

6 August 2010

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

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**RNY Property Trust (ASX:RNY) Reports Six-month Results for  
the Period Ended 30 June 2010**

**Distributable Earnings of A\$6.0 million on Net Loss of A\$(10.3) million;**

**RNY Australia Management Limited (RAML) as responsible entity of RNY Property Trust (the Trust)** reported net loss after tax of A\$(10.3) million or A\$(0.0391) per unit for the six month period ended 30 June 2010. Adjusting for the impact from certain non cash items and foreign exchange gain or loss, the Trust reported adjusted net profit after tax of A\$3.5 million, or A\$0.0135 per unit and distributable earnings of A\$6.0 million, or A\$0.0228 per unit.

**Highlights & Summary Portfolio Performance**

- Reported leasing activity of 317,737 square feet on 41 transactions (9.6% of the total square feet in the portfolio), including the renewal of Lockheed Martin, a 123,554 square foot tenant at 55 Charles Lindbergh Blvd. in Long Island, NY;
- Achieved a renewal rate of 75.1%;
- Witnessed the bankruptcy and termination of two major tenants: Pratt Read, a 127,833 square foot tenant at 710 Bridgeport Avenue and Lend America, a 68,617 square foot tenant at 520 Broadhollow Road;
  - Adversely impacted period end occupancy, dropping to 82.2% from 88.4% at 31 December 2009;
  - Significantly lowered revenue, with same property NOI decreasing 10.0% in the 1<sup>st</sup> half of 2010 versus the 1<sup>st</sup> half of 2009;
- Engaged CB Richard Ellis to perform appraisals of four of the Trust's properties, and to provide cap rate data to complete the valuations for the Trust's other 20 operating properties. The Trust's share of the decrease in the revaluation of the portfolio is US\$(11.2) million, which results in an NTA of US\$0.39 per unit (A\$0.45):

Revaluation Summary (all amounts are in US\$000's):

Region	30 June	31 Dec	Change from 31 Dec		30 June	Change from 30 June	
	2010	2009	US\$	%	2009	US\$	%
Total Long Island	153,039	162,679	(9,640)	-5.9%	183,696	(30,657)	-16.7%
Total New Jersey	59,387	60,143	(755)	-1.3%	63,181	(3,794)	-6.0%
Total Westchester	85,048	84,197	851	1.0%	87,327	(2,279)	-2.6%
Total Connecticut	64,784	66,420	(1,636)	-2.5%	76,658	(11,874)	-15.5%
Total Portfolio	<u>362,258</u>	<u>373,439</u>	<u>(11,181)</u>	<u>-3.0%</u>	<u>410,862</u>	<u>(48,604)</u>	<u>-11.8%</u>

Note: Represents RNY's 75% interest, excluding 1155 Railroad Avenue (which is held for sale)

As a result of the above, the average per square foot value of the portfolio decreased to US\$146 (US\$151 excluding 225 High Ridge Road in Stamford, CT and 710 Bridgeport Avenue in Shelton, CT) with an average terminal cap rate of 8.41% used to value the portfolio

As previously announced, the Trust has suspended distributions to unitholders in order to strengthen its capital position, increase liquidity, and reduce debt.

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.*

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