



SL Green Realty Corp. Announces Agreements to Purchase 1370 Broadway and to Sell 17 Battery Place South; Consolidates Midtown Holdings

Will Pay \$50.5 Million for Midtown Property and Receive \$53.0 Million for Downtown Building

NEW YORK--(BUSINESS WIRE)--Sept. 21, 2000-- SL Green Realty Corp. (NYSE:SLG) announced today that it has entered into an agreement to purchase 1370 Broadway, a 16-story, 254,573-square-foot office building located in the heart of the Times Square South submarket.

The property is located directly across the street from 1372 Broadway, another SL Green building, thereby further expanding the Company's presence on this midtown Manhattan street corner to nearly 800,000 square feet. In-place rents at the property are approximately \$27.75 per square foot, approximately 38% below current market levels.

SL Green also announced it will sell its building located at 17 Battery Place South, a condominium unit in the city's financial district.

Under the terms of the agreements, SL Green will purchase 1370 Broadway for \$50.5 million, while receiving \$53.0 million for 17 Battery Place South. As the proceeds from 17 Battery Place South will be redeployed into the 1370 Broadway acquisition, the Company intends to effect a Section 1031 tax-free exchange, thereby deferring capital gain resulting from sale. The coordination of the transactions will allow SL Green to purchase 1370 Broadway without mortgage debt while leaving the Company's line of credit resources undiminished.

Marc Holliday, Chief Investment Officer for SL Green noted, "The 1370 Broadway acquisition is strategic in two meaningful ways. It gives us the opportunity to create real synergies by combining certain functions such as leasing and management, thereby reducing the combined costs of running two properties -- this one and 1372 Broadway. By expanding across the street, we have the ability to accommodate our tenants' growth through accessing adjacent space. Also, the purchase is consistent with our overall strategy of investing in well-positioned buildings on Manhattan's avenues that have strong opportunity for FFO growth."

With the completion of the sale of 17 Battery Place South, SL Green will further reduce its holdings in downtown Manhattan, reflecting management's strategic emphasis to expand its portfolio of office buildings in Manhattan's midtown region located nearby major transportation hubs.

Keith Barket of Angelo, Gordon & Co., the majority owner of 1370 Broadway, commented, "While we feel a broad marketing of the property might have produced a higher price, the certainty and efficiency of execution with SL Green was more compelling. We leave the property in both good condition and good hands."

SL Green is a fully integrated, self-administered and self-managed real estate investment trust ("REIT") that primarily owns, manages, leases, acquires and repositions office properties in Manhattan.

To receive SL Green's latest news release and other corporate documents via FAX at no cost, please contact the Investor Relations office at 212/216-1601. All releases and supplemental data can also be downloaded directly from the SL Green website at: www.slgreen.com.

This press release contains forward-looking information based upon the Company's current best judgment and expectations. Actual results could vary from those presented herein. The risks and uncertainties associated with forward-looking information in this release include the strength of the commercial office and industrial real estate markets in New York, competitive market conditions, unanticipated administrative costs, timing of leasing income, general and local economic growth, interest rates and capital market conditions. For further information, please refer to the Company's filing with the Securities and Exchange Commission