Corporation, Land & Buildings Capital Growth Fund, L.P., Land & Buildings Investment Management,LLC and Jonathan Litt (filed as Exhibit 10.116 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2013 and incorporated herein by reference).
10.117	Settlement and General Release Agreement dated March 1, 2014 by and between Mack-Cali Realty Corporation and Barry Lefkowitz (filed as Exhibit 10.117 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2013 and incorporated herein by reference).
10.118	Settlement and General Release Agreement dated March 1, 2014 by and between Mack-Cali Realty Corporation and Roger W. Thomas (filed as Exhibit 10.118 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2013 and incorporated herein by reference).
10.119	Restricted share Award Agreement effective March 19, 2014 by and between Mack-Cali Realty Corporation and Anthony Krug (filed as Exhibit 10.1 to the Company's Form 8-K dated March 21, 2014 and incorporated herein by reference).
10.120	Separation Agreement dated July 18, 2014 by and between Roseland Management Services, L.P. and Bradford R. Klatt (filed as Exhibit 10.122 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 and incorporated herein by reference).
10.121	Separation Agreement dated July 18, 2014 by and between Roseland Management Services, L.P. and Carl Goldberg (filed as Exhibit 10.123 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 and incorporated herein by reference).
10.122	Amendment to Membership Interest and Asset Purchase Agreement, dated as of July 18, 2014, by and among Mack-Cali Realty, L.P., Mack-Cali Realty Corporation, Mack-Cali Realty Acquisition Corp., Canoe Brook Investors, L.L.C. (formerly known as Roseland Partners, L.L.C.), Marshall B. Tycher, Bradford R. Klatt and Carl Goldberg (filed as Exhibit 10.124 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 and incorporated herein by reference).

Exhibit Number	Exhibit Title
10.123	Consulting Agreement dated July 18, 2014 by and between Roseland Management Services, L.P. and Carl Goldberg and Devra Goldberg (filed as Exhibit 10.125 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 and incorporated herein by reference).
10.124	Separation Agreement dated November 4, 2014 by and between Mack-Cali Realty Corporation and Mitchell E. Hersh (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated November 4, 2014 and incorporated herein by reference).
10.125	Severance Agreement dated March 4, 2015 by and between Anthony Krug and Mack-Cali Realty Corporation (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 4, 2015 and incorporated herein by reference).
10.126	Severance Agreement dated March 4, 2015 by and between Gary T. Wagner and Mack-Cali Realty Corporation (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated March 4, 2015 and incorporated herein by reference).
10.127	Employment Agreement dated June 3, 2015 by and between Mitchell E. Rudin and Mack-Cali Realty Corporation (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 3, 2015 and incorporated herein by reference).
10.128	Employment Agreement dated June 3, 2015 by and between Michael J. DeMarco and Mack-Cali Realty Corporation (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K dated June 3, 2015 and incorporated herein by reference).
10.129	Indemnification Agreement dated June 3, 2015 by and between Mitchell E. Rudin and Mack-Cali Realty Corporation (filed as Exhibit 10.129 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 and incorporated herein by reference).
10.130	Indemnification Agreement dated June 3, 2015 by and between Michael J. DeMarco and Mack-Cali Realty Corporation (filed as Exhibit 10.130 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 and incorporated herein by reference).
10.131*	Indemnification Agreement dated September 22, 2015 by and between Marshall B. Tycher and Mack-Cali Realty Corporation.
10.132*	Employment Agreement dated October 23, 2012 by and between Marshall B. Tycher and Mack-Cali Realty Corporation.
10.133*	Indemnification Agreement dated June 10, 2013 by and between Ricardo Cardoso and Mack-Cali Realty Corporation.
31.1*	Certification of the Company's Chief Executive Officer, Mitchell E. Rudin, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Company's President and Chief Operating Officer, Michael J. DeMarco, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.3*	Certification of the Company's Chief Financial Officer, Anthony Krug, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Company's Chief Executive Officer, Mitchell E. Rudin, the Company's President and Chief Operating Officer, Michael J. DeMarco and the Company's Chief Financial Officer, Anthony Krug, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.1*	The following financial statements from Mack-Cali Realty Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 formatted in XBRL: (i) Consolidated Balance Sheets (unaudited), (ii) Consolidated Statements of Operations (unaudited), (iii) Consolidated Statement of Changes in Equity (unaudited), (iv) Consolidated Statements of Cash Flows (unaudited), and (v) Notes to Consolidated Financial Statements (unaudited).

* filed herewith

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Section 2: EX-10.131 (MACK-CALI REALTY CORP. - EXHIBIT 10.131)

INDEMNIFICATION AGREEMENT
(Directors and Officers)

THIS INDEMNIFICATION AGREEMENT is made and entered into this 22nd day of September, 2015 by and between MACK-CALI REALTY CORPORATION, a Maryland corporation (the "Company"), and MARSHALL B. TYCHER, an individual residing at [intentionally omitted] ("Indemnitee").

RECITALS

WHEREAS, it is essential to the Company to retain and attract as directors and officers the most capable persons available; and

WHEREAS, Indemnitee is a director and/or officer of the Company; and

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against directors and officers of companies in today's environment; and

WHEREAS, the Company's charter (the "Charter") and bylaws (the "Bylaws") provide that the Company will indemnify its directors and officers to the fullest extent permitted by law and will advance expenses in connection therewith, and Indemnitee's willingness to serve as a director and/or officer of the Company is based on Indemnitee's reliance on such provisions; and

WHEREAS, in recognition of Indemnitee's need for substantial protection against personal liability in order to enhance Indemnitee's continued service to the Company in an effective manner, and Indemnitee's reliance on the aforesaid provisions of the Charter and Bylaws, and in part to provide Indemnitee with specific contractual assurance that the protection promised by such provisions will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of such provisions or any change in the composition of the Company's Board of Directors or any acquisition or business combination transaction relating to the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancement of expenses to Indemnitee as set forth in this Agreement and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Certain Definitions.

1.1 "Claim" shall mean any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, investigative or other, or any inquiry or investigation, whether instituted, made or conducted by the Company or any other party, that Indemnitee in good faith believes might lead to the institution of any such action, suit or proceeding, whether civil, criminal, administrative, investigative or other.

1.2 "Expenses" shall mean and include all court costs, attorneys' fees, disbursements and all other costs, expenses and obligations paid or incurred in connection with investigating., defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in, any Claim relating to any Indemnifiable Event.

1.3 "Indemnifiable Event" shall mean any actual or asserted event or occurrence related to the fact that Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company, or is or was serving at the request of the Company as a director, officer, partner, employee, trustee, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other entity, or anything done or not done by Indemnitee in any such capacity.

2. **Basic Indemnification Arrangement.**

In the event Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Claim by reason of (or arising or related in whole or in part out of) an Indemnifiable Event, (a) the Company will indemnify and hold harmless Indemnitee to the fullest extent permitted by law, as soon as practicable, but in any event no later than fifteen (15) calendar days after written demand is presented to the Company, from and against any and all Expenses, judgments, fines, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties or amounts paid in settlement) of, or suffered or incurred by Indemnitee in connection with, such Claim; and (b) the Company will pay or reimburse Indemnitee for any and all Expenses incurred by Indemnitee in connection with a Claim prior to final disposition of the Claim, to the fullest extent permitted by law but without requiring any preliminary determination of the ultimate entitlement of Indemnitee to indemnification, as soon as practicable, but in any event within two (2) business days, after request by Indemnitee. Notwithstanding anything in this Section 2 or Section 5 of this Agreement to the contrary, Indemnitee will not be entitled to indemnification pursuant to this Agreement in connection with any Claim initiated by Indemnitee against the Company or any director or officer of the Company except as provided in Section 4 of this Agreement or unless the Company has joined in or consented to the initiation of such Claim.

3. **Establishment of Trust.** The Company will create a trust (the "Trust") for the benefit of Indemnitee and from time to time upon written request by Indemnitee will, if so authorized by the Company's Board of Directors, fund the Trust in an amount sufficient to satisfy any and all Expenses reasonably anticipated at the time of each such request, and any and all judgments, fines, penalties and settlement amounts of any and all Claims relating to an Indemnifiable Event from time to time actually paid or reasonably anticipated or proposed to be paid. The terms of the Trust will provide that (i) the Trust will not be revoked, or the principal thereof invaded, without the written consent of Indemnitee, (ii) the trustee thereunder (the "Trustee") will advance, .within two (2) business days of a request by Indemnitee, any and all Expenses to Indemnitee, (iii) the Trust will continue to be funded by the Company in accordance with and to the extent of the funding obligation set forth above, (iv) the Trustee will promptly pay to Indemnitee all amounts to which Indemnitee is entitled in respect of the Company's indemnification obligations under this Agreement or otherwise, and (v) all unexpended funds in the Trust will revert to the Company upon a final determination by a court of competent jurisdiction that Indemnitee has been fully indemnified under the terms of this Agreement. The Trustee will be an independent third party, and will be chosen by Indemnitee. Nothing in this Section 3 will relieve the Company of any of it obligations under this Agreement.

4. **Indemnification for Additional Expenses.** The Company will indemnify Indemnitee against and, if requested by Indemnitee, will, within two (2) business days of such request, advance to Indemnitee, any and all attorneys' fees and other costs, expenses and obligations paid or incurred by Indemnitee in connection with any claim, action, suit or proceeding asserted or brought by Indemnitee for (i) indemnification or payment or reimbursement of Expenses prior to final disposition of the Claim by the Company under this Agreement or any other agreement or under any provisions of the Charter or Bylaws now or hereafter in effect relating to Claims for Indemnifiable Events and/or (ii) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be.

5. **Partial Indemnity, Etc.** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines, penalties and amounts paid in settlement of a Claim but not, however, for all of the total amount thereof, the Company will nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. In addition, notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any or all Claims relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, Indemnitee will be indemnified against all Expenses incurred in connection therewith. In connection with any determination as to whether Indemnitee is entitled to be indemnified hereunder, the burden of proof will be on the Company to establish that Indemnitee is not so entitled. The Company agrees to make any such determination, or to cause such determination to be made, as expeditiously as practicable.

6. **No Presumption.** For purposes of this Agreement, the termination of any Claim, action, suit or proceeding by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere or its equivalent, will not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law.

7. Non-Exclusivity. Etc. The rights of Indemnitee hereunder will be in addition to any other rights Indemnitee may have under the Charter, the Bylaws or the Maryland General Corporation Law (the "MGCL") or otherwise; provided, however, that to the extent that Indemnitee otherwise would have any greater right to indemnification under any provision of the Charter or Bylaws as in effect on the date hereof, Indemnitee will be deemed to have such greater right hereunder, and provided, further, that to the extent that any change is made to the MGCL (whether by legislative action or judicial decision), the Charter and/or the Bylaws which permits any greater right to indemnification than that provided under this Agreement as of the date hereof, Indemnitee will be deemed to have such greater right hereunder. The Company will not adopt any amendment to the Charter or the Bylaws the effect of which would be to deny, diminish or encumber Indenmitee's right to indemnification under the Charter, the Bylaws, the MGCL or otherwise as applied to any act or failure to act occurring in whole or in part prior to the date upon which the amendment was approved by the Company's Board of Directors and/or its stockholders, as the case may be.

8. Liability Insurance. The Company shall maintain an insurance policy or policies providing directors' and officers' liability insurance in an amount not less than $1,000,000 and on customary terms. Indemnitee will be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer.

9. Period of Limitations. No legal action will be brought and no cause of action will be asserted by or on behalf of the Company or any affiliate of the Company against Indemnitee or Indemnitee's spouse, personal or legal representatives, executors, administrators, successors, heirs, distributees or legatees after the expiration of three (3) years from the date of accrual of such cause of action, and any claim or cause of action of the Company or its affiliates will be extinguished and deemed released unless asserted by the timely filing of a legal action within such three (3) year period; provided, however, that if any shorter period of limitation is otherwise applicable to any such cause of action, such shorter period will govern.

10. Subrogation. In the event of payment under this Agreement., the Company will be subrogated to the extent of such payment to all of the related rights of recovery of Indemnitee against other persons or entities. Indemnitee will execute all papers reasonably required and will do every tiling that may be reasonably necessary to secure such rights and enable the Company effectively to bring suit to enforce such rights (all of Indemnitee's reasonable costs and expenses, including attorneys' fees and disbursements, to be reimbursed by or, at the option of Indemnitee, advanced by the Company).

11. No Duplication of Payments. The Company will not be liable under this Agreement to make any payment in connection with any Claim made against Indemnitee to the extent Indemnitee has otherwise actually received payment (under any insurance policy, the Charter, the Bylaws or otherwise) of the amounts otherwise Indemnifiable hereunder.

12. Successors and Binding Agreement. (a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement will be binding upon and inure to the benefit of the Company and any successor to the Company, including, without limitation, any person acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor will thereafter be deemed the "Company" for the purposes of this Agreement), but will not otherwise be assignable, transferable or delegable by the Company.

(b) This Agreement will inure to the benefit of and be enforceable by Indemnitee's personal or legal representatives, executors, administrators, successors, heirs, distributees and legatees.

(c) This Agreement is personal in nature and neither of the parties hereto will, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 12(a) and 12(b) hereof. Without limiting the generality or effect of the foregoing, Indemnitee's right to receive payments hereunder will not be assignable, transferable or delegable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by Indemnitee's will or by the laws of descent and distribution, and any such attempted assignment shall be null and void and of no effect.

13. Notices. For all purposes of this Agreement, all communications, including, without limitation, notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or five (5) calendar days after having been mailed by United States registered or certified mail,, return receipt requested, postage prepaid, or one (1) business day after having been sent for next-day delivery by a nationally recognized overnight courier service, addressed to the Company (to the attention of the Secretary of the Company) at its principal executive office and to Indemnitee at Indemnitee's principal residence as shown in the Company's most current records, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address will be effective only upon receipt.

14. Governing Law.

The validity, interpretation, construction and performance of this Agreement will be governed by and construed in accordance with the laws of the State of Maryland, without giving effect to the principles of conflict of laws.

15. Validity. If any provision of this Agreement or the application of any provision hereof to any person or circumstance is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal will be reformed to the extent (and only to the extent) necessary to make it enforceable, valid or legal.

16. Miscellaneous. No provision of this Agreement may be waived, modified or discharged unless such waiver, modification or discharge is agreed to in writing by Indemnitee and the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. References to Sections are references to Sections of this Agreement.

17. Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which will be deemed to be an original but both of which together will constitute one and the same agreement.

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement as of the date first above written.

THE COMPANY:

MACK-CALI REALTY CORPORATION

By: /s/ Michael J. DeMarco
Name: Michael J. DeMarco
Title: President and Chief Operating Officer

THE INDEMNITEE:

/s/ Marshall B. Tycher
Name: Marshall B. Tycher

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Section 3: EX-10.132 (MACK-CALI REALTY CORP. - EXHIBIT 10.132)

Exhibit 10.132

MARSHALL B. TYCHER

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “Agreement”) is entered into as of October 23, 2012, by and between Marshall B. Tycher, an individual residing at [intentionally omitted] (“Employee”), and Roseland Management Services, L.P., a Delaware limited partnership with offices at 343 Thornall Street, Edison, New Jersey 08837-2206 (the “Company”).

RECITALS

WHEREAS, the Company desires to employ Employee as Co-President of the Company and Employee desires to be employed by the Company as Co-President of the Company, pursuant to the terms set forth herein.

WHEREAS, the Company is a subsidiary of Mack-Cali Realty, L.P., a Delaware limited partnership (“MCRLP”).

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, the parties hereby agree as follows:

1. Employment.

The Company hereby agrees to employ Employee, and Employee hereby agrees to accept such employment during the period and upon the terms and conditions set forth in this Agreement.

2. Employment Period.

(a) Except as otherwise provided in this Agreement to the contrary, the terms and conditions of this Agreement shall be and remain in effect during the period of employment (the “Employment Period”) established under this Paragraph 2. The Initial Employment Period shall be for a term commencing on the date of this Agreement and ending on the third (3rd) anniversary of the date of this Agreement provided, however, that this Agreement shall automatically renew for a term of one (1) year on the third (3rd) anniversary of the date of this Agreement and on each anniversary of the date of this Agreement thereafter so that a constant one (1) year Employment Period shall be in effect, unless (i) the Company or Employee elects not to extend the term of this Agreement by giving written notice to the other party in accordance with Paragraph 19, in which case the term of this Agreement shall become fixed, or (ii) Employee’s employment terminates hereunder. Any extension of this Agreement shall not create an obligation of the Company to issue awards to Employee hereunder.

(b) Notwithstanding anything contained herein to the contrary: (i) Employee’s employment with the Company may be terminated by the Company or Employee during the Employment Period, subject to the terms and conditions of this Agreement; and (ii) nothing in this Agreement shall mandate or prohibit a continuation of Employee’s employment following the expiration of the Employment Period upon such terms and conditions as the Company and Employee may mutually agree.

(c) If Employee's employment with the Company is terminated, for purposes of this Agreement the term "Unexpired Employment Period" shall mean the period commencing on the date of such termination and ending on the last day of the Employment Period.

3. Services.

(a) Services. During the Employment Period, Employee shall hold the position of Co-President of the Company reporting to the Chief Executive Officer of the Company and devote his best efforts and substantially all of his business time, skill and attention to the business of the Company (other than absences due to vacation, illness, disability or approved leave of absence), and shall perform such duties as are customarily performed by a similar executive holding such position and as may be more specifically enumerated from time to time by the Chief Executive Officer of the Company; provided, however, that the foregoing is not intended to preclude Employee from (i) owning and managing personal investments, including real estate investments, subject to the restrictions set forth in Paragraph 13 hereof and managing, developing or otherwise dealing with any of the assets owned directly or indirectly by Roseland Partners, L.L.C. or Employee or his family which are listed in Section 3.26 of the Disclosure Schedules to the Membership Interest and Asset Purchase Agreement dated as of October 8, 2012 (the "Membership Interest Agreement") by and among Roseland Partners L.L.C., Mack-Cali Realty Acquisition LLC, MCRLP and Mack-Cali Realty Corporation or (ii) engaging in charitable activities and community affairs, provided that the performance of the activities referred to in clauses (i) and (ii) does not prevent Employee from devoting substantially all of his business time to the Company.

(b) Place of Employment. During the Employment Period, Employee's place of employment shall be at the principal office of the Company which shall be located either in Short Hills, New Jersey or at Port Imperial located in West New York and Weehawken, New Jersey.

4. Compensation and Benefits.

(a)Salary. During the Employment Period, the Company shall pay Employee a minimum annual base salary in the amount of $400,000 (the "Annual Base Salary") payable in accordance with the Company's regular payroll practices. Employee's Annual Base Salary shall be reviewed annually in accordance with the policy of the Company from time to time and may be subject to upward adjustment based upon, among other things, Employee's performance, as determined in the sole discretion of the Chief Executive Officer of the Company. In no event shall Employee's Annual Base Salary in effect at a particular time be reduced without his prior written consent.

(b)Incentive Compensation/Bonuses. In addition, during the Employment Period, Employee shall be eligible for incentive compensation payable in such amounts as may be determined by the Company, in the exercise of its discretion. Notwithstanding the foregoing, Employee shall have a threshold bonus opportunity of up to $1 million with respect to the first twelve months of the Employment Period, up to $1.5 million with respect to the second twelve months of the Employment Period, and up to $2 million with respect to the third twelve months of the Employment Period (the "Target Bonuses"). Each such twelve-month period is referred to in this Agreement as a Year. For purposes of these Target Bonuses, fifty percent (50%) of the Target Bonuses shall be based on the achievement of specified operating objectives as described on Exhibit A hereto, and the remaining fifty percent (50%) of the Target Bonuses shall be determined by the Chief Executive Officer of the Company, in his sole discretion. The amount of the Target Bonus for each Year will be awarded and determined no later than 30 days after the end of each such Year and will be communicated to the Employee within such 30 day period in a notice from the Chief Executive Officer of the Company. The Target Bonuses awarded ("Awarded Target Bonuses") to Employee for each Year shall be payable to the Employee within 30 days after the third anniversary (the "Third Anniversary") of the date of this Agreement; provided, however, that if Employee's employment with the Company is terminated prior to the Third Anniversary by the Company for Cause or by reason of the resignation of the Employee for other than Good Reason, then none of the Awarded Target Bonuses shall be payable to Employee. If Employee's employment is terminated for any other reason prior to the Third Anniversary, then any Awarded Target Bonuses for any of the applicable Years preceding the Year in which such termination occurs shall be deemed earned and shall be paid as provided below in this Agreement.

(c) Taxes and Withholding. The Company shall have the right to deduct and withhold from all compensation all social security and other federal, state and local taxes and charges which currently are or which hereafter may be required by law to be so deducted and withheld.

(d) Additional Benefits. In addition to the compensation specified above and other benefits provided pursuant to this Paragraph 4, Employee shall be entitled to the following benefits:

(i)participation in the Mack-Cali Realty Corporation 401(k) Savings and Retirement Plan (subject to statutory rules and maximum contributions and non-discrimination requirements applicable to 401(k) plans) and such other benefit plans and programs, including but not limited to restricted stock, phantom stock and/or unit awards, loan programs and any other incentive compensation plans or programs (whether or not employee benefit plans or programs), as maintained by the Company or Mack-Cali Realty Corporation ("MCRC") from time to time and made generally available to employees of the Company or MCRC with such participation to be consistent with reasonable Company or MCRC guidelines as the case may be;

(ii) participation in any health insurance, disability insurance, paid vacation, group life insurance or other welfare benefit program made generally available to employees of the Company (which shall be comparable to the plans and benefits provided to employees of MCRC); and

(iii) reimbursement for reasonable business expenses incurred by Employee in furtherance of the interests of the Company.

5. Termination of Employment and Change In Control.

(a) Employee’s employment hereunder may be terminated during the Employment Period under the following circumstances:

(i) Cause. The Company shall have the right to terminate Employee’s employment for Cause upon Employee’s: (A) willful and continued failure to use best efforts to substantially perform his duties hereunder (other than any such failure resulting from Employee’s incapacity due to physical or mental illness) for a period of thirty (30) days after written demand for substantial performance is delivered by the Company specifically identifying the manner in which the Company believes Employee has not substantially performed his duties; (B) willful misconduct and/or willful violation of Paragraph 11 hereof, which is materially economically injurious to the Company and **MCRC** taken as a whole; (C) the willful violation of the provisions of Paragraph 13 hereof; or (D) conviction of, or plea of guilty to a felony. For purposes of this sub-paragraph 5(a), no act, or failure to act, on Employee’s part shall be considered “willful” unless done, or omitted to be done, by him (I) not in good faith and (II) without reasonable belief that his action or omission was in furtherance of the interests of the Company.

(ii) Death. Employee’s employment hereunder shall terminate upon his death.

(iii) Disability. The Company shall have the right to terminate Employee’s employment due to “Disability” in the event that there is a determination by the Company, upon the advice of an independent qualified physician, reasonably acceptable to Employee, that Employee has become physically or mentally incapable of performing his duties under this Agreement and such disability has disabled Employee for a cumulative period of one hundred eighty (180) days within a twelve (12) month period.

(iv)Good Reason. Employee shall have the right to terminate his employment for “Good Reason”: (A) upon the occurrence of any material breach of this Agreement by the Company which shall include but not be limited to; an assignment to Employee of duties materially and adversely inconsistent with Employee’s status as Co-President or a material or adverse alteration in the nature of or diminution in Employee’s duties and/or responsibilities, reporting obligations, titles or authority; (B) upon a reduction in Employee’s Annual Base Salary or a material reduction in other benefits (except for bonuses or similar discretionary payments) as in effect at the time in question, a failure to pay such amounts when due or any other failure by the Company to comply with Paragraph 4 hereof; (C) on or within six (6) months following the date a Notice of Non-Renewal is issued by the Company pursuant to Paragraph 2 hereof; (D) on or within six (6) months following a Change in Control (as hereinafter defined) in accordance with the provisions set forth in sub-paragraph 5(a)(vii) hereof; (E) upon any purported termination of Employee’s employment for Cause which is not effected pursuant to the procedures of sub-paragraph 5(a)(i) (and for purposes of this Agreement, in the event of such failure to comply, no such purported termination shall be effective); (F) upon the relocation of the Company’s principal executive offices or Employee’s own office location to a location other than Short Hills, New Jersey or Port Imperial located in West New York and Weehawken, New Jersey.

(v) Without Cause. The Company shall have the right to terminate the Employee's employment hereunder without Cause subject to the terms and conditions of this Agreement.

(vi) Without Good Reason. The Employee shall have the right to terminate his employment hereunder without Good Reason subject to the terms and conditions of this Agreement.

(vii)Change in Control. Employee shall have the right to terminate his employment hereunder on or within six (6) months following a Change in Control. Such termination shall be deemed a termination for Good Reason hereunder. For purposes of this Agreement "Change in Control" shall mean that any of the following events has occurred: (A) any "person" or "group" of persons, as such terms are used in Sections 13 and 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), other than any employee benefit plan sponsored by the Company or MCRC, becomes the "beneficial owner", as such term is used in Section 13 of the Exchange Act, (irrespective of any vesting or waiting periods) of (I) Common Stock of MCRC ("Common Stock") or any class of stock convertible into Common Stock and/or (II) Common OP Units of MCRLP ("Common OP Units") or preferred units or any other class of units convertible into Common OP Units, in an amount equal to twenty (20%) percent or more of the sum total of the Common Stock and the Common OP Units (treating all classes of outstanding stock, units or other securities convertible into stock units as if they were converted into Common Stock or Common OP Units as the case may be and then treating Common Stock and Common OP Units as if they were a single class) issued and outstanding immediately prior to such acquisition as if they were a single class and disregarding any equity raise in connection with the financing of such transaction; (B) any Common Stock is purchased pursuant to a tender or exchange offer other than an offer by MCRC; (C) the dissolution or liquidation of MCRC, MCRLP or the Company or the consummation of any merger or consolidation of MCRC, MCRLP or the Company or any sale or other disposition of all or substantially all of the assets of MCRC, MCRLP or the Company, if the shareholders of MCRC and unitholders of MCRLP taken as a whole and considered as one class immediately before such transaction own, immediately after consummation of such transaction, equity securities and partnership units possessing less than fifty (50%) percent of the surviving or acquiring company or MCRC and MCRLP taken as a whole; or (D) a turnover, during any two (2) year period, of the majority of the members of the Board of Directors of MCRC (the "Board"), without the consent of the remaining members of the Board as to the appointment of the new Board members.

(b) Notice of Termination. Any termination of Employee's employment by the Company or any such termination by Employee (other than on account of death) shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Employee's employment under the provision so indicated. In the event of the termination of Employee's employment on account of death, written Notice of Termination shall be deemed to have been provided on the date of death.

6. Compensation Upon Termination of Employment By the Company for Cause or By Employee without Good Reason.

In the event the Company terminates Employee's employment for Cause or Employee terminates his employment without Good Reason, the Company shall pay Employee any unpaid Annual Base Salary at the rate then in effect accrued through and including the date of termination. In addition, in such event, Employee shall be entitled (i) to receive any earned but unpaid incentive compensation or Awarded Target Bonuses (provided that Employee shall not be entitled to any Awarded Target Bonuses if his employment is terminated prior to the Third Anniversery by the Company for Cause or by reason of his resignation for other than Good Reason) and (ii) in the event any options have been granted Employee, to exercise any options which have vested and are exercisable in accordance with the terms of the applicable option grant agreement or plan.

Except for any rights which Employee may have to unpaid salary amounts through and including the date of termination, earned but unpaid incentive compensation or Awarded Target Bonuses (except to the extent he shall not be entitled to Awarded Target Bonuses as herein provided), the Company shall have no further obligations hereunder following such termination. The aforesaid amounts shall be payable in full immediately upon such termination.

7. Compensation Upon Termination of Employment Upon Death or Disability.

In the event of termination of Employee's employment as a result of either Employee's death or Disability, the Company shall pay to Employee, his estate or his personal representative the aggregate of (i) a cash payment of one million dollars ($1,000,000) in full immediately upon such termination (the "Fixed Amount") and (ii) reimbursement of expenses incurred prior to date of termination ("Expense Reimbursement"). Employee (and Employee's dependents) shall also receive continuation of health coverage through the end of the Unexpired Employment Period on the same basis as health coverage is provided by the Company or MCRC for active employees and as may be amended from time to time ("Medical Continuation"), and any reimbursements under such plan will be made no later than the last day of the year after the year in which the expense was incurred.

In addition, if granted to Employee, all (A) incentive compensation payments or programs of any nature whether stock based or otherwise that are subject to a vesting schedule including, without limitation, Warrants, Restricted Share Awards or any other restricted stock, phantom stock, units and any loan forgiveness arrangements granted to Employee ("Incentive Compensation") shall immediately vest as of the date of such termination ("Vested Incentive Compensation") and, (B) options granted to Employee, if any, shall immediately vest as of the date of such termination (the "Vested Options") and Employee shall be entitled at the option of Employee, his estate or his personal representative, within one (1) year of the date of such termination, to exercise the Vested Options and/or other options which have vested (including, without limitation, all other options which have previously vested in accordance with any applicable option grant agreement or plan) (the "Total Vested Options") and are exercisable in accordance with the terms of the applicable option grant agreement or plan and/or any other methods or procedures for exercise applicable to optionees or to require the Company (upon written notice delivered within one hundred eighty (180) days following the date of Employee's termination) to repurchase all or any portion of Employee's vested options to purchase shares of Common Stock at a price equal to the difference between the Repurchase Fair Market Value (as hereinafter defined) of the shares of Common Stock for which the options to be repurchased are exercisable and the exercise price of such options as of the date of Employee's termination of employment (the "Vested Option Exercise Election"). In the event of a conflict between any Incentive Compensation grant agreement or program or any option grant agreement or plan and this Agreement, the terms of this Agreement shall control. In addition, upon Employee's death or disability, the Company shall pay to Employee's estate or to Employee, as the case may be, within 30 days after such death or disability all Awarded Target Bonuses.

Except for any rights which Employee or Employee's estate in the event of Employee's death may have to all of the above including the Fixed Amount, Vested Incentive Compensation, Total Vested Options and the Vested Option Exercise Election, Awarded Target Bonuses, Expense Reimbursement and Medical Continuation (which, in the event of Employee's death, shall be provided to Employee's dependents), the Company shall have no further obligations hereunder following such termination.

For purposes of this Agreement, "Repurchase Fair Market Value" shall mean the average of the closing price on the New York Stock Exchange (or such other exchange on which the Common Stock is primarily traded) of the Common Stock on each of the trading days within the thirty (30) days immediately preceding the date of termination of Employee's employment.

8. Compensation Upon Termination of Employment By the Company Without Cause or By Employee for Good Reason.

In the event the Company terminates Employee's employment for any reason other than Cause or Employee terminates his employment for Good Reason, the Company shall pay to Employee and Employee shall be entitled to receive the aggregate of (i) the Fixed Amount plus an amount (the "Remaining Salary") equal to the Annual Base Salary for the balance of the Employment Term, which shall be payable in a lump sum within 10 days after any such termination of employment and (ii) Vested Incentive Compensation, Total Vested Options and the Vested Option Exercise Election, Expense Reimbursement and Medical Continuation at such time as provided in subparagraph 4(d) and Paragraph 7 above and any Awarded Target Bonuses within 10 days after any such termination of employment. In the event of a conflict between any Incentive Compensation grant agreement or program or any option grant agreement or plan and this Agreement, the terms of this Agreement shall control. Employee understands that any options exercised more than ninety (90) days following the date of his termination of employment which were granted as incentive stock options shall automatically be converted into non-qualified options.

Except for any rights which Employee may have to the Fixed Amount, Remaining Salary Vested Incentive Compensation, Total Vested Options and the Vested Option Exercise Election, Awarded Target Bonuses, Expense Reimbursement and Medical Continuation, the Company shall have no further obligations hereunder following such termination. The parties both agree that the agreement to make these payments was consideration and an inducement to obtain Employee's consent to enter into this Agreement. The payments are not a penalty and neither party will claim them to be a penalty. Rather, the payments represent a fair approximation of reasonable amounts due to Employee for the Employment Period.

9. Change in Control.

(a) Options. Any Incentive Compensation and options granted to Employee that have not vested as of the date of a Change in Control shall immediately vest upon the date of the Change in Control. Neither the occurrence of a Change in Control, nor the vesting in any warrants or options as a result thereof shall require Employee to exercise any warrants or options. In the event of a conflict between any Incentive Compensation grant agreement or program or any option grant agreement or plan and this Agreement, the terms of this Agreement shall control.

(b)Upon Termination. In the event Employee terminates his employment on or following a Change in Control as set forth in sub-paragraph 5(a)(vii), the Company shall pay to Employee and Employee shall be entitled to all the payments and rights Employee would have had if Employee had terminated his employment for Good Reason as set forth in Paragraph 8.

Except for any rights which Employee may have to the Fixed Amount, Remaining Salary Vested Incentive Compensation, Total Vested Options (including, without limitation, by acceleration in accordance with sub-paragraph 9(a)) and the Vested Option Exercise Election, Awarded Target Bonuses, Expense Reimbursement and Medical Continuation, the Company shall have no further obligations hereunder following such termination.

10. Mitigation / Effect on Employee Benefit Plans and Programs.

(a) Mitigation. Employee shall not be required to mitigate amounts payable under this Agreement by seeking other employment or otherwise, and there shall be no offset against amounts due Employee under this Agreement on account of subsequent employment. Amounts owed to Employee under this Agreement shall not be offset by any claims the Company may have against Employee and such payment shall not be affected by any other circumstances, including, without limitation, any counterclaim, recoupment, defense, or other right which the Company may have against Employee or others.

(b)Effect on Employee Benefit Programs. The termination of Employee's employment hereunder, whether by the Company or Employee, shall have no effect on the rights and obligations of the parties hereto under the Company's or MCRC's (i) welfare benefit plans including, without limitation, Medical Continuation as provided for herein and, health coverage thereafter but only to the extent required by law, and on the same basis applicable to other employees and (ii) 401(k) Plan but only to the extent required by law and pursuant to the terms of the 401(k) Plan.

11. Confidential Information.

(a) Employee understands and acknowledges that during his employment with the Company, he will be exposed to Confidential Information (as defined below), all of which is proprietary and which will rightfully belong to the Company. Employee shall hold in a fiduciary capacity for the benefit of the Company such Confidential Information obtained by Employee during his employment with the Company and shall not, directly or indirectly, at any time, either during or after his employment with the Company, without the Company's prior written consent, use any of such Confidential Information or disclose any of such Confidential information to any individual or entity other than the Company or its employees, attorneys, accountants, financial advisors, consultants, or investment bankers except as required in the performance of his duties for the Company or as otherwise required by law. Employee such take all reasonable steps to safeguard such Confidential Information and to protect such Confidential Information against disclosure, misuse, loss or theft.

(b) The term "Confidential Information" shall mean any information not generally known in the relevant trade or industry or otherwise not generally available to the public, which was obtained from the Company or its predecessors or which was learned, discovered, developed, conceived, originated or prepared during or as a result of the performance of any services by Employee on behalf of the Company or its predecessors. For purposes of this Paragraph 11, the Company shall be deemed to include any entity which is controlled, directly or indirectly, by the Company or MCRC and any entity of which a majority of the economic interest is owned, directly or indirectly, by the Company or MCRC.

12. Return of Documents.

Except for such items which are of a personal nature to Employee (e.g., daily business planner), all writings, records, and other documents and things containing any Confidential Information shall be the exclusive property of the Company, shall not be copied, summarized, extracted from, or removed from the premises of the Company, except in pursuit of the business of the Company and at the direction of the Company, and shall be delivered to the Company, without retaining any copies, upon the termination of Employee's employment or at any time as requested by the Company.

13. Noncompete.

Employee agrees that:

(a)During the Employment Period and, in the event (i) the Company terminates Employee's employment, for Cause, or (ii) Employee terminates his employment without Good Reason, for a one (1) year period thereafter, Employee shall not, directly or indirectly, within the continental United States, engage in, or own, invest in, manage or control any venture or enterprise primarily engaged in any office-service, flex, or office property development, acquisition or management activities without regard to whether or not such activities compete with the Company. Nothing herein shall prohibit Employee from being a passive owner of not more than five percent (5%) of the outstanding stock of any class of securities of a corporation or other entity engaged in such business which is publicly traded, so long as he has no active participation in the business of such corporation or other entity. Moreover, the foregoing limitations shall not be deemed to restrict or otherwise limit Employee from conducting real estate development, acquisition or management activities, provided that during the Employment Period the performance of such activities does not prevent Employee from devoting substantially all of his business time to the Company.

(b) If, at the time of enforcement of this Paragraph 13, a court shall hold that the duration, scope, area or other restrictions stated herein are unreasonable, the parties agree that reasonable maximum duration, scope, area or other restrictions may be substituted by such court for the stated duration, scope, area or other restrictions and upon substitution by such court, this Agreement shall be automatically modified without further action by the parties hereto.

(c) For purposes of this Paragraph 13, the Company shall be deemed to include any entity which is controlled, directly or indirectly, by the Company or MCRC and any entity of which a majority of the economic interest is owned, directly or indirectly, by the Company or MCRC.

(d)It is understood and agreed that Employee has joined in the Membership Interest Agreement for certain limited purposes which contains different provisions relating to non-competition and related matters, than those in this Paragraph 13. It is further understood and agreed that the provisions of that Membership Interest Agreement are cumulative to those contained herein such that they shall apply if, as, and when those contained herein do not, and the provisions of this Paragraph 13 shall apply if, as, and when the provisions of the Membership Interest Agreement do not. In the event of any inconsistencies between this Agreement and the Membership Interest Agreement, the provisions of the Membership Interest Agreement shall control.

14. Remedies

The parties hereto agree that the Company would suffer irreparable harm from a breach by Employee of any of the covenants or agreements contained in Paragraphs 11, 12 or 13 of this Agreement. Therefore, in the event of the actual or threatened breach by Employee of any of the provisions of Paragraphs 11, 12 or 13 of this Agreement, the Company may, in addition and supplementary to other rights and remedies existing in its favor, apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violation of the provisions thereof.

15. Indemnification/Legal Fees.

(a)Indemnification. In the event the Employee is made party or threatened to be made a party to any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of Employee's employment with or serving as an officer or director of the Company, whether or not the basis of such Proceeding is alleged action in an official capacity, the Company shall indemnify, hold harmless and defend Employee to the fullest extent authorized by Delaware law, as the same exists and may hereafter be amended, against any and all claims, demands, suits, judgments, assessments and settlements including all expenses incurred or suffered by Employee in connection therewith (including, without limitation, all legal fees incurred using counsel reasonably acceptable to Employee) and such indemnification shall continue as to Employee even after Employee is no longer employed by the Company and shall inure to the benefit of his heirs, executors, and administrators. Expenses incurred by Employee in connection with any Proceeding shall be paid by the Company in advance upon request of Employee that the Company pay such expenses; but, only in the event that Employee shall have delivered in writing to the Company an undertaking to reimburse the Company for expenses with respect to which Employee is not entitled to indemnification. The provisions of this Paragraph shall remain in effect after this Agreement is terminated irrespective of the reasons for termination. The indemnification provisions of this Paragraph shall not supersede or reduce any indemnification provided to Employee under any separate agreement, or the by-laws of the Company since it is intended that this Agreement shall expand and extend the Employee's rights to receive indemnity.

(b) Legal Fees. If any contest or dispute shall arise between the Company and Employee regarding or as a result of any provision of this Agreement, the Company shall reimburse Employee for all legal fees and expenses reasonably incurred by Employee in connection with such contest or dispute, but only if Employee is successful in respect of substantially all of Employee's claims pursued or defended in connection with such contest or dispute. Such reimbursement shall be made as soon as practicable following the resolution of such contest or dispute (whether or not appealed).

16. Successors and Assigns.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, by agreement in form and substance satisfactory to Employee, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of an such succession shall be a breach of this Agreement and shall entitle Employee to compensation from the Company in the same amount and on the same terms as he would be entitled to hereunder if Employee terminated his employment hereunder within six (6) months of a Change in Control as set forth in Paragraph 9, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the date of termination. In the event of such a breach of this Agreement, the Notice of Termination shall specify such date as the date of termination. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to all or substantially all of its business and/or its assets as aforesaid which executes and delivers the agreement provided for in this Paragraph 16 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law. Any cash payments owed to Employee pursuant to this Paragraph 16 shall be paid to Employee in a single sum without discount for early payment immediately prior to the consummation of the transaction with such successor.

(b) This Agreement and all rights of Employee hereunder may be transferred only by will or the laws of descent and distribution. Upon Employee's death, this Agreement and all rights of Employee hereunder shall inure to the benefit of and be enforceable by Employee's beneficiary or beneficiaries, personal or legal representatives, or estate, to the extent any such person succeeds to Employee's interests under this Agreement. Employee shall be entitled to select and change a beneficiary or beneficiaries to receive any benefit or compensation payable hereunder following Employee's death by giving Company written notice thereof. If Employee should die following the date of termination while any amounts would still be payable to him hereunder if he had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to such person or persons so appointed in writing by Employee, including, without limitation, under any applicable plan, or otherwise to his legal representatives or estate.

17. Timing of and No Duplication of Payments.

All payments payable to Employee pursuant to this Agreement shall be paid at such times as provided in this Agreement, and if specific times are not provided for any such payments, then such payments will be paid as soon as practicable after such amounts have become fully vested and determinable. In addition, Employee shall not be entitled to receive duplicate payments under any of the provisions of this Agreement.

18. Modification or Waiver.

No amendment, modification, waiver, termination or cancellation of this Agreement shall be binding or effective for any purpose unless it is made in a writing signed by the party against whom enforcement of such amendment, modification, waiver, termination or cancellation is sought. No course of dealing between or among the parties to this Agreement shall be deemed to affect or to modify, amend or discharge any provision or term of this Agreement. No delay on the part of the Company or Employee in the exercise of any of their respective rights or remedies shall operate as a waiver thereof, and no single or partial exercise by the Company or Employee of any such right or remedy shall preclude other or further exercise thereof. A waiver of right or remedy on any one occasion shall not be construed as a bar to or waiver of any such right or remedy on any other occasion.

The respective rights and obligations of the parties hereunder shall survive the Employee’s termination of employment and termination of this Agreement to the extent necessary for the intended preservation of such rights and obligations.

19. Notices.

All notices or other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand or delivered by a recognized delivery service or mailed, postage prepaid, by express, certified or registered mail, return receipt requested, and addressed to the Chief Executive Officer of the Company or Employee, as applicable, at the address set forth above (or to such other address as shall have been previously provided in accordance with this Paragraph 19).

20. Governing Law.

This agreement will be governed by and construed in accordance with the laws of the State of New Jersey except as to Paragraph 15(a), without regard to principles of conflicts of laws thereunder.

21. Severability.

Whenever possible, each provision and term of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or term of this Agreement shall be held to be prohibited by or invalid under such applicable law, then, subject to the provisions of sub-paragraph 13(b) above, such provision or term shall be ineffective only to the extent of such prohibition or invalidity, without invalidating or affecting in any manner whatsoever the remainder of such provisions or term or the remaining provisions or terms of this Agreement.

22. Legal Representation.

Each of the Company and Employee have been represented by counsel with respect to this Agreement.

23. Counterparts.

This Agreement may be executed in separate counterparts, each of which is deemed to be an original and both of which taken together shall constitute one and the same agreement.

24. Headings.

The headings of the Paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute a part hereof and shall not affect the construction or interpretation of this Agreement.

25. Entire Agreement.

This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all other prior agreements, negotiations, and undertakings, both written and oral, among the parties with respect to the subject matter hereof.

26. Survival of Agreements.

The covenants made in Paragraphs 5 through 15 and 21 each shall survive the termination of this Agreement.

27. Section 409A Requirements.

Notwithstanding anything to the contrary in this Agreement, the following provisions shall apply to any payments and benefits otherwise payable to or provided to Employee under this Agreement:

(a) For purposes of Section 409A, (i) each "payment" (as defined by Section 409A) made under this Agreement shall be considered a "separate payment," and (ii) payments shall be deemed exempt from the definition of deferred compensation under Section 409A to the fullest extent possible under the "short-term deferral" exemption of Treasury Regulation § 1.409A-1(b)(4), which exemption is hereby incorporated by reference.

(b) If Employee is a "specified employee" as determined by the Company consistent with Section 409A as of his separation from service, to the extent any payment under this Agreement constitutes deferred compensation subject to Section 409A, and to the extent required by Section 409A, no payments due under this Agreement may be made until the earlier of: (i) the first day of the seventh month following Employee's separation from service, or (ii) Employee's date of death; provided, however, that any payments delayed during this six- month period shall be paid in a lump sum on the first day of the seventh month following Employee's separation from service. Such lump sum payments shall include interest from the scheduled payment date to the date of actual payment at an annual rate equal to the prime rate as set forth in the Eastern edition of The Wall Street Journal on the business day immediately preceding Employee's date of separation from service. Any payment due under this Agreement upon termination of employment that is subject to Section 409A shall only be made upon a "separation from service" as that term is defined under Section 409A.

(c) In the event there is a 6-month delay in payments under subparagraph 27(b) above, the Company shall establish and fund an irrevocable “rabbi” trust, in form and substance reasonable satisfactory to Employee, effective as of the beginning of the 6-month period and ending upon the close of such period, to secure the payment of all such delayed amounts to Employee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

ROSELAND MANAGEMENT SERVICES, L.P.
By: **Roseland Services, L.L.C.,** as general partner
By: **MC Roseland TRS Operating L.L.C.,** its sole member
By: **Mack-Cali Services, Inc.,** its sole member

By: /s/ Mitchell E. Hersh
Name: Mitchell E. Hersh
Title: President and Chief Executive Officer

MARSHALL B. TYCHER

By: /s/ Marshall B. Tycher
Marshall B. Tycher

EXHIBIT A
TO
EMPLOYMENT AGREEMENT

The specified operating objective for each Year is the achievement of RPC Fee Business Total Net Operating Cash Flow (determined in a manner consistent with the attached projections) equal to or greater than the amount set forth below for the measuring period set forth below applicable to each Year (as defined in the Employment Agreement) of the Employment Period:

Year	**Measuring Period**	**RPC Fee Business Total Net Operating Cash Flow**
First	10/1/12 - 9/30/13	$3,424,000
Second	10/1/13 - 9/30/14	6,437,000
Third	10/1/14 — 9/30/15	5,101,000

Operating/Service Business Cash Flow

Calendar Year Basis	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015
Mgmt & Dev. Fee Revenue (existing RPC portolio and third-party)	3,771	3,578	3,885	3,799	3,886	15,147	3,874	3,768	3,364	3,047	14,053	2,987	2,967	2,920	2,786	11,660
Operating Expenses (existing business)	(3,203)	(3,400)	(3,400)	(3,400)	(3,400)	(13,601)	(3,489)	(3,489)	(3,489)	(3,489)	(13,957)	(3,581)	(3,581)	(3,581)	(3,581)	(14,323)
RPC Existing Fee Business Net Operating Cash Flow	**568**	**177**	**484**	**398**	**486**	**1,546**	**385**	**279**	**(125)**	**(442)**	**96**	**(594)**	**(613)**	**(661)**	**(795)**	**(2,663)**
Mgmt & Dev. Fee Revenyue (new RPC portolio and third-party)(a)	0	699	744	1,318	1,455	4,216	1,932	2,020	2,521	2,520	8,993	2,640	2,591	2,901	2,942	11,075
Estimated Incremental Operating Expense	0	(250)	(276)	(439)	(485)	(1,450)	(615)	(646)	(767)	(775)	(2,803)	(803)	(796)	(857)	(881)	(3,347)
RPC Future Fee Business Net Operating Cash Flow	**0**	**448**	**468**	**880**	**969**	**2,765**	**1,317**	**1,374**	**1,753**	**1,745**	**6,190**	**1,837**	**1,795**	**2,034**	**2,061**	**7,727**
RPC Fee Business Total Net Operating Cash Flow	**568**	**626**	**952**	**1,278**	**1,455**	**4,311**	**1,702**	**1,653**	**1,628**	**1,303**	**6,286**	**1,243**	**1,182**	**1,373**	**1,266**	**5,064**
				FY End					*FY End*					*FY End*		

Fiscal Year Basis			
Q4 (commencing 9/30/12	568	1,455	1,303
Q1	626	1,702	1,243
Q2	952	1,653	1,182
Q3	1,278	1,628	1,373
RPC Fee Business - Fiscal Year Totals	**3,424**	**6,437**	**5,101**

SUMMARY:	**Calendar Year**		**Fiscal Year**	
	Dates	Fees	Dates	Fees
	2013	4,311	12/13	3,424
	2014	6,286	13/14	6,437
	2015	5,064	14/15	5,101

(a) includes prospective development of additional RPC land parcels with third party capital partners.

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Section 4: EX-10.133 (MACK-CALI REALTY CORP. - EXHIBIT 10.133)

Exhibit 10.133

INDEMNIFICATION AGREEMENT
(Directors and Officers)

THIS INDEMNIFICATION AGREEMENT is made and entered into this 10th day of June, 2013 by and between MACK-CALI REALTY CORPORATION, a Maryland corporation (the "Company"), and RICARDO CARDOSO, an individual residing at [intentionally omitted] ("Indemnitee").

RECITALS

WHEREAS, it is essential to the Company to retain and attract as directors and officers the most capable persons available; and

WHEREAS, Indemnitee is a director and/or officer of the Company; and

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against directors and officers of companies in today's environment; and

WHEREAS, the Company's charter (the "Charter") and bylaws (the "Bylaws") provide that the Company will indemnify its directors and officers to the fullest extent permitted by law and will advance expenses in connection therewith, and Indemnitee's willingness to serve as a director and/or officer of the Company is based on Indemnitee's reliance on such provisions; and

WHEREAS, in recognition of Indemnitee's need for substantial protection against personal liability in order to enhance Indemnitee's continued service to the Company in an effective manner, and Indemnitee's reliance on the aforesaid provisions of the Charter and Bylaws, and in part to provide Indemnitee with specific contractual assurance that the protection promised by such provisions will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of such provisions or any change in the composition of the Company's Board of Directors or any acquisition or business combination transaction relating to the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancement of expenses to Indemnitee as set forth in this Agreement and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Certain Definitions.

1.1 "Claim" shall mean any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, investigative or other, or any inquiry or investigation, whether instituted, made or conducted by the Company or any other party, that Indemnitee in good faith believes might lead to the institution of any such action, suit or proceeding, whether civil, criminal, administrative, investigative or other.

1.2 "Expenses" shall mean and include all court costs, attorneys' fees, disbursements and all other costs, expenses and obligations paid or incurred in connection with investigating., defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in, any Claim relating to any Indemnifiable Event.

1.3 "Indemnifiable Event" shall mean any actual or asserted event or occurrence related to the fact that Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company, or is or was serving at the request of the Company as a director, officer, partner, employee, trustee, agent or fiduciary of another corporation, partnership, joint venture, employee benefit plan, trust or other entity, or anything done or not done by Indemnitee in any such capacity.

2. Basic Indemnification Arrangement. In the event Indemnitee was, is or becomes a party to or witness or other participant in, or is threatened to be made a party to or witness or other participant in, a Claim by reason of (or arising or related in whole or in part out of) an Indemnifiable Event, (a) the Company will indemnify and hold harmless Indemnitee to the fullest extent permitted by law, as soon as practicable, but in any event no later than fifteen (15) calendar days after written demand is presented to the Company, from and against any and all Expenses, judgments, fines, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines, penalties or amounts paid in settlement) of, or suffered or incurred by Indemnitee in connection with, such Claim; and (b) the Company will pay or reimburse Indemnitee for any and all Expenses incurred by Indemnitee in connection with a Claim prior to final disposition of the Claim, to the fullest extent permitted by law but without requiring any preliminary determination of the ultimate entitlement of Indemnitee to indemnification, as soon as practicable, but in any event within two (2) business days, after request by Indemnitee. Notwithstanding anything in this Section 2 or Section 5 of this Agreement to the contrary, Indemnitee will not be entitled to indemnification pursuant to this Agreement in connection with any Claim initiated by Indemnitee against the Company or any director or officer of the Company except as provided in Section 4 of this Agreement or unless the Company has joined in or consented to the initiation of such Claim.

3. Establishment of Trust. The Company will create a trust (the "Trust") for the benefit of Indemnitee and from time to time upon written request by Indemnitee will, if so authorized by the Company's Board of Directors, fund the Trust in an amount sufficient to satisfy any and all Expenses reasonably anticipated at the time of each such request, and any and all judgments, fines, penalties and settlement amounts of any and all Claims relating to an Indemnifiable Event from time to time actually paid or reasonably anticipated or proposed to be paid. The terms of the Trust will provide that (i) the Trust will not be revoked, or the principal thereof invaded, without the written consent of Indemnitee, (ii) the trustee thereunder (the "Trustee") will advance, .within two (2) business days of a request by Indemnitee, any and all Expenses to Indemnitee, (iii) the Trust will continue to be funded by the Company in accordance with and to the extent of the funding obligation set forth above, (iv) the Trustee will promptly pay to Indemnitee all amounts to which Indemnitee is entitled in respect of the Company's indemnification obligations under this Agreement or otherwise, and (v) all unexpended funds in the Trust will revert to the Company upon a final determination by a court of competent jurisdiction that Indemnitee has been fully indemnified under the terms of this Agreement. The Trustee will be an independent third party, and will be chosen by Indemnitee. Nothing in this Section 3 will relieve the Company of any of it obligations under this Agreement.

4. Indemnification for Additional Expenses. The Company will indemnify Indemnitee against and, if requested by Indemnitee, will, within two (2) business days of such request, advance to Indemnitee, any and all attorneys' fees and other costs, expenses and obligations paid or incurred by Indemnitee in connection with any claim, action, suit or proceeding asserted or brought by Indemnitee for (i) indemnification or payment or reimbursement of Expenses prior to final disposition of the Claim by the Company under this Agreement or any other agreement or under any provisions of the Charter or Bylaws now or hereafter in effect relating to Claims for Indemnifiable Events and/or (ii) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be.

5. Partial Indemnity, Etc. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, judgments, fines, penalties and amounts paid in settlement of a Claim but not, however, for all of the total amount thereof, the Company will nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. In addition, notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any or all Claims relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, Indemnitee will be indemnified against all Expenses incurred in connection therewith. In connection with any determination as to whether Indemnitee is entitled to be indemnified hereunder, the burden of proof will be on the Company to establish that Indemnitee is not so entitled. The Company agrees to make any such determination, or to cause such determination to be made, as expeditiously as practicable.

6. No Presumption. For purposes of this Agreement, the termination of any Claim, action, suit or proceeding by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere or its equivalent, will not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law.

7. **Non-Exclusivity. Etc.** The rights of Indemnitee hereunder will be in addition to any other rights Indemnitee may have under the Charter, the Bylaws or the Maryland General Corporation Law (the "MGCL") or otherwise; provided, however, that to the extent that Indemnitee otherwise would have any greater right to indemnification under any provision of the Charter or Bylaws as in effect on the date hereof, Indemnitee will be deemed to have such greater right hereunder, and provided, further, that to the extent that any change is made to the MGCL (whether by legislative action or judicial decision), the Charter and/or the Bylaws which permits any greater right to indemnification than that provided under this Agreement as of the date hereof, Indemnitee will be deemed to have such greater right hereunder. The Company will not adopt any amendment to the Charter or the Bylaws the effect of which would be to deny, diminish or encumber Indenmitee's right to indemnification under the Charter, the Bylaws, the MGCL or otherwise as applied to any act or failure to act occurring in whole or in part prior to the date upon which the amendment was approved by the Company's Board of Directors and/or its stockholders, as the case may be.

8. **Liability Insurance.** The Company shall maintain an insurance policy or policies providing directors' and officers' liability insurance in an amount not less than $1,000,000 and on customary terms. Indemnitee will be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer.

9. **Period of Limitations.** No legal action will be brought and no cause of action will be asserted by or on behalf of the Company or any affiliate of the Company against Indemnitee or Indemnitee's spouse, personal or legal representatives, executors, administrators, successors, heirs, distributees or legatees after the expiration of three (3) years from the date of accrual of such cause of action, and any claim or cause of action of the Company or its affiliates will be extinguished and deemed released unless asserted by the timely filing of a legal action within such three (3) year period; provided, however, that if any shorter period of limitation is otherwise applicable to any such cause of action, such shorter period will govern.

10. **Subrogation.** In the event of payment under this Agreement., the Company will be subrogated to the extent of such payment to all of the related rights of recovery of Indemnitee against other persons or entities. Indemnitee will execute all papers reasonably required and will do every tiling that may be reasonably necessary to secure such rights and enable the Company effectively to bring suit to enforce such rights (all of Indemnitee's reasonable costs and expenses, including attorneys' fees and disbursements, to be reimbursed by or, at the option of Indemnitee, advanced by the Company).

11. **No Duplication of Payments.** The Company will not be liable under this Agreement to make any payment in connection with any Claim made against Indemnitee to the extent Indemnitee has otherwise actually received payment (under any insurance policy, the Charter, the Bylaws or otherwise) of the amounts otherwise Indemnifiable hereunder.

12. **Successors and Binding Agreement. (a)** The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement will be binding upon and inure to the benefit of the Company and any successor to the Company, including, without limitation, any person acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor will thereafter be deemed the "Company" for the purposes of this Agreement), but will not otherwise be assignable, transferable or delegable by the Company.

(b) This Agreement will inure to the benefit of and be enforceable by Indemnitee's personal or legal representatives, executors, administrators, successors, heirs, distributees and legatees.

(c) This Agreement is personal in nature and neither of the parties hereto will, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 12(a) and 12(b) hereof. Without limiting the generality or effect of the foregoing, Indemnitee's right to receive payments hereunder will not be assignable, transferable or delegable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by Indemnitee's will or by the laws of descent and distribution, and any such attempted assignment shall be null and void and of no effect.

13. Notices. For all purposes of this Agreement, all communications, including, without limitation, notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or five (5) calendar days after having been mailed by United States registered or certified mail,, return receipt requested, postage prepaid, or one (1) business day after having been sent for next-day delivery by a nationally recognized overnight courier service, addressed to the Company (to the attention of the Secretary of the Company) at its principal executive office and to Indemnitee at Indemnitee's principal residence as shown in the Company's most current records, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address will be effective only upon receipt.

14. Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by and construed in accordance with the laws of the State of Maryland, without giving effect to the principles of conflict of laws.

15. Validity. If any provision of this Agreement or the application of any provision hereof to any person or circumstance is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal will be reformed to the extent (and only to the extent) necessary to make it enforceable, valid or legal.

16. Miscellaneous. No provision of this Agreement may be waived, modified or discharged unless such waiver, modification or discharge is agreed to in writing by Indemnitee and the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. References to Sections are references to Sections of this Agreement.

17. <u>Counterparts</u>. This Agreement may be executed in one (1) or more counterparts, each of which will be deemed to be an original but both of which together will constitute one and the same agreement.

IN WITNESS WHEREOF, the parties to this Agreement have executed this Agreement as of the date first above written.

THE COMPANY:

MACK-CALI REALTY CORPORATION

By: <u>/s/ Mitchell E. Hersh</u>
Name: Mitchell E. Hersh
Title: President and Chief Executive Officer

THE INDEMNITEE:

<u>/s/ Ricardo Cardoso</u>
Name: Ricardo Cardoso

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Section 5: EX-31.1 (MACK-CALI REALTY CORP. - EXHIBIT 31.1)

Exhibit 31.1

MACK-CALI REALTY CORPORATION
Certification

I, Mitchell E. Rudin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mack-Cali Realty Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	October 28, 2015	By:	/s/ Mitchell E. Rudin
			Mitchell E. Rudin
			Chief Executive Officer

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Section 6: EX-31.2 (MACK-CALI REALTY CORP. - EXHIBIT 31.2)

Exhibit 31.2

MACK-CALI REALTY CORPORATION
Certification

I, Michael J. DeMarco, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mack-Cali Realty Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	October 28, 2015	By:	/s/ Michael J. DeMarco
			Michael J. DeMarco
			President and Chief Operating Officer

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Section 7: EX-31.3 (MACK-CALI REALTY CORP. - EXHIBIT 31.3)

Exhibit 31.3

MACK-CALI REALTY CORPORATION
Certification

I, Anthony Krug, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mack-Cali Realty Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	October 28, 2015	By:	/s/ Anthony Krug Anthony Krug Chief Financial Officer

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Section 8: EX-32.1 (MACK-CALI REALTY CORP. - EXHIBIT 32.1)

EXHIBIT 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Mack-Cali Realty Corporation (the "Company") for the quarterly period ended September 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Mitchell E. Rudin, as Chief Executive Officer of the Company, Michael J. DeMarco, as President and Chief Operating Officer of the Company, and Anthony Krug, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of §13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	October 28, 2015	By:	/s/ Mitchell E. Rudin Mitchell E. Rudin Chief Executive Officer
Date:	October 28, 2015	By:	/s/ Michael J. DeMarco Michael J. DeMarco President and Chief Operating Officer
Date:	October 28, 2015	By:	/s/ Anthony Krug Anthony Krug Chief Financial Officer

This certification accompanies each Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of §18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by §906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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