



SL Green Realty Corp. Joins With Prudential Real Estate Investors in \$250 Million Structured Finance Investment Program

NEW YORK--(BUSINESS WIRE)--July 23, 2001--SL Green Realty Corp. (NYSE: SLG - news) announced today that it has entered into an investment program with Prudential Real Estate Investors (PREI) that will invest up to \$250 million in structured finance investments in New York City commercial real estate.

Under the terms of the program, SL Green and PREI will co-invest by purchasing equal participation interests in structured finance investments on prime, well-located commercial real estate primarily in midtown Manhattan. The investments will be originated, managed and serviced by SL Green. The investment program will target mezzanine loans, first mortgage bridge loans, preferred equity, and junior mortgage participations.

The investment program enables SL Green to access significant capital to provide additional funding of its highly successful structured finance program. Additionally, SL Green will enhance its total return on investment through fees from origination, asset management and servicing as well as incentive returns based upon the overall performance of the investments. The program allows SL Green to further develop its franchise in the Midtown office market while achieving greater diversity within its structured finance portfolio.

In making the announcement, Marc Holliday, President of SL Green, said, "We are delighted to extend our relationship with PREI, one of the premier investment managers in the United States. This partnership will allow us to expand our highly successful structured finance platform, with the ability to continue to offer to borrowers and customers a compelling array of financial products."

David Bradford, Senior Portfolio Manager for PRISA, one of the PREI managed accounts making the investments, added "We are pleased to have the opportunity to create a second joint venture with SL Green. Our first venture, which owns 100 Park Avenue, has been very successful. We believe and agree with SL Green that these structured financial arrangements are an excellent method for accessing attractive investments secured by prime well-located office buildings in New York City."

SL Green Realty Corp. is a self-administered and self-managed real estate investment trust ("REIT") that primarily owns, manages, leases, acquires and repositions office properties in Manhattan.

Prudential Real Estate Investors provides global real estate investment management services to institutional clients in the U.S., Europe, Asia and Latin America. PREI currently manages \$12.3 billion of assets on behalf of 325 institutional clients as of December 31, 2000. PREI is a unit of Prudential Investment Management Inc., and a business of The Prudential Insurance Company of America.

This release contains forward-looking information based upon the Company's current best judgement and expectations. Actual results could vary from those presented herein. The risks and uncertainties associated with the forward-looking information include the strength of the commercial office real estate market, competitive market conditions, general economic growth, interest rates and capital market conditions. For further information, please refer to the Company's filings with the Securities and Exchange Commission.