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## SL Green Announces Sale of Tower 45 and Joint Venture of SoHo Property

### Strategic Transactions Moving Forward in a Strong Market

NEW YORK--(BUSINESS WIRE)-- SL Green Realty Corp. (NYSE:SLG), an S&P 500 company and New York City's largest commercial property owner, today announced two transactions with an aggregate value of \$642.8 million:

- 1) An agreement to sell Tower 45, the office building located at 120 West 45<sup>th</sup> Street, for \$365.0 million, or approximately \$830 per square foot; and
- 2) The formation of a joint venture with Invesco Real Estate ("Invesco") for the ownership of 131-137 Spring Street, a 73,000 square foot mixed-use asset located in SoHo. Under the terms of the agreement, Invesco will acquire an 80 percent stake in the property, with SL Green retaining a 20 percent ownership interest as well as management and leasing responsibilities. The transaction values the property at \$277.8 million.

Both transactions are expected to be completed in the third quarter, subject to customary closing conditions.

SL Green President Andrew Mathias commented, "As illustrated by these transactions, the demand for high-quality commercial assets in the Manhattan market continues to be very strong, even as interest rates have risen in recent months. After re-positioning both of these assets to unlock additional value, we will realize in excess of \$400.0 million of net cash proceeds from these transactions, which were executed at a blended cap rate of 3.3 percent.

He continued, "Our intention is to fund the Company's pending acquisition of the iconic 11 Madison property through a strategic combination of property sales, joint ventures, new financing and existing property debt refinancings, while retaining substantial cash for other investments in the pipeline. These transactions announced today are consistent with that plan."

The 440,000-square-foot Tower 45 was acquired by SL Green in 2007 as part of the merger with Reckson Associates. Subsequently, the Company executed a significant capital improvement program that successfully repositioned the property. Tower 45 is currently 96.2% leased. Richard Baxter of Jones Lang LaSalle and Darcy Stacom of CBRE represented SL Green on this transaction.

131-137 Spring Street, a six-story building in the heart of the popular SoHo shopping district, features 100 feet of ground floor frontage on Spring Street and houses the multi-level flagship stores for Diesel and Burberry while the balance of the building includes office space and residential rental units.

Isaac Zion, co-Chief Investment Officer of SL Green, commented, "These transactions fit perfectly with the acquisition of 11 Madison, which is well-leased for the long term and located in one of New York City's strongest commercial office submarkets. As we indicated at our December Investor Conference, we expected to sell certain assets and create joint ventures for others during 2015 and deploy the proceeds into more accretive opportunities. Clearly, the pieces are coming together nicely."

He added, "Not to be overshadowed by the bigger strategic picture -- we are very pleased to be forming this new venture with Invesco in SoHo. We hold the Invesco real estate investment organization in extremely high regard and their New York team shares our vision for this prime asset. We look forward to working with them in an effort to create even greater value in this incredibly well-positioned property, taking full advantage of its deeply embedded growth potential as the area's positive momentum continues."

### About SL Green Realty Corp.

*SL Green Realty Corp., an S&P 500 company and New York City'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 March 31, 2015, SL Green held interests in 117 Manhattan buildings totaling 43.6 million square feet. This included ownership interests in 29.0 million square feet of commercial buildings and debt and preferred equity investments secured by 14.6 million square feet of buildings. In addition to its Manhattan investments, SL Green held ownership interests in 37 suburban buildings totaling 5.9 million square feet in Brooklyn, Long Island, Westchester County, Connecticut and New Jersey. For more information, please visit: <http://slgreen.com/>*

## About Invesco Real Estate

*Established in 1983, Invesco Real Estate manages \$64.1 billion of real estate investments, including \$36.1 billion in direct real estate investments and \$28 billion in real estate securities (as of March 31, 2015). With more than 400 employees in 20 offices worldwide, the Dallas-based group focuses on top-down market and property fundamentals combined with bottom-up local market intelligence. Senior members of the management team have worked together for more than 25 years, contributing to the consistent implementation of Invesco's investment strategy and resulting performance. Additional information is available at [www.invescorealestate.com](http://www.invescorealestate.com).*

## **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. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of future events, new information or otherwise.*

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