

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **December 7, 2009 (December 7, 2009)**

**SL GREEN REALTY CORP.**

(Exact Name of Registrant as Specified in its Charter)

**Maryland**  
(State or Other Jurisdiction  
of Incorporation)

**1-13199**  
(Commission  
File Number)

**13-3956775**  
(IRS Employer  
Identification No.)

**420 Lexington Avenue**  
**New York, New York**  
(Address of Principal Executive Offices)

**10170**  
(Zip Code)

**(212) 594-2700**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 7.01. Regulation FD Disclosure**

Members of senior management of the Company will make a presentation during the Company's 2009 Annual Investor Conference on Monday, December 7, 2009 (the "Investor Conference"). The presentation is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 7.01.

At the Investor Conference, the Company will provide its earnings guidance for the year ending December 31, 2010 of FFO per share of \$3.90 to \$4.10, and net income per share of \$0.43 to \$0.63. The Company also reconfirmed its earning guidance for the year ending December 31, 2009 of FFO per share of \$4.35 to \$4.50 and net income per share of \$0.69 to \$0.83.

The following table reconciles estimated earnings per share (diluted) to FFO per share (diluted) for the years ending December 31, 2009 and 2010.

	<u>Year Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2009</u>	<u>2009</u>	<u>2010</u>	<u>2010</u>
	(Estimate)	(Estimate)	(Estimate)	(Estimate)
Net income attributable to SL Green common stockholders	\$ 0.69	\$ 0.83	\$ 0.43	\$ 0.63
Add:				
Depreciation and amortization	2.93	2.93	2.79	2.79
Discontinued operations depreciation adjustments	0.01	0.01	—	—
Unconsolidated joint ventures depreciation and noncontrolling interest adjustments	0.56	0.56	0.53	0.53
Net income attributable to noncontrolling interests	0.20	0.21	0.16	0.16
Loss on equity investment in marketable securities	0.01	0.01	—	—
Less:				
Loss on sale of discontinued operations	(0.07)	(0.07)	—	—

Net gain on sale of interest in unconsolidated joint venture property/ real estate	0.10	0.10	—	—
Depreciation on non-rental real estate assets	<u>0.02</u>	<u>0.02</u>	<u>0.01</u>	<u>0.01</u>
Funds from Operations	<u>\$ 4.35</u>	<u>\$ 4.50</u>	<u>\$ 3.90</u>	<u>\$ 4.10</u>

The information (including the exhibit) being furnished pursuant to this Item 7.01 shall not be deemed to be “filed” for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, or incorporated by reference in any filing under the Securities Act or the Exchange Act, regardless of any general incorporation language in such filing. This information will not be deemed an admission as to the materiality of such information that is required to be disclosed solely by Regulation FD.

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**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation

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**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 hereunto duly authorized.

SL GREEN REALTY CORP.

Date: December 7, 2009

By: /s/ Gregory F. Hughes  
 Gregory F. Hughes  
 Chief Financial Officer

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**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation

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The logo for SL Green Realty Corp. features a stylized 'S' icon on the left, composed of three vertical bars of varying heights. To the right of the icon, the words 'SL GREEN' are written in a large, white, sans-serif font. A thin white horizontal line is positioned below 'SL GREEN'. Below this line, the words 'REALTY CORP.' are written in a smaller, white, sans-serif font. The entire logo is set against a dark blue background with a faint, grid-like pattern of white lines.

**SL GREEN**  
REALTY CORP.

**2009**

**Annual Investor Conference  
& Property Tour**

# Forward Looking Statements

*This presentation contains "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 presentation are forward-looking statements. All forward-looking statements speak only as of the date of this presentation. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance, achievements or transactions of the Company or industry results to be materially different from any future results, performance, achievements or transactions expressed or implied by such forward-looking statements. Such risks, uncertainties and other factors relate to, among others, the strength of the commercial office real estate markets in the New York metro area, reduced demand for office space, unanticipated increases in financing and other costs, competitive market conditions, unanticipated administrative costs, timing of leasing income, general and local economic conditions, interest rates, capital market conditions, tenant bankruptcies and defaults, the availability and cost of comprehensive insurance, including coverage for terrorist acts, environmental, regulatory and/or safety requirements, and other factors, which are beyond the Company's control. Additional information or factors which could impact the Company and the forward-looking statements contained herein are included in the Company's filings with the Securities and Exchange Commission. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.*

**CUSHMAN & WAKEFIELD DISCLAIMER:** *This report contains information available to the public and has been relied upon by Cushman & Wakefield on the basis that it is accurate and complete. Cushman & Wakefield accepts no responsibility if this should prove not to be the case. No warranty or representation, express or implied, is made to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by our principals.*

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# Key Note Speakers



**Andrew Mathias**  
President & CIO



**Steven Durels**  
EVP, Dir. Of  
Leasing & Real  
Property



**Marc Holliday**  
CEO



**Edward Piccinich**  
EVP, Dir. Of  
Management &  
Construction



**Gregory Hughes**  
COO & CFO

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# Featured Speakers

**Andrew Levine**  
*Chief Legal Officer*



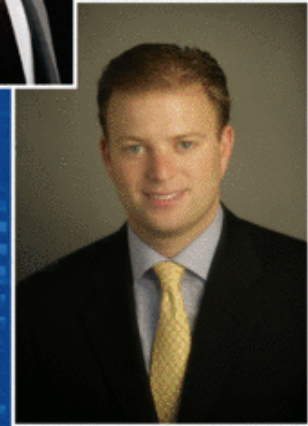
**Neil Kessner**  
*EVP, General Counsel –  
Real Property*



**Matt DiLiberto**  
*Chief Accounting Officer*



**Isaac Zion**  
*Managing Director*



**David Schonbraun**  
*Managing Director*

# Discussion Topics

**2009  
Achievements**

**New York City**

**NYC Leasing  
Market**

**NYC  
Development**

**Investments**

**SL Green NYC  
Portfolio**

**Retail**

**The Suburban  
Portfolio**

**Structured  
Finance**

**100 Church St.**

**Special  
Servicing**

**Real Estate  
Taxes**

**Aqueduct**

**Financial**

**Guidance**

**2010 Goals &  
Objectives**



# 2009 Achievements

# ***Preemptive Measures***

- ◆ Sold Vulnerable B-Assets (> \$3.0B)
- ◆ Acquired Defensive A-Assets (> \$5.0B)
- ◆ Sold Non-Stabilized Suburban Portfolio (> \$2.0B)
- ◆ Extended Line of Credit for 5 Yrs. (\$1.5B)
- ◆ Issued Common Equity (> \$2.1B)
- ◆ Maintained a Manhattan Centric Focus (> 90.0% of Assets)
- ◆ Made Significant Capital Improvements to Portfolio
- ◆ Assembled Highest Quality Management Team in NYC

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# ***Recent Strategic Initiatives***

- ◆ Deleverage Balance Sheet
- ◆ Raised Common Equity
- ◆ Repurchase Discounted Liabilities
- ◆ Monetize Assets
- ◆ Refinance Near-Term Maturities
- ◆ Shore-Up Portfolio Tenancy
- ◆ Defer Discretionary Capital Expenditures
- ◆ Reduced Overhead
- ◆ Aggressive Asset Management
- ◆ Reduced Dividend

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# 2009 Report Card

- Maintain NYC Portfolio Occ. @ >95%  Anticipated to be 95.2% at YE 2009
- Achieve MTM on New NYC Leases >10%  Average MTM ~18% for YTD 2009
- Reposition & Lease 333 W. 34th St.  Not Completed
- Sign >1M SF of New & Renewal Leases  >1M SF Signed Through 10/31/09
- Floor Liquidity of \$300M Free Cash  Maintain ~\$750M of Cash on Hand
- Refinance >\$250M of Property Mtges.  Refinanced/Upsized \$544M of Mtges.
- Reduce Recourse Obligations >\$250M  Repurchased/Repaid >\$1B YTD 2009
- Reduce Capex by \$50M from '08 to '09  Est. Savings of ~\$47M at YE 2009
- Dispose of >\$200M of Mature Assets  Disposed of >\$250M of Mature Assets
- Reduce Structured Finance to <\$725M  Balance Reduced to \$615M at 9.30.09
- Internalize GKK Manager  Internalization Closed 4.24.09
- Reduce G&A by an Additional \$5M  Anticipated Reduction ~\$20M
- Finish in Top 25% of Peer Group TRS  Rank as of 12.4.09 is....

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## Sector Leading TRS

YTD Total Return	
HRPT Properties Tr.	110.7%
<b>SL Green</b>	<b>92.2%</b>
Brandywine Realty Tr.	54.0%
Mack Cali Realty Corp.	49.8%
Biomed Realty Tr.	38.8%
Boston Prop's.	32.1%
Vornado Realty Tr.	24.3%
Corp. Office Prop's.	23.3%
Parkway Prop's.	21.6%
Douglas Emmett	12.0%
Maguire Prop's.	11.0%
Alexandria RE Eq.	4.3%
Washington REIT	4.0%
Franklin Street Prop's.	(7.8)%
Investors REIT	(8.2)%
Cousins Prop's.	(40.1)%





# New York City

# NYC Monthly Office-Using Employment



Source: Cushman & Wakefield

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# NYC Job Loss Vacancy Impact

Peak Manhattan Vacancy Rate (June 2007) ~5.5%

Peak to Current: Total Job Losses

-81,600

Estimate of 225 SF Per Job Loss

-18.4 5.0%

Additions to Inventory

~2.0M SF 0.5%

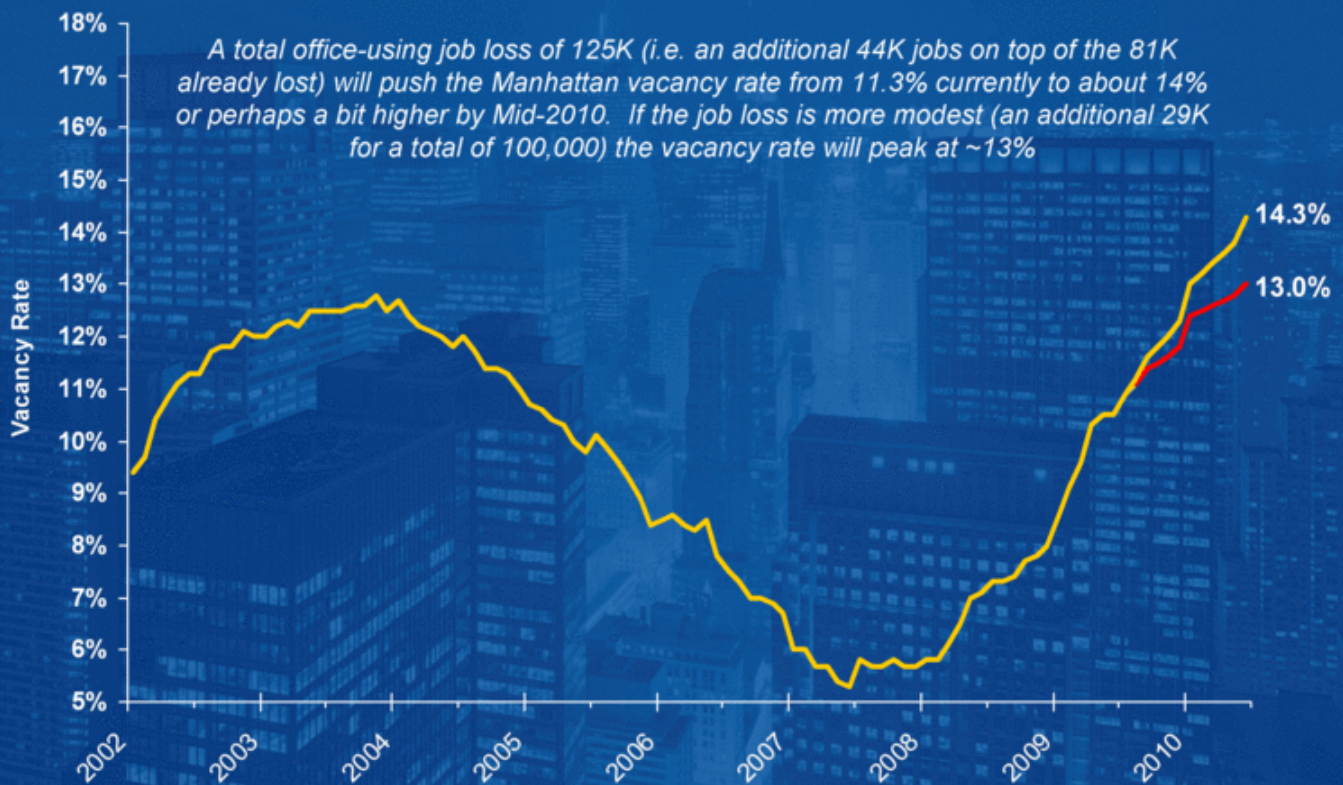
Current Overall Manhattan Vacancy Rate

~11.0%

Source: Cushman & Wakefield

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# Projected Manhattan Vacancy



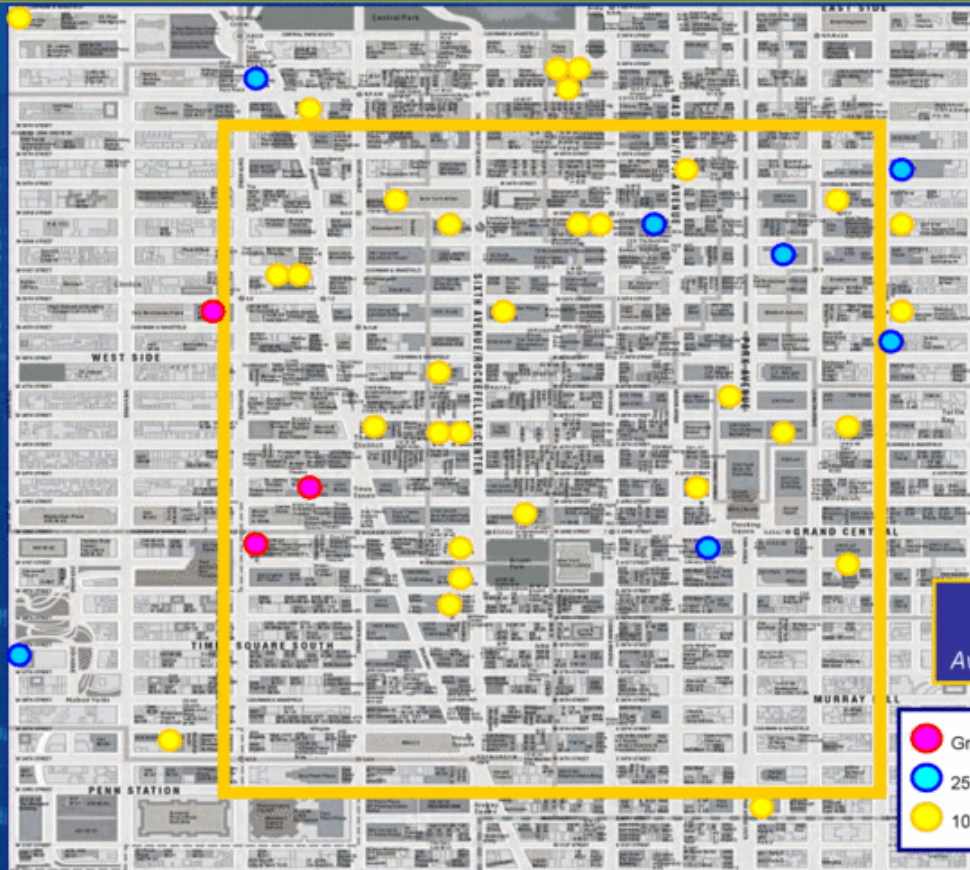
Source: Cushman & Wakefield

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# Manhattan Leasing Market

# Midtown Large Block Availability

## Direct Space



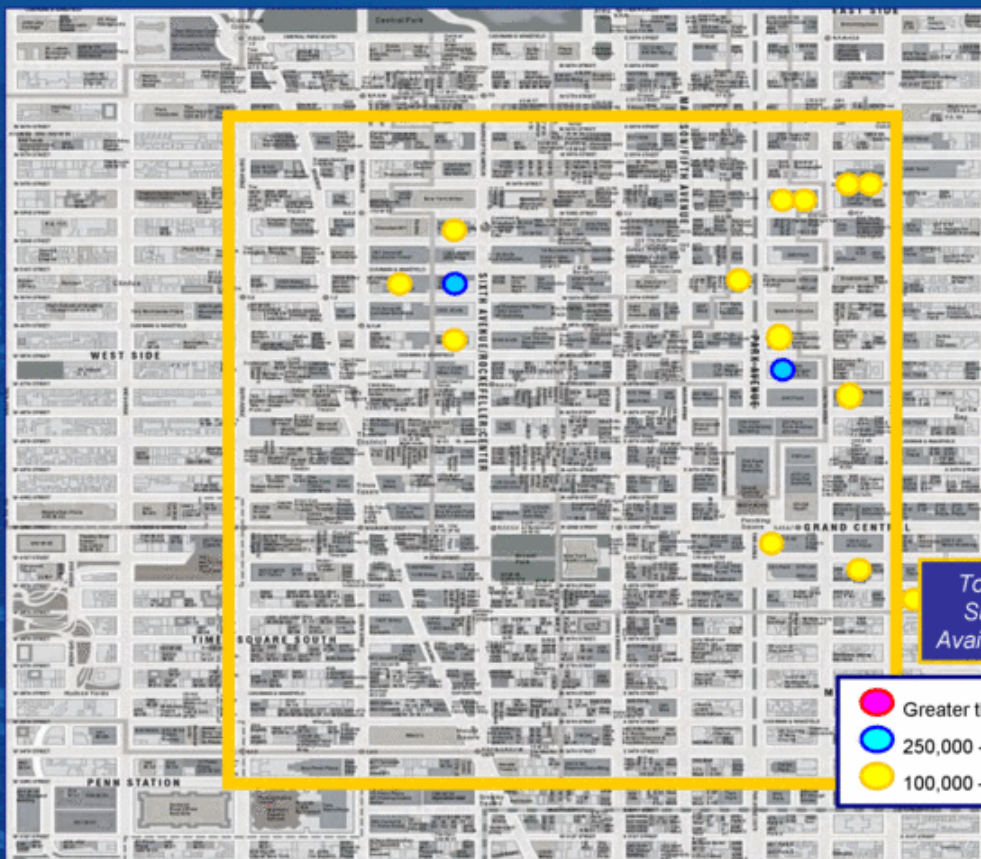
Total Large Block  
Direct Space  
Availability: ~9.0M SF

- Greater than 500,000 SF (3)
- 250,000 - 500,000 SF (7)
- 100,000 - 250,000 SF (31)

Source: Cushman & Wakefield Research

# Midtown Large Block Availability

## Sublease Space



Total Large Block Sublease Space Availability: ~2.7M SF

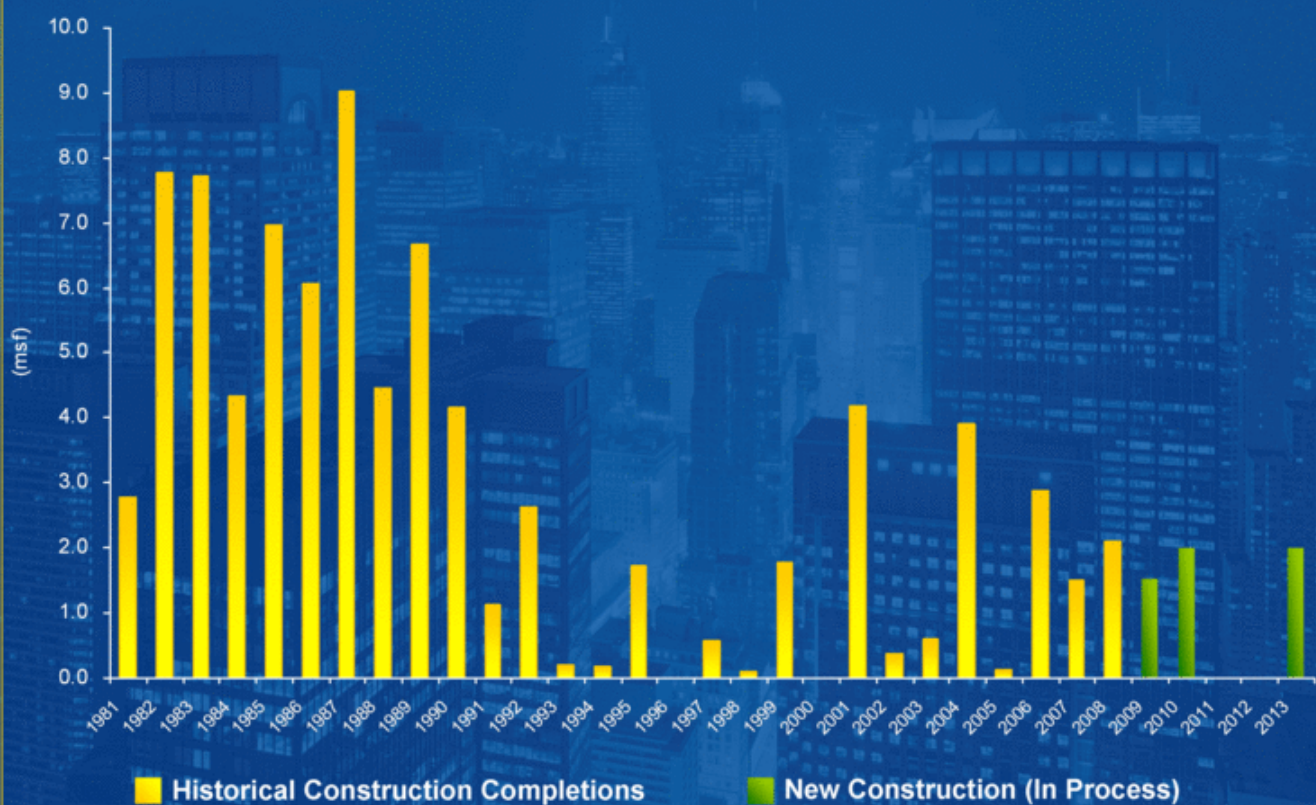
- Greater than 500,000 SF (0)
- 250,000 - 500,000 SF (2)
- 100,000 - 250,000 SF (13)

# Midtown Leasing Velocity



# Manhattan Development

## NYC Office Construction Annual Added Inventory



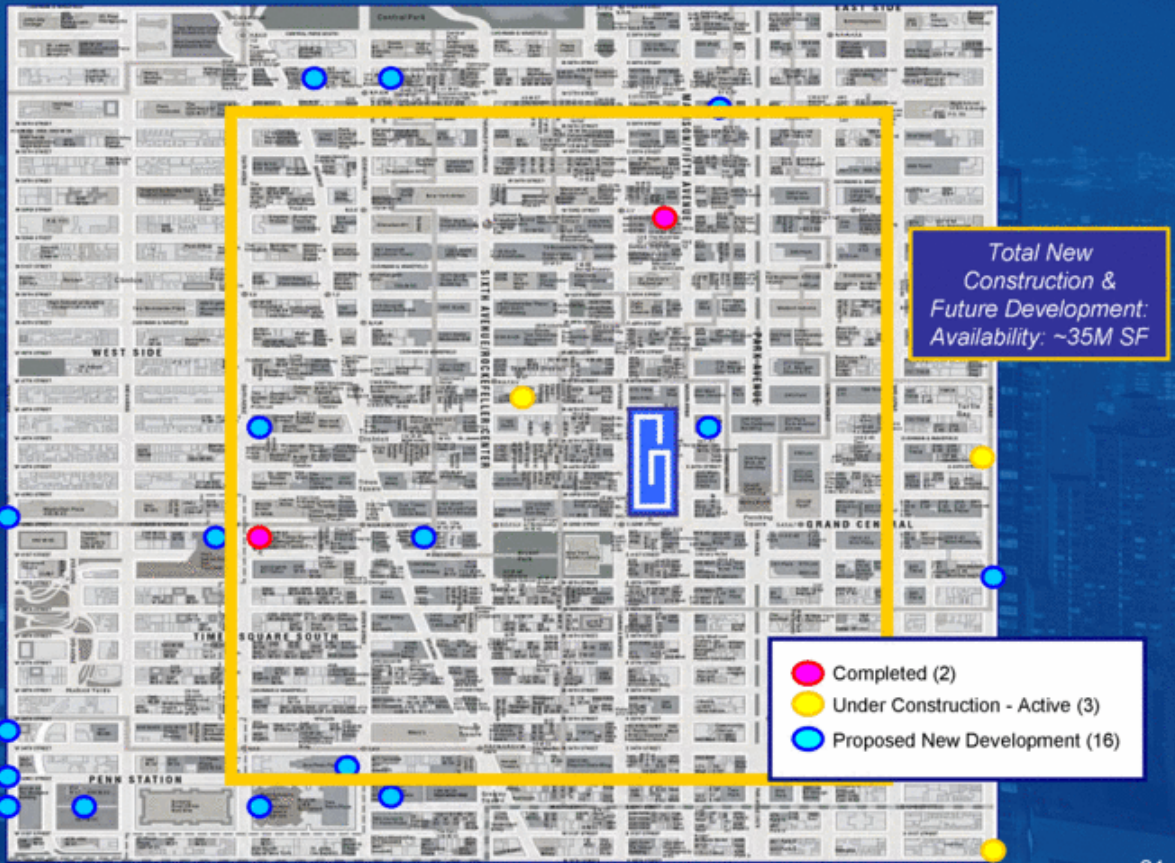
Source: Cushman & Wakefield

# Manhattan Office Inventory

2000 Inventory	357M SF
World Trade Center	(14M SF)
Additions to the Market	7M SF
Residential & Hotel Conversions	(8M SF)
New Development	23M SF
2010 Inventory	365M SF

Source: CBRE

# New Construction & Future Development



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# Capital Allocation Through the Business Cycle



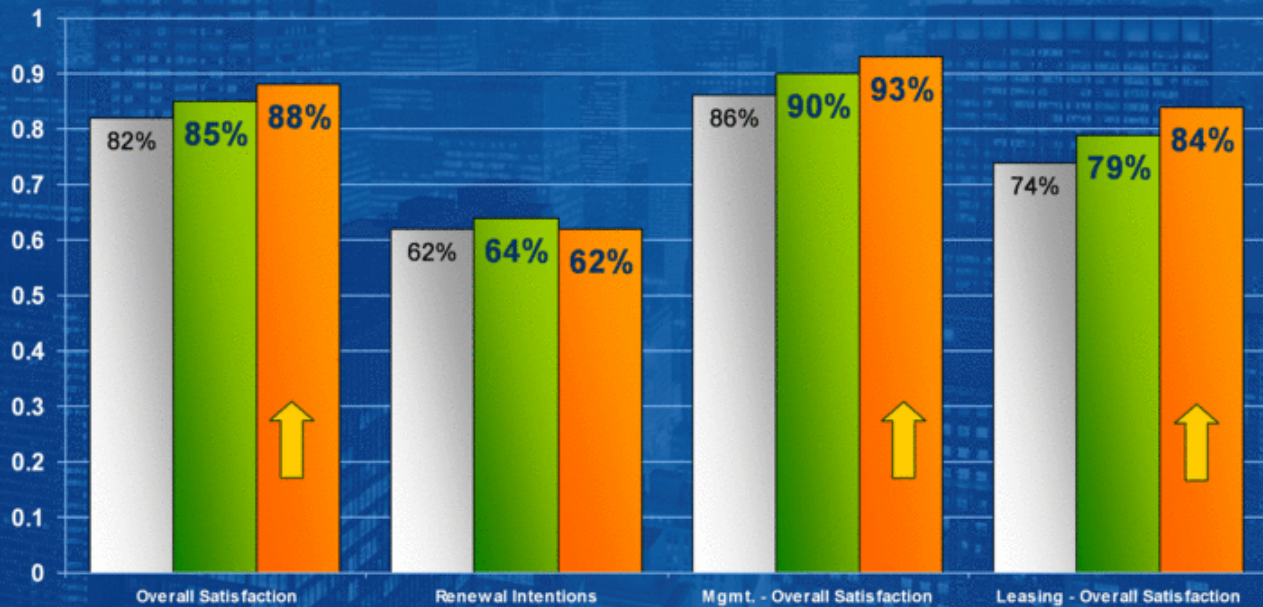
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# Satisfaction Levels Increasing

## Key Performance Indicators – Time Trend

■ Kingsley Index   ■ SLG 2008 Same Store   ■ SLG 2009 Same Store



↑ = Mean score statistically higher than prior year

# Recognizing Excellence



**BOMA New York**  
2007 - 2009  
Renovated Building of the Year  
Presented February 6, 2008



# *SL Green's Recent Awards*

## ◆ Construction

- ◆ 2008 BOMA NY Pinnacle Award for New York City
- ◆ 2009 Middle Atlantic Regional Building of the Year
- ◆ 2009 BOMA International Building of the Year

## ◆ Building Management and Operation

- ◆ 2007 Property Manager of the Year
- ◆ 2008 Renovated Building of the Year
- ◆ 2009 Renovated Building of the Year
- ◆ 2009 Operating Office Building of the Year
- ◆ 2009 Runner up for Property Manager of the Year

# Investments

## *Investment Highlights*

- ◆ Closed Sale of 55 Corporate Dr.
- ◆ Closed Multiple Secured Financings & Refinancings
  - ◆ 420 Lexington Ave.
  - ◆ 625 Madison Ave.
  - ◆ 100 Park Ave.
  - ◆ 1551 Broadway
- ◆ Closed Purchase of New Structured Finance Investments
  - ◆ 450 West 33<sup>rd</sup> St.
  - ◆ 1330 Ave. of the Americas
- ◆ Pending Transactions
  - ◆ 485 Lexington Sale
  - ◆ 1515 Broadway Financing

# NYC Capital Markets

## Manhattan Annual Investment Sales Activity

Sales Activity  
(Billions)

Closed 3Q09 sales are \$2.75B; closed and under contract sales are \$3.8B.

Price PSF



(1) 2008 Average price PSF excluding GM Building: \$832 PSF

(2) Price PSF based on the only two MT Class A sales through 9/15/09: 1540 Broadway and Worldwide Plaza

Source: Cushman & Wakefield Capital Markets Group

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## Manhattan Notable 2009 Sales



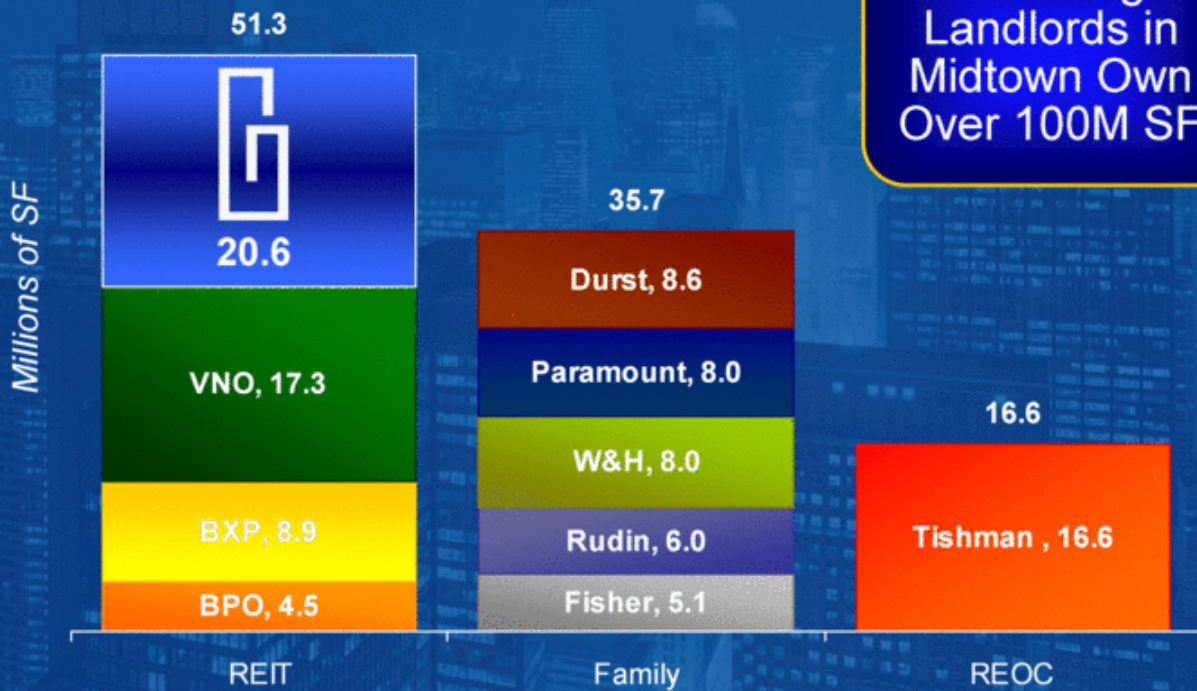
Address	70 Pine Street	825 Eighth Ave. (WW Plaza)	1540 Broadway	620 Eighth Ave. (NY Times)	452 Fifth Ave. (HSBC)
Status	Closed 2Q09	Closed 2Q09	Closed 1Q09 (Condo Unit)	Closed 1Q09 (Condo Unit)	Under Agreement
Size	1.5MSF	1.9MSF	905,000SF	750,000SF	896,000SF
Reported Sale Price	\$150M \$102/SF	\$590M \$308/SF	\$355M \$392/SF	\$225M \$300/SF	\$330M \$368/SF
Seller / Buyer	AIG / Young Woo & Kumbo	Deutsche Bank / Comfort & Sons w. Longview & DRA	Deutsche Bank / CBRE Investors	New York Times / WP Carey	HSBC / Midtown Equities & IDB

Market Data Source: Cushman & Wakefield

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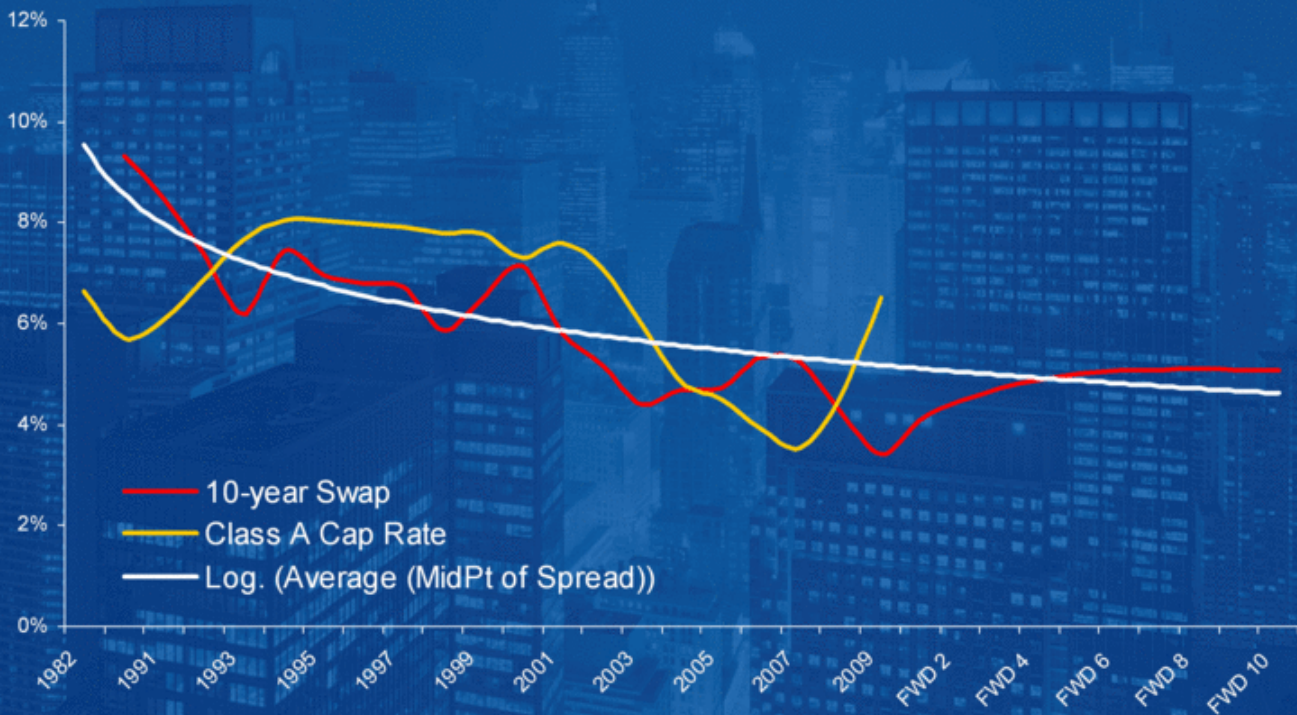
# Top 10 Commercial Office Owners in Midtown

The 10 Largest Landlords in Midtown Own Over 100M SF



Source: Company Filings & Public Information

# Cap Rates vs. Treasury Rates



Source: Cushman & Wakefield Capital Markets Group & Bloomberg

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# Global Capital Flows



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# NYC vs. London

	Midtown NYC	London City
Size of Office Market	~240M SF	~ 61M SF
Office Yield at Market Peak (%)	3.25%	4.25%
Office Yield Currently	5.5 – 6.5%	5.5-7.0%
Rental Declines (Fall from Peak to Current)	-30%	-33%
Supply Under Construction	0.5%	8.0%
Vacancy Rate at Peak ('06 – '07)	5.2%	8.5%
Current Vacancy Rate	11.7%	14.4%
Financial Services Tenancy	~21%	39%

Source: Macquarie Capital Advisers, PPR, PMA, Colliers and Cushman & Wakefield

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## SL Green NYC Portfolio

# 2009 Leasing Activity

## Year-To-Date Completed Transactions

New Leases:	82	539,347 SF
Renewal Leases	87	539,242 SF
<i>Total Complete Transactions</i>	169	1,078,589 SF

## Pending Leases

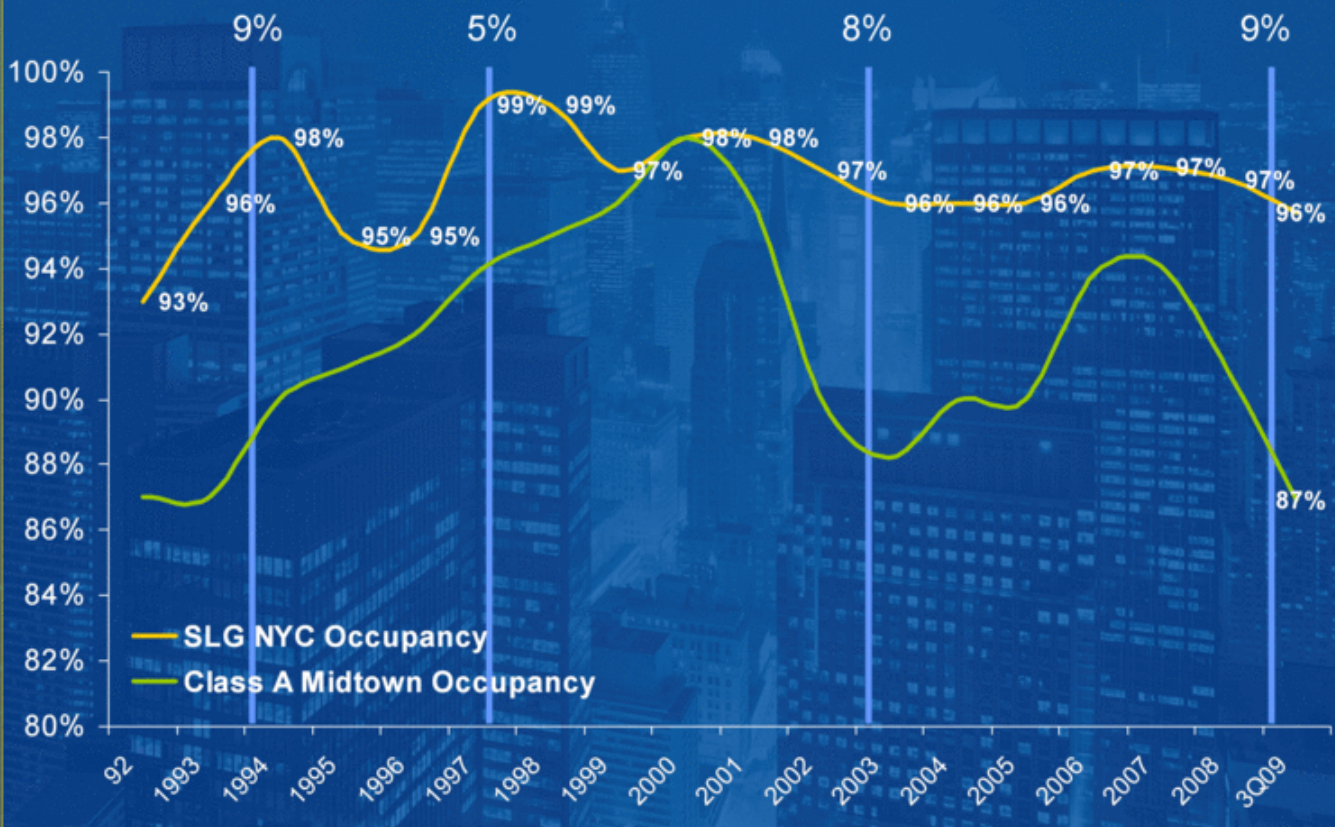
New Leases	19	125,408 SF
Renewal Leases	21	514,684 SF
<i>Total Pending Transactions</i>	40	640,092 SF

<b>Total Leasing Activity</b>	<b>209</b>	<b>1,718,681 SF</b>
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*\*Data reflects grown square footage  
Represents NYC leasing activity*



# SLG Consistently Outperforms the Market



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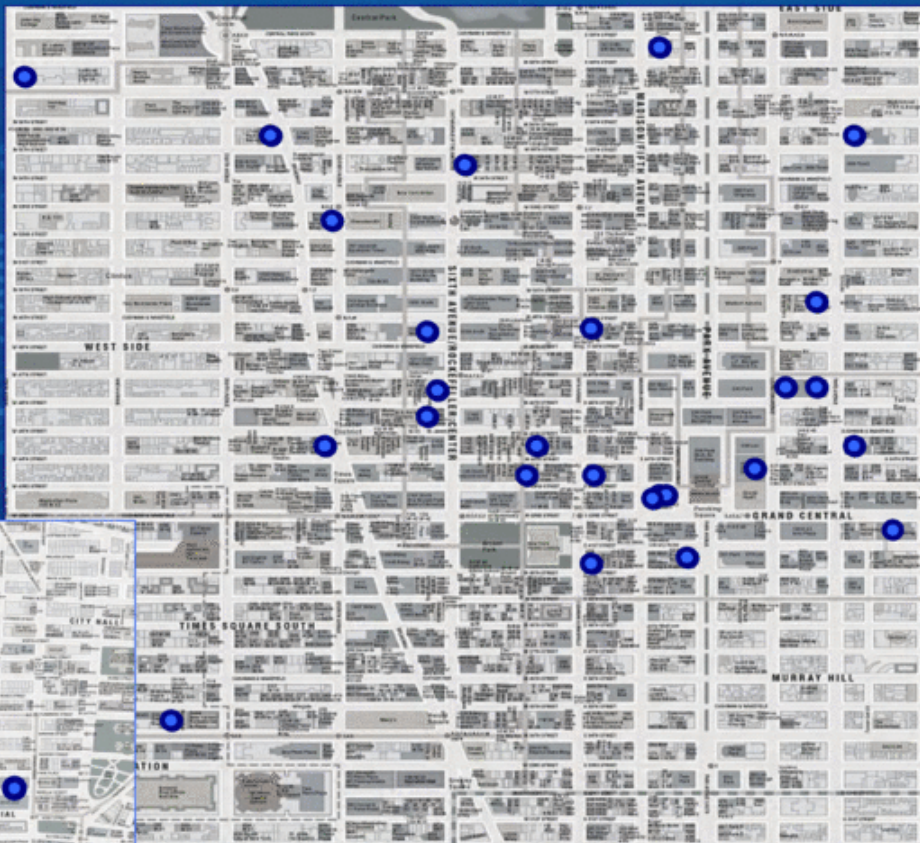
# Aggressive Leasing Has Substantially Reduced Lease Roll Through 2013



Based on gross square footage

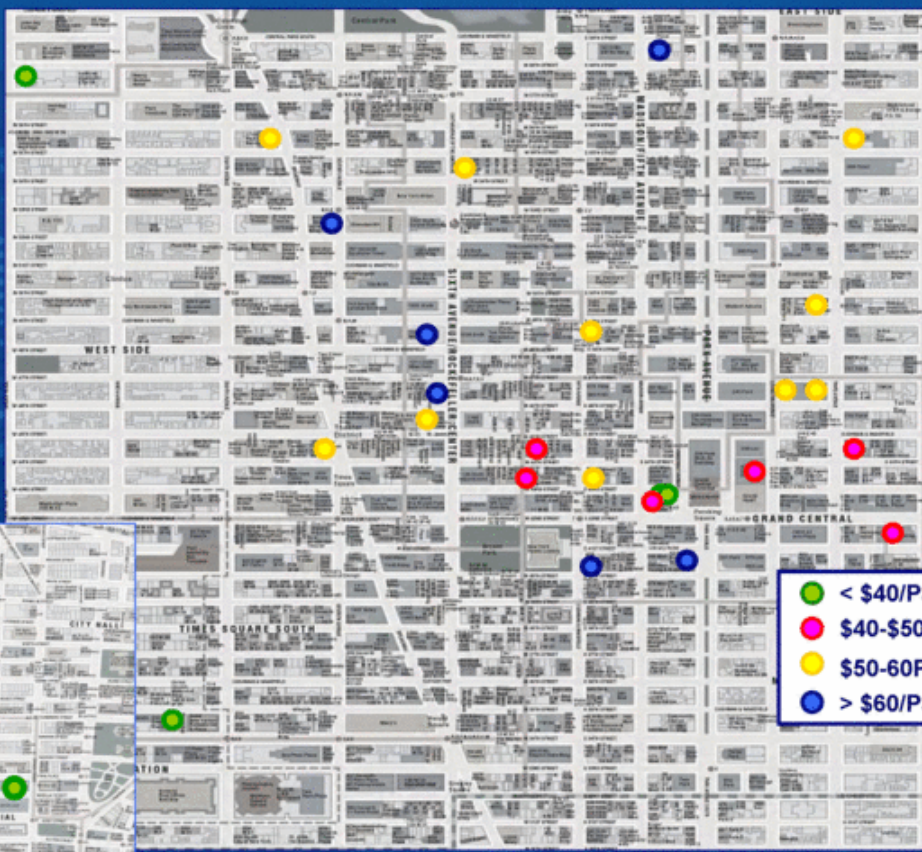
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# SL Green Portfolio



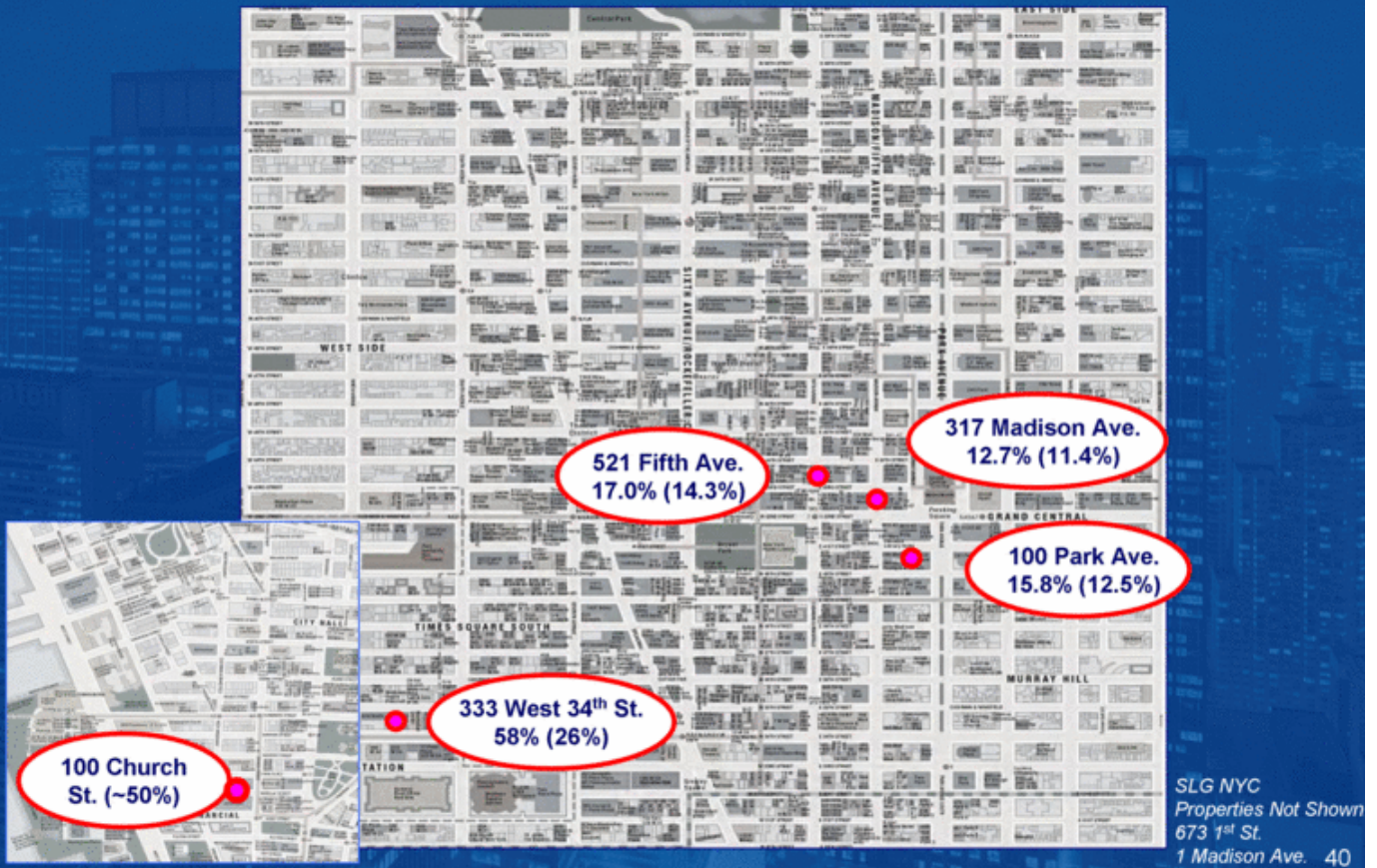
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# SL Green Portfolio – Esc. Rents

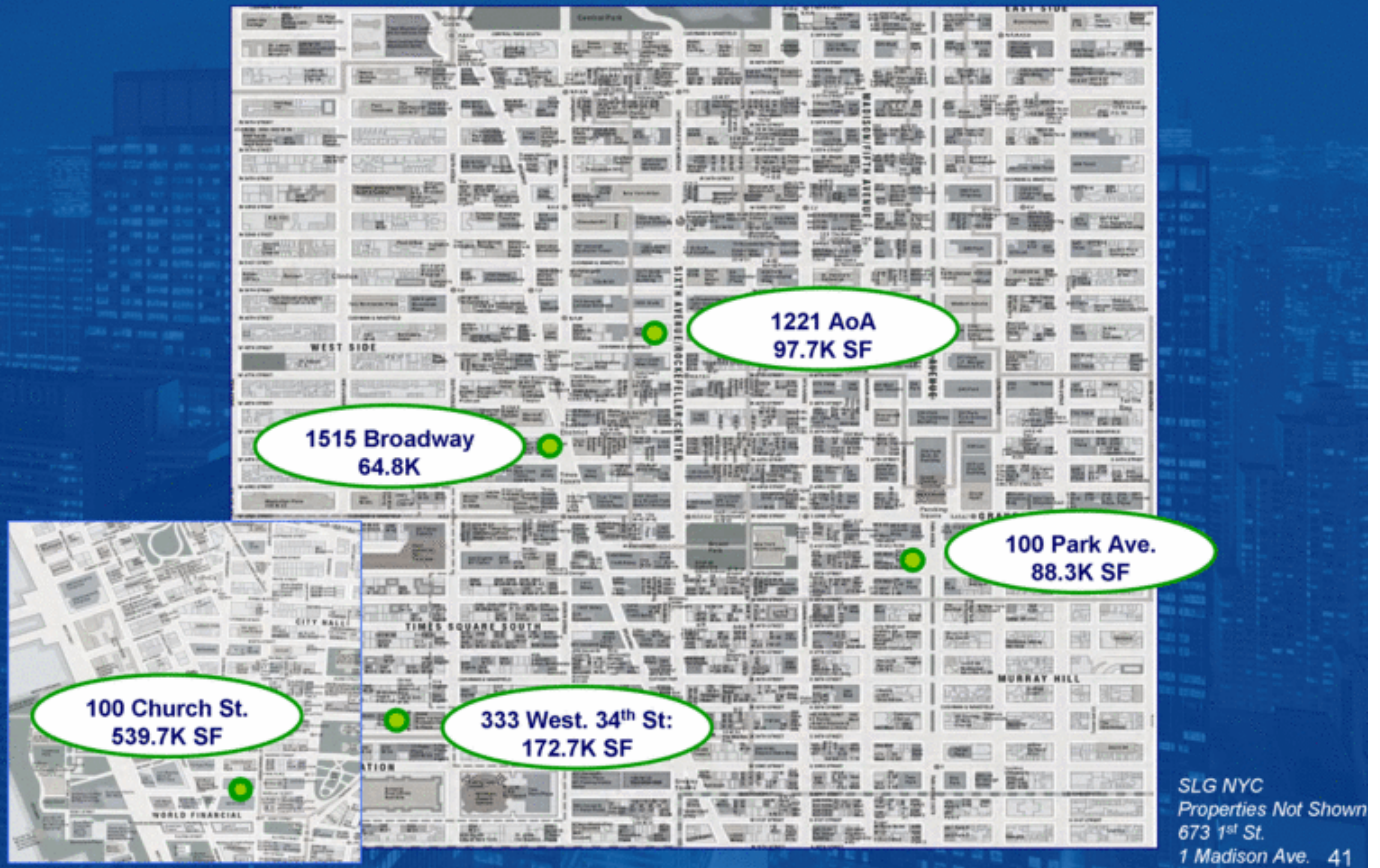


- < \$40/PSF
- \$40-\$50/PSF
- \$50-60/PSF
- > \$60/PSF

# SLG Buildings with >10% Vacancy



# SL Green Portfolio – Big Blocks



## SLG Sublease Availability

Building	RSF
100 Church St.	45,419
317 Madison Ave.	3,106
1221 Ave. of Americas	162,811
16 Court St.	4,993
100 Park Ave.	39,166
420 Lexington Ave.	19,849
461 Fifth Ave.	7,134
810 Seventh Ave.	44,494

Building	RSF
220 East 42 <sup>nd</sup> St.	27,332
485 Lexington Ave.	178,316
521 Fifth Ave.	5,738
750 Third Ave.	75,114
19 West 44 <sup>th</sup> St.	17,840
711 Third Ave.	7,681
One Madison Ave.	116,294
Tower 45	26,660

**Total Sublease Space: 781,947 RSF (3.2%)**

**Term Constrained (<5yrs) Space: 391,349 RSF (1.6%)**

**Competitive Sublease Availability: 390,598 RSF (1.6%)**

# Retail

## Retail Accomplishments

### ◆ Open for Business

- ◆ 27-29 West 34<sup>th</sup> St.: Geox & Aldo
- ◆ 1551 Broadway: American Eagle Outfitters

### ◆ Buyouts

- ◆ 141 5<sup>th</sup> Ave.: Replaced Bath & Body Works with Cole Haan
  - ◆ ~2.5x's Existing Rent
- ◆ 717 5<sup>th</sup> Ave.: Completed Buyout with Escada Prior to Corporate Bankruptcy
  - ◆ Insures Lease is not Sold as Part of Ch. 11 Proceedings

### ◆ Actively Negotiating Retail @1515 Broadway

### ◆ Completed Restructuring of Mezzanine Loan at 666 5<sup>th</sup> Ave.

- ◆ \$64.5M in New Cash Equity
- ◆ Termed Out Cap Structure for 5 Yrs
- ◆ Relocation of Abercrombie & Fitch



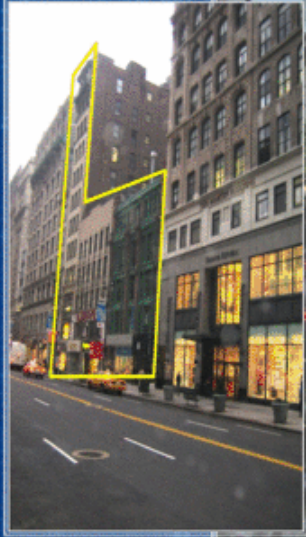
AMERICAN EAGLE OUTFITTERS



ALDO

GEOX  
THE SHOE THAT BREATHES

# 29 West 34<sup>th</sup> Street

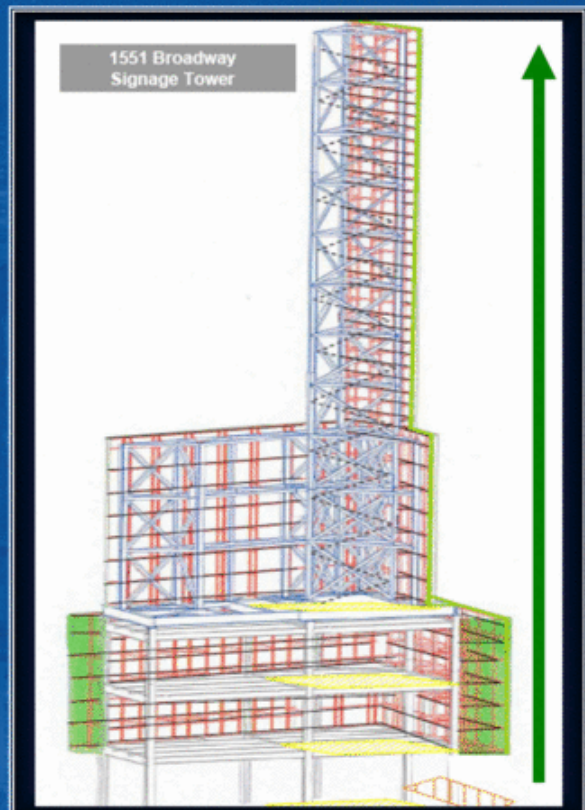


# 29 West 34th Street



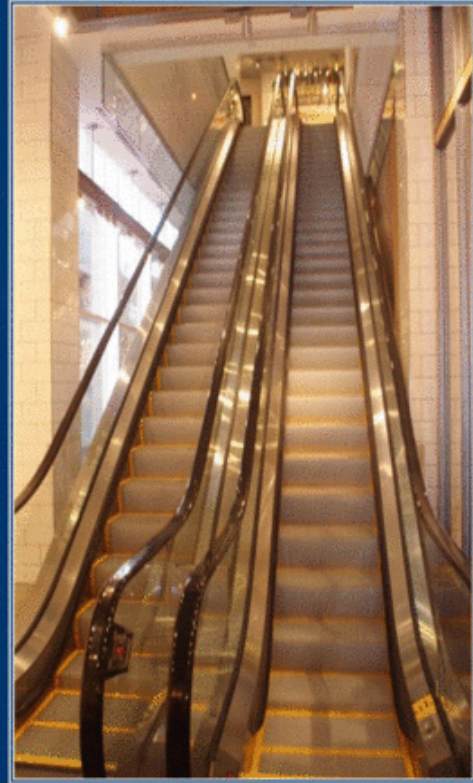
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# 1551 Broadway



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# 1551 Broadway



## SL Green Suburban Portfolio



# Suburban Portfolio Management

**Isaac Zion**  
*Managing Director*

**John Barnes**  
*SVP*  
*Senior Director Suburban Division*

Leasing

Larry Kwiat

Clark Briffel  
Ted Grogan

Asset  
Management/  
Finance

Greg Caggainello

Walter Marable

Property  
Management

Tammy Cuomo

Tom Giantomidis  
Mike Jacopino

Development &  
Construction

Bill Muzzio

Jason Black  
Scott Tangredi  
Brian Van Riper

# The Westchester & CT Portfolio

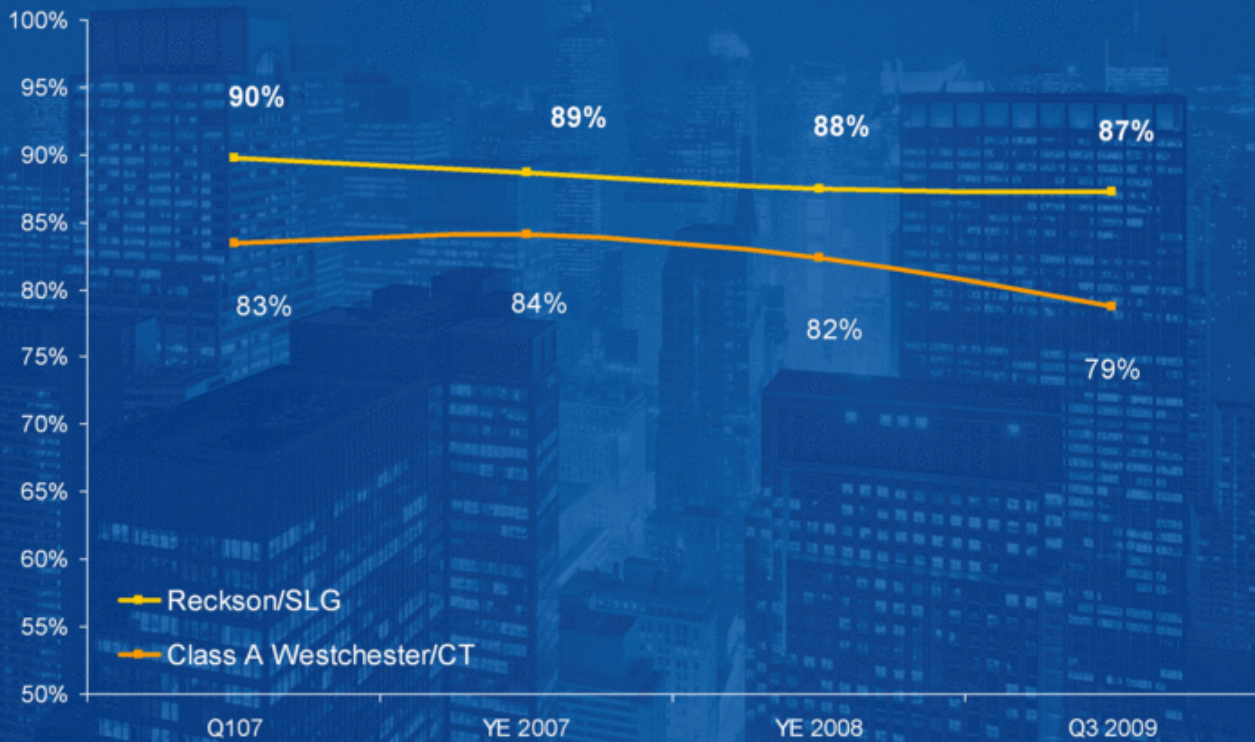


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## Suburban Portfolio Summary

Market	# of Buildings	Total Sq. Feet	SLG Share of Total Sq. Feet
Westchester	13	2,135,100	2,135,100
Long Island	2	640,000	129,700
Connecticut	12	1,764,700	1,602,200
New Jersey	2	582,100	145,500
<b>Total</b>	<b>29</b>	<b>5,121,900</b>	<b>4,012,500</b>

# SLG Consistently Outperforms the Market



Market Data: Cushman & Wakefield

# Tenant Satisfaction Outperforms



# 2009 Suburban Accomplishments

## ◆ Property Sales

- ◆ 55 Corporate Dr., Bridgewater, NJ for \$230M

  - ◆ 6.9% Cap Rate, \$343 PSF

- ◆ 399 Knollwood Road, White Plains, NY for \$21M

  - ◆ 8.3% Cap Rate, \$142 PSF

## ◆ Maintained Positive NOI Growth Year-Over-Year

## ◆ BOMA Awards

- ◆ Hall of Honor Award – Reckson a Division of SL Green

- ◆ Toby Award – Best Renovation: 150 Grand Street

# 2009 Suburban Operating Initiatives

- ◆ Anticipated Reduction of Overall Expenses of ~10%
- ◆ Reduced Total Operating Expenses for West/CT by ~\$5.0M
- ◆ Energy Reduction / Market-Leading Green Initiatives
  - ◆ Westchester and Connecticut lighting retrofit program
    - ◆ Annual savings: > \$500K, 1.3 yr. payback
  - ◆ Re-bid all major contracts along with Energy Initiatives resulting in approx. 17% Utility Expense Savings
  - ◆ Completed installation of solar roof at 500 West Putnam

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# 2009 Suburban Leasing Accomplishments

- ◆ Signed >705,000 SF
  - ◆ Major Leases Signed include:
 

➤ Verizon	115,000 SF	<i>Renewal</i>
➤ Con Ed Solutions	52,400 SF	<i>New</i>
➤ Deloitte LLP	37,200 SF	<i>Renewal</i>
➤ Abovenet	31,700 SF	<i>Renewal</i>
➤ Medcon Acquis	24,750 SF	<i>Renewal</i>
➤ Gerald Metals	23,250 SF	<i>New</i>

## ◆ Top 20 Deals in Market – Westchester & CT

# of Deals



Total Square Footage



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# 2009 Suburban Leasing Accomplishments

Lease Rollover	2010	2011	2012
12 Months Ago	544,000	794,000	291,400
As of December 2009	324,000	684,000	272,000

**>20% Reduction in Rollover Exposure**

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# 2010 Objective/Challenges

- ◆ **Maintain Occupancy at ~90%**
- ◆ **Continue to Lease up Redevelopment Projects**
  - ◆ 125 Chubb Way
  - ◆ 150 Grand St.
- ◆ **Study Lobby/Concourse Redevelopment at Landmark Square**
- ◆ **Continue & Expand Energy/Green Initiatives**
- ◆ **Explore Additional Pre-built Opportunities**

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# Structured Finance

# Structured Finance History

Number of Investments	78
Total Originations	\$2,313,695
Unamortized Discount	\$38,282
Total Payoffs	\$1,455,772
Carrying Value	\$592,371
Investment Income Since Inception	~\$250,000

Amounts in 000's except for Number of Investments

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# Structured Finance Overview

	Structured Finance	# of Positions	Amount (\$'s in 000's)	%
NYC	Office/Retail	15	\$481,795	81.2%
	Other	4	\$4,867	0.8%
	<b>Subtotal</b>	<b>19</b>	<b>\$486,663</b>	<b>82.2%</b>
Other	Office	6	\$88,170	14.8%
	Other	6	\$17,538	3.0%
	<b>Subtotal</b>	<b>12</b>	<b>\$105,708</b>	<b>17.8%</b>
	<b>Total</b>	<b>31</b>	<b>\$592,371</b>	<b>100.0%</b>

Data as of Sept. 30, 2009 & Pro forma for 100 Church foreclosure and 1330 bond purchases

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# Structured Finance Classifications

## ◆ Held for Investment (*not Mark-to-Market*)

- ◆ Intent & ability to hold the investment until stated maturity date
- ◆ Carried at cost, net of unamortized fees or discounts
- ◆ Potential for reserves based on value of underlying collateral
- ◆ Impairment assessed quarterly



## ◆ Held for Sale (*Mark-to-Market*)

- ◆ Intent to sell the investment (generally within 12 months)
- ◆ Carried at the lower of cost, net of unamortized fees or discounts, or market value, net of sales costs
- ◆ Carrying value adjusted quarterly depending on market conditions



# Accrual vs. Non-Accrual

	# of Investments	9/30/09 Carrying Value
Mortgage Participation	1	\$2,538
Mezzanine Debt	2	\$41,930
Preferred Equity	2	\$14,678
	<b>5</b>	<b>\$59,146</b>

## Considerations For Non-Accrual

- ◆ Delinquent payment
- ◆ Recoverability of interest and principal (Sponsor, Business Plan)
- ◆ Cash Pay versus Payment in Kind (PIK)

# *Troubled Debt Restructurings (TDR's)*

- ◆ Governed by FASB Statements 15, 114 and 118
- ◆ Creditor modifies material terms of a debt arrangement in order to alleviate burden on the debtor
- ◆ Carrying value is reduced if the PV of future cash flows using a DCF model is less than the current carrying value
  - ◆ The discount rate is the original effective interest rate of the investment
- ◆ Income recognition is evaluated in same manner as other SF investments

# Potential Pipeline

Property	SF	Investment Type	SLG Carrying Value (000's) (1)	Senior Financing (000's)	Last \$/SF	Final Maturity (3)
5 Times Square	1,101,779	Mezzanine Debt	\$82,339	\$1,139,000	\$1,109	Mar-17
620 Sixth Avenue	694,517	Jr. Mortgage Debt	28,362	205,000	336	Feb-16
620 Sixth Avenue	694,517	Mezzanine Debt	30,126	235,000	382	Feb-16
Starrett Preferred	2,309,739	Preferred Equity	40,925	210,868	109	Feb-14
450 West 33rd	1,621,808	Mezzanine Debt	35,069	365,000	247	Jul-12
1330 Ave. of the Americas (2)	528,000	Rake Bonds	29,964	187,000	424	Jan-12
530 Fifth Ave	510,813	Mezzanine Debt	25,000	200,000	440	May-16
1166 AoA (4)	560,925	Mezzanine Debt	22,782	314,319	670	Dec-12
110 E 42nd Street	207,000	Mezzanine Debt	15,690	90,000	511	Jul-17
17 Battery	399,324	Jr. Mortgage Debt	7,000	53,000	150	Nov-12
<b>Sub-Totals / Wtd Avg</b>	<b>7,933,905</b>		<b>\$317,256</b>	<b>\$2,764,187</b>	<b>\$547</b>	<b>Feb-15</b>
885 Third Ave	609,958	Fee Position	53,224	267,650	597	-
2 Herald Square	354,398	Fee Position	37,213	191,250	731	-
<b>Sub-Totals / Wtd Avg</b>	<b>964,356</b>		<b>\$90,437</b>	<b>\$458,900</b>	<b>\$652</b>	<b>-</b>
<b>Grand Totals / Wtd Avg</b>	<b>8,898,261</b>		<b>\$407,693</b>	<b>\$3,223,087</b>	<b>\$570</b>	<b>-</b>

\*Data As of Sept. 30, 2009

- (1) Reflects loan loss reserves, unamortized discounts and redemptions & sales of loans
- (2) Includes SLG's position in 4 separate rake bonds (33.33% of AOA1, 18.18% of AOA2, & 100% of AOA3 & AOA4)
- (3) Assumes all ext. options are exercised
- (4) Loan is personally guaranteed by Borrower

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# Structured Finance Creates Pipeline



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# 1330 Avenue of the Americas

## Case Study



- ◆ \$240M Mortgage (\$187M A Note & \$53 of Rake Bonds)
- ◆ Extended Maturity of January 2012
- ◆ Purchased \$36M of Rake Bonds at Avg. Price of \$0.82
- ◆ Weighted Avg. Yield to Final Maturity of 11.7%
- ◆ \$/PSF Ranges of \$377 - \$455
- ◆ Controlling Holder with Green Loan Services as Special Servicer
- ◆ Property Owned by Canadian Pension Fund

# 100 Church St.

# 100 Church Street

## Case Study

- ◆ ~1.1M SF Property: ~50% Occupied
- ◆ Aug. 2007: Purchased 50% Interest in Mezzanine Loans from Wachovia
- ◆ Aug. 2009: Obtained Consensual Management & Leasing Control
- ◆ Jan. 2010: Foreclosure to be Consummated
- ◆ Restructuring & Increasing Term on Mortgage Loan
- ◆ Gross Basis Net of Reserves: \$180M (\$172 PSF)\*
- ◆ \$56.5M of Reserves Available to Lease & Reposition the Property
- ◆ Will Employ Proven Downtown Repositioning Formula
  - ◆ 90 Broad St., 125 Broad St., & 17 Battery

\* Post Foreclosure

# 100 Church St.

## Weaknesses

- ◆ Prior Ownership
- ◆ Proximity to Trade Center Construction Zone
- ◆ Physical Appearance of Lobby
- ◆ Modest Ceiling Heights
- ◆ Market Risk of Future Competitive Inventory

## Strengths

- ◆ Large, Efficient Floor Plates
- ◆ Convenience to Mass Transportation
- ◆ Proximity to Tribeca
- ◆ Limited Big Block Competition
- ◆ Majority of Capital Program Already Complete
- ◆ Reputation of SLG
- ◆ Competitive Pricing

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# 100 Church St. Repositioning Action Plan

## Create a Strong First Impression

- ◆ Lobby Redesign
- ◆ Upgrade Building Entrance
- ◆ Add Messenger Center
- ◆ Complete Window Replacement Program
- ◆ Renovate Bathrooms
- ◆ Implement SLG Property Management Standards

## Leasing Strategy

- ◆ Introduce Building as Part of the SLG Portfolio
- ◆ Intensive Outreach to Brokerage & Tenant Communities
- ◆ Develop Building Identity
- ◆ “White Box” Show Floors
- ◆ Prepare Collateral Marketing Material
- ◆ Direct Mail, Electronic Marketing, Advertising
- ◆ Host Broker Breakfast/Lunch
- ◆ Tenant Canvassing Campaign
- ◆ Continually Re-Affirm SLG Commitment to Building

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# Accounting for 100 Church

**CURRENT:** Structured Finance investment on non-accrual with a carrying value of ~\$40.9M\*

**UPON FORECLOSURE: Unconsolidated JV**

- ◆ 50/50 Joint Venture
- ◆ Reclassified from **Structured Finance** to **Investment in Joint Ventures**
- ◆ SLG's pro rata share of JV income recognized in **Income from Unconsolidated JV's**

**CAVEAT:** If SLG were to buy out the JV partner or take disproportionate control of the venture, SLG would consolidate the investment and follow purchase accounting

\*As of Sept. 30, 2009

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# Special Servicing

# Green Loan Services Overview

- ◆ Wholly owned subsidiary of SL Green
- ◆ Utilizes SLG's asset management platform to monitor performance and credit risk, provide analysis, create business plans, & implement workout strategies
- ◆ SLG Management Team has 10+ Yrs Workout Experience/Person
- ◆ GLS has provided Asset Management & Special Servicing responsibilities to:
  - ◆ SL Green Structured Finance (\$2.2B - 78 positions)
  - ◆ Gramercy Capital Corp. (\$5.8B – 150 positions)
  - ◆ Institutional Third Parties (\$1.0B Debt + Equity Joint Ventures)
- ◆ GLS & SLG have managed approximately \$4.0B (by UPB, \$24.1B total cap stack) of loan workouts, restructurings, and other special servicing assignments covering 61 loan positions



# Current Servicing Book & Fees

- ◆ GLS is currently special servicing 12 loans totaling \$1.65B UPB
- ◆ Fees Estimated to be Received FY 2009: \$5.21M
- ◆ Expected Fees 2010\*: \$10.0M
- ◆ Case Studies:
  - ◆ 17 Battery
  - ◆ Beacon Portfolio



*\*Based on existing special servicing loans only; does not assume full recovery of all positions in determining resolution fee.*

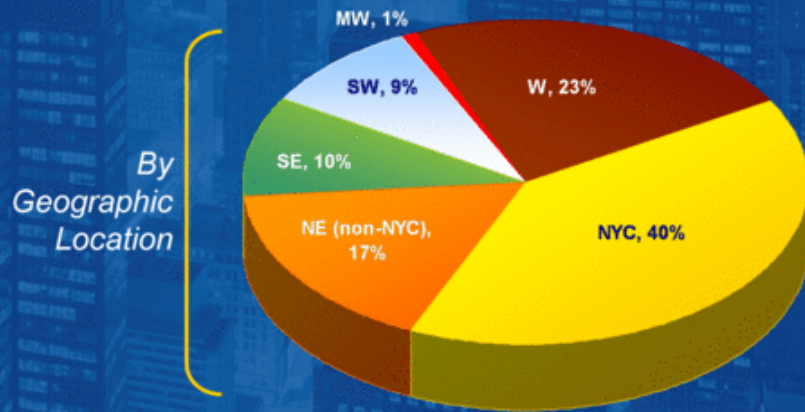
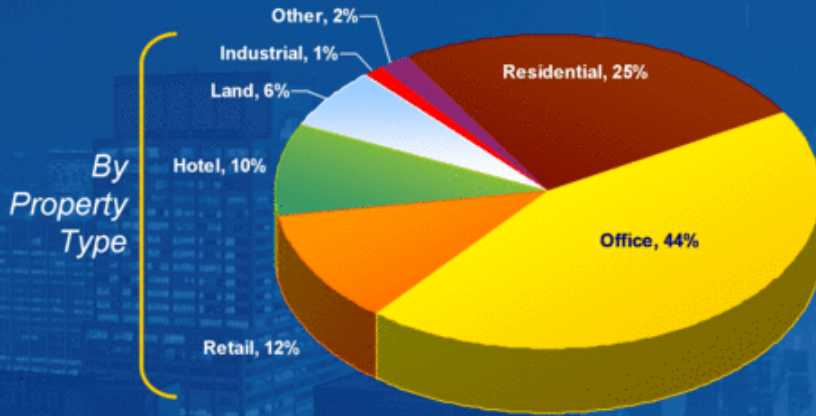
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## Rating Chronology

- ◆ **May 2005:** Initial Standard & Poor's rating
- ◆ **May 2009:** Standard & Poor's Upgrade to Above Average
- ◆ **June 2009:** Fitch issues initial rating of CLLSS2-
  - ◆ The first & to date only such large loan designation issued
  - ◆ Fitch rating allows GLS to service large loans within securitization pools

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# Property Type & Geographic Diversity



# Top Tier Partners & Clients



**LUBERT-ADLER**  
REAL ESTATE FUNDS

Morgan Stanley



**Prudential**



**CERBERUS**  
CAPITAL MANAGEMENT, L.P.



**GRAMERCY CAPITAL CORP.**



**THE CARLYLE GROUP**



**SITQ**

Caisse de dépôt et placement  
du Québec



Caisse de dépôt et placement  
du Québec



**CREDIT SUISSE**



**NORMANDY**  
REAL ESTATE PARTNERS

**FIVE  
MILE**

**LEHMAN BROTHERS**

The image features a blue-tinted background of a city skyline with various skyscrapers. A central horizontal band, outlined in yellow, contains the title 'Real Estate Taxes' in a large, bold, white sans-serif font.

# Real Estate Taxes

# NYC Real Estate Taxes

- ◆ SLG's Largest Operating Expense in 2009 are Real Estate Taxes: \$200M
- ◆ Despite Reductions in Rents & Property Values, RE Taxes are Generally Not Falling – Why???
  - ◆ NYC increases RE Taxes to balance its budget
  - ◆ NYC sets Market Values (MV) based upon 2 yr. old data and changes in MV are phased in over 5 years
- ◆ **2009/2010 RE Taxes Are Based Upon 2007/08 Market High Rents & Property Values - NOT current market conditions**

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## Determining NYC RE Taxes

- 1) RE Taxes based upon a building's "Market Value" (MV)
  - ◆  $MV = NOI / NYC \text{ Cap Rate}$
  - ◆ *Cap rates based on NYC Guidelines (not sale price) differ dramatically from the marketplace*
  - ◆ *Vary year-to-year & by submarket*
- 2) **MV x 45% = Actual "Assessed Value" (AV)**
  - ◆ Changes in AAV (↑ or ↓) are phased in over 5 yrs = "Transitional Assessed Value" (TAV)
  - ◆ *Rationale: In ↑ markets owners are protected from sharp increases in taxes & In ↓ markets NYC is protected from steep declines in tax revenue*
- 3) **NYC Tax Rate x lower of the AAV or TAV = Annual Tax Bill**
  - ◆ *NYC's tax rate varies from year-to-year based upon NYC's budget needs*

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# Case Study

NOI	\$20.9M
Cap Rate (Base)	8.3%
Effective Tax Rate	4.5%
Overall Cap Rate	12.8%
Market Value* (NOI/Overall Cap)	\$163.0M
Actual AV (45%)	\$73.4M
Transitional AV	\$69.6M
Tax Rate	10.2%
<b>Real Estate Tax</b>	<b>\$7.1M</b>

\*For tax assessment purposes only

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# Historical Case Study



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# *Aggressive Management of Tax Process*

- ◆ Calculate NOI for Purposes of Reporting Cap Income
- ◆ Effectively Utilize tax incentive programs
- ◆ Present updated financial information when material changes occur
- ◆ Aggressively contest assessments at every stage of the process

# *Structuring Leases to Maximize Recoveries*

- ◆ Require Tenants to Pay Proportionate Share of tax increases
- ◆ Carefully select base tax years in tenant leases
- ◆ Require tenants to conform to tax incentive programs
- ◆ Adjust base tax years downward to increase recoveries



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# *Results Speak for Themselves*

## *For the Calendar Year 2009*

- ✓ Obtained higher than average reductions in assessed values totaling \$78M YTD
- ✓ Achieved tax savings from incentive programs totaling \$33M Recognized Over Time
- ✓ Recovered 89% of real estate tax increases incurred



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# Aqueduct

## *Compelling NYC Opportunity*

- ◆ Unique Gaming, Entertainment & Retail Opportunity
- ◆ Largest Redevelopment Site in NYC
- ◆ Leverages SLG's Development & Retail Experience, Expertise & Franchise
- ◆ High Potential Returns Relative to Capital Investment
- ◆ Project is Shovel Ready



# *Most Qualified Team*

## ◆ *Only True NY Team*

- ◆ SL Green Realty – Sponsor & Developer
- ◆ Hard Rock – Gaming Operator & Branding
- ◆ Robert L. Johnson - Founder of BET & Successful Entertainment & Sports Marketing Entrepreneur
- ◆ Jeff Gural, CEO of NY based Newmark Knight Frank & Owner of Other NY based Racinos
- ◆ Dan Tishman, Chairman of NY based Tishman Construction - The World's Leading Gaming Construction Company
- ◆ NY based Asset Management Firm

# *Bid Highlights*

- ◆ \$300M Payment to the New York State
  - ◆ \$200M Upfront Payment
  - ◆ \$100M Additional Payments to be Paid Out Over Time Subject to Certain Conditions
- ◆ \$300M - \$400M Gaming Facility
  - ◆ \$250M of Which is Funded by NY State Bond Issuance
- ◆ Long-Term Ground Lease for Additional Development Opportunities

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# *Aqueduct*



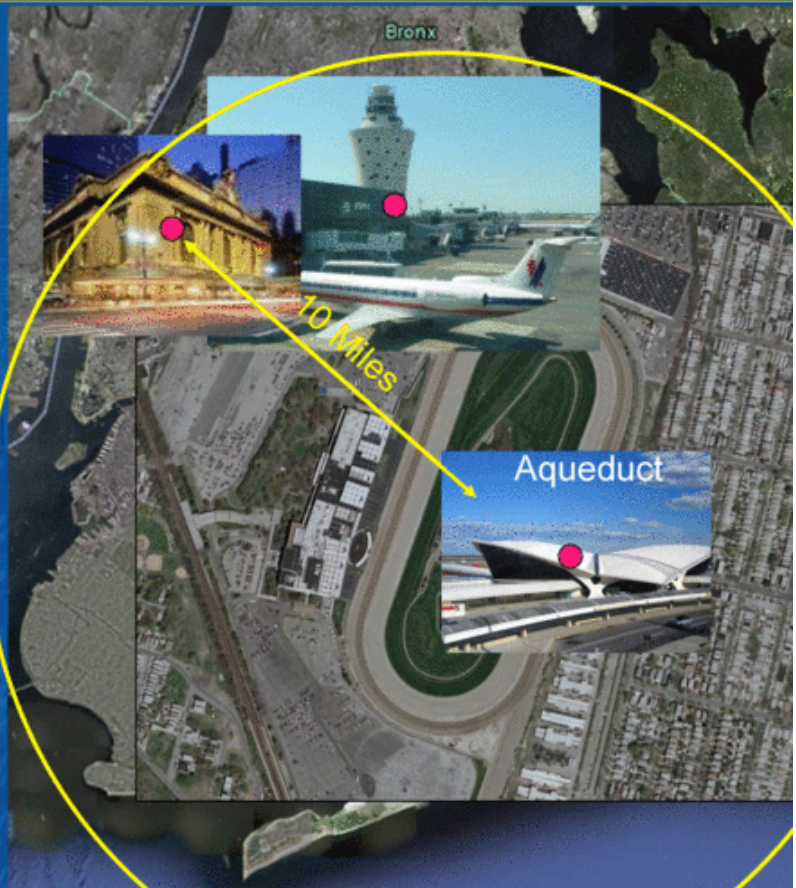
# Aqueduct



# Aqueduct

## In a recent study:

- 67% residents want a NY based developer
- 84% residents want an experienced casino operator
- 60% residents favor Hard Rock
- Local market potential 16MM



# Aqueduct



# Aqueduct

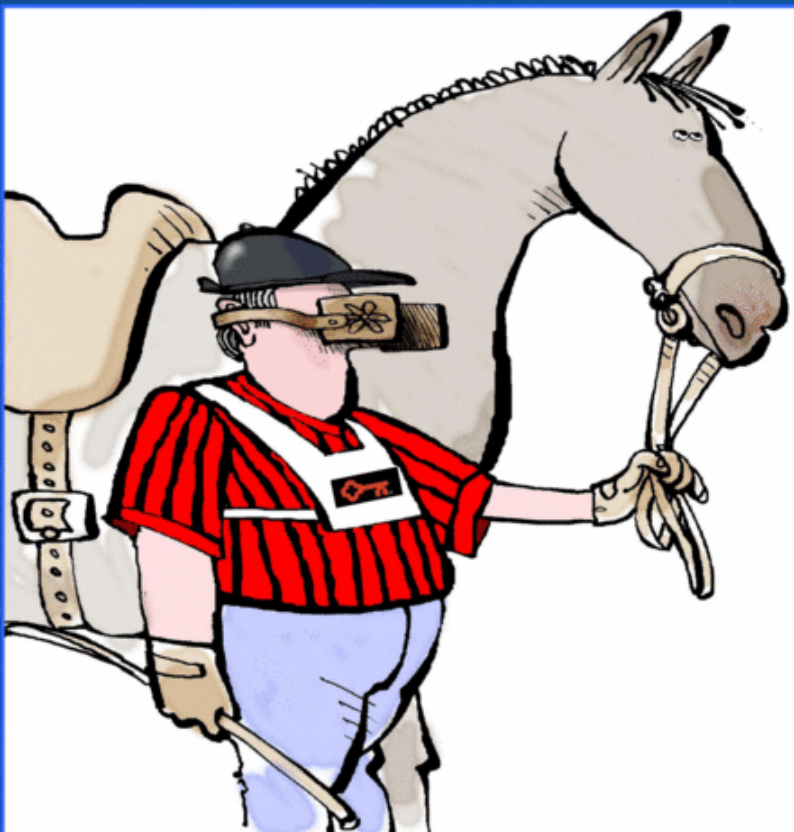


# Aqueduct



# Financial

## Don't "Sadler" Up with *Blinders On*



April Fools Day 2009:

Analyst Price Target –  
\$8.00/share

SLG Cash on Hand -  
\$8.92/share

*"Too Hot to Handle"*

*"Mired in complexity"*

*"Options cancellation is a  
head scratcher"*

## ***Strengthening & Simplifying The Balance Sheet***

- ◆ Repurchased or repaid over \$1.0B of unsecured corporate debt since Oct 2008, recognizing economic gains of \$208M
- ◆ Issued \$405M of Common Stock in May 2009
- ◆ Retained an additional \$165M of cash flow through strategic dividend management
- ◆ Refinanced and/or expanded 4 first mortgages totaling \$544M
- ◆ Maintain over \$750M of cash on hand
- ◆ Reduced structured finance balances by over \$132M
- ◆ Sold 2 suburban properties for gross proceeds totaling \$259.8M

# 2009 Capital Raising Efforts

	Gross Proceeds* (in 000's)
▪ Sold 19.55M shares of common stock at \$20.75 per share	\$405,000
▪ Sold structured finance investments	58,500
▪ Sold 2 suburban office properties	259,800
▪ Increased internally retained cash flow by reducing the annual common dividend to \$0.40/share	165,000
▪ Expanded the existing financing at 625 Madison Avenue	40,000
▪ Refinanced the first mortgage at 100 Park Avenue	225,000
▪ Refinanced the first mortgage at 420 Lexington Avenue	145,000
▪ Refinanced the first mortgage at 1551-1555 Broadway	133,600
	<b>\$1,431,900</b>

\*Gross of transaction costs and JV partner interests

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## SLG Has Substantially Deleveraged Over the Last 12 Months

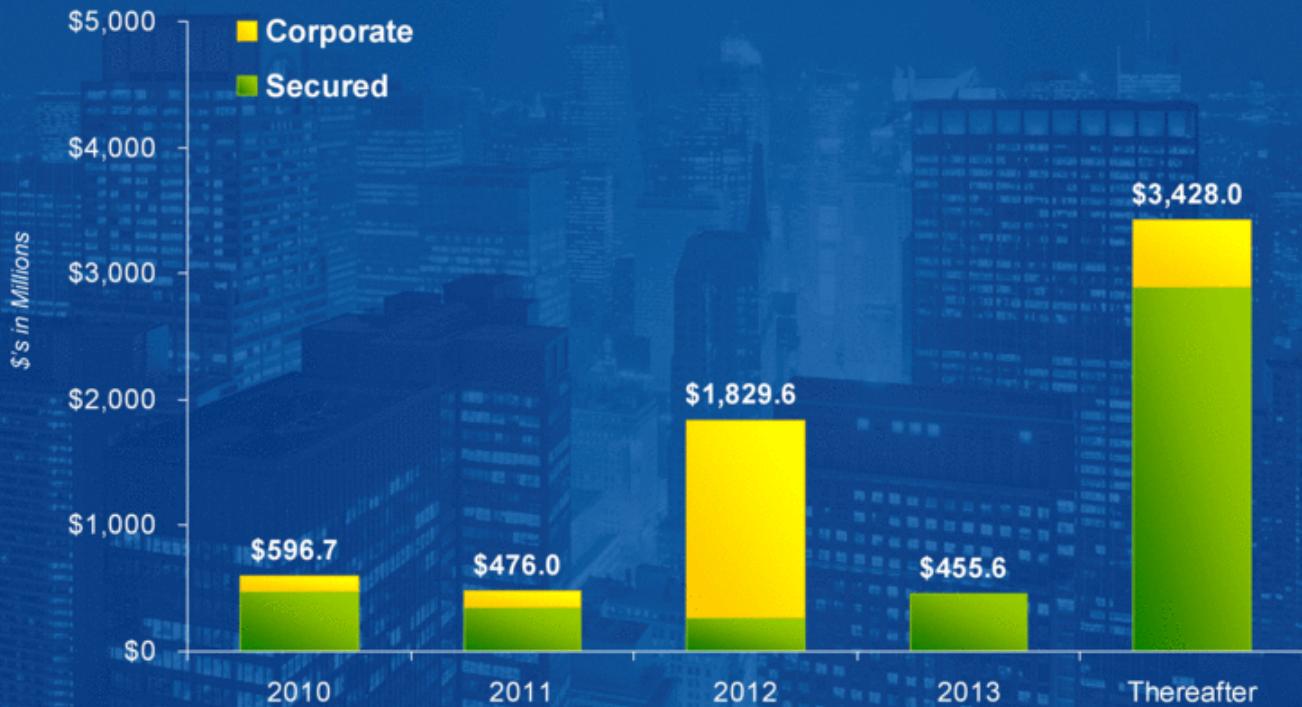
(\$ in 000's)	Face Amount	Purchase/ Repayment Price	Gain	YTM
4.00% Convertible Notes due 2025	\$171,482	\$149,034	\$22,448	14.1%
3.00% Convertible Notes due 2027	559,455	384,564	174,891	16.8%
Senior Unsecured Line of Credit	45,424	37,742	7,682	11.9%
5.15% Unsecured Notes due 2011	26,393	23,633	2,760	10.0%
7.75% Unsecured Notes due 2009	200,000	200,000	-	-
	<b>\$1,002,754</b>	<b>\$794,973</b>	<b>\$207,781</b>	<b>15.7%</b>

\*Data as of Sept. 30, 2009

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# Debt Maturities



\*Data as of Sept. 30, 2009 Pro forma for 100 Church St.

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# Credit Considerations

	SLG	ROP (BB+)	VNO (BBB)	BXP (A-)	BPO (BBB)	BDN (BBB-)	CLI (BBB)
Occupancy	94.5%	94.7%	93.2%	92.1%	93.7%	83.0%	90.0%
Unencumbered SF	8.3M	5.0M	19.3M	21.3M	1.3M	NR	24.7M
Unencumbered SF as a % of Total SF	37.0%	83.8%	27.2%	65.2%	5.6%	NR	79.91%
% Lease Roll in the Next 5 Years	33.5%	36.9%	36.6%	45.7%	47.9%	72.1%	57.9%
Average In-Place Lease Term	7.8 yrs.	7.8 yrs.	7.3 yrs.	6.2 yrs.	6.0 yrs.	3.6 yrs.	5.0 yrs.

Data as of 9/30/09

SOURCE: Bank of America Merrill Lynch & Peer Public Information

NR = Not reported

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# Key Financial Covenants

## Unsecured Credit Facility

Ratios	Covenant	SLG 9/30/09	ROP (BB+)	VNO (BBB)	BXP (A-)	BPO (BBB)	BDN (BBB-)	CLI (BBB)
Total Debt/Total Assets	< 60%	47.7%*	22.2%	40.0%	44.8%	55.0%	49.7%	39.8%
Fixed Charge Coverage	> 1.50x	2.71x	2.98x	2.15x	2.83x <sup>(1)</sup>	1.91x	2.06x	2.97x
Secured Debt/Total Assets	< 50%	24.7%*	5.6%	27.0%	24.2%	NR	13.7%	12.9%
Unsecured Debt/Unencumbered Assets	< 60%	49.3%*	29.8%	30.0%	36.0%	NR	49.3%	NR
Unencumbered Interest Coverage	> 1.75x	3.08x	2.33x	2.93x	NR	NR	2.32x	NR

Data as of 9/30/09

<sup>(1)</sup>Reported as interest coverage

SOURCE: Bank of America Merrill Lynch & Peer Public Information

NR = Not reported

# Unencumbered Asset Pool



**8.3M Unencumbered SF & \$211M NOI<sup>(1)</sup>**



(1) Reflects 2010 Projected GAAP NOI  
(2) Not included in Reckson Operating Partnership

# Guidance

# FFO Composition

	2009: \$4.42*		2010: \$4.00*
Property NOI – Wholly Owned	\$6.78	→ Same store NOI flat ↓ 7% increase in real estate taxes and utilities	\$6.16
Property NOI – Joint Venture	\$3.13	→ Same Store NOI flat ↓ Vacancy at 800 Third Ave. & 1221 AoA ↓ 7% increase in real estate taxes and utilities	\$2.87
Structured Finance & Other	\$1.13	↓ No promotes or gains assumed ↓ Reduced SF balances and additional non-accrual loans	\$0.74
Interest & Preferred Dividends	\$(4.83)	↑ Increasing LIBOR ↓ Repurchase or repayment of recourse debt	\$(4.82)
Reserves Net of Bond Gains	\$(0.76)	→ \$10M - \$20M of potential reserves in 4Q09	\$-
G&A	\$(1.03)	↓ Reduced incentive compensation ↓ Renewal of Employment Agreements	\$(0.95)
Weighted Average Shares	71,947		79,217

\*Midpoint of Management's Guidance

A reconciliation to the most directly comparable GAAP financial measure is contained in the Company's current report on form 8-K to which this presentation is attached as an exhibit

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# 2010 FAD & CAD Analysis

(\$ in 000's except per share data)

Per Share

Run Rate Earnings	\$317,000	\$4.00*
Less Non Cash Actg Adj (SL, 141, Def Fin Costs, Non-cash Comp)	(\$34,000)	(\$0.43)
	\$283,000	\$3.58
Second Cycle TI & LC and Recurring Cap Ex	(\$107,000)	(\$1.35)
FAD	\$176,000	\$2.23
First Cycle Capital	(\$14,000)	(\$0.18)
Redevelopment	(\$7,000)	(\$0.09)
CAD	\$155,000	\$1.96

\*Midpoint of Management's Guidance

A reconciliation to the most directly comparable GAAP financial measure is contained in the Company's current report on form 8-K to which this presentation is attached as an exhibit

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# Taxable Income per Share

(\$ in 000's except per share)

2009 (Est)

2010 (Est)

2011 (Est)

2012 (Est)

**ESTIMATED Taxable Income**

\$55M

\$30M – 35M

\$30M – 60M

\$30M - 80M

**Taxable Income/Share - High**

\$0.95

\$0.40

\$0.75

\$1.00

**Taxable Income/Share - Low**

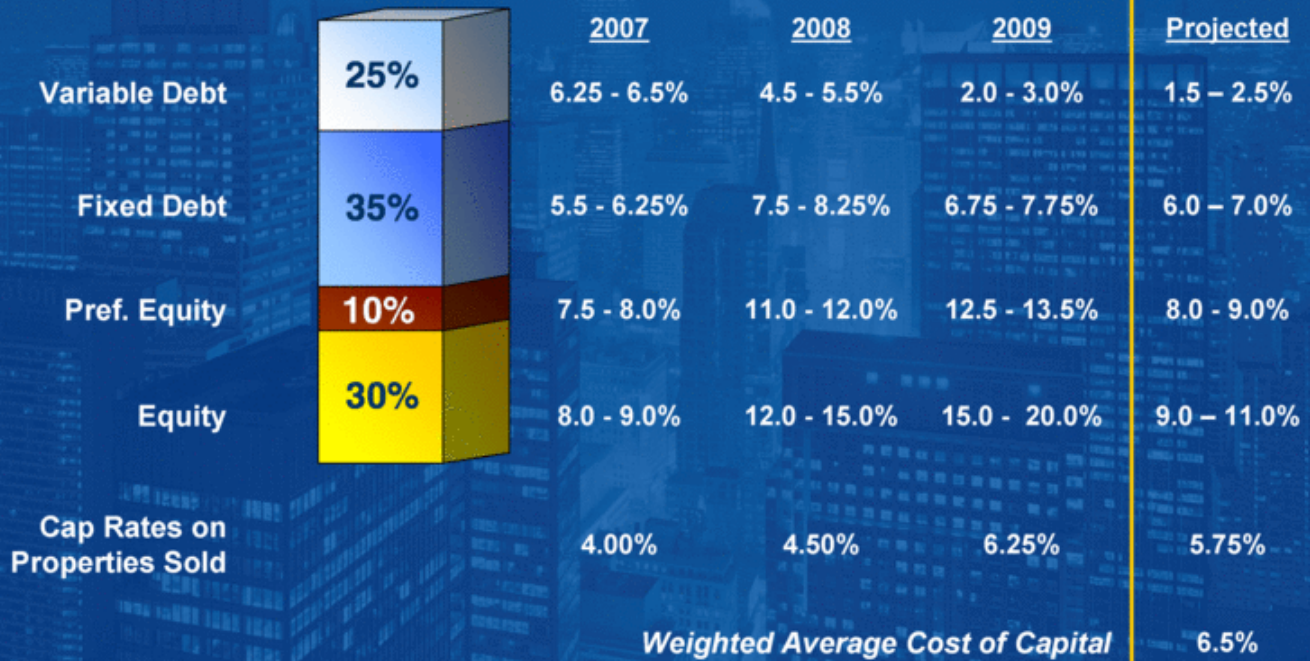
\$0.95

\$0.40

\$0.40

\$0.40

# Cost of Capital\*



\*Management estimates

# 2009 Goals & Objectives

# Implied Cap Rate & Cost Per Square Foot

	12/4/09		
<i>Per Share Price</i>	<b>\$47.97</b>	<b>\$71.00</b>	<b>\$60.30</b>
<b>Total Enterprise Value (in mm's)</b>	<b>\$11,491</b>	<b>\$13,316</b>	<b>\$12,492</b>
Suburban Properties	\$(864)	\$(864)	\$(864)
Retail Properties	\$(296)	\$(296)	\$(296)
Structured Finance @ Book	\$(592)	\$(592)	\$(592)
Other (Fee Interests, Land, Air Rights, etc.)	\$(857)	\$(857)	\$(857)
Cash	\$(778)	\$(778)	\$(778)
Residual Value Implied for New York Assets	\$8,104	\$9,929	\$9,105
<b>Implied Cap Rate Based on Cash NOI</b>	<b>6.8%</b>	<b>5.5%</b>	<b>6.0%</b>
<b>Implied NYC Property Value PSF</b>	<b>\$464</b>	<b>\$569</b>	<b>\$521</b>

Incorporates management estimates

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# 2010 Goals & Objectives

- ◆ Sign >1.5M SF of NYC Leasing
- ◆ Source \$250M of New Investment Opportunities
- ◆ Reposition 1515 Broadway Retail
- ◆ Refinance Maturing Indebtedness on 1515 Broadway
- ◆ Maintain NYC Portfolio Occupancy of >94%
- ◆ Complete Repositioning & Leasing of 333 W. 34<sup>th</sup> St.
- ◆ Complete Foreclosure & Commence Repositioning of 100 Church St.
- ◆ Maintain Floor Liquidity of \$350M of Unrestricted Cash
- ◆ Achieve Mark-to-Market on New NYC Leases of -5% to +5%
- ◆ Be Awarded the Aqueduct VLT Franchise
- ◆ Upgrade Rating of ROP
- ◆ Term Out >\$200M of Maturing Unsecured Debt
- ◆ Generate Free Cash Flow >\$125M
- ◆ Finish in Top Quartile of Peer Group Total Return to Shareholders

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# Q & A





**SL GREEN**  
REALTY CORP.

**2009**

**Annual Investor Conference  
& Property Tour**