

12 February 2014

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

RNY Property Trust (ASX:RNY) Update related to RXR Realty

RNY Australia Management Limited (RAML) as responsible entity of RNY Property Trust (the Trust) reports that on February 7, 2014, affiliates of RXR Realty LLC (“RXR”), the indirect corporate parent of RAML, engaged in an exchange of joint-venture interests (the “Exchange”) with one of its institutional partners (the “Institutional Partner”).

RXR and its partners, which prior to the Exchange included the Institutional Partner, indirectly own:

- the 25% interest in RNY’s property portfolio not owned by RNY unitholders (the “25% Interest”), and
- 100% of the US entity which receives asset management fees related to RNY’s property portfolio (the “US Asset Manager”).

In the Exchange, such Institutional Partner transferred its entire interest in (i) the 25% Interest, and (ii) the US Asset Manager to RXR in exchange for (i) RXR’s entire interest in a separate suburban property portfolio which prior to the Exchange was owned by RXR and its partners (of which the Institutional Partner is one), and (ii) cash (which was paid by affiliates of RXR, not paid by RNY). After the Exchange, RXR owns 56.5% of the 25% Interest and 80% of the US Asset Manager.

Although RNY and RAML are not a party to, and are not affected by, the Exchange transaction, the Independent Directors of RNY were informed with regards to the terms of such transaction. The terms of such transaction were also delivered to the appraisal firm engaged by RAML to perform appraisals related to the RNY portfolio. The appraisal firm has confirmed that, in its view, the terms of the Exchange described above are not material for their purposes (since it is not a market negotiated, third-party transaction), and that the Exchange would not have an impact on their estimate of values and cap rate conclusions.

The Trust is managed by RAML, an Australian licensed responsible entity which is an affiliate of RXR Realty. Other affiliates of RXR serve as property manager, leasing agent, asset manager, and construction manager and provide other services to the properties in the Trust portfolio. RXR is one of the New York Tri-State area’s leading real estate companies, specializing in the acquisition, leasing, financing, property and asset management, design and development, and construction of commercial properties.

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.

For further information:

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