



SL Green Closes \$1.25 Billion Construction Loan for One Madison Avenue

November 16, 2020

Construction commences on the premier 1.4 million-square-foot office tower that will anchor Midtown South

SL Green donates \$250,000 to Madison Square Park Conservancy for essential park upgrades

NEW YORK--(BUSINESS WIRE)--Nov. 16, 2020-- SL Green Realty Corp. (NYSE: SLG), Manhattan's largest office landlord, today announced that it and its joint venture partners, the National Pension Service of Korea and Hines, have closed on a \$1.25 billion construction loan for One Madison Avenue. The facility was led by Wells Fargo, TD Bank, Goldman Sachs, Bank of America, Deutsche Bank and Axos Bank. Located adjacent to Madison Square Park between Park and Madison Avenues and East 23rd and East 24th Streets, One Madison Avenue will anchor the Midtown South office market as its premier tower.

Leveraging its vast experience and relationships with global lending partners, SL Green negotiated New York City's largest office construction facility in 2020, which will advance the city's largest commercial development to begin construction since March. The facility has a term of up to six years and bears interest at a floating interest rate of 3.35% over LIBOR, with the ability to reduce the spread to as low as 2.50% upon achieving certain leasing and completion milestones.

Today, SL Green and its partners will celebrate the commencement of construction of the 1.4 million-square-foot development that will transform the existing full-block structure into a 27-floor, state-of-the-art office tower by hosting government officials, neighborhood businesses, and the development project team at an outdoor ceremony in Madison Square Park. To envision, design and develop the purpose-built tower, with cutting-edge infrastructure, best-in-class healthy work environment and a forward-thinking amenity program, the design and development team that recently delivered the skyline-defining One Vanderbilt Avenue – Hines, Kohn Pedersen Fox, AECOM Tishman and National Pension Service of Korea – has been re-assembled. Importantly, the project will produce more than 3,000 new construction jobs over the next four years, the vast majority of which will be union labor participation.

"Our commitment and belief in New York City is unwavering," said **Marc Holliday, Chairman and Chief Executive Officer of SL Green**. "We are proud to be bringing an important new office development to Midtown South that we are confident will attract the top companies and talent. Despite the headwinds presented by current and temporary challenges, we remain focused on boosting the New York City economy by creating thousands of construction jobs and bringing a new, best-in-class office tower to the highly sought-after Flatiron/Midtown South submarket for the first time in a decade."

Further deepening its investment in the neighborhood, SL Green has also announced a \$250,000 gift to the Madison Square Park Conservancy to help complete the park's dog run and ensure the ongoing upkeep and maintenance of one of New York City's most vibrant and historic parks.

"Madison Square Park has become a hub of the community through the support and involvement of our park side residents and businesses. We have been working hard for four years on plans to rebuild the dog run, and SL Green has stepped up with a gift that makes it possible to actually get this world-class dog run completed! We are excited to see continued vibrancy in the Park, and congratulate SL Green on their elegant new building design," said **Keats Myer, Executive Director of the Madison Square Park Conservancy**.

"SL Green's investment in the Madison Square Park neighborhood is the perfect example of a company leading by example and demonstrating a long-term faith in New York as the vibrant hub of creativity, innovation and culture that attracts people from all over the world. As a business owner with deep roots in the neighborhood, the redevelopment of One Madison is a great vote of confidence as we get our community and city back up and running," said **Daniel Humm, Chef and Owner of Make It Nice and Eleven Madison Park**.

"The groundbreaking of One Madison Avenue symbolizes confidence and optimism in New York City's resiliency as a safe and vibrant urban center," said **Deputy Mayor for Housing and Economic Development Vicki Been**. "Congratulations to the team at SL Green on moving forward with this beautiful, sustainable building in the heart of one of Manhattan's most beloved business districts."

"As we are witnessing the success of East Midtown's development, it is fitting that we also applaud development in Midtown South with One Madison Avenue," said **Manhattan Borough President Gale A. Brewer**. "Adding thoughtful design elements, increasing energy efficiency, and contributing to open space make this a project I can get behind."

"KPF has enjoyed working with SL Green over the years, recently on One Vanderbilt Avenue and now on One Madison Avenue, which is very different from its taller cousin in Midtown, but we think will have an equally dramatic and positive impact on the city," said **Doug Hocking, AIA, KPF Design Principal**. "We wanted to preserve the character of the original building but also open it up so we could extend the nature of the adjacent park through the tower. When completed, we're confident that One Madison will be a dynamic, inspiring workplace for the 21st century."

"With the commencement of construction on One Madison Avenue, the SL Green-Hines team will deliver another leading-edge project, both accessible to the density surrounding Grand Central Station as New York's major transportation hub, as well as the openness of facing one of the city's most beloved parks. This is a natural follow up to our success together at One Vanderbilt," said **Tommy Craig, Hines senior managing director and head of New York's tri-state office**.

"We applaud SL Green and Hines for their continued forward looking commitment to transforming Midtown – first with the recent completion of One Vanderbilt and now starting construction on this great project at One Madison. We're happy to be a part of it," said **Jay Badame, President of AECOM Tishman**. "New York's brightest days are ahead of us and building new office space in this part of Manhattan using the latest in design and technology – with an emphasis on providing a safe, healthy environment for the workforce – is the key to the future."

SL Green is redeveloping the building as-of-right, using 218,000 square feet of available development rights, which will increase the total rentable

square footage of the building to approximately 1.4 million square feet. The development plan includes construction of a new 530,000 square feet tower with column-free floors above an existing and redeveloped nine-floor podium.

The newly-constructed tower will feature 32-35,000-square-foot floorplates. The 10th and 11th floors are specialty spaces featuring 22' slab heights with tremendous outdoor roof decks. In addition, there are numerous outdoor roof terraces which enjoy skyline views of the city and neighboring park.

Attractively-designed building amenities will include new dynamic retail space, an 800-person, multi-purpose event space, 15,000-square-foot artisanal food market, 9,000-square-foot club-style tenant lounge and full-service fitness center. One Madison will provide tenants with Manhattan's healthiest work environment with state-of-the-art infrastructure including the first-time use in a multi-tenant office building of DOAS HVAC which employs circulation of 100% outdoor, fresh-air thereby reducing employee sick days and increasing productivity. In addition, the building is expected to achieve both WELL and LEED-Gold certification.

About SL Green

SL Green Realty Corp., an S&P 500 company and Manhattan's largest office landlord, is a fully integrated real estate investment trust, or REIT, that is focused primarily on acquiring, managing and maximizing value of Manhattan commercial properties. As of September 30, 2020, SL Green held interests in 93 buildings totaling 40.6 million square feet. This included ownership interests in 29.2 million square feet of Manhattan buildings and 10.3 million square feet securing debt and preferred equity investments.

Forward Looking Statement

This press release includes certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are intended to be covered by the safe harbor provisions thereof. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, are forward-looking statements. Forward-looking statements are not guarantees of future performance and we caution you not to place undue reliance on such statements. Forward-looking statements are generally identifiable by the use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend," "project," "continue," or the negative of these words, or other similar words or terms.

Forward-looking statements contained in this press release are subject to a number of risks and uncertainties, many of which are beyond our control, that may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by forward-looking statements made by us. Factors and risks to our business that could cause actual results to differ from those contained in the forward-looking statements are described in our filings with the Securities and Exchange Commission. These risks and uncertainties include, but are not limited to, potential risks and uncertainties relating to the novel coronavirus (COVID-19).

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