

located at the intersection of Battery Place and West Street in the financial district of downtown Manhattan.

On November 5, 1997, the Board of Directors of the Company, including all of the Independent Directors, acting in its capacity as sole general partner of the Operating Partnership, authorized the modification of the Initial Agreement to provide for the acquisition of the entire Property by the Operating Partnership and a cotenant for a total purchase price of \$75.0 million, \$59.0 million of which would be paid by the Operating Partnership. In addition, the Board of Directors approved the loan by the Operating Partnership of up to \$18.0 million to the cotenant (secured by a first mortgage on the cotenant's interest in the Property) on specified terms for a period expiring on the earlier of the formation of a condominium or September 30, 1998. The amended and restated agreement of sale dated as of June 27, 1997 (the "Amended Agreement") preserved for the Operating Partnership the economic terms of the Initial Agreement while facilitating the timely acquisition of an interest in the Property.

The Initial Agreement provided for, during the contract period, the conversion of the South Building into two condominium units. One unit was to be comprised of portions of the basement and the ground floor and floors 2 through 13 and would continue to function as office space (the "Office Unit"). The second unit was to be comprised of portions of the ground lease and basement and floors 14 through 31 and would be redeveloped by the seller into a residential/hotel facility (the "Hotel Unit"). The Amended Agreement provides for, as approved by the Board of Directors, the creation of a three unit condominium consisting of the Hotel Unit, the Office Unit and the North Building (the "North Building Unit"). The cotenancy agreement entered into in connection with the Amended Agreement provides that, pending creation of the condominium, the income from the floors constituting the Office Unit and the North Building will be the property of the Operating Partnership and the income from the floors constituting the Hotel Unit will be the property of the cotenant, thus preserving the economic aspects of the Initial Agreement. Pursuant to the Amended Agreement, upon creation of the condominium and dissolution of the cotenancy, the Operating Partnership will receive a distribution consisting of the Office Unit and the North Building Unit, while the cotenant will receive a distribution of the Hotel Unit.

The Operating Partnership acquired its interest in 17 Battery Place on December 19, 1997 for an aggregate purchase price of approximately \$57.8 million in cash. The purchase price was funded with proceeds from a borrowing under the Company's \$140 million senior unsecured revolving credit facility (the "Credit Facility"). The Company based its determination of the price to be paid on the expected cash flow, physical condition, location, competitive advantages, existing tenancy and opportunities to retain and attract additional tenants. The Company did not obtain an independent appraisal on the Property. In addition, the Operating Partnership loaned to the cotenant \$15.5 million on the terms referred to above. The loan amount was funded with proceeds from a borrowing under the Credit Facility.

ITEM 5. OTHER EVENTS

On December 18, 1997, the Company entered into a \$140 million senior unsecured revolving credit facility with Lehman Brothers Holdings Inc.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

- (a) and (b) Financial Statements of Property Acquired and Pro Forma Financial Information

The financial statements and pro forma financial information required by Item 7(a) and 7(b) are currently being prepared and it is therefor impractical to provide this information on the date hereof. The Company will file the required financial statements and information under cover of Form 8-K/A as soon as practicable but in no event later than 60 days after the date on which the Form 8-K was required to be filed.

(c) Exhibits

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SL GREEN REALTY CORP.

By: /s/ David J. Nettina

David J. Nettina

Executive Vice President,
Chief Operating Officer
and Chief Financial
Officer

Date: January 5, 1998