



2014 Citi Global Property CEO Conference  
March 2 - 5, 2014



# CONSOLIDATION OF 388-390 GREENWICH STREET OWNERSHIP



- ◆ ACQUIRED 49.4% OWNERSHIP INTEREST FROM JV PARTNER
- ◆ 100% TRIPLE NET LEASED TO CITI THROUGH 2035
- ◆ OPTION FOR CITI TO ACQUIRE PROPERTIES BETWEEN 12.1.17 – 12.31.20
- ◆ SLG NEW OWNERSHIP: 100%
- ◆ GROSS PURCHASE PRICE: \$1.585B
- ◆ PER SQUARE FOOT: \$602
- ◆ GOING IN CAP RATE: 7.0%
- ◆ STABILIZED CAP RATE AFTER LEASING COSTS: 6.44%

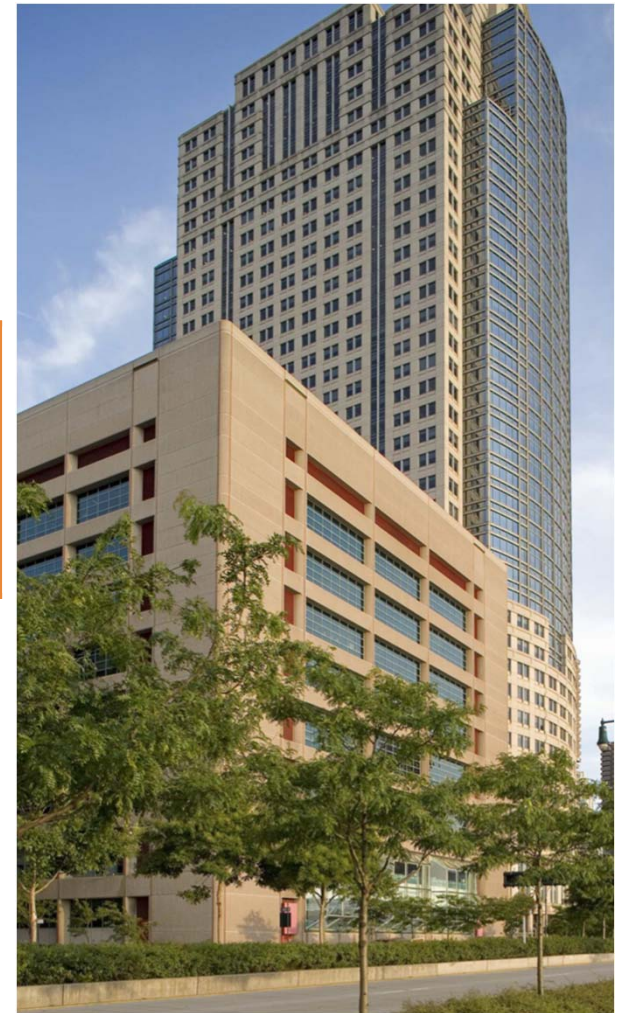
## ***CITI LEASE HIGHLIGHTS***

- ◆ **LEASE SECURES SLG'S LARGEST TENANT**
- ◆ **EARLY RENEWAL**
- ◆ **PRIOR LXD: DECEMBER 2020**
- ◆ **NEW LXD: DECEMBER 2035**
- ◆ **FULL BUILDING TRIPLE NET LEASE**
- ◆ **MINIMUM 22 YEARS OF TERM**
- ◆ **RETAIN TENANT IN THE FACE OF STRONG COMPETITION FROM NEW CONSTRUCTION**
- ◆ **LOCK-IN VALUE OF SL GREEN'S BIGGEST ASSET**
- ◆ **GREATLY IMPROVED FINANCEABILITY**





# CITI LEASE SUMMARY



<b>SQUARE FOOTAGE:</b>	<b>2,634,670</b>
<b>CITI OCCUPANCY:</b>	<b>100%</b>
<b>NEW LEASE EXPIRATION DATE:</b>	<b>DEC-35</b>
<b>TRIPLE NET RENT AT 12/31/2013:</b>	<b>\$41.68 PSF<sup>1</sup></b>
<b>2021 TRIPLE NET RENT:</b>	<b>\$47.00 PSF<sup>1</sup></b>
<b>EXTENSION TERM:</b>	<b>15 YEARS</b>
<b>TI ALLOWANCE:</b>	<b>\$51.14 PSF</b>
<b>BASE BUILDING CAPITAL ALLOWANCE:</b>	<b>\$18.98 PSF</b>
<b>REDEVELOPMENT CAPITAL CONTRIBUTION (DEFERRED):</b>	<b>\$47.44 PSF<sup>2</sup></b>
<b>FREE RENT:</b>	<b>7.1 MONTHS<sup>3</sup></b>

1. Rent is subject to annual NY/NJ/Long Island CPI based increases

2. Earliest available date: 1.1.18

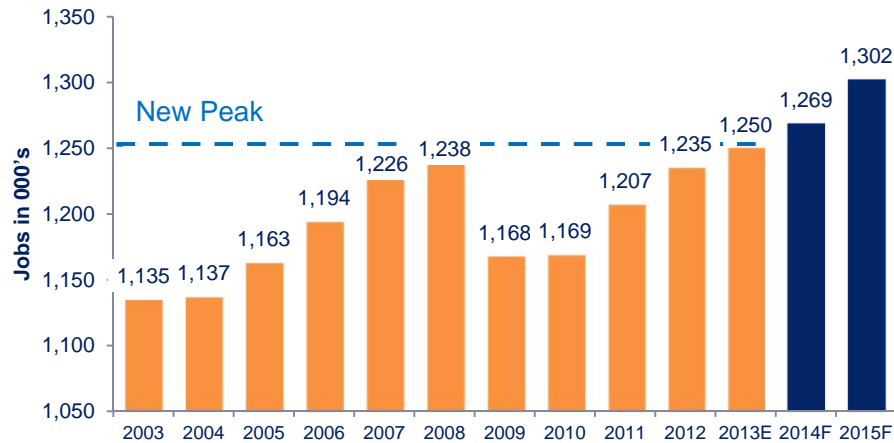
3. Based on anticipated 2021 gross rent

## ***SUBSTANTIAL LEASING PIPELINE***

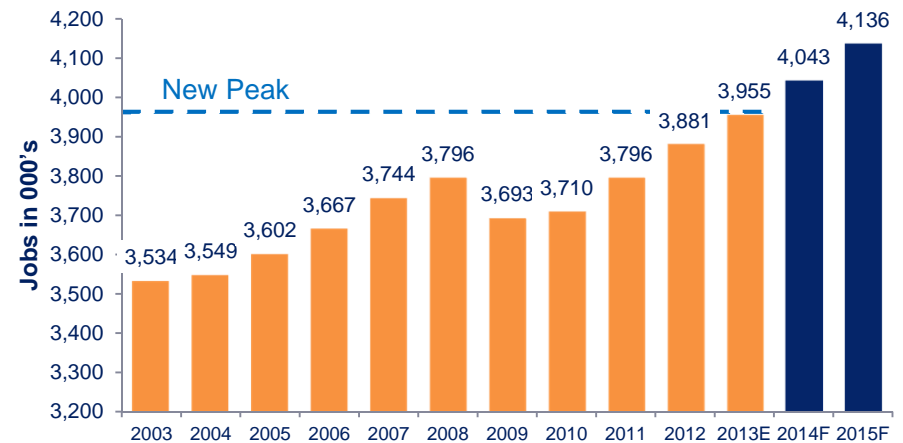
<b>SLG LEASING PIPELINE</b>	<b># OF LEASES</b>	<b>AS OF 2/28/14 BY SQUARE FEET</b>
<b>LEASES OUT FOR SIGNATURE</b>	<b>6</b>	<b>52,419</b>
<b>LEASES IN NEGOTIATION</b>	<b>49</b>	<b>833,172</b>
<b>TERM SHEETS IN NEGOTIATION</b>	<b>30</b>	<b>577,174</b>
<b>TOTAL PIPELINE</b>	<b>85</b>	<b>1,462,765</b>

# POSITIVE NEW YORK EMPLOYMENT TRENDS

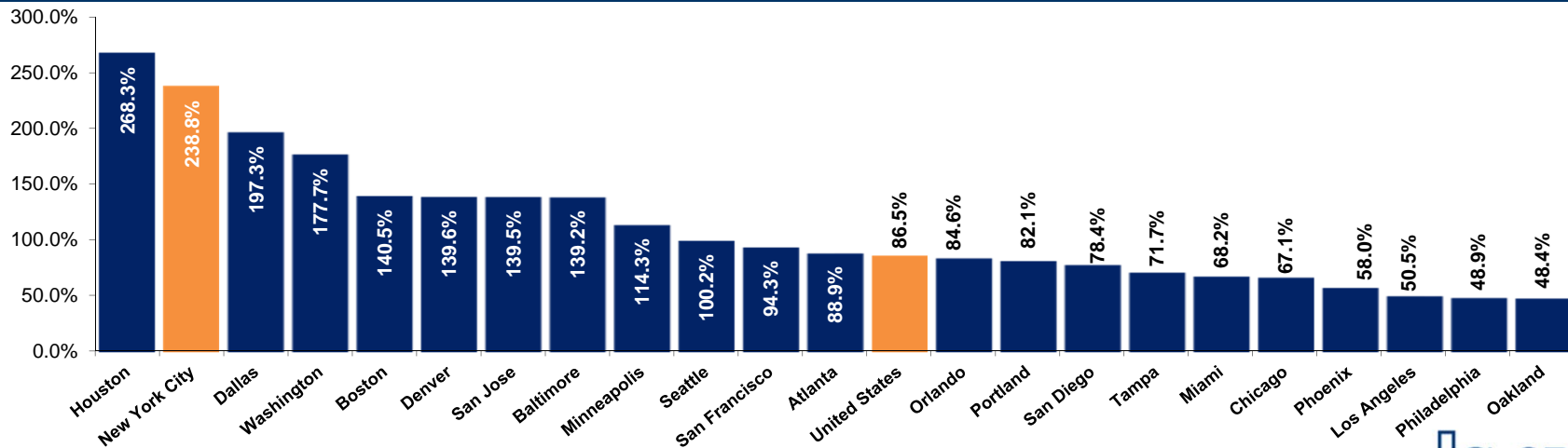
## NYC OFFICE USING JOBS



## NYC TOTAL EMPLOYMENT



## JOB RECOVERED SINCE TROUGH AS A % OF JOBS LOST<sup>(1)</sup>



Source: Market Data & Commentary: Cushman & Wakefield and Bureau of Labor Statistics

(1) Trough defined as April 2008 through November 2009. Job recovered as of 1.31.14 (latest available data).

# CURRENT OFFICE MARKET STATISTICS

	MARKET SEGMENT	INVENTORY (SF IN MILLIONS)	DIRECT VACANCY	SUBLEASE VACANCY	ASKING RENT (PSF)
MIDTOWN	CLASS A	182.6	9.7%	2.3%	\$74.51
	CLASS B	59.5	9.6%	1.3%	\$51.29
MIDTOWN SOUTH	CLASS A	17.2	7.1%	1.5%	\$67.64
	CLASS B	49.5	7.9%	1.4%	\$62.83
	MT/MTS OVERALL	308.8	8.8%	1.9%	\$68.01
DOWNTOWN	CLASS A	50.3	13.1%	1.2%	\$53.46
	CLASS B	35.4	7.1%	1.9%	\$37.60
	DOWNTOWN OVERALL	85.6	10.9%	1.4%	\$48.51

Source: Cushman & Wakefield Research as of 1.31.14

# YTD NEW LEASING – SOLID VELOCITY

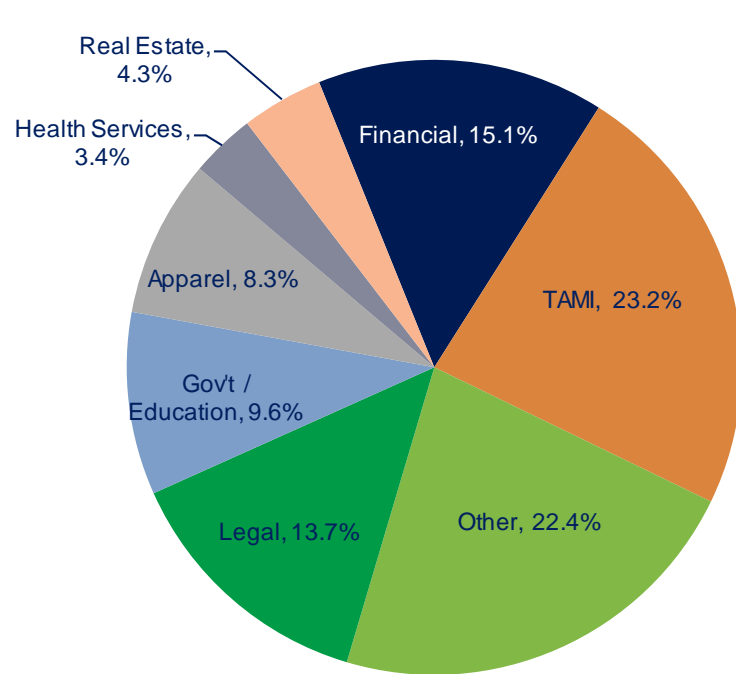


Source: Cushman & Wakefield Research as of 1.31.14

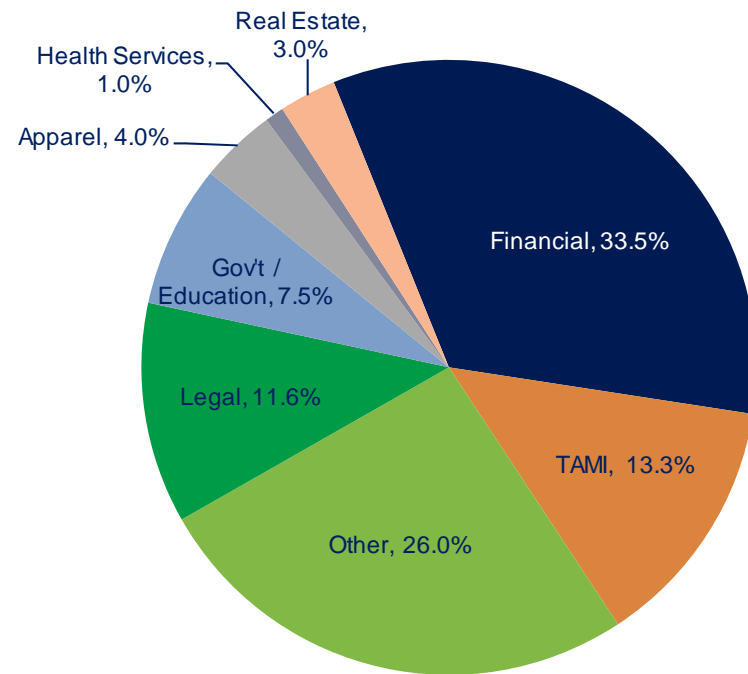


# TENANTS IN THE MARKET

## TENANTS IN THE MARKET BY INDUSTRY



## MANHATTAN OCCUPANCY



Data includes tenants occupying 5k SF and larger  
 Note: TAMI is technology, advertising, media, and information  
 Source: Cushman & Wakefield Research as of 1.31.14

# NYC – A RELATIVE BARGAIN

RANK	MARKET	RENT PSF
1	LONDON, WEST END, UK	\$178
2	HONG KONG	\$134
3	MOSCOW, RUSSIA	\$111
4	PARIS, FRANCE	\$102
5	BEIJING, CHINA	\$101
6	SINGAPORE	\$90
7	TOKYO, JAPAN	\$87
8	SYDNEY, AUSTRALIA	\$87
9	SHANGHAI, CHINA	\$83
10	DELHI, INDIA	\$81
...		
12	MIDTOWN SOUTH, NYC	\$75
13	MIDTOWN, NYC	\$68

RANK	MARKET	CLASS A OFFICE SALES PSF
1	HONG KONG	\$4,501
2	SINGAPORE	\$2,812
3	TOKYO	\$2,267
4	PARIS	\$2,205
5	LONDON	\$1,910
6	FRANKFURT	\$1,175
7	SYDNEY	\$993
8	NEW YORK CITY	\$988
9	DUBAI	\$860
10	SHANGHAI	\$830

Source: JLL Capital Markets Group & Cushman and Wakefield Capital Markets

# GLOBAL INVESTORS IN NYC



**TIME WARNER CENTER**

**1211 AVENUE OF THE AMERICAS**

**1 CHASE PLAZA**

**GM BUILDING**

**TIMES SQUARE TOWER**

**450 Park Ave.**

<b>Buyer</b>	GIC	Ivanhoe Cambridge	Fosun International	Zhang Xin, M. Safra	Norges Bank	Oxford
<b>Sales Price</b>	\$1.3B (\$1,182 psf)	\$1.75B (\$875 psf)	\$725M (330 psf)	\$3.4B (\$2,000 psf)	\$1.5B (\$1,220psf)	\$575M (\$1,736psf)
<b>Cap Rate</b>	N/A	4.9%	N/A	4.8%	4.5%	3.2%
<b>Notes</b>	Pending sale – partner with Related	51% stake	Closed	Office condo	Sale of 45% JV interest	Contract signed



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