

11 August 2006

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

Reckson New York Property Trust (ASX:RNYCA) Reports Half-Year Results for the Period Ended 30 June 2006 and Confirms 2006 Distribution Forecast of AU6.41 Cents Per Unit

Also Announces A\$27.8 Million Valuation Uplift to 10 Properties for the period, the Sale of 88 Duryea Road at Premium Pricing, and the Execution of a Long-Term Lease Renewal at 492 River Road

Reckson Australia Management Limited (the Company) as responsible entity of Reckson New York Property Trust (the Trust) reported net profit after tax of A\$26.0 million or A\$0.0986 per partly paid unit for the period ending 30 June 2006. After adjusting for the impact from certain non cash and non-recurring items, net profit after tax was A\$8.2 million, or A\$0.0312 per partly paid unit.

Highlights & Summary Portfolio Performance

- Closed on Tranche II properties on 7 January 2006
- Transfer of A\$1,477,000 to Unitholder's funds for period
- Maintained strong occupancy with 91.5% for Tranches I and II, and 90.1% for the entire portfolio
- Reported strong leasing activity by executing 44 lease transactions totaling 317,816 square feet including a renewal rate of 90.6% for Tranches I and II, and 54 lease transactions totaling 381,356 square feet including a renewal rate of 90.0% for the entire portfolio
- Contractual rent on renewal and replacement space increased 6.1% on an average rent basis
- Average lease term on executed transactions was 6.7 years
- Scheduled to distribute A\$7,586,320, or A\$0.0288 per partly-paid unit, on or about 28 August 2006

The Company is also pleased to report a valuation uplift of A\$20.2 million (US\$15.0 million) related to the Trust's 75% interest with respect to nine of the Trust's 19 properties, as a result of independent third party appraisals conducted on the nine properties. In addition, the Company realised a valuation uplift of A\$7.6 million (US\$5.7 million) in the Tranche II properties as a result of independent third party appraisals completed in connection with the purchase. NTA per unit increased to A\$0.72 per unit at 30 June 2006, versus A\$0.67 at 31 December 2005.

Results of the independent valuations are summarized below (all dollar figures in US\$):

Property	June 2006	Prior	\$US Change	% Change	Cap Rate Jun-06	Cap Rate Prior	Discount Rate Jun-06	Discount Rate Prior	Terminal Cap Rate Jun-06	Terminal Cap Rate Prior
35 Pinelawn Road Melville, NY	\$15.1	\$14.6	\$0.5	3.61%	7.00%	7.50%	8.50%	8.50%	7.25%	8.00%
200 Broadhollow Road Melville, NY	10.1	9.4	0.7	7.20%	7.00%	7.50%	8.50%	8.50%	7.25%	8.00%
150 Motor Parkway Hauppauge, NY	27.6	27.5	0.2	0.55%	7.50%	8.00%	9.00%	9.50%	8.00%	8.50%
300 Motor Parkway Hauppauge, NY	6.8	6.5	0.4	5.81%	7.00%	7.50%	8.50%	9.00%	8.00%	8.00%
55 Charles Lindbergh Blvd Uniondale, NY	25.3	23.9	1.4	5.97%	8.00%	9.00%	9.50%	9.50%	8.50%	8.50%
492 River Road Nutley, NJ	29.3	22.3	7.1	31.65%	7.00%	7.50%	8.50%	9.00%	7.50%	8.00%
6900 Jericho Turnpike Syosset, NY	12.5	11.8	0.7	5.73%	7.25%	7.25%	8.50%	8.50%	7.75%	7.75%
6800 Jericho Turnpike Syosset, NY	26.9	25.4	1.5	5.92%	6.50%	7.00%	8.50%	8.50%	7.00%	7.50%
225 High Ridge Road Stamford, CT	60.0	57.4	2.6	4.58%	6.50%	7.50%	8.00%	8.25%	7.25%	7.50%
Total	\$213.5	\$198.5	\$15.0	7.56%						

Note: Represents RNY's 75% interest

Additionally, the Trust has executed a 10-year lease extension at 492 River Road in Nutley, New Jersey with Radianz US (a division of BT America Inc.), a net lease credit tenant who occupies the entire 130,009 square foot property. The original lease was scheduled to expire in May of 2011. The extended term, which runs through May 2021, includes fixed rent increases which equate to approximately 2.5% annually. This lease extension, coupled with capitalization rate compression, has resulted in significant uplift to the carrying value of the property.

On 23 June 2006, RNY closed on the sale of 88 Duryea Road in Melville, New York, for total consideration of US\$5.32 million. The property, a 23,900 square foot, two storey office building, was originally purchased by RNY for US\$4.0 million on 21 September 2005 as part of the closing of Tranche I. The sale price represents a gain of 33% over the purchase price. Approximately 50% of the leased space at the property was scheduled to expire in August 2006.

Commenting on activity for the period, Scott Rechler, Chairman and Chief Executive Officer, stated, "The River Road and Duryea transactions demonstrate our ability to actively manage our existing portfolio and capitalize on opportunities to enhance value." Rechler added, "We recognized that 88 Duryea Road would yield a higher valuation from a user than as a multi-tenant building due to its size and location. By marketing it in this manner, we were able to create significant incremental value."

Michael Maturo, Executive Vice President and Chief Financial Officer, added, "the current investment environment and leasing dynamics in Long Island and Connecticut,

as well as the exceptional lease transaction at 492 River Road, have resulted in the strong operating results and uplift to NTA during the period.”

The Trust is managed by RAML, an Australian licensed responsible entity which is 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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