



## **Green Loan Services LLC, An Affiliate Of SL Green Realty Corp., Attains Special Servicer Ranking From Standard & Poor's**

**NEW YORK, N.Y. – October 18, 2006** – SL Green Realty Corp. (NYSE: SLG) today announced that its affiliate, Green Loan Services LLC (GLS), has been designated a Special Servicer by Standard & Poor's.

The initial ranking of Average is based on the composite results of two sub-ranking categories: (1) Management and Organization and (2) Special Servicing Administration. GLS achieved an Above Average sub-ranking for Management and Organization, which covers staffing depth and experience, training, internal audits, procedural documentation, and information technology, and an Average sub-ranking for Special Servicing Administration.

The initial rankings of GLS come as it moves forward and anticipates growing as a Special Servicer. Established in 2005 to serve as the Special Servicer for Gramercy Real Estate CDO 2005-1 Ltd., the first CDO issued by Gramercy Capital Corp. (NYSE: GKK), GLS services owned-loan portfolios acquired through SL Green's and Gramercy's structured finance businesses, and also provides servicing work emanating from SL Green's third-party investor relationships. In addition, GLS acts as the Special Servicer for six large CMBS loans secured by Manhattan office properties in which SL Green owns the B notes.

S&P indicated that the GLS Special Servicer ranking of average was based on, among other factors, the firm's limited asset recovery track record and special servicing history, due largely to the fact that there have been very few loans under GLS's purview which have required special servicing, thereby limiting actual historical performance.

The evaluation states, "The strength of GLS...is therefore based on its ability to leverage the staffing and technology resources within its parent for core special servicing-related support functions such as leasing and marketing, accounting, legal, and property management consultation. In particular, because of its parent's real estate equity investment portfolio, GLS has access to substantial in-house commercial property management expertise for large and complex properties, particularly within the New York City office market. GLS's technology platform includes purchased applications that provide real estate accounting and essential asset activity tracking to support special servicing work and related reporting that may arise within the SL Green, Gramercy, and Gramercy CDO portfolios."

The evaluation further states, "The professional staffing depth of the SL Green organization... has a high degree of technical expertise in real estate construction and building management, valuation, and underwriting, especially within the complex real estate markets of New York City. Senior managers within SL Green possess solid asset recovery experience with large properties, even though the company through its parent, has not historically had a sizable volume of troubled loans."

Marc Holliday, who serves as CEO of both SL Green and Gramercy Capital Corp., commented, "S&P's evaluation serves as a confirmation of what we already believed – that we have assembled an outstanding professional staff and established a strong organizational structure for the servicing of loan portfolios. We are confident that as we develop a more extensive track record, we will be assigned higher rankings, consistent with our achievements in our other businesses." About SL Green Realty Corp.

SL Green Realty Corp. is a self-administered and self-managed real estate investment trust, or REIT, that predominantly acquires, owns, repositions and manages a portfolio of Manhattan office properties. As of September 30, 2006 the Company owned 27 office properties totaling approximately 18.4 million square feet. SL Green's retail and development space ownership totals approximately 440,000 square feet at eight properties. The Company is the only publicly held REIT that specializes exclusively in this niche. To be added to the Company's distribution list or to obtain the latest news releases and other Company information, please visit our website at [www.slgreen.com](http://www.slgreen.com) or contact Investor Relations at 212-216-1601. About Gramercy Capital Corp.

Gramercy Capital Corp. is a national commercial real estate specialty finance company that specializes in the direct origination and acquisition of first mortgage loans, subordinate mortgage participations, mezzanine loans, preferred equity, and net lease investments involving commercial properties throughout the United States. Gramercy is externally-managed by GKK Manager LLC, which is a majority-owned subsidiary of SL Green Realty Corp. Gramercy is headquartered in New York City and has a regional investment office in Los Angeles, California.

To review Gramercy's latest news releases and other corporate documents, please visit the Company's website at [www.gramercycapitalcorp.com](http://www.gramercycapitalcorp.com) or contact Investor Relations at 212-297-1017.

## **Forward-looking Information**

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 real estate property markets, competitive market conditions, unanticipated administrative costs, general and local economic conditions, interest rates, capital market conditions, bankruptcies and defaults of borrowers or tenants in properties securing the Company's investments, and other factors, which are beyond the Company's control. We undertake no obligation to publicly update or revise any of the forward-looking information. For further information, please refer to the Company's filings with the Securities and Exchange Commission.

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