

3 March 2006

The Manager  
Company Announcements  
Australian Stock Exchange Limited  
20 Bridge Street  
Sydney NSW 2000

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**Reckson New York Property Trust (ASX:RNYCA) Reports Results for  
Announcement to the Market for the Period Ended 31 December 2005**

**Property Operating Performance and Distributable Income Ahead of Forecast**

(SYDNEY, 3 MARCH 2006) - Reckson Australia Management Limited (the Company) as responsible entity of Reckson New York Property Trust (the Trust) reported net profit after tax of \$8.1 million or A\$0.0307 per partly paid unit for the period ending 31 December 2005, which includes the impact from a variety of non cash items including adjustments for the fair value of derivative contracts, movements in the carrying value of properties due to the capitalisation of expenses and resultant deferred tax expenses, mortgage cost amortisation and straight line rents. When measured on a cash basis, the Trust beat its forecast net rental income by over US\$200,000 and beat forecast distributable income by A\$190,000. On 28 February 2006, the trust made its forecast distribution of A\$3,924,867 or A\$0.0149 per partly-paid unit, in line with the forecast contained in the PDS and therefore will carry a retained earnings balance in excess of forecast. The Trust also reported net tangible assets of A\$0.67 versus A\$0.63 at inception.

**Highlights & Summary Portfolio Performance**

- Property operations US\$269,000 in excess of forecast
- Distributable income A\$190,000 in excess of forecast
- Modified debt financing strategy and mitigated costs by taking advantage of the flat U.S. Treasury curve rather than a steepening forward LIBOR curve by exchanging floating rate debt for attractive long-term fixed rate debt
- Maintained strong occupancy with 94.8% for tranche I and 90.3% for the portfolio
- Reported strong leasing activity by executing 18 lease transactions totaling 117,027 square feet including a renewal rate of 97% for tranche I and 26 lease transactions totaling 139,556 square feet including a renewal rate of 74% for the entire portfolio
- Rent performance on renewal and replacement space increased 10.5% on an average rent basis and 0.2% on a cash basis
- Average lease term on executed transactions was 5.7 years
- Successfully mitigated debt costs through swapping 710 Bridgeport Avenue (originally a tranche III property) with 580 White Plains Road (originally a tranche II property) while utilizing fixed rate mortgage debt;

- Subsequent to period end on 7 January 2006, closed on tranche II properties; and
- Distributed A\$0.0149 per partly-paid unit, in-line with PDS forecast

Commenting on year-end performance, Scott Rechler, Chairman and Chief Executive Officer, stated, "I am extremely pleased with the results of our first reporting period since listing. Our activities during this period reflect our active approach to managing our portfolio and balance sheet in a manner that will enhance Trust's long-term potential."

Michael Maturo, Executive Vice President and Chief Financial Officer, added, "The U.S. markets continue to provide very well priced capital to finance property acquisitions. We were pleased with the two fixed rate debt financings we completed in connection with the tranche I and II acquisition transactions. We raised \$268 million of fixed rate interest only debt at an effective weighted average rate of 5.27% with a weighted average maturity of 6.1 years."

The Trust is managed by RAML, an Australian licensed responsible entity which is wholly owned by Reckson Operating Partnership, L.P., an affiliate of Reckson Associates Realty Corp. (NYSE: RA). 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 portfolio.

Reckson 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 48 years ago and was first listed on the New York Stock Exchange in 1995. Reckson is one of the largest publicly traded owners, managers and developers of Class A office properties in the New York Tri-State area.

*Certain statement 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:

Investors

Francis Sheehan  
Fund Manager, Reckson NYPT  
Tel: 02 9293 2910

Media

Peter Brookes  
Cannings  
Tel: 02 8284 9966

U.S. contact

Michael Maturo  
Chief Financial Officer  
Tel: 631-622-6630