

SL GREEN REALTY CORP  
Form 424B1  
January 07, 2011

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Filed pursuant to Rule 424(b)(1)  
Registration No. 333-163914

#### CALCULATION OF REGISTRATION FEE

<b>Title of Each Class of Securities to Be Registered</b>	<b>Amount to Be Registered(1)</b>	<b>Proposed Maximum Offering Price Per Share(2)</b>	<b>Proposed Maximum Aggregate Offering Price(2)</b>	<b>Amount of Registration Fee(3)</b>
Common stock (par value \$.01 per share)	4,020,354	\$67.97	\$273,263,462	\$31,726

- (1) This registration statement also relates to such additional shares of common stock as may be issued in connection with a stock split, stock dividend or similar transaction, pursuant to Rule 416 of the Securities Act of 1933, as amended.
- (2) Estimated pursuant to Rule 457(c) under the Securities Act of 1933, as amended, solely for the purpose of calculating the registration fee, based upon the average of the high and low reported sale prices of the common stock on the New York Stock Exchange on January 5, 2011.
- (3) Calculated in accordance with Rule 457(r) under the Securities Act. Payment of the registration fee at the time of filing of the registrant's registration statement on Form S-3 filed with the Securities and Exchange Commission on December 22, 2009 (File No. 333-163914), was deferred pursuant to Rules 456(b) and 457(r) of the Securities Act, and is paid herewith. This "Calculation of Registration Fee" table shall be deemed to update the "Calculation of Registration Fee" table in such registration statement.
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**PROSPECTUS SUPPLEMENT**

(To prospectus dated December 22, 2009)

**4,020,354 Shares**

**SL Green Realty Corp.**

**Common Stock**

This prospectus supplement relates to the offer and sale from time to time of up to 4,020,354 shares, or the registered shares, of our common stock, par value \$0.01 per share, by persons who receive such shares in exchange for the 3.00% Exchangeable Senior Notes due 2017, or the notes, issued by our operating partnership, SL Green Operating Partnership, L.P., or SLGOP, in a private placement on October 12, 2010. Under certain circumstances, we may issue shares of common stock upon the exchange or redemption of the notes. In such circumstances, the recipients of such common stock, whom we refer to collectively herein as the selling stockholders, may use this prospectus supplement to resell from time to time the shares of common stock that we may issue to them upon the exchange or redemption of the notes. Additional selling stockholders may be named in a prospectus supplement, in a post-effective amendment, or in filings we make with the Securities and Exchange Commission, or the Commission, under the Securities and Exchange Act of 1934, as amended, or the Exchange Act, which are incorporated by reference in this prospectus supplement. The registration of the common stock to which this prospectus supplement relates does not necessarily mean that any of the selling stockholders will exchange their notes for common stock, that upon any exchange or redemption of the notes we will elect to exchange or redeem some or all of the notes for shares of common stock rather than cash, or that any shares of common stock received upon exchange or redemption of the notes will be sold by the selling stockholders.

Our common stock is listed on the New York Stock Exchange, or the NYSE, under the symbol "SLG." On January 6, 2011, the closing sale price of our common stock on the NYSE was \$67.48 per share.

The selling stockholders from time to time may offer and sell registered shares held by them directly or through agents or broker-dealers on terms to be determined at the time of sale. To the extent required, the names of any agent or broker-dealer and applicable commissions or discounts and any other required information with respect to any particular offer will be set forth in a prospectus supplement. Each of the selling stockholders reserves the right to accept or reject, in whole or in part, any proposed purchase of registered shares to be made directly or through agents.

The selling stockholders and any agents or broker-dealers that participate with the selling stockholders in the distribution of registered shares may be deemed to be "underwriters" within the meaning of the Securities Act of 1933, as amended, or the Securities Act, and any commissions received by them and any profit on the sale of registered shares may be deemed to be underwriting commissions or discounts under the Securities Act.

The shares of our common stock are subject to certain restrictions on ownership and transfer designed to preserve our qualification as a real estate investment trust for federal income tax purposes. See "Restrictions on Ownership of Capital Stock" in the accompanying prospectus.

**Investing in our common stock involves risks, which you should consider before buying our common stock. See "Risk Factors" beginning on page S-3 of this prospectus supplement, page 3 of the accompanying prospectus and page 9 of our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2009, which is incorporated by reference into this prospectus supplement.**

**Neither the Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus supplement is January 7, 2011.

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement, any accompanying additional prospectus supplement and the accompanying prospectus. We have not authorized, and the selling stockholders have not authorized, anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information contained in this prospectus supplement and the accompanying prospectus, as well as information that we have previously filed with the Commission and incorporated by reference, is accurate only as of the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since those dates. The descriptions set forth in this prospectus supplement replace and supplement, where inconsistent, the description of the general terms and provisions set forth in the accompanying prospectus.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. If you possess this prospectus supplement, any accompanying additional prospectus supplement and the accompanying prospectus, you should find out about and observe these restrictions. This prospectus supplement, any accompanying additional prospectus supplement and the accompanying prospectus are not an offer to sell the common stock and are not soliciting an offer to buy the common stock in any jurisdiction where the offer or sale is not permitted or where the person making the offer or sale is not qualified to do so or to any person to whom it is not permitted to make such offer or sale.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the offer and sale from time to time of shares of our common stock by persons who receive such shares in exchange for the notes issued by SLGOP and also adds to and updates information contained in the accompanying prospectus as well as the documents incorporated by reference into this prospectus supplement. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the common stock the selling stockholders are offering. To the extent any inconsistency or conflict exists between the information included in this prospectus supplement and the information included in the accompanying prospectus, the information included or incorporated by reference in this prospectus supplement updates and supersedes the information in the accompanying prospectus. This prospectus supplement incorporates by reference important business and financial information about us that is not included in, or delivered with, this prospectus supplement.

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information contained in this prospectus supplement under the headings "Where You Can Find More Information" and "Incorporation of Documents by Reference," which supersedes the information under the heading "Where You Can Find More Information" in the accompanying prospectus.

**CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS**

Certain statements in this prospectus supplement and accompanying prospectus and in the documents incorporated by reference, and in future oral and written statements that we make, may be forward-looking. These statements reflect our beliefs and expectations as to future events and trends affecting our business, consolidated financial condition and results of operations. These forward-looking statements are based upon our current expectations concerning future events and discuss, among other things, anticipated future performance and future business plans. Forward-looking statements are identified by such words and phrases as "anticipates," "believes," "could be," "estimates," "expects," "intends," "plans to," "may," "will" and similar expressions. Forward-looking statements are necessarily subject to risks and uncertainties, many of which are outside our control, which could cause actual results to differ materially from these statements.

The following are important factors that we believe could cause actual results to differ materially from those in our forward-looking statements:

general economic or business (particularly real estate) conditions, either nationally or in the New York Metro area being less favorable than expected;

reduced demand for office space;

risks of real estate acquisitions;

risks of structured finance investments and borrowers;

availability and creditworthiness of prospective tenants and borrowers;

tenant bankruptcies;

adverse changes in the real estate markets, including increasing vacancy, increasing availability of sublease space, decreasing rental revenue and increasing insurance costs;

availability, terms and deployment of capital (debt and equity);

unanticipated increases in financing and other costs, including a rise in interest rates;

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market interest rates could adversely affect performance and cash flows;

declining real estate valuations and impairment charges;

our or our subsidiaries' ability to comply with financial covenants in our debt instruments;

our ability to satisfy complex rules in order for us to qualify as a REIT, for federal income tax purposes, our operating partnership's ability to satisfy the rules in order for it to qualify as a partnership for federal income tax purposes, the ability of certain of our subsidiaries to qualify as REITs and certain of our subsidiaries to qualify as taxable REIT subsidiaries for federal income tax purposes and the ability of our subsidiaries to operate effectively within the limitations imposed by these rules;

accounting principles and policies and guidelines applicable to REITs;

competition with other companies;

availability of, and our ability to attract and retain, qualified personnel;

the continuing threat of terrorist attacks on the national, regional and local economies including, in particular, the New York City area and our tenants;

legislative or regulatory changes adversely affecting real estate investment trusts and the real estate business; and

environmental, regulatory and/or safety requirements.



Table of Contents**SUMMARY**

*The following summary is qualified in its entirety by the more detailed information included elsewhere or incorporated by reference in this prospectus supplement or the accompanying prospectus. Because this is a summary, it may not contain all the information that is important to you. You should read the entire prospectus supplement and the accompanying prospectus, including the information incorporated by reference, before making an investment decision. When used in this prospectus supplement, the terms "SL Green," "Company," "we," "our" and "us" refer to SL Green Realty Corp. and its subsidiaries and the terms "SLGOP" and "our operating partnership" refer to SL Green Operating Partnership, L.P., unless otherwise specified.*

**General**

We are a self-managed real estate investment trust, or REIT, with in-house capabilities in property management, acquisitions, financing, development, construction and leasing. We were formed in June 1997 for the purpose of continuing the commercial real estate business of S.L. Green Properties, Inc., our predecessor entity. S.L. Green Properties, Inc., which was founded in 1980 by Stephen L. Green, the Chairman of SL Green, had been engaged in the business of owning, managing, leasing, acquiring and repositioning office properties in Manhattan. We began trading on the NYSE on August 15, 1997 under the symbol "SLG."

As of September 30, 2010, we owned the following interests in commercial office properties in the New York Metro area, primarily in midtown Manhattan. Our investments in the New York Metro area also include investments in Brooklyn, Queens, Long Island, Westchester County, Connecticut and New Jersey, which are collectively known as the Suburban assets:

Location	Ownership	Number of Properties	Square Feet	Weighted Average Occupancy(1)
Manhattan	Consolidated properties	22	15,141,945	91.0%
	Unconsolidated properties	8	7,182,515	94.1%
Suburban	Consolidated properties	25	3,863,000	81.8%
	Unconsolidated properties	6	2,941,700	93.8%
		61	29,129,160	90.9%

(1)

The weighted average occupancy represents the total leased square feet divided by total available square feet.

As of September 30, 2010, our Manhattan properties were comprised of fee ownership (23 properties), including ownership in condominium units, leasehold ownership (five properties) and operating sublease ownership (two properties). Pursuant to the operating sublease arrangements, we, as tenant under the operating sublease, perform the functions traditionally performed by landlords with respect to its subtenants. We are responsible for not only collecting rent from subtenants, but also maintaining the property and paying expenses relating to the property. As of September 30, 2010, our suburban properties were comprised of fee ownership (30 properties) and leasehold ownership (one property).

We also own investments in eight retail properties encompassing approximately 366,312 square feet, three development properties encompassing approximately 399,800 square feet and two land interests. In addition, we manage three office properties owned by third parties and affiliated companies encompassing approximately 1.0 million rentable square feet. In addition, as of September 30, 2010, we also held approximately \$907.9 million of structured finance investments.

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**THE OFFERING**

<b>Issuer</b>	SL Green Realty Corp., a Maryland corporation.
<b>Common Stock Offered</b>	Shares of common stock, par value \$0.01 per share, to be sold from time to time by the selling stockholders.
<b>Use of Proceeds</b>	We will not receive any proceeds from the sale of any registered shares by the selling stockholders. See "Use of Proceeds."
<b>NYSE Symbol</b>	SLG
<b>Risk Factors</b>	See "Risk Factors" beginning on page S-3 of this prospectus supplement and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of the factors you should carefully consider before deciding to invest in our common stock.
<b>Restrictions on Ownership Transfer</b>	To assist us in complying with certain federal income tax requirements applicable to REITs, among other purposes, our charter imposes certain restrictions on ownership and transfer of our common stock. See "Restrictions on Ownership of Capital Stock" beginning on page 42 in the accompanying prospectus.
<b>Transfer Agent and Registrar</b>	The Bank of New York Mellon.

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**RISK FACTORS**

*Any investment in our common stock involves a high degree of risk. You should carefully consider the risks described below and all of the information contained or incorporated by reference into this prospectus supplement and the accompanying prospectus before deciding whether to purchase our common stock. In addition, you should carefully consider, among other things, the section entitled "Risk Factors" beginning on page 9 in our most recent Annual Report on Form 10-K for the period ended December 31, 2009 and in other documents that we subsequently file with the Commission, all of which are incorporated by reference into this prospectus supplement. The risks and uncertainties described below are not the only risks and uncertainties we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of the following risks actually occurs, our business, financial condition and results of operations would suffer. In that event, the trading price of our common stock could decline, and you may lose all or part of your investment in our common stock. The risks discussed below also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. See the information under the heading "Cautionary Statement Regarding Forward Looking Statements" above and under "Forward-Looking Statements May Prove Inaccurate" in our Annual Report on Form 10-K for the period ended December 31, 2009.*

***Future sales or issuances of our common stock in the public markets, or the perception of such sales, could depress the trading price of our common stock.***

The sale of a substantial number of shares of our common stock or other equity related securities in the public markets, or the perception that such sales could occur, could depress the market price of our common stock and impair our ability to raise capital through the sale of additional equity securities. We cannot predict the effect that future sales of common stock or other equity-related securities would have on the market price of our common stock.

***The trading price of our common stock has been and may continue to be subject to wide fluctuations.***

Between January 1, 2010 and December 31, 2010, the closing sale price of our common stock on the NYSE ranged from \$44.18 to \$70.27 per share. Our stock price may fluctuate in response to a number of events and factors, such as those described in this "Risk Factors" section and those events described or incorporated by reference into this prospectus supplement or the accompanying prospectus. Additionally, the amount of our leverage may hinder the demand for our common stock, which could have a material adverse effect on the market price of our common stock.

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Our common stock is listed on the NYSE under the symbol "SLG." The following table sets forth, for the periods indicated, the reported high and low closing prices in U.S. dollars for our common stock on the NYSE. On January 6, 2011, the last reported sale price of our common stock on the NYSE was \$67.48 per share. As of December 31, 2010, there were approximately 374 holders of record of our common stock.

	High	Low
<b>2008:</b>		
First Quarter	\$ 98.77	\$ 76.78
Second Quarter	\$ 100.74	\$ 82.55
Third Quarter	\$ 92.23	\$ 63.65
Fourth Quarter	\$ 62.74	\$ 11.36
<b>2009:</b>		
First Quarter	\$ 25.83	\$ 8.69
Second Quarter	\$ 26.70	\$ 10.68
Third Quarter	\$ 46.81	\$ 18.66
Fourth Quarter	\$ 52.74	\$ 37.72
<b>2010:</b>		
First Quarter	\$ 57.60	\$ 44.18
Second Quarter	\$ 67.69	\$ 55.04
Third Quarter	\$ 66.61	\$ 50.41
Fourth Quarter	\$ 70.27	\$ 61.50
<b>2011:</b>		
First Quarter (through January 6, 2011)	\$ 69.14	\$ 67.48

If dividends are declared in a quarter, those dividends will be paid during the subsequent quarter. We expect to continue our policy of distributing our taxable income through regular cash dividends on a quarterly basis, although there is no assurance as to future dividends because they depend on future earnings, capital requirements and financial condition. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations Dividends" in our Annual Report on Form 10-K for the year ended December 31, 2009 and Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations Dividends" in our Quarterly Report on Form 10-Q for the period ended September 30, 2010 for additional information regarding our dividends.

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**USE OF PROCEEDS**

We will not receive any proceeds from the sale of any registered shares by the selling stockholders. We will bear certain expenses of the registration of the registered shares under federal and state securities laws. To the extent that we issue shares, our operating partnership issues partnership units to us.

**SELLING STOCKHOLDERS**

The notes were originally issued by our operating partnership and sold by the initial purchaser of the notes in transactions exempt from the registration requirements of the Securities Act to persons reasonably believed by the initial purchaser to be qualified institutional buyers as defined by Rule 144A under the Securities Act. Under certain circumstances, we may issue shares of common stock upon the exchange or redemption of the notes. In such circumstances, the recipients of shares of common stock, including their transferees, pledges or donors or their successors, whom we refer to as the selling stockholders, may use this prospectus supplement to resell from time to time the shares of common stock that we may issue to them upon the exchange or redemption of the notes. Information about selling stockholders is set forth herein and information about additional selling stockholders may be set forth in a prospectus supplement, in a post-effective amendment, or in filings we make with the Commission under the Exchange Act, which are incorporated by reference in this prospectus supplement.

The table below provides, as of January 7, 2011, the names of each selling stockholder and the number of shares of common stock offered by each selling stockholder. As we are not obligated to issue common stock upon exchange or redemption of the notes and the selling stockholders may sell all, some or none of their shares of common stock, no estimate can be made of the aggregate number of shares of common stock that are to be offered hereby, or the aggregate number of shares of common stock that will be owned by each selling stockholder upon completion of the offering to which this prospectus supplement relates. The number of shares in the column "Number of shares offered hereby" includes the number of shares of common stock the selling stockholder may receive in exchange for the notes, except as noted. Amounts shown in the column "Number of shares owned before the offering" represent the number of securities shown in the column "Number of shares offered hereby" plus shares of common stock owned by the selling stockholders that are not covered by this prospectus supplement.

The number of shares of common stock issuable upon the exchange or redemption of the notes shown in the table below assumes exchange of the full amount of notes held by each selling stockholder at the initial exchange rate of 11.6532 shares of common stock per \$1,000 principal amount of notes and a cash payment in lieu of any fractional share. This exchange rate is subject to adjustment in certain events. Accordingly, the number of shares of common stock issued upon the exchange or redemption of the notes may increase or decrease from time to time.

With respect to the information presented concerning the selling stockholders listed in the table below, we have not conducted any independent inquiry or investigation to ascertain that information and have relied on written questionnaires furnished to us by the selling stockholders for the express purpose of including that information in a registration statement for the registration of the resale of the shares that may be issuable upon exchange of the notes. Based upon information provided by the selling stockholders, none of the selling stockholders has, or within the past three years has had, any position, office or other material relationship with us or any of our affiliates.

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The shares of common stock offered by this prospectus supplement may be offered from time to time by the selling stockholders named below:

Name	Number of shares owned before the offering	Number of shares offered hereby(1)	Number of shares owned after the offering(2)	Percentage of shares owned after the offering(2)(3)
Altima Fund SICAV PLC (in respect of Advent Convertibles Arbitrage Sub-Fund (INOCAP))(4)	4,043	4,043	0	+
California Health Care Foundation(4)	7,714	7,714	0	+
Daiwa Capital Markets America Inc.*(5)	23,306	23,306	0	+
HFR CA Opportunity Master Trust(4)	3,111	3,111	0	+
Institutional Benchmark Series LTD.(4)	9,159	9,159	0	+
MABSTOA(4)	2,237	2,237	0	+
MacKay Shields LLC*(6)	175,555	175,555	0	+
New York City Employee's Retirement System(4)	16,384	16,384	0	+
New York City Fire Department Pension Fund(4)	4,288	4,288	0	+
New York City MTA(4)	4,509	4,509	0	+
New York City Police Pension Fund(4)	8,821	8,821	0	+
Nextera Energy(4)	16,186	16,186	0	+
Partners Group Alternative Strategies PCC Limited Gold Zeta Cell(4)	4,160	4,160	0	+
State of Alaska(4)	7,889	7,889	0	+
Teachers' Retirement System of the City of New York 267(4)	13,307	13,307	0	+
Teachers' Retirement System of the City of New York 269(4)	11,455	11,455	0	+
The Advent Convertible Arbitrage Fund, Cayman Fund II(4)	14,601	14,601	0	+
The Advent Convertible Arbitrage Master Fund(4)	58,499	58,499	0	+
All other holders of notes or future transferees of such holders**	3,635,130	3,635,130	0	+
<b>Total</b>	<b>4,020,354</b>	<b>4,020,354</b>	<b>0</b>	<b>+</b>

+ Less than 1%.

\* The selling stockholders identified with this symbol are, or are affiliates of, registered broker-dealers. These selling stockholders have represented that they acquired their securities in the ordinary course of business and in the open market, and, at the time of the acquisition of the securities, had no agreements or understandings, directly or indirectly, with any person to distribute the securities. To the extent that we become aware that any such selling stockholder did not acquire its securities in the ordinary course of business or did have such an agreement or understanding, we will file a prospectus supplement or post-effective amendment to the registration statement of which this prospectus is a part to designate such person as an "underwriter" within the meaning of the Securities Act.

\*\* Information about other selling stockholders will be set forth in one or more additional prospectus supplements or amendments, if required. Assumes that any other holder of notes or any future transferee of any such holder does not beneficially own any of our common shares other than the common shares issuable upon exchange of the notes at the initial exchange rate.

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