
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, DC 20549

FORM 8-K

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

Date of report (Date of earliest event reported): **December 5, 2006**

MACK-CALI REALTY CORPORATION

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

1-13274
(Commission File
Number)

22-3305147
(IRS Employer
Identification No.)

343 Thornall Street, Edison, New Jersey,
(Address of Principal Executive Offices)

08837-2206
(Zip Code)

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

MACK-CALI REALTY, L.P.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

333-57103
(Commission File
Number)

22-3315804
(IRS Employer
Identification No.)

343 Thornall Street, Edison, New Jersey,
(Address of Principal Executive Offices)

08837-2206
(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 **Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(e) On December 5, 2006, the board of directors (the "Board of Directors") of Mack-Cali Realty Corporation (the "General Partner"), the general partner of Mack-Cali Realty, L.P., approved the recommendations and ratified the determinations of the Executive Compensation and Option Committee of the Board of Directors and authorized the General Partner to:

(1) based upon the General Partner's attainment of certain performance goals in 2006:

(a) enter into restricted share award agreements, effective December 5, 2006, with each of Mitchell E. Hersh, Barry Lefkowitz, Roger W. Thomas, Michael A. Grossman and Mark Yeager, pursuant to which Messrs. Hersh, Lefkowitz, Thomas, Grossman and Yeager were issued 15,000, 8,500, 7,010, 8,500 and 4,950 shares of restricted common stock, respectively, pursuant to the General Partner's 2000 Employee Stock Option Plan originally effective as of September 11, 2000, and amended as of May 14, 2002. These shares of restricted common stock are fully vested upon issuance and will be subject to a six month restriction prohibiting the restricted common stock from being sold, assigned, transferred, gifted or otherwise disposed of, mortgaged, pledged or otherwise hypothecated. In connection with the issuance of the restricted common stock, the General Partner also entered into agreements with Messrs. Hersh, Lefkowitz, Thomas, Grossman and Yeager for certain tax gross-up payments.

(b) grant cash bonuses, for fiscal year 2006, to Messrs. Hersh, Lefkowitz, Thomas, Grossman and Yeager of \$625,000, \$350,000, \$300,000, \$350,000, and \$350,000 respectively.

(c) declare to be fully vested as of January 1, 2007: 15,000, 7,000, 6,000 and 5,000 shares of restricted common stock granted to Messrs. Hersh, Lefkowitz, Thomas and Grossman, respectively, pursuant to restricted share award agreements dated January 2, 2003, and 3,906 shares of restricted common stock granted to Mr. Hersh on July 1, 1999; 1,631 shares of restricted common stock granted to Mr. Lefkowitz on July 1, 1999; 1,377 and 88 shares of restricted common stock granted to Mr. Thomas on July 1, 1999 and March 12, 2001, respectively; and 250 and 1,621 shares of restricted common stock granted to Mr. Grossman on December 6, 1999 and March 12, 2001, respectively, all pursuant to restricted share award agreements that were amended as of January 2, 2003, all of which are due to vest on January 1, 2007; and 5,000 shares of restricted common stock granted to Mr. Yeager on May 15, 2006 due to vest on January 1, 2007, and make the attendant tax gross-up payments to such executive officers as soon as practicable following the vesting of such shares of restricted common stock.

(2) based upon the General Partner's performance, its consummation of portfolio acquisition and disposition transactions, and the General Partner's all-time high stock price achieved in 2006, enter into restricted share award agreements, effective December 5, 2006, with each of Messrs. Hersh, Lefkowitz, Thomas, Grossman and Yeager, pursuant to which Messrs. Hersh, Lefkowitz, Thomas, Grossman and Yeager were issued 8,222, 2,055, 514, 2,055 and 1,028 shares of restricted common stock, respectively, pursuant to the General Partner's 2000 Employee Stock Option Plan originally effective as of September 11, 2000, and amended as of May 14, 2002. These shares of restricted common stock will vest in two equal annual installments on January 1, 2007 and January 1, 2008. In connection with the issuance of the restricted common stock, the General Partner also entered into agreements with Messrs. Hersh, Lefkowitz, Thomas, Grossman and Yeager for certain tax gross-up payments to be made as soon as practicable after each date of vesting.

(3) maintain the annual base salaries of Messrs. Hersh, Lefkowitz, Thomas, Grossman and Yeager of \$1,050,000, \$420,000, \$370,000, \$370,000, and \$370,000, respectively, for 2007.

The restricted share award agreements and the related tax gross-up payments described in items (1)(a) and (2) herein above are filed herewith as Exhibits 10.1 through 10.20.

Item 8.01 Other Events.

On December 5, 2006, the Board of Directors of the General Partner approved the recommendations and ratified the determinations of the Executive Compensation and Option Committee of the Board of Directors and authorized the General Partner to:

(1) maintain the annual compensation paid to non-employee members of the Board of Directors at \$30,000 and maintain the annual compensation paid to the chairs of committees of the Board of Directors at (i) \$10,000 for the Audit Committee, (ii) \$10,000 for the Executive Committee, (iii) \$5,000 for the Nominating and Corporate Governance Committee, and (iv) \$5,000 for the Executive Compensation and Option Committee.

(2) maintain the compensation paid to non-employee members of the Board of Directors for attendance at, or telephonic participation in, meetings of the Board of Directors or any committee thereof at \$1,500 per meeting.

(3) grant to each non-employee member of the Board of Directors restricted common stock awards, no later than December 31, 2006, pursuant to the General Partner's Amended and Restated 2000 Director Stock Option Plan in an amount equal to one thousand two hundred (1,200) shares of the General Partner's common stock. The restricted common stock granted to the non-employee members of the Board of Directors will vest on January 1, 2008. A form of restricted share award agreement, effective

December 5, 2006, entered into with each non-employee director is filed as exhibit 10.21 herewith.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mitchell E. Hersh.
10.2	Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mitchell E. Hersh.
10.3	Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mitchell E. Hersh.
10.4	Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mitchell E. Hersh.
10.5	Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Barry Lefkowitz.
10.6	Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Barry Lefkowitz.
10.7	Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Barry Lefkowitz.

- 10.8 Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Barry Lefkowitz.
- 10.9 Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Roger W. Thomas.
- 10.10 Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Roger W. Thomas.
- 10.11 Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Roger W. Thomas.
- 10.12 Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Roger W. Thomas.
- 10.13 Restricted Share Award Agreement effective December 5, 2006 by and

between Mack-Cali Realty Corporation and Michael A. Grossman.

- 10.14 Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Michael A. Grossman.
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- 10.17 Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mark Yeager.
- 10.18 Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mark Yeager.
- 10.19 Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mark Yeager.
- 10.20 Tax Gross Up Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and Mark Yeager.
- 10.21 Form of Restricted Share Award Agreement effective December 5, 2006 by and between Mack-Cali Realty Corporation and each of William L. Mack, Alan S. Bernikow, John R. Cali, Kenneth M. Duberstein, Nathan Gantcher, David S. Mack, Alan G. Philibosian, Dr. Irvin D. Reid, Vincent Tese, Roy J. Zuckerberg and Robert F. Weinberg.

SIGNATURES

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

MACK-CALI REALTY CORPORATION

Dated: December 11, 2006

By: /s/ ROGER W. THOMAS
 Roger W. Thomas
 Executive Vice President,
 General Counsel and Secretary

MACK-CALI REALTY, L.P.

Dated: December 11, 2006

By: /s/ ROGER W. THOMAS
 Executive Vice President,
 Roger W. Thomas
 General Counsel and Secretary

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MACK-CALI REALTY CORPORATION

RESTRICTED SHARE AWARD AGREEMENT

Mitchell E. Hersh

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**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT (“Agreement”) effective as of December 5, 2006 (“Grant Date”) by and between Mack-Cali Realty Corporation (the “Company”) and Mitchell E. Hersh (“Recipient”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company hereby awards shares of the Company’s common stock, par value \$.01 per share (“Common Stock”) to the Recipient subject to such terms, conditions, and restrictions (hereinafter, “Restricted Share Award”) as set forth in the Plan and this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of fifteen thousand (15,000) shares of Common Stock (“Restricted Shares”) at no out-of-pocket costs to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

2. Award Restrictions.

(a) General Rules. Notwithstanding that ownership of Restricted Shares is fully vested in the Recipient as of the Grant Date, the Restricted Shares granted hereunder may not be disposed of on or prior to, and shall not be transferable until the first day following the six month anniversary of the Grant Date (the “Holding Period”).

(b) Vesting. All fifteen thousand (15,000) Restricted Shares granted hereunder shall be fully vested in the Recipient on the Grant Date.

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(c) Expiration of the Holding Period. Upon the expiration of the Holding Period, the Recipient shall own the Restricted Shares free and clear of all restrictions imposed by this Agreement and the Recipient shall be free to hold or dispose of such Restricted Shares in his discretion, subject to applicable federal and state law or regulations.

(d) Prohibition Against Assignment. During the Holding Period, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by a certificate registered in the name of the recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare a certificate for the Restricted Shares, which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any) as the Company may deem necessary or desirable under any applicable law.

(b) Effect of the Expiration of the Holding Period. Upon the expiration of the Holding Period, the Company shall cause to be delivered to the Recipient a certificate for the Restricted Shares free and clear of restrictive legends. In the event that the Recipient dies before delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient’s beneficiary or estate, as the case may be.

(c) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Holding Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive dividends, with respect to the Restricted Shares subject to this Agreement. Subject

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to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

4. Termination of Employment.

A termination of the Recipient's employment with the Company for any reason on or prior to the expiration of the Holding Period shall have no effect on the obligations of the Company under this Agreement. In the event that the Recipient's employment with the Company is terminated for any reason on or prior delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to the Recipient in accordance with Section 3 as if the Recipient's employment with the Company had not been terminated.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

7. No Right to Continued Employment.

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any

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subsidiary's right to terminate the Recipient's employment at any time subject to the terms of the Recipient's employment agreement.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Roger W. Thomas
General Counsel

Any notice to the Recipient hereunder shall be in writing addressed to:

the Recipient at his address as set forth in the Company records or such other address as the Recipient shall notify the Company of in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement.

This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default under this Agreement shall be deemed a waiver of any later default hereunder.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

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12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. **Successors.**

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ Barry Lefkowitz
Barry Lefkowitz
Executive Vice President
and Chief Financial Officer

Recipient

/s/ Mitchell E. Hersh
Mitchell E. Hersh

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Mitchell E. Hersh ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded fifteen thousand (15,000) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to the Restricted Shares granted pursuant to the Restricted Share Award Agreement. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares as of the date hereof, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of grant but in no event later than December 31, 2006.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.

7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ Barry Lefkowitz
Barry Lefkowitz
Executive Vice President and
Chief Financial Officer

Employee

/s/ Mitchell E. Hersh
Mitchell E. Hersh

MACK-CALI REALTY CORPORATION
RESTRICTED SHARE AWARD AGREEMENT
MITCHELL E. HERSH

**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE 2000 EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT (“Agreement”) effective as of December 5, 2006 (“Grant Date”) by and between Mack-Cali Realty Corporation (the “Company”) and Mitchell E. Hersh (“Recipient”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company hereby awards shares of the Company’s common stock, par value \$.01 per share (“Common Stock”) to the Recipient subject to such terms, conditions, and restrictions (hereinafter, “Restricted Share Award”) as set forth in the Plan, this Agreement, and the Second Amended and Restated Employment Agreement dated as of July 1, 1999 by and between the Company and Recipient (the “Employment Agreement”);

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

(a) Award. Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of 8,222 shares of Common Stock (“Restricted Shares”) at no out-of-pocket cost to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

(b) Employment Agreement. The provisions of the Plan and this Agreement are subject to the terms of the Recipient’s Employment Agreement.

2. Award Restrictions.

(a) General Rules. Ownership of Restricted Shares shall not vest in the Recipient, and shall be subject to forfeiture until the conditions of Section 2(b) and (c) or Section 4 are fully satisfied. For purposes of this Agreement, the following concepts shall be defined as follows: (i) the lapse of restrictions on the Recipient’s rights with respect to the Restricted Shares granted hereunder shall be referred to as “Vesting”; (ii) the period between the Grant Date and the date of Vesting shall be referred to as the “Vesting Period”; and (iii) the date Vesting occurs shall be referred to as the “Vesting Date.”

(b) Vesting. An aggregate of 8,222 Restricted Shares shall vest in the Recipient and be deemed earned on a year by year basis during the Vesting Period. The number of Restricted Shares scheduled to be vested and earned on each Vesting Date on a year by year basis is as follows:

<u>Restricted Shares</u>	<u>Vesting Date</u>
4111	January 1, 2007
4111	January 1, 2008

(c) Employment Requirement. Subject to the terms of the Employment Agreement, vesting of any portion of the Restricted Shares granted hereunder is conditioned upon Recipient’s continued employment with the Company on each Vesting Date. Any Restricted Shares that have not been earned and vested upon cessation of employment shall automatically be forfeited and returned to the Company.

(d) Lapse of Restrictions. Upon the Vesting of Restricted Shares, the Recipient shall own the Shares free and clear and, subject to the provisions

of subparagraph (e) below, the Recipient shall be free to hold or dispose of such Shares in his discretion, subject to applicable federal and state law or regulations.

(e) Restriction on Sale. Notwithstanding the vesting of ownership of that portion of the Restricted Shares scheduled to be vested and earned on January 1, 2007 (the “First Vested Shares”), Recipient agrees that the First Vested Shares may not be disposed of on or prior to, and shall not be transferable until, the first day following the six month anniversary of the Grant Date (the “FVS Holding Period”). This restriction shall not affect the vesting of ownership in the First Vested Shares in Recipient as provided for herein, and shall not apply to any subsequent vesting of the Restricted Shares.

(f) Prohibition Against Assignment. During the Vesting Period and until expiration of the FVS Holding Period with respect to the First Vested Shares, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. **Stock Certificates.**

(a) **Certificates.** Restricted Shares shall be evidenced by one or more stock certificates registered in the name of the Recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare and issue separate certificates for the Restricted Shares scheduled to vest in each year (the "Share Certificates"), which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any)

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as the Company may deem necessary or desirable under any applicable law.

(b) **Stock Powers.** The Recipient shall execute and deliver to the designee of the Company (the "Designee") stock powers corresponding to the Share Certificates designating the Company as the transferee of an unspecified number of Restricted Shares, which stock powers may be completed by the Designee as specified herein. The Recipient and the Company each waive the requirement that the signature of the Recipient on the stock powers be guaranteed. Upon receipt of a copy of this Agreement and the stock powers, each signed by the Recipient, the Designee shall promptly notify the proper officers of the Company and the Share Certificates and stock powers shall be held by the Company in accordance with the terms of this Agreement.

(c) **Effect of Vesting.** Upon Vesting, the Company shall cause to be delivered to the Recipient (i) a certificate for the Restricted Shares which have vested free and clear of restrictive legends and (ii) any stock powers signed hereunder by the Recipient remaining in its possession related to the vested Restricted Shares. In the event that the Recipient dies after Restricted Shares are vested but before delivery of the certificate for the vested Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(d) **Rights of Stockholder.** Except as otherwise provided in Section 2 and this Section 3, during the Vesting Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive

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dividends, with respect to the Restricted Shares subject to this Agreement and not previously forfeited as specified herein. Subject to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

(e) **Power of Designee.** The Designee is hereby authorized by the Recipient to utilize the stock power delivered by the Recipient to transfer all forfeited Restricted Shares to the Company upon receipt of instructions from a duly authorized representative of the Company.

4. **Termination of Employment; Change in Control.**

(a) **Termination Due to Disability, Death or for Good Reason; Change in Control.** Unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, if the Recipient terminates employment with the Company due to Disability (as defined in the Employment Agreement), death, for Good Reason (as defined in the Employment Agreement) or a termination initiated by the Company without Cause (as defined in the Employment Agreement), all Restricted Shares subject to this Agreement and held by, or on behalf of, the Recipient shall be deemed earned and vested as of the Recipient's last day of employment with the Company. In addition, unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, all Restricted Shares subject to this Agreement and held by the Recipient on the date a Change in Control (as defined in the Employment Agreement) occurs shall be deemed earned and vested as of such date.

(b) **Termination for Any Other Reason.** Unless otherwise

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provided in the Employment Agreement, if the Recipient's employment with the Company terminates prior to the Vesting Date and prior to the occurrence of a Change in Control for reasons other than Disability, death, a termination initiated by the Company without Cause or by Recipient for Good Reason, any Restricted Shares subject to this Agreement that have not been earned and vested prior to the Recipient's termination of employment shall be immediately forfeited on the last day of the Recipient's employment with the Company.

5. **Withholding.**

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. **Adjustments for Capital Changes.**

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

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7. **No Right to Continued Employment**

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Recipient's employment at any time.

8. **Notice.**

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Roger W. Thomas
General Counsel

Any notice to the Recipient hereunder shall be in writing addressed to:

Mr. Mitchell E. Hersh
6 Western Drive
Colts Neck, New Jersey 07722

or such other address as the Recipient shall notify the Company in writing.

9. **Section 409A.**

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. **Entire Agreement; Effect of Employment Agreement**

(a) **Entire Agreement.** This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default

under this Agreement shall be deemed a waiver of any later default hereunder.

(b) **Effect of Employment Agreement.** In the event the Employment Agreement with the Company contains additional rights, duties and/or obligations with respect to the Recipient, such terms and conditions shall govern the Recipient's Restricted Share Award *as if* such terms and conditions had been set forth herein; and in the event of any conflict or inconsistency between the terms of the Employment Agreement or this Agreement, the terms and conditions of the Employment Agreement shall control.

11. **Construction.**

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. **Governing Law.**

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. **Successors.**

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ Barry Lefkowitz
Barry Lefkowitz
Executive Vice President and Chief Financial Officer

Recipient

/s/ Mitchell E. Hersh
Mitchell E. Hersh

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT (“Agreement”) effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the “Company”) and Mitchell E. Hersh (“Employee”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company, on December 5, 2006, awarded Eight Thousand Two Hundred Twenty Two (8,222) shares (“Restricted Shares”) of the Company’s common stock, par value \$.01 per share (“Company’s Common Stock”) to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, “Restricted Share Award Agreement”); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the “Tax Gross-Up Payment”) from the Company with respect to each tax year in which the Restricted Shares granted pursuant to the Restricted Share Award Agreement vest and are distributed to him. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares at the time of vesting, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of vesting.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company’s or any subsidiary’s right to terminate the Employee’s employment at any time subject to the terms of the Employee’s employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.
7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.
8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ BARRY LEFKOWITZ
Barry Lefkowitz
Executive Vice President and
Chief Financial Officer

Employee

/s/ MITCHELL E. HERSH
Mitchell E. Hersh

MACK-CALI REALTY CORPORATION
RESTRICTED SHARE AWARD AGREEMENT

Barry Lefkowitz

**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT ("Agreement") effective as of December 5, 2006 ("Grant Date") by and between Mack-Cali Realty Corporation (the "Company") and Barry Lefkowitz "Recipient").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company hereby awards shares of the Company's common stock, par value \$.01 per share ("Common Stock") to the Recipient subject to such terms, conditions, and restrictions (hereinafter, "Restricted Share Award") as set forth in the Plan and this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of eight thousand five hundred (8,500) shares of Common Stock ("Restricted Shares") at no out-of-pocket costs to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

2. Award Restrictions.

(a) General Rules. Notwithstanding that ownership of Restricted Shares is fully vested in the Recipient as of the Grant Date, the Restricted Shares granted hereunder may not be disposed of on or prior to, and shall not be transferable until the first day following the six month anniversary of the Grant Date (the "Holding Period").

(b) Vesting. All eight thousand five hundred (8,500) Restricted Shares granted hereunder shall be fully vested in the Recipient on the Grant Date.

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(c) Expiration of the Holding Period. Upon the expiration of the Holding Period, the Recipient shall own the Restricted Shares free and clear of all restrictions imposed by this Agreement and the Recipient shall be free to hold or dispose of such Restricted Shares in his discretion, subject to applicable federal and state law or regulations.

(d) Prohibition Against Assignment. During the Holding Period, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by a certificate registered in the name of the recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare a certificate for the Restricted Shares, which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any) as the Company may deem necessary or desirable under any applicable law.

(b) Effect of the Expiration of the Holding Period. Upon the expiration of the Holding Period, the Company shall cause to be delivered to the Recipient a certificate for the Restricted Shares free and clear of restrictive legends. In the event that the Recipient dies before delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(c) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Holding Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive dividends, with respect to the Restricted Shares subject to this Agreement. Subject

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to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

4. Termination of Employment.

A termination of the Recipient's employment with the Company for any reason on or prior to the expiration of the Holding Period shall have no effect on the obligations of the Company under this Agreement. In the event that the Recipient's employment with the Company is terminated for any reason on or prior delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to the Recipient in accordance with Section 3 as if the Recipient's employment with the Company had not been terminated.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

7. No Right to Continued Employment.

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any

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subsidiary's right to terminate the Recipient's employment at any time subject to the terms of the Recipient's employment agreement.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

the Recipient at his address as set forth in the Company records or such other address as the Recipient shall notify the Company of in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement.

This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default under this Agreement shall be deemed a waiver of any later default hereunder.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

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12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Recipient

/s/ Barry Lefkowitz
Barry Lefkowitz

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Barry Lefkowitz ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded eight thousand five hundred (8,500) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to the Restricted Shares granted pursuant to the Restricted Share Award Agreement. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares as of the date hereof, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of grant but in no event later than December 31, 2006.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

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6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.
 7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.
 8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ MITCHELL E. HERSH
Mitchell E. Hersh
President and
Chief Executive Officer

Employee

/s/ BARRY LEFKOWITZ
Barry Lefkowitz

**MACK-CALI REALTY CORPORATION
RESTRICTED SHARE AWARD AGREEMENT
BARRY LEFKOWITZ**

**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE 2000 EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT (“Agreement”) effective as of December 5, 2006 (“Grant Date”) by and between Mack-Cali Realty Corporation (the “Company”) and Barry Lefkowitz (“Recipient”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company hereby awards shares of the Company’s common stock, par value \$.01 per share (“Common Stock”) to the Recipient subject to such terms, conditions, and restrictions (hereinafter, “Restricted Share Award”) as set forth in the Plan, this Agreement, and the Second Amended and Restated Employment Agreement dated as of July 1, 1999 by and between the Company and Recipient (the “Employment Agreement”);

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

(a) Award. Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of 2,055 shares of Common Stock (“Restricted Shares”) at no out-of-pocket cost to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

(b) Employment Agreement. The provisions of the Plan and this Agreement are subject to the terms of the Recipient’s Employment Agreement.

2. Award Restrictions.

(a) General Rules. Ownership of Restricted Shares shall not vest in the Recipient, and shall be subject to forfeiture until the conditions of Section 2(b) and (c) or Section 4 are fully satisfied. For purposes of this Agreement, the following concepts shall be defined as follows: (i) the lapse of restrictions on the Recipient’s rights with respect to the Restricted Shares granted hereunder shall be referred to as “Vesting”; (ii) the period between the Grant Date and the date of Vesting shall be referred to as the “Vesting Period”; and (iii) the date Vesting occurs shall be referred to as the “Vesting Date.”

(b) Vesting. An aggregate of 2,055 Restricted Shares shall vest in the Recipient and be deemed earned on a year by year basis during the Vesting Period. The number of Restricted Shares scheduled to be vested and earned on each Vesting Date on a year by year basis is as follows:

<u>Restricted Shares</u>	<u>Vesting Date</u>
1027	January 1, 2007
1028	January 1, 2008

(c) Employment Requirement. Subject to the terms of the Employment Agreement, vesting of any portion of the Restricted Shares granted hereunder is conditioned upon Recipient’s continued employment with the Company on each Vesting Date. Any Restricted Shares that have not been earned and vested upon cessation of employment shall automatically be forfeited and returned to the Company.

(d) Lapse of Restrictions. Upon the Vesting of Restricted Shares, the Recipient shall own the Shares free and clear and, subject to the provisions

of subparagraph (e) below, the Recipient shall be free to hold or dispose of such Shares in his discretion, subject to applicable federal and state law or regulations.

(e) Restriction on Sale. Notwithstanding the vesting of ownership of that portion of the Restricted Shares scheduled to be vested and earned on January 1, 2007 (the “First Vested Shares”), Recipient agrees that the First Vested Shares may not be disposed of on or prior to, and shall not be transferable until, the first day following the six month anniversary of the Grant Date (the “FVS Holding Period”). This restriction shall not affect the vesting of ownership in the First Vested Shares in

Recipient as provided for herein, and shall not apply to any subsequent vesting of the Restricted Shares.

(f) Prohibition Against Assignment. During the Vesting Period and until expiration of the FVS Holding Period with respect to the First Vested Shares, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by one or more stock certificates registered in the name of the Recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare and issue separate certificates for the Restricted Shares scheduled to vest in each year (the "Share Certificates"), which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any)

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as the Company may deem necessary or desirable under any applicable law.

(b) Stock Powers. The Recipient shall execute and deliver to the designee of the Company (the "Designee") stock powers corresponding to the Share Certificates designating the Company as the transferee of an unspecified number of Restricted Shares, which stock powers may be completed by the Designee as specified herein. The Recipient and the Company each waive the requirement that the signature of the Recipient on the stock powers be guaranteed. Upon receipt of a copy of this Agreement and the stock powers, each signed by the Recipient, the Designee shall promptly notify the proper officers of the Company and the Share Certificates and stock powers shall be held by the Company in accordance with the terms of this Agreement.

(c) Effect of Vesting. Upon Vesting, the Company shall cause to be delivered to the Recipient (i) a certificate for the Restricted Shares which have vested free and clear of restrictive legends and (ii) any stock powers signed hereunder by the Recipient remaining in its possession related to the vested Restricted Shares. In the event that the Recipient dies after Restricted Shares are vested but before delivery of the certificate for the vested Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(d) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Vesting Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive

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dividends, with respect to the Restricted Shares subject to this Agreement and not previously forfeited as specified herein. Subject to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

(e) Power of Designee. The Designee is hereby authorized by the Recipient to utilize the stock power delivered by the Recipient to transfer all forfeited Restricted Shares to the Company upon receipt of instructions from a duly authorized representative of the Company.

4. Termination of Employment; Change in Control.

(a) Termination Due to Disability, Death or for Good Reason; Change in Control. Unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, if the Recipient terminates employment with the Company due to Disability (as defined in the Employment Agreement), death, for Good Reason (as defined in the Employment Agreement) or a termination initiated by the Company without Cause (as defined in the Employment Agreement), all Restricted Shares subject to this Agreement and held by, or on behalf of, the Recipient shall be deemed earned and vested as of the Recipient's last day of employment with the Company. In addition, unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, all Restricted Shares subject to this Agreement and held by the Recipient on the date a Change in Control (as defined in the Employment Agreement) occurs shall be deemed earned and vested as of such date.

(b) Termination for Any Other Reason. Unless otherwise

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provided in the Employment Agreement, if the Recipient's employment with the Company terminates prior to the Vesting Date and prior to the occurrence of a Change in Control for reasons other than Disability, death, a termination initiated by the Company without Cause or by Recipient for Good Reason, any Restricted Shares subject to this Agreement that have not been earned and vested prior to the Recipient's termination of employment shall be immediately forfeited on the last day of the Recipient's employment with the Company.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger,

consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

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7. No Right to Continued Employment

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Recipient's employment at any time.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

Mr. Barry Lefkowitz
7 Huntington Road
Livingston, New Jersey 07039

or such other address as the Recipient shall notify the Company in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement; Effect of Employment Agreement

(a) Entire Agreement. This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default

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under this Agreement shall be deemed a waiver of any later default hereunder.

(b) Effect of Employment Agreement. In the event the Employment Agreement with the Company contains additional rights, duties and/or obligations with respect to the Recipient, such terms and conditions shall govern the Recipient's Restricted Share Award *as if* such terms and conditions had been set forth herein; and in the event of any conflict or inconsistency between the terms of the Employment Agreement or this Agreement, the terms and conditions of the Employment Agreement shall control.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ MITCHELL E. HERSH
Mitchell E. Hersh
President and
Chief Executive Officer

Recipient

/s/ BARRY LEFKOWITZ
Barry Lefkowitz

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Barry Lefkowitz ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded Two Thousand Fifty Five (2,055) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to each tax year in which the Restricted Shares granted pursuant to the Restricted Share Award Agreement vest and are distributed to him. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares at the time of vesting, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of vesting.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.
7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.
8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Employee

/s/ Barry Lefkowitz
Barry Lefkowitz

MACK-CALI REALTY CORPORATION

RESTRICTED SHARE AWARD AGREEMENT

Roger W. Thomas

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**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT ("Agreement") effective as of December 5, 2006 ("Grant Date") by and between Mack-Cali Realty Corporation (the "Company") and Roger W. Thomas ("Recipient").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company hereby awards shares of the Company's common stock, par value \$.01 per share ("Common Stock") to the Recipient subject to such terms, conditions, and restrictions (hereinafter, "Restricted Share Award") as set forth in the Plan and this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of seven thousand ten (7,010) shares of Common Stock ("Restricted Shares") at no out-of-pocket costs to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

2. Award Restrictions.

(a) General Rules. Notwithstanding that ownership of Restricted Shares is fully vested in the Recipient as of the Grant Date, the Restricted Shares granted hereunder may not be disposed of on or prior to, and shall not be transferable until the first day following the six month anniversary of the Grant Date (the "Holding Period").

(b) Vesting. All seven thousand ten (7,010) Restricted Shares granted hereunder shall be fully vested in the Recipient on the Grant Date.

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(c) Expiration of the Holding Period. Upon the expiration of the Holding Period, the Recipient shall own the Restricted Shares free and clear of all restrictions imposed by this Agreement and the Recipient shall be free to hold or dispose of such Restricted Shares in his discretion, subject to applicable federal and state law or regulations.

(d) Prohibition Against Assignment. During the Holding Period, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by a certificate registered in the name of the recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare a certificate for the Restricted Shares, which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any) as the Company may deem necessary or desirable under any applicable law.

(b) Effect of the Expiration of the Holding Period. Upon the expiration of the Holding Period, the Company shall cause to be delivered to the Recipient a certificate for the Restricted Shares free and clear of restrictive legends. In the event that the Recipient dies before delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(c) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Holding Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive dividends, with respect to the Restricted Shares subject to this Agreement. Subject

to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

4. Termination of Employment.

A termination of the Recipient's employment with the Company for any reason on or prior to the expiration of the Holding Period shall have no effect on the obligations of the Company under this Agreement. In the event that the Recipient's employment with the Company is terminated for any reason on or prior delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to the Recipient in accordance with Section 3 as if the Recipient's employment with the Company had not been terminated.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

7. No Right to Continued Employment.

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any

subsidiary's right to terminate the Recipient's employment at any time subject to the terms of the Recipient's employment agreement.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

the Recipient at his address as set forth in the Company records or such other address as the Recipient shall notify the Company of in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement.

This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default under this Agreement shall be deemed a waiver of any later default hereunder.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Recipient

/s/ Roger W. Thomas
Roger W. Thomas

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT (“Agreement”) effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the “Company”) and Roger W. Thomas (“Employee”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company, on December 5, 2006, awarded seven thousand ten (7,010) shares (“Restricted Shares”) of the Company’s common stock, par value \$.01 per share (“Company’s Common Stock”) to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, “Restricted Share Award Agreement”); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the “Tax Gross-Up Payment”) from the Company with respect to the Restricted Shares granted pursuant to the Restricted Share Award Agreement. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares as of the date hereof, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of grant but in no event later than December 31, 2006.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company’s or any subsidiary’s right to terminate the Employee’s employment at any time subject to the terms of the Employee’s employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.
7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.
8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Employee

/s/ Roger W. Thomas
Roger W. Thomas

MACK-CALI REALTY CORPORATION
RESTRICTED SHARE AWARD AGREEMENT
ROGER W. THOMAS

**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE 2000 EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT (“Agreement”) effective as of December 5, 2006 (“Grant Date”) by and between Mack-Cali Realty Corporation (the “Company”) and Roger W. Thomas (“Recipient”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company hereby awards shares of the Company’s common stock, par value \$.01 per share (“Common Stock”) to the Recipient subject to such terms, conditions, and restrictions (hereinafter, “Restricted Share Award”) as set forth in the Plan, this Agreement, and the Second Amended and Restated Employment Agreement dated as of July 1, 1999 by and between the Company and Recipient (the “Employment Agreement”);

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

(a) Award. Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of 514 shares of Common Stock (“Restricted Shares”) at no out-of-pocket cost to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

(b) Employment Agreement. The provisions of the Plan and this Agreement are subject to the terms of the Recipient’s Employment Agreement.

2. Award Restrictions.

(a) General Rules. Ownership of Restricted Shares shall not vest in the Recipient, and shall be subject to forfeiture until the conditions of Section 2(b) and (c) or Section 4 are fully satisfied. For purposes of this Agreement, the following concepts shall be defined as follows: (i) the lapse of restrictions on the Recipient’s rights with respect to the Restricted Shares granted hereunder shall be referred to as “Vesting”; (ii) the period between the Grant Date and the date of Vesting shall be referred to as the “Vesting Period”; and (iii) the date Vesting occurs shall be referred to as the “Vesting Date.”

(b) Vesting. An aggregate of 514 Restricted Shares shall vest in the Recipient and be deemed earned on a year by year basis during the Vesting Period. The number of Restricted Shares scheduled to be vested and earned on each Vesting Date on a year by year basis is as follows:

<u>Restricted Shares</u>	<u>Vesting Date</u>
257	January 1, 2007
257	January 1, 2008

(c) Employment Requirement. Subject to the terms of the Employment Agreement, vesting of any portion of the Restricted Shares granted hereunder is conditioned upon Recipient’s continued employment with the Company on each Vesting Date. Any Restricted Shares that have not been earned and vested upon cessation of employment shall automatically be forfeited and returned to the Company.

(d) Lapse of Restrictions. Upon the Vesting of Restricted Shares, the Recipient shall own the Shares free and clear and, subject to the provisions

of subparagraph (e) below, the Recipient shall be free to hold or dispose of such Shares in his discretion, subject to applicable federal and state law or regulations.

(e) Restriction on Sale. Notwithstanding the vesting of ownership of that portion of the Restricted Shares scheduled to be vested and earned on January 1, 2007 (the “First Vested Shares”), Recipient agrees that the First Vested Shares may not be disposed of on or prior to, and shall not be transferable until, the first day following the six month anniversary of the Grant Date (the “FVS Holding Period”). This restriction shall not affect the vesting of ownership in the First Vested Shares in Recipient as provided for herein, and shall not apply to any subsequent vesting of the Restricted Shares.

(f) Prohibition Against Assignment. During the Vesting Period and until expiration of the FVS Holding Period with respect to the First Vested Shares, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by one or more stock certificates registered in the name of the Recipient or a nominee

or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare and issue separate certificates for the Restricted Shares scheduled to vest in each year (the "Share Certificates"), which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any)

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as the Company may deem necessary or desirable under any applicable law.

(b) Stock Powers. The Recipient shall execute and deliver to the designee of the Company (the "Designee") stock powers corresponding to the Share Certificates designating the Company as the transferee of an unspecified number of Restricted Shares, which stock powers may be completed by the Designee as specified herein. The Recipient and the Company each waive the requirement that the signature of the Recipient on the stock powers be guaranteed. Upon receipt of a copy of this Agreement and the stock powers, each signed by the Recipient, the Designee shall promptly notify the proper officers of the Company and the Share Certificates and stock powers shall be held by the Company in accordance with the terms of this Agreement.

(c) Effect of Vesting. Upon Vesting, the Company shall cause to be delivered to the Recipient (i) a certificate for the Restricted Shares which have vested free and clear of restrictive legends and (ii) any stock powers signed hereunder by the Recipient remaining in its possession related to the vested Restricted Shares. In the event that the Recipient dies after Restricted Shares are vested but before delivery of the certificate for the vested Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(d) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Vesting Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive

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dividends, with respect to the Restricted Shares subject to this Agreement and not previously forfeited as specified herein. Subject to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

(e) Power of Designee. The Designee is hereby authorized by the Recipient to utilize the stock power delivered by the Recipient to transfer all forfeited Restricted Shares to the Company upon receipt of instructions from a duly authorized representative of the Company.

4. Termination of Employment; Change in Control.

(a) Termination Due to Disability, Death or for Good Reason; Change in Control. Unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, if the Recipient terminates employment with the Company due to Disability (as defined in the Employment Agreement), death, for Good Reason (as defined in the Employment Agreement) or a termination initiated by the Company without Cause (as defined in the Employment Agreement), all Restricted Shares subject to this Agreement and held by, or on behalf of, the Recipient shall be deemed earned and vested as of the Recipient's last day of employment with the Company. In addition, unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, all Restricted Shares subject to this Agreement and held by the Recipient on the date a Change in Control (as defined in the Employment Agreement) occurs shall be deemed earned and vested as of such date.

(b) Termination for Any Other Reason. Unless otherwise

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provided in the Employment Agreement, if the Recipient's employment with the Company terminates prior to the Vesting Date and prior to the occurrence of a Change in Control for reasons other than Disability, death, a termination initiated by the Company without Cause or by Recipient for Good Reason, any Restricted Shares subject to this Agreement that have not been earned and vested prior to the Recipient's termination of employment shall be immediately forfeited on the last day of the Recipient's employment with the Company.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

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7. **No Right to Continued Employment**

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Recipient's employment at any time.

8. **Notice**

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

Mr. Roger W. Thomas
95 Mathews Drive
Bedminster, New Jersey 07921

or such other address as the Recipient shall notify the Company in writing.

9. **Section 409A**

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. **Entire Agreement; Effect of Employment Agreement.**

(a) **Entire Agreement**. This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default

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under this Agreement shall be deemed a waiver of any later default hereunder.

(b) **Effect of Employment Agreement**. In the event the Employment Agreement with the Company contains additional rights, duties and/or obligations with respect to the Recipient, such terms and conditions shall govern the Recipient's Restricted Share Award *as if* such terms and conditions had been set forth herein; and in the event of any conflict or inconsistency between the terms of the Employment Agreement or this Agreement, the terms and conditions of the Employment Agreement shall control.

11. **Construction**

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. **Governing Law**

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. **Successors**

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Recipient

/s/ Roger W. Thomas

Roger W. Thomas

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Roger W. Thomas ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded five hundred fourteen (514) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to each tax year in which the Restricted Shares granted pursuant to the Restricted Share Award Agreement vest and are distributed to him. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares at the time of vesting, exclusive of dividends.

2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of vesting.

3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.

4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.

5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.

7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Employee

 /s/ Roger W. Thomas
Roger W. Thomas

MACK-CALI REALTY CORPORATION

RESTRICTED SHARE AWARD AGREEMENT

Michael Grossman

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**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT ("Agreement") effective as of December 5, 2006 ("Grant Date") by and between Mack-Cali Realty Corporation (the "Company") and Michael Grossman ("Recipient").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company hereby awards shares of the Company's common stock, par value \$.01 per share ("Common Stock") to the Recipient subject to such terms, conditions, and restrictions (hereinafter, "Restricted Share Award") as set forth in the Plan and this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of eight thousand five hundred (8,500) shares of Common Stock ("Restricted Shares") at no out-of-pocket costs to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

2. Award Restrictions.

(a) General Rules. Notwithstanding that ownership of Restricted Shares is fully vested in the Recipient as of the Grant Date, the Restricted Shares granted hereunder may not be disposed of on or prior to, and shall not be transferable until the first day following the six month anniversary of the Grant Date (the "Holding Period").

(b) Vesting. All eight thousand five hundred (8,500) Restricted Shares granted hereunder shall be fully vested in the Recipient on the Grant Date.

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(c) Expiration of the Holding Period. Upon the expiration of the Holding Period, the Recipient shall own the Restricted Shares free and clear of all restrictions imposed by this Agreement and the Recipient shall be free to hold or dispose of such Restricted Shares in his discretion, subject to applicable federal and state law or regulations.

(d) Prohibition Against Assignment. During the Holding Period, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by a certificate registered in the name of the recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare a certificate for the Restricted Shares, which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any) as the Company may deem necessary or desirable under any applicable law.

(b) Effect of the Expiration of the Holding Period. Upon the expiration of the Holding Period, the Company shall cause to be delivered to the Recipient a certificate for the Restricted Shares free and clear of restrictive legends. In the event that the Recipient dies before delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(c) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Holding Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive dividends, with respect to the Restricted Shares subject to this Agreement. Subject

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to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

4. Termination of Employment.

A termination of the Recipient's employment with the Company for any reason on or prior to the expiration of the Holding Period shall have no effect on the obligations of the Company under this Agreement. In the event that the Recipient's employment with the Company is terminated for any reason on or prior delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to the Recipient in accordance with Section 3 as if the Recipient's employment with the Company had not been terminated.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

7. No Right to Continued Employment.

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any

subsidiary's right to terminate the Recipient's employment at any time subject to the terms of the Recipient's employment agreement.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

the Recipient at his address as set forth in the Company records or such other address as the Recipient shall notify the Company of in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement.

This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default under this Agreement shall be deemed a waiver of any later default hereunder.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ Mitchell E. Hersh

**Mitchell E. Hersh
President and
Chief Executive Officer**

Recipient

/s/ Michael Grossman

Michael Grossman

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Michael Grossman ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded eight thousand five hundred (8,500) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to the Restricted Shares granted pursuant to the Restricted Share Award Agreement. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares as of the date hereof, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of grant but in no event later than December 31, 2006.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.

7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Employee

/s/ Michael Grossman
Michael Grossman

MACK-CALI REALTY CORPORATION
RESTRICTED SHARE AWARD AGREEMENT
MICHAEL GROSSMAN

**AGREEMENT EVIDENCING THE GRANT
 OF A RESTRICTED SHARE AWARD PURSUANT
 TO THE 2000 EMPLOYEE STOCK OPTION PLAN
 OF MACK-CALI REALTY CORPORATION**

AGREEMENT (“Agreement”) effective as of December 5, 2006 (“Grant Date”) by and between Mack-Cali Realty Corporation (the “Company”) and Michael Grossman (“Recipient”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company hereby awards shares of the Company’s common stock, par value \$.01 per share (“Common Stock”) to the Recipient subject to such terms, conditions, and restrictions (hereinafter, “Restricted Share Award”) as set forth in the Plan, this Agreement, and the Employment Agreement dated as of December 5, 2000 by and between the Company and Recipient (the “Employment Agreement”);

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

(a) Award. Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of 2,055 shares of Common Stock (“Restricted Shares”) at no out-of-pocket cost to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

(b) Employment Agreement. The provisions of the Plan and this Agreement are subject to the terms of the Recipient’s Employment Agreement.

2. Award Restrictions.

(a) General Rules. Ownership of Restricted Shares shall not vest in the Recipient, and shall be subject to forfeiture until the conditions of Section 2(b) and (c) or Section 4 are fully satisfied. For purposes of this Agreement, the following concepts shall be defined as follows: (i) the lapse of restrictions on the Recipient’s rights with respect to the Restricted Shares granted hereunder shall be referred to as “Vesting”; (ii) the period between the Grant Date and the date of Vesting shall be referred to as the “Vesting Period”; and (iii) the date Vesting occurs shall be referred to as the “Vesting Date.”

(b) Vesting. An aggregate of 2,055 Restricted Shares shall vest in the Recipient and be deemed earned on a year by year basis during the Vesting Period. The number of Restricted Shares scheduled to be vested and earned on each Vesting Date on a year by year basis is as follows:

<u>Restricted Shares</u>	<u>Vesting Date</u>
1027	January 1, 2007
1028	January 1, 2008

(c) Employment Requirement. Subject to the terms of the Employment Agreement, vesting of any portion of the Restricted Shares granted hereunder is conditioned upon Recipient’s continued employment with the Company on each Vesting Date. Any Restricted Shares that have not been earned and vested upon cessation of employment shall automatically be forfeited and returned to the Company.

(d) Lapse of Restrictions. Upon the Vesting of Restricted Shares, the Recipient shall own the Shares free and clear and, subject to the provisions

of subparagraph (e) below, the Recipient shall be free to hold or dispose of such Shares in his discretion, subject to applicable federal and state law or regulations.

(e) Restriction on Sale. Notwithstanding the vesting of ownership of that portion of the Restricted Shares scheduled to be vested and earned on January 1, 2007 (the “First Vested Shares”), Recipient agrees that the First Vested Shares may not be disposed of on or prior to, and shall not be transferable until, the first day following the six month anniversary of the Grant Date (the “FVS Holding Period”). This restriction shall not affect the vesting of ownership in the First Vested Shares in Recipient as provided for herein, and shall not apply to any subsequent vesting of the Restricted Shares.

(f) Prohibition Against Assignment. During the Vesting Period and until expiration of the FVS Holding Period with respect to the First Vested Shares, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. **Stock Certificates.**

(a) **Certificates.** Restricted Shares shall be evidenced by one or more stock certificates registered in the name of the Recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare and issue separate certificates for the Restricted Shares scheduled to vest in each year (the "Share Certificates"), which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any)

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as the Company may deem necessary or desirable under any applicable law.

(b) **Stock Powers.** The Recipient shall execute and deliver to the designee of the Company (the "Designee") stock powers corresponding to the Share Certificates designating the Company as the transferee of an unspecified number of Restricted Shares, which stock powers may be completed by the Designee as specified herein. The Recipient and the Company each waive the requirement that the signature of the Recipient on the stock powers be guaranteed. Upon receipt of a copy of this Agreement and the stock powers, each signed by the Recipient, the Designee shall promptly notify the proper officers of the Company and the Share Certificates and stock powers shall be held by the Company in accordance with the terms of this Agreement.

(c) **Effect of Vesting.** Upon Vesting, the Company shall cause to be delivered to the Recipient (i) a certificate for the Restricted Shares which have vested free and clear of restrictive legends and (ii) any stock powers signed hereunder by the Recipient remaining in its possession related to the vested Restricted Shares. In the event that the Recipient dies after Restricted Shares are vested but before delivery of the certificate for the vested Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(d) **Rights of Stockholder.** Except as otherwise provided in Section 2 and this Section 3, during the Vesting Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive

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dividends, with respect to the Restricted Shares subject to this Agreement and not previously forfeited as specified herein. Subject to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

(e) **Power of Designee.** The Designee is hereby authorized by the Recipient to utilize the stock power delivered by the Recipient to transfer all forfeited Restricted Shares to the Company upon receipt of instructions from a duly authorized representative of the Company.

4. **Termination of Employment; Change in Control.**

(a) **Termination Due to Disability, Death or for Good Reason; Change in Control.** Unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, if the Recipient terminates employment with the Company due to Disability (as defined in the Employment Agreement), death, for Good Reason (as defined in the Employment Agreement) or a termination initiated by the Company without Cause (as defined in the Employment Agreement), all Restricted Shares subject to this Agreement and held by, or on behalf of, the Recipient shall be deemed earned and vested as of the Recipient's last day of employment with the Company. In addition, unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, all Restricted Shares subject to this Agreement and held by the Recipient on the date a Change in Control (as defined in the Employment Agreement) occurs shall be deemed earned and vested as of such date.

(b) **Termination for Any Other Reason.** Unless otherwise

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provided in the Employment Agreement, if the Recipient's employment with the Company terminates prior to the Vesting Date and prior to the occurrence of a Change in Control for reasons other than Disability, death, a termination initiated by the Company without Cause or by Recipient for Good Reason, any Restricted Shares subject to this Agreement that have not been earned and vested prior to the Recipient's termination of employment shall be immediately forfeited on the last day of the Recipient's employment with the Company.

5. **Withholding.**

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. **Adjustments for Capital Changes.**

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

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7. No Right to Continued Employment

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Recipient's employment at any time.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

Mr. Michael Grossman
105 Valley View
Chappaqua, New York 10514

or such other address as the Recipient shall notify the Company in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement; Effect of Employment Agreement

(a) Entire Agreement. This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default

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under this Agreement shall be deemed a waiver of any later default hereunder.

(b) Effect of Employment Agreement. In the event the Employment Agreement with the Company contains additional rights, duties and/or obligations with respect to the Recipient, such terms and conditions shall govern the Recipient's Restricted Share Award *as if* such terms and conditions had been set forth herein; and in the event of any conflict or inconsistency between the terms of the Employment Agreement or this Agreement, the terms and conditions of the Employment Agreement shall control.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Recipient

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Michael Grossman ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded Two Thousand Fifty Five (2,055) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to each tax year in which the Restricted Shares granted pursuant to the Restricted Share Award Agreement vest and are distributed to him. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares at the time of vesting, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of vesting.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.

7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ Mitchell E. Hersh

Mitchell E. Hersh
President and
Chief Executive Officer

Employee

/s/ Michael Grossman

Michael Grossman

MACK-CALI REALTY CORPORATION

RESTRICTED SHARE AWARD AGREEMENT

Mark Yeager

**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT (“Agreement”) effective as of December 5, 2006 (“Grant Date”) by and between Mack-Cali Realty Corporation (the “Company”) and Mark Yeager (“Recipient”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company hereby awards shares of the Company’s common stock, par value \$.01 per share (“Common Stock”) to the Recipient subject to such terms, conditions, and restrictions (hereinafter, “Restricted Share Award”) as set forth in the Plan and this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of four thousand nine hundred fifty (4,950) shares of Common Stock (“Restricted Shares”) at no out-of-pocket costs to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

2. Award Restrictions.

(a) General Rules. Notwithstanding that ownership of Restricted Shares is fully vested in the Recipient as of the Grant Date, the Restricted Shares granted hereunder may not be disposed of on or prior to, and shall not be transferable until the first day following the six month anniversary of the Grant Date (the “Holding Period”).

(b) Vesting. All four thousand nine hundred fifty (4,950) Restricted Shares granted hereunder shall be fully vested in the Recipient on the Grant Date.

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(c) Expiration of the Holding Period. Upon the expiration of the Holding Period, the Recipient shall own the Restricted Shares free and clear of all restrictions imposed by this Agreement and the Recipient shall be free to hold or dispose of such Restricted Shares in his discretion, subject to applicable federal and state law or regulations.

(d) Prohibition Against Assignment. During the Holding Period, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by a certificate registered in the name of the recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare a certificate for the Restricted Shares, which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any) as the Company may deem necessary or desirable under any applicable law.

(b) Effect of the Expiration of the Holding Period. Upon the expiration of the Holding Period, the Company shall cause to be delivered to the Recipient a certificate for the Restricted Shares free and clear of restrictive legends. In the event that the Recipient dies before delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient’s beneficiary or estate, as the case may be.

(c) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Holding Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive dividends, with respect to the Restricted Shares subject to this Agreement. Subject

to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

4. Termination of Employment.

A termination of the Recipient's employment with the Company for any reason on or prior to the expiration of the Holding Period shall have no effect on the obligations of the Company under this Agreement. In the event that the Recipient's employment with the Company is terminated for any reason on or prior delivery of the certificate for the unrestricted Restricted Shares, such certificate shall be delivered to the Recipient in accordance with Section 3 as if the Recipient's employment with the Company had not been terminated.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

7. No Right to Continued Employment.

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any

subsidiary's right to terminate the Recipient's employment at any time subject to the terms of the Recipient's employment agreement.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation

P.O. Box 7817

Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

the Recipient at his address as set forth in the Company records or such other address as the Recipient shall notify the Company of in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement.

This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default under this Agreement shall be deemed a waiver of any later default hereunder.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ Mitchell E. Hersh

**Mitchell E. Hersh
President and
Chief Executive Officer**

Recipient

/s/ Mark Yeager

Mark Yeager

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Mark Yeager ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded four thousand nine hundred fifty (4,950) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to the Restricted Shares granted pursuant to the Restricted Share Award Agreement. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares as of the date hereof, exclusive of dividends.
2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of grant but in no event later than December 31, 2006.
3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.
5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

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6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.
 7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.
 8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Employee

/s/ Mark Yeager
Mark Yeager

**MACK-CALI REALTY CORPORATION
RESTRICTED SHARE AWARD AGREEMENT
MARK YEAGER**

**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE 2000 EMPLOYEE STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT (“Agreement”) effective as of December 5, 2006 (“Grant Date”) by and between Mack-Cali Realty Corporation (the “Company”) and Mark Yeager (“Recipient”).

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the “Plan”), the Company hereby awards shares of the Company’s common stock, par value \$.01 per share (“Common Stock”) to the Recipient subject to such terms, conditions, and restrictions (hereinafter, “Restricted Share Award”) as set forth in the Plan, this Agreement, and the Employment Agreement dated as of May 9, 2006 by and between the Company and Recipient (the “Employment Agreement”);

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

(a) Award. Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of 1,028 shares of Common Stock (“Restricted Shares”) at no out-of-pocket cost to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

(b) Employment Agreement. The provisions of the Plan and this Agreement are subject to the terms of the Recipient’s Employment Agreement.

2. Award Restrictions.

(a) General Rules. Ownership of Restricted Shares shall not vest in the Recipient, and shall be subject to forfeiture until the conditions of Section 2(b) and (c) or Section 4 are fully satisfied. For purposes of this Agreement, the following concepts shall be defined as follows: (i) the lapse of restrictions on the Recipient’s rights with respect to the Restricted Shares granted hereunder shall be referred to as “Vesting”; (ii) the period between the Grant Date and the date of Vesting shall be referred to as the “Vesting Period”; and (iii) the date Vesting occurs shall be referred to as the “Vesting Date.”

(b) Vesting. An aggregate of 1,028 Restricted Shares shall vest in the Recipient and be deemed earned on a year by year basis during the Vesting Period. The number of Restricted Shares scheduled to be vested and earned on each Vesting Date on a year by year basis is as follows:

<u>Restricted Shares</u>	<u>Vesting Date</u>
514	January 1, 2007
514	January 1, 2008

(c) Employment Requirement. Subject to the terms of the Employment Agreement, vesting of any portion of the Restricted Shares granted hereunder is conditioned upon Recipient’s continued employment with the Company on each Vesting Date. Any Restricted Shares that have not been earned and vested upon cessation of employment shall automatically be forfeited and returned to the Company.

(d) Lapse of Restrictions. Upon the Vesting of Restricted Shares, the Recipient shall own the Shares free and clear and, subject to the provisions

of subparagraph (c) below, the Recipient shall be free to hold or dispose of such Shares in his discretion, subject to applicable federal and state law or regulations.

(e) Restriction on Sale. Notwithstanding the vesting of ownership of that portion of the Restricted Shares scheduled to be vested and earned on January 1, 2007 (the “First Vested Shares”), Recipient agrees that the First Vested Shares may not be disposed of on or prior to, and shall not be transferable until, the first day following the six month anniversary of the Grant Date (the “FVS Holding Period”). This restriction shall not affect the vesting of ownership in the First Vested Shares in Recipient as provided for herein, and shall not apply to any subsequent vesting of the Restricted Shares.

(f) Prohibition Against Assignment. During the Vesting Period and until expiration of the FVS Holding Period with respect to the First Vested Shares, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or

otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by one or more stock certificates registered in the name of the Recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare and issue separate certificates for the Restricted Shares scheduled to vest in each year (the "Share Certificates"), which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any)

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as the Company may deem necessary or desirable under any applicable law.

(b) Stock Powers. The Recipient shall execute and deliver to the designee of the Company (the "Designee") stock powers corresponding to the Share Certificates designating the Company as the transferee of an unspecified number of Restricted Shares, which stock powers may be completed by the Designee as specified herein. The Recipient and the Company each waive the requirement that the signature of the Recipient on the stock powers be guaranteed. Upon receipt of a copy of this Agreement and the stock powers, each signed by the Recipient, the Designee shall promptly notify the proper officers of the Company and the Share Certificates and stock powers shall be held by the Company in accordance with the terms of this Agreement.

(c) Effect of Vesting. Upon Vesting, the Company shall cause to be delivered to the Recipient (i) a certificate for the Restricted Shares which have vested free and clear of restrictive legends and (ii) any stock powers signed hereunder by the Recipient remaining in its possession related to the vested Restricted Shares. In the event that the Recipient dies after Restricted Shares are vested but before delivery of the certificate for the vested Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(d) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Vesting Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive

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dividends, with respect to the Restricted Shares subject to this Agreement and not previously forfeited as specified herein. Subject to applicable withholding requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

(e) Power of Designee. The Designee is hereby authorized by the Recipient to utilize the stock power delivered by the Recipient to transfer all forfeited Restricted Shares to the Company upon receipt of instructions from a duly authorized representative of the Company.

4. Termination of Employment; Change in Control.

(a) Termination Due to Disability, Death or for Good Reason; Change in Control. Unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, if the Recipient terminates employment with the Company due to Disability (as defined in the Employment Agreement), death, for Good Reason (as defined in the Employment Agreement) or a termination initiated by the Company without Cause (as defined in the Employment Agreement), all Restricted Shares subject to this Agreement and held by, or on behalf of, the Recipient shall be deemed earned and vested as of the Recipient's last day of employment with the Company. In addition, unless otherwise provided in the Employment Agreement and notwithstanding any provision of the Plan to the contrary, all Restricted Shares subject to this Agreement and held by the Recipient on the date a Change in Control (as defined in the Employment Agreement) occurs shall be deemed earned and vested as of such date.

(b) Termination for Any Other Reason. Unless otherwise

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provided in the Employment Agreement, if the Recipient's employment with the Company terminates prior to the Vesting Date and prior to the occurrence of a Change in Control for reasons other than Disability, death, a termination initiated by the Company without Cause or by Recipient for Good Reason, any Restricted Shares subject to this Agreement that have not been earned and vested prior to the Recipient's termination of employment shall be immediately forfeited on the last day of the Recipient's employment with the Company.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

7. No Right to Continued Employment

Nothing in this Agreement shall confer on the Recipient any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Recipient's employment at any time.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818-7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

Mr. Mark Yeager
72 Fernwood Road
Summit, New Jersey 07901

or such other address as the Recipient shall notify the Company in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement; Effect of Employment Agreement

(a) Entire Agreement. This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default

under this Agreement shall be deemed a waiver of any later default hereunder.

(b) Effect of Employment Agreement. In the event the Employment Agreement with the Company contains additional rights, duties and/or obligations with respect to the Recipient, such terms and conditions shall govern the Recipient's Restricted Share Award *as if* such terms and conditions had been set forth herein; and in the event of any conflict or inconsistency between the terms of the Employment Agreement or this Agreement, the terms and conditions of the Employment Agreement shall control.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions.

12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By: /s/ Mitchell E. Hersh

Mitchell E. Hersh
President and
Chief Executive Officer

Recipient

/s/ Mark Yeager

Mark Yeager

MACK-CALI REALTY CORPORATION

TAX GROSS-UP AGREEMENT

AGREEMENT ("Agreement") effective as of December 5, 2006 by and between Mack-Cali Realty Corporation (the "Company") and Mark Yeager ("Employee").

WHEREAS, pursuant to the 2000 Employee Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company, on December 5, 2006, awarded One Thousand Twenty Eight (1,028) shares ("Restricted Shares") of the Company's common stock, par value \$.01 per share ("Company's Common Stock") to the Employee subject to the terms, conditions, and restrictions set forth in the Plan and the Restricted Share Award Agreement between the Employee and the Company dated December 5, 2006 (hereinafter, "Restricted Share Award Agreement"); and

WHEREAS, the Company wishes to provide the Employee with a tax gross-up payment upon the date of grant applicable to such Restricted Shares;

NOW THEREFORE, the parties hereto agree as follows:

- 1. Employee shall be entitled to receive a tax gross-up payment (the "Tax Gross-Up Payment") from the Company with respect to each tax year in which the Restricted Shares granted pursuant to the Restricted Share Award Agreement vest and are distributed to him. Each Tax Gross-Up Payment shall be a dollar amount equal to forty-three percent (43%) of the fair market value of the Restricted Shares at the time of vesting, exclusive of dividends.
- 2. The Tax Gross-Up Payment shall be made as soon as practicable following the date of vesting.
- 3. The Company shall have the right to deduct and withhold from the Tax Gross-Up Payment 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.
- 4. Nothing in this Agreement shall confer on the Employee any right to continue as an employee of the Company or in any way affect the Company's or any subsidiary's right to terminate the Employee's employment at any time subject to the terms of the Employee's employment agreement.
- 5. This Agreement contains the entire understanding of the parties with respect to the payment of the Tax Gross-Up Payment and this Agreement shall not be modified or amended except in writing and duly signed by each of the parties.

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- 6. This Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended.
 - 7. This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.
 - 8. This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

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

Employee

/s/ Mark Yeager
Mark Yeager

MACK-CALI REALTY CORPORATION
RESTRICTED SHARE AWARD AGREEMENT

[Name of Director]

**AGREEMENT EVIDENCING THE GRANT
OF A RESTRICTED SHARE AWARD PURSUANT
TO THE AMENDED AND RESTATED 2000 DIRECTOR STOCK OPTION PLAN
OF MACK-CALI REALTY CORPORATION**

AGREEMENT ("Agreement") effective as of December 5, 2006 ("Grant Date") by and between Mack-Cali Realty Corporation (the "Company") and [Name of Director] ("Recipient").

WHEREAS, pursuant to the Amended and Restated 2000 Director Stock Option Plan of Mack-Cali Realty Corporation (the "Plan"), the Company hereby awards shares of the Company's common stock, par value \$.01 per share ("Common Stock") to the Recipient subject to such terms, conditions, and restrictions (hereinafter, "Restricted Share Award") as set forth in the Plan, and this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Award of Shares of Restricted Stock.

Pursuant to the Plan, the Committee hereby awards to the Recipient, effective as of the Grant Date, a Restricted Share Award representing the conditional receipt of 1,200 shares of Common Stock ("Restricted Shares") at no out-of-pocket cost to the Recipient subject to the terms, conditions and restrictions set forth herein. Capitalized terms not otherwise defined in this Agreement shall be as defined in the Plan.

2. Award Restrictions.

(a) General Rules. Ownership of Restricted Shares shall not vest in the Recipient, and shall be subject to forfeiture until the conditions of Section 2(b) or Section 4 are fully satisfied. For purposes of this Agreement, the following concepts shall be defined as follows: (i) the lapse of restrictions on the Recipient's rights with respect to the Restricted Shares granted hereunder shall be referred to as "Vesting"; (ii)

the period between the Grant Date and the date of Vesting shall be referred to as the "Vesting Period"; and (iii) the date Vesting occurs shall be referred to as the "Vesting Date."

(b) Vesting. All of the Restricted Shares granted hereunder shall Vest and be deemed earned on January 1, 2008. Vesting of the Restricted Shares granted hereunder is conditioned upon Recipient's continued service with the Company as a member of the Board of Directors through and including the Vesting Date.

(c) Lapse of Restrictions. Upon the Vesting of Restricted Shares, the Recipient shall own the Shares free and clear of all restrictions imposed by this Agreement and the Recipient shall be free to hold or dispose of such Shares in his discretion, subject to applicable federal and state law or regulations.

(d) Prohibition Against Assignment. During the Vesting Period, the Restricted Shares may not be transferred or encumbered by the Recipient by means of sale, assignment, mortgage, transfer, exchange, pledge, or otherwise. The levy of any execution, attachment, or similar process upon the Restricted Shares shall be null and void.

3. Stock Certificates.

(a) Certificates. Restricted Shares shall be evidenced by a stock certificate registered in the name of the Recipient or a nominee or nominees therefor. As soon as practicable following the date hereof, the Company shall prepare and issue such certificate for the Restricted Shares (the "Share Certificate"), which shall be registered in the name of the Recipient or a nominee and which shall bear such restrictive legend or legends (if any) as the Company may deem necessary or desirable

under any applicable law.

(b) Stock Powers. The Recipient shall execute and deliver to the designee of the Company (the "Designee") stock powers corresponding to the Share Certificate designating the Company as the transferee of an unspecified number of Restricted Shares, which stock powers may be completed by the Designee as specified herein. The Recipient and the Company each waive the requirement that the signature of the Recipient on the stock powers be guaranteed. Upon receipt of a copy of this Agreement and the stock powers, each signed by the Recipient, the Designee shall promptly notify the proper officers of the Company and the Share Certificate and stock powers shall be held by the Company in accordance with the terms of this Agreement.

(c) Effect of Vesting. Upon Vesting, the Company shall cause to be delivered to the Recipient (i) a certificate for the Restricted Shares which have vested free and clear of restrictive legends and (ii) any stock powers signed hereunder by the Recipient remaining in its possession related to the vested Restricted Shares. In the event that the Recipient dies after Restricted Shares are vested but before delivery of the certificate for the vested Restricted Shares, such certificate shall be delivered to, and registered in the name of, the Recipient's beneficiary or estate, as the case may be.

(d) Rights of Stockholder. Except as otherwise provided in Section 2 and this Section 3, during the Vesting Period and after the certificates for the Restricted Shares have been issued, the Recipient shall be entitled to all rights of a stockholder of the Company, including the right to vote and the right to receive dividends, with respect to the Restricted Shares subject to this Agreement. Subject to applicable withholding

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requirements, if any, dividends on the Restricted Shares shall be paid to the Recipient when earned and payable.

(e) Power of Designee. The Designee is hereby authorized by the Recipient to utilize the stock power delivered by the Recipient to transfer all forfeited Restricted Shares to the Company upon receipt of instructions from a duly authorized representative of the Company.

4. Termination of Service.

(a) Termination Due to Disability, Death or Retirement; Change in Control. If the Recipient's service as a member of the Board of Directors terminates due to Disability, death or Retirement, all Restricted Shares subject to this Agreement and held by, or on behalf of, the Recipient shall be deemed earned and vested as of the Recipient's last day of service as a member of the Board of Directors. In addition, all Restricted Shares subject to this Agreement and held by the Recipient on the date a Change in Control occurs shall be deemed earned and vested as of such date.

(b) Termination for Any Other Reason. If the Recipient's service as a member of the Board of Directors terminates prior to the Vesting Date and prior to the occurrence of a Change in Control for reasons other than Disability, death or Retirement, any Restricted Shares subject to this Agreement that have not been earned and vested on the last day of the Recipient's service as a member of the Board of Directors shall be immediately forfeited.

5. Withholding.

In connection with the delivery of any stock certificates, or the making of any payment in accordance with the provisions of this Agreement, to the extent not

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otherwise paid by or on behalf of the Recipient, the Company shall withhold Restricted Shares or cash amounts (for fractional Restricted Shares) equal to the taxes, if any, then required by applicable federal, state and local law to be so withheld.

6. Adjustments for Capital Changes.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares effected without receipt or payment of consideration by the Company, a duly authorized representative of the Company shall adjust the number of Restricted Shares granted pursuant to the Plan and this Agreement to prevent dilution or enlargement of the rights granted to the Recipient.

7. No Right to Continued Service.

Nothing in this Agreement shall confer on the Recipient any right to continue as a member of the Board of Directors.

8. Notice.

Any notice to the Company hereunder shall be in writing addressed to:

Mack-Cali Realty Corporation
P.O. Box 7817
Edison, New Jersey 08818 -7817

Attn: Mitchell E. Hersh
President and Chief Executive Officer

Any notice to the Recipient hereunder shall be in writing addressed to:

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Mr. Nathan Gantcher
888 Seventh Avenue
40th Floor
New York, New York 10019

or such other address as the Recipient shall notify the Company in writing.

9. Section 409A.

This Restricted Share Award Agreement is not intended to provide for an elective deferral of compensation that would be subject to Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company reserves the right to unilaterally amend or modify this Agreement to ensure that the awards do not become subject to the requirements of Section 409A thereof.

10. Entire Agreement.

This Agreement contains the entire understanding of the parties and shall not be modified or amended except in writing and duly signed by each of the parties hereto. No waiver by either party of any default under this Agreement shall be deemed a waiver of any later default hereunder.

11. Construction.

The various provisions of this Agreement are severable in their entirety. Any determination of invalidity or unenforceability of any one provision shall have no effect on the continuing force and effect of the remaining provisions. All capitalized terms used and not otherwise defined herein shall have those meanings ascribed to them in the Plan.

12. Governing Law.

This Agreement shall be governed by the laws of the State of New Jersey applicable to contracts made, and to be enforced, within the State of New Jersey.

13. Successors.

This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective on the date first above written.

Mack-Cali Realty Corporation

By:

Mitchell E. Hersh
President and Chief Executive Officer

Recipient

[Name of Director]