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SL Green Realty Corp. (SLG)

Citi Global Property CEO Conference

CORPORATE PARTICIPANTS

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Michael A. Griffin
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MANAGEMENT DISCUSSION SECTION

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Welcome to the 9:35 am roundtable session at Citi's 2024 Global Property CEO Conference. I'm Michael Griffin with Citi Research. And we're pleased to have with us SL Green and CEO Marc Holiday. This session is for Citi clients only, if media or other individuals are on the line, please disconnect now. Disclosures are available on the webcast and at the AV desk. For those in the room or the webcast, you can go to liveqa.com and enter code GPC24 to submit any questions. If you do not want to raise your hand. Marc, we'll turn it over to you to introduce SL Green and the team provide any opening remarks. Tell the audience the top reasons, an investors should buy your stock today and then we'll get into Q&A.

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

[indiscernible] (00:00:50--00:02:00) Do I have to do that again?

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

I think you're good.

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

I see things very strong in a few different areas. One, business formation, there's something like 26,000 new businesses since COVID have formed in New York City, far exceeding the number that have gone out of business. So we've had net business expansion, we've recovered our job losses from COVID and stand at new record employment levels for private sector employment about equal in office sector employment in this year, there's 46,000 new jobs, office using jobs projected for New York City. That's about double what I would say is an average decent year. So very much feeling that the business community is very strong right now, equities are strong, bank earnings are strong. We see the financial sector really anchoring both demand and economic activity in New York.

But we also see the law firms -- some reports are out showing that the fourth quarter of last year and the beginning of this year, law firm expansion after being on the sidelines for nearly four years, they were one of the worst offenders, if you will, for work from home.

I think they've gotten some religion and given the extraordinary amount of transaction activity in the city and litigation in the city, the law firms are back again in a big way. And we have a number of law firms in our pipeline and deals we've done. The retail recovery, everybody had written off retail four years ago, never coming back, not so much COVID related, but more related to disintermediation with the Internet. And COVID was kind of like nail in the coffin. There was a 20% plus vacancy rate on the high street retail fronts. Well, guess what, the availability is in the top 11 High Street submarkets are the lowest they've been since 2014.

You've seen some very high profile deals where user tenants are buying their facilities. They're not even renting them and they're buying them for $4,000, $8,000, $10,000 a square foot and more to come on that front. And we participated in that. And in general, the consumer demand for bricks and mortar retail is quite good and I just raised that. When people write off a few years ago the office sector and seeing the amount of activity I see now, to me, it's very -- it's a similar story.

Sublet space is being withdrawn and we see the sublet ratio going down fairly significantly. And that's always the first step in a commercial recovery for sublet and direct. AI is something that I think is going to awaken the slumbering tech market. Tech has not been a big contributor to incremental demand after about a decade of rapid growth. And I sort of looking forward to and await their return.

And we see with AI these companies now, we're fairly fully deployed within their spaces. If you haven't seen the Google St. John's terminal new space that they've just completed, it's amazing. It's an amazing project, amazing investment and kind of the future of the tech workspace. Rick Cook did an amazing job over 10 years, working with the Google folks to create something that will, I think, be a leading light for many other tech companies in New York City, bringing a bit of the Silicon Valley campus into New York.

And we're just seeing in general a pivot for companies that were unsure about the direction of where their space needs would be heading over the long term and are now almost with a bit of excitement and alacrity. They are in the market now pushing to get space. We are seeing tenants get beat out of space. And that always starts to create a little bit of a frenzy. And I'm talking mostly East Midtown, I'm not talking downtown. I'm not talking [ph] forward side (00:06:24). The dynamics I'm speaking about are really in our core territory where the vacancy rate is much better than the 17% overall vacancy.

And we signed, I think we're -- either signed or approaching 300,000 feet for the first two months of the year. I think we're on track for a 0.5 million square feet in the first quarter, which is traditionally somewhat of a slow quarter for SL Green. I think it gives us confidence that we'll hit our 2 million square foot goal for the year at least as we sit here today. And our pipeline, which is the best indicator of where things are headed within the portfolio, has grown to now 1.5 million square feet. We're working on a lot of deals right now. A lot of deals are very good economics and we hope to be able to announce a few of those in this month, in March before the quarter's end.

We also find this market to be an attractive one to invest in. And I'll just sort of leave it with this anecdote. I mean, for four years we did zero structured finance investment and that's after being a leader in structured finance for the prior 22 years. So now having been what I like to look at is fairly disciplined and really reading the market and waiting for an inflection point, where we felt that the market fundamentals are better than the lack of liquidity would indicate, we expect to be back in the structured finance market this year in a fairly meaningful way, both acquiring portfolios of non-performing and performing loans and also selectively originating into high quality assets.

I think we see opportunities for both. It's something we're going to lean into and we see other pools of capital forming to do the same thing. So that gives me some confidence that we're heading in the right direction because the first step after years of illiquidity is formation of alternative capital to solve that gap. And once that happens, spreads compress, things get a little looser. And before you know it, couple of years the big institutions will be back, lending in the market. So that's a little bit of an overview of how we see things and love to take questions.

QUESTION AND ANSWER SECTION

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Q

Great. That's really helpful. Maybe just starting kind of high level. With the headwinds we've seen in the macro office environment broadly, I guess, how is SL Green differentiated from the competition in terms of portfolio composition, your tenant makeup, any other kind of growth opportunities that you see out there maybe relative to competition?

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

A

It's -- there's a lot of different ways. I think we've invested in 124 million square feet of real estate. Many of the opportunities we see today, we've been in the deals once or twice before. So we kind of have an intimate knowledge of the opportunities, the assets. We're able to move quickly where we see value. I think we're the first call for many institutions in this market that are looking for solutions for their loan books, primarily, both CMBS investors, private mortgage investors and mezzanine investors.

We have relationships with 50 to 75 of the world's leading institutions that have big exposure in New York City. And I don't think it's an overstatement to say we're first call for many of these. We service -- have serviced $14 billion. Does that include or not include why are we, you got to put your little thing on the...

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

A

Up to $17 billion now.

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

A

Okay. I was light, $17 billion of assets serviced for others in space that traditionally is represented by [indiscernible] (00:10:30) and Wells Fargo and [ph] KeyBanc (00:10:32). And then you've got SL Green. I'd say we have one of the big – we're one of the most prevalent [ph] size B (00:10:38) loan servicer, special servicers in the market for -- particularly for large loans, kind of high touch situations. A lot of those are in New York City, not all of them. It's a great fee business, but it's also a great relationship builder for us because these investors like and respect our platform and our ability to resolve tough situations. And through that, we're going to get very good looks at very interesting situations. I think that's one of many differentiating factors.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Q

And why do you think it is that New York as an office market has recovered a lot quicker, I think relative to other coastal gateway markets in the country?

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

A

Yeah. Well, New York is so dynamic relative to so many other markets. It's so globally diverse, and when we go around, we're doing trips all over the world right now, both capital raising. And we're also looking for JV partners and we're looking for Global Summit. So we're talking with everybody and still, universally, when these firms talk about wanting to sort of step back into the commercial investment market in the United States, New York is the top of everybody's list.

I haven't met one who has shown me another market that they would put as the number one market, because it's got strong depth of demand, it's got quality, it's got liquidity, even in bad markets. It's got a very diverse and educated employment base. It has the new business formations that I've talked about, and I think it's just very reliable and relatively safe. I mean, yes, assets repriced with higher interest rates. And so price is a function of return, but in terms of the attractiveness of core AAA US New York City commercial assets and locations, I still see high demand relative to other markets. And I think there is a belief in the recovery because that's the investment thesis we've been pitching in the last few months and we found a very receptive audience.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Q

We had a question come in here from live QA, with the hybrid work model here to say, how has the long term structural demand changed? I think there are some firms that are estimating that it's caused about 20% lower in terms of office demand. What are your thoughts around this?

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

A

We don't talk about work-from-home as a topic much these days. I think that whatever reset has happened has occurred. I think it's old news. I think that most of the kind of ambitious, profitable forward firms in our portfolio are three, four days a week in the office. Whoever is fully remote or mostly remote has already left the portfolio or there's not a lot left in that regard. I think whether firms are three, four or five days a week in the office, it's not much of an issue for us to manage. It's more of an issue for businesses to manage themselves.

What's the optimum amount. But I would say there's very few conversations we're having today amongst our 800 plus commercial tenants in terms of any kind of significant contraction as a result of work-from-home. There might be other business reasons on the margins where some firms may be contracting, but it's really not a -- I don't see it as a work-from-home issue. And I see more expansion than contraction in our portfolio, which is why we ticked up in occupancy in the third and fourth quarters of last year. And we're projecting another 150 basis point increase in occupancy this year.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Q

Are you noticing that tenants are looking at their real estate needs a little differently, given that they're only in the office three to four days out of the week compared to five? Or is it mostly kind of the same utilization and usage that you saw kind of pre-COVID?

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

No, I think that the trend that started well before COVID of densification and amenitization has just accelerated over the past few years, where for tenants now, I mean, commuteability, ease of commute is by far and away what I see today, the number one item for tenants, they really put that first and foremost. But that's always been the case. It's just more heightened now where people -- there's this desire to get people as easy to commute and now it's possible.

I think that benefits our portfolio tremendously, I think people underestimate the extraordinary upgrade in the Grand Central area as a result of East Side access, which opened I think early last year in 2023 -- beginning of 2023. It's amazing now to have one stop commuter rail service from Connecticut and Westchester and now all of Long Island right into Grand Central, it shaves something like 35 to 45 minutes per day of commute time off of Long Islanders commutes, which is an enormous competitive advantage for us.

And I think on the margins, the safety, cleanliness, security in and around East Midtown is very attractive to these businesses that want to have not only use of commute, but want to have lots of options for their tenants, both within buildings in terms of elevated food and beverage experiences, fitness centers, conference centers, [indiscernible] (00:16:24) we've been talking about for a long time.

But also in and around the businesses surrounding the office, there has to be some liveliness and ability for people to go out during and after work and feel good about the environment they're in. In that regard, I think our portfolio is in great shape.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

You mentioned commutability being very important. I'm curious if there is any chance or thoughts around New Jersey Transit potentially expanding and ending into Grand Central?

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

Yeah. It's -- I think it's a long term project probably someday, yes. That would just make the superfecta, I guess, of immediate access to the primary markets. But for right now and for the foreseeable future, we'll advocate and champion that. And I think it would be great for New Jersey folks to have that option, very expensive. And I think time-consuming undertaking. So not something that's in my three or five year business plan, but something that I think would be a great thing for New Yorkers and people from New Jersey.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

You've had a couple of questions come in on live QA as it relates to leasing and related to the tech industry. So I'm just going to lump all of these together. With tech companies continue to focusing on margins and free cash flow, we've seen some downsizing in some of those names or maybe some consolidation in office footprint. Do you think that the leasing environment can recover to where it was without these tech firms starting to lease more space?

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

Yeah, I mean, I think it can, because I think well, I think I'm hopeful that a conversion bill will get done in Albany and that part of the way to get back, if you will, to the kind of occupancy levels we experienced at kind of a 10% equilibrium rate can be achieved by taking a lot of secondary and tertiary product off the market and converting to residential. There's a double benefit there for New York City, if that happens, I think that bill can produce 30, 35 million square feet of conversions in the foreseeable future, which would get us sort of halfway back. And I think the rest can be taken up by financial firms, business services, healthcare, education. I mean, you see, while Cornell expanded into Sotheby's, MSK bought our deal at 885 Third.

And there's a lot of other diverse uses, including government, that is expanding. And I think in sort of cover tech, remember for much of the early part of the -- of this millennium, there was really no tech presence. And we had probably the best occupancy levels in Manhattan. I think 8%, 9%. So yeah, I think we can do with that tech, but I think tech will be a participant. I said earlier that I think AI in particular is something that we hear from our tech tenants requires presence and collaboration. It's really not done in isolation, the kind of a very fast moving business that that is. And I think that will, over the next few years, spill over into incremental demand. But that's a projection on my part to be seen.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Q

Maybe just switching to kind of disposition capital raising activity. Is there any update you can provide on the status of various future JVs, including a potential at One Vanderbilt or 245 Avenue or 245 Park, as well as the debt fund capital raising process?

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

A

Sure. I'll start with One Vanderbilt. That's our highest priority on the JV front. We're in advanced negotiations on that process and the term sheet and expecting to get it done this year. On the 245 Park Front, as we said in our December investor conference looking to finish up some of the leasing that's in the pipeline right now that allow us to present that deal properly is the core deal that it is. So I would expect to see that be a big focus of ours in the second half of the year as we finish up the leasing that's in our pipeline.

On the credit front, Marc and I and the rest of the team have been on the road for the past 3.5 weeks. The feedback has been really great. I mean, people are very excited to see us wanting to deploy capital after the past four years, really being on the sidelines in the credit space. They understand the story, they understand the opportunity, and we're working through that process now over the next three to six months to get that fund raise and start getting capital deployed.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Q

And is SL Green going to participate in the debt fund as well, or are you just going to be taking external third-party capital?

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

A

We will be participating as well.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Q

Maybe one now just kind of on kind of interest rates and the impact on earnings growth. You've seen AFFO per share, I think, decline over the past couple of years. Curious if the kind of expected recovery in leasing will be negatively offset by the impact of interest rates that you've seen on your balance sheet and where we could see kind of earnings growth go in the near and medium term.

Harrison Sitomer
Chief Investment Officer, SL Green Realty Corp.
A

Yeah, clearly, interest rates have affected earnings last year and less so this year. But we took extraordinary efforts to fix most of our in-place debt. Our floating rate debt is 5% or below at this point. So it's really insulated the earnings. And as we are executing on -- we planned this year for -- our goal is $5 billion of refinancings, extensions, modifications. What we're seeing is great success in getting the rates to be equivalent to what they are and in some cases even reduced, which will help the earnings trajectory too.

So you have a forward curve that's sloping downward. You have refinancings and modifications that are getting done at attractive rates. And then we expect to have NOI growth, so you're just talking about bottom line earnings increasing 150 basis points of occupancy, maintaining OpEx increases sub 2% and a more constructive financing and interest rate environment should set the runway, which is why I think we characterized 2024 earnings as turning the corner.

We found our inflection point in 2023, 2024, and we should be bouncing off in the other direction. And the other thing I would add to that is the diversification of our income streams. Marc touched on special servicing, the fund business we have summit expansions. These are all complementing the real estate business in a material way. So you've seen that -- I'll call it other income line, but ancillary income stream continue to grow and we expect to continue to in the out years.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

And Matt, in your conversations with your lending partners, is there any appetite for long term, permanent capital for office financing, or is it still more of this kind of shorter term options that you're seeing out there?

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

Well, when we did 919 Third Avenue last year, which is the largest office financing done in the country that was a, it was not a 10-year deal, but it was a longer duration deal. The modifications we're doing have been somewhere in the one to three year range, but you are now seeing more appetite for slightly longer than that. There's not a robust CMBS market right now. It is still a lot of working hand-in-hand with servicers or direct with the lenders to get the deals done. But you are starting to see a little bit more appetite for longer.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

And Harry, maybe going back to transaction activity for you for a moment, if you were to transact on One Vanderbilt or 245 Park for those additional sales, could we see valuation be at or above kind of prior levels where you transacted yet -- transacted at?

Harrison Sitomer
Chief Investment Officer, SL Green Realty Corp.
A

I think two, the two -- I think you have to look at them individually. So we haven't transacted on One Vanderbilt since 2015. So to compare now to then, yeah, it'll be a lot higher. So but I don't think it's not a fair comparison just because --

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

Maybe 245 Park.

Harrison Sitomer
Chief Investment Officer, SL Green Realty Corp.
A

245, yeah, for sure. I mean, that's something where the development plan is now underway, it's an extraordinary plan. The tenant receptivity is great. We've done a lot of leasing. We have more scheduled to occur in the first half of this year. And all of that, I think including what people probably will perceive as a better interest rate environment to invest into, when we did the last transaction, there was still a fairly challenging yield curve that we were facing whereas somebody coming in now is looking at the prospects of 150 basis points of potential short rate decline and relatively stable rates on out into the four or five year future, and I think a better credit market. So yeah, I mean, we would hope and expect.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

Is there any commentary you can add on the ultimate plan for the alternative strategy portfolio? Would it make sense to hand back the keys on some of these assets given they're underperforming, I think relative to the rest of the portfolio or anything you could add there would be helpful.

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

Yeah. I mean, I think what you've seen is we've done a very good job on those assets, working with our partners and lenders to take advantage of current market situations and stay in the game on those assets where in a lot of cases we've already realized a lot of our gain. I think all but two or three of those assets. We'd like to stay with as many as possible within reason. But what, I think the reason for the grouping is that it's a fairly highly leveraged bunch of assets that provides little in the way or maybe nothing in the way of any material earnings. And certainly, we have little to no recourse exposure on those assets. So when you think about that indebtedness as part of our overall indebtedness, I think it's over $1 billion of the pro rata indebtedness on that portfolio. I think we're in there to try and create value, you've seen now in two instances where we've created significant value, 717 Fifth Avenue, where we netted over $35 million. What was the other one here?

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

2 Herald's?

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

2 Herald, where we were able to buyout, buy almost 100% consolidated ownership of the asset, take out the leasehold mortgage at a price we thought was attractive. And now we're in dialogue with the fee owner to try and make something happen there.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

Would it make more sense to redevelop 2 Herald and keep it as an office building? Or could we look to see it be converted to another use?

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

No, it's that kind of asset that can serve a lot of uses. It's a great retail location. Interestingly, Ulta. Is it Ulta? Ulta and Vickie's Secret have both had well, Vickie's had, Ulta has their highest performing stores in their portfolios with 2 Herald. To show you how big that retail demand was and is. And it was -- Amazon was there for a good period of time in a facility they had with we work and we also have Mercy College there for dormitories. So it's kind of like a location and an adaptable floor play that we could do education, dormitory. We can do resi conversion. It works as office and it's great retail.

So the trick there is like Times Square, Penn Station, Herald Square, they've gone through, they've been longer to get back in the recovery in other parts of Manhattan, it will come. And we're trying to figure out how best to optimize. I think highest and best use would be some residential component. But you never know, if somebody wants to have that kind of very good centralized location for an office use. It's possible there. And our basis now is we're averaging down our basis quite substantially to levels where we could be very competitive on rents. I think we can do rents -- commercial rents there in the 50's.

I think so all of a sudden on a recapitalized basis, given what we did with the [ph] lease out mortgage (00:29:24) and the buyout, now it gives us a lot more flexibility in the commercial arena. But I still think probably resi and dorms the highest and best.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

Maybe just touching on potential office to resi conversions that you're expecting or seeing potentially in the market. I mean, what do you think needs to get done? And particularly the input from public stakeholders in order to see a lot more of these take place? And then kind of concurrently when you're working with the local governments. And how important is their focus on kind of quality to life issues and getting people to be more comfortable kind of coming back?

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

Well, what we need for office to resi conversion is we need a stand alone bill introduced in Albany this month that can become part of the budget that will be approved for the year next month. And with it, I'm very optimistic without it, there are other ways to get it done on more of a spot basis, but it won't achieve what I mentioned earlier, which is kind of a holistic opportunity for maybe 30 or 35 million square feet of conversion over three to five years. That would take a bill with a tax incentive. While I find 421A or the new iteration of that is 485-something. Is, it can be a little bit more controversial because it involves demolition of existing structures in some cases and or other land use issues.

There were debates about displacement, things like that. And I'm still a big advocate of 485. And I think that should be done because office to resi conversion can't fill the hole in the need the way a ground up 485 build could. I understand that one is going to through a lot of debate whereas I find really everyone gets their head around office to resi conversion because it's built -- there's no displacement of residential, it's a commercial building, it's simply change of use.

You're not affecting anyone's traffic patterns, you're not affecting [ph] lightener (00:31:38) and you're positively affecting the surrounding businesses that right now need the foot traffic back, which you'll get on a 24/7 basis with resi. They're right now, they're not getting on commercial, because a lot of these buildings have significant vacancy. So I think the cheapest and best and most lucid way for Albany to go forward to get some units delivered quickly would be to get this office to resi bill off the table. We're big champions of that. We are, I have a team of people, including new head of government affairs that worked with Chuck Schumer for many -- for about seven years, is now part of the SL Green team and he's spearheading this effort with Rob Schiffer in trying to get something done this month. And we'll see where it goes.

Michael A. Griffin Q
Analyst, Citigroup Global Markets, Inc.

We had a question come in just about net effective rent growth. Where do you see net effective rents going for both NYC and your portfolio over the next couple of years?

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

Well, I see them as improving because I think we're on an upswing. So the clearly tenant concessions in our portfolio have really levelized. And more and more we're seeing a greater propensity for tenants to do triple digit rents. Last year or 2023, there were 192 leases in Manhattan done at $100 a square foot or more, and the year prior, by the way, 2022 was just shy of -- I think was $190. So almost 390, 380 leases at $100 a square foot or more in the past 24 months.

And everyone says, well, that's in new buildings, right, it's only happening in new construction. Well, that's not right, because there's no new construction that those deals are going into. The vast majority of those deals are going into buildings that are 40 to 60 years old. One Vanderbilt hasn't -- which was a big contributor to that metric for many years, hasn't was maybe that one lease a year in 2022 and 2023. And it's really just a renaissance in older buildings and when you have big headline rents, triple digit could be $125, $150 a square foot and up, your net effectives improve as long as you're holding the line on concessions.

So I think certainly at the triple digit rent level and up, I think you'll see expanding effective rents. And hopefully, between the $80 to $100 square foot rents, we can hold the line. And I think the biggest challenge is in the $50, $60, $65 a foot rents where the economics are tougher and we need more improvement at the bottom, which a resi conversion build would help.

Michael A. Griffin Q
Analyst, Citigroup Global Markets, Inc.

All right. Real quick to end the session, I've got my three rapid fire questions. Best real estate decision today, buy, sell, develop, redevelop or pause?

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

Buy discounted credit.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

Same store growth for the office sector overall for 2025?

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

Do we do that? I need Matt's permission for that. Do I have the permission? 2% to 3%.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.
Q

And will there be more, fewer or the same number of publicly traded office REIT's a year from now?

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

Same.

Michael A. Griffin
Analyst, Citigroup Global Markets, Inc.

Great. Thank you very much.