



## **SL Green Realty Corp. Announces Sale Of 469 Seventh Avenue, New York**

New York, NY, June 24, 2002- A joint venture comprised of SL Green Realty Corp. (NYSE: SLG) and Morgan Stanley Real Estate Fund III, L.P. ("MSREF") announced today that it has sold 469 Seventh Avenue for \$53.1 million, or \$222 per square foot. The joint venture purchased the asset in January 2001 for \$45.7 million. As part of the transaction, SL Green has made a preferred equity investment of \$6 million in the entity acquiring the asset. The preferred equity transaction will permit SL Green to receive a high current rate of return on a new investment while realizing a capital gain on this sale.

469 Seventh Avenue is a 239,115 square foot, 16-story office building located on the corner of West 36th Street and Seventh Avenue, two blocks north of Penn Station.

In making the announcement, Marc Holliday, President of SL Green said, "This transaction underscores our commitment to increase shareholder value by recycling capital through the sale of non-core properties. We were able to create significant value in a short period of time by enhancing the operating efficiencies of the property and by taking advantage of strong investor interest in Midtown Manhattan."

Eastdil Realty Company, LLC acted as the sole financial advisor for the transaction.

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.

The Morgan Stanley Real Estate Fund III, L.P., and affiliated real estate funds, is the real estate private equity business of Morgan Stanley. (NYSE: MWD) and a leading global real estate investor with approximately \$4 billion in capital invested and ownership of interests in more than \$20 billion of real estate assets and companies worldwide.

This press release contains forward-looking information based upon the Company's current best judgment and expectations. Actual results could vary from those presented herein. The risks and uncertainties associated with forward-looking information in this release include the strength of the commercial office and industrial real estate markets in New York, competitive market conditions, unanticipated administrative costs, timing of leasing income, general and local economic growth, interest rates and capital market conditions. For further information, please refer to the Company's filings with the Securities and Exchange Commission