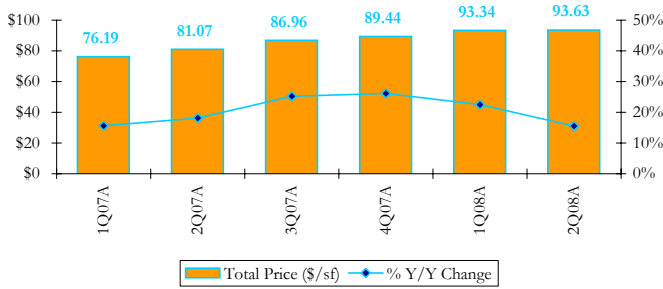


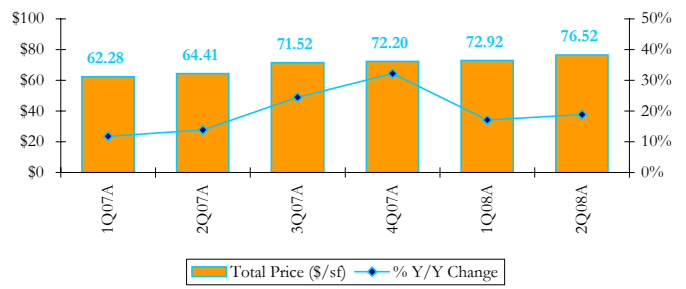
Midtown Office Market Analysis

Total Price (\$/sf) and % Y/Y Change

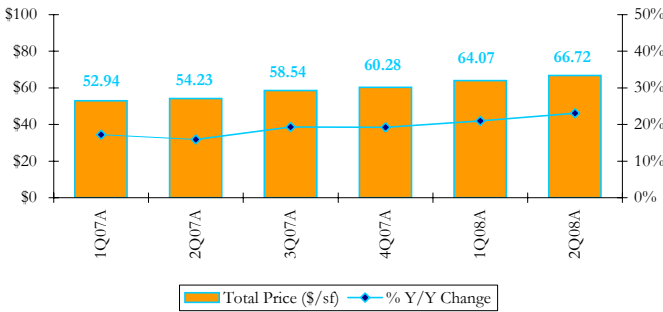
Class A Buildings



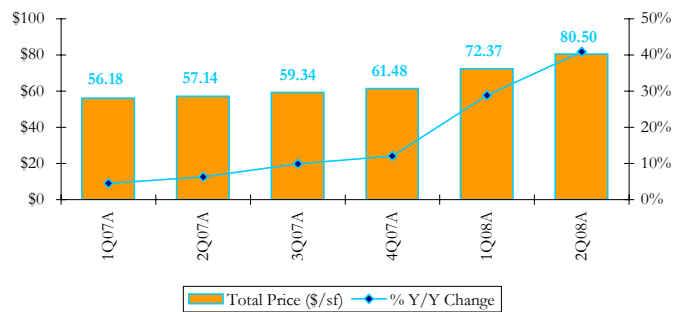
Class B Buildings



Class C Buildings



Class D Buildings

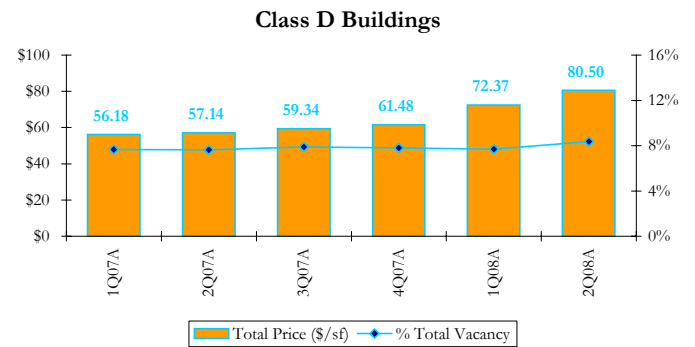
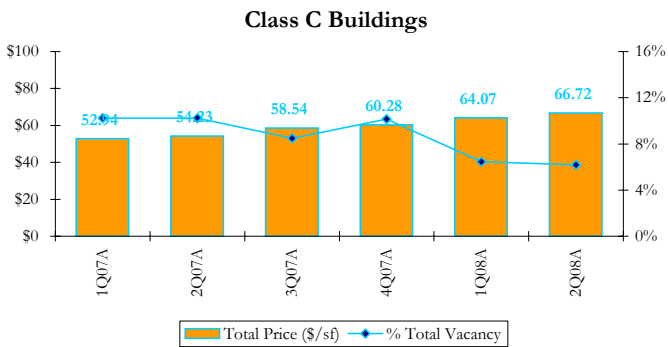
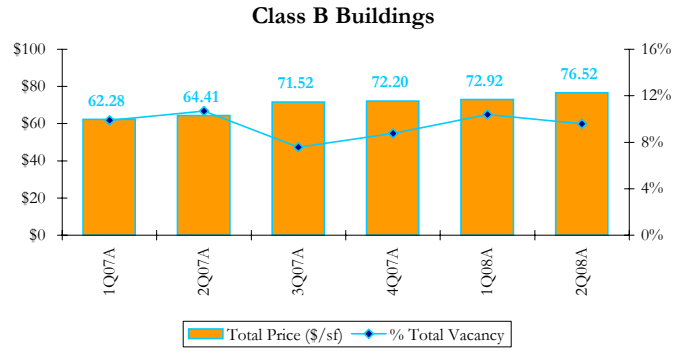
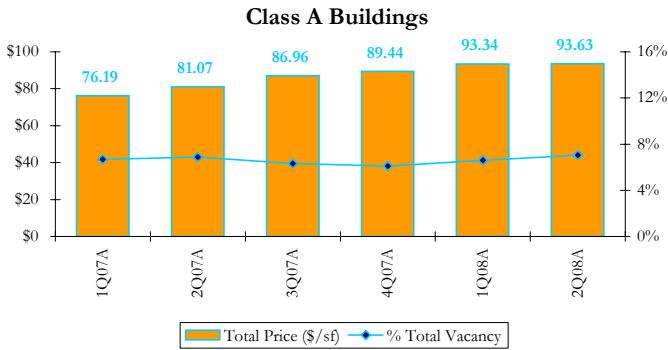


- Midtown continued to see average asking rates hit record highs across all four building classes, with Class B, C, and D rates increasing from 4-10% over 1Q08 results. The Class A asking rate saw a slight increase over the 1Q08 rate to \$93.63 psf, while the Class D rate was bolstered by \$100 psf asking rates at the old New York Times building at 229 West 43rd St.
- Class A buildings appear to have seen peak growth at the end of 2007, though accelerating growth in Class B, C, and D buildings partially offset the slowdown in A properties, resulting in less dramatic deceleration for the market as a whole. Class D asking rates jumped \$8.13 psf to \$80.50 psf.

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Midtown Office Market Analysis

Total Price (\$/sf) and % Vacancy



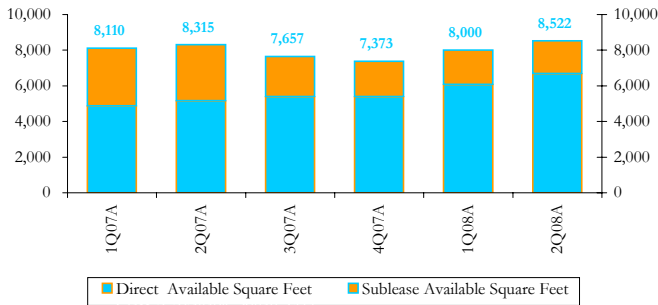
- Vacancy in the market was 7.6%, up from 7.4% in 1Q08 and 7.1% in 4Q07. In the second quarter of 2008, increases in vacancy in Class A and D properties was partially offset by decreases in Class B and C vacancy.
- Class A vacancy increased to 7.0% from a 4Q07 low of 6.1%. Class A properties account for 58% of total market availability. This increase in Class A vacancy represented a 522K sq ft increase in available sq ft.
- Class B vacancy decreased to 9.6%, from 1Q08's 10.4%. The drop represented a 288K sq ft decrease in availability.
- Class of C vacancy fell to 6.2% from a 1Q08 peak of 6.5%, representing a 39K sq ft decline in availability.

TENANTWISE

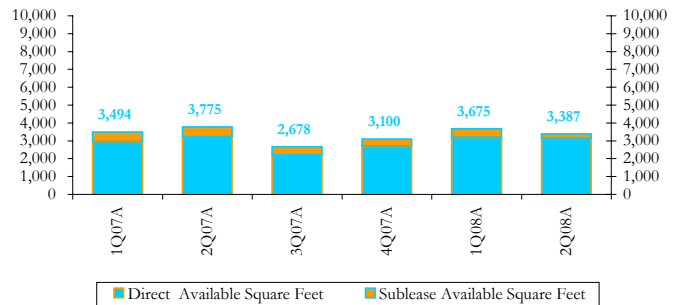
Midtown Office Market Analysis

Total Available Square Feet = Direct Available + Sublease Available

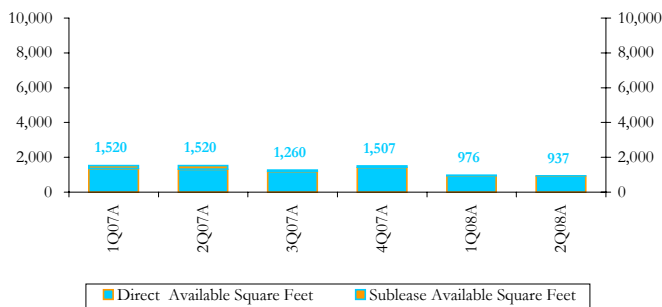
Class A Buildings



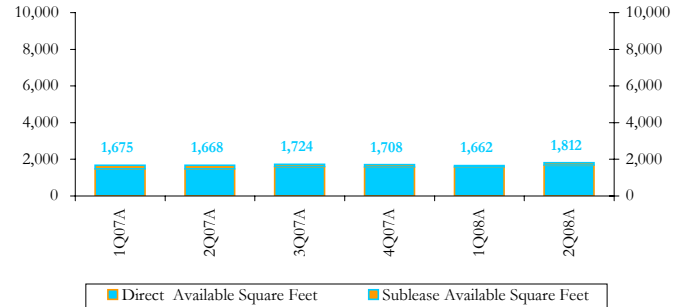
Class B Buildings



Class C Buildings



Class D Buildings

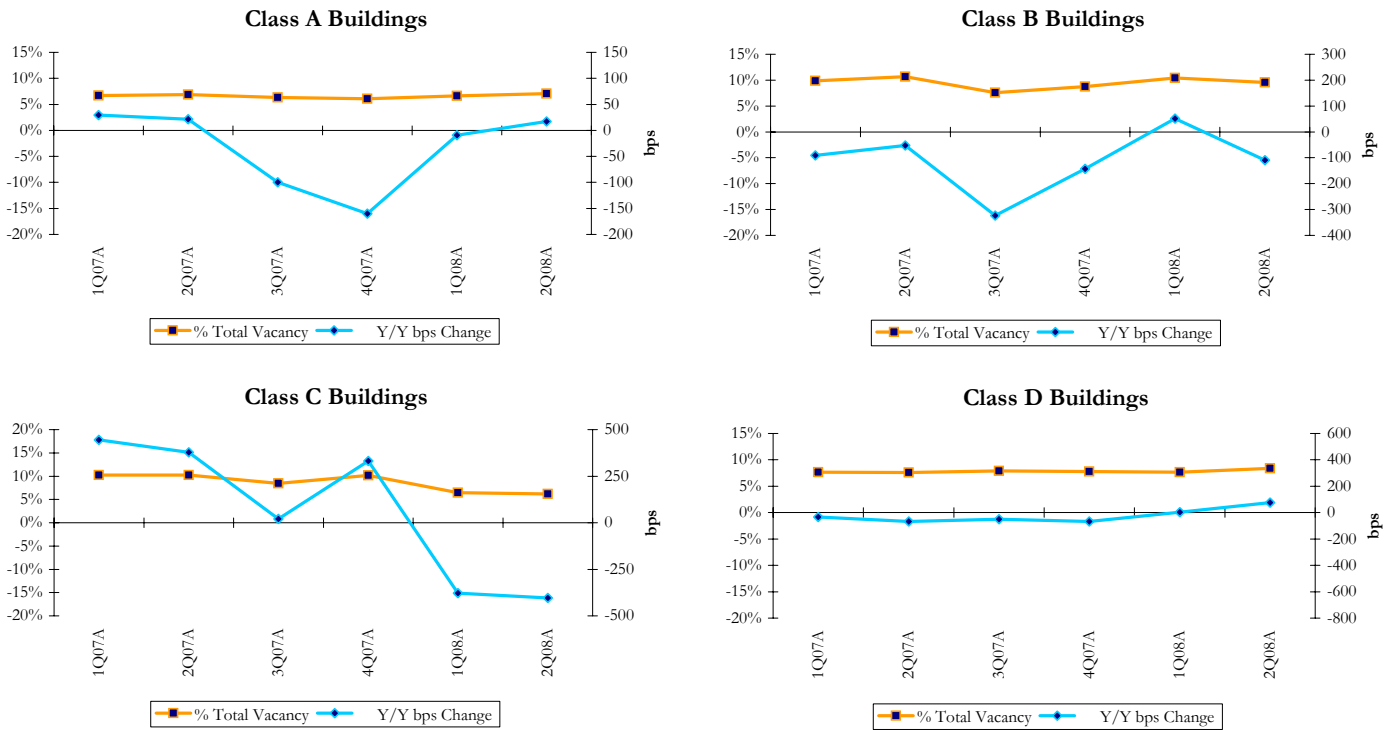


- These charts show the relative contribution of each property class to the existing market availability in Midtown. Class A buildings currently account for 58% of total market availability, making them the most significant driver of total market average asking rates.
- The proportion of available space attributable to sublease availability is declining for both Class A properties and the market as a whole. For Class A buildings, sublease availability accounted for 21.5% of total availability in 1Q08, down from 24.1% in 4Q07 and a peak of 41.5% in 4Q06. For the market as a whole, sublease availability was down to 15.3% in 2Q08, from 17.9% in 1Q08 and a peak of 31.5% in 4Q06. Sublease space currently trades at a 14.4% discount to direct space, so a reduction in sublease availability supports increases in the total market average asking rate.

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Midtown Office Market Analysis

Total Vacancy and Y/Y bps Change



• This chart illustrates the relationship between total vacancy trends and y/y bps change. 2Q08 vacancy rates are relatively flat as compared to 2Q07 as y/y bps increases in Class A and D vacancy were partially offset by y/y declines in Class B and C vacancy. Total vacancy for the market of 7.6% was down 32 bps y/y.

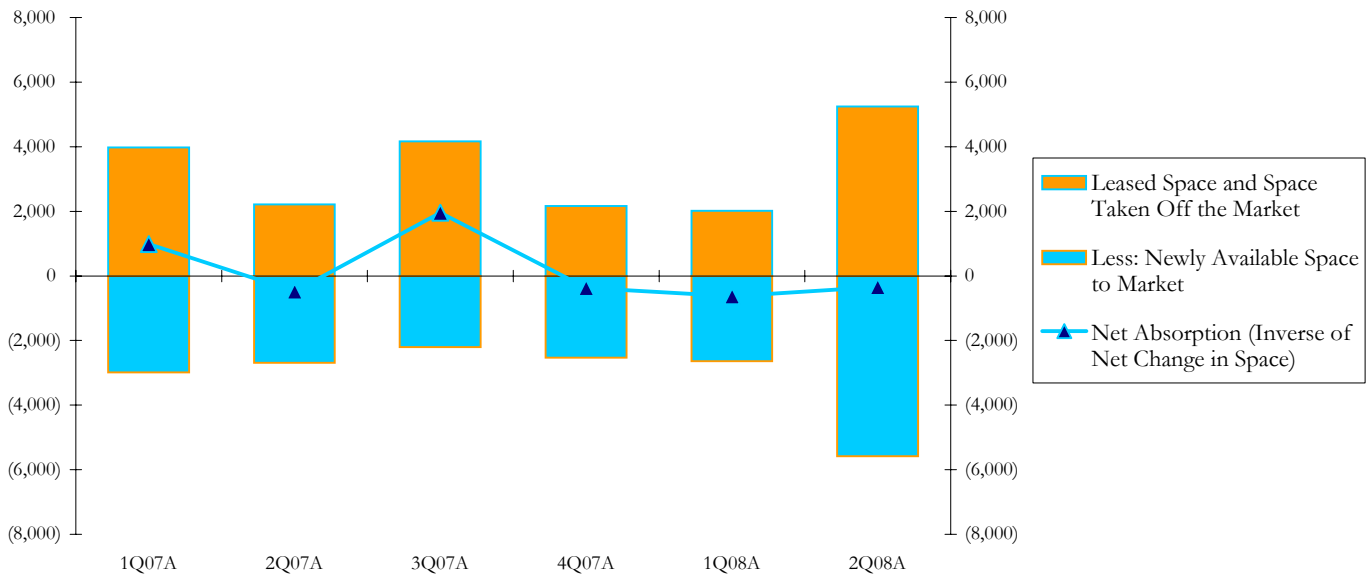
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Midtown Office Market Analysis

Absorption Trend Line

(all square feet in '000s)

	2006A	1Q07A	2Q07A	3Q07A	4Q07A	2007A	1Q08A	2Q08A
CHANGE IN AVAILABLE SPACE:								
Total Market Square Feet	193,199	193,199	193,199	193,199	193,199	193,199	193,242	193,242
Beginning Available Square Feet	15,077	15,787	14,799	15,277	13,318	15,787	13,688	14,314
Plus: Newly Available Space to Market	16,972	2,986	2,693	2,204	2,530	10,413	2,642	5,587
Less:								
Leased Space	(9,442)	(1,810)	(1,634)	(1,987)	(1,494)	(6,925)	(1,686)	(4,366)
Space Taken Off Market	(6,821)	(2,163)	(582)	(2,176)	(667)	(5,588)	(330)	(878)
Net Change in Space	710	(987)	478	(1,959)	369	(2,100)	626	343
Ending Available Square Feet	15,787	14,799	15,277	13,318	13,688	13,688	14,314	14,657
% Total Vacancy	8.2%	7.7%	7.9%	6.9%	7.1%	7.1%	7.4%	7.6%
SUBMARKET ABSORPTION:								
Leased Space and Space Taken Off the Market	16,263	3,973	2,216	4,163	2,161	12,513	2,016	5,244
Less: Newly Available Space to Market	(16,972)	(2,986)	(2,693)	(2,204)	(2,530)	(10,413)	(2,642)	(5,587)
Net Absorption (Inverse of Net Change in Space)	(710)	987	(478)	1,959	(369)	2,100	(626)	(343)



TENANTWISE

Midtown Office Market Analysis Market Status Trendline

(all square feet in '000s)

	2Q06A	3Q06A	4Q06A	2006A	1Q07A	2Q07A	3Q07A	4Q07A	2007A	1Q08A	2Q08A
CLASS A BUILDINGS:											
Total Square Feet	121,110	121,110	121,110	121,110	121,110	121,110	121,110	121,110	121,110	121,110	121,110
Direct Available Square Feet	5,808	5,582	5,449	5,449	4,861	5,146	5,390	5,385	5,385	6,072	6,686
% Direct Vacancy	4.8%	4.6%	4.5%	4.5%	4.0%	4.2%	4.5%	4.4%	4.4%	5.0%	5.5%
Y/Y bps Change	(72)	(50)	(40)	(40)	(83)	(55)	(16)	(5)	(5)	100	127
% of Class A Available Square Feet	72.1%	63.0%	58.5%	58.5%	59.9%	61.9%	70.4%	73.0%	73.0%	75.9%	78.5%
Direct Price (\$/sf)	\$71.48	\$73.49	\$76.32	\$76.32	\$81.40	\$87.41	\$92.89	\$96.17	\$96.17	\$98.60	\$96.99
% Y/Y Change	7.0%	10.2%	12.9%	12.9%	17.5%	22.3%	26.4%	26.0%	26.0%	21.1%	11.0%
Number of Direct Listings	547	538	528	528	486	478	445	444	444	467	491
Sublease Available Square Feet	2,250	3,283	3,866	3,866	3,249	3,169	2,267	1,988	1,988	1,928	1,836
% Sublease Vacancy	1.9%	2.7%	3.2%	3.2%	2.7%	2.6%	1.9%	1.6%	1.6%	1.6%	1.5%
Y/Y bps Change	(186)	(4)	136	136	113	76	(84)	(155)	(155)	(109)	(110)
% of Class A Available Square Feet	27.9%	37.0%	41.5%	41.5%	40.1%	38.1%	29.6%	27.0%	27.0%	24.1%	21.5%
Sublease Price (\$/sf)	\$61.17	\$62.57	\$63.13	\$63.13	\$68.17	\$69.50	\$68.70	\$65.32	\$65.32	\$68.50	\$78.04
% Y/Y Change	5.0%	10.0%	16.8%	16.8%	22.8%	13.6%	9.8%	3.5%	3.5%	0.5%	12.3%
Number of Sublease Listings	148	189	214	214	177	180	129	119	119	121	107
Class A Available Square Feet	8,058	8,864	9,314	9,314	8,110	8,315	7,657	7,373	7,373	8,000	8,522
% Total Vacancy	6.7%	7.3%	7.7%	7.7%	6.7%	6.9%	6.3%	6.1%	6.1%	6.6%	7.0%
Y/Y bps Change	(259)	(53)	97	97	29	21	(100)	(160)	(160)	(9)	17
Total Price (\$/sf)	\$68.66	\$69.47	\$70.89	\$70.89	\$76.19	\$81.07	\$86.96	\$89.44	\$89.44	\$93.34	\$93.63
% Y/Y Change	8.2%	9.8%	11.0%	11.0%	15.6%	18.1%	25.2%	26.2%	26.2%	22.5%	15.5%
Total Number of Listings	695	727	742	742	663	658	574	563	563	588	598
CLASS B BUILDINGS:											
Total Square Feet	35,353	35,353	35,353	35,353	35,353	35,353	35,353	35,353	35,353	35,353	35,353
Direct Available Square Feet	3,121	3,091	2,915	2,915	2,933	3,227	2,202	2,700	2,700	3,191	3,132
% Direct Vacancy	8.8%	8.7%	8.2%	8.2%	8.3%	9.1%	6.2%	7.6%	7.6%	9.0%	8.9%
Y/Y bps Change	(218)	(348)	(273)	(273)	(52)	30	(251)	(61)	(61)	73	(27)
% of Class B Available Square Feet	78.8%	80.9%	80.9%	80.9%	84.0%	85.5%	82.2%	87.1%	87.1%	86.8%	92.5%
Direct Price (\$/sf)	\$59.81	\$59.72	\$55.91	\$55.91	\$63.71	\$66.08	\$73.40	\$73.88	\$73.88	\$74.51	\$77.37
% Y/Y Change	13.1%	5.8%	-2.8%	-2.8%	8.4%	10.5%	22.9%	32.1%	32.1%	16.9%	17.1%
Number of Direct Listings	261	265	261	261	254	276	193	219	219	244	261
Sublease Available Square Feet	838	729	688	688	561	547	476	400	400	484	255
% Sublease Vacancy	2.4%	2.1%	1.9%	1.9%	1.6%	1.5%	1.3%	1.1%	1.1%	1.4%	0.7%
Y/Y bps Change	(4)	(20)	(21)	(21)	(39)	(82)	(71)	(81)	(81)	(22)	(83)
% of Class B Available Square Feet	21.2%	19.1%	19.1%	19.1%	16.0%	14.5%	17.8%	12.9%	12.9%	13.2%	7.5%
Sublease Price (\$/sf)	\$44.00	\$47.54	\$48.75	\$48.75	\$54.41	\$53.57	\$57.98	\$56.96	\$56.96	\$56.64	\$59.91
% Y/Y Change	8.7%	12.4%	19.9%	19.9%	30.2%	21.7%	22.0%	16.8%	16.8%	4.1%	11.8%
Number of Sublease Listings	49	51	50	50	43	46	46	39	39	37	30
Class B Available Square Feet	3,959	3,820	3,603	3,603	3,494	3,775	2,678	3,100	3,100	3,675	3,387
% Total Vacancy	11.2%	10.8%	10.2%	10.2%	9.9%	10.7%	7.6%	8.8%	8.8%	10.4%	9.6%
Y/Y bps Change	(223)	(368)	(294)	(294)	(91)	(52)	(323)	(142)	(142)	51	(110)
Total Price (\$/sf)	\$56.55	\$57.46	\$54.60	\$54.60	\$62.28	\$64.41	\$71.52	\$72.20	\$72.20	\$72.92	\$76.52
% Y/Y Change	11.1%	5.9%	-0.3%	-0.3%	11.7%	13.9%	24.5%	32.2%	32.2%	17.1%	18.8%
Total Number of Listings	310	316	311	311	297	322	239	258	258	281	291
CLASS C BUILDINGS:											
Total Square Feet	14,845	14,845	14,845	14,845	14,845	14,845	14,845	14,845	14,845	15,126	15,126
Direct Available Square Feet	852	1,007	821	821	1,344	1,311	1,172	1,419	1,419	920	927
% Direct Vacancy	5.7%	6.8%	5.5%	5.5%	9.1%	8.8%	7.9%	9.6%	9.6%	6.1%	6.1%
Y/Y bps Change	(305)	(39)	(109)	(109)	420	309	111	403	403	(297)	(270)
% of Class C Available Square Feet	89.0%	81.9%	80.9%	80.9%	88.4%	86.3%	93.0%	94.2%	94.2%	94.2%	99.0%
Direct Price (\$/sf)	\$47.96	\$49.88	\$51.71	\$51.71	\$54.38	\$57.22	\$60.84	\$61.96	\$61.96	\$64.54	\$66.74
% Y/Y Change	11.5%	11.6%	13.5%	13.5%	16.8%	19.3%	22.0%	19.8%	19.8%	18.7%	16.6%
Number of Direct Listings	159	194	166	166	191	175	130	200	200	202	180
Sublease Available Square Feet	105	223	194	194	177	209	88	88	88	57	9
% Sublease Vacancy	0.7%	1.5%	1.3%	1.3%	1.2%	1.4%	0.6%	0.6%	0.6%	0.4%	0.1%
Y/Y bps Change	(106)	36	26	26	25	70	(91)	(72)	(72)	(82)	(135)
% of Class C Available Square Feet	11.0%	18.1%	19.1%	19.1%	11.6%	13.7%	7.0%	5.8%	5.8%	5.8%	1.0%
Sublease Price (\$/sf)	\$37.20	\$45.37	\$45.76	\$45.76	\$45.81	\$42.00	\$36.24	\$38.00	\$38.00	\$55.97	\$65.00
% Y/Y Change	5.3%	25.5%	21.1%	21.1%	22.0%	12.9%	-20.1%	-16.9%	-16.9%	22.2%	54.8%
Number of Sublease Listings	14	19	18	18	14	17	10	9	9	10	5
Class C Available Square Feet	957	1,230	1,015	1,015	1,520	1,520	1,260	1,507	1,507	976	937
% Total Vacancy	6.4%	8.3%	6.8%	6.8%	10.2%	10.2%	8.5%	10.2%	10.2%	6.5%	6.2%
Y/Y bps Change	(410)	(3)	(83)	(83)	445	379	20	332	332	(379)	(405)
Total Price (\$/sf)	\$46.77	\$49.06	\$50.57	\$50.57	\$52.94	\$54.23	\$58.54	\$60.28	\$60.28	\$64.07	\$66.72
% Y/Y Change	11.2%	12.7%	13.7%	13.7%	17.2%	15.9%	19.3%	19.2%	19.2%	21.0%	23.0%
Total Number of Listings	173	213	184	184	205	192	140	209	209	212	183

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Midtown Office Market Analysis Market Status Trendline

(all square feet in '000s)

	2Q06A	3Q06A	4Q06A	2006A	1Q07A	2Q07A	3Q07A	4Q07A	2007A	1Q08A	2Q08A
CLASS D BUILDINGS:											
Total Square Feet	21,892	21,892	21,892	21,892	21,892	21,892	21,892	21,892	21,892	21,654	21,654
Direct Available Square Feet	1,556	1,592	1,633	1,633	1,474	1,459	1,591	1,562	1,562	1,564	1,671
% Direct Vacancy	7.1%	7.3%	7.5%	7.5%	6.7%	6.7%	7.3%	7.1%	7.1%	7.2%	7.7%
Y/Y bps Change	48	253	290	290	(30)	(44)	(1)	(33)	(33)	49	105
% of Class D Available Square Feet	85.8%	86.7%	88.0%	88.0%	88.0%	87.5%	92.3%	91.5%	91.5%	94.1%	92.3%
Direct Price (\$/sf)	\$56.93	\$56.96	\$57.62	\$57.62	\$58.72	\$59.83	\$60.82	\$62.79	\$62.79	\$73.11	\$80.77
% Y/Y Change	32.5%	28.5%	26.9%	26.9%	4.5%	5.1%	6.8%	9.0%	9.0%	24.5%	35.0%
Number of Direct Listings	259	272	277	277	243	249	216	212	212	213	189
Sublease Available Square Feet	258	244	222	222	201	209	133	146	146	99	140
% Sublease Vacancy	1.2%	1.1%	1.0%	1.0%	0.9%	1.0%	0.6%	0.7%	0.7%	0.5%	0.6%
Y/Y bps Change	(0)	17	29	29	(2)	(22)	(51)	(35)	(35)	(46)	(31)
% of Class D Available Square Feet	14.2%	13.3%	12.0%	12.0%	12.0%	12.5%	7.7%	8.5%	8.5%	5.9%	7.7%
Sublease Price (\$/sf)	\$34.80	\$35.19	\$34.98	\$34.98	\$35.78	\$35.97	\$38.39	\$43.32	\$43.32	\$49.22	\$62.50
% Y/Y Change	-3.1%	1.0%	-0.8%	-0.8%	1.3%	3.4%	9.1%	23.8%	23.8%	37.6%	73.8%
Number of Sublease Listings	33	32	27	27	23	26	21	20	20	13	20
Class D Available Square Feet	1,814	1,836	1,855	1,855	1,675	1,668	1,724	1,708	1,708	1,662	1,812
% Total Vacancy	8.3%	8.4%	8.5%	8.5%	7.7%	7.6%	7.9%	7.8%	7.8%	7.7%	8.4%
Y/Y bps Change	48	271	319	319	(32)	(67)	(51)	(67)	(67)	2	75
Total Price (\$/sf)	\$53.75	\$54.00	\$54.87	\$54.87	\$56.18	\$57.14	\$59.34	\$61.48	\$61.48	\$72.37	\$80.50
% Y/Y Change	28.6%	26.3%	24.8%	24.8%	4.5%	6.3%	9.9%	12.1%	12.1%	28.8%	40.9%
Total Number of Listings	292	304	304	304	266	275	237	232	232	226	209
TOTAL MIDTOWN MARKET:											
Total Midtown Square Feet	193,199	193,199	193,199	193,199	193,199	193,199	193,199	193,199	193,199	193,242	193,242
Direct Square Feet	11,337	11,271	10,817	10,817	10,612	11,144	10,354	11,066	11,066	11,746	12,418
% Direct Vacancy	5.9%	5.8%	5.6%	5.6%	5.5%	5.8%	5.4%	5.7%	5.7%	6.1%	6.4%
Y/Y bps Change	(103)	(69)	(50)	(50)	(33)	(10)	(47)	13	13	59	66
% of Midtown Available Square Feet	76.7%	71.6%	68.5%	68.5%	71.7%	72.9%	77.7%	80.8%	80.8%	82.1%	84.7%
Direct Avg. Asking Price (\$/sf)	\$65.14	\$65.89	\$68.02	\$68.02	\$70.66	\$74.07	\$80.19	\$81.63	\$81.63	\$86.00	\$87.60
% Y/Y Change	11.9%	10.0%	11.6%	11.6%	16.2%	13.7%	21.7%	20.0%	20.0%	21.7%	18.3%
Number of Direct Listings	1226	1269	1232	1232	1174	1178	984	1075	1075	1126	1121
Sublease Square Feet	3,452	4,479	4,969	4,969	4,187	4,134	2,964	2,621	2,621	2,567	2,240
% Sublease Vacancy	1.8%	2.3%	2.6%	2.6%	2.2%	2.1%	1.5%	1.4%	1.4%	1.3%	1.2%
Y/Y bps Change	(126)	(1)	87	87	65	35	(78)	(122)	(122)	(84)	(98)
% of Midtown Available Square Feet	23.3%	28.4%	31.5%	31.5%	28.3%	27.1%	22.3%	19.2%	19.2%	17.9%	15.3%
Sublease Avg. Asking Price (\$/sf)	\$54.32	\$57.89	\$59.66	\$59.66	\$61.48	\$64.30	\$64.65	\$61.91	\$61.91	\$65.25	\$74.95
% Y/Y Change	1.2%	10.3%	20.9%	20.9%	24.9%	18.4%	11.7%	3.8%	3.8%	6.1%	16.6%
Number of Sublease Listings	244	291	309	309	257	269	206	187	187	181	160
Total Available Square Feet	14,789	15,750	15,787	15,787	14,799	15,277	13,318	13,688	13,688	14,314	14,657
% Total Vacancy	7.7%	8.2%	8.2%	8.2%	7.7%	7.9%	6.9%	7.1%	7.1%	7.4%	7.6%
Y/Y bps Change	(229)	(70)	37	37	32	25	(126)	(109)	(109)	(25)	(32)
Total Avg. Asking Price (\$/sf)	\$62.66	\$63.64	\$65.44	\$65.44	\$67.97	\$71.67	\$77.59	\$78.84	\$78.84	\$83.67	\$86.33
% Y/Y Change	10.1%	9.8%	12.0%	12.0%	16.5%	14.4%	21.9%	20.5%	20.5%	23.1%	20.5%
Total Number of Listings	1,470	1,560	1,541	1,541	1,431	1,447	1,190	1,262	1,262	1,307	1,281