BOW STREET

April 16, 2019

Board of Directors
Mack-Cali Realty Corporation
Harborside 3
210 Hudson Street, Suite 400
Jersey City, NJ 07311

Dear Mack-Cali Board of Directors,

Bow Street LLC ("Bow Street") manages funds that beneficially own approximately 4.5% of Mack-Cali Realty Corporation ("Mack-Cali" or "the Company"). Over the last several months, we have attempted to engage constructively with Mack-Cali to propose a transaction that achieves long-needed structural change at the Company, which has underperformed for many years. In a letter dated March 14th and subsequent press release dated March 18th, the Mack-Cali Board of Directors (the "Board") formally rejected our proposal.

This hasty and public rejection was delivered prior to any meaningful inquiry from Mack-Cali regarding valuation, structure, tax or other implications for stockholders. Regrettably, this response suggests an alarming lack of commitment to good governance and long-term stockholder value, and is consistent with the Board's well-earned reputation for discouraging prospective strategic acquirers. As significant Mack-Cali stockholders, we remain deeply concerned about the value of our investment. We are therefore writing once again to urge the Board to engage with us regarding our proposal as well as to explore all strategic alternatives to maximize stockholder value.

Bow Street's Proposal

As you know, on February 25th, 2019 we submitted a proposal to acquire Mack-Cali's office portfolio. We made this offer in partnership with DWREI LLC, a privately-held real estate investment company that owns a substantial commercial office portfolio across the Northeastern United States and Chicago. Under the terms of this proposal, Mack-Cali stockholders will receive a) expected net cash consideration of \$8-\$10 per share, and b) an equity distribution of a new, high-growth apartment REIT ("ApartmentCo") comprised of Mack-Cali's current multifamily portfolio with a calculated net asset value ("NAV") of \$19.20 per share[1].

Transaction worth up to \$27 - \$29 per share to Mack-Cali stockholders

Cash Consideration to Stockholders	**\$8 - \$10**
ApartmentCo	
Current Residential NAV(1)	\$15.69
Contribution: Soho Lofts(1)	\$2.61
Contribution: Harborside Plaza 4(1)	\$0.89
Value of ApartmentCo(1)	**\$19.20**
Total Per Share Value To Mack-Cali Stockholders	**\$27 - \$29**

[1] ApartmentCo comprised of: (i) \$1,582 million current residential NAV (mid-point of management NAV disclosed page 7, Mack-Cali Q4 2018 Supplement), (ii) \$264 million Soho Lofts NAV (purchased in April 2019 at this valuation, disclosed page 5, Q4 2018 Mack-Cali Supplement), and (iii) \$90 million Harborside Plaza 4 NAV (mid-point Company valuation disclosed page 7, Q4 2018 Supplement, currently included in office portfolio but (per management) is available for residential or condo development); total value of \$1,936 million or \$19.20/share assuming 100.8 million shares (per page 7, Mack-Cali Q4 2018 Supplement)

Our proposal is as follows:

a) **Estimated net consideration of $8-$10 per Mack-Cali share for certain commercial assets**. This net consideration reflects a ~7%-8% cap rate[2] despite above peer leverage and meaningfully higher than peer vacancy. Our proposed range represents estimated net consideration to CLI stockholders after deal friction.

b) **A distribution of equity in new ApartmentCo with an estimated NAV of $19.20 per share[3].** ApartmentCo's NAV estimate represents the midpoint of the Company's fourth quarter NAV disclosure. Our ApartmentCo financial model contemplates double-digit net operating income growth over the next five years, funded by internally generated cash flow and a loan-to-value ratio maintained at ~50%.

It is our view that standalone ApartmentCo will be exceptionally well-received as a public company. Given its unique pure-play portfolio of New Jersey waterfront residential exposure set to benefit directly from New York's continuing shift to Hudson Yards, we believe ApartmentCo will generate significant interest from myriad potential acquirers. In a call with Bow Street on April 9th, Mack-Cali CEO Michael DeMarco agreed, expressing his belief that a standalone ApartmentCo was likely to become a target of industry consolidation. Confirming this intuition, we have received numerous expressions of interest from potential acquirers of Mack-Cali's residential portfolio following the Company's disclosure of our proposal.

Proposal Structured to Unlock Significant Value for Mack-Cali Investors

Bow Street's proposal provides investors immediate value of up to $27-$29 per Mack-Cali Share, a 28%-37% premium to its unaffected trading value[4], and a 32%-41% premium to its 3-month average trading price. Most importantly, it addresses Mack-Cali's intractable structural deficiency – its deleterious combination of development rich multifamily assets with a disparate portfolio of highly indebted, underperforming, and capital-constrained office assets. We therefore believe this transformative transaction would be welcomed by all stockholders.

Despite the generally well-executed portfolio transition undertaken by management over the last five years, Mack-Cali's commercial business remains over-levered and under-occupied. Further, the Company lacks the financial resources to pursue its highest return development opportunities, consistently ceding value to external joint-venture partners such as Rockpoint Group. As evidenced by the Company's persistently wide discount to NAV (currently and historically amongst the widest in the REIT universe[5]), the market has limited confidence in management's current strategy.

---

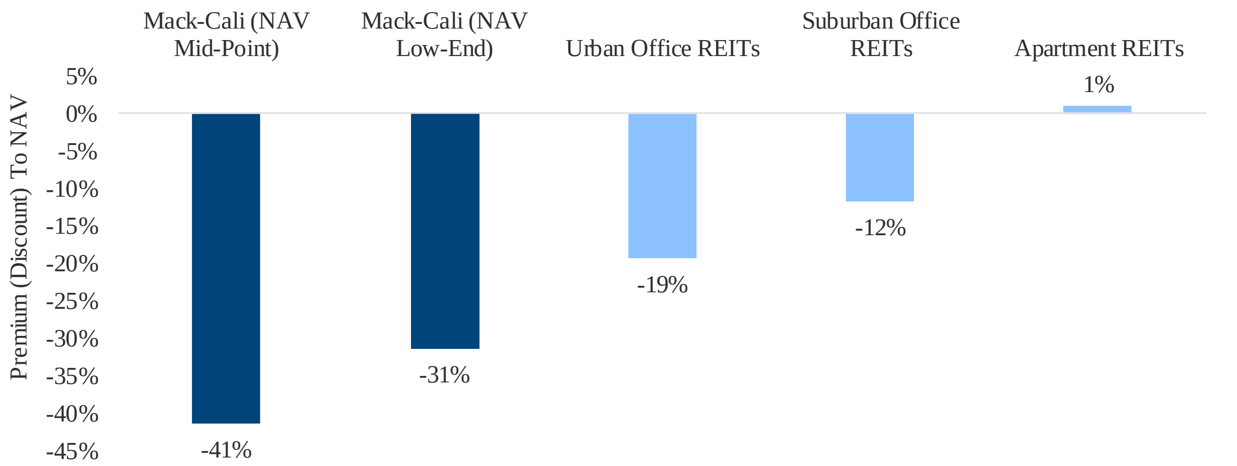
[2] Implies ~$2.4 billion - ~$2.6 billion of purchase price for commercial assets that i) does not include flex portfolio, 99 Wood Avenue acquisition (would increase GAV for acquisition), or Harborside Plaza 4 land, and ii) treats "Hotel and Other JV Interests" as an equity interest ($31 million at Company mid-point NAV)

[3] See footnote 1 on prior page

[4] CLI trading price of $21.12 / share on 3/15/2019 (closing price prior to Mack-Cali press release on 3/18/2019 regarding proposal)

[5] Mack-Cali NAV calculated using management guidance as of Q4 2018 Supplement (stock price as of 3/15/2019); peer / industry REIT NAV levels using Citi Research "the Hunter Express and Lodging Valuation Tool" as of 3/18/2019.

Mack-Cali trades at a significant discount to NAV[5]



Our proposed transaction permanently resolves these concerns, allowing stockholders to monetize almost half the current value of their stock while providing concentrated exposure to Mack-Cali's highest quality asset – its apartment portfolio. While we firmly believe our transaction will unlock significant value for all stockholders, we encourage Mack-Cali to explore all alternative solutions that may achieve a superior result for investors.

Proposed Transaction Was Not Seriously Considered by Mack-Cali's Board

We are deeply disappointed by the Board's perfunctory rejection of our proposal. Following the submission of our offer, we expected the Company would actively engage with us and our advisors to address important questions regarding valuation, tax, process and structure to fully comprehend and evaluate our proposal. As demonstrated by the Company's misleading press release and as confirmed in subsequent meetings with Chairman William Mack and CEO Michael DeMarco, the Board's familiarity with and understanding of our transaction prior to its decision was limited at best. Instead of credibly engaging with us, the Board has hidden behind its retention of investment bankers, clearly hired to justify the Board's predetermined rejection of this value creative proposal.

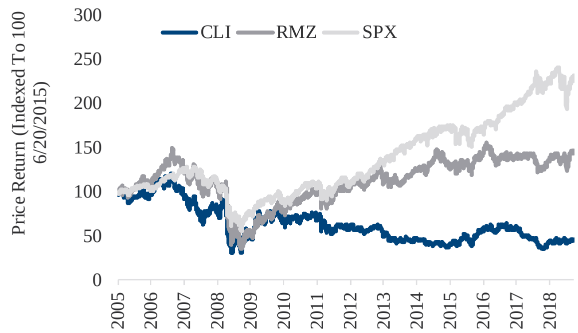
Unfortunately, Mack-Cali's decided indifference to our approach is unsurprising. It is reflective of a deeply entrenched Board that is fundamentally resistant to change. Our concern therefore extends far beyond Mack-Cali's unwillingness to seriously consider our transaction. Indeed, the Board is apparently unwilling to consider *any* transaction that does not originate inside its own boardroom. This posture is particularly troubling in the context of Mack-Cali's share price, which has underperformed all relevant indices and asset classes over any appreciable multi-year period.

To this end, we have nominated four highly-qualified independent director candidates for election to the Board of Directors at the 2019 Annual Meeting of Stockholders to ensure the Board seriously evaluates our proposal and any other proposals the Company receives to maximize stockholder value. We urge Mack-Cali to immediately form a special committee of independent directors (excluding any members of the Mack family or their designees to the Board, and any members of Company Management) to explore all strategic alternatives.

Persistent Underperformance Highlights Need for Board Level Change

The current Board has failed stockholders, who have suffered decades of underperformance. Mack-Cali's share price has consistently trailed its peers, resulting in bottom quartile performance across 3, 5, 10, and 15 year periods[6]. In fact, since its IPO in August of 1994, Mack-Cali shares have appreciated a mere ~1% per year during a period of unprecedented real estate value appreciation across the New York City Metro area and nationwide. Absent a transformational transaction, we believe Mack-Cali shares will continue to languish, extending this underperformance.

CLI has materially underperformed relevant peer indices over the last several decades[(1),(2)]



(1) Bloomberg as of 3/15/2019; data taken from RMZ inception on 6/20/2005
(2) Total return reinvests dividends in security (Bloomberg)

Returns Since RMZ Inception 6/20/2005

	Mack-Cali	RMZ REIT Index	S&P 500
Price Return	-55%	46%	132%
Total Return	-8%	161%	209%

Total Returns vs. Indices[(2)]

	15-Year	RMZ Inclusion	10-Year	5-Year	3-Year
Mack-Cali	**8%**	**-8%**	**90%**	**17%**	**6%**
RMZ REIT Index		161%	416%	53%	22%
S&P 500	248%	209%	360%	70%	49%

Mack-Cali is clearly in need of a new strategic direction, and change must begin with its long-tenured Board. A majority of Mack-Cali's current directors have served on the Board for over fifteen years, overseeing the serial value erosion detailed above. During our meeting at the Mack Group's offices, Mr. Mack repeatedly detailed the meaningful wealth he has created – both personally and for the private equity firm he has led – transacting in New York Metro Area real estate. For the last twenty years, Mack-Cali stockholders have neither participated in these opportunities, nor have they benefitted from their commensurate windfall.

It remains our strong preference to work constructively with the Board in pursuit of a path forward that is best for Mack-Cali and all of its stockholders. We would once again encourage you to explore all strategic alternatives to maximize stockholder value, including a serious and comprehensive review of our proposal. We look forward to discussing this proposal further with the Board and with all Mack-Cali stockholders, who will ultimately determine the future of the Company.

Respectfully,

Akiva Katz
Managing Partner

Howard Shainker
Managing Partner

[6] Using public REITs that were public throughout performance period with market caps greater than $250m; Bloomberg; data as of last unaffected trading close (3/15/2019)