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SL Green Realty Corp. (SLG)

Q1 2026 Earnings Call

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MANAGEMENT DISCUSSION SECTION

Operator: Thank you, everybody, for joining us, and welcome to SL Green Realty Corp's First Quarter 2026 Earnings Results Conference Call. This conference call is being recorded.

At this time, the company would like to remind listeners that during the call, management may make forward-looking statements. You should not rely on forward-looking statements as predictions for future events, as actual results and events may differ from any forward-looking statements that management may make today. All forward-looking statements made by management on this call are based on their assumptions and beliefs as of today.

Additional information regarding the risks, uncertainties, and other factors that could cause such differences to appear are set forth in the Risk Factors and MD&A sections of the company's latest Form 10-K and other subsequent reports filed by the company with the Securities and Exchange Commission.

Also, during today's conference call, the company may discuss non-GAAP financial measures as defined by Regulation G under the Securities Act. The GAAP financial measure most directly comparable to each non-GAAP financial measure discussed and the reconciliation of the differences between each non-GAAP financial measure and the comparable GAAP financial measure can be found on both the company's website at www.slgreen.com, by selecting the press release regarding the company's first quarter 2026 earnings and in our supplemental information included in our current report on Form 8-K relating to our first quarter 2026 earnings.

Before turning the call over to Marc Holliday, Chairman and Chief Executive Officer of SL Green Realty Corp., I ask that those of you participating in the Q&A portion of the call, please limit yourself to two questions per person. Thank you.

I will now turn the call over to Marc Holliday. Please go ahead, Marc.

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

Thank you for joining us today at the conclusion of what was an excellent quarter here at SL Green. We achieved nearly all of our objectives and then some. I know there's some misunderstanding in the analyst community about the cadence of our quarterly earnings, but internally, we were right on our numbers for Q1 and advanced many of our objectives for the year.

The headline news starts with our leasing, where we had the single biggest first quarter in the 28-year history of this company. We signed 51 leases, totaling 930,000 square feet, with a mark-to-market that was 16% higher than the previously fully escalated rents on the same spaces. The takeaway is pretty clear and consistent with what we've been saying for some time now. There is a massive imbalance in the prime office market. At its core, we lease premium space to sophisticated users, and right now, demand far outstrips remaining supply after so many years of lease-up, both in our portfolio and city at large, especially in East Midtown.

The vacancy rate for trophy buildings dropped again to 3.4% at the end of the first quarter, which is essentially saying there's no space at all in that segment of the market. As a result, we are seeing continued escalation of rent levels for these buildings and significant improvement in net effective rents, which greatly benefits our

portfolio, which, as you know, is mostly centered in this area. And I don't expect this situation to abate any time soon.

On the one hand, the business climate in New York remains really good. Look at some year-end 2025 stats that came out in the first quarter. City tax revenues reached \$80 billion in 2025, 16% higher than pre-pandemic, and that's a record level.

Real estate tax collections grew by almost 3% year-over-year, personal income taxes were up nearly 12% year-over-year, just shows you the enormity of the bonuses and compensation being paid out in the primary business sectors of New York City.

\$65 billion of record Wall Street securities industry profits in 2025, the prior record was just \$61 billion, and that was back in 2009. 160 unicorn startups in New York City, private startups that are valued over \$1 billion, and that's the second largest startup ecosystem behind Silicon Valley. \$31 billion was raised in venture capital last year, up 25% from the prior year. And New York City ranked number one as the talent hub for 2025 graduates, where 1 in 9 graduates – college graduates came to New York City. And so on top of a fundamentally strong local economy, we hope and expect to see macroeconomic improvement in the coming months, which will simply add to the momentum in the leasing market.

After leasing more than 1 million square feet of space in our portfolio year-to-date, we still have a pipeline of approximately 900,000 square feet of space, most of which we expect to consummate. The demand continues to be there.

On the other side of the equation, there is really no end in sight to the supply crunch. There are zero new space deliveries anticipated for the next three years. With recently completed projects like the Rolex Building and 520 Fifth Ave now in the rear view, and new projects like 343 Madison and 625 Madison, not expected to complete until sometime around 2029 or 2030, it is simply physically impossible for any other new construction to be delivered between now and the end of 2029 in Midtown Manhattan.

This presents us with one of the most favorable dynamics that we've seen in quite some time. Therefore, we are proceeding at a very rapid pace on our very own project at 346 Madison, our next great office tower. We just closed on the site in the fall, and already, we're issuing 100% schematic design on May 1, just six months from the acquisition and proceeding immediately into design development. We expect to be filing the project into ULURP, the city's land use approval process, by the end of this year. That is a much faster pace than we achieved with One Vanderbilt.

I'm also very happy with the way the design programming of the building is progressing. We've already been out talking to select potential tenants, top brokers, presenting the project and getting extremely good feedback, confirming we're heading in the right direction with this new development. I expect on the next call to be able to give you some financial details, after we price the project with our construction manager and obtain some major trade feedback in the coming months.

Our other big development project at 750 Third Ave is also making great progress, as we said in last quarter. We now have an agreement with our final remaining tenant for full vacant possession, which enabled us to start fully mobilizing and commencing execution of contracts for work. We are now in the early stages of procurement, and so far, we are tracking on or below budget by successfully navigating tariffs and inflation. Work is far advanced on interior demolition, and in the coming months, we hope to finalize our arrangements for debt and equity capital.

We also made progress on our disposition goals this quarter, entering into contract to sell the residential and retail components of our 7 Dey project, and closing on the sale of 690 Madison Avenue with our JV partner. More to come in the ensuing months as we progress our way through the \$2.5 billion disposition plan.

We also took advantage of compelling opportunities in the credit market via our debt fund, which is really performing well thus far. We put out \$226 million since our last call, including a transaction closing today, bringing total committed to about \$567 million out of the total \$1.3 billion fund. All of this positive activity is propelled by a very strong city economy. And we don't expect a summer low this year as sometimes encouraged in years past. In fact, we're expecting a big summer with FIFA World Cup and the nation's 250th birthday celebrations, bringing big crowds and lots of economic activity to the city in June and July.

We are forecasting a big boost and shot in the arm, which bodes well for SUMMIT, in particular for our restaurant venues and for the city generally. We feel good about the city and state budget situation as well. The rating agencies did send a message to the new administration about wanting to see some efficiencies in the budget being negotiated now, and the budget that will be in place at the city level by June. And I have every confidence the budget gap will be solved through revenue enhancements, expense control and support from the state.

As has been reported, one piece of that sounds like it will be a new pied-à-terre tax, which the Governor announced yesterday with the support of the Mayor and the City Council Speaker.

Once you get past the notion that we need to find some revenue enhancements as part of this budget process, I give credit to the Governor for taking a pragmatic and surgical approach to ensure that all New Yorkers, residents or not, are paying a fair share. This is a concept that has the support of many New Yorkers, because it narrows the focus and impact to the highest earning non-New York City residents who otherwise pay no New York City income tax and benefit from New York City's exceptionally low residential real estate taxes.

Last but definitely not least, since we last met, we announced the promotion of Harrison Sitomer to President and CIO. When Andrew Mathias left the President seat after 25 years of service, we didn't rush to find his permanent successor, and instead, we took a measured approach to filling this important position. I wanted someone who truly represents our culture, ethos and excellence, which is what distinguishes and defines who we are. And Harry is all of those things.

So as our company turns 30 years of age in 2027, his promotion is a big step towards identifying, growing and supporting the next generation of leaders here, and I hope to have more announcements in the years to come about the continued ascension of our rising stars.

So to wrap things up, I think this was a great quarter, and we've made significant early progress on our goals. But when we get together in three months, my instinct is that we will have a lot more to talk about next time, on the leasing front, the transaction front, and the company performance front.

So thank you. And we're now ready to open the line for questions.

QUESTION AND ANSWER SECTION

Operator: [Operator Instructions] And our first question comes from Steve Sakwa with Evercore ISI. Your line is open.

Steve Sakwa

Analyst, Evercore ISI

Q

Great, thanks. Maybe, Steve or Marc, could you just comment on the pipeline activity that you quoted, Marc, I think you said it was 900,000 feet. How much of that is kind of new or expansion tenant? How much of that's just maybe pull-forward renewals, and maybe just talk a little bit about kind of tenant expectations on expansions and space, and how they're thinking about space usage?

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

Well, look, I've got the pipeline in front of me. It's predominantly consistent with last quarter, mostly, a large number of medium-sized tenants, which is really good. And what you'd expect, because we don't have a lot of big blocks of space left, now that One Madison's fully leased.

So you got to remember, the nature of our pipeline doesn't necessarily tie into the nature of the pipeline generally for tenants in the market. What it relates to is what's available in our portfolio. And what's available in our portfolio right now, where – I think two-thirds of our buildings are projected to be at 95% or better on average by...

Harrison Sitomer

President & Chief Investment Officer, SL Green Realty Corp.

A

98%.

Steven M. Durels

Executive Vice President & Director-Leasing and Real Property, SL Green Realty Corp.

A

98%.

Harrison Sitomer

President & Chief Investment Officer, SL Green Realty Corp.

A

98%.

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

98% or better, 98% or better, two-thirds, 98% or better by the end of this year. We're really just doing new leasing in some of the projects that still have more than that kind of vacancy 420 Lex, 1185 Avenue of the Americas, those are the two most prevalent buildings I see on this pipeline, along with a little bit of 1350 Sixth Avenue, a little bit at 100 Park, and then, everything else is a deal here or there at 45 Lex, 500 Park, et cetera.

So I wouldn't extrapolate that that's the market, because there are a lot of big tenants in the market. And Steve can talk about that. There's tenants in that 150,000 to 250,000 to 0.5 million square foot users, and 1 million square foot users. But you got to have the inventory. A, which is why we're leasing up the portfolio so rapidly; and

B, why we launched so quickly on 346 Madison Avenue, where we'll have 850,000 square feet of brand-new, state-of-the-art space to deliver right across the street from One Vanderbilt.

And if you want to add to that, Steve?

Steven M. Durels

Executive Vice President & Director-Leasing and Real Property, SL Green Realty Corp.

A

Well, of the pipeline, of the 900,000 square feet, 30% of that pipeline is leases out. So we're on a path to wrap those up in short order. As we've seen throughout the year, still financial services, professional services, and tech tenants are predominantly driving the market.

And I think, Marc makes a strong point, which is our pipeline is not dominated by the best of the best buildings. Versus a year or two ago, we're seeing real velocity in the mid-price point buildings where we're seeing exceptional rent growth as well. Graybar, by way of example, and I've been involved with that building for longer than I want to admit, is at the high watermark in the building's history as far as rents that are being achieved.

And I guess, lastly, I would say on the concession side, where clearly, we've seen rents rise, but TIs have flattened, and in some cases, particularly, where we have a lot of leverage, they're coming down modestly. But free rent is clearly starting to come down. And in particular, on our renewals, we're having a great deal of success in controlling our concessions.

Steve Sakwa

Analyst, Evercore ISI

Q

Great. Thanks. That's a good color. Maybe, Marc, just on the transaction front, I'm just curious what feedback or data points you're getting from some of the overseas investors. I don't know to what extent any of the Middle Eastern investors either are distracted, or have other uses of capital that may not want to come to the US at this point. Just any thoughts or things you could share about overseas investors looking at the US market in New York in particular?

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

Well, our counterparties, for the most part, whether it be partners, co-lenders, groups that are giving us special servicing assignments, groups we manage for, the predominant country of origins tend to be Asia, Europe, Canada and domestic. Just you know, by the nature of our partners, we don't have a lot of partnerships or counterparties in the Middle East. So I can't really give you any direct feedback. They're only anecdotal feedback, which is, as you would expect, countries like – in sovereigns from Saudi Arabia, and Qatar, and UAE, maybe not to the same extent, but you'd throw UAE in there as well, are definitely, I think, pulling in their horns at the moment, while they assess that which they're committed for versus how they look at deployment of new capital.

But that's really just there. I'm not seeing that – and we're not seeing that in the other markets. If anything, we're still seeing what we talked about three months ago on the phone, where I think Harry gave you good color on the feedback we were getting, particularly on the heels of the last trip we did out to Asia and Japan, Korea, and elsewhere.

That's still to this day, I would say, strong appetite in both for credit and for equity. But, again, equity for well-located assets, of the highest quality, and generally, relationships we have. So factoring in our sponsorship and relationship there.

So I think we feel very good about being able to execute the joint ventures and the financings that we have scheduled for this year with counterparties from those parts of the region. And I don't think we've seen any material shift in those folks, albeit if you're dependent on Middle East capital, I'm sure it's a different story.

Harry?

Harrison Sitomer

President & Chief Investment Officer, SL Green Realty Corp.

A

Yeah. The only thing I would add there is just in moments of macroeconomic uncertainty, proven hard assets and proven locations continue to demonstrate resiliency. We saw that obviously with the One Madison Avenue financing that we got done, that was sort of – I think, we met with some of you down at city as we were pricing that deal in the early days of the Middle East conflict.

That deal ended up having 44 investors across all of the classes. Certain classes in that deal were 7 times oversubscribed. I think one piece that our business is specifically is going to benefit from is over the past few years, we have not been heavily reliant on private credit. This industry was what we invest in has not been boosted up, we have not seen big valuations coming out of big private credit loans. And as a result of that, I think we're far more resilient for what's going on right now than probably most, if not all other industries.

Steve Sakwa

Analyst, Evercore ISI

Q

Great. Thanks for the color.

Operator: Thank you. Our next question comes from John Kim with BMO Capital Markets. Your line is open.

John P. Kim

Analyst, BMO Capital Markets Corp.

Q

Thanks. So you're at 94.4% lease occupancy. Your target for the year is 94.8%. And you have a 900,000 square foot pipeline. So I'm just wondering if there's upside to that target that you have for the year. And same question on leasing spreads. Again, you had 16% for the quarter and your target for the year is around 10%.

Matthew J. DiLiberto

Chief Financial Officer, SL Green Realty Corp.

A

It's Matt. So we increased in our press release last night, our year-end same-store occupancy target from 94.8% to 95%. So we've gotten the upside there. Mark-to-market, we had a healthy objective. It was clearly a very healthy number in the first quarter. We still have nine months to go, but well on track for our objective there. We typically don't revisit leasing objectives after just three months. You kind of want to get at least six months in before we do that. But obviously, the momentum we have coming out of our first quarter puts us on a great track to meet or exceed even the objectives we laid out back in December.

John P. Kim

Analyst, BMO Capital Markets Corp.

Q

Okay. And then, your economic occupancy went up sequentially this quarter to 85.9%, which was positive. But it's still below your – I think, your guidance or target for the year, which is around 89%. So I'm just wondering if you

can talk about how the cadence of economic occupancy goes for the remainder of the year and the impact that will have on same-store NOI.

Matthew J. DiLiberto

Chief Financial Officer, SL Green Realty Corp.

A

Sure. I'll give you a flippant answer, but it's the truth. It's obviously going up sequentially over the course of the next three quarters to get to that 89% objective that we set out for the end of the year. And we're on the path for that, which then sets up to our 10% same-store cash NOI growth objective for 2027.

All in all, the first quarter on every metric we look at was on or ahead of our expectations, because the leasing metrics were – speak for themselves, a record quarter, not just on volume, but on starting rents. But the trajectory from earnings to spend all as good or better than what we expected. So great cadence into the back half of the – back three quarters of the year.

John P. Kim

Analyst, BMO Capital Markets Corp.

Q

Thank you.

Operator: Thank you. Our next question comes from Alexander Goldfarb with Piper Sandler. Your line is open.

Alexander Goldfarb

Analyst, Piper Sandler

Q

Hey. Good afternoon. Harrison, just first, congrats. I have a question for you, just following up on your comments to Steve on private credit. Just as you talk to the various lenders, capital providers, and everyone, do you feel pretty comfortable that private credit is not going to infect real estate, meaning, private credit has its own little issues in – whether it's software, or whatever, but this is not like the second coming of the GFC, like it doesn't seem to be rippling anywhere else? Or do you feel in talking to people that there's some concern that maybe it could broaden?

Harrison Sitomer

President & Chief Investment Officer, SL Green Realty Corp.

A

The simple answer is we're just not seeing it. I mean, it's – if anything, I would say, the inverse is some of these private credit investors have been – have felt their pain through the – what's called software cycle right now. And they're looking for hard assets. And this is one of the first places they're going to look is, as I said earlier, proven locations and proven assets.

Right now, I see no sign of any direct impact to our industry or our capital markets environment. And again, we're the beneficiary of having gone through the past few years of not – we didn't get to see that run up and big private credit demands into our space. And so now, there's not a lag hangover effect of those groups pulling out of certain markets.

So I don't see any direct impact in our business. Again, I think you have to look to One Madison, which we priced probably in the toughest week you could have imagined between a conflict in the Middle East and all of the redemptions that you saw in the news in private credit. And as I said, 44 distinct investors, certain classes 7 times oversubscribed, we didn't feel one ripple effect of any private credit lender in the market.

Alexander Goldfarb*Analyst, Piper Sandler*

Q

Okay. And the second question is, Steve, you mentioned that the strength of the more value proposition. We've had to focus this cycle on premier, amenity, et cetera. But do you see an opportunity for you guys to acquire B buildings, especially right around your core Park Avenue, Grand Central, where maybe now is the chance to buy the B assets and sort of create more density of your portfolio in your target submarkets?

Steven M. Durels*Executive Vice President & Director-Leasing and Real Property, SL Green Realty Corp.*

A

Well, Alex, I mean, it depends how you – when you say B assets, we're buying assets to convert, we're buying assets to develop. We're not buying B assets to hold and operate, if B is defined as kind of real commodity space, even though there's probably on a relative basis, a lot of upside in those assets. So I would expect – you're not wrong – there will be a tail effect here. And you will see, "your B asset" rents go up. But we're trying very hard and intentionally to deal, not just in a sector where we think rents are going up, but where we think net effect of rents can be maximized. And for that, you're really looking mostly for the highest nominal head rents, whether they be \$100, \$150, \$200 a foot or more for new development, even rents in the \$90s and \$100.

If you're dealing with assets where rent points might be in the \$50s, \$60s and \$70s, even though you may experience some pretty good nominal rent growth, 5%, 10% – you can see rent spikes of 10% or more, you still have concessions for those leases that are relatively the same in terms of number of free rents and amount of TI per foot construction costs, as for the much higher nominal rents. So we just think there's more margin by a lot in dealing in the \$90-and-up, \$100-and-up square foot rents.

And that drives us for hold assets, or let's call them, redevelopment candidates into that sector. So unless we feel we can ultimately execute a program and drive rents into those upper categories, then I don't think you'll see us participate there, even though I do think rents and prices are moving in the B assets, and it's not a bad play.

Alexander Goldfarb*Analyst, Piper Sandler*

Q

Thank you.

Operator: Thank you. Our next question comes from Nicholas Yulico with Scotiabank. Your line is open.

Nicholas Yulico*Analyst, Scotiabank*

Q

Thanks. First question is just going back to the idea that there's really not much new supply coming to market in the city for four years or so, can you just talk a little bit more about how that – you think that actually plays out then in the market kind of relative to your portfolio submarkets in terms of – and it sounds like it should be a benefit, but in some cases, too, I imagine, like the new supply is being looked at by tenants that have lease expirations four years out. So there's no real benefit sort of today to buildings from that. So maybe you can just unpack that dynamic a little bit more. Thanks.

Steven M. Durels*Executive Vice President & Director-Leasing and Real Property, SL Green Realty Corp.*

A

Well, I think, there's two things to take away from that. One is, tenants are getting smart to the market, and they're seeing that rents are rising. And that's driving those that are paying attention to do early renewals. In some cases,

we're in front of tenants that have expirations three, four years out in time, which is great. It's a smart landlord play to be able to do early renewals, take the risk of a downtime or vacancies off the table.

But then, there's also the spillover effect where you're seeing tenants needing to go farther afield or going to one avenue over from where they wanted to be. And that's giving lift to some of the other buildings. And within our portfolio, probably the best example of that is 1185 Sixth. I mean, we're seeing some pretty heady rents by comparison to historical rents in that building, and with a tremendous amount of leasing velocity.

And it's a building that had a lot of tenants vacate over the last several years. And we're on a path to that building being fully stabilized this year with rents in city mid to – mid-\$80s to mid-\$90s a square foot.

Nicholas Yulico

Analyst, Scotiabank

Q

All right. That's helpful. Thanks, Steve. Second question, I guess, Matt, is going back to sort of quarterly FFO, and I know it's – [ph] you don't plan to (00:29:28) give guidance. And there's often a lot of moving parts in a quarter and create some volatility when you guys report. But I guess, if we just think about the first quarter number, and then, getting back to the full year guidance range, maybe you could just talk at a high level about some of the components that will sort of accelerate FFO throughout the year. Thanks.

Matthew J. DiLiberto

Chief Financial Officer, SL Green Realty Corp.

A

Yeah. No problem. Yeah. Our quarterly – the reason we don't provide – one of the many reasons we don't provide quarterly guidance, and I'm a big advocate for eliminating quarterly reporting is, quarters can be choppy and people tend to read too much into whatever a quarterly result is.

The reality of our first quarter numbers is that we were not even a penny off from our internal expectations. Not a penny above, not a penny below. Property NOI was better than we expected as offset by SUMMIT. It was a tough weather quarter. And so SUMMIT underperformed our expectations. But net-net, right on top of what we expected. As we look out over the balance of the year, we are headed right to the midpoint of our guidance range as well.

The FFO results quarter-to-quarter might be choppy. It's driven by not NOI, which doesn't move that substantially in the direction, but by fee income. We have businesses that are growing, third-party fee businesses that are growing, and a lot of those fees come in big chunks as opposed to ratably over time. Success fees out of special servicing, fees from transactions we didn't close, big transactions in the quarter – to say, nothing for DPOs that we still have in our projections for the balance of the year.

So definitely feel comfortable about where we are in the guidance range bias to the higher end versus the lower end of our range. And that will be a cadence that will bounce around quarter-to-quarter, no doubt.

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

Yeah. I would add to that – just Matt's comment about SUMMIT. Just – SUMMIT is a enormous success. Every year, we're pushing ahead the envelope on the earnings capacity of SUMMIT. So for 2026 over 2025, we had yet another big increase baked in in terms of our expected financial performance.

It was off a bit – just a small bit in the first quarter, but was far and away the leading off-deck in the first quarter amongst all the off-deck demand in the city, and I think where other decks might have been down [ph] a percent or more (00:32:05), SUMMIT really held its own. And I am completely confident, just based on what I've seen in April alone, as the weather's improved, heading into what's going to be an extraordinarily good summer for the reasons I mentioned in my opening commentary, I think we're actually going to end up the year at SUMMIT ahead of our ambitious targets that we set back in December.

And we are actually now extending our hours even more than what we originally had budgeted in response to excess demand that we're now seeing for May and June, because we're pre-selling those tickets. And how that translates into your point about, Nick, future ramp in FFO for the company, I think SUMMIT will be a contributor.

Nicholas Yulico*Analyst, Scotiabank*

Q

All right. Thanks, guys.

Operator: Thank you. Our next question comes from Anthony Paolone with JPMorgan. Your line is open.

Anthony Paolone*Analyst, JPMorgan Securities LLC*

Q

Yeah. Thanks. Good afternoon. First question is on your 95% targeted leased rate for year-end versus kind of where your economic occupancy is. I know the gap is pretty wide, and it's assumed to be narrowing. But can you give us some sense as to maybe where a normal spread between those two should be over time for the portfolio?

Matthew J. DiLiberto*Chief Financial Officer, SL Green Realty Corp.*

A

That's a question that's come up a bit. We only started reporting economic occupancy last quarter. So we don't have a perfect vision in reverse. Clearly, it's at the widest right now, and it'll be narrowing substantially over the course of the year to probably half as wide as it was at the end of last year by the end of 2026. Whereas on a stabilized, normalized basis, it's always going to lag behind leased. But if you're in a – what I'll call, fully leased portfolio, 95-plus-percent with limited role, which is the period of time that we're headed into, I could see that being 200 basis points of difference on kind of a recurring basis as space roles and you re-tenant space, that seems like a comfortable place to be. Maybe it's tighter than that, but 200 basis points feels about right.

Anthony Paolone*Analyst, JPMorgan Securities LLC*

Q

Okay. Got it. And then second, on the capital market side, you touched on, I guess, you have some B assets maybe, and some foreign investments. But maybe, can you give us a sense as to just how you characterize liquidity broadly in the market right now, whether there's a lot of buyers that are back, or a lot of product for sale, the cap rates for the best versus more commodity product, just a more broad sense of liquidity and capital markets at the moment.

Steven M. Durels*Executive Vice President & Director-Leasing and Real Property, SL Green Realty Corp.*

A

Yeah. I think, I'll try to break it into equity and debt. On the equity side, I think first and foremost, we always have our head down focused on our business plan ahead of us, and the plan is on track, and we feel good about executing that plan this year.

Just as a data point for you, we have 11 transactions in the business plan for this year. Just to give you a couple of segmented data points, on the last earnings call, I said we had four dispositions that we were working on. When I went to city, I said that we had five dispositions that we were working on. And now, where we sit today, that number is six.

Two of those six were the already announced deals at 690 Madison Avenue and 7 Dey, and the other four transactions are progressing very well. I would expect all four of those to close or be in contract in the second quarter. So those were the six that we had identified for the first half of the year. And those six are on plan, on target, and expect it to get done in the first half of the year.

With respect to the credit markets, I would say, the market is very strong right now, especially because of the CMBS market and the SASB market that we just experienced at One Madison. I'll give you two data points there. One Madison was the largest office deal done in the US since January of 2025. And the bottom of that deal, again, just to reiterate one last time, priced at a very complicated and difficult week, that was the tightest new issuance office spreads at the bottom of the deal since when we did One Vanderbilt in 2021.

So we continue to see new capital coming into the credit markets. We're not feeling any of the lag effects of any of the private credit pullback. And liquidity continues to get stronger in the credit markets as we're seeing it.

Anthony Paolone

Analyst, JPMorgan Securities LLC

Okay. Thanks.

Q

Operator: Thank you. Our next question comes from Seth Bergey with Citi. Your line is open.

Seth Bergey

Analyst, Citigroup Global Markets, Inc.

Hey. Thanks for taking my question. I guess, my first one is just going back to kind of some of the SUMMIT commentary and some of the demand you're seeing there. Are you seeing with the strong demand an opportunity for kind of premium experience upsells or just how is the pricing side coming along there?

Q

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

Well, again, I don't think Q1 is necessarily a good representation of what the next 9 months or 8.5 months are going to look like. So there's a question about what it was and what it's going to be. The tourism in the city is off a bit. So whether that directly translates into a slightly higher or lower percentage of domestic versus foreign visitation, I don't have that right in front of me at the moment.

A

I do know domestic accounts for about 30%, which is quite high. It's a very popular local attraction as much as it is a tourist attraction, which we worked hard to transcend both markets from both observatory in nature and sort of culturally intriguing in nature as well as thrill features and great place to hang out at night. So we sort of pulled from all of the above.

But clearly when I look at the advanced sales that we're starting to book now, it would indicate that tourism is picking up a bit and that we will be hopefully able to recoup whatever slight ammunition that there was in visitation

in the first quarter over the next nine months. And I think, by the end of the year, it's going to be fairly typical in profile to last year, except we're going to see these summer months with a lot of international travel.

I think there's expected to be over 1 million people coming in for the FIFA World Cup games that are going to be – held eight games over in New Jersey at MetLife Stadium, and then, there's supposed to be something like 8 million people plus, 8 to 10 million people that are coming in for Sail250 to celebrate around the Independence Day, the birthday of the country. And we are strategically situated to sell out, hopefully, every day of those months of events.

So I can't give you much more on that. Ascent, which is the only upsell we have – you mentioned upsells, there's only one. It's the Ascent elevator rides. When the weather is very cold as it was and the winds are blowing, we don't run that as often as we do periods like now. So on the margins, those ticket sales were down a bit, but they've completely bounced right back and more.

So nothing there to assess other than SUMMIT is hitting on all fours. And we're opening SUMMIT next summer in Paris. And it's going to be an extraordinary great day for SUMMIT and for this company when we have our first global location, accepting visitors with, hopefully, an additional announcement pending in the coming months.

Seth Bergey

Analyst, Citigroup Global Markets, Inc.



Great. Thanks. And maybe just a follow-up to some of Harrison's comments on the capital markets side. Specifically, with the kind of equity markets and the dispositions, can you talk about a little bit about the profiles of who those buyers are for office and residential? Is there a core bid for office? Is it people looking for value-add, or opportunistic, and then, just any impact on willingness to kind of buy or sell office from thinking about long term about the impacts with AI on employment?

Harrison Sitomer

President & Chief Investment Officer, SL Green Realty Corp.



Yeah. Sure. In terms of the buyer composition pool, I think Marc hit it in his earlier commentary about who some of our investors have been. And I would say that composition of investor groups have not changed. We spent a lot of time in the beginning of the year on our first roadshow in Asia. We're in the process of closing out a handful of transactions that I mentioned earlier.

And I would say, those buyers are looking at a range. Again, if you look at our disposition plan for the year, it includes everything from ground-up office buildings to core office buildings to value-add office buildings. And that market continues to be there for all of those different types of products.

In terms of the – I think you also asked about the residential side. I mean, you can look very clearly at the latest comp in the market, which is the sale that we did at 7 Dey to a buyer that is a core residential buyer, that is continuing to accumulate more product through a public listing that they have in Canada.

In terms of your final question about AI and impact, the investors that we speak to and do business with, they're looking at the same stats that we listed to you at the beginning of this call that we announced yesterday. Best first quarter of the year for us. New York City, I looked right before this call, it's the best first quarter for New York City office leasing since 2014. Some of that leasing is driven by AI tenants, some of which we've announced. And investors are actually very optimistic about what they're seeing on that front.

Seth Bergey*Analyst, Citigroup Global Markets, Inc.*

Thanks.

Q

Operator: Thank you. Our next question comes from Ronald Kamdem with Morgan Stanley. Your line is open.

Ronald Kamdem*Analyst, Morgan Stanley & Co. LLC*

Hey, great. Just two quick ones. First, just starting on the postmortem on the dividend cut. Just wondering if you could talk a little bit more about just what went into the thinking on cutting it to that level, whether it's taxes or cash flow, and sort of why not cut more, right, because I think you guys have talked about NOI coming online, but with the high interest costs, the investors are not getting a lot of that flow through. Why not cut the dividend even more to sort of offset that? Thanks.

Q

Matthew J. DiLiberto*Chief Financial Officer, SL Green Realty Corp.*

Yeah. We did spend a lot of time discussing the dividend. There are a lot of factors that go into it. I think Marc laid out a bunch of them when we did our call back in January. Ultimately, taxable income is what, above all else, drives the dividend. And our business plan for this year was consistent with the dividend level that we had established.

A

We can maneuver within taxable income to some extent. But if we're going to execute on the business plan that we laid out, and we are on a path to do that, as we've been talking about so far on this call, then you have to pay the dividend at a certain level. And that dividend is where we established it at \$2.47.

At the same time, it does allow us to retain almost \$50 million of incremental capital that we can put to other uses, creative uses, DPOs, maybe buybacks. And then, we will continue to see capital spend go down, such that when you get to the back half of 2027 into 2028, there's a big shift in cash flow to the positive. And then, we'll continue to reevaluate the dividend every year based on taxable income.

Ronald Kamdem*Analyst, Morgan Stanley & Co. LLC*

Great. That's really helpful. My second question is just, I know I know FAD is obviously not cash flow. And it was a little bit down sort of in the quarter. Maybe as you think about this ramp on NOI, that is anticipating as you get sort of commence the occupancy, like any sense of the magnitude of dollars that are coming through that are going to flow through FAD would be helpful. Thanks.

Q

Matthew J. DiLiberto*Chief Financial Officer, SL Green Realty Corp.*

I might be having a flashback, Ron, but I feel like you asked this question last quarter as well. But I'll – so, I'll probably give you a similar answer. The spend in 2026, like in 2025, is the funding of a lot of leasing, 9 million square feet of leasing we did over a three-year period. That assuages in back half of 2027 into 2028 like I just said, and will drive NOI growth north of 10% on a same-store cash basis next year, and enhance earnings and enhance FAD. Magnitudes, we'll talk about it as time progresses.

A

Marc Holliday*Chairman & Chief Executive Officer, SL Green Realty Corp.*

A

Yeah. I would just say, either you look – there's two ways to look at it. I only see one way, which is, we are leasing the hell out of this portfolio. And I don't see any other way to look at it. With that, does come leasing capital that we will muscle through in 2025, 2026 and 2027. But we're going to try and get this portfolio to like, in its entirety, 96%, 97%, 98% leased, which – it would be unprecedented in this market for 31 million square feet, unprecedented because no one owns 31 million square feet of real estate.

And certainly, if – anyone can appreciate what it would take to get that beyond what I would call the frictional vacancy point of 97%. We are vastly out competing and getting more than our fair market share when it comes to these tenancies. We'll pay for that tenancy because there was a lot of outmigration, which was, for what I would call, unnatural reasons in 2020 to 2024. But when we get back by this time, let's say, next year to the kind of levels I think we're going to get – forget about this year and we're already going to work on 2027.

And I'm looking beyond 95%. That's – we're sitting here in April. I'm working on stuff in 2027, 2028 and 2029, trying to – I want to get this portfolio to full occupancy. And there will be a cost to that. But when you attain that and then you're living in a world mostly of renewal, there will be an enormous rightsizing of the capital like we experienced in the past, like we'll experience in the future.

That's our business plan. And I think, we're not just on track, I think we're ahead of track. And so when I look at these increases in rents, look at our average rents right now, our expenses are going up by about 2% a year or thereabouts. The rents are going up significantly higher than that. Steve is starting to rein in the capital first on those all-important renewal tenants. And then, we'll see about new tenants.

I just – I think, this is what shareholders want us to be doing. Redeveloping our buildings, having a premium Class A portfolio, leasing it to its absolute fullest, and investing in a portfolio that's going to have an unparalleled residual value in 2027 and 2028. And we're on track for that. So there's a lot of minutia and nuance to getting there. But I'd say, step back and look the big picture of what we're doing here, it's pretty positive from my vantage point of 36 years in the business, I've never seen a market as good as this one.

Ronald Kamdem*Analyst, Morgan Stanley & Co. LLC*

Q

Yeah. That's really helpful. And I think, Matt, you're right. I did ask about FAD and cash flow last quarter. Thank you.

Operator: Thank you. Our next question comes from Blaine Heck with Wells Fargo. Your line is open.

Blaine Heck*Analyst, Wells Fargo Securities LLC*

Q

Great. Thanks. Good afternoon. Maybe just following up on dispositions, Harrison, you mentioned thinking, you'd have closed or be under contract on 6 of the 11 targeted sales by mid-year. I guess, in rough terms, would those proceeds put you at about half or a little bit more than half of the targeted \$2.5 billion of sales this year? Or do those six kind of skew smaller or larger than the remaining five?

Harrison Sitomer*President & Chief Investment Officer, SL Green Realty Corp.*

A

The answer is approximately half.

Blaine Heck

Analyst, Wells Fargo Securities LLC

Q

Okay, great. And then, Marc, we're now several months into the new mayor's time in office. I appreciate your commentary on the budget. But past that, can you just talk about anything that's been a positive or negative surprise relative to your initial expectations when he was elected, and whether do you see any risks or opportunities in your business arising from any of his policy changes?

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

Yeah. Look, I think it's still very early, and it's too early to assess any mayoralty in the first 100, 115 days, whatever it's been, probably not even 100 days. This is something that's going to be measured over years, not months. I think, right now, as I mentioned earlier, when you look at – forget about my opinion – the opinions of the stakeholders in the city, people buying condos. Q1 was a record of \$10 million and up condo sales from January through March. I think, it was up like 47%. I don't have the baseline number, but I know the percentage was up like 47% or thereabouts on condo sales.

Wall Street profits, expansion of tenants. I take my rhythm to how are tenants reacting to the first 100 days, let's call it. And I'm seeing tenants who are on a scale of 5 or 6 to 1 expanding rather than contracting. I see a lot of economic activity, not just in financial services, but tech is back. So I said this, I was on a – I did a piece on CNBC a couple of weeks ago, and the issue is affordability, right? I mean, that is the key issue. And there's different ways to tackle it. Different mayors are going to tackle in different ways.

But we're all sort of in agreement. It's best for the city to make the city more affordable. And we'll just may differ about the means of getting there. But I do think the current administration's focus, to me, seems to be on how do we get more production in housing in order to help stabilize or even bring down rents, if that's possible in a market like this.

And some of those things are – you see the cutting through the red tape on City of Yes, outside the city, there's sequel revisions, land use revisions that are meant to make it better, easier to make this happen. There's the conversion, which I know the current administration supports 467-m, and wants to see more buildings delivered under that program.

A day or two ago, you read something about a program coming out to try and reduce insurance premiums with the city's direct assistance to help reduce insurance premiums for affordable and rent-controlled housing. Having that kind of focus on that area, I think, is productive as long as there's an appreciation that – what makes all this work are the tax collections and what makes the tax collection work is our industry. And our industry right now is firing on all cylinders.

So if that is left unimpeded and we can hopefully not only equal but exceed tax receipts this year on top of record receipts last year, then there'll be money in the system to take care of some of this administration's priorities, whether it comes to trying to reduce the cost of mass transportation or trying to reduce increased affordability or bring down cost of goods for groceries. Again, different means of getting there. But the objectives, I think, align. And right now, I see a city that's poised for a very good year.

Blaine Heck*Analyst, Wells Fargo Securities LLC*

Great. That's very helpful context. Thanks.

Operator: Thank you. Our next question comes from Peter Abramowitz with Deutsche Bank. Your line is open.

Peter Abramowitz*Analyst, Jefferies LLC*

Hi. Thank you for taking the questions. Matt, I just want to go back to the comments, I think you said you'd sort of be biased toward the high end of your guidance range. I know you talked earlier about some of the items, particularly fee income that kind of impacts the ramp throughout the year from first quarter to the rest of the year.

But in terms of your expectation potentially to get to the high-end, could you talk about some of the specific items that kind of possibly get you there, is it NOIs or is it other items? And just any other commentary on kind of underlying guidance assumptions and whether those have changed?

Matthew J. DiLiberto*Chief Financial Officer, SL Green Realty Corp.*

Yeah, sure. I did mention that in the first quarter, NOI was running ahead of our projections that also flowed through not just earnings, but through same-store cash NOI, that 2.6% positive was 300 basis points higher than what we expected for the first quarter. So NOI will be a contributor.

Marc discussed SUMMIT and the momentum we're seeing already in April, and we expect over the balance of the year to make up whatever small shortfall there was in the first quarter. Fee income, our third-party business, which Harrison spoke about earlier, our third-party fee business is growing. If we can exceed our initial projections, that's very, very high margin, high-multiple business. And we have a DPO in our guidance. If we can source more of that, then that's even beyond what we – what I'm talking about. But I think the momentum coming out of the first quarter on our numbers was certainly biased to the midpoint or higher.

Peter Abramowitz*Analyst, Jefferies LLC*

Okay. That's helpful. Thank you. And then, maybe a question for Marc on the new administration. You mentioned the pied-à-terre tax. That was kind of first reported yesterday. I believe the estimate for how much revenue incrementally you can raise for the city is around \$500 million. So that still leaves a pretty big budget shortfall. Just kind of curious for from the first 100 days or so of the new administration, they've also talked about taxes on hiring and households as well as higher property taxes.

And those have not gotten a lot of support. So with still a gap to fill in the budget, I guess, just curious, what other things you think are possible from a legislative perspective to – that might fill that, and how that potentially could impact your business?

Marc Holliday*Chairman & Chief Executive Officer, SL Green Realty Corp.*

I think, you're going to – I mean, the City Council and the new City Council Speaker, Julie Menin, I thought came out very thoughtfully with their own budget. Remember, the mayor has a budget, council has a budget. And their

emphasis is going to be on cost cutting. I think the budget last year was like \$115 billion. This year is projected at \$127 billion. Okay?

So you're not going to get a whole \$12 billion of increase. That's called an initial stab at it. And there'll be efficiencies, reductions from that, that will be achievable. I think it was about a \$5 billion budget. So if you assume the state is going to solve \$500 million to \$1 billion of it. You're talking about 3% to 4% of a gap that needs to be closed with revenue projections that, I think, will be reassessed higher, just based on the first quarter's tax receipt recognition that will be expected to ripple through for some portion of the remainder this year. Plus, new pied-à-terre tax, plus the council had some proposals on modifying PTET, if you know, that – which is state and federal tax revenue enhancement for the city, not something we're particularly want to see as New Yorkers. But there was a modification of [ph] UBT/UBIT. (00:59:15) And they're going to close that gap.

I would say, certainly, when you get to June, there will be a balanced budget through this incremental tax, some revenue re-forecasts, and some expense reductions. And the city has gotten there every year since the 1970s, we'll get there again.

Peter Abramowitz

Analyst, Jefferies LLC

All right. That's all for me. Thank you.

Q

Operator: Thank you. Our next question comes from Vikram Malhotra with Mizuho. Your line is open.

Vikram Malhotra

Analyst, Mizuho Securities USA LLC

Good afternoon. Thanks for taking the question. I guess, just maybe Marc and Matt, I just want to push maybe a bit more on sort of, you've done a lot of good work getting up the occupancy, you're saying TIs coming in. You have less to lease. You just said you're dealing with 2027 expirations. So I just want to figure out, like, can you give us a bit more guardrails on how this ultimately translates to any measure of cash flow, you think prudent? FAD, cash flow from operations? You said 10% same store next year, but really, at this point, given you have so much done, it would be nice to get like some broad guardrails rather than wait like 9, 12 months to get that.

So like, how does this translate, whether it's 2027, 2028. And maybe you can just clarify your comment on TI spend in 2026 and 2027? Do we just wait till 2028 before the growth picks up? Thanks so much.

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

Well, I mean, I don't know when you say guardrails, I'm not exactly sure what you mean by guardrails, but...

A

Vikram Malhotra

Analyst, Mizuho Securities USA LLC

I meant like, is it at least 2%, at least 4%, is it at least 6%, that 10% same-store...

Q

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

Well, we've given all of that in December. Our projections are unchanged with respect to – and you can – it's very – there is plenty in the supplemental and in our other disclosures to get a handle on the amount of capital that's

A

going to be necessary for our leasing. I mean, that's pretty arithmetic. And you see every quarter how much we spend on TI, spend on commission, spend on free rent based on a quantum of leasing.

And we're going to be – as we approach 96%, 97%, 98% occupancy in this portfolio – I hope we get to 98% – they're going to be spend years for the balance of this year and next. But we've said, I thought we were pretty clear that by the time we get to 2028, we expect our FAD to be in line with our dividend that we just recently recalibrated to, and then, hopefully, and more. But we'll get there probably with that kind of guidance in 2027, but not today.

Vikram Malhotra

Analyst, Mizuho Securities USA LLC

Q

Okay. So, sorry, just to clarify, you said by 2028, you think your FAD will be similar to the dividend?

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

I think, if you look at my commentary previously on the dividend and what Matt had said in the release we did, when we came out with new dividend level after our last board meeting, we had said that the new dividend level was set to a level where we expected to be able to cover that dividend and more by 2028.

So I'm reiterating that. But, yes, that's our feeling. That's our belief. That's our – that's how we got to that very specific number. It wasn't – I mean, it's not a gut instinct. It's based on our models and calculations. And there's lots of scenarios that can play out. And I hope it'll be far in excess of that, because as you know, or I think you know, we try to be very conservative when it comes to our estimations of NAV and growth and projections. But, yeah, I mean, I think we're headed to a great spot both in earnings and cash flow.

Vikram Malhotra

Analyst, Mizuho Securities USA LLC

Q

Okay. No, that's great. Yeah, I mean, as I said, you've done a lot of great work. So we're all hoping this is like translating into very solid 2027/2028 growth. I just – just maybe going back to the SUMMIT question, it makes sense that the World Cup should drive like a nice uptick. I guess, I just wanted to clarify, you said 1Q was a bit depressed, so you're expecting a pickup and then the boost in – boost hopefully with the World Cup. But is there anything else like, I guess, the other projects and other regions, can you give us an update where we are, when could we see like the next SUMMIT really driving NOI, by the way, I live next...

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

Well, we expect to open Paris in summer of 2027, so it's a little more than a year [ph] off. (01:03:58) And I'll come out in December with some monetary guidance on that for 2027. It'll only be open half a year. So you have to adjust for that. But I expect it's going to be like a seismic popular, well-attended, hot new opening.

What we've designed is kind of like SUMMIT 2.0 with lots of new features. And it's very exciting. It's very thrilling for me to work with Kenzo and Rob Schiffer on these projects that are now starting to come to life. And we have more beyond. But the next locations would not be 2027. They'll be announced this year with future earnings. So the first one up would be Paris next year.

Vikram Malhotra

Analyst, Mizuho Securities USA LLC

Q

Thanks so much. I still live next to SUMMIT. I've been there five times the last year and it's great.

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

Thank you. And I – book your ticket for the ribbon cutting in June of next year.

A

Vikram Malhotra

Analyst, Mizuho Securities USA LLC

We'll watch some World Cup matches from the 90th floor.

Q

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

Perfect. You'll have a good bird's eye view from there.

A

All right. Is that it? Do we have any – we'll take one last question.

Matthew J. DiLiberto

Chief Financial Officer, SL Green Realty Corp.

Do we have anymore, operator?

A

Operator: Thank you. We have a question from Brendan Lynch with Barclays. Your line is open.

Brendan James Lynch

Analyst, Barclays Capital, Inc.

Great. Thank you for fitting me in. Matt, you got a nice reduction in your spread to SOFR with the new revolving line of credit. And you've been bringing down your cost of debt for the past year. Obviously, it's quite macro-dependent. But do you see other opportunities within your control to reduce your weighted average cost of debt further?

Q

Matthew J. DiLiberto

Chief Financial Officer, SL Green Realty Corp.

I mean, yeah, the – great execution on the credit facility and appreciate the work of our team and certainly the banks that participated in that. We had the a strong financing market backdrop there. But the support from the institutions was really extraordinary.

A

Harrison spoke earlier, I'll let him expand on where the broader financing market stands. The reality is we have about \$3 billion or so left of our \$7 billion financing plan for the balance of this year, and then, not a lot thereafter. So we talked in December about increasing some floating rate exposure, because we do expect the curve to not at the pace we would like, but eventually come down. So we'll let some of our fixed rate derivatives, things like that burn off and take advantage of a lower SOFR curve overall.

I'll let Harrison to speak to the financings that we have in our pipe and what we're seeing in the market there.

Harrison Sitomer

President & Chief Investment Officer, SL Green Realty Corp.

A

Yeah, we have three financings left in the business plan for this year. The largest of which is 245 Park Avenue. We just started on that process as of yesterday. So we'll see that play out through the second and third quarter of this year. More on that to come on the next call.

And I would say, just in terms of pricing, obviously, the base rate, we have no influence over. So we'll continue to monitor both SOFR and the Treasury indexes. But as we turn to spreads, we will continue to be optimistic about the tightening in spreads, especially in the CMBS market. Gave you a few stats earlier, but especially at the bottom of the deals, we're seeing spreads that are tightening even from where we saw One Vanderbilt price. So each deal will be dependent on the quality of the real estate and the execution. But I would definitely expect to see a strong execution at 245 Park.

Brendan James Lynch

Analyst, Barclays Capital, Inc.

Q

Great. Thanks. That's helpful. And the press release alluded to using some – maybe turning more active on share repurchases. Matt, I think you mentioned that earlier in the call as well. Could you just talk about what type of conditions or what you would incentivize you to be more active on executing on the existing authorization going forward?

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

Well, this also, I thought I'd been pretty clear on in the past, I think the stock is terribly mispriced. And I don't even think you got to look that hard to sort of appreciate the magnitude of the discounted valuation relative to a fairly liquid and active market where it's not that hard to get price discovery and value discovery of assets we own, especially the kind of assets we have, which are well-leased and the debt and equity cost of capital is kind of well-known for these assets.

So I look at it as a significant opportunity that I mentioned we would take a very, very hard look at with incremental liquidity to the business play. I forget where exactly we had said that, but I know we've talked about that in the past, in the recent past. And we've got our plan. Our plan includes investment in new development projects. Our plan includes reduction in indebtedness, both secured and unsecured. And then, with incremental liquidity above and beyond that plan, share repurchases are going to get the first and hardest look.

Brendan James Lynch

Analyst, Barclays Capital, Inc.

Q

Great. Thank you very much.

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

A

Okay. Okay, operator. We're all set.

Operator: Thank you. This concludes the question-and-answer session. I would now like to turn it back to Marc Holliday for closing remarks.

Marc Holliday

Chairman & Chief Executive Officer, SL Green Realty Corp.

Thank you, everyone. We kind of ran a little longer than usual, so thank you for all the questions for those still on and I look forward to speaking in three months' time.

Operator: This concludes today's conference call. Thank you for participating. You may now disconnect.

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