

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: August 9, 2001

RECKSON ASSOCIATES REALTY CORP.
and
RECKSON OPERATING PARTNERSHIP, L.P.
(Exact name of each Registrant as specified in its Charter)

Reckson Associates Realty Corp. - Maryland
Reckson Operating Partnership, L.P. - Delaware
(State or other jurisdiction of
incorporation or organization)

225 Broadhollow Road
Melville, New York
(Address of principal executive offices)

Reckson Associates Realty Corp. -
11-3233650
Reckson Operating Partnership, L.P. -
11-3233647
(IRS Employer ID Number)
11747
(Zip Code)

1-13762
(Commission File Number)

(631) 694-6900
(Registrant's telephone number, including area code)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Supplemental Operating and Financial Data for the Quarter Ended June 30, 2001

ITEM 9. REGULATION FD DISCLOSURE

For the quarter ended June 30, 2001, Registrants intend to make available supplemental data regarding their operations that is too voluminous for a press release. Registrants are attaching the supplemental data as Exhibit 99.1 to this Current Report on Form 8-K.

Note: the information in this report (including the exhibit) is furnished pursuant to Item 9 and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section. This report will not be deemed an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

SIGNATURES

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

RECKSON ASSOCIATES REALTY CORP.

By: /s/ Michael Maturo

Michael Maturo
Executive Vice President
and Chief Financial Officer

RECKSON OPERATING PARTNERSHIP, L.P.

By: Reckson Associates Realty Corp.,
its General Partner

By: /s/ Michael Maturo

Michael Maturo
Executive Vice President
and Chief Financial Officer

Date: August 9, 2001

RECKSON ASSOCIATES REALTY CORP.
SUPPLEMENTAL OPERATING AND FINANCIAL DATA
FOR THE SECOND QUARTER ENDED JUNE 30, 2001

Reporting Period Highlights

- o Reported diluted FFO of \$.70 per share for the second quarter of 2001, as compared to \$.65 per share for the comparable 2000 period, representing an increase of 7.7%. FFO for the second quarter 2001 includes a \$3.5 million or \$.04 per share charge to reserve against interest income accrued for the quarter on the Company's two loans to Frontline Capital Group.
- o Reported FFO for the six months ended June 30, 2001 of \$1.38 per share, as compared to FFO of \$1.27 per share for the six months ended June 30, 2000, representing a per share increase of 8.7%.
- o Reported second quarter diluted EPS of \$.32 per Class A common share, as compared to EPS of \$.40 per Class A common share for the second quarter of 2000. The decrease is attributable to a \$6.7 million gain on sale of real estate assets in the second quarter 2000 with no asset sales in the second quarter of 2001. Adjusting for the gain on sale of real estate assets, diluted EPS for the second quarter 2000 was \$.30 per Class A common share as compared to \$.32 per Class A common share for the second quarter 2001 representing an increase of 6.7%.
- o Generated a 9.6% increase (GAAP) and 8.5% increase (cash) in same property NOI for the second quarter of 2001.
- o Generated same space rent growth of 23.2% (GAAP) and 13.7% (cash) for Office and 19.9% (GAAP) and 7.0% (cash) for Industrial/R&D for the second quarter of 2001.
- o Completed a \$250 million ten year mortgage financing on 919 Third Avenue with an interest rate of 6.867% per annum.
- o Completed a \$75 million five year mortgage financing on 1350 Avenue of the Americas with an interest rate of 6.52% per annum.

- o Continued leasing momentum at Reckson Executive Park in Melville, the Company's newly developed Class A office building, with leased space now totaling 86,762 square feet, representing 31% of the total rentable space.
- o Completed dispositions of three non-core office assets totaling approximately \$32 million and entered into contracts to sell three additional non-core office assets totaling approximately \$53 million as part of the Company's capital recycling program.
- o Entered into a letter of intent to sell a 49% interest in 919 Third Avenue to a domestic institutional pension fund.
- o Moody's Investor Service reaffirmed the investment grade rating of Baa3 on the Company's senior unsecured debt and maintained a stable rating outlook opinion.
- o Increased the dividend on the Company's Class A common stock by 10% and increased the dividend on the Company's Class B common stock by 8.2%.

RECKSON ASSOCIATES REALTY CORP.
SUPPLEMENTAL OPERATING AND FINANCIAL DATA
FOR THE QUARTER ENDING JUNE 30, 2001

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Estimates of future FFO per share and certain other matters discussed herein are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although we believe the expectations reflected in such forward-looking statements are based on reasonable assumptions, forward-looking statements are not guarantees of results and no assurance can be given that the expected results will be delivered. Such forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those expected. Among those risks, trends and uncertainties are the general economic climate, including the conditions affecting industries in which our principal tenants compete; changes in the supply of and demand for office and industrial properties in the New York Tri-State area; changes in interest rate levels; downturns in rental rate levels in our markets and our ability to lease or release space in a timely manner at current or anticipated rental rate levels; the availability of financing to us or our tenants; changes in operating costs, including utility costs; repayment of debt owed to the Company by third parties (including FrontLine Capital Group); risks associated with joint ventures; and other risks associated with the development and acquisition of properties, including risks that development may not be completed on schedule, that the tenants will not take occupancy or pay rent, or that development or operating costs may be greater than anticipated. For further information on factors that could impact us, reference is made to our filings with the Securities and Exchange Commission. We are subject to the reporting requirements of the Securities and Exchange Commission and undertake no responsibility to update or supplement information contained in this Supplemental Operating and Financial Data Package that subsequently becomes untrue.

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CORE IDEOLOGY

VISION

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Reckson will be the "Landlord of Choice" in the New York Tri-State area.

MISSION

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We are in the business of improving the quality of life in the workplace through innovation, design excellence and providing premier service.

VALUES

- - - - -

- o Tenant satisfaction comes first
- o Do what is right by acting honestly, fairly and maintaining integrity
- o Act as a team, share knowledge, foster a challenging and rewarding work experience for all employees
- o Strive for continued improvement individually and continued progress as a Company
- o Be responsible to the communities in which we operate
- o Treat our shareholders as we would treat our partners

By acting in this manner, we will maximize the value of our Company.

[GRAPHIC OMITTED]

COMPANY BACKGROUND

Reckson Associates Realty Corp. ("Reckson") is a self-administered and self-managed real estate investment trust ("REIT") that is one of the largest publicly traded owners, developers and managers of Class A office and industrial properties in the New York Tri-State area. Reckson is structured as an UPREIT, therefore its property operations are conducted through Reckson Operating Partnership, a limited partnership in which the Company is the sole general partner.

On June 2, 1995, Reckson successfully completed its initial public offering. Subsequently, Reckson expanded from its Long Island base and established operating divisions in Westchester, Connecticut, New Jersey and New York City. Each division was opened by acquiring a critical mass of assets and a local management team which had significant experience, local market expertise and well-established relationships in each of their respective markets.

Through a predecessor entity, Reckson commenced operations in 1958 and grew steadily through the 1960s, 1970s, 1980s and 1990s by developing and redeveloping Class A office and industrial properties throughout Long Island. Today, Reckson owns 185 properties comprised of approximately 21 million square feet located throughout the New York Tri-State area markets. These properties are comprised of 14.1 million square feet of office space and 6.9 million square feet of industrial space. Reckson also owns approximately 283 acres of unencumbered land which is either located contiguous to one of the Company's existing properties or on major thoroughfares.

Since completing its initial public offering in June 1995, Reckson has acquired, contracted to acquire or developed approximately 16.5 million square feet of office and industrial real estate assets for approximately \$2.1 billion and has generated a total return to its initial Class A common shareholders of approximately 176% for the period June 2, 1995 through June 30, 2001. Reckson's management currently owns approximately 9% of the equity of the Company.

Reckson is a fully integrated real estate company, having in-house expertise in leasing, design and development, construction, property and asset management, architectural services and financial controls, reporting and planning.

INVESTOR INFORMATION

RECKSON ASSOCIATES

225 Broadhollow Road
Melville, New York 11747
(631) 694-6900 (Phone)
(631) 622-6790 (Facsimile)

Donald Rechler	Co-Chief Executive Officer Chairman of the Board
Scott Rechler	Co-Chief Executive Officer
Michael Maturro	Chief Financial Officer Executive Vice President

Research Coverage

CIBC World Markets	Anthony Paolone	212/667-8116
Credit Suisse First Boston	Lawrence Raiman	212/538-2380
Deutsche Banc Alex. Brown	Louis Taylor	212/469-4912
Goldman Sachs	David Kostin/James Kammert	212/902-6781
Greenstreet Advisors	John Lutzius	949/640-8780
Legg Mason	David Fick/Ken Weinberg	410/454-5081
Lehman Brothers	David Shulman/Stuart Axelrod	212/526-3413
McDonald & Company	Anatole Pevnev	216/443-2300
Merrill Lynch	Steve Sakwa/Rahul Bhattacharjee	212/449-0335
Salomon Smith Barney	Jonathan Litt/Gary Boston	212/816-0231

TIMING

Quarterly results will be announced according to the following anticipated schedule:

First Quarter	Early May
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Second Quarter
Third Quarter
Fourth Quarter and Year-End

Early August
Early November
Late February

STOCK DATA

Reckson Associates' Class A common stock is traded primarily on the New York Stock Exchange under the symbol: RA. The following summarizes recent activity of Reckson's Class A common stock:

	1st Quarter 2001	2nd Quarter 2001	July 1, 2001 to August 3, 2001
High Price*	\$25.88	\$ 23. 90	\$22.91
Low Price*	\$ 21.90	\$ 21.14	\$21.90
Closing Price*	\$ 22.30	\$ 23.00	\$22.36
Average daily trading volume*	195,310	265,162	273,308
Indicated dividend per share**	\$ 1.544	\$ 1.6984	\$ 1.6984
Closing dividend yield	6.92%	7.38%	7.60%
Closing shares and units outstanding (thousands)	53,505	57,264	57,264
Closing market value of shares and units outstanding (thousands)	\$1,193,200	1,317,100	1,280,400

* New York Stock Exchange trades only

** On an annual basis

COMPARATIVE MARKET PERFORMANCE

[GRAPHIC OMITTED]

MONTHLY INDEXED CLASS A COMMON STOCK PRICE HISTORY

	Reckson Associates Realty	Wilshire Reit Index	S&P 500	Office Industrial Composite
5/26/1995	100.00	100.00	100.00	100.00
5/31/1995	100.00	100.00	101.86	101.51
6/30/1995	99.49	101.16	104.03	103.08
7/31/1995	105.13	102.09	107.34	105.27
8/31/1995	106.15	102.49	107.30	105.19
9/29/1995	108.72	103.64	111.60	107.82
10/31/1995	110.26	100.01	111.05	106.07
11/30/1995	114.36	100.54	115.61	107.39
12/29/1995	120.51	105.61	117.62	116.53
1/31/1996	125.64	106.56	121.46	120.82
2/29/1996	120.00	107.56	122.30	125.01
3/29/1996	125.64	106.59	123.27	125.58
4/30/1996	122.05	106.03	124.93	134.14
5/31/1996	128.21	107.96	127.78	129.63
6/28/1996	135.38	109.08	128.07	128.41
7/31/1996	138.97	108.83	122.21	127.64
8/30/1996	145.13	112.68	124.51	135.69
9/30/1996	152.31	114.50	131.25	139.12
10/31/1996	146.15	116.92	134.68	134.11
11/29/1996	155.38	121.43	144.57	144.86
12/31/1996	173.33	134.46	141.46	161.06
1/31/1997	182.56	134.96	150.13	165.48
2/28/1997	187.69	133.91	151.02	165.16
3/31/1997	189.23	133.93	144.59	163.58
4/30/1997	189.74	128.59	153.03	151.17
5/30/1997	184.62	131.76	161.99	153.22
6/30/1997	188.72	138.04	169.03	161.38
7/31/1997	204.10	140.94	182.24	168.31
8/29/1997	197.95	139.59	171.77	169.46
9/30/1997	218.46	151.92	180.90	184.70
10/31/1997	214.87	146.76	174.66	178.50
11/28/1997	217.95	149.17	182.45	179.74
12/31/1997	208.21	151.19	185.32	185.66
1/30/1998	211.79	149.12	187.20	180.31
2/27/1998	206.67	145.53	200.39	174.92
3/31/1998	216.41	147.85	210.40	177.27
4/30/1998	201.03	142.25	212.31	169.53
5/29/1998	204.10	140.65	208.31	166.45
6/30/1998	193.85	139.73	216.53	161.95
7/31/1998	186.15	129.28	214.01	150.77
8/31/1998	175.90	116.59	182.81	134.72
9/30/1998	192.82	122.73	194.22	143.74
10/30/1998	186.15	119.76	209.81	137.06

	Reckson Associates Realty	Wilshire Reit Index	S&P 500	Office Industrial Composite
11/30/1998	189.23	121.27	222.22	142.62
12/31/1998	182.05	117.73	234.74	142.95
1/29/1999	180.51	114.51	244.37	136.71
2/26/1999	174.36	112.32	236.48	133.98
3/31/1999	168.72	111.09	245.65	130.86
4/30/1999	184.62	121.27	254.98	145.75
5/28/1999	212.31	123.96	248.61	151.61
6/30/1999	193.33	120.74	262.14	148.80
7/30/1999	183.08	116.20	253.74	141.02
8/31/1999	170.26	114.43	252.16	141.14
9/30/1999	170.77	108.45	244.96	133.73
10/29/1999	151.79	105.62	260.27	128.71
11/30/1999	165.64	103.40	265.24	125.60
12/31/1999	168.21	105.99	280.58	134.07
1/31/2000	162.05	106.35	266.30	131.90
2/29/2000	151.79	104.14	260.94	130.06
3/31/2000	153.85	107.12	286.18	134.95
4/28/2000	164.62	114.20	277.37	143.91
5/31/2000	180.00	115.08	271.29	144.78
6/30/2000	194.87	116.87	277.78	151.13
7/31/2000	215.38	127.38	273.24	165.17
8/31/2000	199.49	122.01	289.83	155.70
9/29/2000	209.23	125.55	274.33	163.07
10/31/2000	185.64	119.63	272.97	155.64
11/30/2000	192.31	121.49	251.11	156.73
12/29/2000	205.64	128.65	252.13	166.54
1/31/2001	197.74	128.27	260.86	160.64
2/28/2001	191.18	125.57	236.79	157.01
3/30/2001	182.97	125.23	221.59	156.94
4/30/2001	192.90	127.46	238.61	159.88
5/31/2001	178.05	129.89	239.82	158.72
6/29/2001	188.72	136.65	233.82	171.19
7/31/2001	181.74	133.22	231.31	166.24
8/1/2001	182.73	134.02	232.20	166.90

Office Industrial Composite:

Brandywine Realty, SL Green Realty, Arden Realty, Prentiss Properties, Kilroy Realty, Highwoods, Liberty Property, CarrAmerica, Equity Office, Mack-Cali

Stock Data Continued...

Reckson Associates' Class B common stock is traded primarily on the New York Stock Exchange under the symbol: RA.B. The following summarizes recent activity of Reckson's Class B common stock:

	1st Quarter 2001	2nd Quarter 2001	July 1, 2001 to August 3, 2001
High Price*	\$ 27.50	\$ 25.00	\$ 24.47
Low Price*	\$ 22.90	\$ 22.40	\$ 23.29
Closing Price*	\$ 23.55	\$ 24.61	\$ 23.90
Average daily trading volume*	47,844	74,622	41,246
Indicated dividend per share**	\$ 2.40	\$ 2.5968	\$ 2.5968
Closing dividend yield	10.19%	10.55%	10.87%
Closing shares outstanding (thousands)	10,284	10,284	10,284
Closing market value of shares outstanding (thousands)	\$242,200	253,100	245,800

* New York Stock Exchange trades only
 ** On an annual basis

Reckson Associates' Series A preferred stock is traded primarily on the New York Stock Exchange under the symbol: RA.A (pfd). The following summarizes recent activity of Reckson's Series A preferred stock:

	1st Quarter 2001	2nd Quarter 2001	July 1, 2001 to August 3, 2001
High Price*	\$ 24.13	\$ 23.15	\$23.10
Low Price*	\$ 21.00	\$20.80	\$ 21.95
Closing Price*	\$ 21.50	\$23.15	\$22.30
Average daily trading volume*	34,474	37,638	81,192
Indicated dividend per share**	\$ 1.9064	\$ 1.9064	\$ 1.9064
Closing dividend yield	8.87%	8.23%	8.55%
Closing shares outstanding (thousands)	9,192	9,192	9,192
Closing market value of shares outstanding (thousands)	\$197,600	212,800	205,000

* New York Stock Exchange trades only
 ** On an annual basis

RECKSON ASSOCIATES REALTY CORP.
SUMMARY STATEMENT OF OPERATING DATA
JUNE 30, 2001
(IN THOUSANDS)

	Three months ended June 30,		Six months ended June 30,	
	2001	2000	2001	2000
REVENUES:				

Base rents	\$111,184	\$96,099	\$218,678	\$190,499
Tenant escalation and reimbursements	14,165	12,984	30,110	25,830
	-----	-----	-----	-----
	125,349	109,083	248,788	216,329
	-----	-----	-----	-----
OPERATING EXPENSES:				

Operating expenses	23,453	20,634	47,223	42,574
Real estate taxes	17,421	15,874	34,645	32,223
	-----	-----	-----	-----
Total operating expenses	40,874	36,508	81,868	74,797
	-----	-----	-----	-----
NET OPERATING INCOME	84,475	72,575	166,920	141,532
GROSS MARGIN %	67.39%	66.53%	67.09%	65.42%
OTHER INCOME:				

Equity in earnings of service companies and real estate joint ventures	801	1,775	1,199	3,187
Interest income on mortgage notes and notes receivable	1,559	2,190	3,067	4,476
Gain on sales of real estate	-	6,662	-	6,662
Other	4,678	5,745	10,219	12,459
	-----	-----	-----	-----
	7,038	16,372	14,485	26,784
	-----	-----	-----	-----
OTHER EXPENSES:				

Interest expense	23,562	24,176	47,193	48,016
Marketing, general and administrative	8,411	6,509	15,908	12,947
Depreciation and amortization	27,172	22,426	50,693	43,437
	-----	-----	-----	-----
	59,145	53,111	113,794	104,400
	-----	-----	-----	-----
Distributions to preferred unitholders	461	660	1,121	1,321
Minority partners' interests in consolidated partnerships	4,065	1,925	9,820	3,899
Limited partners' minority interest in the operating partnership	2,616	3,083	5,331	5,361
	-----	-----	-----	-----
	7,142	5,668	16,272	10,581
	-----	-----	-----	-----
INCOME BEFORE DIVIDENDS TO PREFERRED SHAREHOLDERS	25,226	30,168	51,339	53,335
Dividends to preferred shareholders	5,467	7,197	10,892	14,521
	-----	-----	-----	-----
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$19,759	\$22,971	\$40,447	\$38,814
	=====	=====	=====	=====
Net income available to:				
Class A common shareholders	\$15,109	\$16,655	\$30,417	\$28,101
Class B common shareholders	4,650	6,316	10,030	10,713
Total	\$19,759	\$22,971	\$40,447	\$38,814
Basic net income per weighted average common share:				
Class A common shareholders	\$0.32	\$0.40	\$0.66	\$0.69
	=====	=====	=====	=====
Class B common shareholders	\$0.45	\$0.61	\$0.98	\$1.04
	=====	=====	=====	=====
Basic weighted average common shares outstanding:				
Class A common shareholders	47,221,917	41,343,118	46,357,533	40,862,650
Class B common shareholders	10,283,513	10,283,513	10,283,513	10,283,556
Diluted net income per weighted average common share:				
Class A common shareholders	\$0.32	\$0.40	\$0.65	\$0.68
	=====	=====	=====	=====
Class B common shareholders	\$0.34	\$0.44	\$0.71	\$0.75
	=====	=====	=====	=====
Diluted weighted average common shares outstanding:				
Class A common shareholders	47,600,390	41,700,478	46,779,905	41,204,762
Class B common shareholders	10,283,513	10,283,513	10,283,513	10,283,556

RECKSON ASSOCIATES REALTY CORP.
 JUNE 30, 2001
 (IN THOUSANDS EXCEPT PER SHARE DATA)

SELECTED FINANCIAL INFORMATION:

	Three months ended June 30,		Six months ended June 30,	
	2001	2000	2001	2000
OPERATING DATA:				
Total revenues:	\$132,387	\$125,455	\$263,273	\$243,113
Income before limited partners' minority interest in the operating partnership, distributions to preferred unitholders and dividends to preferred shareholders	\$28,303	\$33,911	\$57,791	\$60,017
Less:				
Limited partners' minority interest in the operating partnerships	2,616	3,083	5,331	5,361
Distributions to preferred unitholders	461	660	1,121	1,321
Dividends to preferred shareholders	5,467	7,197	10,892	14,521
Net Income available to common shareholders	\$19,759	\$22,971	\$40,447	\$38,814
Funds From Operations:				
Basic	\$48,063	\$41,118	\$94,508	\$79,447
Diluted	\$55,021	\$50,569	\$109,145	\$98,476
Cash Available for Distribution:				
Basic	\$31,482	\$29,499	\$63,487	\$59,169
Diluted	\$32,973	\$38,950	\$67,232	\$78,198
Interest expense	\$23,562	\$24,176	\$47,193	\$48,016
Capitalized interest expense	\$2,884	\$2,811	\$5,587	\$5,173
Non-incremental capitalized improvements	\$1,629	\$1,446	\$2,264	\$2,697
Non-incremental capitalized tenant improvements and leasing commissions	\$4,098	\$1,873	\$6,744	\$4,743
Marketing, general and administrative expenses	\$8,411	\$6,509	\$15,908	\$12,947

BALANCE SHEET DATA:

	June 30,	
	2001	2000
Commercial real estate investments before depreciation	\$2,860,491	\$2,362,269
Investment in mortgage notes and notes receivable	\$55,223	\$356,642
Investment in real estate joint ventures	\$69,026	\$37,548
Total assets	\$3,112,242	\$2,884,667
Total debt	\$1,514,194	\$1,425,414
Total debt (Including our share of joint venture debt and net of minority partners' interests share of joint venture debt)	\$1,500,081	\$1,411,243
Book equity (Total assets less Total debt)	\$1,598,048	\$1,459,253

MARKET CAPITALIZATION DATA:

Common shares and units	\$1,570,139 =====	\$1,515,002 =====
Preferred shares, units and interest	\$314,533 =====	\$407,318 =====
Total market capitalization	\$3,384,753 =====	\$3,333,563 =====

RECKSON ASSOCIATES REALTY CORP.
 FUNDS FROM OPERATIONS
 JUNE 30, 2001
 (IN THOUSANDS EXCEPT PER SHARE / UNIT DATA)

	Three months ended June 30	
	2001	2000
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$19,759	\$22,971
Add back:		
Real estate depreciation and amortization	26,727	21,937
Minority partners' interests in consolidated partnerships	4,065	1,925
Limited partners' minority interest in the operating partnership	2,616	3,083
Less :		
Gain on sales of real estate	---	6,662
Amounts distributable to minority partners in consolidated partnerships	5,104	2,136
BASIC FUNDS FROM OPERATIONS ("FFO")	48,063	41,118
Add:		
Dividends and distributions on dilutive shares and units	6,958	9,451
DILUTED FFO	\$55,021	\$50,569
BASIC FFO CALCULATIONS:		
Weighted average common shares outstanding	57,505	51,627
Weighted average units of limited partnership interest outstanding	7,763	7,695
Basic weighted average common shares and units outstanding	65,268	59,322
Basic FFO per weighted average common share or unit	\$0.74	\$0.69
Basic weighted average dividends or distributions per share or unit	\$0.46	\$0.42
Basic FFO payout ratio	62.1%	60.8%
DILUTED FFO CALCULATIONS:		
Basic weighted average common shares and units outstanding	65,268	59,322
Adjustments for dilutive FFO weighted average shares and units outstanding:		
Add:		
Weighted average common stock equivalents	378	357
Weighted average shares of Series A Preferred Stock	8,060	8,060
Weighted average shares of Series B Preferred Stock	1,919	5,294
Weighted average shares of minority partners preferred interest	2,277	3,454
Weighted average units of preferred limited partnership interest	1,127	1,367
Dilutive FFO weighted average shares and units outstanding	79,029	77,854
Diluted FFO per weighted average share or unit	\$0.70	\$0.65
Diluted weighted average dividends or distributions per share or unit	\$0.45	\$0.41
Diluted FFO payout ratio	64.9%	63.6%

Six months ended
June 30

	2001	2000
Net Income available to common shareholders	\$40,447	\$38,814
Add back:		
Real estate depreciation and amortization	49,715	42,552
Minority partners' interests in consolidated partnerships	9,820	3,899
Limited partners' minority interest in the operating partnership	5,331	5,361
Less :		
Gain on sales of real estate	---	6,662
Amounts distributable to minority partners in consolidated partnerships	10,805	4,517
Basic Funds From Operations ("FFO")	94,508	79,447
Add:		
Dividends and distributions on dilutive shares and units	14,637	19,029
Diluted FFO	\$109,145	\$98,476
Basic FFO calculations:		
Weighted average common shares outstanding	56,641	51,146
Weighted average units of limited partnership interest outstanding	7,728	7,697
Basic weighted average common shares and units outstanding	64,369	58,843
Basic FFO per weighted average common share or unit	\$1.47	\$1.35
Basic weighted average dividends or distributions per share or unit	\$0.88	\$0.83
Basic FFO payout ratio	59.8%	61.2%
Diluted FFO calculations:		
Basic weighted average common shares and units outstanding	64,369	58,843
Adjustments for dilutive FFO weighted average shares and units outstanding:		
Add:		
Weighted average common stock equivalents	422	342
Weighted average shares of Series A Preferred Stock	8,060	8,060
Weighted average shares of Series B Preferred Stock	1,919	5,526
Weighted average shares of minority partners preferred interest	2,862	3,454
Weighted average units of preferred limited partnership interest	1,246	1,367
Dilutive FFO weighted average shares and units outstanding	78,878	77,592
Diluted FFO per weighted average share or unit	\$1.38	\$1.27
Diluted weighted average dividends or distributions per share or unit	\$0.87	\$0.81
Diluted FFO payout ratio	62.6%	63.8%

RECKSON ASSOCIATES REALTY CORP.
CASH AVAILABLE FOR DISTRIBUTION
JUNE 30, 2001
(IN THOUSANDS EXCEPT PER SHARE / UNIT DATA)

	Three months ended June 30	
	2001	2000
BASIC FUNDS FROM OPERATIONS	\$48,063	\$41,118
Less :		
Straight line rents (Note a)	10,854	8,300
Non-incremental capitalized tenant improvements and leasing commissions	4,098	1,873
Non-incremental capitalized Improvements	1,629	1,446
BASIC CASH AVAILABLE FOR DISTRIBUTION ("CAD")	31,482	29,499
Add:		
Dividends and distributions on dilutive shares and units	1,491	9,451
DILUTED CAD	\$32,973	\$38,950
BASIC CAD CALCULATIONS:		
Weighted average common shares outstanding	57,505	51,627
Weighted average units of limited partnership interest outstanding	7,763	7,695
Basic weighted average common shares and units outstanding	65,268	59,322
Basic CAD per weighted average common share or unit	\$0.48	\$0.50
Basic weighted average dividends or distributions per share or unit	\$0.46	\$0.42
Basic CAD payout ratio	94.8%	84.7%
DILUTED CAD CALCULATIONS:		
Basic weighted average common shares and units outstanding	65,268	59,322
Adjustments for dilutive CAD weighted average shares and units outstanding:		
Add:		
Weighted average common stock equivalents	378	357
Weighted average shares of Series A Preferred Stock	--	8,060
Weighted average shares of Series B Preferred Stock	--	5,294
Weighted average shares of minority partners preferred interest	2,277	3,454
Weighted average units of preferred limited partnership interest	1,127	1,367
Dilutive CAD weighted average shares and units outstanding	69,050	77,854
Diluted CAD per weighted average share or unit	\$0.48	\$0.50
Diluted weighted average dividends or distributions per share or unit	\$0.46	\$0.41
Diluted CAD payout ratio	95.4%	82.5%

Six months ended
June 30

2001 2000

BASIC FUNDS FROM OPERATIONS	\$94,508	\$79,447
Less :		
Straight line rents (Note a)	22,013	12,838
Non-incremental capitalized tenant improvements and leasing commissions	6,744	4,743
Non-incremental capitalized Improvements	2,264	2,697
	-----	-----
Basic Cash Available for Distribution ("CAD")	63,487	59,169
Add:		
Dividends and distributions on dilutive shares and units	3,745	19,029
	-----	-----
Diluted CAD	\$67,232	\$78,198
	=====	=====

BASIC CAD CALCULATIONS:

Weighted average common shares outstanding	56,641	51,146
Weighted average units of limited partnership interest outstanding	7,728	7,697
	-----	-----
Basic weighted average common shares and units outstanding	64,369	58,843
	=====	=====
Basic CAD per weighted average common share or unit	\$0.99	\$1.01
	=====	=====
Basic weighted average dividends or distributions per share or unit	\$0.88	\$0.83
	=====	=====
Basic CAD payout ratio	89.0%	82.1%
	=====	=====

DILUTED CAD CALCULATIONS:

Basic weighted average common shares and units outstanding	64,369	58,843
Adjustments for dilutive CAD weighted average shares and units outstanding:		
Add:		
Weighted average common stock equivalents	422	342
Weighted average shares of Series A Preferred Stock	--	8,060
Weighted average shares of Series B Preferred Stock	--	5,526
Weighted average shares of minority partners preferred interest	2,862	3,454
Weighted average units of preferred limited partnership interest	1,246	1,367
	-----	-----
Dilutive CAD weighted average shares and units outstanding	68,899	77,592
	=====	=====
Diluted CAD per weighted average share or unit	\$0.98	\$1.01
	=====	=====
Diluted weighted average dividends or distributions per share or unit	\$0.87	\$0.81
	=====	=====
Diluted CAD payout ratio	89.5%	80.3%
	=====	=====

Notes:

(a) Includes straight line rental income attributable to the property located at 919 Third Avenue, New York, N.Y of \$6,880, \$4,309, \$14,384 and \$5,384, respectively.

RECKSON ASSOCIATES REALTY CORP.
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except for share amounts)

	June 30, 2001 ----- (Unaudited)	December 31, 2000 -----
ASSETS:		
Commercial real estate properties, at cost:		
Land.....	\$ 396,103	\$ 396,482
Building and improvements.....	2,308,001	2,219,448
Developments in progress:		
Land.....	69,183	60,918
Development costs.....	87,204	93,759
Furniture, fixtures and equipment.....	7,414	7,138
	-----	-----
	2,867,905	2,777,745
Less accumulated depreciation.....	(332,649)	(288,479)
	-----	-----
	2,535,256	2,489,266
Investment in real estate joint ventures.....	69,026	43,534
Investment in mortgage notes and notes receivable.....	55,223	58,220
Cash and cash equivalents.....	26,395	17,843
Tenant receivables.....	9,829	11,511
Investments in and advances to affiliates.....	180,759	177,474
Deferred rents receivable.....	90,080	67,930
Prepaid expenses and other assets.....	77,378	68,895
Contract and land deposits and pre-acquisition costs.....	3,026	1,676
Deferred leasing and loan costs.....	65,270	61,681
	-----	-----
TOTAL ASSETS.....	\$ 3,112,242	\$ 2,998,030
	=====	=====
LIABILITIES:		
Mortgage notes payable.....	\$ 730,170	\$ 728,971
Unsecured credit facility.....	334,600	216,600
Senior unsecured notes.....	449,424	449,385
Accrued expenses and other liabilities.....	91,788	95,393
Dividends and distributions payable.....	33,113	28,801
	-----	-----
TOTAL LIABILITIES.....	1,639,095	1,519,150
	-----	-----
Minority partners' interests in consolidated partnerships.....	140,442	226,350
Preferred unit interest in the operating partnership.....	34,733	42,518
Limited partners' minority interest in the operating partnership.....	107,021	97,353
	-----	-----
	282,196	366,221
	-----	-----
Commitments and other comments.....	--	--
STOCKHOLDERS' EQUITY:		
Preferred Stock, \$.01 par value, 25,000,000 shares authorized		
Series A preferred stock, 9,192,000 shares issued and outstanding.....	92	92
Series B preferred stock, 2,000,000 shares issued and outstanding.....	20	20
Common Stock, \$.01 par value, 100,000,000 shares authorized		
Class A common stock, 49,619,419 and 45,352,286 shares issued and outstanding, respectively.....	496	454
Class B common stock, 10,283,513 shares issued and outstanding.....	103	103
	-----	-----
Additional paid in capital.....	1,186,537	1,111,990
Other comprehensive income.....	3,703	--
	-----	-----
Total Stockholders' Equity.....	1,190,951	1,112,659
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$ 3,112,242	\$ 2,998,030
	=====	=====

RATIOS COMPUTED FOR INDUSTRY COM	Three months ended June 30,		Six months ended June 30,	
	2001 ----	2000 ----	2001 ----	2000 ----
Debt Service Coverage Ratio	3.35 =====	3.08 =====	3.32 =====	3.04 =====
(Basic Funds from Operations + Interest expense + preferred dividends and distributions / Interest expense + principal)				
Fixed Charge Coverage Ratio	2.67 =====	2.32 =====	2.64 =====	2.28 =====
(Basic Funds from Operations + Interest expense + preferred dividends and distributions / Interest expense + preferred dividends and distributions + principal)				
Total Debt to Market Capitalization ratio as a percent	44.30% =====	42.30% =====	44.30% =====	42.30% =====
Marketing, general and administrative expenses to total revenues as a percent	6.35% =====	5.19% =====	6.04% =====	5.33% =====
Non - Incremental Capital Expenditures to Net Operating Income as a percent	6.78% =====	4.57% =====	5.40% =====	5.26% =====
Fully diluted FFO Payout Ratio - (note 1)	64.90% =====	63.60% =====	62.60% =====	63.80% =====
(Dividends to fully diluted FFO as a percent)				
Fully diluted CAD Payout Ratio - (note 2)	95.40% =====	82.50% =====	89.50% =====	80.30% =====
(Dividends to fully diluted CAD as a percent)				

Note: (1) Based on weighted average per share / unit dividends and distributions of \$.4517, \$.4129, \$.8656 and \$.8093, respectively.
(2) Based on weighted average per share / unit dividends and distributions of \$.4556, \$.4129, \$.8736 and \$.8093, respectively.

RECKSON ASSOCIATES REALTY CORP.
TOTAL DEBT & PREFERRED SECURITIES

MORTGAGE NOTES PAYABLE

The following table sets forth certain information regarding the mortgage debt of the Company, by scheduled maturity date, as of June 30, 2001 (in thousands):

Property	Principal amount outstanding	Interest rate	Maturity date	Amortization schedule
50 Charles Lindbergh Blvd., Mitchel Field, NY	\$ 15,479	7.500%	10-Jul-01	(3)(6)
200 Broad Hollow Road, Melville, NY	6,460	7.750%	02-Jun-02	30 year
310 East Shore Road, Great Neck, NY	2,322	8.000%	01-Jul-02	(3)
919 Third Avenue, NY, NY	200,000	LIBOR + 1.20%	31-Oct-03	(3)(7)
80 Orville Drive, Islip, NY	2,616	10.100%	01-Feb-04	(3)
395 North Service Road, Melville, NY	20,321	6.450%	26-Oct-05	(2)
200 Summit Lake Drive, Valhalla, NY	19,956	9.250%	01-Jan-06	25 year
1350 Avenue of the Americas, NY, NY	75,000	6.520%	01-Jun-06	(5)
Landmark Square, Stamford, CT	46,531	8.020%	07-Oct-06	25 year
100 Summit Lake Drive, Valhalla, NY	20,969	8.500%	01-Apr-07	15 year
333 Earl Ovington Blvd., Mitchel Field, NY	55,223 (1)	7.720%	14-Aug-07	25 year
810 Seventh Ave., NY, NY	84,953	7.730%	01-Aug-09	25 year
100 Wall Street, NY, NY	36,813	7.730%	01-Aug-09	25 year
6900 Jericho Turnpike, Syosset, NY	7,510	8.070%	01-Jul-10	25 year
6800 Jericho Turnpike, Syosset, NY	14,230	8.070%	01-Jul-10	25 year
580 White Plains Road, Tarrytown, NY	12,970	7.860%	01-Sep-10	25 year
110 Bi-County Blvd., Farmingdale, NY	3,948	9.125%	30-Nov-12	20 year
One Orlando Center, Orlando, FL	39,204	6.820%(4)	01-Nov-27	28 year
120 West 45th Street, NY, NY	65,665	6.820%(4)	01-Nov-27	28 year

Total mortgage notes payable principal outstanding	\$ 730,170			
=====				

- (1) The Company has a 60% general partnership interest in this property and its proportionate share of the aggregate principal amount of the mortgage debt is approximately \$33.1 million.
- (2) Principal payments of \$34,000 per month.
- (3) Interest only.
- (4) Subject to interest rate adjustment on November 1, 2004.
- (5) Interest only for the first year. 30 year thereafter.
- (6) paid off at maturity
- (7) Refinanced on July 18, 2001 to a \$250 million fixed rate (6.867%), ten year secured mortgage

SENIOR UNSECURED NOTES

The following table sets forth the Company's Senior Unsecured Notes and other related disclosures, by scheduled maturity date, as of June 30, 2001 (in thousands):

Issuance	Face amount	Coupon rate	Maturity date	Term
March 26, 1999	\$ 100,000 (1)	7.400%	15-Mar-04	5 years
August 27, 1997	150,000	7.200%	28-Aug-07	10 years
March 26, 1999	200,000 (1)	7.750%	15-Mar-09	10 years

Total Senior Unsecured Notes principal outstanding	\$ 450,000			
=====				

- (1) Notes issued on March 26, 1999 were issued at an aggregate discount of \$738,000 which is being amortized over the term of the Notes to which they relate

UNSECURED CREDIT FACILITY

The following table sets forth certain information regarding the Company's \$575 million Unsecured Credit Facility, as of June 30, 2001 (in thousands):

Principal amount outstanding	Weighted average interest rate	Maturity date	Amortization schedule
\$ 334,600	5.456%	07-Sep-03	Interest only
=====			

PREFERRED SECURITIES

The following table sets forth certain information regarding the Company's preferred securities, as of June 30, 2001 (in thousands):

Security	Liquidation preference value	Current yield	Conversion price per share	Issuance date
7 5/8% Series A Convertible Cumulative Preferred Stock	\$ 229,800	7.625%	\$ 28.51	April 1998
Series B Convertible Cumulative Preferred Stock	50,000	8.850%	\$ 26.05	June 1999
Series B Preferred Units of Limited Partnership Interest	18,151	6.337%	\$ 32.51	April 1998
Series C Preferred Units of Limited Partnership Interest	10,581	6.337%	\$ 29.39	April 1998
Series D Preferred Units of Limited Partnership Interest	6,000	6.337%	\$ 29.12	July 1998
	\$ 314,532			

CORE OPERATING RESULTS

Property	March 31, 2001				June 30, 2001			
	Number of Buildings	Rentable Square Feet	Percent of Property Type	Percent Leased	Number of Buildings	Rentable Square Feet	Percent of Property Type	Percent Leased
OFFICE PROPERTIES								
SUBURBAN OFFICE PARKS								
LONG ISLAND								
Nassau West Corporate Center, Mitchell Field, NY (1)	6	1,527,263	10.6%	98.3%	6	1,531,021	10.6%	97.9%
Huntington Melville Corporate Center, Melville, NY (2)	7	1,054,779	7.3%	98.6%	7	1,054,779	7.3%	99.3%
North Shore Atrium, Syosset, NY	2	304,177	2.1%	96.8%	2	304,177	2.1%	96.8%
SUBTOTAL - LONG ISLAND (3)	15	2,886,219	20.0%	98.2%	15	2,889,977	20.0%	98.2%
WESTCHESTER								
Tarrytown Corporate Center, Tarrytown, NY	6	875,726	6.1%	94.4%	6	875,726	6.1%	95.5%
Summit at Vallhalla, Vahalla, NY	3	699,045	4.8%	93.6%	3	699,045	4.8%	90.1%
Mt. Pleasant Corporate Center, Valhalla, NY	2	162,004	1.1%	94.2%	2	162,004	1.1%	94.3%
Reckson Executive Park, Rye Brook, NY	6	541,884	3.8%	98.3%	6	541,884	3.8%	98.3%
SUBTOTAL - WESTCHESTER	17	2,278,659	15.8%	95.0%	17	2,278,659	15.8%	94.4%
NEW JERSEY								
Short Hills Office Center, Short Hills, NJ (4)	3	557,036	3.9%	100.0%	3	563,703	3.9%	98.9%
Executive Hill Office Park, West Orange, NJ	4	391,382	2.7%	99.4%	4	391,382	2.7%	99.5%
University Square, Princeton, NJ	3	131,105	0.9%	100.0%	3	131,105	0.9%	100.0%
SUBTOTAL - NEW JERSEY (3)	10	1,079,523	7.5%	100.0%	10	1,086,190	7.5%	100.0%
SUBTOTAL - SUBURBAN OFFICE PARK (3)	42	6,244,401	43.2%	97.3%	42	6,254,826	43.3%	96.9%
SUBURBAN STAND ALONE								
Long Island Office Properties	12	1,486,629	10.3%	97.3%	12	1,486,629	10.3%	97.0%
New Jersey Office Properties (5)	8	1,061,545	7.3%	97.8%	8	1,063,983	7.4%	97.4%
Westchester Office Properties (6)	3	343,798	2.4%	99.7%	3	343,798	2.4%	100.0%
SUBTOTAL - SUBURBAN STANDALONE	23	2,891,972	20.0%	97.8%	23	2,894,410	20.0%	97.5%
SUBTOTAL - SUBURBAN OFFICE (3)	65	9,136,373	63.3%	97.5%	65	9,149,236	63.4%	97.8%
CBD Office								
CONNECTICUT								
Landmark Square, Stamford, CT	6	798,321	5.5%	94.0%	6	798,321	5.5%	94.4%
Stamford Towers, Stamford, CT	2	324,867	2.2%	100.0%	2	324,867	2.2%	100.0%
SUBTOTAL - CONNECTICUT	8	1,123,188	7.8%	95.8%	8	1,123,188	7.8%	96.1%
WESTCHESTER								
Standalone Office	4	668,916	4.6%	94.1%	4	668,916	4.6%	96.0%
SUBTOTAL - WESTCHESTER OFFICE	4	668,916	4.6%	94.1%	4	668,916	4.6%	96.0%
NEW YORK CITY								
919 Third Avenue	1	1,374,966	9.5%	97.9%	1	1,356,115	9.4%	97.4%
810 Seventh Avenue	1	692,060	4.8%	97.3%	1	692,060	4.8%	99.8%
100 Wall Street	1	466,226	3.2%	98.7%	1	466,226	3.2%	99.0%
120 W. 45th Street	1	443,109	3.1%	99.6%	1	443,109	3.1%	95.0%
1350 Ave. of the Americas	1	540,000	3.7%	92.2%	1	540,000	3.7%	93.5%

SUBTOTAL - NEW YORK CITY	5	3,516,361	24.3%	97.2%	5	3,497,510	24.2%	97.2%
SUBTOTAL - CBD OFFICE	17	5,308,465	36.7%	96.1%	17	5,289,614	36.6%	96.0%
SUBTOTAL - OFFICE PROPERTIES (3)	82	14,444,838	100.0%	97.1%	82	14,438,850	100.0%	97.0%
As a Percent of Total Portfolio			67.8%				67.8%	

- (1) Does not include 27,013 square feet leased to the health club at Omni.
(2) Rentable square feet includes a recently completed 277,500 sf Class A office building which is currently 31% leased; percent leased excludes this property.
(3) Percent leased excludes properties under development.
(4) Rentable square feet includes a 129,508 sf building under redevelopment; percent leased excludes this property.
(5) Subsequent to the June 30, 2001 reporting date two properties were sold encompassing 189,009 sf.
(6) Subsequent to the June 30, 2001 reporting date one property was sold encompassing 60,909 sf.

INDUSTRIAL PROPERTIES

LONG ISLAND INDUSTRIAL PROPERTIES	March 31, 2001				June 30, 2001			
	Number of Buildings	Rentable Square Feet	Percent of Property Type	Percent Leased	Number of Buildings	Rentable Square Feet	Percent of Property Type	Percent Leased
Vanderbilt Industrial Park, Hauppauge, NY (1)	47	2,379,895	40.4%	97.6%	47	2,379,895	34.8%	97.9%
Airport International Plaza, Bohemia, NY	21	1,288,510	21.9%	98.3%	21	1,288,510	18.8%	97.3%
County Line Industrial Center, Melville, NY	4	342,174	5.8%	100.0%	4	342,174	5.0%	100.0%
Other Submarkets								
Farmingdale	3	520,615	8.8%	99.9%	3	520,615	7.6%	99.9%
Melville	4	246,169	4.2%	100.0%	4	246,169	3.6%	100.0%
Islip/Islandia	6	212,400	3.6%	100.0%	6	212,400	3.1%	100.0%
Hauppauge	2	195,942	3.3%	99.1%	2	195,942	2.9%	99.1%
Other	8	708,740	12.0%	98.7%	8	708,740	10.4%	100.0%
SUBTOTAL - LONG ISLAND INDUSTRIAL (2)	95	5,894,445	86.3%	98.5%	95	5,894,445	86.2%	98.6%
Stand-alone Westchester Industrial Properties	3	163,000	2.4%	100.0%	3	165,690	2.4%	100.0%
Stand-alone Connecticut Industrial Properties	1	452,414	6.6%	100.0%	1	452,414	6.6%	100.0%
Stand-alone New Jersey Industrial Properties	5	324,254	4.7%	82.4%	5	324,254	4.7%	82.4%
SUBTOTAL - INDUSTRIAL PROPERTIES (2)	104	6,834,113	100.0%	97.8%	104	6,836,803	100.0%	97.9%
As a Percent of Total Portfolio			32.1%				32.1%	
RETAIL PROPERTIES	2	20,000	100.0%	46.0%	2	20,000	100.0%	46.0%
As a Percent of Total Portfolio			0.1%				0.1%	
TOTAL - ALL PROPERTIES (2)	188	21,298,951	100.0%	97.3%	188	21,295,653	100.0%	97.2%

(1)Rentable square feet includes a 56,875 square foot vacant building under redevelopment; percent leased excludes this property.

(2)Percent leased excludes property under development.

Reckson Portfolio Historical Occupancy

[GRAPHIC OMITTED]

	Industrial	Office
June 1997	96.5%	90.7%
June 1998	96.1%	92.1%
June 1999	97.5%	93.9%
June 2000	97.6%	95.7%
June 2001	97.9%	97.0%

Note: Percent leased excludes properties under development

TOTAL PORTFOLIO

	QUARTER ENDED JUNE 30, 2001				12 MONTHS ENDED JUNE 30, 2001			
	OFFICE(1)	INDUSTRIAL(2)	RESEARCH & DEVELOPMENT(3)	TOTAL	OFFICE(4)	INDUSTRIAL(5)	RESEARCH & DEVELOPMENT(6)	TOTAL
EXECUTED LEASES (8)								

Total Portfolio								
Number of Executed Leases	61	8	3	72	229	35	9	273
Square Footage	402,659	87,976	18,995	509,630	1,984,618	563,456	92,230	2,640,304
Average Rent	\$ 28.95	\$ 7.28	\$ 12.14		\$ 29.66	\$ 7.49	\$ 16.93	
Average Effective Rent	\$ 26.41	\$ 6.80	\$ 10.18		\$ 26.82	\$ 7.02	\$ 14.97	
Long Island Portfolio								
Number of Executed Leases	11	6	3	20	53	31	5	89
Square Footage	71,303	39,050	18,995	129,348	624,355	498,380	35,493	1,158,228
Average Rent	\$ 29.75	\$ 7.31	\$ 12.14		\$ 28.05	\$ 7.45	\$ 14.58	
Average Effective Rent	\$ 25.11	\$ 7.12	\$ 10.18		\$ 24.63	\$ 7.01	\$ 13.06	
Westchester Portfolio								
Number of Executed Leases	26			26	82		4	86
Square Footage	174,625			174,625	583,202		56,737	639,939
Average Rent	\$ 24.59				\$ 25.77		\$ 18.40	
Average Effective Rent	\$ 22.89				\$ 23.88		\$ 16.17	
Connecticut Portfolio								
Number of Executed Leases	8			8	29			29
Square Footage	24,830			24,830	138,877			138,877
Average Rent	\$ 31.82				\$ 30.48			
Average Effective Rent	\$ 30.73				\$ 29.28			
New Jersey Portfolio								
Number of Executed Leases	13	2		15	42	4		46
Square Footage	114,488	48,926		163,411	437,796	65,076		502,872
Average Rent	\$ 27.01	\$ 7.26			\$ 23.87	\$ 7.79		
Average Effective Rent	\$ 24.69	\$ 6.55			\$ 21.07	\$ 7.15		
New York City Portfolio								
Number of Executed Leases	3			3	23			23
Square Footage	17,413			17,816	200,388			200,388
Average Rent	\$ 78.12 (9)				\$ 58.09			
Average Effective Rent	\$ 72.21 (9)				\$ 53.05			
RENEWALS								
Leases Expiring During Period	46	5	2	53	146	31	6	183
Square Footage Expiring								
During Period	360,625	183,076	13,884	557,585	1,023,113	548,433	93,172	1,664,718
Square Footage Renewed								
During Period	192,371	19,500		211,271	673,252	352,261	69,991	1,095,504
Renewal Percentage	53.3%	10.7%	0.0%	38.0%	65.8%	64.2%	75.1%	65.8%

(1) Included in the total square footage is 313,893 square feet of non-incremental leases that, on average, at expiration, were paying a Base Rent of \$23.70 / square foot and a straightline rent of \$23.32 / square foot. These leases were renewed or released at an average starting Base Rent of \$26.95 and at a straightline rent of \$28.73 / square foot.

(2) Included in the total square footage is 63,050 square feet of non-incremental leases that, on average, at expiration, were paying a Base Rent of \$6.25 / square foot and a straightline rent of \$5.95/ square foot. These leases were renewed or released at an average starting Base Rent of \$7.08 and at a straightline rent of \$7.46 / square foot.

(3) Included in the total square footage is 13,884 square feet of non-incremental leases that, on average, at expiration, were paying a Base Rent of \$11.48 / square foot and a straightline rent of \$10.26/ square foot. These leases were renewed or released at an average starting Base Rent of \$10.45 and at a straightline rent of \$10.73 / square foot.

(4) Included in the total square footage is 1,225,114 square feet of non-incremental leases that, on average, at expiration, were paying a Base Rent of \$23.88 / square foot and a straightline rent of \$23.27 / square foot. These leases were renewed or released at an average starting Base Rent of \$26.77 and at a straightline rent of \$28.55 / square foot.

(5) Included in the total square footage is 362,727 square feet of non-incremental leases that, on average, at expiration, were paying a Base Rent of \$6.99 / square foot and a straightline rent of \$6.72 / square foot. These leases were renewed or released at an average starting Base Rent of \$7.93 and at a straightline rent of \$8.19 / square foot.

(6) Included in the total square footage is 27,088 square feet of non-incremental leases that, on average, at expiration, were paying a Base Rent of \$14.04 / square foot and a straightline rent of \$12.90 / square foot. These leases were renewed or released at an average starting Base Rent of \$13.40 and at a straightline rent of \$14.16 / square foot.

(7) Base Rent is equal to annualized base rent plus non-recoverable operating expense pass-throughs.

(8) Includes new and renewed leases during the period.

(9) Excluding a 9,400 sf ground floor retail space the average rent and net effective rent are \$63.14 and \$56.88, respectively.

RECKSON ASSOCIATES REALTY CORP.
LEASE EXPIRATION COMPARISON
JUNE 30, 2001

OFFICE PORTFOLIO (1)

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		% Cumulative Square Feet Expiring	
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01
2001	120	84	727,619	460,205	5.3%	3.4%	5.3%	3.4%
2002	144	143	1,079,094	1,056,799	7.9%	7.8%	13.3%	11.2%
2003	142	141	1,192,913	1,224,054	8.8%	9.1%	22.0%	20.3%
2004	153	153	1,245,452	1,244,982	9.2%	9.2%	31.2%	29.6%
2005	216	215	1,994,596	1,901,639	14.7%	14.1%	45.9%	43.7%
2006	116	132	1,519,796	1,576,818	11.2%	11.7%	57.0%	55.3%
2007 and thereafter	240	244	5,848,629	6,022,012	43.0%	44.7%	100.0%	100.0%
Total	1,131	1,112	13,608,099	13,486,509	100.0%	100.0%		

INDUSTRIAL / R&D PORTFOLIO

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		% Cumulative Square Feet Expiring	
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01
2001	28	21	653,215	594,205	10.5%	9.6%	10.5%	9.6%
2002	31	31	365,124	365,124	5.9%	5.9%	16.4%	15.4%
2003	33	32	773,872	771,372	12.5%	12.4%	28.8%	27.9%
2004	42	42	722,971	722,971	11.6%	11.6%	40.5%	39.5%
2005	27	26	795,550	785,434	12.8%	12.6%	53.3%	52.1%
2006	33	39	924,934	978,910	14.9%	15.8%	68.2%	67.9%
2007 and thereafter	50	52	1,979,357	1,994,857	31.8%	32.1%	100.0%	100.0%
Total	244	243	6,215,023	6,212,873	100.0%	100.0%		

TOTAL PORTFOLIO (1)

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		% Cumulative Square Feet Expiring	
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01
2001	148	105	1,380,834	1,054,410	7.0%	5.4%	7.0%	5.4%
2002	175	174	1,444,218	1,421,923	7.3%	7.2%	14.3%	12.6%
2003	175	173	1,966,785	1,995,426	9.9%	10.1%	24.2%	22.7%
2004	195	195	1,968,423	1,967,953	9.9%	10.0%	34.1%	32.7%
2005	243	241	2,790,146	2,687,073	14.1%	13.6%	48.2%	46.3%
2006	149	171	2,444,730	2,555,728	12.3%	13.0%	60.5%	59.3%
2007 and thereafter	290	296	7,827,986	8,016,869	39.5%	40.7%	100.0%	100.0%
Total	1,375	1,355	19,823,122	19,699,382	100.0%	100.0%		

(1) Excludes square feet for properties sold subsequent to June 30, 2001.

LONG ISLAND OFFICE (EXCLUDING OMNI)

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot	S/L Rent(1)
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01		
2001	36	28	168,126	131,751	5.1%	3.8%	\$22.25	\$22.25
2002	33	34	165,326	165,933	5.1%	4.8%	\$21.98	\$21.91
2003	48	52	297,892	375,400	9.1%	10.9%	\$22.32	\$22.95
2004	46	49	274,809	286,257	8.4%	8.3%	\$23.21	\$23.24
2005	65	70	599,698	604,700	18.3%	17.5%	\$23.42	\$23.30
2006	15	19	76,583	106,482	2.3%	3.1%	\$26.38	\$26.62
2007 and thereafter	81	88	1,688,317	1,787,057	51.6%	51.7%	--	--
Total / Weighted Average	324	340	3,270,751	3,457,580	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$24.36	\$24.34
2002	\$24.90	\$24.68
2003	\$25.03	\$25.36
2004	\$26.18	\$26.15
2005	\$26.73	\$26.18
2006	\$30.41	\$30.38
2007 and thereafter	--	--
Total / Weighted Average		

OMNI

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot	S/L Rent(1)
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01		
2001	3	2	22,931	8,663	3.9%	1.5%	\$29.09	\$30.48
2002	4	4	53,127	53,127	9.0%	9.2%	\$34.55	\$34.55
2003	4	4	58,018	58,018	9.8%	10.0%	\$30.22	\$30.22
2004	4	4	112,414	112,414	19.0%	19.5%	\$26.12	\$26.14
2005	7	7	59,166	59,166	10.0%	10.2%	\$27.99	\$27.99
2006	1	1	9,749	9,749	1.6%	1.7%	\$35.21	\$35.21
2007 and thereafter	10	10	276,259	276,259	46.7%	47.8%	--	--
Total / Weighted Average	33	32	591,664	577,396	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$35.06	\$33.48
2002	\$37.91	\$37.91
2003	\$34.97	\$34.97
2004	\$34.15	\$34.15
2005	\$35.26	\$35.26
2006	\$38.02	\$38.02
2007 and thereafter	--	--
Total / Weighted Average		

(1) Per Square Foot Rent represents annualized straightline rent as of the lease expiration date.
(2) Per Square Foot Rent represents annualized base rent as of the lease expiration date plus non-recoverable operating expense pass-throughs.

INDUSTRIAL

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot Mar-01	S/L Rent(1) Jun-01
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01		
2001	21	15	376,385	307,259	7.7%	6.3%	\$6.28	\$5.89
2002	28	28	246,504	246,504	5.0%	5.0%	\$6.47	\$6.47
2003	29	28	735,934	733,434	15.0%	14.9%	\$5.35	\$5.35
2004	33	33	623,753	623,753	12.7%	12.7%	\$6.25	\$6.25
2005	22	22	427,994	427,994	8.7%	8.7%	\$5.93	\$5.93
2006	27	33	834,717	888,693	17.0%	18.1%	\$6.29	\$6.36
2007 and thereafter	36	38	1,664,940	1,680,440	33.9%	34.2%	-	-
Total / Weighted Average	196	197	4,910,227	4,908,077	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$7.38	\$7.36
2002	\$7.32	\$7.32
2003	\$6.27	\$6.26
2004	\$7.12	\$7.32
2005	\$7.97	\$7.97
2006	\$7.81	\$7.81
2007 and thereafter	--	--
Total / Weighted Average		

RESEARCH AND DEVELOPMENT

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot Mar-01	S/L Rent (1) Jun-01
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01		
2001	7	6	276,830	286,946	21.2%	22.0%	\$5.63	\$5.53
2002	3	3	118,620	118,620	9.1%	9.1%	\$10.19	\$10.19
2003	4	4	37,938	37,938	2.9%	2.9%	\$9.20	\$9.20
2004	9	9	99,218	99,218	7.6%	7.6%	\$13.86	\$13.86
2005	5	4	367,556	357,440	28.2%	27.4%	\$8.49	\$8.24
2006	6	6	90,217	90,217	6.9%	6.9%	\$17.46	\$17.36
2007 and thereafter	14	14	314,417	314,417	24.1%	24.1%	--	--
Total / Weighted Average	48	46	1,304,796	1,304,796	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$ 6.90	\$ 6.94
2002	\$11.82	\$11.82
2003	\$10.15	\$10.15
2004	\$15.02	\$15.02
2005	\$10.53	\$10.76
2006	\$20.07	\$20.07
2007 and thereafter	--	--
Total / Weighted Average		

(1) Per Square Foot Rent represents annualized straightline rent as of the lease expiration date.

(2) Per Square Foot Rent represents annualized base rent as of the lease expiration date plus non-recoverable operating expense pass-throughs.

WESTCHESTER OFFICE

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot Rent S/L (1)	
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01
2001	29	16	184,244	56,421	5.9%	1.8%	\$21.09	\$21.55
2002	45	48	412,680	419,902	13.2%	13.7%	\$21.08	\$21.18
2003	43	44	247,349	246,101	7.9%	8.0%	\$22.12	\$21.76
2004	30	31	164,634	172,746	5.3%	5.6%	\$21.09	\$21.12
2005	52	50	415,469	389,628	13.3%	12.7%	\$23.92	\$24.98
2006	24	31	643,346	692,851	20.5%	22.6%	\$22.20	\$22.76
2007 and thereafter	41	41	1,065,724	1,086,508	34.0%	35.5%	--	--
Total / Weighted Average	264	261	3,133,446	3,064,157	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$21.69	\$24.01
2002	\$21.10	\$21.51
2003	\$23.39	\$22.80
2004	\$22.03	\$22.06
2005	\$24.32	\$25.29
2006	\$24.07	\$24.70
2007 and thereafter	--	--
Total / Weighted Average		

STAMFORD OFFICE

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot S/L Rent (1)	
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01
2001	25	19	67,832	44,758	6.3%	4.2%	\$23.36	\$19.99
2002	18	18	85,900	84,104	8.0%	8.0%	\$27.67	\$27.53
2003	17	17	140,239	120,969	13.0%	11.4%	\$31.22	\$31.07
2004	19	21	226,883	228,220	21.1%	21.6%	\$21.76	\$22.01
2005	24	26	118,425	122,242	11.0%	11.6%	\$26.81	\$26.66
2006	17	19	271,239	273,947	25.2%	25.9%	\$24.31	\$25.53
2007 and thereafter	16	16	165,170	182,285	15.4%	17.3%	--	--
Total / Weighted Average	136	136	1,075,688	1,056,525	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$23.73	\$22.03
2002	\$29.02	\$28.30
2003	\$31.70	\$31.75
2004	\$22.74	\$22.81
2005	\$28.62	\$28.62
2006	\$25.08	\$25.15
2007 and thereafter	--	--
Total / Weighted Average		

(1) Per Square Foot Rent represents annualized straightline rent as of the lease expiration date.
(2) Per Square Foot Rent represents annualized base rent as of the lease expiration date plus non-recoverable operating expense pass-throughs.

NEW JERSEY OFFICE

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot S/L Ren (1)	
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01
2001	13	10	183,633	158,351	8.7%	8.2%	\$17.85	\$17.36
2002	22	19	171,446	144,155	8.1%	7.4%	\$20.02	\$20.20
2003	23	17	333,689	307,840	15.8%	15.8%	\$19.03	\$18.86
2004	34	29	241,737	227,106	11.4%	11.7%	\$22.51	\$22.59
2005	31	24	344,775	279,093	16.3%	14.4%	\$23.19	\$23.09
2006	12	14	179,319	150,607	8.5%	7.8%	\$22.38	\$24.52
2007 and thereafter	17	18	663,491	675,409	31.3%	34.8%	--	--
Total / Weighted Average	152	131	2,118,090	1,942,561	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$18.18	\$17.63
2002	\$20.77	\$20.99
2003	\$19.16	\$18.94
2004	\$23.12	\$23.44
2005	\$23.76	\$23.79
2006	\$23.58	\$25.75
2007 and thereafter	--	--
Total / Weighted Average		

NEW YORK CITY OFFICE

Year of Expiration	Number of Leases Expiring		Square Feet Expiring		% Square Feet Expiring		Per Square Foot S/L Rent (1)	
	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01	Mar-01	Jun-01
2001	14	9	100,853	60,261	3.0%	1.8%	\$32.30	\$32.00
2002	22	20	190,615	189,578	5.6%	5.6%	\$32.62	\$32.57
2003	7	7	115,726	115,726	3.4%	3.4%	\$31.89	\$31.89
2004	20	19	224,975	218,239	6.6%	6.4%	\$36.53	\$36.46
2005	37	38	457,063	446,810	13.4%	13.2%	\$34.76	\$36.04
2006	47	48	339,560	343,182	9.9%	10.1%	\$29.70	\$30.00
2007 and thereafter	75	71	1,989,668	2,014,494	58.2%	59.5%	--	--
Total / Weighted Average	222	212	3,418,460	3,388,290	100.0%	100.0%		

Year of Expiration	Per Square Foot Rent (2)	
	Mar-01	Jun-01
2001	\$33.26	\$32.91
2002	\$33.41	\$33.52
2003	\$32.33	\$32.68
2004	\$38.74	\$39.35
2005	\$36.35	\$37.80
2006	\$30.77	\$31.17
2007 and thereafter	--	--
Total / Weighted Average		

- (1) Per Square Foot Rent represents annualized straightline rent as of the lease expiration date.
(2) Per Square Foot Rent represents annualized base rent as of the lease expiration date plus non-recoverable operating expense pass-throughs.

EXPIRING RENT VS. MARKET RENT
Suburban Portfolio

[GRAPHIC OMITTED]

	LONG ISLAND -----	WESTCHESTER -----	NEW JERSEY -----
Expiring Rent (1)	\$23.94	\$22.56	\$21.10
Market Rent (2)	\$30.45	\$29.13	\$29.69
Increase	27%	29%	41%

Source: Cushman & Wakefield

(1) Represents average rents for leases expiring over the next 5.5 years
(2) Average asking rents as provided by Cushman & Wakefield. There can be no assurance the Company's properties can achieve such average asking rents.

EXPIRING RENT VS. MARKET RENT
CBD OFFICE PORTFOLIO

[GRAPHIC OMITTED]

	Connecticut	New York City
Expiring Rent (1)	\$25.44	\$33.59
Market Rent (2)	\$42.74	\$60.18
Increase	68%	79%

Source: Cushman & Wakefield

- (1) Represents average rents for leases expiring over the next 5.5 years
- (2) Average asking rents as provided by Cushman & Wakefield. There can be no assurance the Company's properties can achieve such average asking rents.

RECKSON ASSOCIATES REALTY CORP.
 PORTFOLIO SNAPSHOT (BASED ON 2nd QUARTER 2001)

[GRAPHICS OMITTED]

GEOGRAPHIC DISTRIBUTION		PROPERTY TYPE		CBD VS SUBURBAN (OFFICE SPACE ONLY)	
-----		-----		-----	
SQUARE FEET		SQUARE FEET		SQUARE FEET	
Long Island	49%	Office	68%	CBD	37%
New York City	16%	Industrial	32%	Suburban	63%
Westchester	16%				
Connecticut	7%				
New Jersey	12%				
TOTAL REVENUE		TOTAL REVENUE		TOTAL REVENUE	
Long Island	34%	Office	89%	CBD	44%
New York City	28%	Industrial	11%	Suburban	56%
Westchester	18%				
Connecticut	8%				
New Jersey	12%				
NET OPERATING INCOME		NET OPERATING INCOME		NET OPERATING INCOME	
Long Island	33%	Office	85%	CBD	42%
New York City	25%	Industrial	15%	Suburban	58%
Westchester	19%				
Connecticut	9%				
New Jersey	14%				
FUNDS FROM OPERATIONS		FUNDS FROM OPERATIONS		FUNDS FROM OPERATIONS	
Long Island	33%	Office	88%	CBD	47%
New York City	31%	Industrial	12%	Suburban	53%
Westchester	17%				
Connecticut	7%				
New Jersey	12%				

[GRAPHICS OMITTED]

GEOGRAPHIC DISTRIBUTION		PROPERTY TYPE		CBD VS SUBURBAN (OFFICE SPACE ONLY)	
-----		-----		-----	
SQUARE FEET		SQUARE FEET		SQUARE FEET	
Long Island	49%	Office	67%	CBD	37%
New York City	17%	Industrial	33%	Suburban	63%
Westchester	16%				
Connecticut	7%				
New Jersey	11%				
TOTAL REVENUE		TOTAL REVENUE		TOTAL REVENUE	
Long Island	31%	Office	88%	CBD	48%
New York City	32%	Industrial	12%	Suburban	52%
Westchester	17%				
Connecticut	8%				
New Jersey	12%				
NET OPERATING INCOME		NET OPERATING INCOME		NET OPERATING INCOME	
Long Island	31%	Office	88%	CBD	48%
New York City	32%	Industrial	12%	Suburban	52%
Westchester	18%				
Connecticut	7%				
New Jersey	12%				
FUNDS FROM OPERATIONS		FUNDS FROM OPERATIONS		FUNDS FROM OPERATIONS	
Long Island	31%	Office	87%	CBD	49%
New York City	34%	Industrial	13%	Suburban	51%
Westchester	17%				
Connecticut	7%				
New Jersey	11%				

NON-INCREMENTAL REVENUE GENERATING CAPITAL EXPENDITURES, TENANT IMPROVEMENT COSTS AND LEASING COMMISSIONS

The following table summarizes the expenditures incurred for capital expenditures for the entire portfolio and tenant improvements and leasing commissions for space leased at the Company's office and industrial properties for the six month period ended June 30, 2001 and the historical average of such capital expenditures, tenant improvements and leasing commissions for the years 1997 through 2000.

NON-INCREMENTAL REVENUE GENERATING CAPITAL EXPENDITURES

	1997	1998	1999	2000	1997-2000 average	2001
Suburban Office Properties						
Total	\$1,108,675	\$2,004,976	\$2,298,899	\$3,289,116	\$2,175,417	\$1,443,882
Per Square Foot	0.22	0.23	0.23	0.33	0.25	0.14
CBD Office Properties						
Total	N/A	N/A	N/A	\$ 946,718	\$ 946,718	\$ 641,809
Per Square Foot	N/A	N/A	N/A	0.38	0.38	0.18
Industrial Properties						
Total	\$ 733,233	\$1,205,266	\$1,048,688	\$ 813,431	\$ 950,155	\$ 309,398
Per Square Foot	0.15	0.12	0.11	0.11	0.12	\$ 0.05

NON-INCREMENTAL REVENUE GENERATING TENANT IMPROVEMENTS AND LEASING COMMISSIONS

	1997	1998	1999	2000	1997-2000 average	2001	New	Renewal
Long Island Office Properties								
Tenant Improvements	\$ 784,044	\$1,140,251	\$1,009,357	\$2,853,706	\$1,466,840	\$ 702,596	\$ 544,453	\$158,143
Per Square Foot Improved	7.00	3.98	4.73	6.99	5.68	9.50	18.40	3.56
Leasing Commissions	\$415,822	\$ 418,191	\$ 551,762	\$2,208,604	\$ 898,595	\$333,643	\$ 138,377	\$195,266
Per Square Foot Leased	4.83	1.46	2.59	4.96	3.46	4.51	4.68	4.40
Total Per Square Foot	\$11.83	\$ 5.44	\$ 7.32	\$ 11.95	\$ 9.14	\$ 14.01	\$ 23.08	\$ 7.96
Westchester Office Properties								
Tenant Improvements	\$1,211,665	\$ 711,160	\$1,316,611	\$1,860,027	\$1,274,866	\$1,358,938	\$1,024,643	\$334,295
Per Square Foot Improved	8.9	4.45	5.62	5.72	6.17	6.06	7.94	3.51
Leasing Commissions	\$366,257	\$ 286,150	\$ 457,730	\$ 412,226	\$ 380,591	\$ 39,295	\$ 39,295	\$ 0
Per Square Foot Leased	2.69	1.79	1.96	3	2.36	0.17	0.30	--
Total Per Square Foot	\$11.59	\$ 6.24	\$ 7.58	\$ 8.72	\$ 8.53	\$ 6.23	\$ 8.24	\$ 3.51
Connecticut Office Properties								
Tenant Improvements	\$1,022,421	\$ 202,880	\$ 179,043	\$ 385,531	\$ 447,469	\$ 175,648	\$ 133,543	\$ 42,105
Per Square Foot Improved	13.39	5.92	4.88	4.19	7.10	2.14	5.63	0.72
Leasing Commissions	\$256,615	\$ 151,063	\$ 110,252	\$ 453,435	\$ 242,841	\$ 182,516	\$ 118,463	\$ 64,053
Per Square Foot Leased	3.36	4.41	3.00	4.92	3.92	2.22	4.99	1.10
Total Per Square Foot	\$16.75	\$ 10.33	\$ 7.88	\$9.11	\$ 11.02	\$ 4.36	\$ 10.62	\$ 1.81
New Jersey Office Properties								
Tenant Improvements	N/A	\$ 654,877	\$ 454,054	\$1,580,323	\$ 896,418	\$ 737,260	\$ 700,126	\$ 37,134
Per Square Foot Improved	N/A	3.78	2.29	6.71	4.26	5.30	7.97	0.73
Leasing Commissions	N/A	\$ 396,127	\$ 787,065	\$1,031,950	\$ 738,381	\$ 904,348	\$ 675,116	\$229,232
Per Square Foot Leased	N/A	2.08	3.96	4.44	3.49	6.51	7.69	4.48
Total Per Square Foot	N/A	\$ 5.86	\$ 6.25	\$ 11.15	\$ 7.75	\$ 11.81	\$ 15.66	\$ 5.21
New York City Office Properties								
Tenant Improvements	N/A	N/A	N/A	\$ 65,267	\$ 65,267	\$ 738,800	\$ 738,800	\$ 0
Per Square Foot Improved	N/A	N/A	N/A	1.79	1.79	17.20	17.20	--
Leasing Commissions	N/A	N/A	N/A	\$ 418,185	\$ 418,185	\$1,025,394	\$1,025,394	\$ 0
Per Square Foot Leased	N/A	N/A	N/A	11.50	11.50	23.87	23.87	--
Total Per Square Foot	N/A	N/A	N/A	\$ 13.29	N/A	\$ 41.07	\$ 41.07	\$ 0.00
Industrial Properties								
Tenant Improvements	\$ 230,466	\$ 283,842	\$ 375,646	\$ 650,216	\$ 385,043	\$ 141,640	\$ 34,650	\$ 0
Per Square Foot Improved	0.55	0.76	0.25	0.95	0.63	0.70	0.26	--
Leasing Commissions	\$81,013	\$ 200,154	\$ 835,108	\$ 436,506	\$ 388,195	\$ 183,533	\$ 50,055	\$ 0
Per Square Foot Leased	0.19	0.44	0.56	0.64	0.46	0.90	0.37	--
Total Per Square Foot	\$0.75	\$ 1.20	\$ 0.81	\$ 1.59	\$ 1.09	\$ 1.59	\$ 0.62	\$ 0.00

MARKET STATISTICS

[GRAPHICS OMITTED]

LONG ISLAND CLASS A STATISTICS -----					
	1997	1998	1999	2000	2001
Average Asking Rental Rates	\$26.14	\$27.23	\$27.69	\$28.86	\$30.45
Overall Vacancy	9.7%	6.7%	6.5%	8.4%	10.4%
Direct Vacancy	8.7%	6.1%	5.6%	6.3%	7.7%
WESTCHESTER CLASS A STATISTICS -----					
	1997	1998	1999	2000	2001
Average Asking Rental Rates	\$25.14	\$26.67	\$27.23	\$29.62	\$29.13
Overall Vacancy	15.6%	19.2%	16.3%	12.0%	13.7%
Direct Vacancy	13.3%	16.4%	15.0%	10.7%	11.6%
SOUTHERN CONNECTICUT CLASS A STATISTICS -----					
	1997	1998	1999	2000	2001
Average Asking Rental Rates	\$28.96	\$32.22	\$31.78	\$44.41	\$42.74
Overall Vacancy	5.7%	4.2%	4.7%	8.1%	12.4%
Direct Vacancy	4.2%	3.6%	4.0%	7.2%	9.4%
NORTHERN NEW JERSEY CLASS A STATISTICS -----					
	1997	1998	1999	2000	2001
Average Asking Rental Rates	\$25.38	\$27.42	\$28.52	\$29.66	\$29.69
Overall Vacancy	7.3%	7.5%	7.1%	9.9%	11.1%
Direct Vacancy	4.7%	5.3%	4.6%	6.5%	6.2%

Source: Cushman & Wakefield

LONG ISLAND SUBMARKETS CLASS A OFFICE
AVERAGE ASKING RENTS

[GRAPHIC OMITTED]

	1997	1998	1999	2000	2Q01
	----	----	----	----	----
Central Nassau County	\$28.79	\$29.10	\$29.93	\$31.15	\$31.60
Western Suffolk County	\$26.55	\$26.22	\$27.34	\$28.22	\$30.90
Eastern Nassau County	\$25.22	\$27.49	\$26.23	\$28.75	\$27.46

Source: Cushman & Wakefield

Note: 45% of Long Island office revenue is derived from Central Nassau properties
32% of Long Island office revenue is derived from Western Suffolk properties
7% of Long Island office revenue is derived from Eastern Nassau properties

LONG ISLAND SUBMARKETS CLASS A OFFICE
DIRECT VACANCY RENTS

[GRAPHIC OMITTED]

	1997	1998	1999	2000	2001
	----	----	----	----	----
Central Nassau County	7.5%	5.1%	5.1%	4.7%	5.7%
Western Suffolk County	7.7%	7.7%	11.6%	15.4%	17.7%
Eastern Nassau County	6.4%	4.9%	0.9%	1.4%	1.2%

Source: Cushman & Wakefield

Note: 45% of Long Island office revenue is derived from Central Nassau properties
32% of Long Island office revenue is derived from Western Suffolk properties
7% of Long Island office revenue is derived from Eastern Nassau properties

WESTCHESTER SUBMARKETS CLASS A OFFICE
AVERAGE ASKING RENTS

[GRAPHICS OMITTED]

	1997	1998	1999	2000	2001
	----	----	----	----	----
Central	\$22.39	\$22.91	\$27.07	\$28.49	\$28.22
Tarrytown/Western	\$24.43	\$24.66	\$27.30	\$27.03	\$26.25
Eastern	\$26.53	\$29.35	\$27.70	\$29.65	\$29.72
White Plains CBD	\$25.09	\$26.84	\$27.44	\$30.62	\$29.76

Source: Cushman & Wakefield

Note: 29% of Westchester office revenue is derived from Tarrytown / Western properties
28% of Westchester office revenue is derived from Central properties
20% of Westchester office revenue is derived from White Plains properties
16% of Westchester office revenue is derived from Eastern properties

WESTCHESTER SUBMARKETS CLASS A OFFICE
DIRECT VACANCY RENTS

[GRAPHICS OMITTED]

	1997	1998	1999	2000	2001
	----	----	----	----	----
Central	5.7%	12.3%	13.5%	12.0%	17.9%
Tarrytown / Western	7.9%	7.8%	8.0%	6.0%	9.0%
Eastern	8.6%	12.2%	10.1%	8.1%	6.5%
White Plains CBD	25.7%	22.7%	22.6%	11.5%	9.7%

Source: Cushman & Wakefield

Note: 29% of Westchester office revenue is derived from Tarrytown / Western properties
28% of Westchester office revenue is derived from Central properties
20% of Westchester office revenue is derived from White Plains properties
16% of Westchester office revenue is derived from Eastern properties

Note: The 17.9% vacancy in Central Westchester is impacted by IBM selling a 383,000 owner occupied building. The location of this building is not easily accessible to major thoroughfares and employee bedroom communities. Excluding this building the vacancy rate is 13.0%

NEW JERSEY SUBMARKETS CLASS A OFFICE
AVERAGE ASKING RENTS

[GRAPHIC OMITTED]

	ESSEX COUNTY	BERGEN COUNTY	MERCER COUNTY
	-----	-----	-----
1997	\$26.47	\$26.02	\$23.01
1998	\$27.74	\$27.37	\$24.49
1999	\$28.78	\$28.07	\$27.46
2000	\$28.90	\$29.41	\$30.32
2001	\$29.53	\$29.40	\$29.86

Source: Cushman & Wakefield

Note: 52% of New Jersey office revenue is derived from Essex County office properties
14% of New Jersey office revenue is derived from Bergen County office properties
9% of New Jersey office revenue is derived from Mercer County office properties

NEW JERSEY SUBMARKETS CLASS A OFFICE
DIRECT VACANCY RATES

[GRAPHIC OMITTED]

	ESSEX COUNTY	BERGEN COUNTY	MERCER COUNTY
	-----	-----	-----
1997	4.70%	7.80%	2.50%
1998	3.30%	6.80%	1.50%
1999	6.00%	5.30%	5.20%
2000	9.60%	5.10%	6.30%
2001	7.50%	7.70%	4.50%

Source: Cushman & Wakefield

Note: 52% of New Jersey office revenue is derived from Essex County office properties
14% of New Jersey office revenue is derived from Bergen County office properties
9% of New Jersey office revenue is derived from Mercer County office properties

NEW YORK CITY SUBMARKETS CLASS A OFFICE
AVERAGE ASKING RENTS

[GRAPHIC OMITTED]

	1997	1998	1999	2000	2001
	----	----	----	----	----
Financial East	\$29.77	\$40.21	\$37.64	\$52.90	\$47.84
Midtown West Side	\$33.10	\$43.36	\$48.28	\$60.89	\$57.65
Midtown East Side	\$39.33	\$47.85	\$51.18	\$61.46	\$60.33
6th Ave./Rockefeller Center	\$43.62	\$51.33	\$53.12	\$65.91	\$71.32

Source: Cushman & Wakefield

Note: 40% of New York City office revenue is derived from Midtown West Side properties
30% of New York City office revenue is derived from Midtown East Side properties
17% of New York City office revenue is derived from 6th Ave./Rockefeller Center properties
13% of New York City office revenue is derived from Financial East properties

NEW YORK CITY
CLASS A STATISTICS

[GRAPHICS OMITTED]

FINANCIAL EAST	1997	1998	1999	2000	2001
	----	----	----	----	----
Overall Vacancy	8.9%	7.3%	4.1%	2.1%	6.6%
Direct Vacancy	8.2%	6.6%	3.4%	1.4%	3.4%
MIDTOWN WEST	1997	1998	1999	2000	2001
	----	----	----	----	----
Overall Vacancy	6.9%	4.3%	6.0%	2.7%	4.4%
Direct Vacancy	3.7%	3.3%	4.6%	2.4%	2.7%
MIDTOWN EAST	1997	1998	1999	2000	2001
	----	----	----	----	----
Overall Vacancy	7.2%	8.0%	5.0%	2.6%	4.5%
Direct Vacancy	5.6%	6.0%	3.8%	1.9%	2.5%
6TH AVE/ROCK CTR	1997	1998	1999	2000	2001
	----	----	----	----	----
Overall Vacancy	4.7%	5.0%	2.6%	1.2%	3.3%
Direct Vacancy	2.7%	2.2%	1.6%	0.9%	1.5%

Source: Cushman & Wakefield

Note: 40% of New York City office revenue is derived from Midtown West Side properties
 30% of New York City office revenue is derived from Midtown East Side properties
 17% of New York City office revenue is derived from 6th Ave./Rockefeller Center properties
 13% of New York City office revenue is derived from Financial East properties

VALUE CREATION PIPELINE STATISTICS

STAGE/PROPERTY	ACRES / SQ. FEET	INITIAL INVESTMENT	ANTICIPATED INCREMENTAL INVESTMENT	TOTAL ANTICIPATED INVESTMENT
PROJECTS IN STABILIZATION PERIOD				
Melville Expressway Corporate Center, Melville NY (Phase I)	277,500	\$4,250,000	\$39,196,000	\$43,446,000
TOTAL PROJECTS IN STABILIZATION PERIOD	277,500	\$4,250,000	\$39,196,000	\$43,446,000
PROJECTS UNDER DEVELOPMENT OR REPOSITIONING				
103 JFK Expressway, Short Hills, NJ	129,508	\$21,025,000	\$8,975,000	\$30,000,000
400 Moreland Road, Commack, NY	56,875	\$1,562,000	\$1,405,000	\$2,967,000
TOTAL PROJECTS UNDER DEVELOPMENT OR REPOSITIONING	186,383	\$22,587,000	\$10,380,000	\$32,967,000
PROJECTS IN PLANNING				
Melville Square Corporate Center II, Melville, NY	255,000	\$5,732,621	\$27,927,379	\$33,660,000
University Square , Princeton, NJ	315,000	\$4,657,300	\$45,739,700	\$50,397,000
Melville Expressway Corporate Center, Melville, NY (Phase II)	277,500	\$4,250,000	\$45,040,000	\$49,290,000
Reckson Executive Park, Rye Brook, NY	345,000	\$8,000,000	\$47,799,000	\$55,799,000
AIP 2001, Islip, NY	71,000	\$650,000	\$5,042,000	\$5,692,000
Landmark 7, Stamford, CT	61,000	\$0	\$13,208,000	\$13,208,000
TOTAL PROJECTS IN PLANNING	1,324,500	\$23,289,921	\$184,756,079	\$208,046,000
LAND				
70 Andrews Road, Hicksville, NY	3.8	\$487,500	\$2,821,500	\$3,309,000
Giralda Farms, Morris County, NJ (2)	40	\$5,000,000	\$75,091,000	\$80,091,000
Old Willets Path, Hauppauge, NY	2	\$595,000	\$2,400,000	\$2,995,000
Eagle Rock 3, East Hanover, NJ	15	\$2,808,904	\$14,816,096	\$17,625,000
AIP Recapture, Islip, NY	4.2	\$0	\$0	\$0
AIP, Islip NY	3.8	\$0	\$2,200,000	\$2,200,000
AIP, Islip NY	2	\$0	\$1,400,000	\$1,400,000
East Patchogue, East Patchogue, NY	23	\$0	\$0	\$0
40 Cragwood, South Plainfield, NJ	7	\$0	\$0	\$0
TOTAL LAND	100.8	\$8,891,404	\$98,728,596	\$107,620,000
TOTAL UNREALIZED PIPELINE		\$59,018,325	\$333,060,675	\$392,079,000
Investments that reached realization this quarter				
50 Marcus Dr	163,762 sf			
100 Grasslands	47,690 sf			
TOTAL REALIZED VALUE CREATION PROJECTS	8,254,990	767,805,720	297,368,083	1,065,173,803

STAGE/PROPERTY	INVESTMENT TO DATE	ANTICIPATED STABILIZED RETURN (1)	CURRENT OCCUPANCY
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PROJECTS IN STABILIZATION PERIOD

Melville Expressway Corporate Center Melville NY (Phase I)	\$40,331,840	12.0%	31.0%
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TOTAL PROJECTS IN STABILIZATION PERIOD	\$40,331,840	12.0%	
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PROJECTS UNDER DEVELOPMENT OR REPOSITIONING

103 JFK Expressway, Short Hills, NJ	\$22,051,071	10.0%	0.0%
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400 Moreland Road, Commack, NY	\$2,984,408	12.0%	0.0%
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TOTAL PROJECTS UNDER DEVELOPMENT OR REPOSITIONING	\$25,035,479	10.2%	
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PROJECTS IN PLANNING

Melville Square Corporate Center II, Melville, NY	\$7,260,645	12.5%	0.0%
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University Square , Princeton, NJ	\$16,270,596	12.0%	0.0%
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Melville Expressway Corporate Center, Melville, NY (Phase II)	\$8,594,309	13.0%	0.0%
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Reckson Executive Park, Rye Brook, NY	\$14,434,500	12.0%	0.0%
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AIP 2001, Islip, NY	\$2,201,167	12.0%	0.0%
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Landmark 7, Stamford, CT	\$21,242	12.5%	0.0%
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TOTAL PROJECTS IN PLANNING	\$48,782,459	12.3%	
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LAND

70 Andrews Road, Hicksville, NY	\$1,011,741	12.0%	
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Giralda Farms , Morris County, NJ (2)	\$13,794,434	11.0%	
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Old Willets Path, Hauppauge, NY	\$771,195	12.0%	
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Eagle Rock 3, East Hanover, NJ	\$3,965,412	12.0%	
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AIP Recapture, Islip, NY	\$0	12.0%	
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AIP, Islip NY	\$0	12.0%	
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AIP, Islip NY	\$0	12.0%	
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East Patchogue, East Patchogue, NY	\$0	12.0%	
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40 Cragwood, South Plainfield, NJ	\$0	12.0%	
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TOTAL LAND	\$19,542,782	11.3%	
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TOTAL UNREALIZED PIPELINE	\$133,692,560	11.8%	
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TOTAL REALIZED VALUE CREATION PROJECTS	1,065,173,803	12.3%	98.3%
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STAGE/PROPERTY

BUSINESS PLAN

PROJECTS IN STABILIZATION PERIOD

Melville Expressway Corporate Center Melville NY (Phase I)	Complete lease up of building.
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TOTAL PROJECTS IN STABILIZATION PERIOD	
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PROJECTS UNDER DEVELOPMENT OR REPOSITIONING

103 JFK Expressway, Short Hills, NJ	Reposition 129,508 SF office building.
400 Moreland Road, Commack, NY	Reposition vacant industrial property

TOTAL PROJECTS UNDER DEVELOPMENT OR REPOSITIONING

PROJECTS IN PLANNING

Melville Square Corporate Center II, Melville, NY	Development of 255,000 SF office building
University Square , Princeton, NJ	Commenced development on a 315,000 SF office building
Melville Expressway Corporate Center, Melville, NY (Phase II)	Phase II of commercial land zoned for 550,000 SF office development.
Reckson Executive Park, Rye Brook, NY	Commercial land zoned for 345,000 SF office development. Actively marketing to build to suits
AIP 2001, Islip, NY	Development of a 71,000 SF industrial building. This represents the last remaining parcel in a development which includes 3 fully leased industrial buildings encompassing 442,000 SF
Landmark 7, Stamford, CT	Develop 61,000 sf building adjacent to existing Landmark Square office complex.

TOTAL PROJECTS IN PLANNING

LAND

70 Andrews Road, Hicksville, NY	Development of 50,000 SF building
Giralda Farms , Morris County, NJ (2)	Commercial land zoned for 430,000 SF office development. Presently marketing to corporate users
Old Willets Path, Hauppauge, NY	Commercial land zoned for 30,000 SF industrial development.
Eagle Rock 3, East Hanover, NJ	Development of 115,000 SF office building
AIP Recapture, Islip, NY	Land lease to alternative use (hotel , retail)
AIP, Islip NY	Development of 43,000 SF office/R&D use
AIP, Islip NY	Development of 30,000 SF office/R&D use
East Patchogue, East Patchogue, NY	Intended for sale
40 Cragwood, South Plainfield, NJ	Intended for sale

ESTIMATED MONTHS
TO COMPLETION/
STABILIZATION

STAGE/PROPERTY

PROJECTS IN STABILIZATION PERIOD

Melville Expressway Corporate Center Melville NY (Phase I)	8 - 12
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TOTAL PROJECTS IN STABILIZATION PERIOD

PROJECTS UNDER DEVELOPMENT OR REPOSITIONING

103 JFK Expressway, Short Hills, NJ	12 - 18
400 Moreland Road, Commack, NY	12 - 18

TOTAL PROJECTS UNDER DEVELOPMENT OR REPOSITIONING	

PROJECTS IN PLANNING	

Melville Square Corporate Center II, Melville, NY	24 - 30
University Square , Princeton, NJ	24 - 36
Melville Expressway Corporate Center, Melville, NY (Phase II)	18 - 30
Reckson Executive Park, Rye Brook, NY	18 - 36
AIP 2001, Islip, NY	12 - 24
Landmark 7, Stamford, CT	18 - 24

TOTAL PROJECTS IN PLANNING	

LAND	

70 Andrews Road, Hicksville, NY	18
Giralda Farms , Morris County, NJ (2)	30 - 36
Old Willets Path, Hauppauge, NY	18
Eagle Rock 3, East Hanover, NJ	24 - 36
AIP Recapture, Islip, NY	36
AIP, Islip NY	36
AIP, Islip NY	36
East Patchogue, East Patchogue, NY	48
40 Cragwood, South Plainfield, NJ	60

(1) Forward looking statement based upon management's estimates. Actual results may differ materially.
(2) Excludes \$3.7 million of purchase price which is allocated to 113 acres on which an additional 650,000 SF of office space can be developed.