

## **ASX RELEASE**

### **RECKSON NYPT COMMENCES TRADING ON AUSTRALIAN STOCK EXCHANGE**

Reckson New York Property Trust (the Trust) (ASX:RNYCA) will commence trading today on the Australian Stock Exchange. The Trust is the first Australian listed property trust with a primary strategy of investing in well-located office properties in the New York Tri-State area in the United States.

The listing follows the successful Initial Public Offer (IPO) which raised A\$263.4 million, after applications were scaled back. The fully paid issue price per unit was A\$1.00 per unit, payable in two instalments, an initial payment of A\$0.65 per unit, and the final instalment of A\$0.35 due in October 2006.

Proceeds from the offer are being used to acquire a 75 per cent indirect interest in a portfolio of 25 suburban core plus office properties, from Reckson Associates Realty Corp. (Reckson) (NYSE:RA), located in the sought after New York Tri-State market, for approximately US\$422 million (approximately A\$550 million). Reckson has retained a 25 per cent indirect interest in these properties.

The properties were acquired at more than a 5 per cent discount to the independently assessed value, and the portfolio, which extends across Long Island, Northern New Jersey, Westchester County and Fairfield County, is, as of June 30, 2005, approximately 90.5 per cent leased with a weighted average lease term to expiry of 4.4 years comprising a broad range of tenants representing a diverse industry base.

The Trust is forecasting to distribute 6.41 cents per unit for the first full financial year of operations ending 31 December 2006, resulting in a yield of 8.70 per cent. Including foreign tax credits, the yield is forecasted to be 9.23 per cent. The estimated tax deferral percentage of distributions is at least 70 per cent.

Chairman and Chief Executive Officer of the Trust's responsible entity, Reckson Australia Management Limited (RAML), Mr. Scott Rechler, said, "There are compelling supply and demand dynamics and demographics in the New York Tri-State area making it one of the healthiest office markets in the United States."

"The properties represent a portfolio of well located, quality office properties, offering organic growth opportunities through lease up of vacant space in the portfolio. To date, during the third quarter of 2005 we have executed 14 leases for a total of approximately 47,100 square feet."

The Trust has a two-year option to purchase an additional ten suburban core plus office properties from Reckson, comprising approximately 1.2 million square feet, to be priced at fair market value at the time the option is exercised. Reckson anticipates that it will continue to maintain a 25 per cent indirect interest in future core plus investments with the Trust.

Director and Chief Financial Officer of RAML, Michael Maturo stated, "We are also pleased to have established our Australian office and are very excited about developing long-term relationships with unitholders and Australian investors in the Trust."

Mr. Maturo continued, "Francis Sheehan has been relocated to Australia to serve as fund manager of the Trust. Mr. Sheehan was formerly an officer of Reckson."

The Trust is managed by Reckson Australia Management Limited (RAML), an Australian licensed Responsible Entity which is wholly owned by Reckson Operating Partnership, L.P. Other affiliates of Reckson serve as property manager, leasing agent, asset manager, and construction manager and provide other services to the properties in the Trust's portfolio.

Citigroup Global Markets Australia Pty Limited and UBS AG, Australia Branch were joint lead managers and underwriters to the IPO. Bell Potter Securities, Citigroup Wealth Advisors Pty Limited and UBS Private Clients Australia Limited acted as co-managers to the offer.

A slideshow with more information regarding the IPO, some recent leasing activity of the Trust's portfolio, and a general update on the New York Tri-State suburban markets will be posted on the Trust's website at [www.recksonnypt.com.au](http://www.recksonnypt.com.au).

Reckson Associates Realty Corp. is a self-administered and self-managed real estate investment trust (REIT) specializing in the acquisition, leasing, financing, management and development of Class A office properties. Reckson was founded 47 years ago and was first listed on the New York Stock Exchange in 1995. The Company is one of the largest publicly traded owners, managers and developers of Class A office properties in the New York Tri-State area.

Certain statements herein relate to the Trust's future performance ("forward looking statements"). Although RAML believes such statements are based on reasonable assumptions, forward-looking statements are not guarantees of results and no assurance can be given that the expected results will be delivered. Such forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results to differ materially from those expected. Among those risks, trends and uncertainties are the general economic climate, including the conditions affecting industries in which principal tenants compete; financial condition of tenants; changes in the supply of and demand for office properties in the New York Tri-State area; changes in interest rate levels and changes in credit ratings and changes in the cost of and access to capital.

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**FOR FURTHER INFORMATION:**

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