UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2000

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ___

Commission File No. 1-13199

SL GREEN REALTY CORP.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Maryland	13-3956775
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

420 Lexington Avenue, New York, New York 10170
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES - ZIP CODE)

(212) 594-2700
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the restraint was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days Yes X No .

The number of shares outstanding of the registrant's common stock, $0.01 par value was 24,480,871 at November 3, 2000.

SL GREEN REALTY CORP.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(AMOUNTS IN THOUSANDS)

	SEPTEMBER 30, 2000 (UNAUDITED)	December 31, 1999 (Note 1)
ASSETS		
Commercial real estate properties, at cost:		
Land and land interests	$ 125,572	$ 132,081
Buildings and improvements	609,089	632,004
Building leasehold	137,441	132,573
Property under capital lease	12,208	12,208
	884,310	908,866
Less accumulated depreciation	(72,179)	(56,983)
	812,131	851,883
Properties held for sale	49,890	25,835
Cash and cash equivalents	14,064	21,561
Restricted cash	34,583	34,168
Tenant and other receivables, net of allowance of $1,930 and $938 in 2000 and 1999, respectively	9,132	5,747
Related party receivables	964	463
Deferred rents receivable, net of allowance for tenant credit loss of $5,002 and $5,337 in 2000 and 1999, respectively	43,452	37,015
Investment in and advances to affiliates	7,943	4,978
Mortgage loans receivable and preferred equity investment	49,903	20,000
Investments in unconsolidated joint ventures	59,632	23,441
Deferred costs, net	37,924	30,540
Other assets	34,100	15,611
Total assets	$ 1,153,718	$ 1,071,242
LIABILITIES AND STOCKHOLDERS' EQUITY		
Mortgage notes payable	$ 345,351	$ 352,693
Revolving credit facilities	126,752	83,000
Accrued interest payable	3,069	2,650
Accounts payable and accrued expenses	25,212	17,167
Accrued deferred long-term compensation	2,833	--
Deferred revenue	1,444	306
Capitalized lease obligations	15,242	15,017
Deferred land lease payable	12,805	11,611
Dividend and distributions payable	12,065	11,947
Security deposits	18,951	18,905
Total liabilities	563,724	513,296
Commitments and Contingencies		
Minority interest in Operating Partnership	41,753	41,494
8% Preferred Income Equity Redeemable SharesSM $0.01 par value $25.00 mandatory liquidation preference, 25,000 authorized and 4,600 outstanding at September 30, 2000 and December 31, 1999	110,667	110,348
STOCKHOLDERS' EQUITY		
Common stock, $0.01 par value 100,000 shares authorized, 24,516 and 24,184 issued and outstanding at September 30, 2000 and December 31, 1999, respectively	245	242
Additional paid - in-capital	428,635	421,958
Deferred compensation plans	(5,939)	(6,610)
Officers' loans, net	--	(64)
Retained earnings/(distributions) in excess of earnings	14,633	(9,422)
Total stockholders' equity	437,574	406,104
Total liabilities and stockholders' equity	$ 1,153,718	$ 1,071,242

The accompanying notes are an integral part of these financial statements.

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	Three Months Ended September 30, 2000	Three Months Ended September 30, 1999	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 1999
REVENUES				
Rental revenue	$ 47,647	$ 45,080	$ 140,998	$ 129,267
Escalation and reimbursement revenues	7,593	6,856	18,941	16,473
Signage rent	496	559	1,593	1,112
Investment income	4,968	1,469	9,903	3,731
Other income	170	688	693	1,545
Total Revenues	60,874	54,652	172,128	152,128
EXPENSES				
Operating expenses (see Note 13 for affiliated transactions)	15,260	14,293	41,893	36,778
Real estate taxes	7,299	7,481	21,688	21,904
Ground rent	3,164	3,183	9,505	9,572
Interest	10,698	7,772	30,243	19,722
Depreciation and amortization	8,300	7,677	24,519	19,705
Marketing, general and administrative	2,540	2,979	8,517	8,387
Total Expenses	47,261	43,385	136,365	116,068
Income before equity in net income from affiliates, and unconsolidated joint ventures, gain on sale of rental property, minority interests, extraordinary items and preferred stock dividends	13,613	11,267	35,763	36,060
Equity in net income from affiliates	71	223	609	551
Equity in net income of unconsolidated joint ventures	586	151	2,209	151
Gain on sale of rental properties, net of transaction and deferred compensation costs	5,624	--	24,646	--
Income before minority interest, extraordinary item and preferred stock dividends	19,894	11,641	63,227	36,762
Minority interest:				
Operating partnership	(1,496)	(815)	(4,964)	(2,498)
Partially owned properties	--	(354)	--	(1,764)
Net income before extraordinary item and preferred stock dividends	18,398	10,472	58,263	32,500
Extraordinary item, net of minority interest of ($38) and ($57) in 2000 and 1999, respectively	--	--	(430)	(628)
Net income	18,398	10,472	57,833	31,872
Preferred stock dividends	(2,300)	(2,300)	(6,900)	(6,900)
Preferred stock accretion	(107)	(99)	(320)	(298)
Net income available to common shareholders	$ 15,991	$ 8,073	$ 50,613	$ 24,674
BASIC EARNINGS PER SHARE:				
Net income before gain on sale and extraordinary item	$ 0.42	$ 0.33	$ 1.09	$ 1.05
Gain on sale	0.23	--	1.01	--
Extraordinary item	--	--	(0.02)	(0.03)
Net income	$ 0.65	$ 0.33	$ 2.08	$ 1.02
DILUTED EARNINGS PER SHARE:				
Net income before gain on sale and				

extraordinary item	$ 0.43	$ 0.33	$ 1.16	$ 1.05
Gain on sale	0.21	--	0.91	--
Extraordinary item	--	--	(0.02)	(0.03)
Net income	$ 0.64	$ 0.33	$ 2.05	$ 1.02
Dividends declared per common share	$ 0.3625	$ 0.35	$ 1.0875	$ 1.05
Basic weighted average common shares outstanding	24,458	24,200	24,329	24,195
Diluted weighted average common shares and common share equivalents outstanding	27,300	26,706	27,063	26,686

The accompanying notes are an integral part of these financial statements

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	Common Stock	Additional Paid in Capital	Deferred Compensation Plan	Officers' Loans	Retained Earnings/ (Distributions) in Excess Earnings	Total
Balance at December 31, 1999	$ 242	$ 421,958	$ (6,610)	$ (64)	$ (9,422)	$ 406,104
Net income					57,833	57,833
Preferred dividend and accretion requirement					(7,220)	(7,220)
Proceeds from options exercised	2	3,803				3,805
Deferred compensation plan and stock award		746	(457)			259
Amortization of deferred compensation plan			1,158			1,158
Redemption of Units	1	2,128				2,129
Cash distributions declared ($1.0875 per common share)					(26,558)	(26,558)
Amortization of officers' loan				64		64
BALANCE AT SEPTEMBER 30, 2000 (UNAUDITED)	$ 245	$ 428,635	$ (5,939)	$ --	$ 14,633	$ 437,574

The accompanying notes are an integral part of these financial statements.

SL GREEN REALTY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA)

	Nine Months Ended September 30, 2000	1999
OPERATING ACTIVITIES:		
Net income	$ 57,833	$ 31,872
Adjustments to reconcile net income with net cash provided by operating activities:		
Depreciation and amortization	24,519	19,705
Amortization of discount on mortgage receivable	(2,405)	--
Gain on sale of rental property	(24,646)	--
Extraordinary loss	430	628
Equity in net income from affiliates	(609)	(551)
Equity in net (income) from unconsolidated joint ventures	(2,209)	(151)
Minority interest	4,964	4,262
Deferred rents receivable	(10,920)	(15,642)
Provision for deferred rents and bad debts	1,664	2,983
Amortization of officer loans and deferred compensation	1,222	1,197
Proceeds from options exercised	3,805	--
Changes in operating assets and liabilities:		
Restricted cash - operations	(2,105)	1,292
Tenant and other receivables	(4,377)	(4,958)
Related party receivables	(501)	(546)
Deferred costs	(6,790)	(10,371)
Other assets	3,204	3,374
Accounts payable, accrued expenses and other liabilities	1,254	5,024
Deferred revenue	1,138	--
Deferred land lease payable	1,194	1,223
Net cash provided by operating activities	46,665	39,341
INVESTING ACTIVITIES:		
Additions to land, buildings and improvements	(65,396)	(178,705)
Restricted cash - capital improvements	1,690	(4,283)
Investment in and advances to affiliates	(2,356)	6,359
Investments in unconsolidated joint ventures	(43,722)	(17,604)
Distributions from unconsolidated joint ventures	16,765	--
Net proceeds from disposition of rental property	70,424	--
Mortgage loans receivable, net	(27,498)	(14,500)
Net cash used in investing activities	(50,093)	(208,733)
FINANCING ACTIVITIES:		
Proceeds from mortgage notes payable	14,917	269,775
Repayments of mortgage notes payable and loans	(22,259)	(7,647)
Proceeds from revolving credit facilities	254,424	116,500
Repayment of revolving credit facilities	(210,672)	(79,300)
Repayments of secured bridge financing	--	(87,500)
Capitalized lease obligation	225	205
Dividends and distributions paid	(35,918)	(34,768)
Deferred loan costs	(4,786)	(5,700)
Net cash (used in) provided by financing activities	(4,069)	171,565
Net (decrease) increase in cash and cash equivalents	(7,497)	2,173
Cash and cash equivalents at beginning of period	21,561	6,236
Cash and cash equivalents at end of period	$ 14,064	$ 8,409
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 29,824	$ 17,875
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Mortgage note payable assumed in connection with joint venture acquisition		$ 45,000
Acquired Assets		$ 7,714
Assumed Liabilities		$ 4,861
Issuance of common stock as deferred officer compensation	$ 746	$ 5,438

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The accompanying notes are an integral part of these financial statements.

SL GREEN REALTY CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)
SEPTEMBER 30, 2000

1. ORGANIZATION AND BASIS OF PRESENTATION

SL Green Realty Corp. (the "Company"), a Maryland corporation, and SL Green Operating Partnership, L.P. (the "Operating Partnership"), a Delaware limited partnership, were formed in June 1997 for the purpose of combining the commercial real estate business of S.L. Green Properties, Inc. and its affiliated partnerships and entities. The Operating Partnership received a contribution of interest in the real estate properties, as well as 95% of the economic interest in the management, leasing and construction companies (the "Service Corporation"). The Company qualifies as a real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code"), and operates as a self-administered, self-managed REIT. A REIT is a legal entity that holds real estate interests and, through payments of dividends to shareholders, is permitted to reduce or avoid the payment of Federal income taxes at the corporate level.

Substantially all of the Company's assets are held by, and its operations are conducted through, the Operating Partnership. The Company is the sole managing general partner of the Operating Partnership. As of September 30, 2000, minority investors hold, in the aggregate, an 8.6% limited partnership interest in the Operating Partnership.

As of September 30, 2000, the Company's wholly-owned portfolio consisted of 19 Class B commercial properties encompassing approximately 7.1 million rentable square feet located primarily in midtown Manhattan, a borough of New York City ("Manhattan") (the "Properties") and one triple-net leased property located in Shelton, Connecticut. As of September 30, 2000, the weighted average occupancy (total occupied square feet divided by total available square feet) of the Properties was 98%. The Company's portfolio also includes ownership interests in unconsolidated joint ventures which own four Class B commercial properties in Manhattan, encompassing approximately 2.0 million rentable square feet (99% occupied as of September 30, 2000). In addition, the Company continues to manage four office properties owned by third-parties and affiliated companies encompassing approximately 1.0 million rentable square feet.

BASIS OF QUARTERLY PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. The 2000 operating results for the periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2000. These financial statements should be read in conjunction with the financial statements and accompanying notes included in the Company's annual report on Form 10-K for the year ended December 31, 1999.

The balance sheet at December 31, 1999 has been derived from the audited financial statements at that date but does not include all the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

PARTNERSHIP AGREEMENT

In accordance with the partnership agreement of the Operating Partnership (the "Operating Partnership Agreement"), all allocations of distributions and profits and losses are made in proportion to the percentage ownership interests of the respective partners. As the managing general partner of the Operating Partnership, the Company is required to take such reasonable efforts, as determined by it in its sole discretion, to cause the Operating Partnership to distribute sufficient amounts to enable the payment of sufficient dividends by the Company to avoid any Federal income or excise tax at the Company level. Under the Operating Partnership Agreement each limited partner will have the right to redeem limited partnership units ("Units") for cash, or if the Company so elects, shares of common stock. Under the Operating Partnership Agreement, the Company is prohibited from selling 673 First Avenue and 470 Park Avenue South through August 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its subsidiaries, which are wholly-owned or controlled by the Company. Entities which are not controlled by the Company are accounted for under the equity method. All significant intercompany balances and transactions have been eliminated.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 1998, the FASB issued Statement No. 133, Accounting for Derivative Instruments and Hedging Activities, which was scheduled to be adopted in years beginning after June 15, 1999. The Statement permits early adoption as of the beginning of any fiscal quarter after its issuance. In 1999, the FASB delayed implementation of FASB 133 by one year. The Company will adopt the new Statement effective January 1, 2001. The Statement will require the Company to recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges must be adjusted to fair value through income. If a derivative is a hedge, depending on the nature of the hedge, changes in the fair value of the derivative will either be offset against the change in fair value of the hedged asset, liability, or firm commitment through earnings, or recognized in other comprehensive income until the hedged item is recognized in earnings. The ineffective portion of a derivative's change in fair value will be immediately recognized in earnings. The Company does not anticipate that the adoption of this Statement will have a significant effect on its results of operations or financial position.

The Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin (SAB) 101, Revenue Recognition in Financial Statements, in December 1999. The SAB summarizes certain of the SEC staff's views in applying generally accepted accounting principles to revenue recognition in financial statements. In June 2000, the SEC issued SAB 101B, which delays the implementation date of SAB 101 until no later than the fourth fiscal quarter of fiscal years beginning after December 15, 1999. The Company does not believe that adoption of this SAB will have a significant impact on its financial statements.

USE OF ESTIMATES

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

RECLASSIFICATION

Certain 1999 balances have been reclassified to conform with the 2000 presentation.

PROPERTY TRANSACTIONS

During the quarter ended March 31, 2000, the Company sold 29 West 35th Street and 36 West 44th Street for a gross sales price of $43,200. The Company realized a gain of $14,225 on the sales.

On May 4, 2000, the Company sold a 65% interest in the property located at 321 West 44th Street to Morgan Stanley Real Estate Fund III, ("MSREF"),valuing the property at $28,000. The Company realized a gain of $4,797 on this transaction and retained a 35% interest in the property ($6,500), which was contributed to the joint venture with MSREF. The property, a 203,000 square foot building located in the Times Square submarket of Manhattan, was acquired by the Company in March 1998. Simultaneous with the closing of this joint venture, the venture received a $22,000 mortgage for the acquisition and capital improvement program, which is estimated at $3,300. The interest only mortgage matures on April 30, 2003 and has an interest rate based on LIBOR plus 250 basis points (9.1275% at September 30, 2000). The venture intends to substantially improve and reposition the property. In addition to retaining a 35% economic interest in the property, SL Green acting as the operating partner for the venture, is responsible for redevelopment, construction, leasing and management of the property. The venture agreement provides the Company with the opportunity to gain certain economic benefits based on the financial performance of the property.

On June 20, 2000, the Company acquired a 64,195 square foot retail building located in the City of Shelton, Fairfield County, Connecticut for approximately $16,600. The Company redeployed the proceeds from the sale of

29 West 35th Street, through a like-kind tax deferred exchange, to fund this acquisition. The property is triple-net leased to Shaw's Supermarkets, Inc. for 25 years. The Shaw's lease is guaranteed by J Sainsbury PLC, an investment grade corporation with a long-term issued credit rating of "A" by Standard & Poor's and "A1" by Moody's. The property is encumbered by a $14,900 mortgage. The 25 year mortgage has a fixed annual interest rate of 8.32 percent.

The Company has entered into an agreement to purchase 1370 Broadway, Manhattan, a 16-story, 254,573 square foot office building for $50,400, excluding closing costs. The transaction is expected to close in the fourth quarter.

On September 29, 2000, the Company entered into an agreement to acquire various ownership and mortgage interests in the 913,000 square foot, 20-story office building at One Park Avenue, Manhattan. The Company will acquire the fee interest in the property, which is subject to a ground lease position held by third-parties, and certain mortgage interests in the property for $233,900, excluding closing costs. As part of the transaction, SL Green is acquiring an option to purchase the ground lease position. The acquisition will be financed with a mortgage loan provided by Lehman Brothers Holdings Inc. and funds provided by the Company's unsecured line of credit. The transaction is expected to close in the first quarter 2001.

4. PROPERTIES HELD FOR SALE

At September 30, 2000, the Company had two properties, 17 Battery Place South and 633 Third Avenue, comprising approximately 435,000 rentable square feet held for sale. These properties were under contract for sale in the aggregate gross amount of $66,250, with deposits of $4,825. There can be no assurance that such properties held for sale will be sold.

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

The following table discloses certain information regarding the properties held for sale by the Company:

	2000
Total Revenues	$ 7,633
Operating Expenses	3,964
Depreciation and Amortization	931
Other	464
Net Income	$ 2,274
Net Carrying Value (including related costs) at September 30, 2000	$ 49,890

5. MORTGAGE LOANS RECEIVABLE AND PREFERRED EQUITY INVESTMENT

On March 30, 2000, the Company acquired a $51,900 interest in an existing first mortgage loan collateralized by 2 Grand Central Tower, Manhattan (2GCT) at a discount. The discount to the face amount of $3,250 and the back-end fees of $3,440 are being amortized into investment income over the extended term of the loan resulting in a total yield on the investment of approximately 22%. This is a subordinate participation interest in an existing first mortgage loan currently held by Credit Suisse First Boston Mortgage Capital, LLC. The loan which was initially due to mature on September 30, 2000, provided the borrower a one year extension option which was exercised on August 30, 2000. The final maturity date of the loan is September 30, 2001. The loan carries a weighted average interest rate of 793 basis points over the 30-day LIBOR (14.55% as of September 30, 2000). Two Grand Central Tower, also known as 140-148 East 45th Street and 147-151 East 44th Street, is an approximately 620,000 square foot commercial office building located in the heart of the Grand Central submarket.

On July 19, 2000, the Company acquired an additional $9,344 interest in an existing first mortgage loan collateralized by 2GCT at a $1,000 discount. The terms of this note were identical to those of the previous note. On September 29, 2000, the Company sold its interest in this loan for approximately $8,492.

On April 14, 2000, the Company made a loan in the amount of $10,000 to DPSW West 14 LLC. The loan, which can be increased to $14,000, is secured by the property located at 17-29 West 14th Street, Manhattan. On September 27, 2000, the Company sold an $8 million senior participation interest in this loan to Manufacturers and Traders Trust Company (MT). Once the loan is fully drawn down, MT will purchase an additional $2 million senior participation interest. The initial term of the loan ends on April 16, 2001, but a one-year extension is available. Interest, payable monthly, is based on the 30-day LIBOR plus 400 basis points (10.62% as of September 30, 2000). The loan is prepayable subject to yield maintenance. The Company will receive a fee for servicing the loan.

On September 15, 2000, the Company's preferred equity interest of $20,000 in 1370 Avenue of the Americas was redeemed. In connection with the early redemption, the Company received a prepayment of interest of $692. As a result of the sale of the ownership interest in the property, the Company realized a gain of approximately $8,600. Contemporaneous with the closing, an award of $2,800 was granted to several members of management earned in connection with the realization of this investment gain. This award will be paid out over a three year period. The gain on sale is presented in the financial statements net of transaction and compensation costs ($5,624).

6. INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

On February 18, 2000, the Company acquired a 49.9 percent interest in a joint venture which purchased 100 Park Avenue ("100 Park"), an 834,000 square foot, 36-story property, located in Manhattan. The purchase price of $95,800, representing SL Green's interest, was funded through a combination of cash and a new mortgage on the property of $112,000 ($55,888 represents SL Green's share of the debt). The Company will provide managing and leasing services for 100 Park.

On August 11, 2000 AIG/SunAmerica issued a $120,000 mortgage collateralized by the property located at 100 Park which replaced the pre-existing $112,000 mortgage. The 8 percent fixed rate loan has a 10 year term.

On March 1, 2000, the $20,800 mortgage on 90 Broad Street ("90 Broad") was assigned to a new lender. The new lender advanced an additional $11,200 to the joint venture. The two loans were then consolidated, amended and restated into a consolidated $32,000 mortgage which matures on March 1, 2002. Interest only is payable on the loan at the rate of LIBOR plus 175 basis points (8.37%

at September 30, 2000). The Company entered into a contract to sell 90 Broad for $60,000, excluding closing costs. The transaction is expected to close in the fourth quarter.

See Note 3 for a description of the investment in 321 West 44th Street.

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA))

The Company and Morgan Stanley Real Estate Fund III, L.P. entered into a contract to acquire 180 Madison Avenue, Manhattan, for $41,250, excluding closing costs. The property is a 264,960 square foot, 23 story building. In addition to having a 49.9 percent ownership interest in the property, SL Green will act as the operating partner for the venture, and will be responsible for leasing and managing the property. The Company has posted a deposit of $2,100. The transaction is expected to close in the fourth quarter of 2000.

The condensed combined balance sheets for the unconsolidated joint ventures are as follows:

	SEPTEMBER 30, 2000	DECEMBER 31, 1999
ASSETS		
Commercial real estate property	$352,144	$130,585
Other assets	28,937	14,236
Total assets	$381,081	$144,821
LIABILITIES AND MEMBERS' EQUITY		
Mortgage payable	$238,650	$ 85,450
Other liabilities	13,856	7,278
Members' equity	128,575	52,093
Total liabilities and members' equity	$381,081	$144,821
Company's net investment in unconsolidated joint ventures	$ 59,632	$ 23,441

The condensed combined statement of operations for the unconsolidated joint ventures is as follows:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	1999	2000	1999
Total revenues	$16,628	$ 2,906	$43,809	$ 2,906
Operating expense	5,595	933	12,377	933
Real estate taxes	2,695	410	7,221	410
Interest	5,166	770	13,515	770
Depreciation and amortization	2,047	456	5,840	456
Extraordinary item	--	--	108	--
Total expenses	15,503	2,569	39,061	2,569
Net income	$ 1,125	$ 337	$ 4,748	$ 337
Company's equity in earnings of unconsolidated joint ventures	$ 586	$ 151	$ 2,209	$ 151

7. INVESTMENT IN AFFILIATES

	2000	1999
Investment in Service Corporation, net	$5,710	$4,978
Investment in eEmerge, net	2,233	--
Investments in and advances to affiliates	$7,943	$4,978

SERVICE CORPORATION

In order to maintain the Company's qualification as a REIT while realizing income from management, leasing and construction contracts from third parties, and joint venture properties all of the management operations are conducted through an unconsolidated company, the Service Corporation. The Company, through the Operating Partnership, owns 100% of the non-voting common stock (representing 95% of the total equity) of the Service Corporation. Through dividends on its equity interest, the Operating Partnership receives substantially all of the cash flow from the Service Corporation's operations. All of the voting common stock of the Service Corporation (representing 5% of the total equity) is held by a Company affiliate. This controlling interest gives the affiliate the power to elect all directors of the Service Corporation. The Company accounts for its investment in the Service Corporation on the equity basis of accounting because it has significant influence with respect to management and operations, but does not control the entity.

All of the management, leasing and construction services with respect to the properties wholly-owned by the Company, are conducted through Management LLC which is 100% owned by the Operating Partnership.

eEMERGE

On May 11, 2000, the Operating Partnership formed eEmerge, Inc., a Delaware corporation ("eEmerge"), in partnership with Fluid Ventures LLC. eEmerge is a separately managed, self-funded company that provides fully-wired and furnished office space, services and support to help e-businesses grow.

The Company, through the Operating Partnership, owns 96.5% of the non-voting common stock (representing 87.0% of the total equity) of eEmerge. Through dividends on its equity interest, the Operating Partnership receives approximately 87% of the cash flow from eEmerge operations. Approximately 96.5% of the voting common stock (representing 9.5% of the total equity) is held by a Company affiliate. This controlling interest gives the affiliate the power to elect all the directors of eEmerge. The Company accounts for its investment in eEmerge on the equity basis of accounting because it has significant influence with respect to management and operations, but does not control the entity. The Company has funded approximately $2,233 in eEmerge as of September 30, 2000 out of a total commitment of $3,425. In addition, the Company made a landlord contribution of $787 for the build-out of one floor.

On June 8, 2000, eEmerge and EUREKA BROADBAND CORPORATION ("Eureka") formed eEmerge.NYC LLC, a Delaware limited liability company ("ENYC") whereby eEmerge has a 95% interest and Eureka has a 5% interest in ENYC. ENYC was formed to build and operate a 45,000 square foot fractional office suites business marketed to the technology industry. ENYC entered into a 10-year lease with the Operating Partnership for its premises, which is located at 440 Ninth Avenue, Manhattan. Allocations of net profits, net losses and distributions shall be made in accordance with the Limited Liability Company Agreement of ENYC.

8. MORTGAGE NOTES PAYABLE

In April, 2000, the Company extended the maturity date of the $26,950 mortgage encumbering the properties located at 286, 290 and 292 Madison Avenue, Manhattan by one year to May 31, 2001.

On October 2, 2000, the Company obtained a $125,000 mortgage encumbering the property located at 420 Lexington Avenue. The 8.54% fixed rate loan has a 10 year term. Interest only is payable for the first 12 months. The proceeds were used to repay the $65,000 loan on the property which was due to mature on May 21, 2001. The balance of the proceeds was used to pay down the $250 Million Credit Facility.

9. REVOLVING CREDIT FACILITIES

PSCC FACILITY

On March 30, 2000, Prudential Securities Credit Corp. ("PSCC") increased the secured PSCC Facility by $20,000 to $50,000. No other terms were changed from the original $30,000 secured PSCC Facility. At September 30, 2000, the Company had $27,752 outstanding under its PSCC Facility (interest rate of 7.88 percent). The PSCC Facility is secured by the $49,903 in mortgage loans receivable of 2GCT and DPSW West 14 LLC.

$140 MILLION CREDIT FACILITY

The $140,000 unsecured credit facility was repaid in full and retired in June 2000, in connection with the Company obtaining the new $250,000 unsecured revolving credit facility ("$250 Million Credit Facility"), as described below. The Company recorded a $430 extraordinary loss, net of the minority interest's share of the loss ($38) for the early extinguishment of debt related to the write-off of unamortized financing costs associated with the $140 Million Credit Facility.

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

$250 MILLION CREDIT FACILITY

On June 27, 2000, the Company repaid in full and terminated the $140 Million Credit Facility and obtained a new unsecured revolving credit facility in the amount of $250,000 from a group of 9 lender banks. The $250 Million Credit Facility has a term of three years and bears interest at a spread ranging from 137.5 basis points to 175 basis points over LIBOR, based on the Company's leverage ratio. Upon the achievement of an investment grade rating, the spread over LIBOR will be reduced to 125 basis points. The Company has the ability to upsize this credit facility to $300,000. $99,000 was outstanding at September 30, 2000 and had an interest rate of 8.15 percent.

The terms of the $250 Million Credit Facility include certain restrictions and covenants which limit, among other things, the payment of dividends (as discussed below), the incurrence of additional indebtedness, the incurrence of liens and the disposition of assets, and which require compliance with financial ratios relating to the minimum amount of tangible net worth, the minimum amount of debt service coverage, the minimum amount of fixed charge coverage, the minimum amount of unsecured indebtedness, the minimum amount of unencumbered property debt service coverage and certain investment limitations. The dividend restriction referred to above provides that, except to enable the Company to continue to qualify as a REIT under the Code, the Company will not during any four consecutive fiscal quarters make distributions with respect to common stock or other equity interests in an aggregate amount in excess of 90 percent of funds from operations for such period, subject to certain other adjustments. The $250 Million Credit Facility also requires a 15 to 25 basis point fee on the unused balance payable quarterly in arrears.

The lending group for the $250 Million Credit Facility consists of Fleet National Bank, NA, as administrative agent, Citibank/Salomon Smith Barney, Inc, as syndication agent, Deutsche Banc Alex Brown, as documentation agent, Commerzbank Aktiengesellschaft, New York Branch, The Bank of New York, Wells Fargo Bank, N.A., Bank Leumi USA, PNCBank, N.A., and Key Bank, N.A.

10. INCOME TAXES

The Company is taxed as a REIT under Section 856 through Section 860 of the Internal Revenue Code of 1986, as amended. As a REIT, the Company is generally not subject to Federal income tax. The Service Corporation and eEmerge, Inc. are taxable C-corporations and thus may be subject to Federal, state and local corporate income taxes.

11. STOCKHOLDERS' EQUITY

COMMON SHARES

The following table presents the changes in the Company's issued and outstanding common shares since December 31, 1999 (excluding 2,308 and 2,428 Units outstanding at September 30, 2000 and December 31, 1999, respectively, which are convertible into common shares on a one-for-one basis, or the cash equivalent thereof, subject to certain restrictions):

Outstanding at December 31, 1999 ...	24,184
Issued through exercise of options .	179
Issued through redemption of Units .	121
Issued through deferred compensation plan	32
Outstanding at September 30, 2000 ..	24,516

OWNERSHIP OF OPERATING PARTNERSHIP

The Company's ownership in the Operating Partnership was approximately 91.4% and 90.9% as of September 30, 2000 and December 31, 1999, respectively.

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

RIGHTS PLAN

On February 16, 2000, the Board of Directors of the Company authorized a dividend distribution of one preferred share purchase right ("Right") for each outstanding share of common stock which was distributed to all holders of record of the common stock on June 30, 2000. Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series B junior participating preferred stock, par value $0.01 per share ("Preferred Shares"), at a price of $60.00 per one one-hundredth of a Preferred Share ("Purchase Price"), subject to adjustment as provided in the rights agreement. The Rights expire on March 5, 2010, unless the expiration date is extended or the Right is redeemed or exchanged earlier by the Company.

The Rights are attached to each share of common stock. The rights are generally exercisable only if a person or group becomes the beneficial owner of 17% or more of the outstanding common stock or announces a tender offer for 17% or more of the outstanding stock ("Acquiring Person"). In the event that a person or group becomes an Acquiring Person, each holder of a Right, excluding the Acquiring Person, will have the right to receive, upon exercise, common stock having a market value equal to two times the Purchase Price of the Preferred Shares.

EARNINGS PER SHARE

Earnings per share is computed as follows:

	FOR THE QUARTER ENDED SEPTEMBER 30, 2000			FOR THE QUARTER ENDED SEPTEMBER 30, 1999		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT	Income (Numerator)	Shares (Denominator)	Per Share Amount
Basic Earnings:						
Income available to common shareholders	$15,991	24,458	$0.65	$8,073	24,200	$ 0.33
Effect of Dilutive Securities:						
Redemption of Units to common shares	1,496	2,346		815	2,428	
Stock Options	--	496		--	78	
Diluted Earnings:						
Income available to common shareholders	$17,487	27,300	$0.64	$8,888	26,706	$0.33

	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000			FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1999		
	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER SHARE AMOUNT	Income (Numerator)	Shares (Denominator)	Per Share Amount
Basic Earnings:						
Income available to common shareholders	$50,613	24,329	$2.08	$24,674	24,195	$ 1.02
Effect of Dilutive Securities:						
Redemption of Units to common shares	4,964	2,385		2,498	2,428	
Stock Options	--	349		--	63	
Diluted Earnings:						
Income available to common shareholders	$55,577	27,063	$2.05	$27,172	26,686	$ 1.02

12. COMMITMENTS AND CONTINGENCIES

The Company and the Operating Partnership are not presently involved in any material litigation nor, to their knowledge, is any material litigation threatened against them or their properties, other than routine litigation arising in the ordinary course of business. Management believes the costs, if any, incurred by the Company and the Operating Partnership related to the routine litigation will not materially affect the financial position, operating results or liquidity of the Company and the Operating Partnership.

(UNAUDITED, AND AMOUNTS IN THOUSANDS, EXCEPT SQUARE FEET AND PER SHARE DATA)

13. RELATED PARTY TRANSACTIONS

There are business relationships with related parties which involve maintenance expenses in the ordinary course of business. The Company's transactions with the related parties amounted to $1,234 and $3,384 for the three and nine month periods ended September 30, 2000. The Company's transactions with the related parties amounted to $1,234 and $2,869 for the three and nine month period ended September 30, 1999.

14. SEGMENT INFORMATION

The Company is a REIT engaged in owning, managing, leasing and repositioning Class B office properties in Manhattan and has one reportable segment, office real estate. The Company evaluates real estate performance and allocates resources based on net income.

The Company's real estate portfolio is located in one geographical market, namely, Manhattan. The primary sources of revenue are generated from tenant rents and escalations and reimbursement revenue. Real estate property operating expenses consist primarily of security, maintenance, utility costs, real estate taxes and ground rent expense (at certain applicable properties). The single office real estate business segment meets the quantitative threshold for determining reportable segments. Additionally, the Company has no tenant with rental revenue greater than 10% of the Company's annual revenues.

15. PRO FORMA FINANCIAL INFORMATION

The following table summarizes, on an unaudited pro forma basis, the combined results of operations of the Company for the nine months ended September 30, 1999 as though the 1999 acquisitions, including the 90 Broad Street, 286, 290 and 292 Madison Avenue (May 1999) and the minority interest in 555 West 57th Street (November 1999), were made on January 1, 1999. There were no material acquisitions during 2000.

	1999
Pro forma revenues	$158,317
Pro forma net income	$ 24,886
Pro forma basic earnings per common share ...	$ 1.03
Pro forma diluted earnings per common share .	$ 1.03
Common and common equivalent share - basic ..	24,204
Common and common equivalent share - diluted	26,632

16. TECHNOLOGY INVESTMENTS AND ALLIANCES

On March 29, 2000, the Company entered into an agreement with Broadband Office, Inc. ("Broadband") to provide telecommunication and internet services to its tenants. In exchange for providing Broadband with access to tenants at some of the Company's properties, the Company received 164 shares of common stock with a fair value of $235 on that date.

Through September 2000, the Company made a $1,500 limited partnership investment in Internet Realty Partners, L.P. ("IRP"). The Company is committed to fund an additional $500. IRP invests in real estate-related internet, technology and e-commerce companies.

On June 6, 2000, the Company entered into a marketing and cooperation agreement with Eureka to provide telecommunication and internet services to its tenants. In exchange for providing Eureka with access to tenants at some of the Company's properties, the Company will receive warrants based on the square footage of property provided. As of September 30, 2000, 58 warrants had been received.

On August 22, 2000, the Company entered into an agreement with Verticore Communications Ltd. ("Verticore") to participate in the elevator news network program. In exchange for providing Verticore with access to the Company's properties, the Company will receive warrants based on the number of qualifying elevator cabs. As of September 30, 2000, 195 warrants had been received by the Company. In addition, the Company made a $750 capital investment in exchange for 150 shares of Series 2 Class C Convertible Preferred Stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

This report includes certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this report that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, including such matters as future capital expenditures, dividends and acquisitions (including the amount and nature thereof), expansion and other development trends of the real estate industry, business strategies, expansion and growth of the Company's operations and other such matters are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, general economic and business conditions, the business opportunities that may be presented to and pursued by the Company, changes in laws or regulations and other factors, many of which are beyond the control of the Company. Any such statements are not guarantees of future performance and actual results or developments may differ materially from those anticipated in the forward-looking statements.

The following discussion related to the consolidated financial statements of the Company should be read in conjunction with the financial statements appearing elsewhere in this report and the financial statements included in the Company's 1999 annual report on Form 10-K.

GENERAL

SL Green Realty Corp. (the "Company"), a Maryland corporation, and SL Green Operating Partnership, L.P. (the "Operating Partnership"), a Delaware limited partnership, were formed in June 1997 for the purpose of combining the commercial real estate business of S.L. Green Properties, Inc. and its affiliated partnerships and entities.

As of September 30, 2000, the Company's wholly-owned portfolio consisted of 19 Class B commercial properties encompassing approximately 7.1 million rentable square feet located primarily in midtown Manhattan, a borough of New York City ("Manhattan") (the "Properties") and one triple-net leased property located in Shelton, Connecticut. As of September 30, 2000, the weighted average occupancy (total occupied square feet divided by total available square feet) of the Properties was 98%. The Company's portfolio also includes ownership interests in unconsolidated joint ventures which own four Class B commercial properties in Manhattan, encompassing approximately 2.0 million rentable square feet (99% occupied as of September 30, 2000). In addition, the Company continues to manage four office properties owned by third-parties and affiliated companies encompassing approximately 1.0 million rentable square feet.

HIGHLIGHTS OF THE QUARTER

- 21% FFO increase, $0.70 per share (diluted) versus $0.58 prior year
- 14% same store portfolio cash NOI growth
- Closed new $250 million unsecured Line of Credit, $110 million increase in capacity
- Entered into agreements to buy One Park Avenue, 1370 Broadway and 180 Madison Avenue
- Entered into agreements to sell 17 Battery Place South, 633 Third Avenue and 90 Broad Street
- Realized gain on early redemption of preferred equity investment
- Refinanced 420 Lexington Avenue, generating $70 million in net liquidity

RESULTS OF OPERATIONS

The following comparisons for the three and nine months ended September 30, 2000 ("2000") compared to the three and nine months ended September 30, 1999 ("1999") make reference to the following: (i) the effect of the "Same-Store Properties," which represents all properties owned by the Company at January 1, 1999, (ii) the effect of the "1999 Acquisitions," which represents all properties acquired in 1999, namely, 286, 290 and 292 Madison Avenue (May 1999) and 555 West 57th Street (November 1999), and (iii) the effect of the "2000 Dispositions," which represents all properties disposed of in 2000, namely, 29 West 35th Street (February 2000), 36 West 44th Street (March 2000), and 321 West 44th Street (May 2000) which was contributed to a joint venture.

COMPARISON OF THE THREE MONTHS ENDED SEPTEMBER 30, 2000 TO THE THREE MONTHS ENDED SEPTEMBER 30, 1999

RENTAL REVENUES (in millions)	2000	1999	$ Change	% Change
Rental revenue	$ 47.6	$ 45.1	$ 2.5	5.5%
Escalation and reimbursement revenue	7.6	6.9	0.7	10.0
Signage revenue	0.5	0.6	(0.1)	(16.6)
Total	$ 55.7	$ 52.6	$ 3.1	5.9%
Same Store	$ 47.3	$ 41.5	$ 5.8	14.0%
1999 Acquisitions	8.6	8.2	0.4	4.9
2000 Dispositions	(0.2)	2.9	(3.1)	(106.9)
Total	$ 55.7	$ 52.6	$ 3.1	5.9%

The increase in rental revenues at Same-Store Properties was primarily due to an overall increase in occupancy from 95% in 1999 to 98% in 2000. In addition, annualized rents from replacement rents on previously occupied space at Same-Store Properties and portfolio wide were 63% and 46% higher than previous fully escalated rents, respectively.

The increase in escalation and reimbursement revenue was primarily due to the recovery of higher utility costs ($0.6 million).

INVESTMENT AND OTHER INCOME (in millions)	2000	1999	$ Change	% Change
Equity in net income of unconsolidated joint ventures	$ 0.6	$ 0.2	$ 0.4	200.0%
Investment income	5.0	1.5	3.5	233.0
Other	0.2	0.7	(0.5)	(71.4)
Total	$ 5.8	$ 2.4	$ 3.4	141.7%

The increase in equity in net income of unconsolidated joint ventures is due to the Company having only invested in 2 joint ventures in 1999 compared to 4 joint ventures in 2000.

The increase in investment income primarily represents interest income from 2 Grand Central Tower ($3.0 million), the prepayment of interest at 1370 Avenue of the Americas in connection with its early redemption ($0.7 million), 17-29 West 14th Street ($0.3 million) and interest from excess cash on hand ($0.2 million). This was offset by a decrease in investment income ($0.6 million) due to loans on 636 11th Avenue and 521 Fifth Avenue being repaid in December 1999.

PROPERTY OPERATING EXPENSES (in millions)	2000	1999	$ Change	% Change
Operating expenses	$15.3	$14.3	$1.0	6.9%
Real estate taxes	7.3	7.5	(0.2)	(2.6)
Ground rent	3.2	3.2	--	--
Total	$25.8	$25.0	$0.8	3.2%
Same Store	$21.6	$19.3	$2.3	11.9%
1999 Acquisitions	4.2	4.5	(0.3)	(6.7)
2000 Dispositions	--	1.2	(1.2)	(100.0)
Total	$25.8	$25.0	$0.8	3.2%

The increase in operating expenses were primarily due to higher utility costs ($0.5 million), higher cleaning costs related to increased overtime payroll ($0.2 million) and repairs and maintenance ($0.3 million).

The increase in real estate taxes attributable to the Same-Store Properties ($0.2 million) was offset by a reduction in real estate taxes of $0.4 million due to the 2000 Dispositions.

OTHER EXPENSES (in millions)	2000	1999	$ Change	% Change
Interest expense	$ 10.7	$ 7.8	$ 2.9	37.2%
Depreciation and amortization expense	8.3	7.7	0.6	7.8
Marketing, general and administrative expense	2.5	3.0	(0.5)	(16.6)
Total	$ 21.5	$ 18.5	$ 3.0	16.2%

Interest expense increased due to increased borrowings in 2000 compared to 1999. In addition, the weighted average interest rate at September 30, 2000 was 8.15 percent compared to 7.40 percent at September 30, 1999.

Depreciation and amortization increased primarily due to depreciation on properties acquired and capital expenditures and tenant improvements incurred during the periods.

Marketing, general and administrative expenses have decreased as a percentage of total revenues, representing approximately 4.1% and 5.4% of total revenues for 2000 and 1999, respectively. The decrease is primarily due to an increased amount of costs being allocated to the Company's joint ventures, as well as reduced contractual employee costs.

COMPARISON OF THE NINE MONTHS ENDED SEPTEMBER 30, 2000 TO THE NINE MONTHS ENDED SEPTEMBER 30, 1999

RENTAL REVENUES (in millions)	2000	1999	$ Change	% Change
Rental revenue	$ 140.9	$ 129.3	$ 11.6	8.9%
Escalation and reimbursement revenue	18.9	16.5	2.4	14.5
Signage revenue	1.6	1.1	0.5	45.5
Total	$ 161.4	$ 146.9	$ 14.5	9.9%
Same Store	$ 134.9	$ 118.5	$ 16.4	13.8%
1999 Acquisitions	24.8	20.2	4.6	22.7
2000 Dispositions	1.7	8.2	(6.5)	(79.3)
Total	$ 161.4	$ 146.9	$ 14.5	9.9%

The increase at Same-Store Properties was primarily due to an overall increase in occupancy from 95% in 1999 to 98% in 2000. In addition, annualized rents from replacement rents on previously occupied space at Same-Store Properties and portfolio wide were 46% and 33% higher than previous fully escalated rents, respectively.

The increase in escalation and reimbursement revenue was primarily due to the recovery of higher utility costs ($2.2 million).

The increase in signage revenue is primarily attributable to 1466 Broadway ($0.5 million).

INVESTMENT AND OTHER INCOME (in millions)	2000	1999	$ Change	% Change
Equity in net income unconsolidated joint ventures	$2.2	$0.2	$2.0	1000.0%
Investment income	9.9	3.7	6.2	167.6
Other	0.7	1.6	(0.9)	(56.3)
Total	$12.8	$5.5	$7.3	132.7%

The increase in equity in net income of unconsolidated joint ventures is due to the Company having only invested in 2 joint ventures in 1999 compared to 4 joint ventures in 2000.

The increase in investment income primarily represents interest income from 2 Grand Central Tower ($5.7 million), 1370 Avenue of the Americas ($1.7 million, which includes $0.7 million interest prepayment in connection with its early redemption), 17-29 West 44th Street ($0.6 million) and interest from excess cash on hand ($0.6 million). This was offset by a decrease in investment income ($2.3 million) due to loans on 636 11th Avenue, 521 Fifth Avenue and 17 Battery Place being repaid in 1999.

PROPERTY OPERATING EXPENSES (in millions)	2000	1999	$ Change	% Change
Operating expenses	$41.9	$36.8	$5.1	13.8%
Real estate taxes	21.7	21.9	(0.2)	(0.9)
Ground rent	9.5	9.6	(0.1)	(1.0)
Total	$73.1	$68.3	$4.8	7.0%
Same Store	$59.9	$54.9	$5.0	9.1%
1999 Acquisitions	11.2	9.4	1.8	19.1
2000 Dispositions	2.0	4.0	(2.0)	(50.0)
Total	$73.1	$68.3	$4.8	7.0%

The increase in operating expenses were primarily due to higher utility costs ($3.0 million), higher cleaning costs ($1.1 million) and repairs and maintenance ($0.8 million).

The increase in real estate taxes attributable to the Same-Store Properties ($0.2 million) was offset by a reduction in real estate taxes of $0.4 million due to the 2000 Dispositions.

OTHER EXPENSES (in millions)	2000	1999	$ Change	% Change
Interest expense	$30.2	$19.7	$10.5	53.3%
Depreciation and amortization expense	24.5	19.7	4.8	24.4
Marketing, general and administrative expense	8.5	8.4	0.1	1.2
Total	$63.2	$47.8	$15.4	32.2%

Interest expense increased due to increased borrowings in 2000 compared to 1999. In addition, the weighted average interest rate at September 30, 2000 was 8.15 percent compared to 7.40 percent at September 30, 1999.

Depreciation and amortization increased primarily due to depreciation on properties acquired and capital expenditures and tenant improvements incurred during the periods.

Marketing, general and administrative expenses have decreased as a percentage of total revenues, representing approximately 4.9%

and 5.4% of total revenues 2000 and 1999, respectively. The decrease is primarily due to an increased amount of costs being allocated to the Company's joint ventures, as well as reduced contractual employee costs.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOWS

Net cash provided by operating activities increased $7.3 million to $46.6 million for the nine months ended September 30, 2000 compared to $39.3 million for the nine months ended September 30, 1999. Net cash used in investing activities decreased $158.6 million to $50.1 million for the nine months ended September 30, 2000 compared to $208.7 million for the nine months ended September 30, 1999. The decrease was due primarily to the lower dollar volume of acquisitions and capital improvements in 2000 ($16.6 million and $26.6 million, respectively) as compared to 1999 ($133.5 million and $45.2 million, respectively). This was offset by an increase in acquisition deposits of $22.2 million. The net investment in unconsolidated joint ventures ($43.7 million) and mortgage loans ($27.5 million) was partially offset by the proceeds from the dispositions of 29 West 35th Street, 36 West 44th Street, 321 West 44th Street and our interest in 1370 Avenue of the Americas, totaling $70.4 million and distributions from the joint ventures ($16.7 million). Net cash provided by financing activities decreased $175.6 million to $(4.1) million for the nine months ended September 30, 2000 compared to $171.5 million for the nine months ended September 30, 1999. The decrease was primarily due to lower borrowing requirements ($116.9 million) due to lower volume of acquisitions, and higher debt repayments ($58.4 million).

CAPITALIZATION

On February 16, 2000, the Board of Directors of the Company authorized a dividend distribution of one preferred share purchase right ("Right") for each outstanding share of common stock under a shareholder rights plan. This dividend was distributed to all holders of record of the common stock on September 30, 2000. Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series B junior participating preferred stock, par value $0.01 per share ("Preferred Shares"), at a price of $60.00 per one one-hundredth of a Preferred Share ("Purchase Price"), subject to adjustment as provided in the rights agreement. The Rights expire on March 5, 2010, unless the expiration date is extended or the Right is redeemed or exchanged earlier by the Company.

The Rights are attached to each share of common stock. The rights are generally exercisable only if a person or group becomes the beneficial owner of 17% or more of the outstanding common stock or announces a tender offer for 17% or more of the outstanding stock ("Acquiring Person"). In the event that a person or group becomes an Acquiring Person, each holder of a Right, excluding the Acquiring Person, will have the right to receive, upon exercise, common stock having a market value equal to two times the Purchase Price of the Preferred Shares.

At September 30, 2000, borrowings under the mortgage loans and credit facilities, (excluding our share of joint venture debt of $111.0 million), represented 35.2% of the Company's market capitalization based on a total market capitalization (debt and equity including preferred stock), assuming conversion of all operating partnership units, of $1.3 billion (based on a common stock price of $28.0625 per share, the closing price of the Company's common stock on the New York Stock Exchange on September 30, 2000).

The tables below summarize the Company's mortgage debt and line of credit indebtedness outstanding at September 30, 2000 and December 31, 1999, respectively (in thousands).

	SEPTEMBER 30, 2000	December 31, 1999
DEBT SUMMARY:		
BALANCE		
Fixed rate	$ 193,626	$ 145,743
Variable rate--hedged............	124,775	125,000
Total fixed rate	318,401	270,743
Variable rate	153,702	164,950
Total	$ 472,103	$ 435,693
PERCENT OF TOTAL DEBT:		
Total fixed rate	67.00%	62.00%
Variable rate.....................	33.00%	38.00%
Total	100.00%	100.00%

EFFECTIVE INTEREST RATE AT END OF PERIOD		
Total fixed rate	8.18%	7.97%
Variable rate.....................	8.10%	8.08%
Effective interest rate	8.15%	8.01%

A majority of the variable rate debt shown above bears interest at an interest rate based on LIBOR (6.62% at September 30, 2000). The Company's total debt at September 30, 2000 had a weighted average term to maturity of approximately 4.01 years.

As of September 30, 2000, the Company has two mortgage loans receivable. The first loan, which has a face value of $51.9 million and matures on September 30, 2001, carries a weighted average interest rate of 793 basis points over the 30-day LIBOR. The second loan, which has a face value of $2.4 million and matures on April 16, 2001, carries a 400 basis point spread over the 30-day LIBOR. These variable rate mortgage loans receivable mitigate the Company's exposure to interest rate changes on its unhedged variable rate debt.

MORTGAGE FINANCING

As of September 30, 2000, the Company's total mortgage debt (excluding the Company's share of unconsolidated debt of approximately $111.0 million) consisted of approximately $318.4 million of fixed rate debt with an effective interest rate of approximately 8.18% and $26.9 million of variable rate debt with an effective interest rate of 8.13%. The Company's mortgage debt at September 30, 2000, encumbering 14 properties, will mature as follows (in thousands)

	Scheduled AMORTIZATION	Principal REPAYMENTS	TOTAL
October 1 to December 31, 2000	$ 1,020	$ --	$ 1,020
2001	5,191	81,950	87,141
2002	6,195	--	6,195
2003	6,978	2,003	8,981
2004	3,029	75,300	78,329
Thereafter	14,663	149,022	163,685
Total	$ 37,076	$308,275	$345,351

On October 2, 2000, the Company obtained a $125,000 mortgage encumbering the property located at 420 Lexington Avenue. The 8.54% fixed rate loan has a 10 year term. Interest only is payable for the first 12 months. The proceeds were used to repay the $65,000 loan on the property which was due to mature on May 21, 2001. The balance of the proceeds was used to pay down the $250 Million Credit Facility.

The $26.9 million mortgage encumbering the properties located at 286, 290 and 292 Madison Avenue was extended for one year to May 31, 2001. This extension was done in order to match the term of this financing and availability to add these properties to the unencumbered asset pool which collateralizes the Company's $250 Million Credit Facility. This credit facility had not yet closed at the time of this term financing expiration. The outstanding balance on this note will be repaid with proceeds from the $250 Million Credit Facility when the assets are contributed.

$250 MILLION CREDIT FACILITY

On June 27, 2000, the Company repaid in full and terminated the $140 Million Credit Facility (see below) and obtained a new unsecured revolving credit facility in the amount of $250.0 million from a group of 9 lender banks (the "$250 Million Credit Facility"). The $250 Million Credit Facility has a term of three years and bears interest at a spread ranging from 137.5 basis points to 175 basis points over LIBOR, based on the Company's leverage ratio. Upon the achievement of an investment grade rating, the spread over LIBOR will be reduced to 125 basis points. The Company has the ability to upsize this credit facility to $300.0 million. $99.0 million was outstanding at September 30, 2000 and had an interest rate of 8.15 percent. Approximately $24.0 million was outstanding at October 20, 2000.

The terms of the $250 Million Credit Facility include certain restrictions and covenants which limit, among other things, the payment of dividends (as discussed below), the incurrence of additional indebtedness, the incurrence of liens and the disposition of assets, and which require compliance with financial ratios relating to the minimum amount of tangible net worth, the minimum amount of debt service coverage, the minimum amount of fixed charge coverage, the minimum amount of unsecured indebtedness, the minimum amount of unencumbered property debt service coverage and certain investment limitations. The dividend restriction referred to above provides that, except to enable the Company to continue to qualify as a REIT under the Code, the Company will not during any four consecutive fiscal quarters make distributions with respect to common stock or other equity interests in an aggregate amount in excess of 90 percent of funds from operations for such period, subject to certain other adjustments. The $250 Million Credit Facility also requires a 15 to 25 basis point fee on the unused balance payable quarterly in arrears.

The lending group for the $250 Million Credit Facility consists of Fleet

National Bank, NA, as administrative agent, Citibank/Salomon Smith Barney, Inc, as syndication agent, Deutsche Banc Alex Brown, as documentation agent, Commerzbank

Aktiengesellschaft, New York Branch, The Bank of New York, Wells Fargo Bank, N.A., Bank Leumi USA, PNCBank, N.A., and Key Bank, N.A.

$140 MILLION CREDIT FACILITY

The $140 million unsecured credit facility was repaid in full and retired in June 2000 in connection with the Company obtaining the $250 Million Credit Facility, as described above. The Company recorded a $430,000 extraordinary loss, net of the minority interest's share of the loss ($38,000) for the early extinguishment of debt related to the write-off of unamortized financing costs associated with the $140 Million Credit Facility.

PSCC FACILITY

On March 30, 2000, Prudential Securities Credit Corp. increased the secured PSCC Facility by $20.0 million to $50.0 million. No other terms were changed from the original $30.0 million secured PSCC Facility. At September 30, 2000, the Company had $27.8 million outstanding under its PSCC Facility (interest rate of 7.88 percent). Approximately $22.8 million was outstanding as of October 20, 2000.

CAPITAL EXPENDITURES

The Company estimates that for the three months ending December 31, 2000 and the year ending December 31, 2001, it will incur approximately $9.7 million and $18.2 million, respectively, of capital expenditures (including tenant improvements) on properties currently owned. For the remainder of 2000 and for 2001, over $6.0 million and $9.1 million, respectively, of the capital investments are dedicated to redevelopment costs associated with properties acquired at or after the Company's IPO. The Company expects to fund these capital expenditures with the credit facility, additional property level mortgage financings, operating cash flow and cash on hand. Future property acquisitions may require substantial capital investments in such properties for refurbishment and leasing costs. The Company expects that these financing requirements will be met in a similar fashion. The Company believes that it will have sufficient capital resources to satisfy its obligations during the next 12 month period. Thereafter, the Company expects that capital needs will be met through a combination of net cash provided by operations, borrowings, potential asset sales or additional equity issuances.

DISTRIBUTIONS

The Company expects to make distributions to its stockholders primarily based on its distributions received from the Operating Partnership primarily from property revenues or, if necessary, from working capital or borrowings.

To maintain its qualification as a REIT, the Company must make annual distributions to its stockholders of at least 95 percent of its REIT taxable income, determined without regard to the dividends paid deduction and by excluding net capital gains. Moreover, the Company intends to continue to make regular quarterly distributions to its stockholders which, based upon current policy, in the aggregate would equal approximately $35.6 million on an annualized basis. However, any such distribution, whether for Federal income tax purposes or otherwise, would only be paid out of available cash after meeting both operating requirements and scheduled debt service on mortgages and loans payable.

TECHNOLOGY INVESTMENTS AND ALLIANCES

On March 29, 2000, the Company entered into an agreement with Broadband Office, Inc. ("Broadband") to provide telecommunication and internet services to its tenants. In exchange for providing Broadband with access to tenants at some of the Company's properties, the Company received 164,000 shares of common stock with a fair value of $235,000 on that date.

Through September 2000, the Company made a $1.5 million limited partnership investment in Internet Realty Partners, L.P. ("IRP"). The Company is committed to fund an additional $0.5 million. IRP invests in real estate-related internet, technology and e-commerce companies.

On June 6, 2000, the Company entered into a marketing and cooperation agreement with Eureka to provide telecommunication and internet services to its tenants. In exchange for providing Eureka with access to tenants at some of the Company's properties, the Company will receive warrants based on the square footage of property provided. As of September 30, 2000, 58,000 warrants had been received.

On August 22, 2000, the Company entered into an agreement with Verticore Communications Ltd. ("Verticore") to participate in the elevator news network program. In exchange for providing Verticore with access to the Company's properties, the Company will receive warrants based on the number of qualifying elevator cabs. As of September 30, 2000, 195,000 warrants had been received by the Company. In addition, the Company made a $750,000 capital investment in exchange for 150,000 shares of Series 2 Class C Convertible Preferred Stock.

FUNDS FROM OPERATIONS

The White Paper on Funds from Operations ("FFO") approved by the Board of Governors of NAREIT in October 1999 defines FFO as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring and sales of properties, plus real estate related depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. The Company believes that FFO is helpful to investors as a measure of the performance of an equity REIT because, along with cash flow from operating activities, financing activities and investing activities, it provides investors with an indication of the ability of the Company to incur and service debt, to make capital expenditures and to fund other cash needs. The Company computes FFO in accordance with the current standards established by NAREIT which may not be comparable to FFO reported by other REIT's that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently than the Company. FFO does not represent cash generated from operating activities in accordance with GAAP and should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of the Company's financial performance or to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company's liquidity, nor is it indicative of funds available to fund the Company's cash needs, including its ability to make cash distributions.

FFO for the three and nine months ended September 30, 2000 and 1999, respectively, are as follows (in thousands):

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	2000	1999	2000	1999
Income before minority interest, extraordinary item, gain on sale and preferred stock dividend	$ 14,270	$ 11,641	$ 38,581	$ 36,762
Add:				
Depreciation and amortization	8,300	7,677	24,519	19,705
FFO adjustment for unconsolidated joint ventures	842	120	2,468	120
Less:				
Preferred stock dividend	(2,300)	(2,300)	(6,900)	(6,900)
Minority interest in the BMW Building	--	(354)	--	(1,765)
Amortization of deferred financing costs and Depreciation of non-real estate assets	(1,042)	(878)	(3,105)	(2,140)
Funds from Operations - basic	20,070	15,906	55,563	45,782
Dividends on preferred shares	2,300	2,300	6,900	6,900
Funds from Operations - diluted	$ 22,370	$ 18,206	$ 62,463	$ 52,682
Cash flows (used in) provided by operating activities	($ 2,834)	$ 21,879	$ 24,462	$ 39,341
Cash flows (used in) provided by investing activities	$ 36,786	($ 28,357)	($ 27,890)	($208,733)
Cash flows (used in) provided by financing activities	($ 35,205)	$ 4,819	($ 4,069)	$ 171,565

INFLATION

Substantially all of the office leases provide for separate real estate tax and operating expense escalations over a base amount. In addition, many of the leases provide for fixed base rent increases or indexed escalations. The Company believes that inflationary increases may be at least partially offset by the contractual rent increases and expense escalations described above.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is exposed to changes in interest rates primarily from its floating rate debt arrangements. The Company does use interest rate derivative instruments to manage exposure to interest rate changes. A hypothetical 100 basis point adverse move (increase) in interest rates along the entire interest rate curve would adversely affect the Company's interest cost by approximately $1.5 million annually.

The Company enters into derivative financial instruments such as interest rate swaps and interest rate collars in order to mitigate its interest rate risk on a related financial instrument. The Company may designate these derivative financial instruments as hedges and apply deferral accounting. Gains and losses related to the termination of such derivative financial instruments are deferred and amortized to interest expense over the term of the debt instrument. The Company may also utilize interest rate contracts to hedge interest rate risk on anticipated debt offerings. These anticipatory hedges are designated, as effective hedges for identified debt issuances which have a high probability of occurring. Gains and losses resulting from changes in the market value of these contracts are deferred and amortized into interest expense over the life of the related debt instrument. The cost of hedges determined to be ineffective and hedges not correlated to financings are charged to operations.

Approximately $318.4 million of the Company's long-term debt bears interest at fixed rates, and therefore the fair value of these instruments is affected by changes in the market interest rates. The following table presents principal cash flows (in thousands) based upon maturity dates of the debt obligations and the related weighted-average interest rates by expected maturity dates for the fixed rate debt. The interest rates on the variable rate debt as of September 30, 2000 ranged from LIBOR plus 125 basis points to LIBOR plus 202 basis points.

LONG-TERM DEBT, INCLUDING CURRENT PORTION (IN THOUSANDS)	2000	2001	2002	2003	2004	THEREAFTER	TOTAL	FAIR VALUE
Total fixed Rate	$1,020	$60,191	$6,195	$ 8,981	$78,329	$163,685	$318,401	$313,875
Average Interest Rate	8.18%	8.10%	8.09%	8.07%	7.85%	8.26%	8.20%	
Variable Rate.............	$27,752	$26,950	--	$99,000	--	--	$153,702	$153,702
Average Interest Rate	7.88%	8.13%		8.15%			8.13%	

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

27.1 Financial Data Schedule

(b) Reports on Form 8-K:

None

SIGNATURES

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

SL GREEN REALTY CORP.

By: /s/ Thomas E. Wirth

Thomas E. Wirth
Executive Vice President,
Chief Financial Officer

Date: November 13, 2000

3-MOS
DEC-31-2000
JUL-01-2000
SEP-30-2000
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