UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

or

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to _____.

Commission File No. 1-13199

SL GREEN REALTY CORP.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Maryland	13-3956775
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

420 Lexington Avenue, New York, New York 10170
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES - ZIP CODE)

(212) 594-2700
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the restraint was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days Yes X No .

The number of shares outstanding of the registrant's common stock, $0.01 par value was 24,396,688 at July 20, 2000.

SL GREEN REALTY CORP.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	JUNE 30, 2000 (UNAUDITED)	December 31, 1999 (Note 1)
ASSETS		
Commercial real estate properties, at cost:		
Land and land interests	$ 131,991	$ 132,081
Buildings and improvements	646,150	632,004
Building leasehold	135,886	132,573
Property under capital lease	12,208	12,208
	926,235	908,866
Less accumulated depreciation	(68,653)	(56,983)
	857,582	851,883
Properties held for sale	---	25,835
Cash and cash equivalents	15,317	21,561
Restricted cash	31,126	34,168
Tenant and other receivables, net of allowance of $1,813 and $938 in 2000 and 1999, respectively	6,851	5,747
Related party receivables	781	463
Deferred rents receivable, net of reserve for tenant credit loss of $5,197 and $5,337 in 2000 and 1999, respectively	42,867	37,015
Investment in and advances to affiliates	7,527	4,978
Mortgage loans receivable and preferred equity investment	76,962	20,000
Investments in unconsolidated joint ventures	63,850	23,441
Deferred costs, net	37,922	30,540
Other assets	20,057	15,611
Total assets	$ 1,160,842	$ 1,071,242

The accompanying notes are an integral part of these financial statements.

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	JUNE 30, 2000 (UNAUDITED)	December 31, 1999 (Note 1)
LIABILITIES AND STOCKHOLDERS' EQUITY		
Mortgage notes payable	$ 346,294	$ 352,693
Revolving credit facilities	145,752	83,000
Accrued interest payable	1,823	2,650
Accounts payable and accrued expenses	26,851	17,167
Deferred revenue	1,838	306
Capitalized lease obligations	15,165	15,017
Deferred land lease payable	12,493	11,611
Dividend and distributions payable	12,010	11,947
Security deposits	18,104	18,905
Total liabilities	580,330	513,296
Commitments and Contingencies		
Minority interest in Operating Partnership	42,544	41,494
8% Preferred Income Equity Redeemable Shares-SM- $0.01 par value $25.00 mandatory liquidation preference, 25,000 authorized and 4,600 outstanding at December 31, 2000 and 1999	110,561	110,348
STOCKHOLDERS' EQUITY		
Common stock, $0.01 par value 100,000 shares authorized, 24,373 and 24,184 issued and outstanding at June 30, 2000 and December 31, 1999, respectively	244	242
Additional paid - in-capital	425,837	421,958
Deferred compensation plans	(6,225)	(6,610)
Officers' loans, net	(14)	(64)
Retained earnings/(distributions) in excess of earnings	7,565	(9,422)
Total stockholders' equity	427,407	406,104
Total liabilities and stockholders' equity	$ 1,160,842	$ 1,071,242

The accompanying notes are an integral part of these financial statements.

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999	Six Months Ended June 30 2000	Six Months Ended June 30 1999
REVENUES				
Rental revenue	$ 46,410	$ 43,784	$ 93,351	$ 84,185
Escalation and reimbursement revenues	5,367	4,868	11,348	9,616
Signage rent	597	343	1,097	553
Investment income	3,923	1,424	4,936	2,262
Other income	197	390	521	855
Total Revenues	56,494	50,809	111,253	97,471
EXPENSES				
Operating expenses (see Note 12 for affiliated transactions)	13,443	11,264	26,633	22,485
Real estate taxes	7,053	7,339	14,388	14,422
Ground rent	3,159	3,183	6,342	6,390
Interest	10,053	6,711	19,545	11,949
Depreciation and amortization	8,403	6,590	16,219	12,028
Marketing, general and administrative	3,190	2,771	5,978	5,416
Total Expenses	45,301	37,858	89,105	72,690
Income before equity in net income from affiliates, equity in net income of unconsolidated joint ventures, gain on sale of rental property and minority interests	11,193	12,951	22,148	24,781
Equity in net income from affiliates	369	117	539	328
Equity in net income of unconsolidated joint ventures	782	--	1,623	--
Gain on sale of rental property	4,797	--	19,022	--
Income before minority interest, extraordinary item and preferred stock dividends	17,141	13,068	43,332	25,109
Minority interest:				
Operating partnership	(1,316)	(826)	(3,467)	(1,683)
Partially owned properties	--	(838)	--	(1,410)
Net income before extraordinary item and preferred stock dividends	15,825	11,404	39,865	22,016
Extraordinary item, net of minority interest of ($38) and ($57) in 2000 and 1999, respectively	(430)	(628)	(430)	(628)
Net income	15,395	10,776	39,435	21,388
Preferred stock dividends	(2,300)	(2,300)	(4,600)	(4,600)
Preferred stock accretion	(107)	(99)	(214)	(198)
Net income available to common shareholders	$ 12,988	$ 8,377	$ 34,621	$ 16,590
BASIC EARNINGS PER SHARE:				
Net income before gain on sale and extraordinary item	$ 0.35	$ 0.37	$ 0.67	$ 0.70
Gain on sale	0.20	--	0.78	--
Extraordinary item	(0.02)	(0.02)	(0.02)	(0.02)
Net income	$ 0.53	$ 0.35	$ 1.43	$ 0.68
DILUTED EARNINGS PER SHARE:				
Net income before gain on sale and extraordinary item	$ 0.37	$ 0.37	$ 0.72	$ 0.70
Gain on sale	0.18	--	0.71	--
Extraordinary item	(0.02)	(0.02)	(0.02)	(0.02)
Net income	$ 0.53	$ 0.35	$ 1.41	$ 0.68
Dividends declared per common share	$ 0.3625	$ 0.35	$ 0.7250	$ 0.70
Basic weighted average common shares outstanding	24,309	24,192	24,265	24,192
Diluted weighted average common shares and common share equivalents outstanding	27,045	26,688	26,929	26,676

The accompanying notes are an integral part of these financial statements.

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	Common Stock	Paid in Capital	Additional Compensation Plan	Deferred Officers' Loans	Retained Earnings/ (Distributions) in Excess of Earnings	Total
Balance at December 31, 1999	$ 242	$ 421,958	$(6,610)	$(64)	$ (9,422)	$ 406,104
Net income					39,435	39,435
Preferred dividend and accretion requirement					(4,814)	(4,814)
Proceeds from options exercised	2	2,850				2,852
Deferred compensation plan and stock award		352	(352)			--
Amortization of deferred compensation plan			737			737
Redemption of Units		677				677
Cash distributions declared ($0.7250 per common share)					(17,634)	(17,634)
Amortization of officers' loan				50		50
BALANCE AT JUNE 30, 2000 (UNAUDITED)	$ 244	$ 425,837	$(6,225)	$(14)	$ 7,565	$ 427,407

The accompanying notes are an integral part of these financial statements.

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	Six Months Ended June 30, 2000	1999
OPERATING ACTIVITIES:		
Net income	$ 39,435	$ 21,388
Adjustments to reconcile net income with net cash provided by operating activities:		
Depreciation and amortization	16,219	11,817
Amortization of discount on mortgage receivable	(1,131)	--
Gain on sale of rental property	(19,022)	--
Extraordinary loss	430	628
Equity in net income from affiliates	(539)	(328)
Equity in net (income) from unconsolidated joint ventures	(1,623)	--
Minority interest	3,467	3,093
Deferred rents receivable	(7,412)	(11,769)
Provision for deferred rents and bad debts	1,179	2,131
Amortization of officer loans and deferred compensation	787	770
Changes in operating assets and liabilities:		
Restricted cash - operations	(364)	(1,378)
Tenant and other receivables, net	(1,979)	(1,116)
Related party receivables	(318)	(334)
Deferred costs	(5,004)	(7,097)
Other assets	(4,775)	(4,201)
Accounts payable, accrued expenses and other liabilities	(1,705)	2,976
Deferred revenue	1,532	
Deferred land lease payable	882	882
Net cash provided by operating activities	20,059	17,462
INVESTING ACTIVITIES:		
Additions to land, buildings and improvements	(29,554)	(171,554)
Restricted cash - capital improvements	3,406	(630)
Investment in and advances to affiliates	(2,011)	6,308
Investments in unconsolidated joint ventures	(43,622)	--
Distributions from unconsolidated joint ventures	11,860	--
Net proceeds from disposition of rental property	58,313	--
Mortgage loans receivable, net	(55,831)	(14,500)
Net cash used in investing activities	(57,439)	(180,376)
FINANCING ACTIVITIES:		
Proceeds from mortgage notes payable	14,917	220,550
Repayments of mortgage notes payable and loans	(21,316)	(2,109)
Proceeds from revolving credit facilities	220,252	103,500
Repayment of revolving credit facilities	(157,500)	(39,300)
Repayments of secured bridge financing	--	(87,500)
Capitalized lease obligation	148	135
Dividends and distributions paid	(23,913)	(23,150)
Proceeds from options exercised	2,852	--
Deferred loan costs	(4,304)	(5,380)
Net cash provided by financing activities	31,136	166,746
Net (decrease) increase in cash and cash equivalents	(6,244)	3,832
Cash and cash equivalents at beginning of period	21,561	6,236
Cash and cash equivalents at end of period	$ 15,317	$ 10,068
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 20,372	$ 10,089
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Mortgage note payable assumed in connection with joint venture acquisition		$ 45,000
Acquired Assets		$ 7,714
Assumed Liabilities		$ 4,861
Issuance of common stock as deferred officer compensation	$ 352	$ 5,190
Redemption of operating partnership units	$ 677	

The accompanying notes are an integral part of these financial statements.

1. ORGANIZATION AND BASIS OF PRESENTATION

SL Green Realty Corp. (the "Company"), a Maryland corporation, and SL Green Operating Partnership, L.P. (the "Operating Partnership"), a Delaware limited partnership, were formed in June 1997 for the purpose of combining the commercial real estate business of S.L. Green Properties, Inc. and its affiliated partnerships and entities. The Operating Partnership received a contribution of interest in the real estate properties, as well as 95% of the economic interest in the management, leasing and construction companies (the "Service Corporation"). The Company qualifies as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code"), and operates as a self-administered, self-managed REIT. A REIT is a legal entity that holds real estate interests and, through payments of dividends to shareholders, is permitted to reduce or avoid the payment of Federal income taxes at the corporate level.

Substantially all of the Company's assets are held by, and its operations conducted through, the Operating Partnership. The Company is the sole managing general partner of the Operating Partnership. As of June 30, 2000, minority investors hold, in the aggregate, an 8.9% limited partnership interest in the Operating Partnership.

As of June 30, 2000, the Company's wholly-owned portfolio consisted of 19 Class B commercial properties encompassing approximately 7.1 million rentable square feet located primarily in midtown Manhattan, a borough of New York City ("Manhattan") (the "Properties"). As of June 30, 2000, the weighted average occupancy (total occupied square feet divided by total available square feet) of the Properties was 98%. The Company's portfolio also includes ownership interests in unconsolidated joint ventures which own four Class B office properties in Manhattan, encompassing approximately 2.0 million rentable square feet. In addition, the Company continues to manage five office properties owned by third-parties and affiliated companies encompassing approximately 1.2 million rentable square feet.

BASIS OF QUARTERLY PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. The 2000 operating results for the periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2000. These financial statements should be read in conjunction with the financial statements and accompanying notes included in the Company's annual report on Form 10-K for the year ended December 31, 1999.

The balance sheet at December 31, 1999 has been derived from the audited financial statements at that date but does not include all the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

PARTNERSHIP AGREEMENT

In accordance with the partnership agreement of the Operating Partnership (the "Operating Partnership Agreement"), all allocations of distributions and profits and losses are made in proportion to the percentage ownership interests of the respective partners. As the managing general partner of the Operating Partnership, the Company is required to take such reasonable efforts, as determined by it in its sole discretion, to cause the Operating Partnership to distribute sufficient amounts to enable the payment of sufficient dividends by the Company to avoid any Federal income or excise tax at the Company level. Under the Operating Partnership Agreement each limited partner will have the right to redeem limited partnership units ("Units") for cash, or if the Company so elects, shares of common stock. Under the Operating Partnership Agreement, the Company is prohibited from selling 673 First Avenue and 470 Park Avenue South through August 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its subsidiaries, which are wholly-owned or controlled by the Company. Entities which are not controlled by the Company are accounted for under the equity method. All significant intercompany balances and transactions have been eliminated.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

RECLASSIFICATION

Certain 1999 balances have been reclassified to conform with the 2000 presentation.

3. PROPERTY TRANSACTIONS

During the quarter ended March 31, 2000, the Company sold 29 West 35th Street and 36 West 44th Street for a gross sales price of $43,200. The Company realized a gain on the sales of $14,225.

On May 4, 2000, the Company sold a 65% interest in the property located at 321 West 44th Street to Morgan Stanley Real Estate Fund III, ("MSREF"), valuing the property at $28,000. The Company realized a gain of $4,797 on this transaction. The Company's retained 35% interest in the property ($6,500) was contributed to the joint venture with MSREF. The property, a 203,000 square foot building located in the Times Square submarket of Manhattan, was acquired by the Company in March 1998. Simultaneous with the closing of this joint venture to co-develop the repositioning of the property, the venture received a $22,000 mortgage for the acquisition and capital improvement program. The interest only mortgage matures on April 30, 2003 and has an interest rate based on LIBOR plus 250 basis points (9.14% at June 30, 2000). In addition to retaining a 35% economic interest in the property, SL Green will also act as the operating partner for the venture, responsible for redevelopment, construction, leasing and management of the property.

On June 20, 2000, the Company acquired a 64,195 square foot retail building located in the City of Shelton, Fairfield County, Connecticut for approximately $16,600. The Company redeployed the proceeds from previous asset sales to fund this acquisition. The property is triple-net leased to Shaw's Supermarkets, Inc. for 25 years. The Shaw's lease is guaranteed by J Sainsbury PLC, an investment grade corporation with a long-term issued credit rating of "A" by Standard & Poor's and "A1" by Moody's. The property is encumbered by a $14,900 mortgage. The 25 year mortgage has a fixed annual interest rate of 8.32 percent.

4. MORTGAGE LOANS RECEIVABLE AND PREFERRED INVESTMENT

On March 30, 2000, the Company acquired a $51,900 interest in an existing first mortgage loan collateralized by 2 Grand Central Tower, Manhattan at a discount. The discount to the face amount of $3,250 and the back-end fees of $3,440 are being amortized into investment income over the term of the loan. This is a subordinate participation interest in an existing first mortgage loan currently held by Credit Suisse First Boston Mortgage Capital, LLC. The loan matures on September 30, 2000, but can be extended until September 30, 2001. Two Grand Central Tower, also known as 140-148 East 45th Street and 147-151 East 44th Street, is an approximately 620,000 square foot commercial office building located in the heart of the Grand Central submarket.

On April 14, 2000, the Company made a loan in the amount of $10,000 to DPSW West 14 LLC. The loan, which can be increased to $14,000, is secured by the property located at 17-29 West 14th Street, Manhattan. The initial term of the loan ends on April 16, 2001, but a one-year extension is available. Interest, payable monthly, is based on the 30-day LIBOR plus 400 basis points (10.65% as of June 30, 2000). The loan is prepayable subject to yield maintenance. The Company will receive a fee for servicing the loan.

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA))

5. INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

On February 18, 2000, the Company acquired a 49.9 percent interest in a joint venture which purchased 100 Park Avenue ("100 Park"), an 834,000 square foot, 36-story property, located in Manhattan. The purchase price of $95,800 was funded through a combination of cash and debt. The Company will provide managing and leasing services for 100 Park.

The Company received a commitment from AIG/SunAmerica to issue a $120,000 mortgage collateralized by the property located at 100 Park Avenue, Manhattan. This will replace the current $112,000 mortgage. The loan is expected to close in the third quarter.

On March 1, 2000, the $20,800 mortgage on 90 Broad Street was assigned to a new lender. The new lender advanced an additional $11,200 to the joint venture. The two loans were then consolidated, amended and restated into a consolidated $32,000 mortgage which matures on March 1, 2002. Interest only is payable on the loan at the rate of LIBOR plus 175 basis points (8.40% at June 30, 2000).

See Note 3 for a description of the investment in 321 West 44th Street.

The condensed combined balance sheets for the unconsolidated joint ventures are as follows:

	June 30, 2000	December 31, 1999
ASSETS		
Commercial real estate property	$352,286	$130,585
Other assets	28,021	14,236
Total assets	$380,307	$144,821
LIABILITIES AND MEMBERS' EQUITY		
Mortgage payable	$230,650	$ 85,450
Other liabilities	13,856	7,278
Members' equity	135,801	52,093
Total liabilities and members' equity	$380,307	$144,821
Company's net investment in unconsolidated joint ventures	$ 63,850	$ 23,441

The condensed combined statement of operations for the unconsolidated joint ventures is as follows:

	Three Months Ended June 30, 2000	Six Months Ended June 30, 2000
Total revenues	$15,167	$27,181
Operating expense	3,816	6,782
Real estate taxes	2,653	4,526
Interest	4,874	8,349
Depreciation and amortization	2,149	3,793
Extraordinary item	--	108
Total expenses	13,492	23,558
Net income	$ 1,675	$ 3,623
Company's equity in earnings of unconsolidated joint ventures	$ 782	$ 1,623

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

6. INVESTMENT IN AFFILIATES

	2000	1999
Investment in Service Corporation, net	$5,760	$4,978
Investment in eEmerge, net	1,767	--
Investments in and advances to affiliates	$7,527	$4,978

SERVICE CORPORATION

In order to maintain the Company's qualification as a REIT while realizing income from management, leasing and construction contracts from third parties, all of the management operations with respect to properties in which the Company does not own a 100% interest are conducted through an unconsolidated company, the Service Corporation. The Company, through the Operating Partnership, owns 100% of the non-voting common stock (representing 95% of the total equity) of the Service Corporation. Through dividends on its equity interest, the Operating Partnership receives substantially all of the cash flow from the Service Corporation's operations. All of the voting common stock of the Service Corporation (representing 5% of the total equity) is held by a Company affiliate. This controlling interest gives the affiliate the power to elect all directors of the Service Corporation. The Company accounts for its investment in the Service Corporation on the equity basis of accounting because it has significant influence with respect to management and operations, but does not control the entity.

All of the management, leasing and construction services with respect to the properties wholly-owned by the Company, are conducted through Management LLC which is 100% owned by the Operating Partnership.

eEMERGE

On May 11, 2000, the Operating Partnership formed eEmerge, Inc., a Delaware corporation ("eEmerge"), in partnership with Fluid Ventures LLC. eEmerge is a separately managed, self-funded company that provides fully-wired and furnished office space, services and support to help e-businesses grow.

The Company, through the Operating Partnership, owns 96.5% of the non-voting common stock (representing 87.0% of the total equity) of eEmerge. Through dividends on its equity interest, the Operating Partnership receives approximately 87% of the cash flow from eEmerge operations. Approximately 96.5% of the voting common stock (representing 9.5% of the total equity) is held by a Company affiliate. This controlling interest gives the affiliate the power to elect all the directors of eEmerge. The Company accounts for its investment in eEmerge on the equity basis of accounting because it has significant influence with respect to management and operations, but does not control the entity. The Company has invested approximately $1,767 in eEmerge as of June 30, 2000 out of a total commitment of $5,000.

On June 8, 2000, eEmerge and EUREKA BROADBAND CORPORATION ("Eureka") formed eEmerge.NYC LLC, a Delaware limited liability company ("ENYC") whereby eEmerge has a 95% interest and Eureka has a 5% interest in ENYC. ENYC was formed to build and operate a 45,000 square foot fractional office suites business marketed to the technology industry. ENYC entered into a 10-year lease with the Operating Partnership for its premises, which is located at 440 Ninth Avenue, Manhattan. Allocations of net profits, net losses and distributions shall be made in accordance with the Limited Liability Company Agreement of ENYC.

7. MORTGAGE NOTES PAYABLE

In April, 2000, the Company extended the maturity date of the $26,950 mortgage encumbering the properties located at 286, 290 and 292 Madison Avenue, Manhattan by one year to May 31, 2001.

8. REVOLVING CREDIT FACILITIES

PSCC FACILITY

On March 30, 2000, Prudential Securities Credit Corp. ("PSCC") increased the secured PSCC Facility by $20,000 to $50,000. No other terms were changed from the original $30,000 secured PSCC Facility. At June 30, 2000, the Company had availability of

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

$7,248 under its PSCC Facility (weighted average interest rate of 7.89 percent).

$140 MILLION CREDIT FACILITY
The $140,000 unsecured credit facility was repaid in full and retired in connection with the Company obtaining the new $250,000 unsecured revolving credit facility ("$250 Million Unsecured Facility"), as described below. The Company recorded a $430 extraordinary loss, net of the minority interest's share of the loss ($38) for the early extinguishment of debt related to the write-off of unamortized financing costs associated with the $140,000 unsecured credit facility.

$250 MILLION CREDIT FACILITY
On June 27, 2000, the Company repaid in full and terminated the $140 Million Credit Facility and obtained a new unsecured revolving credit facility in the amount of $250,000 from a group of 9 lender banks. The $250 Million Credit Facility has a term of three years and bears interest at a spread ranging from 137.5 basis points to 175 basis points over LIBOR, based on the Company's leverage ratio. Upon the achievement of an investment grade rating, the spread over LIBOR will be reduced to 125 basis points. The Company has the ability to upsize this credit facility to $300,000. Approximately $103,000 was outstanding at June 30, 2000 and had a weighted average interest rate of 8.16 percent.

The terms of the $250 Million Credit Facility include certain restrictions and covenants which limit, among other things, the payment of dividends (as discussed below), the incurrence of additional indebtedness, the incurrence of liens and the disposition of assets, and which require compliance with financial ratios relating to the minimum amount of tangible net worth, the minimum amount of debt service coverage, the minimum amount of fixed charge coverage, the minimum amount of unsecured indebtedness, the minimum amount of unencumbered property debt service coverage and certain investment limitations. The dividend restriction referred to above provides that, except to enable the Company to continue to qualify as a REIT under the Code, the Company will not during any four consecutive fiscal quarters make distributions with respect to common stock or other equity interests in an aggregate amount in excess of 90 percent of funds from operations for such period, subject to certain other adjustments. The $250 Million Credit Facility also requires a 15 to 25 basis point fee on the unused balance payable quarterly in arrears.

The lending group for the $250 Million Credit Facility consists of Fleet National Bank, NA, as administrative agent, Citibank/Salomon Smith Barney, Inc, as syndication agent, Deutsche Banc Alex Brown, as documentation agent, Commerzbank Aktiengesellschaft, New York Branch, The Bank of New York, Wells Fargo Bank, N.A., Bank Leumi USA, PNCBank, N.A., and Key Bank, N.A.

9. INCOME TAXES

The Company is taxed as a REIT under Section 856 through Section 860 of the Internal Revenue Code of 1986, as amended. As a REIT, the Company is generally not subject to Federal income tax. The Service Corporation and eEmerge, Inc. are taxable C-corporations and thus may be subject to Federal, state and local corporate income taxes.

10. STOCKHOLDERS' EQUITY

COMMON SHARES

The following table presents the changes in the Company's issued and outstanding common shares since December 31, 1999 (excluding 2,389 and 2,428 Units outstanding at June 30, 2000 and December 31, 1999, respectively, which are convertible into common shares on a one-for-one basis, or the cash equivalent thereof, subject to certain restrictions):

Outstanding at December 31, 1999	24,184
Issued through exercise of options	132
Issued through redemption of Units	39
Issued through deferred compensation plan ..	18
Outstanding at June 30, 2000	24,373

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

OWNERSHIP OF OPERATING PARTNERSHIP

The Company's ownership in the Operating Partnership was approximately 91.1% as of both June 30, 2000 and December 31, 1999.

RIGHTS PLAN

On February 16, 2000, the Board of Directors of the Company authorized a dividend distribution of one preferred share purchase right ("Right") for each outstanding share of common stock which was distributed to all holders of record of the common stock on June 30, 2000. Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series B junior participating preferred stock, par value $0.01 per share ("Preferred Shares"), at a price of $60.00 per one one-hundredth of a Preferred Share ("Purchase Price"), subject to adjustment as provided in the rights agreement. The Rights expire on March 5, 2010, unless the expiration date is extended or the Right is redeemed or exchanged earlier by the Company.

The Rights are attached to each share of common stock. The rights are generally exercisable only if a person or group becomes the beneficial owner of 17% or more of the outstanding common stock or announces a tender offer for 17% or more of the outstanding stock ("Acquiring Person"). In the event that a person or group becomes an Acquiring Person, each holder of a Right, excluding the Acquiring Person, will have the right to receive, upon exercise, common stock having a market value equal to two times the Purchase Price of the Preferred Shares.

EARNINGS PER SHARE

Earnings per share is computed as follows:

	FOR THE QUARTER ENDED JUNE 30, 2000			For the Quarter Ended June 30, 1999		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT	Income (Numerator)	Shares (Denominator)	Per Share Amount
Basic Earnings:						
Income available to common shareholders	$12,988	24,309	$ 0.53	$ 8,377	24,192	$ 0.35
Effect of Dilutive Securities:						
Redemption of Units to common shares	1,316	2,391		826	2,428	
Stock Options	--	345		--	68	
Diluted Earnings:						
Income available to common shareholders	$14,304	27,045	$ 0.53	$ 9,203	26,688	$ 0.35

	FOR THE SIX MONTHS ENDED JUNE 30, 2000			For the Six Months Ended June 30, 1999		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT	Income (Numerator)	Shares (Denominator)	Per Share Amount
Basic Earnings:						
Income available to common shareholders	$34,621	24,265	$ 1.43	$16,590	24,192	$ 0.68
Effect of Dilutive Securities:						
Redemption of Units to common shares	3,467	2,404		1,683	2,428	
Stock Options	--	260		--	56	
Diluted Earnings:						
Income available to common shareholders	$38,088	26,929	$ 1.41	$18,273	26,676	$ 0.68

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

11. COMMITMENTS AND CONTINGENCIES

The Company and the Operating Partnership are not presently involved in any material litigation nor, to their knowledge, is any material litigation threatened against them or their properties, other than routine litigation arising in the ordinary course of business. Management believes the costs, if any, incurred by the Company and the Operating Partnership related to the routine litigation will not materially affect the financial position, operating results or liquidity of the Company and the Operating Partnership.

On July 5, 2000, the Company entered into an agreement to acquire and operate a Class B office building located in Manhattan. The Company has posted a deposit of $2,100. The transaction is expected to close in the fourth quarter of 2000.

12. RELATED PARTY TRANSACTIONS

There are business relationships with related parties which involve maintenance expenses in the ordinary course of business. The Company's transactions with the related parties amounted to $1,215 and $2,150 for the three and six month periods ended June 30, 2000. The Company's transactions with the related parties amounted to $879 and $1,635 for the three and six month period ended June 30, 1999.

13. SEGMENT INFORMATION

The Company is a REIT engaged in owning, managing, leasing and repositioning Class B office properties in Manhattan and has one reportable segment, office real estate. The Company evaluates real estate performance and allocates resources based on net income.

The Company's real estate portfolio is located in one geographical market, namely, Manhattan. The primary sources of revenue are generated from tenant rents and escalations and reimbursement revenue. Real estate property operating expenses consist primarily of security, maintenance, utility costs, real estate taxes and ground rent expense (at certain applicable properties). The single office real estate business segment meets the quantitative threshold for determining reportable segments. Additionally, the Company has no tenant with rental revenue greater than 10% of the Company's annual revenues.

14. PRO FORMA FINANCIAL INFORMATION

The following table summarizes, on an unaudited pro forma basis, the combined results of operations of the Company for the six months ended June 30, 1999 as though the 1999 acquisitions, including the 90 Broad Street, 286, 290 and 292 Madison Avenue (May 1999) and the minority interest in 555 West 57th Street (November 1999), were made on January 1, 1999. There were no material acquisitions during 2000.

	1999
Pro forma revenues	$103,660
Pro forma net income	$ 16,934
Pro forma basic earnings per common share ..	$ 0.70
Pro forma diluted earnings per common share	$ 0.70
Common and common equivalent share - basic .	24,192
Common and common equivalent share - diluted	26,676

15. TECHNOLOGY INVESTMENTS AND ALLIANCES

On March 29, 2000, the Company entered into an agreement with Broadband Office, Inc. ("Broadband") to provide telecommunication and internet services to its tenants. In exchange for providing Broadband with access to tenants at some of the Company's properties, the Company received 219 shares of common stock with a fair value of $315 on that date.

In April 2000, the Company made a $1,000 limited partnership investment in Internet Realty Partners, L.P. ("IRP"). The Company is committed to fund an additional $1,000. IRP will invest in real estate-related internet, technology and e-commerce companies.

On June 6, 2000, the Company entered into a marketing and cooperation agreement with Eureka to provide telecommunication and internet services to its tenants. In exchange for providing Eureka with access to tenants at some of the Company's properties, the Company will receive warrants based on the square footage of property provided. As of June 30, 2000, no warrants had been received.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

This report includes certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this report that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, including such matters as future capital expenditures, dividends and acquisitions (including the amount and nature thereof), expansion and other development trends of the real estate industry, business strategies, expansion and growth of the Company's operations and other such matters are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, general economic and business conditions, the business opportunities that may be presented to and pursued by the Company, changes in laws or regulations and other factors, many of which are beyond the control of the Company. Any such statements are not guarantees of future performance and actual results or developments may differ materially from those anticipated in the forward-looking statements.

The following discussion related to the consolidated financial statements of the Company should be read in conjunction with the financial statements appearing elsewhere in this report and the financial statements included in the Company's 1999 annual report on Form 10-K.

HIGHLIGHTS OF THE QUARTER

- 12% FFO increase, $0.65 per share (diluted) versus $0.58 prior year
- 19% same store portfolio cash NOI growth
- Closed new $250 million unsecured Line of Credit, $110 million increase in capacity
- Completed strategic alliances with Elevator News Network, Eureka Broadband and Broadband Office
- Sold 65% joint venture interest in 321 West 44th Street valuing property at $28.0 million
- eEmerge, SL Green's fractional office technology space business, commenced operations

On May 4, 2000, the Company sold a 65% interest in the property located at 321 West 44th Street to Morgan Stanley Real Estate Fund III ("MSREF") valuing the property at $28.0 million. The Company realized a gain of $4.8 million on the transaction. The Company's retained 35% interest in the property was contributed to the joint venture with MSREF. The property, a 203,000 square foot building located in the Times Square submarket of Manhattan, was acquired by the Company in March 1998. Simultaneous with the closing of this joint venture to co-develop the repositioning of the property, the venture received a $22.0 million mortgage for the acquisition and capital improvement program. The interest only mortgage matures on April 30, 2003 and has a LIBOR based floating interest rate, currently 9.14%. In addition to retaining a 35% economic interest in the property, SL Green will also act as the operating partner for the venture, responsible for redevelopment, construction, leasing and management of the property.

On May 11, 2000, the Operating Partnership commenced the operations of eEmerge, Inc., a Delaware corporation ("eEmerge"), in partnership with Fluid Ventures LLC. eEmerge is a separately managed, self-funded company that provides fully-wired and furnished office space, services and support to help e-businesses grow. The Company accounts for its investment in eEmerge on the equity basis of accounting because it has significant influence with respect to management and operations, but does not control the entity. The Company has invested $1.8 million in eEmerge as of June 30, 2000 out of a total commitment of $5.0 million.

On June 8, 2000, eEmerge and EUREKA BROADBAND CORPORATION ("Eureka") formed eEmerge.NYC LLC, a Delaware limited liability company ("ENYC") whereby eEmerge has a 95% interest and Eureka has a 5% interest in ENYC. ENYC was formed to build and operate a 45,000 square foot fractional office suites business marketed to the technology industry. ENYC entered into a 10-year lease with the Operating Partnership for its premises, which is located at 440 Ninth Avenue, Manhattan.

RESULTS OF OPERATIONS

The following comparisons for the three and six months ended June 30, 2000 ("2000") compared to the three and six months ended June 30, 1999 ("1999") make reference to the following: (i) the effect of the "Same-Store Properties," which represents all properties owned by the Company at January 1, 1999, (ii) the effect of the "1999 Acquisitions," which represents all properties acquired in 1999, namely, 286, 290 and 292 Madison Avenue(May 1999) and 555 West 57th Street (November 1999), and (iii) the effect of the "2000 Dispositions," which represents all properties disposed of in 2000, namely, 29 West 35th Street (February 2000), 36 West 44th Street (March 2000), and 321 West 44th Street (May 2000) which was contributed to a joint venture.

COMPARISON OF THE THREE MONTHS ENDED JUNE 30, 2000 TO THE THREE MONTHS ENDED JUNE 30, 1999

Rental revenue for the three months ended June 30, 2000 totaled $46.4 million representing an increase of $2.6 million compared to $43.8 million for the three months ended June 30, 1999. The increase was primarily attributable to the revenue associated with the following: (i) Same-Store Properties which increased rental revenue $4.3 million, and (ii) the 1999 Acquisitions which increased rental revenue by $0.9 million. This was partially offset by the 2000 Dispositions which decreased rental revenue by $2.6 million. The increase at Same-Store Properties was primarily due to an overall increase in occupancy from 96% in 1999 to 98% in 2000. In addition, annualized rents from replacement rents on previously occupied space at Same-Store Properties were 47% higher than previous fully escalated rents.

Escalation and reimbursement revenue for the three months ended June 30, 2000 totaled $5.4 million representing an increase of $0.5 million compared to $4.9 million for the three months ended June 30, 1999. The increase was primarily attributable to the revenue associated with the following: (i) Same-Store Properties which increased revenue by $0.7 million, and (ii) the 1999 Acquisitions which increased revenue by $0.2 million. This was partially offset by the 2000 Dispositions which decreased escalation and reimbursement revenue by $0.4 million. The increase in Same-Store escalation and reimbursement revenue was primarily due to the recovery of higher utility costs ($0.6 million).

Signage revenue for the three months ended June 30, 2000 totaled $0.6 million, representing an increase of $0.3 million compared to $0.3 million for the three months ended June 30, 1999. The increase was primarily attributable to 1466 Broadway ($0.3 million).

Investment income totaled $3.9 million for the three months ended June 30, 2000 representing an increase of $2.5 million compared to $1.4 million for the three months ended June 30, 1999. The investment income for 2000 primarily represents interest income from 2 Grand Central Tower ($2.7 million), 1370 Avenue of the Americas ($0.6 million), 17-29 West 14th Street ($0.3 million) and interest from excess cash on hand ($0.3 million).

Operating expenses for the three months ended June 30, 2000 totaled $13.4 million representing an increase of $2.1 million compared to $11.3 million for the three months ended June 30, 1999. The increase was primarily attributable to: (i) Same-Store Properties which increased operating expenses by $2.1 million, and (ii) the 1999 Acquisitions which increased operating expenses by $0.5 million. This was partially offset by the 2000 Dispositions which decreased operating expenses by $0.5 million. The increase in operating expenses at Same-Store Properties were primarily due to higher utility costs ($1.2 million) and repairs and maintenance ($0.3 million).

Interest expense for the three months ended June 30, 2000 totaled $10.0 million representing an increase of $3.3 million compared to $6.7 million for the three months ended June 30, 1999. This increase was primarily attributable to: (i) Same-Store Properties ($2.5 million) as new secured mortgage financing was placed on assets in this portfolio, (ii) the 1999 Acquisitions ($1.0 million) due to mortgage financing associated with these purchases, and (iii) corporate level debt ($0.1 million). These increases were partially offset by a $0.3 million decrease in interest expense due to the 2000 Dispositions.

Depreciation and amortization for the three months ended June 30, 2000 totaled $8.4 million representing an increase of $1.8 million compared to $6.6 million for the three months ended June 30, 1999. The increase is primarily attributable to: (i) Same-Store Properties which increased depreciation and amortization by $1.4 million, (ii) the 1999 Acquisitions which increased depreciation and amortization by $0.4 million, and (iii), an increase in the amortization of deferred finance costs totaling $0.3 million associated with fees incurred on the Company's 1999 secured mortgage financings. This was partially offset by a reduction in depreciation and amortization by $0.3 million due to the 2000 Dispositions.

Real estate taxes for the three months ended June 30, 2000 totaled $7.1 million representing a decrease of $0.2 million compared to $7.3 million for the three months ended June 30, 1999. The increase in real estate taxes attributable to the 1999 Acquisitions of $0.2 million was offset by a decrease in real estate taxes at Same-Store Properties ($0.2 million) due to reduced tax assessment rates and by a reduction in real estate taxes of $0.2 million due to the 2000 Dispositions.

Marketing, general and administrative expense for the three months ended June 30, 2000 totaled $3.2 million representing an increase of $0.4 million compared to $2.8 million for the three months ended June 30, 1999. Marketing, general and administrative expenses have remained relatively stable as a percentage of total revenues, representing approximately 5.5% of total revenues for both periods.

COMPARISON OF THE SIX MONTHS ENDED JUNE 30, 2000 TO THE SIX MONTHS ENDED JUNE 30, 1999

Rental revenue for the six months ended June 30, 2000 totaled $93.4 million representing an increase of $9.2 million compared to $84.2 million for the six months ended June 30, 1999. The increase is primarily attributable to the revenue associated with the following: (i) Same-Store Properties which increased rental revenue $8.6 million, and (ii) the 1999 Acquisitions which increased rental revenue by $3.5 million. This was partially offset by the 2000 Dispositions which decreased rental revenue by $2.9 million. The increase at Same-Store Properties was primarily due to an overall increase in occupancy from 96% in 1999 to 98% in 2000. In addition, annualized rents from replacement rents on previously occupied space at Same-Store Properties were 49% higher than previous fully escalated rents.

Escalation and reimbursement revenue for the six months ended June 30, 2000 totaled $11.3 million representing an increase of $1.7 million compared to $9.6 million for the six months ended June 30, 1999. The increase is primarily attributable to the revenue associated with the following: (i) Same-Store Properties which increased revenue by $1.4 million, and (ii) the 1999 Acquisitions which increased revenue by $0.7 million. This was partially offset by the 2000 Dispositions which decreased escalation and reimbursement revenue by $0.4 million. The increase in Same-Store escalation and reimbursement revenue was primarily due to the recovery of higher utility costs ($1.2 million).

Signage revenue for the six months ended June 30, 2000 totaled $1.1 million, representing an increase of $0.5 million compared to $0.6 million for the six months ended June 30, 1999. The increase is primarily attributable to 1466 Broadway ($0.5 million).

Investment income totaled $4.9 million for the six months ended June 30, 2000 representing an increase of $2.6 million compared to $2.3 million for the six months ended June 30, 1999. The investment income for 2000 primarily represents interest income from 2 Grand Central Tower ($2.7 million), 1370 Avenue of the Americas ($1.3 million), 17-29 West 44th Street ($0.3 million) and interest from excess cash on hand ($0.6 million).

Operating expenses for the six months ended June 30, 2000 totaled $26.6 million representing an increase of $4.1 million compared to $22.5 million for the six months ended June 30, 1999. The increase was primarily attributable to: (i) Same-Store Properties which increased operating expenses by $3.3 million, and (ii) the 1999 Acquisitions which increased operating expenses by $1.5 million. This was partially offset by the 2000 Dispositions which decreased operating expenses by $0.7 million. The increase in operating expenses at Same-Store Properties were primarily due to higher utility costs ($1.8 million) and repairs and maintenance ($0.7 million).

Interest expense for the six months ended June 30, 2000 totaled $19.5 million representing an increase of $7.6 million compared to $11.9 million for the six months ended June 30, 1999. This increase is primarily attributable to: (i) Same-Store Properties ($6.2 million) as new secured mortgage financing was placed on assets in this portfolio, (ii) the 1999 Acquisitions ($2.1 million) due to mortgage financing associated with these purchases, and (iii) the 2000 Dispositions ($0.1 million) due to the April 1999 mortgage financing associated with 36 West 44th Street. These increases were partially offset by a $0.8 million decrease in interest expense at the corporate level.

Depreciation and amortization for the six months ended June 30, 2000 totaled $16.2 million representing an increase of $4.2 million compared to $12.0 million for the six months ended June 30, 1999. The increase is primarily attributable to: (i) Same-Store Properties which increased depreciation and amortization by $3.1 million, (ii) the 1999 Acquisitions which increased depreciation and amortization by $1.1 million, and (iii), an increase in the amortization of deferred finance costs totaling $0.5 million associated with fees incurred on the Company's 1999 secured mortgage financings. This was partially offset by a reduction in depreciation and amortization by $0.5 million due to the 2000 Dispositions.

Real estate taxes for the six months ended June 30, 2000 totaled $14.4 million representing no change when compared to $14.4 million for the six months ended June 30, 1999. An increase attributable to the 1999 Acquisitions which increased real estate taxes by $0.6 million, was offset by a decrease in real estate taxes at Same-Store Properties ($0.3 million) due to reduced tax assessment rates and the 2000 Dispositions ($0.3 million).

Marketing, general and administrative expense for the six months ended June 30, 2000 totaled $6.0 million representing an increase of $0.6 million compared to $5.4 million for the six months ended June 30, 1999. Marketing, general and administrative expenses have remained relatively stable as a percentage of total revenues, representing approximately 5.5% of total revenues for both periods.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS

Net cash provided by operating activities increased $2.5 million to $20.0 million for the six months ended June 30, 2000 compared to $17.5 million for the six months ended June 30, 1999. Net cash used in investing activities decreased $123.0 million to $57.4 million for the six months ended June 30, 2000 compared to $180.4 million for the six months ended June 30, 1999. The decrease was due primarily to the lower dollar volume of acquisitions and capital improvements in 2000 ($16.6 million and $13.4 million, respectively) as compared to 1999 ($133.5 million and $38.0 million, respectively). The net investment in unconsolidated joint ventures ($43.6 million) and mortgage loans ($55.8 million) was partially offset by the proceeds from the dispositions of 29 West 35th Street, 36 West 44th Street, and 321 West 44th Street, totaling $58.3 million. Net cash provided by financing activities decreased $135.6 million to $31.1 million for the six months ended June 30, 2000 compared to $166.7 million for the six months ended June 30, 1999. The decrease was primarily due to lower borrowing requirements ($88.9 million) due to lower volume of acquisitions and higher debt repayments ($49.9 million).

CAPITALIZATION

On February 16, 2000, the Board of Directors of the Company authorized a dividend distribution of one preferred share purchase right ("Right") for each outstanding share of common stock under a shareholder rights plan. This dividend was distributed to all holders of record of the common stock on June 30, 2000. Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series B junior participating preferred stock, par value $0.01 per share ("Preferred Shares"), at a price of $60.00 per one one-hundredth of a Preferred Share ("Purchase Price"), subject to adjustment as provided in the rights agreement. The Rights expire on March 5, 2010, unless the expiration date is extended or the Right is redeemed or exchanged earlier by the Company.

The Rights are attached to each share of common stock. The rights are generally exercisable only if a person or group becomes the beneficial owner of 17% or more of the outstanding common stock or announces a tender offer for 17% or more of the outstanding stock ("Acquiring Person"). In the event that a person or group becomes an Acquiring Person, each holder of a Right, excluding the Acquiring Person, will have the right to receive, upon exercise, common stock having a market value equal to two times the Purchase Price of the Preferred Shares.

At June 30, 2000, borrowings under the mortgage loans and credit facilities, (excluding our share of joint venture debt of $107.0 million), represented 37.2% of the Company's market capitalization based on a total market capitalization (debt and equity including preferred stock), assuming conversion of all operating partnership units, of $1.3 billion (based on a common stock price of $26.7344 per share, the closing price of the Company's common stock on the New York Stock Exchange on June 30, 2000).

The tables below summarize the Company's mortgage debt and line of credit indebtedness outstanding at June 30, 2000 and December 31, 1999, respectively (in thousands).

	JUNE 30, 2000	December 31, 1999
DEBT SUMMARY:		
BALANCE		
Fixed rate	$319,344	$270,743
Variable rate	172,702	164,950
Total	$492,046	$435,693
PERCENT OF TOTAL DEBT:		
Fixed rate	65%	62%
Variable rate	35%	38%
Total	100.00%	100.00%
EFFECTIVE INTEREST RATE AT END OF PERIOD		
Fixed rate	8.18%	7.97%
Variable rate	8.09%	8.08%
Effective interest rate	8.15%	8.01%

A majority of the variable rate debt shown above bears interest at an interest rate based on LIBOR (6.65% at June 30, 2000). The Company's total debt at June 30, 2000 had a weighted average term to maturity of approximately 3.96 years.

MORTGAGE FINANCING

As of June 30, 2000, the Company's total mortgage debt (excluding the Company's share of unconsolidated debt of approximately $107.0 million) consisted of approximately $319.4 million of fixed rate debt with an effective interest rate of approximately 8.18% and $26.9 million of variable rate debt with an effective interest rate of 8.14%. The Company's mortgage debt at June 30, 2000, encumbering 14 properties, will mature as follows (in thousands):

	Scheduled Amortization	Principal Repayments	Total
July 1 to December 31, 2000	$ 1,963	$ --	$ 1,963
2001	5,191	81,950	87,141
2002	6,195	--	6,195
2003	6,978	2,003	8,981
2004	3,029	75,300	78,329
Thereafter	14,663	149,022	163,685
Total	$ 38,019	$308,275	$346,294

$250 MILLION CREDIT FACILITY

On June 27, 2000, the Company repaid in full and terminated the $140 Million Credit Facility (see below) and obtained a new unsecured revolving credit facility in the amount of $250.0 million from a group of 9 lender banks (the "$250 Million Credit Facility"). The $250 Million Credit Facility has a term of three years and bears interest at a spread ranging from 137.5 basis points to 175 basis points over LIBOR, based on the Company's leverage ratio. Upon the achievement of an investment grade rating, the spread over LIBOR will be reduced to 125 basis points. The Company has the ability to upsize this credit facility to $300.0 million. Approximately $103.0 million was outstanding at June 30, 2000 and had a weighted average interest rate of 8.16 percent.

The terms of the $250 Million Credit Facility include certain restrictions and covenants which limit, among other things, the payment of dividends (as discussed below), the incurrence of additional indebtedness, the incurrence of liens and the disposition of assets, and which require compliance with financial ratios relating to the minimum amount of tangible net worth, the minimum amount of debt service coverage, the minimum amount of fixed charge coverage, the minimum amount of unsecured indebtedness, the minimum amount of unencumbered property debt service coverage and certain investment limitations. The dividend restriction referred to above provides that, except to enable the Company to continue to qualify as a REIT under the Code, the Company will not during any four consecutive fiscal quarters make distributions with respect to common stock or other equity interests in an aggregate amount in excess of 90 percent of funds from operations for such period, subject to certain other adjustments. The $250 Million Credit Facility also requires a 15 to 25 basis point fee on the unused balance payable quarterly in arrears.

The lending group for the $250 Million Credit Facility consists of Fleet National Bank, NA, as administrative agent, Citibank/Salomon Smith Barney, Inc, as syndication agent, Deutsche Banc Alex Brown, as documentation agent, Commerzbank Aktiengesellschaft, New York Branch, The Bank of New York, Wells Fargo Bank, N.A., Bank Leumi USA, PNCBank, N.A., and Key Bank, N.A.

$140 MILLION CREDIT FACILITY

The $140.0 million unsecured credit facility was repaid in full and retired in connection with the Company obtaining the $250 Million Unsecured Facility, as described above. The Company recorded a $430,000 extraordinary loss, net of the minority interest's share of the loss ($38,000) for the early extinguishment of debt related to the write-off of unamortized financing costs associated with the $140.0 million unsecured credit facility.

PSCC FACILITY

On March 30, 2000, Prudential Securities Credit Corp. increased the secured PSCC Facility by $20.0 million to $50.0 million. No other terms were changed from the original $30.0 million secured PSCC Facility. At June 30, 2000, the Company had availability of $7.3 million under its PSCC Facility (weighted average interest rate of 7.89 percent).

DISTRIBUTIONS AND CAPITAL EXPENDITURES

The Company expects to make distributions to its stockholders primarily based on its distributions received from the Operating Partnership primarily from property revenues or, if necessary, from working capital or borrowings.

The Company estimates that for the six months ending December 31, 2000 and the year ending December 31, 2001, it will incur approximately $15.8 million and $18.2 million, respectively, of capital expenditures (including tenant improvements) on properties currently owned. For the remainder of 2000 and for 2001, over $5.0 million and $9.1 million, respectively, of the capital investments are dedicated to redevelopment costs associated with properties acquired at or after the Company's IPO. The Company expects to fund these capital expenditures with the credit facility, additional property level mortgage financings, operating cash flow and cash on hand. Future property acquisitions may require substantial capital investments in such properties for refurbishment and leasing costs. The Company expects that these financing requirements will be met in a similar fashion. The Company believes that it will have sufficient capital resources to satisfy its obligations during the next 12 month period. Thereafter, the Company expects that capital needs will be met through a combination of net cash provided by operations, borrowings, potential asset sales or additional equity issuances.

To maintain its qualification as a REIT, the Company must make annual distributions to its stockholders of at least 95 percent of its REIT taxable income, determined without regard to the dividends paid deduction and by excluding net capital gains. Moreover, the Company intends to continue to make regular quarterly distributions to its stockholders which, based upon current policy, in the aggregate would equal approximately $35.3 million on an annualized basis. However, any such distribution, whether for Federal income tax purposes or otherwise, would only be paid out of available cash after meeting both operating requirements and scheduled debt service on mortgages and loans payable.

TECHNOLOGY INVESTMENTS AND ALLIANCES

On March 29, 2000, the Company entered into an agreement with Broadband Office, Inc. ("Broadband") to provide telecommunication and internet services to its tenants. In exchange for providing Broadband with access to tenants at some of the Company's properties, the Company received 219,000 shares of common stock with a fair value of $315,000 on that date.

In April 2000, the Company made a $1.0 million limited partnership investment in Internet Realty Partners, L.P. ("IRP"). The Company is committed to fund an additional $1.0 million. IRP will invest in real estate-related internet, technology and e-commerce companies.

On June 6, 2000, the Company entered into a marketing and cooperation agreement with Eureka to provide telecommunication and internet services to its tenants. In exchange for providing Eureka with access to tenants at some of the Company's properties, the Company will receive warrants based on the square footage of property provided. As of June 30, 2000, no warrants had been received.

FUNDS FROM OPERATIONS

The White Paper on Funds from Operations ("FFO") approved by the Board of Governors of NAREIT in October 1999 defines FFO as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring and sales of properties, plus real estate related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. The Company believes that FFO is helpful to investors as a measure of the performance of an equity REIT because, along with cash flow from operating activities, financing activities and investing activities, it provides investors with an indication of the ability of the Company to incur and service debt, to make capital expenditures and to fund other cash needs. The Company computes FFO in accordance with the current standards established by NAREIT which may not be comparable to FFO reported by other REIT's that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently than the Company. FFO does not represent cash generated from operating activities in accordance with GAAP and should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of the Company's financial performance or to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company's liquidity, nor is it indicative of funds available to fund the Company's cash needs, including its ability to make cash distributions.

FFO for the three and six months ended June 30, 2000 and 1999, respectively, are as follows (in thousands):

	Three Months Ended		Six Months Ended	
	2000	1999	2000	1999
Income before minority interest, extraordinary item, gain on sale and preferred stock dividend	$ 12,344	$ 13,068	$ 24,310	$ 25,109
Add:				
Depreciation and amortization	8,403	6,590	16,219	12,028
FFO adjustment for unconsolidated joint ventures	917	--	1,626	--
Less:				
Preferred stock dividend	(2,300)	(2,300)	(4,600)	(4,600)
Minority interest in the BMW Building	--	(838)	--	(1,410)
Amortization of deferred financing costs and Depreciation of non-real estate assets	(1,040)	(694)	(2,063)	(1,263)
Funds from Operations - basic	18,324	15,826	35,492	29,864
Dividends on preferred shares	2,300	2,300	4,600	4,600
Funds from Operations - diluted	$ 20,624	$ 18,126	$ 40,092	$ 34,464
Cash flows provided by operating activities	$ 10,235	$ 4,541	$ 27,296	$ 17,462
Cash flows provided by investing activities	$ (9,806)	$(109,694)	$ (64,676)	$(180,376)
Cash flows provided by financing activities	$ 4,741	$ 93,810	$ 31,136	$ 166,746

INFLATION

Substantially all of the office leases provide for separate real estate tax and operating expense escalations over a base amount. In addition, many of the leases provide for fixed base rent increases or indexed escalations. The Company believes that inflationary increases may be at least partially offset by the contractual rent increases and expense escalations described above.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to changes in interest rates primarily from its floating rate debt arrangements. The Company currently does not use interest rate derivative instruments to manage exposure to interest rate changes. A hypothetical 100 basis point adverse move (increase) in interest rates along the entire interest rate curve would adversely affect the Company's interest cost by approximately $2.6 million annually.

The Company may enter into derivative financial instruments such as interest rate swaps and interest rate collars in order to mitigate its interest rate risk on a related financial instrument. The Company may designate these derivative financial instruments as hedges and apply deferral accounting. Gains and losses related to the termination of such derivative financial instruments are deferred and amortized to interest expense over the term of the debt instrument. The Company may also utilize interest rate contracts to hedge interest rate risk on anticipated debt offerings. These anticipatory hedges are designated, as effective hedges for identified debt issuances which have a high probability of occurring. Gains and losses resulting from changes in the market value of these contracts are deferred and amortized into interest expense over the life of the related debt instrument. The cost of hedges determined to be ineffective and hedges not correlated to financings are charged to operations.

Approximately $319.4 million of the Company's long-term debt bears interest at fixed rates, and therefore the fair value of these instruments is affected by changes in the market interest rates. The following table presents principal cash flows (in thousands) based upon maturity dates of the debt obligations and the related weighted-average interest rates by expected maturity dates for the fixed rate debt. The interest rates on the variable rate debt as of June 30, 2000 ranged from LIBOR plus 125 basis points to LIBOR plus 202 basis points.

LONG-TERM DEBT, INCLUDING CURRENT PORTION (IN THOUSANDS)	2000	2001	2002	2003	2004	THEREAFTER	TOTAL	FAIR VALUE
Fixed Rate	$ 1,963	$ 60,191	$ 6,195	$ 8,981	$ 78,329	$ 163,685	$319,344	$319,467
Average Interest Rate	8.18%	8.10%	8.09%	8.07%	7.85%	8.24%		
Variable Rate	$ 42,752	$ 26,950	--	$103,000	--	--	$172,702	$172,702

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its annual meeting of stockholders on May 16, 2000, at which the following matters were voted upon:

1. To elect two class III directors of the Company to service until the 2003 Annual Meeting of stockholders.
2. To ratify the selection of Ernst & Young LLP as the independent auditors of the Company for the fiscal year ending December 31, 2000.

The results of the meeting were as follows:

		FOR	AGAINST	ABSTAIN
Directors:	John H. Alschuler, Jr.	21,094,238	0	96,441
	Stephen L. Green	21,094,238	0	96,441
Proposal 2:		21,183,438	2,520	4,676

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

10.1 Form of June 27, 2000 Revolving Credit and Guaranty Agreement*
12.1 Calculation of Ratios of Combined Fixed Charges and Preferred Stock Dividends
27.1 Financial Data Schedule

* Incorporated by reference to the Company's Form 8-K dated June 27, 2000, filed with the Commission on July 12, 2000

(b) Reports on Form 8-K:

1. Form 8-K dated April 26, 2000, Item 5
2. Form 8-K dated June 27, 2000, Items 5 and 7

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/ THOMAS E. WIRTH

Thomas E. Wirth
Executive Vice President,
Chief Financial Officer

Date: July 26, 2000

Exhibit 12.1

SL GREEN REALTY CORP.
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

	SL GREEN REALTY CORP. (CONSOLIDATED)				SL GREEN COMPANY PREDECESSOR (COMBINED)		
	SIX MONTHS ENDED JUNE 30,	YEAR ENDED DECEMBER 31,		AUGUST 21, 1997 TO DECEMBER 31,	JANUARY 1, 1997 TO AUGUST 20,	YEARS ENDED DECEMBER 31,	
	2000	1999	1998	1997	1997	1996	1995
EARNINGS							
Income (loss) from continuing operations.........	$15,599	$33,258	$23,482	$ 6,633	$ (100)	$(3,470)	$(6,923)
Interest.............	18,830	27,191	11,699	1,637	4,874	7,252	7,338
Portion of rent expense representative of interest...........	5,142	10,300	9,903	497	867	1,344	1,323
Amortization of loan costs..............	1,734	2,278	1,084	110	143	192	200
Total earnings.....	$41,305	$73,027	$46,168	$ 8,877	$5,784	$ 5,318	$ 1,938
FIXED CHARGES AND PREFERRED STOCK DIVIDENDS (1)							
Interest.............	18,830	27,191	11,699	$ 1,637	4,874	7,252	7,338
Preferred stock dividends..........	4,600	9,200	5,720	--	--	--	--
Interest capitalized........	--	--	--	--	--	--	--
Portion of rent expense representative of interest...........	5,142	10,300	9,903	497	867	1,344	1,323
Amortization of loan costs expensed.....	1,734	2,278	1,084	110	143	192	200
Total Fixed Charges and Preferred Stock Dividends........	$30,306	$48,969	$28,406	$ 2,244	$5,884	$ 8,788	$ 8,861
Ratio of earnings to combined fixed charges and preferred stock dividends..........	1.36x	1.49x	1.63x	3.96x	(2)	(2)	(2)

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(1) Prior to May 18, 1998, no preferred stock had been issued or was outstanding.

(2) For the period January 1, 1997 to August 20, 1997 and the years ended December 31, 1996, and 1995, SL Green Predecessor's fixed charge ratios were deficits of $100, $3,470, and $6,923 respectively.

3-MOS
DEC-31-2000
APR-01-2000
JUN-30-2000
15,317
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0
0
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0
244
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1,160,842
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0
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0
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12,988
0
12,988
0
0
0
12,988
0.53
0.53