

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A No. 1

CURRENT REPORT

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

Date of Report (Date of earliest event reported): September 15, 1997

SL GREEN REALTY CORP.
(Exact name of Registrant as specified in its Charter)

Maryland
(State of Incorporation)

1-13199
(Commission File Number)

13-3956775
(IRS Employer Id. Number)

70 West 36th Street
New York, New York
(Address of principal executive offices)

10018
(Zip Code)

(212) 594-2700
(Registrant's telephone number, including area code)

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant hereby amends the following items, financial statements, exhibits or other portions of its Current Report on Form 8-K, dated September 15, 1997, as set forth in the pages attached hereto.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) and (b) FINANCIAL STATEMENTS OF PROPERTY ACQUIRED AND PRO FORMA FINANCIAL INFORMATION

UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

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(c) EXHIBITS

None

SIGNATURES

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

SL GREEN REALTY CORP.

By: /s/ David J. Nettina

David J. Nettina
Executive Vice President, Chief Operating
Officer and Chief Financial Officer

Date: November 12, 1997

PRO FORMA COMBINED FINANCIAL STATEMENTS
(UNAUDITED)

The pro forma balance sheet of the Company as of June 30, 1997 has been prepared as if the Company's initial public offering of common stock (including the exercise of the underwriters over-allotment option (the "shoe") totaling 1,515,000 additional common shares, the "Offering"), the Formation Transactions effected in connection with the Offering (the "Formation Transactions") and the purchase of the property located at 110 East 42nd Street had been consummated on June 30, 1997. The pro forma statements of income for the six months ended June 30, 1997 and for the year ended December 31, 1996 are presented as if the completion of the Offering, the Formation Transactions and the purchase of the property located at 110 East 42nd Street occurred at January 1, 1996 and the effect thereof was carried forward through the six month period ended June 30, 1997.

The pro forma financial statements do not purport to represent what the Company's financial position or results of operations would have been assuming the completion of the Formation Transactions and the Offering on such date or at the beginning of the period indicated, nor do they purport to project the Company's financial position or results of operations at any future date or for any future period. The pro forma combined financial statements should be read in conjunction with the combined financial statements of SL Green Predecessor included in the Company's registration statement on Form S-11 (333-29329) dated August 14, 1997.

SL GREEN REALTY CORP.

PRO FORMA COMBINED BALANCE SHEET

AS OF JUNE 30, 1997

(UNAUDITED)

(DOLLARS IN THOUSANDS)

	SL GREEN PREDECESSOR HISTORICAL (A)	ACQUISITION OF PARTNERSHIPS' INTERESTS (B)	EQUITY CONVERSION OF SERVICE CORPORATIONS (C)	THE OFFERING (D)	ACQUISITION PROPERTIES (E)	FINANCING ADJUSTMENTS (F)	PRO FORMA ADJUSTMENTS (G)
ASSETS :							
Commercial real estate property at cost.....							
Land.....	\$ 7,719	\$ 4,079			\$ 22,267		\$ 60
Buildings and improvements....	35,186	70,523			89,170		229
Property under capital lease..		12,208			4,592		
	42,905	86,810			116,029		289
Less accumulated depreciation.....	(6,251)	(14,638)					
	36,654	72,172			116,029		289
Cash and cash equivalents.....	1,221	(6,434)	\$ (529)	\$ 222,958	(103,597)	\$ (45,678)	(21,691)
Restricted cash.....	1,685	2,305					
Receivables.....	1,107	12	(944)				
Related party receivables....	1,658	26	(783)				
Deferred rents receivable....	1,383	9,690					
Investment in Partnerships.....	1,176	(1,176)					
Service corporations.....			1,008				
Deferred lease fees and loan costs.....	1,561	2,887	(214)			(107)	
Other assets.....	2,319	2,792	(657)		1,560		
Total assets.....	\$ 48,764	\$ 82,274	\$ (2,119)	\$ 222,958	\$ 13,992	\$ (45,785)	\$ (21,402)
LIABILITIES AND EQUITY :							
Mortgage loans payable.....	\$ 26,646	\$ 57,725				\$ (37,638)	
Accrued interest payable.....	109	10,851				(10,863)	
LBHI loan payable.....	7,000	530			\$ 9,400	(16,930)	
Capitalized lease obligations.....		14,374			4,592		
Deferred land lease payable...		12,021					
Accrued expenses and accounts payable.....	1,171	576	\$ (768)				
Accounts payable to related parties.....	1,298	503	(1,298)				
Excess of distributions and share of losses over amounts invested in:							
Partnerships.....	18,007	(18,007)					
Security deposits.....	1,683	2,390					
Total liabilities.....	55,914	80,963	(2,066)		13,992	(65,431)	
Minority interest in Operating Partnership.....							
Common stock.....				\$ 123			\$ 1
Additional paid-in capital....							
Owners' equity (deficit).....	(7,150)	1,311	(53)	222,835		19,646	(21,403)
Total equity.....	(7,150)	1,311	(53)	222,958		19,646	(21,402)
Total liabilities and equity.....	\$ 48,764	\$ 82,274	\$ (2,119)	\$ 222,958	\$ 13,992	\$ (45,785)	\$ (21,402)

	MINORITY INTEREST IN OPERATION PARTNERSHIP ADJUSTMENT (H)	COMPANY PRO FORMA	PURCHASE OF 110 EAST 42ND STREET (I)	COMPANY PRO FORMA AS ADJUSTED
ASSETS :				
Commercial real estate property at cost.....				
Land.....		\$ 34,125	\$ 6,017	\$ 40,142
Buildings and improvements....		195,108	24,092	219,200
Property under capital lease..		16,800		16,800
		246,033	30,109	276,142
Less accumulated				

depreciation.....		(20,889)		(20,889)
		-----	-----	-----
Cash and cash equivalents.....		225,144	30,109	255,253
Restricted cash.....		46,250	(28,109)	18,141
Receivables.....		3,990		3,990
Related party receivables.....		175		175
Deferred rents receivable.....		901		901
Investment in		11,073		11,073
Partnerships.....		0		0
Service corporations.....		1,008		1,008
Deferred lease fees and loan				
costs.....		4,127		4,127
Other assets.....		6,014	(2,000)	4,014
		-----	-----	-----
Total assets.....		\$ 298,682	\$ 0	\$ 298,682
		-----	-----	-----
LIABILITIES AND EQUITY :		-----	-----	-----
Mortgage loans payable.....	\$	46,733		\$ 46,733
Accrued interest payable.....		97		97
LBHI loan payable.....		0		0
Capitalized lease				
obligations.....		18,966		18,966
Deferred land lease payable...		12,021		12,021
Accrued expenses and accounts				
payable.....		979		979
Accounts payable to related				
parties.....		503		503
Excess of distributions and				
share of losses over amounts				
invested in:				
Partnerships.....		0		0
Security deposits.....		4,073		4,073
		-----	-----	-----
Total liabilities.....		83,372		83,372
		-----	-----	-----
Minority interest in Operating				
Partnership.....	\$	34,860	34,860	34,860
Common stock.....		124		124
Additional paid-in capital....		180,326		180,326
Owners' equity (deficit).....		(215,186)	0	0
		-----	-----	-----
Total equity.....		(34,860)	180,450	180,450
		-----	-----	-----
Total liabilities and				
equity.....	\$	0	\$ 298,682	\$ 298,682
		-----	-----	-----

SL GREEN REALTY CORP.

PRO FORMA COMBINED INCOME STATEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 1997

(UNAUDITED)

(DOLLARS IN THOUSANDS)

	SL GREEN PREDECESSOR HISTORICAL (J)	ACQUISITION OF PARTNERSHIPS' INTERESTS (K)	EQUITY CONVERSION SERVICE CORPORATIONS (L)	ACQUISITION PROPERTIES (M)	FINANCING ADJUSTMENTS (N)	PRO FORMA ADJUSTMENTS
REVENUES:						
Rental revenue.....	\$ 2,800	\$ 10,579		\$ 9,639		
Escalations and reimbursement revenues.....	456	725		1,293		
Management revenues....	966		\$ (966)			
Leasing commissions....	3,088		(1,563)			
Construction revenues...	8		(8)			
Investment income.....						
Other income.....	16		(11)	1,532		
Equity in Service Corporations income.....			382			
Total revenues.....	7,334	11,304	(2,166)	12,464		
Share of net loss from uncombined joint ventures.....	564	(564)				
EXPENSES:						
Operating expenses.....	1,625	2,099	(696)	2,683		
Ground rent.....		1,938				
Interest.....	713	4,163		189	\$ (2,079)	
Depreciation and amortization.....	599	1,939	(47)	1,146	(10)	\$ 3(P)
Real estate taxes.....	482	1,461		2,135		
Marketing, general and administrative.....	1,835		(1,235)			828(Q)
Total expenses.....	5,254	11,600	(1,978)	6,153	(2,089)	831
Income (loss) before minority interest and extraordinary item.....	1,516	268	(188)	6,311	2,089	(831)
Minority interest in operating partnership.....						(1,485)(R)
Income (loss) before extraordinary item.....	\$ 1,516	\$ 268	\$ (188)	\$ 6,311	\$ 2,089	\$ (2,316)
Income per common share (S).....						

	COMPANY PRO FORMA	110 EAST 42ND STREET (O)	COMPANY PRO FORMA AS ADJUSTED
REVENUES:			
Rental revenue.....	\$ 23,018	\$ 2,353	\$ 25,371
Escalations and reimbursement revenues.....	2,474	354	2,828
Management revenues.....	0		0
Leasing commissions.....	1,525		1,525
Construction revenues.....	0		0
Investment income.....			
Other income.....	1,537	10	1,547
Equity in Service Corporations income.....	382		382
Total revenues.....	28,936	2,717	31,653
Share of net loss from uncombined joint ventures.....	0		0
EXPENSES:			
Operating expenses.....	5,711	1,135	6,846
Ground rent.....	1,938		1,938
Interest.....	2,986		2,986
Depreciation and amortization.....	3,630	301	3,931
Real estate taxes.....	4,078	706	4,784
Marketing, general and			

administrative.....	1,428	59	1,487
Total expenses.....	19,771	2,201	21,972
Income (loss) before minority interest and extraordinary item.....	9,165	516	9,681
Minority interest in operating partnership.....	(1,485)		(1,485)
Income (loss) before extraordinary item.....	\$ 7,680	\$ 516	\$ 8,196
Income per common share (R).....	\$ 0.62		\$ 0.67

SL GREEN REALTY CORP.

PRO FORMA COMBINED INCOME STATEMENT

FOR THE YEAR ENDED
DECEMBER 31, 1996
(UNAUDITED)
(DOLLARS IN THOUSANDS)

	SL GREEN PREDECESSOR HISTORICAL (A)	ACQUISITION OF PARTNERSHIPS' INTERESTS (B)	EQUITY CONVERSION OF SERVICE CORPORATIONS (C)	ACQUISITION PROPERTIES (D)	FINANCING ADJUSTMENTS (E)	PRO FORMA ADJUSTMENTS (G)
REVENUES:						
Rental revenue.....	\$ 4,199	\$ 20,985		\$ 19,154		
Escalations and reimbursement revenues.....	1,051	2,304		3,274		
Management revenues.....	2,336		\$ (2,336)			
Leasing commissions.....	2,372		(1,115)			
Construction revenues.....	101		(101)			
Investment income.....		15				
Other income.....	123	13	(92)	906		
Equity in Service Corporations income.....						
Total revenues.....	10,182	23,317	(3,644)	23,334		
Share of net loss from uncombined joint ventures.....	1,408	(1,408)	504			
EXPENSES:						
Operating expenses.....	3,197	4,608	(1,522)	6,016		
Ground rent.....		3,925				
Interest.....	1,357	7,743		379	\$ (3,621)	
Depreciation and amortization.....	975	3,812	(92)	2,292	(13)	\$ 5
Real estate taxes.....	703	3,189		4,356		
Marketing, general and administrative.....	3,250		(2,264)			1,657
Total expenses.....	9,482	23,277	(3,878)	13,043	(3,634)	1,662
Income (loss) before minority interest and extraordinary item...	(708)	1,448	(270)	10,291	3,634	(1,662)
Minority interest in Operating Partnership (H).....						(2,063)
Income (loss) before extraordinary item.....	\$ (708)	\$ 1,448	\$ (270)	\$ 10,291	\$ 3,634	\$ (3,725)
Income per common share(I).....						

	COMPANY PRO FORMA	110 EAST 42ND STREET (F)	COMPANY PRO FORMA AS ADJUSTED
REVENUES:			
Rental revenue.....	\$ 44,338	\$ 4,507	\$ 48,845
Escalations and reimbursement revenues.....	6,629	520	7,149
Management revenues.....			
Leasing commissions.....	1,257		1,257
Construction revenues.....	0		0
Investment income.....	15		15
Other income.....	950	16	966
Equity in Service Corporations income.....			
Total revenues.....	53,189	5,043	58,232
Share of net loss from uncombined joint ventures.....	504		504
EXPENSES:			
Operating expenses.....	12,299	2,248	14,547
Ground rent.....	3,925		3,925
Interest.....	5,858		5,858
Depreciation and amortization.....	6,979	602	7,581
Real estate taxes.....	8,248	1,422	9,670
Marketing, general and administrative.....	2,643	102	2,745
Total expenses.....	39,952	4,374	44,326
Income (loss) before minority interest and extraordinary item...	12,733	669	13,402
Minority interest in Operating Partnership (G).....	(2,063)		(2,063)

Income (loss)			
before extraordinary item.....	\$ 10,670	\$ 669	\$ 11,339
	-----	-----	-----
Income per common share(H).....	\$ 0.87		\$ 0.92
	-----		-----
	-----		-----

SL GREEN REALTY CORP.

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

ADJUSTMENTS TO THE PRO FORMA COMBINED BALANCE SHEET

(A) To reflect the SL Green Predecessor historical combined balance sheet as of June 30, 1997. The real estate and other assets and the assumption of liabilities and deficit of the SL Green Predecessor transferred at their historical amounts to the Operating Partnership.

(B) To reflect 673 First Avenue, 470 Park Avenue South and 29 West 35th Street (the "Equity Properties") as consolidated entities rather than as uncombined joint ventures as a result of the acquisition of 100% of the partnerships' interests and to record payment of transfer costs on the transfer of the properties to the Operating Partnership. The Company accounts for interests acquired from third parties (the other partners), by the purchase method.

	ELIMINATE HISTORICAL AMOUNTS	UNCOMBINED TOTAL	RECLASSIFY AND OTHER	ACQUISITION OF THIRD PARTY PARTNERSHIP INTERESTS		
				673 FIRST AVE	470 PARK AVE	29 WEST 35TH
ASSETS:						
Commercial real estate property at cost, net.....		\$ 57,955		\$ 8,859	\$ 3,106	\$ 2,252
Cash and cash equivalents.....		1,663		(5,449)	(260)	(2,388)
Restricted cash.....		1,305		1,000		
Receivables.....			\$ 12			
Related party receivables.....			26			
Deferred rents receivable.....		14,881		(2,880)	(1,458)	(853)
Investment in partnerships.....	\$ (1,176)					
Deferred lease fees and loan costs.....		4,337		(900)	(395)	(155)
Other assets.....		2,300	492			
Total assets.....	\$ (1,176)	\$ 82,441	\$ 530	\$ 630	\$ 993	\$ (1,144)
LIABILITIES AND EQUITY:						
Mortgage loans payable.....		\$ 63,724		\$ (5,649)	\$ (350)	
Accrued interest payable.....		16,329		(1,834)	(3,644)	
LBHI Loan payable.....			\$ 530			
Capitalized lease obligations.....		14,374				
Deferred land lease payable.....		11,996		25		
Accrued expenses and accounts payable.....		576				
Accounts payable to related parties.....		628			(125)	
Excess of distributions and share of losses over amounts invested in partnerships....	\$ (18,007)					
Security deposits.....		2,390				
Total liabilities.....	(18,007)	110,017	530	(7,458)	(4,119)	
Total equity (deficit).....	16,831	(27,576)		8,088	5,112	\$ (1,144)
Total liabilities and equity.....	\$ (1,176)	\$ 82,441	\$ 530	\$ 630	\$ 993	\$ (1,144)

TOTAL
ADJUSTMENTS

ASSETS:	
Commercial real estate property at cost, net.....	\$ 72,172
Cash and cash equivalents.....	(6,434)
Restricted cash.....	2,305
Receivables.....	12
Related party receivables.....	26
Deferred rents receivable.....	9,690
Investment in partnerships.....	(1,176)
Deferred lease fees and loan costs.....	2,887
Other assets.....	2,792
Total assets.....	\$ 82,274
LIABILITIES AND EQUITY:	
Mortgage loans payable.....	\$ 57,725
Accrued interest payable.....	10,851
LBHI Loan payable.....	530
Capitalized lease obligations.....	14,374
Deferred land lease payable.....	12,021
Accrued expenses and accounts payable.....	576

Accounts payable to related parties.....	503
Excess of distributions and share of losses over amounts invested in partnerships....	(18,007)
Security deposits.....	2,390

Total liabilities.....	80,963

Total equity (deficit).....	1,311

Total liabilities and equity.....	\$ 82,274

The purchase price for each third party interest acquired is as follows:

	CASH	UNITS IN DOLLARS	TOTAL
	-----	-----	-----
673 First Avenue.....	\$ 4,033		\$ 4,033
470 Park Avenue South.....	25	\$ 450	475
29 West 35th Street.....	2,326		2,326
	-----	-----	-----
	\$ 6,384	\$ 450	\$ 6,834
	-----	-----	-----
	-----	-----	-----

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

(C) To reflect adjustments required to record the Company's investments in the Service Corporations pursuant to the equity method of accounting. As a result of the Formation Transactions the Company does not own the majority of the voting stock of the Service Corporations but will continue to exercise significant influence due to the following:

--Substantially all of the economic benefits flow to the Company (who own 100% of the non-voting common stock representing 95% of the total equity).

--The Company and the Service Corporations have common officers and employees.

--The owners of a majority of the voting stock of the Service Corporations have not contributed substantial equity to the Service Corporations.

--The views of the Company's management influence the operations of the Service Corporations.

The adjustment is as follows:

	HISTORICAL SERVICE CORPORATIONS	EQUITY CONVERSION	TOTAL ADJUSTMENT
	-----	-----	-----
ASSETS:			
Cash and cash equivalents.....	\$ 529		\$ (529)
Receivables.....	944		(944)
Related party receivables.....	783		(783)
Deferred lease fees and loan costs.....	214		(214)
Other assets.....	657		(657)
Investment in service corporations.....		\$ 1,008	1,008
	-----	-----	-----
Total Assets.....	\$ 3,127	\$ 1,008	\$ (2,119)
	-----	-----	-----
LIABILITIES AND EQUITY:			
Accrued expenses and accounts payable.....	\$ 768		\$ (768)
Accounts payable to related parties.....	1,298		(1,298)
Excess share of losses over amounts invested in Service Corporations....			
	-----	-----	-----
Total liabilities.....	2,066		(2,066)
Equity.....	1,061	\$ (1,008)	(53)
	-----	-----	-----
Total liabilities and equity.....	\$ 3,127	\$ (1,008)	\$ (2,119)
	-----	-----	-----
Historical equity of service corporations.....	\$ 1,061		

Investment in service corporations at 95 percent interest.....	\$ 1,008		

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

(D) To reflect the issuance of 11,615,000 shares (including the exercise of the shoe totaling 1,515,000 additional common shares) of common stock at price of \$21 per share which is reduced by the underwriting discount of \$15,216, an advisory fee of \$1,591 payable to Lehman Brothers Inc. and other costs of the Offering of \$4,150.

(E) To reflect the acquisition of the respective properties at cost which represents the purchase price plus estimated closing costs of 1372 Broadway, 1140 Avenue of the Americas and 50 West 23rd Street as follows:

	1372 BROADWAY	1140 AVENUE OF THE AMERICAS	50 WEST 23RD STREET	TOTAL ACQUISITION PROPERTIES
ASSETS ACQUIRED				
Land.....	\$ 10,828	\$ 4,242	\$ 7,197	\$ 22,267
Building.....	43,312	17,023	28,835	89,170
Property under capital lease.....		4,592		4,592
Net Property.....	54,140	25,857	36,032	116,029
Other assets-escrow.....			1,560	1,560
	\$ 54,140	\$ 25,857	\$ 37,592	\$ 117,589
SOURCES OF FUNDS				
Cash.....	\$ 47,440	\$ 19,265	\$ 36,892	\$ 103,597
Capitalized lease obligations.....		4,592		4,592
LBHI loan payable.....	6,700	2,000	700	9,400
	\$ 54,140	\$ 25,857	\$ 37,592	\$ 117,589

(F) To reflect the following financing transactions:

- Repayment of certain mortgage loans, payment of prepayment penalties and write off of deferred financing costs.
- Cancellation of portions of mortgage loans and accrued interest due to negotiations with the mortgage holders regarding the value of the collateral and the likelihood of repayment at par of the entire principal amount together with accrued interest.
- Payment of mortgage fees which are capitalized and amortized over the remaining lives of the loans transferred from the SL Green Predecessor to the Company.
- Repayment of portions of the LBHI Loan which were borrowed in connection with the purchase of additional partnership interests and the Acquisition Properties.
- Borrowings under the LBHI Loan to pay a portion of the prepayment penalty on the 1414 Avenue of the Americas mortgage.

SL GREEN REALTY CORP.

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

- Borrowings under a new mortgage loan and the payment of loan fees which will be capitalized and amortized over the life of the loan are summarized as follows:

	673 FIRST AVENUE	470 PARK AVENUE SOUTH	29 WEST 35TH STREET	36 WEST 44TH STREET	70 WEST 36TH STREET	1414 AVENUE OF THE AMERICAS	NEW MORTGAGE LOAN	LBHI LOAN
Cash and cash equivalents.....	\$ (1,389)	\$ (13,162)	\$ (30)	\$ (10,200)	\$ (6,568)	\$ (11,059)	\$ 13,860	\$ (17,130)
Deferred lease fees and loan costs:.....								
Financing costs capitalized...	\$ 390	\$ 111	\$ 30				\$ 140	
Amortization of deferred financing costs.....	(25)	(7)	(4)				(14)	
Deferred financing costs written off.....					\$ (260)	\$ (468)		
Net deferred lease fees and loan costs.....	\$ 365	\$ 104	\$ 26		\$ (260)	\$ (468)	\$ 126	
Mortgage loans payable:								
Loans funded.....							\$ 14,000	
Loans repaid (A).....	\$ (1,000)	\$ (13,042)		\$ (10,200)	\$ (6,568)	\$ (9,878)		
Loans forgiven (B).....	(10,300)	(650)						
Net mortgage loans payable.....	\$ (11,300)	\$ (13,692)		\$ (10,200)	\$ (6,568)	\$ (9,878)	\$ 14,000	
Accrued interest payable:								
Accrued interest paid.....		\$ (9)				\$ (109)		
Accrued interest forgiven (B).....	\$ (3,771)	(6,974)						
Net accrued interest payable.....	\$ (3,771)	\$ (6,983)				\$ (109)		
LBHI loan payable:								
funded.....						\$ 200		
repaid.....								\$ (17,130)
Net LBHI Loan.....						\$ 200		\$ (17,130)
Equity:								
Increase for forgiveness of debt.....	\$ 14,072	\$ 7,624						
Decrease due to buyout of profit participation.....						\$ (1,272)		
Decrease due to deferred loan costs.....					\$ (260)	(468)		
Decrease due to amortization of loan costs.....	(25)	(7)	\$ (4)				\$ (14)	
Net equity.....	\$ 14,047	\$ 7,617	\$ (4)		\$ (260)	\$ (1,740)	\$ (14)	

TOTAL
PRO FORMA
ADJUSTMENT

Cash and cash equivalents.....	\$ 45,678
Deferred lease fees and loan costs:.....	
Financing costs capitalized...	\$ 671
Amortization of deferred financing costs.....	(50)
Deferred financing costs written off.....	(728)
Net deferred lease fees and loan costs.....	\$ (107)

Mortgage loans payable:	
Loans funded.....	\$ 14,000
Loans repaid (A).....	(40,688)
Loans forgiven (B).....	(10,950)

Net mortgage loans payable.....	\$ (37,638)

Accrued interest payable:	
Accrued interest paid.....	\$ (118)
Accrued interest forgiven (B).....	(10,745)

Net accrued interest payable.....	\$ (10,863)

LBHI loan payable:	
funded.....	\$ 200
repaid.....	(17,130)

Net LBHI Loan.....	\$ (16,930)

Equity:	
Increase for forgiveness of debt.....	\$ 21,696
Decrease due to buyout of profit participation.....	(1,272)
Decrease due to deferred loan costs.....	(728)
Decrease due to amortization of loan costs.....	(50)

Net equity.....	\$ 19,646

(A) In anticipation of the establishment of the Credit Facility in order to preserve New York State Tax Mortgage Recording Tax Credits which will mitigate future financing costs of the Company, it is currently expected that Lehman Brothers Holdings Inc. will acquire certain of the mortgage indebtedness and the proceeds from the Offering intended to repay such indebtedness and deposited those proceeds into an escrow account to serve that indebtedness.

(B) In connection with the Formation Transactions, the Company will recognize an extraordinary gain on the forgiveness of the debt of approximately \$22,000.

SL GREEN REALTY CORP.

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

(G) To reflect the following pro forma transaction:

--Distribution of excess working capital from the building accounts to partners.

--\$20,000 of the offering proceeds will be used by the Operating Partnership to repay a portion of a loan made to a company indirectly owned by Stephen L. Green, which loan was transferred to the Operating Partnership in connection with the transfer thereto by Stephen L. Green of his ownership interests, which has been accounted for as a distribution to Stephen L. Green.

--Payment of real property transfer taxes which are capitalized and amortized over the life of the commercial property.

--Initial capitalization of SL Green Realty Corp.

	673 FIRST AVENUE	470 PARK AVENUE SOUTH	70 WEST 36TH STREET	1414 AVENUE OF THE AMERICAS	LBHI LOAN	INITIAL CAPITALIZATION OF SL GREEN REALTY CORP.	TOTAL PRO FORMA ADJUSTMENT
Cash and cash equivalents:							
Preformation distributions to partners.....	\$ (403)	\$ (1,000)					\$ (1,403)
Repayment of LBHI loan.....					\$ (20,000)		(20,000)
Payment of real property transfer costs.....			\$ (124)	\$ (165)			(289)
Initial Company capitalization.....						\$ 1	1
Net (decrease) in cash and cash equivalents.....	\$ (403)	\$ (1,000)	\$ (124)	\$ (165)	\$ (20,000)	\$ 1	\$ (21,691)
Land.....			\$ 11	\$ 49			\$ 60
Buildings and improvements.....			113	116			229
			124	165			289
Equity:							
Decreases for distributions to partners.....	\$ (403)	\$ (1,000)					(1,403)
Decrease for distribution.....					\$ (20,000)		(20,000)
Common stock.....						\$ 1	1
(Decrease) increase to equity.....	(403)	(1,000)			(20,000)		(21,402)
Net adjustment.....	\$ (403)	\$ (1,000)	\$ (124)	\$ (165)	\$ (20,000)	\$ 1	\$ (21,691)

In connection with the formation of the Company a financial advisor received 85,600 shares of common stock at a value of \$21 per share which will be accounted for as Offering costs in the amount of \$1,798. The accounting is as follows:

Common stock/additional paid-in-capital.....	\$ 1,798
Offering costs.....	(1,798)

	\$ 0

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

(H) Reflects the elimination of accumulated deficit against additional paid in capital and the establishment of limited partners' interest (16.2% after exercise of the Offering Shoe) in the Operating Partnership as follows:

Total owners' equity.....	\$ 215,186
Limited partners' percentage ownership interest in the net assets of the Operating Partnership.....	16.2%
Limited partners' interest in the Operating Partnership...	\$ 34,860

(I) To reflect the September 15, 1997 purchase price allocation for the acquisition for the acquisition of the property located at 110 East 42nd Street as of June 30, 1997. There was no formal valuation performed on this property.

ADJUSTMENTS TO THE PRO FORMA COMBINED INCOME STATEMENT FOR THE SIX MONTHS ENDED
JUNE 30, 1997

(J) To reflect the SL Green Predecessor historical combined statement of operations for the six months ended June 30, 1997.

(K) To reflect the six months ended June 30, 1997 operations of 673 First Avenue, 470 Park Avenue South, 29 West 35th Street and 36 West 44th Street (the "Equity Properties") as consolidated entities rather than equity method investees due to the acquisition 100% of the partnership interests.

	ELIMINATE HISTORICAL AMOUNTS	UNCOMBINED TOTAL	ACQUISITION OF PARTNERSHIP INTERESTS AND FAIR MARKET VALUE ADJUSTMENTS				TOTAL ADJUSTMENTS
			673 FIRST AVE	470 PARK AVE	29 WEST 35TH	36 WEST 44TH	
REVENUES:							
Rental revenue(a).....		\$ 10,203	\$ 194	\$ 120	\$ 50	\$ 12	\$ 10,579
Escalations and reimbursement revenues.....		725					725
Total revenues.....		10,928	194	120	50	12	11,304
Equity in net loss of investees.....	\$ (564)						(564)
EXPENSES:							
Operating expenses(b).....		2,448	(162)	(98)	(27)	(62)	2,099
Real estate taxes		1,461					1,461
Ground rent(c).....		1,913	25				1,938
Interest.....		4,163					4,163
Depreciation and amortization(c).....		1,982	19	(51)	(9)	(2)	1,939
Total expenses.....		11,967	(118)	(149)	(36)	(64)	11,600
Income before minority interest.....	\$ 564	\$ (1,039)	\$ 312	\$ 269	\$ 86	\$ 76	\$ 268

(a) Rental income is adjusted to reflect straight line amounts as of the acquisition date.

(b) Operating expenses are adjusted to eliminate management fees paid to the Service Corporations (Management fee income received by the Service Corporations was also eliminated.)

(c) Ground rent and depreciation and amortization were adjusted to reflect the purchase of the assets.

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

(L) To reflect the six months operations of the Service Corporations pursuant to the equity method of accounting.

	HISTORICAL SERVICE CORPORATIONS	LEASING COMMISSIONS ATTRIBUTABLE TO LLC	EXPENSES ATTRIBUTABLE TO REIT (A)	EQUITY CONVERSION (B)	TOTAL ADJUSTMENT
STATEMENT OF OPERATIONS:					
Management revenue.....	\$ 966				\$ (966)
Leasing commissions.....	3,088	\$ (1,525)			(1,563)
Construction revenues.....	8				(8)
Equity in net income of Service Corporations.....				\$ (382)	382
Other income.....	11				(11)
Total revenue.....	4,073	(1,525)		(382)	(2,166)
EXPENSES					
Operating expenses.....	696				(696)
Depreciation and amortization.....	47				(47)
Marketing, general and administrative.....	1,835		\$ (600)		(1,235)
Total expenses.....	2,578		(600)		(1,978)
Income (loss).....	\$ 1,495	\$ (1,525)	\$ 600	\$ (382)	\$ (188)

(a) Expenses are allocated to the Service Corporations and the Management LLC based upon the job functions of the employees.

(b) The Equity in net income of the Service Corporations is computed as follows:

Historical Service Corporations income.....	\$ 1,495
Adjustment for management fees eliminated in the combined historical financial statements due to acquisition of partnerships interests.....	(169)
Leasing commissions attributable to Management LLC.....	(1,525)
Expenses attributable to REIT.....	600
Income.....	\$ 401
Equity in net income of Service Corporations at 95 percent.....	\$ 382

(M) To reflect the operations of 1372 Broadway, 1140 Avenue of the Americas and 50 West 23rd Street for the six months ended June 30, 1997. Historical rental revenue was adjusted for straight line rents as of the acquisition date, historical operating expenses were reduced for management fees, the capitalized land

SL GREEN REALTY CORP.

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

lease on 1140 Avenue of the Americas was recorded, and depreciation and amortization based on cost was recorded.

	1372 BROADWAY			1140 AVENUE OF THE AMERICAS			50 WEST 23RD STREET	
	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL	ADJUSTMENT
Revenues:								
Rental revenue..	\$ 4,054	\$ 455	\$ 4,509	\$ 2,178	\$ 181	\$ 2,359	\$ 2,597	\$ 174
Escalations & reimbursement revenue.....	561		561	346		346	386	
Other income....	1,483		1,483	48		48	1	
Total revenue.....	6,098	455	6,553	2,572	181	2,753	2,984	174
Expenses:								
Operating expenses.....	1,337	(142)	1,195	992	(102)	890	689	(91)
Interest on capital lease.....					189	189		
Depreciation & amortization..		541	541		245	245		360
Real estate taxes.....	1,098		1,098	519		519	518	
Total expenses....	2,435	399	2,834	1,511	332	1,843	1,207	269
Income before minority interest.....	\$ 3,663	\$ 56	\$ 3,719	\$ 1,061	\$ (151)	\$ 910	\$ 1,777	\$ (95)

	PRO FORMA	TOTAL PRO FORMA
Revenues:		
Rental revenue..	\$ 2,771	\$ 9,639
Escalations & reimbursement revenue.....	386	1,293
Other income....	1	1,532
Total revenue.....	3,158	12,464
Expenses:		
Operating expenses.....	598	2,683
Interest on capital lease.....		189
Depreciation & amortization..	360	1,146
Real estate taxes.....	518	2,135
Total expenses....	1,476	6,153
Income before minority interest.....	\$ 1,682	\$ 6,311

(N) To reflect the changes in interest expense as the result of financing transactions and the related adjustments to deferred financing expense (see note (F)).

	673 1ST AVE	470 PAS	29 W 35TH	36 W 44TH	70 W 36TH	1414 AVE. AMERICAS	NEW MORTGAGE LOAN
Interest.....	\$ (799)	\$ (645)		\$ (461)	\$ (253)	\$ (460)	\$ 539

Depreciation and amortization.....	25	6	\$	4	(36)	(23)	14
	-----	-----		--			
Total expenses.....	(774)	(639)		4	(461)	(289)	553
	-----	-----		--			
Income before minority interest.....	\$ 774	\$ 639	\$	(4)	\$ 461	\$ 289	\$ (553)
	-----	-----		--			

TOTAL

Interest.....	\$ (2,079)
Depreciation and amortization.....	(10)

Total expenses.....	(2,089)

Income before minority interest.....	\$ 2,089

(O) To reflect the operations of 110 East 42nd Street for the six months ended June 30, 1997. Historical rental revenue was adjusted for straight line rents, historical operations expenses were reduced for management fees, and depreciation was calculated based on the building cost that was recorded.

	HISTORICAL	ADJUSTMENT	PRO FORMA
	-----	-----	-----
Revenues:			
Rental revenue	\$2,470	\$(117)	\$2,353
	-----	-----	-----
Escalation	354		354
Other income	10		10
	-----	-----	-----
Total revenue	2,834	(117)	2,717
	-----	-----	-----
Expenses:			
Operating expenses	1,135		1,135
Depreciation and amortization	0	301	301
Real estate taxes	706		706
MG&A	163	(104)	59
	-----	-----	-----
Total expenses	2,004	197	2,201
	-----	-----	-----
Income before minority interest	\$ 830	\$(314)	\$ 516
	-----	-----	-----

(P) To reflect for 70 West 36th Street and 1414 Avenue of the Americas, depreciation expense adjustments for real property transfer taxes capitalized which are amortized over the remaining life of the commercial property (see note (G)).

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

JUNE 30, 1997

(UNAUDITED)
(DOLLARS IN THOUSANDS)

(Q) To reflect the net increase in marketing, general and administrative expenses related to operations of a public company which include the following:

Officers' compensation and related costs.....	\$	384
Professional fees.....		175
Directors' fees and insurance.....		150
Printing and distribution costs.....		75
Other.....		44

	\$	828

The additional officers' compensation and related costs are attributable primarily to Employment Agreements with the officers as further described under the caption "Employment and Non Competition Agreement."

(R) Represents the 16.2% interest of the minority in the Operating Partnership.

(S) Pro Forma net income per common share is based upon 12,292,311 shares of common stock outstanding after the Offering. As each Operating Partnership Unit is redeemable for cash, or at the company's election, for one share of common stock, the calculation of earnings per share upon redemption will be unaffected as unitholders and stockholders share equally on a per unit and per share basis in the net income of the Company. In February 1997, the Financial Accounting Standards Board issued Statement No. 128, Earnings per Share, which is required to be adopted on December 31, 1997. At that time the Company will be required to change the method currently used to compute earnings per share and to restate all prior periods. Under the new requirements for calculating primary earnings per share, the dilutive effect of stock options will be excluded. Management does not believe the adoption of Statement No. 128 will have a material impact on earnings per share.

SL GREEN REALTY CORP.

NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION

DECEMBER 31, 1996

(UNAUDITED)
(DOLLARS IN THOUSANDS)

ADJUSTMENTS TO THE PRO FORMA COMBINED INCOME STATEMENT FOR THE YEAR ENDED
DECEMBER 31, 1996

(A) To reflect the SL Green Predecessor historical combined statement of operations for the year ended December 31, 1996.

(B) To reflect 673 First Avenue, 470 Park Avenue South, 29 West 35th Street and 36 West 44th Street (the "Equity Properties") as consolidated entities rather than as uncombined joint ventures due to the acquisition of 100% of the partnerships' interests.

	ELIMINATE HISTORICAL AMOUNTS	UNCOMBINED TOTAL	673 FIRST AVE	470 PARK AVE	29 WEST 35TH	36 WEST 44TH
Revenues						
Rental revenue.....	\$ 17,386		\$ 334	\$ 183	\$ 146	\$ 2,936
Escalations and reimbursement revenues.....	1,488					816
Investment income.....	15					
Other income.....	13					
Total revenues.....	18,902		334	183	146	3,752
Equity in net loss of uncombined joint ventures.....		\$ (1,408)				
Expenses						
Operating expenses.....	3,964		(316)	(206)	(68)	1,234
Real estate taxes.....	2,316					873
Ground rent.....	3,756		100			69
Interest.....	7,743					
Depreciation and amortization.....	3,580		40	(99)	(22)	313
Total expenses.....	21,359		(176)	(305)	(90)	2,489
Income (loss).....	\$ (2,457)	\$ 1,408	\$ 510	\$ 488	\$ 236	\$ 1,263

	TOTAL ADJUSTMENTS
Revenues	
Rental revenue.....	\$ 20,985
Escalations and reimbursement revenues.....	2,304
Investment income.....	15
Other income.....	13
Total revenues.....	23,317
Equity in net loss of uncombined joint ventures.....	(1,408)
Expenses	
Operating expenses.....	4,608
Real estate taxes.....	3,189
Ground rent.....	3,925
Interest.....	7,743
Depreciation and amortization.....	3,812
Total expenses.....	23,277
Income (loss).....	\$ 1,448

(C) To reflect adjustments to record the Company's share in the net income of the Service Corporations pursuant to the equity method of accounting for the year ended December 31, 1996. As a result of the Formation Transactions the Company will not own any voting stock of the Service Corporations but will continue to exercise significant influence due to the following:

- Substantially all of the economic benefits flow to the Company (who will own 100% of the non-voting common stock representing 95% of the total equity)
- The Company and the Service Corporations have common officers and employees
- The owners of a majority of the voting stock of the Service Corporations have not contributed substantial equity to the Service Corporations

- The views of the Company's management influence the operations of the Service Corporations

SL GREEN REALTY CORP.
NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION
DECEMBER 31, 1996
(UNAUDITED)
(DOLLARS IN THOUSANDS)

The adjustment is as follows:

	HISTORICAL SERVICE CORPORATIONS	LEASING COMMISSIONS ATTRIBUTABLE TO LLC	EXPENSES ATTRIBUTABLE TO REIT	EQUITY CONVERSION (A)	TOTAL ADJUSTMENTS
REVENUE:					
Management revenue.....	\$ 2,336				\$ (2,336)
Leasing commissions.....	2,372	\$ (1,257)			(1,115)
Construction revenue.....	101				(101)
Other income.....	92				(92)
Total revenue.....	4,901	(1,257)			(3,644)
Equity in net loss of Service Corporations.....				\$ 504	504
EXPENSES:					
Operating expenses.....	1,522				(1,522)
Depreciation and amortization.....	92				(92)
Marketing, general and administration.....	3,250		\$ (986)		(2,264)
Total expenses.....	4,864		(986)		(3,878)
Income (loss).....	\$ 37	\$ (1,257)	\$ 986	\$ 504	\$ (270)

(a) The equity in net loss of Service Corporations is computed as follows:

Historical Service Corporations income.....	\$ 37
Adjustment for management fees eliminated in the combined historical financial statements due to acquisition of partnerships' interests.....	(297)
Leasing commissions attributable to Management LLC.....	(1,257)
Expenses attributable to REIT.....	986
Loss.....	\$ (531)
Equity in net loss of investees at 95 percent.....	\$ (504)

(D) To reflect the operations of 1372 Broadway, 1140 Avenue of the Americas and 50 West 23rd Street for the year ended December 31, 1996. Historical rental revenue was adjusted for straight line rents as of the acquisition date, historical operating expenses were reduced for management fees, the capitalized land lease on 1140 Avenue of the Americas and depreciation and amortization are based on cost.

SL GREEN REALTY CORP.
NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION
DECEMBER 31, 1996
(UNAUDITED)
(DOLLARS IN THOUSANDS)

	1372 BROADWAY			1140 AVENUE OF THE AMERICAS			50 WEST 23RD STREET	
	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL	ADJUSTMENT
REVENUES:								
Rental revenue.....	\$ 8,580	\$ 656	\$ 9,236	\$ 4,265	\$ 286	\$ 4,551	\$ 5,357	\$ 10
Escalations & reimbursement revenue.....	1,842		1,842	716		716	716	
Other income.....	690		690	204		204	12	
Total revenue..	11,112	656	11,768	5,185	286	5,471	6,085	10
EXPENSES:								
Operating expenses.....	3,257	(459)	2,798	2,177	(275)	1,902	1,511	(195)
Interest on capital lease.....					379	379		
Depreciation & amortization.....		1,082	1,082		490	490		720
Real estate taxes..	2,343		2,343	1,007		1,007	1,006	
Total expenses.....	5,600	623	6,223	3,184	594	3,778	2,517	525
Income before minority interest.....	\$ 5,512	\$ 33	\$ 5,545	\$ 2,001	\$ (308)	\$ 1,693	\$ 3,568	\$ (515)

	PRO FORMA	TOTAL PRO FORMA
REVENUES:		
Rental revenue.....	\$ 5,367	\$ 19,154
Escalations & reimbursement revenue.....	716	3,274
Other income.....	12	906
Total revenue..	6,095	23,334
EXPENSES:		
Operating expenses.....	1,316	6,016
Interest on capital lease.....		379
Depreciation & amortization.....	720	2,292
Real estate taxes..	1,006	4,356
Total expenses.....	3,042	13,043
Income before minority interest.....	\$ 3,053	\$ 10,291

(E) To eliminate interest expense and amortization of deferred financing costs related to mortgage loans paid off or forgiven, to reflect amortization of deferred financing cost related to the transfer of mortgage debt to the Company and to record interest and amortization of deferred finance costs related to the new mortgage.

	INTEREST EXPENSE	AMORTIZATION OF DEFERRED FINANCING COSTS
673 First Avenue.....	\$ (1,571)	\$ 49
470 Park Avenue South.....	(1,537)	13
29 West 35th Street.....		8
36 West 44th Street.....	(234)	
70 West 36th Street.....	(911)	(62)
1414 Avenue of the Americas.....	(446)	(28)
New mortgage interest.....	1,078	7
	\$ (3,621)	\$ (13)

(F) To reflect the operations of 110 East 42nd Street for the year ended December 31, 1996. Historical rental revenue was adjusted for straight line rents, historical operations, expenses were reduced for management fees, and depreciation was calculated based on the building cost that was recorded.

	HISTORICAL	ADJUSTMENT	PRO FORMA
	-----	-----	-----
Revenues:			
Rental revenue	\$4,306	\$ 201	\$4,507
	-----	-----	-----
Escalation	520		520
Other income	16		16
	-----	-----	-----
Total revenue	4,842	201	5,043
	-----	-----	-----
Expenses:			
Operating expenses	2,248		2,248
Depreciation and amortization	0	602	602
Real estate taxes	1,422		1,422
MG&A	274	(172)	102
	-----	-----	-----
Total expenses	3,944	430	4,374
	-----	-----	-----
Income before minority interest	\$ 898	\$(229)	\$ 669
	-----	-----	-----
	-----	-----	-----

(G) To reflect depreciation and amortization expense related to the real property transfer taxes incurred to transfer title of 70 West 36th Street and 1414 Avenue of the Americas to the Company and to reflect the net increase in marketing, general and administrative expenses related to operations of a public company.

SL GREEN REALTY CORP.
NOTES TO PRO FORMA COMBINED FINANCIAL INFORMATION
DECEMBER 31, 1996
(UNAUDITED)
(DOLLARS IN THOUSANDS)

The additional marketing, general and administrative expenses consist of the following:

Officers' compensation and related costs.....	\$	768
Professional fees.....		350
Directors' fees and insurance.....		300
Printing and distribution costs.....		150
Other.....		89

	\$	1,657

The additional officers' compensation and related costs are attributable primarily to employment agreements with the officers as further described under the caption "Employment and Non-Competition Agreement."

(H) Represents the 16.2% interest of the minority in the Operating Partnership.

(I) Pro Forma net income per common share is based upon 12,292,311 shares of common stock outstanding after the Offering. As each Operating Partnership unit is redeemable for cash, or at the company's election, for one share of common stock, the calculation of earnings per share upon redemption will be unaffected as unitholders and stockholders share equally on a per unit and per share basis in the net income of the Company. In February 1997, the Financial Accounting Standards Board issued Statement No. 128, Earnings per Share, which is required to be adopted on December 31, 1997. At that time the Company will be required to change the method currently used to compute earnings per share and to restate all prior periods. Under the new requirements for calculating primary earnings per share, the dilutive effect of stock options will be excluded. Management does not believe the adoption of Statement No. 128 will have a material impact on earnings per share.

Report of Independent Auditors

To the Board of Directors of
SL Green Realty Corp.

We have audited the statement of revenues and certain expenses of the property at 110 East 42nd Street, as described in Note 1, for the year ended December 31, 1996. The financial statement is the responsibility of management of the Property. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of revenues and certain expenses was prepared for the purposes of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in Form 8-K of SL Green Realty Corp., and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues and certain expenses of the Property, as described in Note 1 for the year ended December 31, 1996 in conformity with generally accepted accounting principles.

ERNST & YOUNG

November 3, 1997
New York, New York

110 East 42nd Street

Statements of Revenues and Certain Expenses

(Dollars in thousands)
Note 1

	(UNAUDITED)	
	YEAR ENDED	SIX MONTHS
	DECEMBER 31,	ENDED JUNE
	1996	30, 1997
Revenues		
Rental revenue, net	\$ 4,306	\$ 2,470
Escalations and reimbursement revenue	520	354
Other income	16	10
Total revenues	4,842	2,834
Certain Expenses		
Property taxes	1,422	706
Utilities	708	329
Cleaning and service contracts	811	411
Payroll and expenses	413	245
Management fees	172	104
Repairs and maintenance	150	60
Professional fees	42	29
Insurance	60	30
Other operating expenses	166	90
Total certain expenses	3,944	2,004
Revenues in excess of certain expenses	\$ 898	\$ 830

SEE ACCOMPANYING NOTES.

Notes to Statements of Revenues and Certain Expenses
(Dollars in thousands)
December 31, 1996

1. BASIS OF PRESENTATION

Presented herein is the statement of revenues and certain expenses related to the operations of the property, located at 110 East 42nd Street, in the Grand Central District sub-market, in the borough of Manhattan in New York City, (the "Property"). The Property is comprised of a building containing 250,548 square feet.

The accompanying financial statements have been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission for the acquisition of real estate properties. Accordingly, the financial statements exclude certain expenses that may not be comparable to those expected to be incurred by SL Green Operating Partnerships, LP ("SL Green"), in the proposed future operations of the Property. The Property was acquired by SL Green on September 15, 1997. Items excluded consist of interest, amortization and depreciation.

2. USE OF ESTIMATES

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

3. REVENUE RECOGNITION

The Property is leased to tenants under operating leases. Minimum rental income is generally recognized on a straight-line basis over the term of the lease. The excess of amounts due pursuant to the underlying leases over amounts so recognized amounted to approximately \$ 280 for the year ended December 31, 1996. For the six months ended June 30, 1997 amounts so recognized exceeded amounts due pursuant to the underlying leases by \$ 82 (unaudited).

4. CONCENTRATION OF REVENUE

Approximately 60% and 18% of the Property's revenue for the year ended December 31, 1996 and the six months ended June 30, 1997 (unaudited), respectively was derived from one tenant.

Notes to Statements of Revenues and Certain Expenses (continued)
(Dollars in thousands)
December 31, 1996

5. MANAGEMENT AGREEMENTS

During 1996 and the period ended June 30, 1997 the Property was managed by Metromedia, Inc. During the period from January 1, 1996 to December 31, 1996 the management fees were based on quarterly fixed payments of \$13 and administrative salaries. During the period January 1, 1997 to June 30, 1997 (unaudited) the management fees were based on quarterly fixed payments of \$25 and administrative salaries.

6. RELATED PARTY TRANSACTIONS

Office space is leased to companies that have shareholders who are also partners in the partnership which owned the Property. Total rents from these affiliated companies totaled \$82 and \$50 at December 31, 1996 and June 30, 1997 (unaudited), respectively.

A company controlled by partners of the partnership which owned the Property provided management and administrative services to the Property. The management fee for these services were \$172 and \$104 for the year ended December 31, 1996 and for the six months ended June 30, 1997 (unaudited), respectively.

7. LEASE AGREEMENTS

The Property is being leased to tenants under operating leases with term expiration dates ranging from 1997 to 2007. The minimum rental amounts due under the leases are generally subject to scheduled fixed increases. The leases generally also require that the tenants reimburse the Property for increases in certain operating costs and real estate taxes above their base year costs. Approximate future minimum rents to be received over the next five years and thereafter for non-cancelable operating leases as of December 31, 1996 (exclusive of renewal option periods) are as follows:

1997	\$	4,654
1998		4,619
1999		4,564
2000		4,128
2001		3,533
Thereafter		9,204

	\$	30,702
		=====

110 East 42nd Street

Notes to Statements of Revenues and Certain Expenses (continued)
(Dollars in thousands)
December 31, 1996

8. INTERIM UNAUDITED FINANCIAL INFORMATION

The financial statement for the six months ended June 30, 1997 is unaudited, however, in the opinion of management all adjustments, (consisting solely of normal recurring adjustments), necessary for a fair presentation of the financial statement for the interim period have been included. The results of the interim period is not necessarily indicative of the results to be obtained for a full fiscal year.