

Risk Factors Comparison 2024-02-23 to 2023-02-17 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Declines in the demand for office space in the New York metropolitan area, and in particular midtown Manhattan, could adversely affect the value of our real estate portfolio and our results of operations and, consequently, our ability to service current debt and to pay dividends and distributions to security holders. A significant majority of our property holdings are comprised of commercial office properties located in midtown Manhattan. Our property holdings also include some retail properties. As a result of the concentration of our holdings, our business is dependent on the condition of the New York metropolitan area economy in general and the market for office space in midtown Manhattan in particular. ~~Future~~ **Continued** weakness and uncertainty in the New York metropolitan area economy could materially reduce the value of our real estate portfolio and our rental revenues, and thus adversely affect our cash flow and our ability to service our debt obligations and to pay dividends and distributions to security holders. The COVID- 19 pandemic caused severe disruptions with wide ranging impacts to virtually every segment of society and the global economy. Office companies in particular have been affected by the **subsequent** increased acceptance of flexible or hybrid work schedules, allowing employees to work remotely and collaborate through video or teleconferencing instead of in- office attendance. The continuation or **expansion of further increase to** remote work policies and flexible work arrangements may cause office tenants to reassess their long- term physical needs, which would have an adverse effect on our business, results of operations, liquidity, cash flows, prospects, and our ability to achieve forward-looking targets and expectations. We may be unable to renew leases or relet space as leases expire. If tenants decide not to renew their leases upon expiration, we may not be able to relet the space. Even if tenants do renew or we can relet the space, the terms of a renewal or new lease, taking into account among other things, the cost of improvements to the property and leasing commissions, may be less favorable than the terms in the expired leases. As of December 31, ~~2022~~ **2023**, approximately ~~40~~ **44** ~~8~~ **1** % of the rentable square feet at our consolidated properties and approximately ~~23~~ **20** ~~5~~ **6** % of the rentable square feet at our unconsolidated joint venture properties are scheduled to expire by December 31, ~~2027~~ **2028**. As of December 31, ~~2022~~ **2023**, these leases had annualized escalated rent totaling \$ ~~305~~ **265** ~~2~~ **5** million and \$ ~~438~~ **384** ~~1~~ **0** million, respectively. In addition, changes in space utilization by tenants may cause us to incur substantial costs in renovating or redesigning the internal configuration of the relevant property in order to renew or relet space. If we are unable to promptly renew the leases or relet the space at similar rates or if we incur substantial costs in renewing or reletting the space, our cash flow and ability to service our debt obligations and pay dividends and distributions to security holders could be adversely affected. We face significant competition for tenants. The leasing of real estate is highly competitive. The principal competitive factors are rent, location, lease term, lease concessions, services provided and the nature and condition of the property to be leased. We directly compete with all owners, developers and operators of similar space in the areas in which our properties are located. Our commercial office properties are concentrated in highly developed areas of the New York metropolitan area. Manhattan is the largest office market in the United States. The number of competitive office properties in the New York metropolitan area, which may be newer or better located than our properties, could have a material adverse effect on our ability to lease office space at our properties, and on the effective rents we are able to charge. The expiration of long term leases or operating sublease interests where we do not own a fee interest in the land could adversely affect our results of operations. Our interests in certain properties are entirely or partially comprised of either long- term leasehold or operating sublease interests in the land and the improvements, rather than by ownership of fee interest in the land. As of December 31, ~~2022~~ **2023**, the expiration dates of these long- term leases range from 2043 to 2119, including the effect of our unilateral extension rights at each of these properties. Pursuant to the leasehold arrangements, we, as tenant under the long- term leasehold or the operating sublease, perform the functions traditionally performed by landlords with respect to our subtenants. We are responsible for not only collecting rent from our subtenants, but also maintaining the property and paying expenses relating to the property. Annualized cash rents, including our share of joint venture annualized cash rents, from properties held through long- term leases or operating sublease interests as of December 31, ~~2022~~ **2023** totaled \$ ~~258~~ **249** ~~2~~ **7** million, or ~~18~~ **3** ~~7~~ **7** %, of our share of total Portfolio annualized cash rent. Unless we purchase a fee interest in the underlying land or extend the terms of these leases prior to expiration, we will no longer operate these properties upon expiration of the leases, which could adversely affect our financial condition and results of operations. Rent payments under leasehold or operating sublease interests are adjusted, within the parameters of the contractual arrangements, at certain intervals. Rent adjustments may result in higher rents that could adversely affect our financial condition and results of operation. We rely on five large properties for a significant portion of our revenue. Five of our properties, One Vanderbilt Avenue, ~~245 Park Avenue~~, 11 Madison Avenue, 420 Lexington Avenue, and 1515 Broadway **and 1185 Avenue of the Americas** accounted for ~~40~~ **38** ~~0~~ **9** % of our Portfolio annualized cash rent, which includes our share of joint venture annualized cash rent, as of December 31, ~~2022~~ **2023**. Our revenue and cash available to service debt obligations and for distribution to our stockholders would be materially adversely affected if any of these properties were materially damaged or destroyed. Additionally, our revenue and cash available to service debt obligations and for distribution to our stockholders would be materially adversely affected if tenants at these properties fail to timely make rental payments due to adverse financial conditions or otherwise, default under their leases or file for bankruptcy or become insolvent. Our results of operations rely on major tenants and insolvency or bankruptcy of these or other tenants could adversely affect our results of operations. Giving effect to leases in effect as of December 31, ~~2022~~ **2023** for consolidated properties and unconsolidated joint venture properties, as of that date, our five largest tenants, based on annualized cash rent, accounted for ~~14~~ **15** ~~1~~ **4** % of our share of Portfolio annualized cash rent, with one tenant, Paramount Global (formerly ViacomCBS Inc.), accounting for ~~5~~ **4** ~~9~~ **9** %

of our share of Portfolio annualized cash rent. Our business and results of operations would be adversely affected if any of our major tenants became insolvent, declared bankruptcy, or otherwise refused to pay rent in a timely fashion or at all. In addition, if business conditions in the industries in which our tenants are concentrated deteriorate, or economic volatility has a disproportionate impact on our tenants, we may experience increases in past due accounts, defaults, lower occupancy and reduced effective rents across tenants in such industries, which could in turn have an adverse effect on our business and results of operations. Construction is in progress at our development projects. The Company's development projects are subject to internal and external factors which may affect construction progress. Unforeseen matters could delay completion, result in increased costs or otherwise have a material effect on our results of operations. In addition, the extended time frame to complete these projects could cause them to be subject to shifts and trends in the real estate market which may not be consistent with our current business plans for the properties. We are subject to risks that affect the retail environment. While only 3-4.5-7% of our Portfolio annualized cash rent ~~is was~~ generated by retail properties **as of December 31, 2023**, principally in Manhattan, we are subject to risks that affect the retail environment generally, including the level of consumer spending and preferences, consumer confidence, electronic retail competition, ~~and~~ levels of tourism in Manhattan, ~~and governmental measures aimed at slowing the spread of COVID-19~~. These factors could adversely affect the financial condition of our retail tenants and the willingness of retailers to lease space in our retail properties, which could in turn have an adverse effect on our business and results of operations. We are subject to the risk of adverse changes in economic and geopolitical conditions in general and the commercial office markets in particular. Our business has been ~~and may continue to be~~ affected by the ongoing volatility in the U. S. financial and credit markets **and higher interest rate environments** and other market, economic, or political challenges experienced by the U. S. economy or the real estate industry as a whole, including changes in law and policy and uncertainty in connection with any such changes. Periods of economic weakness or volatility result in reduced access to credit and / or wider credit spreads. Economic or political uncertainty, including concern about growth and the stability of the markets generally and changes in interest rates, have led lenders and institutional investors to reduce and, in some cases, cease to provide funding to borrowers, which adversely affects our liquidity and financial condition, and the liquidity and financial condition of our tenants. Specifically, our business, like other real estate businesses, **is has been and may continue to be** affected by the following conditions: • significant job losses or declining rates of job creation, which decrease demand for office space, causing market rental rates and property values to be negatively impacted; • the ability to borrow on terms and conditions that we find acceptable, which reduces our ability to pursue acquisition and development opportunities and refinance existing debt, reducing our returns from both our existing operations and our acquisition and development activities and increasing our future interest expense; and • reduced values of our properties, which limits our ability to dispose of assets at acceptable prices and to obtain debt financing secured by our properties. Leasing office space to smaller and growth- oriented businesses could adversely affect our cash flow and results of operations. Some of the tenants in our properties are smaller, growth- oriented businesses that may not have the financial strength of larger corporate tenants. Smaller companies generally experience a higher rate of failure than larger businesses. Growth- oriented firms may also seek other office space as they develop. Leasing office space to these companies creates a higher risk of tenant defaults, turnover and bankruptcies, which could adversely affect our cash flow and results of operations. We may suffer adverse consequences if our revenues decline since our operating costs do not decline in proportion to our revenue. We earn a significant portion of our income from renting our properties. Our operating costs, however, do not fluctuate in proportion to changes in our rental revenue. If revenues decline more than expenses, we may be forced to borrow to cover our costs, we may incur losses or we may not have cash available to service our debt obligations and to pay dividends and distributions to security holders. Competition for acquisitions may reduce the number of acquisition opportunities available to us and increase the costs of those acquisitions. We may acquire properties when we are presented with attractive opportunities. We may face competition for acquisition opportunities from other investors, particularly those investors who are willing to incur more leverage, and this competition may adversely affect us by subjecting us to the following risks: • an inability to acquire a desired property because of competition from other well- capitalized real estate investors, including publicly traded and privately held REITs, private real estate funds, domestic and foreign financial institutions, life insurance companies, sovereign wealth funds, pension trusts, partnerships and individual investors; and • an increase in the purchase price for such acquisition property. If we are unable to successfully acquire additional properties, our ability to grow our business could be adversely affected. We face risks associated with property acquisitions. Our acquisition activities may not be successful if we are unable to meet required closing conditions or unable to finance acquisitions and developments of properties on favorable terms or at all. Additionally, we have less visibility into the future performance of acquired properties than properties that we have owned for a period of time, and therefore, recently acquired properties may not be as profitable as our existing portfolio. Further, we may acquire properties subject to both known and unknown liabilities and without any recourse, or with only limited recourse to the seller. As a result, if a liability were asserted against us arising from our ownership of those properties, we might have to pay substantial sums to settle it, which could adversely affect our cash flow. Unknown liabilities with respect to properties acquired might include: • claims by tenants, vendors or other persons arising from dealing with the former owners of the properties; • liabilities incurred in the ordinary course of business; • claims for indemnification by general partners, directors, officers and others indemnified by the former owners of the properties; and • liabilities for clean- up of undisclosed environmental contamination. Limitations on our ability to sell or reduce the indebtedness on specific properties could adversely affect the value of our common stock. In connection with past and future acquisitions of interests in properties, we have or may agree to restrictions on our ability to sell or refinance the acquired properties for certain periods. These limitations could result in us holding properties which we would otherwise sell, or prevent us from paying down or refinancing existing indebtedness, any of which may have adverse consequences on our business and result in a material adverse effect on our financial condition and results of operations. Potential losses may not be covered by insurance. We maintain "all- risk" property and rental value coverage (including coverage regarding the perils of flood, earthquake and terrorism, excluding

nuclear, biological, chemical, and radiological terrorism ("NBCR")) within two property insurance programs and liability insurance. Separate property and liability coverage may be purchased on a stand-alone basis for certain assets, such as development projects. Additionally, one of our captive insurance companies, Belmont Insurance Company, or Belmont, provides coverage for NBCR terrorist acts above a specified trigger. Belmont's retention is reinsured by our other captive insurance company, Ticonderoga Insurance Company ("Ticonderoga"). If Belmont or Ticonderoga are required to pay a claim under our insurance policies, we would ultimately record the loss to the extent of required payments. There is no assurance that in the future we will be able to procure coverage at a reasonable cost. Further, if we experience losses that are uninsured or that exceed policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. Additionally, our debt instruments contain customary covenants requiring us to maintain insurance and we could default under our debt instruments if the cost and / or availability of certain types of insurance make it impractical or impossible to comply with such covenants relating to insurance. Belmont and Ticonderoga provide coverage solely on properties owned, in whole or in part, by the Company or its affiliates. Furthermore, with respect to certain of our properties, including certain properties held by joint ventures or subject to triple net leases, insurance coverage is obtained by a third-party and we do not control the coverage. While we may have agreements with such third parties to maintain adequate coverage and we monitor these policies, such coverage ultimately may not be maintained or adequately cover our risk of loss. The occurrence of a terrorist attack may adversely affect the value of our properties and our ability to generate cash flow. Our operations are primarily concentrated in the New York metropolitan area. In the aftermath of a terrorist attack or other acts of terrorism or war, tenants in the New York metropolitan area may choose to relocate their business to less populated, lower-profile areas of the United States that those tenants believe are not as likely to be targets of future terrorist activity. In addition, economic activity could decline as a result of terrorist attacks or other acts of terrorism or war, or the perceived threat of such acts. Each of these impacts could in turn trigger a decrease in the demand for space in the New York metropolitan area, which could increase vacancies in our properties and force us to lease our properties on less favorable terms. While under the Terrorism Risk Insurance Program Reauthorization Act of 2019, insurers must make terrorism insurance available under their property and casualty insurance policies, this legislation does not regulate the pricing of such insurance. The absence of affordable terrorism insurance coverage may adversely affect the general real estate lending market, lending volume and the market's overall liquidity and, in the event of an uninsured loss, we could lose all or a portion of our assets. Furthermore, we may also experience increased costs in relation to security equipment and personnel. As a result, the value of our properties and our results of operations could materially decline. We face possible risks associated with the natural disasters and the effects of climate change. We are **subject committed to enhancing the resilience of our properties and we have established comprehensive procedures to effectively manage and respond to climate-related risks associated with. Our procedures encompass a range of potential impacts, including those stemming from natural disasters such as and the effects of climate change, which can include storms, heatwaves, hurricanes and, flooding, any and other severe weather. We recognize that the intensity of which could weather events and the rise in sea levels have a material adverse effect the potential to impact our properties, operations, and overall business. Since Hurricane Sandy in 2012, New York City has experienced several severe storms that have had significant impacts on our properties the area, operations and business. To we are actively tracking the risks the these storms pose to the city's real estate extent climate change causes changes in weather patterns, our markets market could experience increases in storm intensity and physical landscape rising sea levels. Over time, and in an extreme scenario, these conditions could potentially result in declining demand for office space, specifically in coastal areas of New York City, our or potentially an inability to fully operate buildings or our inability to operate the buildings at all. Climate change may also have indirect effects on our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable, increasing or causing a lack of availability of sufficient insurance. There could also be increases in the cost of energy and other natural resources at our properties and requiring us to expend funds as we seek to repair and protect our properties against such climate risks. We proactively review every building through both a financial and environmental lens to ensure that building systems and operations align with our climate-related risk assessments.** Any of these direct or indirect effects of climate change may have a material adverse effect on our properties, operations or business. We may incur significant costs to comply with climate change initiatives, and in particular those implemented in New York City. Numerous states and municipalities have adopted laws and policies on climate change and emission reduction targets. In particular, through the Climate Leadership and Community Protection Act signed into law in 2019, New York State mandated the adoption of a net-zero carbon economy statewide by 2050, with a zero-carbon electricity grid by 2040. New York City enacted Local Law 97 (LL97) in 2019 under the Climate Mobilization Act, setting carbon caps for large buildings starting in 2024 as part of a broader commitment to reducing greenhouse gas emissions by 40% by 2030, and by 80% by 2050. As our portfolio is principally located in Manhattan, our business is subject to transition risks related to these climate change policies. **Costs of compliance or penalties in later compliance periods may be significant.** If we are unable to meet the required emissions reductions, we may be subject to material fines that will continue to be assessed each year we fail to comply. **Based on current emissions data available from 2022, our portfolio is expected to be compliant through 2024, with no material financial impact to our properties.** Additionally, even if we can achieve compliance under LL97 in a given year, it is not a certainty that we will remain in compliance in subsequent years. **And, costs of compliance or penalties may be significant. We face** potential conflicts of interest. There are potential conflicts of interest between us and Stephen L. Green. There is a potential conflict of interest relating to the disposition of certain property contributed to us by Stephen L. Green and affiliated entities in our initial public offering. Mr. Green serves as a member and as the chairman emeritus of our Board of Directors. If we sell a property in a transaction in which a taxable gain is recognized, for tax purposes the built-in gain would be allocated solely to him and not to us. As a result, Mr. Green has a conflict of interest if the sale of a property he contributed is in our best interest but not his. In addition, Mr. Green's tax basis includes his share of debt, including mortgage indebtedness, owed by the

Operating Partnership. If the Operating Partnership were to retire such debt, then he would experience a decrease in his share of liabilities, which, for tax purposes, would be treated as a distribution of cash to him. To the extent the deemed distribution of cash exceeded his tax basis, he would recognize gain. As a result, Mr. Green has a conflict of interest if the refinancing of indebtedness is in our best interest but not his.

RISKS RELATED TO OUR LIQUIDITY AND CAPITAL RESOURCES Debt financing, financial covenants, degree of leverage, and increases in interest rates could adversely affect our economic performance. Scheduled debt payments could adversely affect our results of operations. Cash flow could be insufficient to meet the payments of principal and interest required under our current mortgages, our 2021 credit facility, ~~2022 term loan~~, our senior unsecured notes, our debentures and indebtedness outstanding at our joint venture properties. The total principal amount of our outstanding consolidated indebtedness was \$ ~~3.5~~ **3.6** billion as of December 31, ~~2022~~ **2023**, consisting of \$ ~~1.7~~ **1.8** billion in unsecured bank term loans, \$ ~~0.1~~ **0.1** billion under our senior unsecured notes, \$ ~~0.1~~ **0.1** billion of junior subordinated deferrable interest debentures, \$ ~~3.1~~ **2.5** billion of non-recourse mortgages and loans payable on certain of our properties and debt and preferred equity investments, ~~and \$ 450.560.0 million drawn under our revolving credit facility, and \$ 2.0 million of outstanding letters of credit.~~ In addition, we could increase the amount of our outstanding consolidated indebtedness in the future, in part by borrowing under the revolving credit facility ~~portion of our 2021 credit facility~~. As of December 31, ~~2022~~ **2023**, the total principal amount of ~~non-recourse~~ indebtedness outstanding at the joint venture properties was \$ ~~12.14~~ **14.59** billion, of which our proportionate share was \$ ~~6.7~~ **7.24** billion. ~~As of December 31, 2022, we had no recourse indebtedness outstanding at our unconsolidated joint venture properties.~~ If we are unable to make payments under our 2021 credit facility ~~and 2022 term loan~~, all amounts due and owing at such time shall accrue interest at a per annum rate equal to 2 % higher than the rate applicable immediately prior to the default. If we are unable to make payments under our senior unsecured notes, the principal and unpaid interest will become immediately payable. If a property is mortgaged to secure payment of indebtedness and we are unable to meet mortgage payments, the mortgagee could foreclose on the property, resulting in loss of income and asset value. Foreclosure on mortgaged properties or an inability to make payments under our 2021 credit facility, ~~2022 term loan~~ or our senior unsecured notes could trigger defaults under the terms of our other financings, making such financings at risk of being declared immediately payable, and would have a negative impact on our financial condition and results of operations. We may not be able to refinance existing indebtedness, which may require substantial principal payments at maturity. \$ ~~260.382~~ **18** million of consolidated mortgage debt and \$ ~~1.4~~ **1.6** billion of unconsolidated joint venture debt is scheduled to mature in ~~2023~~ **2024** after giving effect to our as-of-right extension options and repayments and refinancing of consolidated and joint venture debt between December 31, ~~2022~~ **2023** and February ~~15~~ **22**, ~~2023~~ **2024** as discussed in the "Financial Statements and Supplementary Data" section. At the present time, we intend to repay, refinance, or exercise extension options on the debt associated with our properties on or prior to their respective maturity dates. At the time of refinancing, prevailing interest rates or other factors, such as the possible reluctance of lenders to make commercial real estate loans, may result in higher interest rates. Increased interest expense on the extended or refinanced debt would adversely affect cash flow and our ability to service debt obligations and pay dividends and distributions to security holders. If any principal payments due at maturity cannot be repaid, refinanced or extended, our cash flow will not be sufficient to repay maturing or accelerated debt. Financial covenants could adversely affect our ability to conduct our business. The mortgages and mezzanine loans on our properties generally contain customary negative covenants that limit our ability to further mortgage the properties, to enter into material leases without lender consent or materially modify existing leases, among other things. In addition, our 2021 credit facility, ~~2022 term loan~~ and senior unsecured notes contain restrictions and requirements on our method of operations. Our 2021 credit facility and our unsecured notes also require us to maintain designated ratios, including but not limited to, total debt- to- assets, debt service coverage and unencumbered assets- to- unsecured debt. These restrictions could adversely affect operations (including reducing our flexibility and our ability to incur additional debt), our ability to pay debt obligations and our ability to pay dividends and distributions to security holders. **Rising-High** interest rates could adversely affect our cash flow. Advances under our 2021 credit facility, ~~2022 term loan~~ and certain property- level mortgage debt bear interest at a variable rate. After giving effect to derivatives, our consolidated variable rate borrowings totaled \$ ~~0.5~~ **3** billion as of December 31, ~~2022~~ **2023**. In addition, we could increase the amount of our outstanding variable rate debt in the future, in part by borrowing additional amounts under our 2021 credit facility. Borrowings under our revolving credit facility and ~~three two~~ **three two** term loans bore interest at the adjusted term **Secured Overnight Financing Rate ("SOFR")** plus 10 basis points, and the applicable spreads of ~~105 basis points, 120 basis points, 125 basis points, and 140 basis points,~~ **160 basis points, and 165 basis points**, respectively, as of December 31, ~~2022~~ **2023**. As of December 31, ~~2022~~ **2023**, borrowings under our term loans and junior subordinated deferrable interest debentures totaled \$ ~~1.7~~ **3** billion and \$ ~~100.0~~ **100.0** million, respectively. We may incur indebtedness in the future that also bears interest at a variable rate or may be required to refinance our debt at higher rates. If we were to incur variable rate indebtedness in the future, we may seek to enter into derivative instruments to mitigate the effect of such variable rate debt. However, such derivative instruments may not be available on favorable terms or at all. As of December 31, ~~2022~~ **2023**, a hypothetical 100 basis point increase in interest rates across each of our variable interest rate instruments, including our variable rate debt and preferred equity investments which mitigate our exposure to interest rate changes, would increase our net annual interest costs by \$ ~~3.1~~ **5.0** million and would increase our share of joint venture annual interest costs by \$ ~~6.12~~ **5.2** million. Our joint ventures may also incur variable rate debt and face similar risks. Accordingly, increases in interest rates could adversely affect our results of operations and financial conditions and our ability to continue to pay dividends and distributions to security holders. **The planned phasing out of LIBOR may affect our financial results.** In March 2021, ICE Benchmark Administration, the administrator of LIBOR, with the support of the Federal Reserve Board and the FCA, announced plans to extend the publication of certain USD LIBOR settings until June 30, 2023 after which LIBOR reference rates will cease to be provided. It is not possible to predict the effect of these changes or the establishment of alternative reference rates. The Alternative Reference Rate Committee ("ARRC"), a committee convened by the Federal Reserve that includes major market participants, and on which the

SEC staff and other regulators participate, has proposed an alternative rate, the Secured Overnight Financing Rate ("SOFR"), to replace U. S. Dollar LIBOR. Any changes announced by the FCA, ARRC, other regulators or any other successor governance or oversight body, or future changes adopted by such body, in the method pursuant to which U. S. Dollar LIBOR, SOFR, or any other alternative rates are determined may result in a sudden or prolonged increase or decrease in the reported LIBOR rates. If that were to occur, the levels of interest payments we incur and interest payments we receive may change. It is also uncertain whether SOFR or any other alternative rate will gain market acceptance and may result in, among other things, volatility or illiquidity in markets for instruments that currently rely on LIBOR. In addition, although certain of our LIBOR-based obligations and investments provide for alternative methods of calculating the interest rate if LIBOR is not reported, uncertainty as to the extent and manner of future changes may result in interest rates and /or payments that are higher than, lower than or that do not otherwise correlate over time with the interest rates and /or payments that would have been made on our obligations if LIBOR rate was available in its current form. We may also need to renegotiate our LIBOR-based obligations, which we may not be successful in doing on a timely basis or on terms acceptable to us. Borrowings **borrowings** under our existing term loan and revolving credit facilities bear interest at a rate based on the term SOFR, which is a relatively new reference rate **that replaced U. S. dollar London Interbank Offered Rate ("LIBOR"). As a result of SOFR's limited performance history, the future performance of SOFR cannot be reliably predicted**. The publication level of SOFR began in April 2019, **during the term of our existing term loan and**, therefore, it has a very limited history **revolving credit facilities may bear little or no relation to the historical level of SOFR**. The future performance of SOFR **cannot is impossible to reliably predict, and, therefore, no future performance under our existing term loan and revolving credit facilities as it relates to SOFR may be inferred from** predicted based on the limited historical performance. Since the initial publication of SOFR, **daily** changes in SOFR have, on occasion, been more volatile than **daily** changes in other **comparable** benchmark or market rates, such as **US and SOFR over the term of our existing term loan and revolving credit facilities may bear little or no relation to the historical actual or historical indicative data. Changes in the levels of SOFR will affect the amount of interest we pay on our existing credit facilities. Additionally, there can be no assurance that SOFR will gain long- term market acceptance. Market participants may not consider SOFR to be a suitable substitute or successor for all of the purposes for which U. S. dollar LIBOR** **As historically has been used (including, without limitation, as a representation of the unsecured short- term funding costs of banks), which may, in turn, lessen market acceptance of SOFR and cause SOFR to be modified or discontinued. These consequences could adversely affect our financial result results, or the amount of interest we may pay on our existing credit facilities is difficult to predict. Failure to hedge Our hedging strategies may not effectively limit exposure** against interest rate changes, **which** may adversely affect results of operations. The interest rate hedge instruments we use to manage some of our exposure to interest rate volatility involve risk and counterparties may fail to perform under these arrangements. In addition, these arrangements may not be effective in reducing our exposure to interest rate changes. When existing interest rate hedges terminate, we may incur increased costs in putting in place further interest rate hedges. Failure to hedge effectively against interest rate changes may adversely affect our results of operations. Increases in our leverage could adversely affect our stock price. Our organizational documents do not contain any limitation on the amount of indebtedness we may incur. We consider many factors when making decisions regarding the incurrence of indebtedness, such as the purchase price of properties to be acquired with debt financing, the estimated market value of our properties and the ability of particular properties and our business as a whole to generate cash flow to cover expected debt service. Any changes that increase our leverage could be viewed negatively by investors and could have a material effect on our financial condition, results of operations, cash flows, the trading price of our securities and our ability to pay dividends and distributions to security holders. **A downgrade in our credit ratings could materially adversely affect our business and financial condition. Our credit rating and the credit ratings assigned to our debt securities and our preferred stock could change based upon, among other things, our results of operations and financial condition. These ratings are subject to ongoing evaluation by credit rating agencies, and any rating could be changed or withdrawn by a rating agency in the future if, in its judgment, circumstances warrant such action. If any of the credit rating agencies that have rated our securities downgrades or lowers its credit rating, or if any credit rating agency indicates that it has placed any such rating on a "watch list" for a possible downgrading or lowering, or otherwise indicates that its outlook for that rating is negative, such action could have a material adverse effect on our costs and availability of funding, which could in turn have a material adverse effect on our financial condition, results of operations, cash flows, the trading price of our securities and our ability to satisfy our debt service obligations and to pay dividends and distributions to security holders. Debt and preferred equity investments could cause us to incur expenses, which could adversely affect our results of operations. We held first mortgages, mezzanine loans, junior participations and preferred equity interests with an aggregate net book value of \$ 623-346. 3-7 million as of December 31, 2022-2023**. Some of these instruments may have some recourse to their sponsors, while others are limited to the collateral securing the loan. In the event of a default under these obligations, we may **have to** take possession of the collateral securing these interests. Borrowers may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement and / or bring claims for lender liability in response to actions to enforce their obligations to us. Declines in the value of the property may prevent us from realizing an amount equal to our investment upon foreclosure or realization even if we make substantial improvements or repairs to the underlying real estate in order to maximize such property's investment potential. In addition, we may invest in mortgage- backed securities and other marketable securities. Our debt and preferred equity investments are carried at the net amounts expected to be collected. We maintain and regularly evaluate the need for reserves to protect against potential future credit losses. Our reserves reflect management's judgment of the probability and severity of losses and the value of the underlying collateral. We cannot be certain that our judgment will prove to be correct and that our reserves will be adequate over time to protect against future credit losses because of unanticipated adverse changes in the economy or events adversely affecting specific properties, assets, tenants, borrowers, industries in which our tenants and borrowers operate or markets in which our tenants and borrowers or their properties are

located. The ultimate resolutions may differ from our expectation, and we could suffer losses which would have a material adverse effect on our financial performance, the trading price of our securities and our ability to pay dividends and distributions to security holders. Joint investments could be adversely affected by our lack of sole decision-making authority and reliance upon a co-venturer's financial condition. We co-invest with third parties through partnerships, joint ventures, co-tenancies or other structures, and by acquiring non-controlling interests in, or sharing responsibility for managing the affairs of, a property, partnership, joint venture, co-tenancy or other entity. Therefore, we may not be in a position to exercise sole decision-making authority regarding such property, partnership, joint venture or other entity. Investments in partnerships, joint ventures, or other entities may involve risks not present were a third party not involved, including the possibility that our partners, co-tenants or co-venturers might file for bankruptcy protection or otherwise fail to fund their share of required capital contributions. Additionally, our partners or co-venturers might at any time have economic or other business interests or goals which are competitive or inconsistent with our business interests or goals. These investments may also have the potential risk of impasses on decisions such as a sale, because neither we, nor the partner, co-tenant or co-venturer would have full control over the partnership or joint venture. In addition, we may in specific circumstances be liable for the actions of our third-party partners, co-tenants or co-venturers. As of December 31, 2022-2023, we had an aggregate cost-basis carrying value in joint ventures totaling \$ 3.2-0 billion. Certain of our joint venture agreements contain terms in favor of our partners that could have an adverse effect on the value of our investments in the joint ventures. Each of our joint venture agreements has been individually negotiated with our partner in the joint venture and, in some cases, we have agreed to terms that are more favorable to our partner in the joint venture than to us. For example, our partner may be entitled to a specified portion of the profits of the joint venture before we are entitled to any portion of such profits. We may also enter into similar arrangements in the future. We are dependent on external sources of capital. We need a substantial amount of capital to operate and grow our business. This need is exacerbated by the distribution requirements imposed on us for SL Green to qualify as a REIT. We therefore rely on third-party sources of capital, which may not be available on favorable terms or at all. Our access to third-party sources of capital depends on a number of things, including the market's perception of our growth potential and our current and potential future earnings. In addition, we may raise money in the public equity and debt markets and our ability to do so will depend upon the general conditions prevailing in these markets. At any time, conditions may exist which effectively prevent us, or REITs in general, from accessing these markets. Moreover, additional equity offerings may result in substantial dilution of our stockholders' interests, and additional debt financing may substantially increase our leverage.

RISKS RELATED TO OUR ORGANIZATION AND STRUCTURE We depend on dividends and distributions from our direct and indirect subsidiaries. Substantially all of our assets are held through subsidiaries of our Operating Partnership. We are, therefore, dependent on the results of operations of our subsidiaries and their ability to provide us with cash, whether in the form of dividends paid through our Operating Partnership, loans or otherwise, to meet our obligations and to pay any dividends to our equity holders. Any distributions to us from those subsidiaries may be subject to contractual and other restrictions, including such subsidiaries' obligations to their creditors, and could be subject to other business and operational considerations. Additionally, our Operating Partnership's ability to distribute to us any cash that it receives from our subsidiaries will also depend on its ability to first satisfy its obligations to its creditors and make distributions payable to holders of its outstanding preferred units and any additional preferred units it may issue from time to time. In addition, our participation in any distribution of the assets of any of our direct or indirect subsidiaries upon any liquidation, reorganization or insolvency is only after the claims of the creditors, including trade creditors and preferred security holders, are satisfied. Our charter documents, debt instruments and applicable law may hinder any attempt to acquire us, which could discourage takeover attempts and prevent our stockholders from receiving a premium over the market price of our stock. Provisions of our charter and bylaws could inhibit changes in control. A change of control of our company could benefit stockholders by providing them with a premium over the then-prevailing market price of our stock. However, provisions contained in our charter and bylaws may delay or prevent a change in control of our company. These provisions, discussed more fully below, are:

- Ownership limitations;
- Maryland takeover statutes that may prevent a change of control of our company; and
- Contractual provisions that limit the assumption of certain of our debt.

We have a stock ownership limit. To remain qualified as a REIT for federal income tax purposes, not more than 50 % in value of our outstanding capital stock may be owned by five or fewer individuals at any time during the last half of any taxable year. For this purpose, stock may be "owned" directly, as well as indirectly under certain constructive ownership rules, including, for example, rules that attribute stock held by one shareholder to another shareholder. In part to avoid violating this rule regarding stock ownership limitations and maintain our REIT qualification, our charter prohibits direct or indirect ownership by any single stockholder of more than 9.0 % in value or number of shares of our common stock. Limitations on the ownership of preferred stock may also be imposed by us. Our board of directors has the discretion to raise or waive this limitation on ownership for any stockholder if deemed to be in our best interest. Our board of directors has granted such waivers from time to time. To obtain a waiver, a stockholder must present the board and our tax counsel with evidence that ownership in excess of this limit will not affect our present or future REIT status. Absent any exemption or waiver, stock acquired or held in excess of the limit on ownership will be transferred to a trust for the exclusive benefit of a designated charitable beneficiary, and the stockholder's rights to distributions and to vote would terminate. The stockholder would be entitled to receive, from the proceeds of any subsequent sale of the shares transferred to the charitable trust, the lesser of: the price paid for the stock or, if the owner did not pay for the stock, the market price of the stock on the date of the event causing the stock to be transferred to the charitable trust; and the amount realized from the sale. This limitation on ownership of stock could delay or prevent a change in control of our company. Maryland takeover statutes may prevent a change of control of our company, which could depress our stock price. Under the Maryland General Corporation Law, or the MGCL, "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include a merger, consolidation, share

exchange or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as: • any person who beneficially owns 10 % or more of the voting power of the corporation's outstanding voting stock; or • an affiliate or associate of the corporation who, at any time within the two year period prior to the date in question, was the beneficial owner of 10 % or more of the voting power of the then outstanding voting stock of the corporation. A person is not an interested stockholder under the statute if the board of directors approves in advance the transaction by which he otherwise would have become an interested stockholder. After the five year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least: • 80 % of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation, voting together as a single group; and • two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder. The business combination statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer, including potential acquisitions that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders. In addition, the MGCL provides that holders of "control shares" of a Maryland corporation acquired in a "control share acquisition" will not have voting rights with respect to the control shares except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter, excluding shares of stock owned by the acquiror, by officers of the corporation or by directors who are employees of the corporation." "Control shares" means voting shares of stock that, if aggregated with all other shares of stock owned by the acquiror or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise voting power in electing directors within one of the following ranges of voting power: (i) one-tenth or more but less than one-third; (ii) one-third or more but less than a majority; or (iii) a majority or more of all voting power. A "control share acquisition" means the acquisition of ownership of, or the power to direct the exercise of voting power with respect to, issued and outstanding control shares, subject to certain exceptions. We have opted out of the "business combinations" and "control shares" provisions of the MGCL by resolution of our board of directors and a provision in our bylaws, respectively. However, in the future, our board of directors may reverse its decision by resolution and elect to opt in to the MGCL's business combination provisions, or amend our bylaws and elect to opt in to the MGCL's control share provisions. Additionally, other provisions of the MGCL permit our board of directors, without stockholder approval and regardless of what is provided in our charter or bylaws, to implement certain other takeover defenses, some of which have been implemented through provisions in our charter or bylaws unrelated to the provisions of the MGCL. Such takeover defenses, to the extent implemented now or in the future, may have the effect of inhibiting a third party from making us an acquisition proposal or of delaying, deferring or preventing a change in our control under circumstances that otherwise could provide our stockholders with an opportunity to realize a premium over the then-current market price. Contractual provisions that limit the assumption of certain of our debt may prevent a change in control. Certain of our consolidated debt is not assumable and may be subject to significant prepayment penalties. These limitations could deter a change in control of our company. SL Green's failure to qualify as a REIT would be costly and would have a significant effect on the value of our securities. We believe we have operated in a manner for SL Green to qualify as a REIT for federal income tax purposes and intend to continue to so operate. Many of the REIT compliance requirements, however, are highly technical and complex. The determination that SL Green is a REIT requires an analysis of factual matters and circumstances. These matters, some of which are not totally within our control, can affect SL Green's qualification as a REIT. For example, to qualify as a REIT, at least 95 % of our gross income must come from designated sources that are listed in the applicable tax laws. We are also required to distribute to stockholders at least 90 % of our REIT taxable income excluding capital gains. The fact that we hold our assets through the Operating Partnership and its subsidiaries further complicates the application of the REIT requirements. Even a technical or inadvertent mistake could jeopardize our REIT status. Furthermore, Congress and the Internal Revenue Service, or the IRS, might make changes to the tax laws and regulations that make it more difficult, or impossible, for us to remain qualified as a REIT. If SL Green fails to qualify as a REIT, the funds available for distribution to our stockholders would be substantially reduced as we would not be allowed a deduction for dividends paid to our stockholders in computing our taxable income and would be subject to federal income tax at regular corporate rates and possibly increased state and local taxes. Also, unless the IRS grants us relief under specific statutory provisions, SL Green would remain disqualified as a REIT for four years following the year in which SL Green first failed to qualify. If SL Green failed to qualify as a REIT, SL Green would have to pay significant income taxes and would therefore have less money available for investments, to service debt obligations or to pay dividends and distributions to security holders. This would have a significant adverse effect on the value of our securities. In addition, the REIT tax laws would no longer obligate us to make any distributions to stockholders. As a result of all these factors, if SL Green fails to qualify as a REIT, this could impair our ability to expand our business and raise capital. We may in the future pay taxable dividends on our common stock in common stock and cash. In order to qualify as a REIT, we are required to annually distribute to our stockholders at least 90 % of our REIT taxable income, excluding net capital gains. In order to avoid taxation of our income, we are required to annually distribute to our stockholders all of our taxable income, including net capital gains. In order to satisfy these requirements, we have, and in the future may make distributions that are payable partly in cash and partly in shares of our common stock. If we pay such a dividend, taxable stockholders would be required to include the entire amount of the dividend, including the portion paid with shares of common stock, as income to the extent of our current and accumulated earnings and profits, and may be required to pay income taxes with respect to such dividends in excess of the cash dividends received.

RISKS RELATED TO LEGAL AND REGULATORY MATTERS We may incur costs to comply with governmental laws and regulations. We are subject to various federal, state and local environmental and health and safety laws that can impose liability on current and former property owners or operators for the clean-up of certain hazardous substances released on a property or of contamination at any facility (e. g., a

landfill) to which we have sent hazardous substances for treatment or disposal, without regard to fault or whether the release or disposal was in compliance with law. Being held responsible for such a clean-up could result in significant cost to us and have a material adverse effect on our financial condition and results of operations. Our properties may be subject to risks relating to current or future laws, including laws benefiting disabled persons, such as the Americans with Disabilities Act, or ADA, and state or local zoning, construction or other regulations. Compliance with such laws may require significant property modifications in the future, which could be costly. Non-compliance could result in fines being levied against us in the future. Compliance with changing or new regulations applicable to corporate governance and public disclosure may result in additional expenses, or affect our operations. Changing or new laws, regulations and standards relating to corporate governance and public disclosure, including SEC regulations and NYSE rules, can create uncertainty for public companies. These changed or new laws, regulations and standards are subject to varying interpretations in many cases due to their lack of specificity. As a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies, which could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We are committed to maintaining high standards of corporate governance and public disclosure. If our efforts to comply with new or changed laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, our reputation may be harmed. Our efforts to comply with evolving laws, regulations and standards have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. In particular, our continued efforts to comply with Section 404 of the Sarbanes-Oxley Act of 2002 and the related regulations regarding our required assessment of our internal controls over financial reporting and our external auditors' audit of that assessment have required the commitment of significant financial and managerial resources. We expect these efforts to require the continued commitment of significant resources. Further, our directors, chief executive officer and chief financial officer could face an increased risk of personal liability in connection with the performance of their duties. As a result, we may have difficulty attracting and retaining qualified directors and executive officers, which could harm our business. Our property taxes could increase due to reassessment or property tax rate changes. We are required to pay real property taxes or payments in lieu of taxes in respect of our properties and such taxes may increase as our properties are reassessed by taxing authorities or as property tax rates change. An increase in the assessed value of our properties or our property tax rates could adversely impact our financial condition, results of operations and our ability to satisfy our debt service obligations and to pay dividends and distributions to our security holders.

GENERAL RISK FACTORS The trading price of our common stock has been and may continue to be subject to wide fluctuations. Between January 1, 2022-2023 and December 31, 2022-2023, the closing sale price of our common stock on the New York Stock Exchange, or the NYSE, ranged from \$ 32-19 . 94-96 to \$ 83-48 . 95-00 per share. Our stock price may fluctuate in response to a number of events and factors, such as those described elsewhere in this "Risk Factors" section. Equity issuances or buybacks by us or the perception that such issuances or buybacks may occur may also affect the market price of our common stock. Future issuances of common stock, preferred stock and/or convertible debt could dilute existing stockholders' interests. Our charter authorizes our Board of Directors to issue additional shares of common stock, preferred stock and convertible equity or debt without stockholder approval and without the requirement to offer rights of pre-emption to existing stockholders. Any such issuance could dilute our existing stockholders' interests. Also, any future series of preferred stock may have voting provisions that could delay or prevent a change of control of our company. Changes in market conditions could adversely affect the market price of our common stock. As with other publicly traded equity securities, the value of our common stock depends on various market conditions, which may change from time to time. In addition to the current economic environment and future volatility in the securities and credit markets, the following market conditions may affect the value of our common stock: • the general reputation of REITs and the attractiveness of our equity securities in comparison to other equity securities, including securities issued by other real estate-based companies; • our financial performance; and • general stock and bond market conditions. The market value of our common stock is based on a number of factors including, but not limited to, the market's perception of the current and future value of our assets, our growth potential and our current and potential future earnings and cash dividends. Consequently, our common stock may trade at prices that are higher or lower than our net asset value per share of common stock. Changes to U. S. federal income tax laws could materially and adversely affect us and our stockholders. U. S. federal income tax laws and the rules dealing with U. S. federal income taxation are continually under review by Congress, the IRS, and the U. S. Department of the Treasury. Any such changes could have an adverse effect on an investment in our shares or on the market value or the resale potential of our assets. Loss of our key personnel could harm our operations and our stock price. We are dependent on the efforts of Marc Holliday, our chairman and chief executive officer, and interim Andrew W. Mathias, our president. These officers have Mr. Holliday has an employment agreement which expires in January 2025 and December 2023, respectively. A loss of the Mr. Holliday's services of either of these individuals could adversely affect our operations and could be negatively perceived by the market resulting in a decrease in our stock price. Our business and operations would suffer in the event of system failures or cyber security attacks. Despite system redundancy, the implementation of security measures and the existence preparation of a disaster data recovery plan for our internal information technology ("IT") networks and third-party systems, our systems on which we rely are vulnerable to a number of risks including energy blackouts, natural disasters, terrorism, war, telecommunication failures and cyber attacks and intrusions, such as computer viruses, phishing attacks, malware ransomware, data breaches attachments to e-mails, intrusion and unauthorized access, including from persons inside our organization or from persons outside our organization with access to our systems. The risk of a security breach or disruption, particularly through cyber attacks and intrusions, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Like other businesses, we have experienced cyber incidents in the past, which were not individually, or in

the aggregate, material, and we may be subject to cyber attacks in the future. Our systems are critical to the operation of our business, **as well as certain of our tenants,** and ~~any a~~ system failure, accident or security breach ~~that causes interruptions in our operations~~ could result in a material disruption to our business **and operations**. We **have and** may also incur additional costs to remedy damages caused by such disruptions. Although we make efforts to maintain the security and integrity of our systems and have implemented various measures **designed** to manage the risk of a security breach or disruption, there can be no assurance that our security efforts and measures will be effective or that attempted security breaches or disruptions would not be successful or damaging. Any compromise of our security could also result in a violation of applicable privacy and other laws, significant legal and financial exposure, damage to our reputation **and relationships with tenants and vendors**, loss or ~~misuse~~ **misappropriation** of ~~data~~ **the information** (which may be confidential, proprietary and / or commercially sensitive in nature) and a loss of confidence in our security measures, which could harm our business. Forward- looking statements may prove inaccurate. See Item 7, " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Forward- looking Information," for additional disclosure regarding forward- looking statements.