UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from...............to..............................
Commission file number 1-13274

MACK-CALI REALTY CORPORATION

(Exact name of registrant as specified in its charter)

Maryland	22-3305147
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

11 COMMERCE DRIVE, CRANFORD, NEW JERSEY 07016-3501

(Address or principal executive office)
(Zip Code)

(908) 272-8000

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve (12) months (or such shorter period that the Registrant was required to file such report) YES X NO____ and (2) has been subject to such filing requirements for the past ninety (90) days YES X NO____________.

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of August 7, 2000, there were 58,878,195 shares of $0.01 par value common stock outstanding.

MACK-CALI REALTY CORPORATION

FORM 10-Q

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PART II OTHER INFORMATION AND SIGNATURES

MACK-CALI REALTY CORPORATION

PART I - FINANCIAL INFORMATION

ITEM I. FINANCIAL STATEMENTS

The accompanying unaudited consolidated balance sheets, statements of operations, of changes in stockholders' equity, and of cash flows and related notes, have been prepared in accordance with generally accepted accounting principles ("GAAP") for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the disclosures required by GAAP for complete financial statements. The financial statements reflect all adjustments consisting only of normal, recurring adjustments, which are in the opinion of management, necessary for a fair presentation for the interim periods.

The aforementioned financial statements should be read in conjunction with the notes to the aforementioned financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations and the financial statements and notes thereto included in Mack-Cali Realty Corporation's Annual Report on Form 10-K and Form 10-K/A for the fiscal year ended December 31, 1999.

The results of operations for the three and six month periods ended June 30, 2000 are not necessarily indicative of the results to be expected for the entire fiscal year or any other period.

<TABLE>
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MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

ASSETS	June 30, 2000 (UNAUDITED)	December 31, 1999
<S>	<C>	<C>
Rental property		
Land and leasehold interests	$ 548,813	$ 549,096
Buildings and improvements	3,015,197	3,014,532
Tenant improvements	84,687	85,057
Furniture, fixtures and equipment	6,169	6,160
	3,654,866	3,654,845
Less - accumulated depreciation and amortization	(270,065)	(256,629)
Total rental property	3,384,801	3,398,216
Cash and cash equivalents	10,535	8,671
Investments in unconsolidated joint ventures	95,382	89,134
Unbilled rents receivable	43,821	53,253
Deferred charges and other assets, net	80,117	66,436
Restricted cash	6,498	7,081
Accounts receivable, net of allowance for doubtful accounts of $537 and $672	6,950	6,810
Total assets	$ 3,628,104	$ 3,629,601

LIABILITIES AND STOCKHOLDERS' EQUITY

Senior unsecured notes	$ 782,942	$ 782,785
Revolving credit facilities	215,730	177,000
Mortgages and loans payable	488,605	530,390
Dividends and distributions payable	42,543	42,499
Accounts payable and accrued expenses	74,376	63,394
Rents received in advance and security deposits	34,170	36,150
Accrued interest payable	16,263	16,626
Total liabilities	1,654,629	1,648,844
MINORITY INTERESTS:		
Operating Partnership	455,645	455,275
Partially-owned properties	--	83,600
Total minority interests	455,645	538,875
Commitments and contingencies		
STOCKHOLDERS' EQUITY:		
Preferred stock, 5,000,000 shares authorized, none issued	--	--
Common stock, $0.01 par value, 190,000,000 shares authorized, 58,782,808 and 58,446,552 shares outstanding	588	584
Additional paid-in capital	1,561,547	1,549,888
Dividends in excess of net earnings	(40,997)	(103,902)
Unamortized stock compensation	(3,308)	(4,688)
Total stockholders' equity	1,517,830	1,441,882
Total liabilities and stockholders' equity	$ 3,628,104	$ 3,629,601

</TABLE>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

<TABLE>
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MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
REVENUES	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Base rents	$122,072	$116,499	$243,670	$232,579
Escalations and recoveries from tenants	14,627	16,366	31,295	31,226
Parking and other	6,128	3,061	9,450	6,961
Equity in earnings of unconsolidated joint ventures	1,070	834	2,207	628
Interest income	1,992	215	2,246	470
Total revenues	145,889	136,975	288,868	271,864
EXPENSES				
Real estate taxes	14,733	14,208	29,437	28,051
Utilities	10,014	9,829	20,393	19,421
Operating services	16,822	17,429	34,564	34,516
General and administrative	5,159	5,568	11,272	13,531
Depreciation and amortization	22,945	22,465	45,127	44,434
Interest expense	26,835	25,697	53,261	49,319
Non-recurring charges	9,228	16,458	9,228	16,458
Total expenses	105,736	111,654	203,282	205,730
Income before gain on sales of rental property and minority interests	40,153	25,321	85,586	66,134
Gain on sales of rental property	73,921	--	76,169	--
Income before minority interests	114,074	25,321	161,755	66,134
MINORITY INTERESTS:				
Operating Partnership	16,784	6,635	25,760	15,384

Partially-owned properties	2,982	--	5,072	--
Net income	$ 94,308	$ 18,686	$130,923	$ 50,750
Basic earnings per share	$ 1.61	$ 0.32	$ 2.24	$ 0.87
Diluted earnings per share	$ 1.52	$ 0.32	$ 2.14	$ 0.87
Dividends declared per common share	$ 0.58	$ 0.55	$ 1.16	$ 1.10
Basic weighted average shares outstanding	58,545	58,510	58,420	58,337
Diluted weighted average shares outstanding	73,284	67,486	73,237	67,385

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<CAPTION>

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (IN THOUSANDS)
(UNAUDITED)

	Common Stock		Additional	Dividends in	Unamortized	Total
			Paid-In	Excess of	Stock	Stockholders'
	Shares	Par Value	Capital	Net Earnings	Compensation	Equity
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at January 1, 2000	58,447	$ 584	$ 1,549,888	$ (103,902)	$ (4,688)	$ 1,441,882
Net income	--	--	--	130,923	--	130,923
Dividends	--	--	--	(68,018)	--	(68,018)
Redemption of common units for shares of common stock	256	3	8,361	--	--	8,364
Proceeds from stock options exercised	80	1	1,664	--	--	1,665
Deferred compensation plan for directors	--	--	54	--	--	54
Amortization of stock compensation	--	--	--	--	1,313	1,313
Adjustment to fair value of restricted stock	--	--	30	--	67	97
Stock options charge	--	--	1,550	--	--	1,550
Balance at June 30, 2000	58,783	$ 588	$ 1,561,547	$ (40,997)	$ (3,308)	$ 1,517,830

</TABLE>

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MACK-CALI REALTY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (IN THOUSANDS) (UNAUDITED)

CASH FLOWS FROM OPERATING ACTIVITIES	Six Months Ended June 30, 2000	1999
<S>	<C>	<C>
Net income	$ 130,923	$ 50,750
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	45,127	44,434
Amortization of stock compensation	1,410	--
Amortization of deferred financing costs and debt discount	1,802	1,518
Stock options charge	1,550	--
Equity in earnings of unconsolidated joint ventures	(2,207)	(628)
Gain on sales of rental property	(76,169)	--
Minority interests	30,832	15,384
Changes in operating assets and liabilities:		
Increase in unbilled rents receivable	(5,537)	(7,397)
Increase in deferred charges and other assets, net	(15,697)	(10,794)
Increase in accounts receivable, net	(140)	(2,770)
Increase in accounts payable and accrued expenses	10,982	5,891
(Decrease) increase in rents received in advance and security deposits	(1,937)	1,137
(Decrease) increase in accrued interest payable	(363)	12,483
Net cash provided by operating activities	$ 120,576	$ 110,008
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to rental property	$(170,062)	$ (71,107)
Investments in unconsolidated joint ventures	(11,081)	(29,941)
Distributions from unconsolidated joint ventures	7,040	10,634
Proceeds from sales of rental property	235,849	--
Decrease (increase) in restricted cash	583	(134)
Net cash provided by (used in) investing activities	$ 62,329	$ (90,548)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from senior unsecured notes	$ --	$ 597,252
Proceeds from revolving credit facilities	435,030	130,900
Proceeds from mortgages and loans payable	--	45,500
Repayments of revolving credit facilities	(396,300)	(653,900)
Repayments of mortgages and loans payable	(41,785)	(45,819)
Distributions to minority interest in partially-owned properties	(88,672)	--
Repurchase of common stock	--	(713)
Payment of financing costs	(5,979)	(6,592)
Proceeds from stock options exercised	1,665	933
Proceeds from dividend reinvestment and stock purchase plan	--	10
Payment of dividends and distributions	(85,000)	(81,321)
Net cash used in financing activities	$(181,041)	$ (13,750)
Net increase in cash and cash equivalents	$ 1,864	$ 5,710
Cash and cash equivalents, beginning of period	$ 8,671	$ 5,809
Cash and cash equivalents, end of period	$ 10,535	$ 11,519

</TABLE>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (DOLLARS IN THOUSANDS, EXCEPT PER SHARE/UNIT AMOUNTS)

1. ORGANIZATION AND BASIS OF PRESENTATION

ORGANIZATION

Mack-Cali Realty Corporation, a Maryland corporation, and subsidiaries (the "Company") is a fully-integrated, self-administered, self-managed real estate investment trust ("REIT") providing leasing, management, acquisition, development, construction and tenant-related services for its properties. As of June 30, 2000, the Company owned or had interests in 266 properties plus developable land (collectively, the "Properties"). The Properties aggregate approximately 28.4 million square feet, and are comprised of 163 office buildings and 90 office/flex buildings totaling approximately 28.0 million square feet (which includes eight office buildings and four office/flex buildings aggregating 1.5 million square feet, owned by unconsolidated joint ventures in which the Company has investment interests), six industrial/warehouse buildings totaling approximately 387,400 square feet, two multi-family residential complexes consisting of 451 units, two stand-alone retail properties and three land leases. The Properties are located in 12 states, primarily in the Northeast, plus the District of Columbia.

BASIS OF PRESENTATION
The accompanying consolidated financial statements include all accounts of the Company, its majority-owned and/or controlled subsidiaries, which consist principally of Mack-Cali Realty, L.P. ("Operating Partnership"). See Investments in Unconsolidated Joint Ventures in Note 2 for the Company's treatment of unconsolidated joint venture interests. All significant intercompany accounts and transactions have been eliminated.

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. SIGNIFICANT ACCOUNTING POLICIES

RENTAL PROPERTY

Rental properties are stated at cost less accumulated depreciation and amortization. Costs directly related to the acquisition and development of rental properties are capitalized. Capitalized development costs include interest, property taxes, insurance and other project costs incurred during the period of development. Included in total rental property is construction-in-progress of $163,179 and $98,438 as of June 30, 2000 and December 31, 1999, respectively. Ordinary repairs and maintenance are expensed as incurred; major replacements and betterments, which improve or extend the life of the asset, are capitalized and depreciated over their estimated useful lives. Fully-depreciated assets are removed from the accounts.

Properties are depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Leasehold interests	Remaining lease term
Buildings and improvements	5 to 40 years
Tenant improvements	The shorter of the term of the related lease or useful life
Furniture, fixtures and equipment	5 to 10 years

On a periodic basis, management assesses whether there are any indicators that the value of the real estate properties may be impaired. A property's value is impaired only if management's estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property are less than the carrying value of the property. To

the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the property over the fair value of the property. Management does not believe that the value of any of its rental properties is impaired.

When assets are identified by management as held for sale, the Company discontinues depreciating the assets and estimates the sales price, net of selling costs, of such assets. If, in management's opinion, the net sales price of the assets which have been identified for sale is less than the net book value of the assets, a valuation allowance is established.

INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

The Company accounts for its investments in unconsolidated joint ventures under the equity method of accounting as the Company exercises significant influence, but does not control these entities. These investments are recorded initially at cost, as Investments in Unconsolidated Joint Ventures, and subsequently adjusted for equity in earnings and cash contributions and distributions. Any difference between the carrying amount of these investments on the balance sheet of the Company and the underlying equity in net assets is amortized as an adjustment to equity in earnings of unconsolidated joint ventures over 40 years. See Note 4.

CASH AND CASH EQUIVALENTS

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

DEFERRED FINANCING COSTS

Costs incurred in obtaining financing are capitalized and amortized on a straight-line basis, which approximates the effective interest method, over the term of the related indebtedness. Amortization of such costs is included in interest expense and was $901 and $917 for the three months ended June 30, 2000 and 1999, respectively, and $1,802 and $1,518 for the six months ended June 30, 2000 and 1999, respectively.

DEFERRED LEASING COSTS

Costs incurred in connection with leases are capitalized and amortized on a straight-line basis over the terms of the related leases and included in depreciation and amortization. Unamortized deferred leasing costs are charged to amortization expense upon early termination of the lease. Certain employees of the Company provide leasing services to the Properties and receive compensation based on space leased. The portion of such compensation which is capitalized and amortized, approximated $896 and $743 for the three months ended June 30, 2000 and 1999, respectively, and $1,589 and $1,401 for the six months ended June 30, 2000 and 1999, respectively.

REVENUE RECOGNITION

Base rental revenue is recognized on a straight-line basis over the terms of the respective leases. Unbilled rents receivable represents the amount by which straight-line rental revenue exceeds rents currently billed in accordance with the lease agreements. Parking revenue includes income from parking spaces leased to tenants. Rental income on residential property under operating leases having terms generally of one year or less is recognized when earned.

Reimbursements are received from tenants for certain costs as provided in the lease agreements. These costs generally include real estate taxes, utilities, insurance, common area maintenance and other recoverable costs. See Note 14.

INCOME AND OTHER TAXES

The Company has elected to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"). As a REIT, the Company generally will not be subject to corporate federal income tax on net income that it currently distributes to its shareholders, provided that the Company satisfies certain organizational and operational requirements including the requirement to distribute at least 95 percent of its REIT taxable income to its shareholders. If the Company fails to qualify as a REIT in any taxable year, the Company will be subject to federal income tax (including any applicable alternative minimum tax) on its taxable income at regular corporate tax rates. The Company is subject to certain state and local taxes.

INTEREST RATE CONTRACTS

Interest rate contracts are utilized by the Company to reduce interest rate risks. The Company does not hold or issue derivative financial instruments for trading purposes. The differentials to be received or paid under contracts designated as hedges are recognized over the life of the contracts as adjustments to interest expense.

In certain situations, the Company uses forward treasury lock agreements to mitigate the potential effects of changes in interest rates for prospective transactions. Gains and losses are deferred and amortized as adjustments to interest expense over the remaining life of the associated debt to the extent that such debt remains outstanding.

EARNINGS

PER SHARE

In accordance with the Statement of Financial Accounting Standards No. 128 ("FASB No. 128"), the Company presents both basic and diluted earnings per share ("EPS"). Basic EPS excludes dilution and is computed by dividing net income available to common stockholders by the weighted average number of shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock, where such exercise or conversion would result in a lower EPS amount.

DIVIDENDS AND DISTRIBUTIONS PAYABLE

The dividends and distributions payable at June 30, 2000 represents dividends payable to shareholders of record as of July 6, 2000 (58,782,808 shares), distributions payable to minority interest common unitholders (8,075,720 common units) on that same date and preferred distributions payable to preferred unitholders (223,124 preferred units) for the second quarter 2000. The second quarter 2000 dividends and common unit distributions of $0.58 per share and per common unit, as well as the second quarter preferred unit distribution of $16.875 per preferred unit, were approved by the Board of Directors on June 20, 2000 and paid on July 24, 2000.

The dividends and distributions payable at December 31, 1999 represents dividends payable to shareholders of record as of January 4, 2000 (58,450,552 shares), distributions payable to minority interest common unitholders (8,153,710 common units) on that same date and preferred distributions payable to preferred unitholders (229,304 preferred units) for the fourth quarter 1999. The fourth quarter 1999 dividends and common unit distributions of $0.58 per share and per common unit (pro-rated for units issued during the quarter), as well as the fourth quarter preferred unit distribution of $16.875 per preferred unit, were approved by the Board of Directors on December 17, 1999 and paid on January 21, 2000.

UNDERWRITING COMMISSIONS AND COSTS

Underwriting commissions and costs incurred in connection with the Company's stock offerings are reflected as a reduction of additional paid-in capital.

STOCK OPTIONS

The Company accounts for stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations ("APB No. 25"). Under APB No. 25, compensation cost is measured as the excess, if any, of the quoted market price of the Company's stock at the date of grant over the exercise price of the option granted. Compensation cost for stock options, if any, is recognized ratably over the vesting period. The Company's policy is to grant options with an exercise price equal to the quoted closing market price of the Company's stock on the business day preceding the grant date. Accordingly, no compensation cost has been recognized under the Company's stock option plans for the granting of stock options. See Note 15.

NON-RECURRING CHARGES

The Company considers non-recurring charges as costs incurred specific to significant non-recurring events that impact the comparative measurement of the Company's performance.

RECLASSIFICATIONS

Certain reclassifications have been made to prior period amounts in order to conform with current period presentation.

3. ACQUISITIONS/TRANSACTIONS

2000 TRANSACTIONS
OPERATING PROPERTY ACQUISITIONS

<TABLE>
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Acquisition Date	Property/Portfolio Name	Location	# of Bldgs.	Rentable Square Feet	Investment by Company (a)
OFFICE					
<S>	<C>	<C>	<C>	<C>	<C>
5/23/00	555 & 565 Taxter Road	Elmsford, Westchester County, NY	2	341,108	$ 42,980

6/14/00	Four Gatehall Drive	Parsippany, Morris County, NJ	1	248,480	42,381
TOTAL OFFICE PROPERTY ACQUISITIONS:			3	589,588	$ 85,361
OFFICE/FLEX					
3/24/00	Two Executive Drive (b)	Moorestown, Burlington County, NJ	1	60,800	$ 4,007
TOTAL OFFICE/FLEX PROPERTY ACQUISITION:			1	60,800	$ 4,007
TOTAL OPERATING PROPERTY ACQUISITIONS:			4	650,388	$ 89,368

</TABLE>

SEE FOOTNOTES ON PAGE 13.

LAND TRANSACTIONS

On January 13, 2000, the Company acquired approximately 12.7 acres of developable land located at the Company's Airport Business Center, Lester, Delaware County, Pennsylvania. The land was acquired for approximately $2,069.

OTHER TRANSACTIONS

On June 27, 2000, the Company, the Operating Partnership, Prentiss Properties Trust, a Maryland REIT ("Prentiss"), and Prentiss Properties Acquisition Partners, L.P., a Delaware limited partnership of which Prentiss (through a wholly-owned direct subsidiary) is the sole general partner ("Prentiss Partnership"), entered into an agreement and plan of merger ("Merger Agreement"). The Merger Agreement provides for a merger of Prentiss with and into the Company ("the Merger"), with the Company being the surviving corporation and, immediately prior to the merger, a merger of Prentiss Partnership with and into the Operating Partnership (or a limited liability company or a limited partnership owned entirely directly or indirectly by the Operating Partnership) (the "Partnership Merger" and, together with the Merger, the "Mergers").

Under the terms of the Merger Agreement, Prentiss common stock will be exchanged for the Company's common stock at a fixed exchange ratio of 0.956 of a share of the Company's stock for each share of Prentiss stock. The exchange ratio is not subject to change based on changes in the market prices of either company's common stock and there is no "collar" for the exchange ratio. The transaction values Prentiss at approximately $2,300,000, including approximately

$1,000,000 of debt and $245,000 in preferred equity. The Company expects to issue approximately 36.6 million new shares of common stock in the transaction. The Company intends to finance any cash requirements of the transaction with funds made available through borrowings on the Company's credit facilities.

With the completion of the transaction, the composition of the Company's 13-member Board of Directors will change and increase to 14 with the addition of Michael V. Prentiss, currently Chairman of the board of trustees at Prentiss, as Co-Chairman of the Board of Directors of the Company.

Subject to certain conditions, including, without limitation, applicable approval from the shareholders of both the Company and Prentiss, and the unitholders of the Operating Partnership and Prentiss Partnership, the Company expects to consummate the Mergers in the fourth quarter of 2000.

Concurrently with the announcement of the Merger Agreement, the Company announced that William L. Mack was appointed Chairman of the Board of Directors and John J. Cali was named Chairman Emeritus of the Board of Directors. Brant Cali resigned as Executive Vice President, Chief Operating Officer and Assistant Secretary of the Company and as a member of the Board of Directors, and John R. Cali resigned as Executive Vice President, Development of the Company. John R. Cali was appointed to the Board of Directors of the Company to take the seat previously held by Brant Cali. (See Note 13).

DISPOSITIONS

On February 25, 2000, the Company sold 39.1 acres of vacant land located at the Company's Horizon Center Business Park in Hamilton Township, Mercer County, New Jersey for net proceeds, after selling costs, of approximately $4,179.

On April 17, 2000, the Company sold 95 Christopher Columbus Drive located in Jersey City, Hudson County, New Jersey for net proceeds, after selling costs, of approximately $148,222.

On April 20, 2000, the Company sold Atrium at Coulter Ridge located in Amarillo, Potter County, Texas for net proceeds, after selling costs, of approximately $1,467.

On June 9, 2000, the Company sold 412 Mt. Kemble Avenue located in Morris Township, Morris County, New Jersey for net proceeds, after selling costs, of approximately $81,981.

1999 TRANSACTIONS
OPERATING PROPERTY ACQUISITIONS
The Company acquired the following operating properties during the year ended December 31, 1999:

<TABLE>
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Acquisition Date	Property/Portfolio Name	Location	# of Bldgs.	Rentable Square Feet	Investment by Company (c)
OFFICE					
3/05/99	Pacifica Portfolio - Phase III (d)	Colorado Springs, El Paso County, CO	2	94,737	$ 5,709
7/21/99	1201 Connecticut Avenue, NW	Washington, D.C.	1	169,549	32,799
TOTAL OFFICE PROPERTY ACQUISITIONS:			3	264,286	$ 38,508
OFFICE/FLEX					
12/21/99	McGarvey Portfolio - Phase III (b)	Moorestown, Burlington County, NJ	3	138,600	$ 8,012
TOTAL OFFICE/FLEX PROPERTY ACQUISITION:			3	138,600	$ 8,012
TOTAL OPERATING PROPERTY ACQUISITIONS:			6	402,886	$ 46,520

</TABLE>

SEE FOOTNOTES ON PAGE 13.

PROPERTIES PLACED IN SERVICE
The Company placed in service the following properties through the completion of development or redevelopment during the year ended December 31, 1999:

<TABLE>
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Date Placed in Service	Property Name	Location	# of Bldgs.	Rentable Square Feet	Investment by Company (c)
OFFICE					
8/09/99	2115 Linwood Avenue	Fort Lee, Bergen County, NJ	1	68,000	$ 8,147
11/01/99	795 Folsom Street (e)	San Francisco, San Francisco County, CA	1	183,445	37,337
TOTAL OFFICE PROPERTIES PLACED IN SERVICE:			2	251,445	$ 45,484
OFFICE/FLEX					
3/01/99	One Center Court	Totowa, Passaic County, NJ	1	38,961	$ 2,140
9/17/99	12 Skyline Drive	Hawthorne, Westchester County, NY	1	46,850	5,023
12/10/99	600 West Avenue (f)	Stamford, Fairfield County, CT	1	66,000	5,429
TOTAL OFFICE/FLEX PROPERTIES PLACED IN SERVICE:			3	151,811	$ 12,592
LAND LEASE					
2/01/99	Horizon Center Business Park (g)	Hamilton Township, Mercer County, NJ	N/A	27.7 acres	$ 1,007

TOTAL LAND LEASE TRANSACTIONS:		27.7 acres	$ 1,007
TOTAL PROPERTIES PLACED IN SERVICE:	5	403,256	$ 59,083

</TABLE>

(a) Transaction was funded primarily from net proceeds received in the sale or sales of rental property.
(b) The properties were acquired through the exercise of a purchase option obtained in the initial acquisition of the McGarvey portfolio in January 1998.
(c) Unless otherwise noted, transactions were funded by the Company with funds primarily made available through draws on the Company's credit facilities.
(d) William L. Mack, Chairman of the Board of Directors of the Company and an equity holder of the Operating Partnership, was an indirect owner of an interest in certain of the buildings contained in the Pacifica portfolio.
(e) On June 1, 1999, the building was acquired for redevelopment for approximately $34,282.
(f) On May 4, 1999, the Company acquired, from an entity whose principals include Timothy M. Jones, Martin S. Berger and Robert F. Weinberg, each of whom are affiliated with the Company as the President of the Company, a current member of the Board of Directors and a former member of the Board of Directors of the Company, respectively, approximately 2.5 acres of vacant land in the Stamford Executive Park, located in Stamford, Fairfield County, Connecticut. The Company acquired the land for approximately $2,181.
(g) On February 1, 1999, the Company entered into a ground lease agreement to lease 27.7 acres of developable land located at the Company's Horizon Center Business Park, located in Hamilton Township, Mercer County, New Jersey on which Home Depot constructed a 134,000 square-foot retail store.

LAND TRANSACTIONS

On February 26, 1999, the Company acquired approximately 2.3 acres of vacant land adjacent to one of the Company's operating properties located in San Antonio, Bexar County, Texas for approximately $1,524, which was made available from the Company's cash reserves.

On March 2, 1999, the Company entered into a joint venture agreement with SJP Vaughn Drive, L.L.C. Under the agreement, the Company has agreed to contribute its vacant land at Three Vaughn Drive, Princeton, Mercer County, New Jersey, subject to satisfaction of certain conditions, for an equity interest in the venture.

On March 15, 1999, the Company entered into a joint venture with SJP 106 Allen Road, L.L.C. to form MC-SJP Pinson Development, LLC, which acquired vacant land located in Bernards Township, Somerset County, New Jersey. The venture has commenced construction of a 132,010 square-foot office building on this site. The Company accounts for the joint venture on a consolidated basis.

On August 31, 1999, the Company acquired, from an entity whose principals include Brant Cali, a former Executive Vice President and Chief Operating Officer of the Company and a former member of the Board of Directors of the Company, and certain immediate family members of John J. Cali, Chairman Emeritus of the Board of Directors of the Company, approximately 28.1 acres of developable land adjacent to two of the Company's operating properties

located in Roseland, Essex County, New Jersey for approximately $6,097. The acquisition was funded with cash and the issuance of 121,624 common units to the seller (see Note 11). The Company has commenced construction of a 220,000 square-foot office building on the acquired land.

In August 1999, the Company entered into an agreement with SJP Properties Company ("SJP Properties") which provides a cooperative effort in seeking approvals to develop up to approximately 1.8 million square feet of office development on certain vacant land owned or controlled, respectively, by the Company and SJP Properties, in Hanover and Parsippany, Morris County, New Jersey. The agreement provides that the parties shall share equally in the costs associated with seeking such requisite approvals. Subsequent to obtaining the requisite approvals, upon mutual consent, the Company and SJP Properties may enter into one or more joint ventures to construct on the vacant land, or seek to dispose of their respective vacant land parcels subject to the agreement.

DISPOSITIONS

On November 15, 1999, the Company sold its 70,550 square-foot office building located at 400 Alexander Road in Princeton, Mercer County, New Jersey for net proceeds, after selling costs, of approximately $8,628.

On December 15, 1999, the Company sold its 119,301 square-foot office building located at 20002 North 19th Avenue in Phoenix, Maricopa County, Arizona for net proceeds, after selling costs, of approximately $8,772.

4. INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

PRU-BETA 3 (NINE CAMPUS DRIVE)
On March 27, 1998, the Company acquired a 50 percent interest in an existing joint venture with The Prudential Insurance Company of America ("Prudential"), known as Pru-Beta 3, which owns and operates Nine Campus Drive, a 156,495 square-foot office building, located in the Mack-Cali Business Campus (formerly Prudential Business Campus) office complex in Parsippany, Morris County, New Jersey. The Company performs management and leasing services for the property owned by the joint venture and recognized $75 and $75 in fees for such services in the six months ended June 30, 2000 and 1999, respectively.

HPMC
On April 23, 1998, the Company entered into a joint venture agreement with HCG Development, L.L.C. and Summit Partners I, L.L.C. to form HPMC Development Partners, L.P. and, on July 21, 1998, entered into a second joint venture, HPMC Development Partners II, L.P. (formerly known as HPMC Lava Ridge Partners, L.P.), with these same parties. HPMC Development Partners, L.P.'s efforts have focused on two development projects, commonly referred to as Continental Grand II and Summit Ridge. HPMC Development Partners II, L.P.'s efforts have focused on three development projects, commonly referred to as Lava Ridge, Peninsula Gateway and Stadium Gateway. Among other things, the partnership agreements provide for a preferred return on the Company's invested capital in each venture, in addition to 50 percent of such venture's profit above the preferred returns, as defined in each agreement.

CONTINENTAL GRAND II
Continental Grand II is a 237,360 square-foot office building located in El Segundo, Los Angeles County, California, which was constructed and placed in service by the venture.

SUMMIT RIDGE
Summit Ridge is an office complex of three one-story buildings aggregating 133,750 square feet located in San Diego, San Diego County, California, which was constructed and placed in service by the venture.

LAVA RIDGE
Lava Ridge is an office complex of three two-story buildings aggregating 183,200 square feet located in Roseville, Placer County, California, which was constructed and placed in service by the venture.

PENINSULA GATEWAY
Peninsula Gateway is a parcel of land purchased from the City of Daly City, California, upon which the venture has commenced construction of an office building and theater and retail complex aggregating 471,379 square feet.

STADIUM GATEWAY
Stadium Gateway is a 1.5 acre site located in Anaheim, Orange County, California, acquired by the venture upon which it has commenced construction of a six-story 261,554 square-foot office building.

G&G MARTCO (CONVENTION PLAZA)
On April 30, 1998, the Company acquired a 49.9 percent interest in an existing joint venture, known as G&G Martco, which owns Convention Plaza, a 305,618 square-foot office building, located in San Francisco, San Francisco County, California. A portion of its initial investment was financed through the issuance of common units, as well as funds drawn from the Company's credit facilities. Subsequently, on June 4, 1999, the Company acquired an additional 0.1 percent interest in G&G Martco through the issuance of common units (see Note 11). The Company performs management and leasing services for the property owned by the joint venture and recognized $104 and $108 in fees for such services in the six months ended June 30, 2000 and 1999, respectively.

AMERICAN FINANCIAL EXCHANGE L.L.C.
On May 20, 1998, the Company entered into a joint venture agreement with Columbia Development Company, L.L.C. to form American Financial Exchange L.L.C. The venture was initially formed to acquire land for future development, located on the Hudson River waterfront in Jersey City, Hudson County, New Jersey, adjacent to the Company's Harborside Financial Center office complex. The Company holds a 50 percent interest in the joint venture. Among other things, the partnership agreement provides for a preferred return on the Company's invested capital in the venture, in addition to the Company's proportionate share of the venture's profit, as defined in the agreement. The joint venture acquired land on which it constructed a parking facility, which is currently leased to a parking operator under a 10-year agreement. Such parking facility serves a ferry service between the Company's Harborside property and Manhattan.

RAMLAND REALTY ASSOCIATES L.L.C. (ONE RAMLAND ROAD)
On August 20, 1998, the Company entered into a joint venture agreement with S.B. New York Realty Corp. to form Ramland Realty Associates L.L.C. The venture was formed to own, manage and operate One Ramland Road, a 232,000 square-foot office/flex building plus adjacent developable land, located in Orangeburg, Rockland County, New York. In August 1999, the joint venture completed redevelopment of the property and placed the office/flex building in service. The Company holds a 50 percent interest in the joint venture. The Company performs management, leasing and other services for the property owned by the joint venture and recognized $147 and $0 in fees for such services in the six months ended June 30, 2000 and 1999, respectively.

ASHFORD LOOP ASSOCIATES L.P. (1001 SOUTH DAIRY ASHFORD/2100 WEST LOOP SOUTH) On September 18, 1998, the Company entered into a joint venture agreement with Prudential to form Ashford Loop Associates L.P. The venture was formed to own, manage and operate 1001 South Dairy Ashford, a 130,000 square-foot office building acquired on September 18, 1998 and 2100 West Loop South, a 168,000 square-foot office building acquired on November 25, 1998, both located in Houston, Harris County, Texas. The Company holds a 20 percent interest in the joint venture. The joint venture may be required to pay additional consideration due to earn-out provisions in the acquisition contracts. Subsequently, through June 30, 2000, the venture paid $16,519 ($3,304 representing the Company's share) in accordance with earn-out provisions in the acquisition contracts. The Company performs management and leasing services for the properties owned by the joint venture and recognized $59 and $63 in fees for such services in the six months ended June 30, 2000 and 1999, respectively.

ARCAP INVESTORS, L.L.C.
On March 18, 1999, the Company invested in ARCap Investors, L.L.C., a joint venture with several participants, which was formed to invest in sub-investment grade tranches of commercial mortgage-backed securities ("CMBS"). The Company has invested $20,000 in the venture. William L. Mack, Chairman of the Board of Directors of the Company and an equity holder of the Operating Partnership, is a principal of the managing member of the venture. At June 30, 2000, the venture held approximately $338,961 face value of CMBS bonds at an aggregate cost of $147,872.

NORTH PIER AT HARBORSIDE RESIDENTIAL DEVELOPMENT
On August 5, 1999, the Company entered into an agreement which, upon satisfaction of certain conditions, provides for the contribution of its North Pier at Harborside Financial Center, Jersey City, Hudson County, New Jersey to a joint venture with Lincoln Property Company Southwest, Inc., in exchange for cash and an equity interest in the venture. The venture intends to develop residential housing on the property.

SOUTH PIER AT HARBORSIDE HOTEL DEVELOPMENT
On November 17, 1999, the Company entered into an agreement with Hyatt Corporation to develop a 350-room luxury hotel on the Company's South Pier at Harborside Financial Center, Jersey City, Hudson County, New Jersey, subject to the satisfaction of certain conditions.

SUMMARIES OF UNCONSOLIDATED JOINT VENTURES
The following is a summary of the financial position of the unconsolidated joint ventures in which the Company had investment interests as of June 30, 2000 and December 31, 1999:

<TABLE>
<CAPTION>

	June 30, 2000							
	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS:								
Rental property, net	$ 21,312	$101,147	$ 11,100	$ 10,918	$ 19,417	$ 34,664	$ --	$198,558
Other assets	2,616	13,968	2,778	134	4,110	893	274,434	298,933
Total assets	$ 23,928	$115,115	$ 13,878	$ 11,052	$ 23,527	$ 35,557	$274,434	$497,491

	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
LIABILITIES AND PARTNERS'/ MEMBERS' CAPITAL:								
Mortgages and loans payable	$ --	$ 56,345	$ 50,000	$ --	$ 17,012	$ --	$136,953	$260,310
Other liabilities	171	6,643	1,321	1	331	533	36,989	45,989
Partners'/members' capital	23,757	52,127	(37,443)	11,051	6,184	35,024	100,492	191,192
Total liabilities and partners'/members' capital	$ 23,928	$115,115	$ 13,878	$ 11,052	$ 23,527	$ 35,557	$274,434	$497,491
Company's net investment in unconsolidated joint ventures	$ 16,397	$ 33,219	$ 4,949	$ 11,100	$ 2,655	$ 7,349	$ 19,713	$ 95,382

<CAPTION>

December 31, 1999	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
ASSETS:								
Rental property, net	$ 21,817	$ 70,823	$ 13,672	$ 10,752	$ 19,549	$ 28,755	$ --	$165,368
Other assets	3,319	3,260	2,467	773	5,069	704	239,441	255,033
Total assets	$ 25,136	$ 74,083	$ 16,139	$ 11,525	$ 24,618	$ 29,459	$239,441	$420,401
LIABILITIES AND PARTNERS'/ MEMBERS' CAPITAL:								
Mortgages and loans payable	$ --	$ 41,274	$ 43,081	$ --	$ 17,300	$ --	$108,407	$210,062
Other liabilities	186	4,769	1,383	2	1,263	815	36,109	44,527
Partners'/members' capita	24,950	28,040	(28,325)	11,523	6,055	28,644	94,925	165,812
Total liabilities and partners'/members' capital	$ 25,136	$ 74,083	$ 16,139	$ 11,525	$ 24,618	$ 29,459	$239,441	$420,401
Company's net investment in unconsolidated joint ventures	$ 17,072	$ 23,337	$ 8,352	$ 11,571	$ 2,697	$ 6,073	$ 20,032	$ 89,134

</TABLE>

The following is a summary of the results of operations of the unconsolidated joint ventures for the period in which the Company had investment interests during the three and six month periods ended June 30, 2000 and 1999:

<TABLE>
<CAPTION>

Three Months Ended June 30, 2000

	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Total revenues	$ 1,234	$ 2,504	$ 2,569	$ 254	$ 969	$ 1,469	$ 4,606	$ 13,605
Operating and other expenses	(401)	(813)	(793)	(51)	(273)	(641)	(721)	(3,693)
Depreciation and amortization	(305)	(1,065)	(336)	(7)	(241)	(210)	--	(2,164)
Interest expense	--	(793)	(1,039)	--	(377)	--	(932)	(3,141)
Net income (loss)	$ 528	$ (167)	$ 401	$ 196	$ 78	$ 618	$ 2,953	$ 4,607
Company's equity in earnings of unconsolidated joint ventures	$ 225	$ 102	$ 43	$ 139	$ 37	$ 124	$ 400	$ 1,070

<CAPTION>

Three Months Ended June 30, 1999

	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
Total revenues	$ 1,239	--	$ 2,160	$ 229	--	$ 1,071	$ 2,528	$ 7,227
Operating and other expenses	(371)	--	(699)	(61)	--	(575)	(1,622)	(3,328)
Depreciation and amortization	(307)	--	(230)	(23)	--	(108)	--	(668)
Interest expense	--	--	(738)	--	--	--	(519)	(1,257)
Net income	$ 561	--	$ 493	$ 145	--	$ 388	$ 387	$ 1,974
Company's equity in earnings of unconsolidated joint ventures	$ 242	--	$ 89	$ 145	--	$ 78	$ 280	$ 834

<CAPTION>

Six Months Ended June 30, 2000

	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Total revenues	$ 2,468	$ 3,560	$ 5,281	$ 504	$ 1,947	$ 2,832	$ 11,150	$ 27,742
Operating and other expenses	(819)	(987)	(1,553)	(82)	(590)	(1,271)	(1,292)	(6,594)
Depreciation and amortization	(611)	(1,406)	(762)	(20)	(482)	(403)	--	(3,684)
Interest expense	--	(1,120)	(1,914)	--	(746)	--	(1,701)	(5,481)

	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
Net income	$ 1,038	$ 47	$ 1,052	$ 402	$ 129	$ 1,158	$ 8,157	$ 11,983
Company's equity in earnings of unconsolidated joint ventures	$ 441	$ 102	$ 212	$ 345	$ 62	$ 245	$ 800	$ 2,207

</TABLE>

<TABLE>
<CAPTION>

Six Months Ended June 30, 1999

	Pru-Beta 3	HPMC	G&G Martco	American Financial Exchange	Ramland Realty	Ashford Loop	ARCap	Combined Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Total revenues	$ 2,470	--	$ 4,150	$ 417	--	$ 1,988	$ 2,775	$ 11,800
Operating and other expenses	(745)	--	(1,390)	(130)	--	(1,048)	(2,012)	(5,325)
Depreciation and amortization	(625)	--	(463)	(46)	--	(216)	--	(1,350)
Interest expense	--	--	(1,448)	--	--	--	(544)	(1,992)
Net income	$ 1,100	--	$ 849	$ 241	--	$ 724	$ 219	$ 3,133
Company's equity in earnings (loss) of unconsolidated joint ventures	$ 356	--	$ (277)	$ 191	--	$ 134	$ 224	$ 628

</TABLE>

5. DEFERRED CHARGES AND OTHER ASSETS

	June 30, 2000	December 31, 1999
Deferred leasing costs	$ 70,274	$ 62,076
Deferred financing costs	22,669	16,690
	92,943	78,766
Accumulated amortization	(22,002)	(20,197)
Deferred charges, net	70,941	58,569
Prepaid expenses and other assets	9,176	7,867
Total deferred charges and other assets, net	$ 80,117	$ 66,436

6. RESTRICTED CASH

Restricted cash includes security deposits for the Company's residential properties and certain commercial properties, and escrow and reserve funds for debt service, real estate taxes, property insurance, capital improvements, tenant improvements, and leasing costs established pursuant to certain mortgage financing arrangements, and is comprised of the following:

	June 30, 2000	December 31, 1999
Security deposits	$6,377	$6,021

Escrow and other reserve funds	121	1,060
Total restricted cash	$6,498	$7,081

7. RENTAL PROPERTY HELD FOR SALE

As of June 30, 2000 and December 31, 1999, included in total rental property is an office property that the Company has identified as held for sale. The office property has a carrying value of $12,493 and $12,479 as of June 30, 2000 and December 31, 1999, respectively, and is located in Omaha, Douglas County, Nebraska.

Also, as of December 31, 1999, included in total rental property were two office properties that the Company had identified as held for sale. The two office properties had an aggregate carrying value of $65,304 as of December 31, 1999 and were located in Jersey City, Hudson County, New Jersey and Amarillo, Potter County, Texas. The

Hudson County, New Jersey and Potter County, Texas properties were each sold in April 2000 in two separate transactions (see Note 3).

The following is a summary of the condensed results of operations of the rental property held for sale at June 30, 2000 for the six months ended June 30, 2000 and 1999:

	Six Months Ended June 30, 2000	1999
Total revenues	$ 1,931	$ 1,881
Operating and other expenses	(1,017)	(993)
Depreciation and amortization	(1)	(186)
Net income	$ 913	$ 702

There can be no assurance if and when the sale of the Company's rental property in Douglas County, Nebraska will occur.

8. SENIOR UNSECURED NOTES

On March 16, 1999, the Operating Partnership issued $600,000 face amount of senior unsecured notes with interest payable semi-annually in arrears. The total proceeds from the issuance (net of selling commissions and discount) of approximately $593,500 were used to pay down outstanding borrowings under the Unsecured Facility, as defined in Note 9, and to pay off certain mortgage loans. The senior unsecured notes were issued at a discount of approximately $2,748, which is being amortized over the terms of the respective tranches as an adjustment to interest expense.

On August 2, 1999, the Operating Partnership issued an additional $185,283 of senior unsecured notes with interest payable monthly. The Company used the proceeds to retire the TIAA Mortgage, as defined in Note 10.

The Operating Partnership's total senior unsecured notes (collectively, "Senior Unsecured Notes") are redeemable at any time at the option of the Company, subject to certain conditions including yield maintenance.

A summary of the terms of the Senior Unsecured Notes outstanding as of June 30, 2000 and December 31, 1999 is as follows:

<TABLE>
<CAPTION>

	June 30, 2000	December 31, 1999	Effective Rate (1)
<S>	<C>	<C>	<C>
7.18% Senior Unsecured Notes, due December 31, 2003	$185,283	$185,283	7.23%
7.00% Senior Unsecured Notes, due March 15, 2004	299,704	299,665	7.27%
7.25% Senior Unsecured Notes, due March 15, 2009	297,955	297,837	7.49%
Total Senior Unsecured Notes	$782,942	$782,785	7.34%

</TABLE>

(1) Includes the cost of terminated treasury lock agreements (if any), offering and other transaction costs and the discount on the notes, as

applicable.

The terms of the Senior Unsecured Notes include certain restrictions and covenants which require compliance with financial ratios relating to the maximum amount of debt leverage, the maximum amount of secured indebtedness, the minimum amount of debt service coverage and the maximum amount of unsecured debt as a percent of unsecured assets.

9. REVOLVING CREDIT FACILITIES

2000 UNSECURED FACILITY
On June 22, 2000, the Company obtained an unsecured revolving credit facility ("2000 Unsecured Facility") with a current borrowing capacity of $800,000 from a group of 24 lenders. The interest rate on outstanding borrowings under the credit line is currently the London Inter-Bank Offered Rate ("LIBOR") (6.64 percent at June 30, 2000) plus 80 basis points. The Company may instead elect an interest rate representing the higher of the lender's prime rate or the Federal Funds rate plus 50 basis points. Based upon a change in the Company's unsecured debt rating, the interest rate will be changed on a sliding scale. The 2000 Unsecured Facility also requires a 20 basis point facility fee on the current borrowing capacity payable quarterly in arrears. Subject to certain conditions, the Company has the ability to increase the borrowing capacity of the credit line up to $1,000,000. The 2000 Unsecured Facility matures in June 2003, with an extension option of one year, which would require a payment of 25 basis points of the then borrowing capacity of the credit line upon exercise.

The terms of the 2000 Unsecured Facility include certain restrictions and covenants which limit, among other things the payment of dividends (as discussed below), the incurrence of additional indebtedness, the incurrence of liens and the disposition of assets, and which require compliance with financial ratios relating to the maximum leverage ratio, the maximum amount of secured indebtedness, the minimum amount of tangible net worth, the minimum amount of debt service coverage, the minimum amount of fixed charge coverage, the maximum amount of unsecured indebtedness, the minimum amount of unencumbered property debt service coverage and certain investment limitations. The dividend restriction referred to above provides that, except to enable the Company to continue to qualify as a REIT under the Code, the Company will not during any four consecutive fiscal quarters make distributions with respect to common stock or other equity interests in an aggregate amount in excess of 90 percent of funds from operations (as defined) for such period, subject to certain other adjustments.

The lending group for the 2000 Unsecured Facility consists of: Chase Manhattan Bank, as administrative agent; Fleet National Bank, as syndication agent; Bank of America, N.A., as documentation agent; Bank One, NA, Commerzbank Aktiengesellschaft, First Union National Bank, as senior managing agents; PNC Bank, N.A., as managing agent; Bank Austria Creditanstalt Corporate Finance, Inc., Bayerische Hypo-und Vereinsbank AG, Dresdner Bank AG, Societe Generale, Summit Bank, Wells Fargo Bank, N.A., as co-agents; and Bayerische Landesbank Girozentrale; Citizens Bank of Massachusetts; European American Bank; Chevy Chase Bank; Citicorp Real Estate, Inc.; DG Bank Deutsche Genossenschaftsbank, AG; Erste Bank; KBC Bank N.V.; SunTrust Bank; Bank Leumi USA; and Israel Discount Bank of New York.

In conjunction with obtaining the 2000 Unsecured Facility, the Company drew funds on the new facility to repay in full and terminate the Unsecured Facility.

UNSECURED FACILITY
The Company had an unsecured revolving credit facility ("Unsecured Facility") with a borrowing capacity of $1,000,000 from a group of 28 lenders. The interest rate was based on the Company's achievement of investment grade unsecured debt ratings and, at the Company's election, bore interest at either 90 basis points over LIBOR or the higher of the lender's prime rate or the Federal Funds rate plus 50 basis points. In conjunction with obtaining the 2000 Unsecured Facility, the Company repaid in full and terminated the Unsecured Facility on June 22, 2000.

PRUDENTIAL FACILITY
The Company has a revolving credit facility ("Prudential Facility") with Prudential Securities Corp. ("PSC") in the amount of $100,000, which currently bears interest at 110 basis points over one-month LIBOR, with a maturity date of June 29, 2001. The Prudential Facility is a recourse liability of the Operating Partnership and is secured by the Company's equity interest in Harborside Plazas II and III. The Prudential Facility limits the ability of the Operating Partnership to make any distributions during any fiscal quarter in an amount in excess of 100 percent of the Operating Partnership's available funds from operations (as defined) for the immediately preceding fiscal quarter (except to the extent such excess distributions or dividends are attributable to gains from the sale of the Operating Partnership's assets or are required for the Company to maintain its status as a REIT under the Code); provided, however, that the Operating Partnership may make distributions and pay dividends in excess of 100 percent of available funds from operations (as

defined) for the preceding fiscal quarter for not more than three consecutive quarters. In addition to the foregoing, the Prudential Facility limits the liens placed upon the subject property and certain collateral, the use of proceeds

from the Prudential Facility, and the maintenance of ownership of the subject property and assets derived from said ownership.

SUMMARY
As of June 30, 2000 and December 31, 1999, the Company had outstanding borrowings of $215,730 and $177,000, respectively, under its revolving credit facilities (with aggregate borrowing capacity of $900,000 and $1,000,000, respectively). The total outstanding borrowings were from the 2000 Unsecured Facility at June 30, 2000 and from the Unsecured Facility at December 31, 1999, with no outstanding borrowings under the Prudential Facility.

10. MORTGAGES AND LOANS PAYABLE

	June 30, 2000	December 31, 1999
Portfolio Mortgages	$150,000	$150,000
Property Mortgages	338,605	380,390
Total mortgages and loans payable	$488,605	$530,390

PORTFOLIO MORTGAGES
TIAA MORTGAGE
The Company had a $185,283 non-recourse mortgage loan with Teachers Insurance and Annuity Association of America, with interest only payable monthly at a fixed annual rate of 7.18 percent ("TIAA Mortgage"). The TIAA Mortgage was secured and cross collateralized by 43 properties. The TIAA Mortgage was prepayable in whole or in part subject to certain provisions, including yield maintenance.

Using the proceeds from the issuance of $185,283 of senior unsecured notes on August 2, 1999 (see Note 8), the Company repaid in full and retired the TIAA Mortgage.

$150,000 PRUDENTIAL MORTGAGE LOAN
The Company has a $150,000, interest-only, non-recourse mortgage loan from Prudential ("$150,000 Prudential Mortgage Loan"). The loan, which is secured by 11 properties, has an effective annual interest rate of 7.10 percent and a seven-year term. The Company has the option to convert the mortgage loan to unsecured debt as a result of the achievement of an investment grade credit rating. The mortgage loan is prepayable in whole or in part subject to certain provisions, including yield maintenance.

PROPERTY MORTGAGES
The Company's property mortgages ("Property Mortgages") are comprised of various non-recourse loans which are collateralized by certain of the Company's rental properties. Payments on Property Mortgages are generally due in monthly installments of principal and interest, or interest only.

A summary of the Property Mortgages as of June 30, 2000 and December 31, 1999 is as follows:

<TABLE>
<CAPTION>

			PRINCIPAL BALANCE AT		
PROPERTY NAME	LENDER	EFFECTIVE INTEREST RATE	JUNE 30, 2000	DECEMBER 31, 1999	MATURITY
<S>	<C>	<C>	<C>	<C>	<C>
201 Commerce Drive	Sun Life Assurance Co.	6.240%	$ 1,026	$ 1,059	09/01/00
3 & 5 Terri Lane	First Union National Bank	6.220%	4,414	4,434	10/31/00
101 & 225 Executive Drive	Sun Life Assurance Co.	6.270%	2,281	2,375	06/01/01
Mack-Cali Morris Plains	Corestates Bank	7.510%	2,196	2,235	12/31/01
Mack-Cali Willowbrook	CIGNA	8.670%	9,797	10,250	10/01/03
400 Chestnut Ridge	Prudential Insurance Co.	9.440%	14,027	14,446	07/01/04
Mack-Cali Centre VI	Principal Life Insurance Co.	6.865%	35,000	35,000	04/01/05
Mack-Cali Bridgewater I	New York Life Ins. Co.	7.000%	23,000	23,000	09/10/05
Mack-Cali Woodbridge II	New York Life Ins. Co.	7.500%	17,500	17,500	09/10/05
Mack-Cali Short Hills	Prudential Insurance Co.	7.740%	26,238	26,604	10/01/05

500 West Putnam Avenue	New York Life Ins. Co.	6.520%	10,448	10,784	10/10/05
Harborside - Plaza I	U.S. West Pension Trust	5.610%	52,662	51,015	01/01/06
Harborside - Plaza II and III	Northwestern Mutual Life Ins.	7.320%	97,338	98,985	01/01/06
Mack-Cali Airport	Allstate Life Insurance Co.	7.050%	10,500	10,500	04/01/07
Kemble Plaza II	Mitsubishi Tr & Bk Co.	LIBOR+0.65%	--	40,025	01/31/08
Kemble Plaza I	Mitsubishi Tr & Bk Co.	LIBOR+0.65%	32,178	32,178	01/31/09
Total Property Mortgages			$338,605	$380,390	

</TABLE>

INTEREST RATE CONTRACTS
On May 24, 1995, the Company entered into an interest rate swap agreement with a commercial bank. The swap agreement fixed the Company's one-month LIBOR base to 6.285 percent per annum on a notional amount of $24,000. The swap agreement expired in August 1999.

On January 23, 1996, the Company entered into an interest rate swap agreement with a commercial bank. The swap agreement fixed the Company's one-month LIBOR base to 5.265 percent per annum on a notional amount of $26,000. The swap agreement expired in January 1999.

On November 20, 1997, the Company entered into a forward treasury rate lock agreement with a commercial bank. The agreement locked an interest rate of 5.88 percent per annum for the interpolated seven-year U.S. Treasury Note effective March 1, 1998, on a notional amount of $150,000. The agreement was used to fix the interest rate on the $150,000 Prudential Mortgage Loan. On March 2, 1998, the Company paid $2,035 in settlement of the agreement, which is being amortized to interest expense over the term of the $150,000 Prudential Mortgage Loan.

On October 1, 1998, the Company entered into a forward treasury rate lock agreement with a commercial bank. The agreement locked an interest rate of 4.089 percent per annum for the three-year U.S. Treasury Note effective November 4, 1999, on a notional amount of $50,000. The agreement was used to fix the Index Rate on $50,000 of the Harborside-Plaza I mortgage, for which the interest rate was re-set to the three-year U.S. Treasury Note (5.82 percent) plus 110 basis points for the three years beginning November 4, 1999 (see "Property Mortgages: Harborside-Plaza I"). The Company received $2,208 in settlement of the agreement, which is being amortized to interest expense over the three year-period.

In connection with the issuance of the $600,000 face amount of Senior Unsecured Notes in March 1999, the Company entered into and settled forward treasury rate lock agreements. These agreements were settled at a cost of approximately $517, which is being amortized to interest expense over the terms of the respective tranches.

SCHEDULED PRINCIPAL PAYMENTS
Scheduled principal payments and related weighted average annual interest rates for the Company's Senior Unsecured Notes (Note 8), revolving credit facilities (Note 9) and mortgages and loans payable as of June 30, 2000 are as follows:

YEAR	SCHEDULED AMORTIZATION	PRINCIPAL MATURITIES	TOTAL	WEIGHTED AVG. INTEREST RATE OF FUTURE REPAYMENTS (A)
July through December 2000	$ 1,705	$ 5,419	$ 7,124	6.93%
2001	3,257	4,211	7,468	7.44%
2002	3,458	--	3,458	8.20%
2003	3,518	407,824	411,342	7.40%
2004	2,332	309,863	312,195	7.34%
Thereafter	970	744,720	745,690	7.19%
Totals/Weighted Average	$15,240	$1,472,037	$1,487,277	7.28%

(a) Assumes weighted average LIBOR at June 30, 2000 of 6.59 percent in calculating revolving credit facility and other variable rate debt interest rates.

Scheduled principal payments during the six months ended June 30, 2000 and 1999 amounted to $1,603 and $1,815, respectively.

CASH PAID FOR INTEREST & INTEREST CAPITALIZED
Cash paid for interest for the six months ended June 30, 2000 and 1999 was $56,035 and $38,216, respectively. Interest capitalized by the Company for the six months ended June 30, 2000 and 1999 was $4,189 and $3,019, respectively.

SUMMARY OF INDEBTEDNESS
As of June 30, 2000, the Company's total indebtedness of $1,487,277 (weighted

average interest rate of 7.28 percent) was comprised of $247,908 of revolving credit facility borrowings and other variable rate mortgage debt (weighted average rate of 7.46 percent) and fixed rate debt of $1,239,369 (weighted average rate of 7.24 percent).

As of December 31, 1999, the Company's total indebtedness of $1,490,175 (weighted average interest rate of 7.27 percent) was comprised of $249,204 of revolving credit facility borrowings and other variable rate mortgage debt (weighted average rate of 7.42 percent) and fixed rate debt of $1,240,971 (weighted average rate of 7.24 percent).

11. MINORITY INTERESTS

Minority interests in the accompanying consolidated financial statements relate to (i) common units in the Operating Partnership, in addition to preferred units ("Preferred Units") and warrants to purchase common units ("Unit Warrants") issued in connection with the Company's December 1997 acquisition of 54 office properties ("Mack Properties") from the Mack Company and Patriot American Office Group ("Mack Transaction"), held by parties other than the Company, and (ii) interests in consolidated partially-owned properties for the portion of such properties not owned by the Company.

OPERATING PARTNERSHIP

PREFERRED UNITS

In connection with the Mack Transaction in December 1997, the Company issued 15,237 Series A Preferred Units and 215,325 Series B Preferred Units, with an aggregate value of $236,491. The Preferred Units have a stated value of $1,000 per unit and are preferred as to assets over any class of common units or other class of preferred units of the Company, based on circumstances per the applicable unit certificates.

The quarterly distribution on each Preferred Unit (representing 6.75 percent of the Preferred Unit stated value of $1,000 on an annualized basis) is an amount equal to the greater of (i) $16.875 or (ii) the quarterly distribution attributable to a Preferred Unit determined as if such unit had been converted into common units, subject to adjustment for customary anti-dilution rights. Each of the Series A Preferred Units may be converted at any time into common units at a conversion price of $34.65 per unit, and, after the one year anniversary of the date of the Series A Preferred Units' initial issuance, common units received pursuant to such conversion may be redeemed into common stock. Each of the Series B Preferred Units may be converted at any time into common units at a conversion price of $34.65 per unit, and, after the three year anniversary of the date of the Series B Preferred Units' initial issuance, common units received pursuant to such conversion may be redeemed into common stock. Each of the common units are redeemable for an equal number of shares of common stock.

During 1999, 20,952 Series A Preferred Units were converted into 604,675 common units. During the six months ended June 30, 2000, 6,180 Series A Preferred Units were converted into 178,355 common units.

As of June 30, 2000, there were 223,124 Series B Preferred Units outstanding (convertible into 6,439,366 common units).

COMMON UNITS

Certain individuals and entities own common units in the Operating Partnership. A common unit and a share of common stock of the Company have substantially the same economic characteristics in as much as they effectively share equally in the net income or loss of the Operating Partnership.

Common units are redeemable by the common unitholders at their option, subject to certain restrictions, on the basis of one common unit for either one share of common stock or cash equal to the fair market value of a share at the time of the redemption. The Company has the option to deliver shares of common stock in exchange for all or any portion of the cash requested. When a unitholder redeems a common unit, minority interest in the Operating Partnership is reduced and the Company's investment in the Operating Partnership is increased.

On June 4, 1999, in connection with the acquisition of a 0.1 percent interest in the G&G Martco joint venture (see Note 4), the Company issued 437 common units, valued at approximately $17.

On August 31, 1999, in connection with the acquisition of 28.1 acres of developable land located in Roseland, New Jersey, the Company issued 121,624 common units, valued at approximately $3,345 (see Note 3).

During 1999, an aggregate of 1,934,657 common units were redeemed for an equivalent number of shares of common stock in the Company.

During 1999, the Company also issued 275,046 common units, valued at approximately $8,141, in connection with the achievement of certain performance goals at the Mack Properties in redemption of an equivalent number of contingent common units.

During the six months ended June 30, 2000, an aggregate of 256,346 common units were redeemed for an equivalent number of shares of common stock in the Company.

As of June 30, 2000, there were 8,075,720 common units outstanding.

CONTINGENT COMMON & PREFERRED UNITS
In connection with the Mack Transaction in December 1997, 2,006,432 contingent common units, 11,895 Series A contingent Preferred Units and 7,799 Series B contingent Preferred Units were issued as contingent non-participating units ("Contingent Units"). Redemption of such Contingent Units occurred upon the achievement of certain performance goals relating to certain of the Mack Properties, specifically the achievement of certain leasing activity. When Contingent Units are redeemed for common and Preferred Units, an adjustment to the purchase price of certain of the Mack Properties is recorded, based on the value of the units issued.

On account of certain of the performance goals at the Mack Properties having been achieved during 1999, the Company redeemed 275,046 contingent common units and issued an equivalent number of common units, as indicated above. There were no Contingent Units outstanding as of December 31, 1999.

UNIT WARRANTS
The Company has 2,000,000 Unit Warrants outstanding. The Unit Warrants are exercisable at $37.80 per common unit and expire on December 11, 2002.

MINORITY INTEREST OWNERSHIP
As of June 30, 2000 and December 31, 1999, the minority interest common unitholders owned 12.1 percent (19.8 percent, including the effect of the conversion of Preferred Units into common units) and 12.2 percent (20.2 percent including the effect of the conversion of Preferred Units into common units) of the Operating Partnership, respectively (excluding any effect for the exercise of Unit Warrants).

PARTIALLY-OWNED PROPERTIES
On December 28, 1999, the Company sold an interest in six office properties located in Parsippany, Morris County, New Jersey for $83,600. Amongst other things, the operating agreements provided for a preferred return to the joint venture members. On June 29, 2000 the Company acquired a 100 percent interest in these properties and the Company paid an additional $836 to the minority interest member in excess of its investment.

The Company controls these operations and has consolidated the financial position and results of operations of partially-owned properties in the financial statements of the Company. The equity interests of the other members are reflected as minority interests: partially-owned properties in the consolidated financial statements of the Company.

12. EMPLOYEE BENEFIT PLAN

All employees of the Company who meet certain minimum age and period of service requirements are eligible to participate in a 401(k) defined contribution plan (the "401(k) Plan"). The 401(k) Plan allows eligible employees to defer up to 15 percent of their annual compensation, subject to certain limitations imposed by federal law. The amounts contributed by employees are immediately vested and non-forfeitable. The Company, at management's discretion, may match employee contributions and/or make discretionary contributions. Total expense recognized by the Company for the six months ended June 30, 2000 and 1999 was $200 and $0, respectively.

13. COMMITMENTS AND CONTINGENCIES

TAX ABATEMENT AGREEMENTS
HARBORSIDE FINANCIAL CENTER PROPERTY
Pursuant to an agreement with the City of Jersey City, New Jersey obtained by the former owner of the Harborside property in 1988 and assumed by the Company as part of the acquisition of the property in November 1996, the Company is required to make payments in lieu of property taxes ("PILOT") on its Harborside property. The agreement, which commenced in 1990, is for a term of 15 years. Such PILOT is equal to two percent of Total Project Costs, as defined, in year one and increases by $75 per annum through year fifteen. Total Project Costs, as defined, are $145,644. The PILOT totaled $1,338 and $1,302 for the six months ended June 30, 2000 and 1999, respectively.

GROUND LEASE AGREEMENTS
Future minimum rental payments under the terms of all non-cancelable ground

leases under which the Company is the lessee, as of June 30, 2000, are as follows:

YEAR	AMOUNT
July 1, 2000 to December 31, 2000	$ 266
2001	531
2002	531
2003	531
2004	534
Thereafter	22,532
Total	$24,925

Ground lease expense incurred during the six months ended June 30, 2000 and 1999 amounted to $285 and $260, respectively.

OTHER

On April 19, 1999, the Company announced the following changes in the membership of its Board of Directors and the identities, titles and responsibilities of its executive officers: (i) Thomas A. Rizk resigned from the Board of Directors, the Executive Committee of the Board of Directors, his position as Chief Executive Officer and as an employee of the Company; (ii) Mitchell E. Hersh was appointed Chief Executive Officer of the Company simultaneous with his resignation from his positions as President and Chief Operating Officer of the Company; (iii) Timothy M. Jones was appointed President of the Company simultaneous with his resignation from his positions as Executive Vice President and Chief Investment Officer of the Company; and (iv) Brant Cali was appointed to the Board of Directors of the Company to fill the remainder of Thomas A. Rizk's term as a Class III Director and was appointed Chief Operating Officer of the Company, also remaining as an Executive Vice President and Assistant Secretary of the Company.

Pursuant to the terms of Mr. Rizk's employment agreement entered into with the Company in December 1997 and an agreement entered into simultaneous with his resigning from the Company, Mr. Rizk received a payment of approximately $14,490 in April 1999, $500 in April 2000 and $500 annually over the next two years. All costs associated with Mr. Rizk's resignation are included in non-recurring charges for the three and six month periods ended June 30, 1999.

On June 27, 2000, pursuant to the Cali agreement, both Brant Cali and John R. Cali resigned their positions as officers of the Company and Brant Cali resigned as director of the Company ("Cali Agreement"). As required by Brant Cali and John R. Cali's amended and restated employment agreements, under the Cali Agreement: (i) the Company paid $2,820 and $2,806 (less applicable withholding) to Brant Cali and John R. Cali, respectively; and (ii) all options to acquire shares of the Company's common stock and Restricted Stock Awards (as hereinafter defined) held by Brant Cali and John R. Cali became fully vested on the effective date of their resignations from the Company. All costs associated with Brant Cali and John R. Cali's resignations are included in non-recurring charges for the three and six month periods ended June 30, 2000.

The Company is a defendant in certain litigation arising in the normal course of business activities. Management does not believe that the resolution of these matters will have a materially adverse effect upon the Company.

14. TENANT LEASES

The Properties are leased to tenants under operating leases with various expiration dates through 2016. Substantially all of the leases provide for annual base rents plus recoveries and escalation charges based upon the tenant's proportionate share of and/or increases in real estate taxes and certain operating costs, as defined, and the pass through of charges for electrical usage.

15. STOCKHOLDERS' EQUITY

To maintain its qualification as a REIT, not more than 50 percent in value of the outstanding shares of the Company may be owned, directly or indirectly, by five or fewer individuals at any time during the last half of any taxable year of the Company, other than its initial taxable year (defined to include certain entities), applying certain constructive ownership rules. To help ensure that the Company will not fail this test, the Company's Articles of Incorporation provide for, among other things, certain restrictions on the transfer of the common stock to prevent further concentration of stock ownership. Moreover, to evidence compliance with these requirements, the Company must maintain records that disclose the actual ownership of its outstanding common stock and will demand written statements each year from the holders of record of designated percentages of its common stock requesting the disclosure of the beneficial owners of such common stock.

COMMON STOCK
On August 6, 1998, the Board of Directors of the Company authorized a share repurchase program ("Repurchase Program") under which the Company is permitted to purchase up to $100,000 of the Company's outstanding common stock. Purchases can be made from time to time in open market transactions at prevailing prices or through privately negotiated transactions.

Through December 31, 1999, the Company, under the Repurchase Program, purchased for constructive retirement, 1,869,200 shares of its outstanding common stock for an aggregate cost of approximately $52,558. Concurrent with these purchases, the Company sold to the Operating Partnership 1,869,200 common units for approximately $52,558. The Company did not purchase any of its outstanding common stock during the six months ended June 30, 2000.

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN
The Company filed a registration statement with the SEC for the Company's dividend reinvestment and stock purchase plan ("Plan") which was declared effective in February 1999. The Plan commenced on March 1, 1999.

During the year ended December 31, 1999, 1,082 shares were issued and proceeds of approximately $32 were received from stock purchases and/or dividend reinvestments under the Plan. The Company did not issue any shares under the Plan during the six months ended June 30, 2000.

SHAREHOLDER RIGHTS PLAN
On June 10, 1999, the Board of Directors of the Company authorized a dividend distribution of one preferred share purchase right ("Right") for each outstanding share of common stock which were distributed to all holders of record of the common stock on July 6, 1999. Each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A junior participating preferred stock, par value $0.01 per share ("Preferred Shares"), at a price of $100.00 per one one-thousandth of a Preferred Share ("Purchase Price"), subject to adjustment as provided in the rights agreement. The Rights expire on July 6, 2009, unless the expiration date is extended or the Right is redeemed or exchanged earlier by the Company.

The Rights are attached to each share of common stock. The Rights are generally exercisable only if a person or group becomes the beneficial owner of 15 percent or more of the outstanding common stock or announces a tender offer for 15 percent or more of the outstanding common stock ("Acquiring Person"). In the event that a person or group becomes an Acquiring Person, each holder of a Right will have the right to receive, upon exercise, common stock having a market value equal to two times the Purchase Price of the Right.

On June 27, 2000, the Company amended its shareholder rights plan to prevent the triggering of such plan as a result of the Mergers.

STOCK OPTION PLANS
In 1994, and as subsequently amended, the Company established the Mack-Cali Employee Stock Option Plan ("Employee Plan") and the Mack-Cali Director Stock Option Plan ("Director Plan") under which a total of 5,380,188 shares (subject to adjustment) of the Company's common stock have been reserved for issuance (4,980,188 shares under the Employee Plan and 400,000 shares under the Director Plan). Stock options granted

under the Employee Plan in 1994 and 1995 have become exercisable over a three-year period and those options granted under the Employee Plan in 1996, 1997, 1998 and 1999 become exercisable over a five-year period. All stock options granted under the Director Plan become exercisable in one year. All options were granted at the fair market value at the dates of grant and have terms of ten years. As of June 30, 2000 and December 31, 1999, the stock options outstanding had a weighted average remaining contractual life of approximately 6.8 and 7.4 years, respectively.

Information regarding the Company's stock option plans is summarized below:

	Shares Under Options	Weighted Average Exercise Price
Outstanding at January 1, 1999	3,939,982	$33.22
Granted	426,400	$25.23
Exercised	(47,583)	$22.31
Lapsed or canceled	(591,648)	$36.92
Outstanding at December 31, 1999	3,727,151	$31.86
Granted	--	--
Exercised	(79,910)	$20.90
Lapsed or canceled	(212,423)	$34.91

Outstanding at June 30, 2000	3,434,818	$31.93
Options exercisable at December 31, 1999	1,724,920	$29.78
Options exercisable at June 30, 2000	2,246,063	$31.25
Available for grant at December 31, 1999	662,878	
Available for grant at June 30, 2000	875,301	

STOCK WARRANTS

The Company has outstanding 380,000 warrants to purchase an equal number of shares of common stock ("Stock Warrants") at $33 per share (the market price at date of grant). Such warrants are all currently exercisable and expire on January 31, 2007.

The Company also has outstanding 464,976 Stock Warrants to purchase an equal number of shares of common stock at $38.75 per share (the market price at date of grant). Such warrants vest equally over a five-year period through December 31, 2001 and expire on December 12, 2007.

As of June 30, 2000 and December 31, 1999, there were a total of 844,976 and 914,976 Stock Warrants outstanding, respectively. As of June 30, 2000 and December 31, 1999 there were 688,985 and 585,989 Stock Warrants exercisable, respectively. During the six months ended June 30, 2000 and 1999, 70,000 and no Stock Warrants were canceled, respectively. No Stock Warrants have been exercised through June 30, 2000.

STOCK COMPENSATION

In July 1999, the Company entered into amended and restated employment contracts with six of its then key executive officers which provided for, among other things, compensation in the form of stock awards and associated tax obligation payments. In addition, in December 1999, the Company granted stock awards to certain other officers of the Company. In connection with the stock awards (collectively, "Restricted Stock Awards"), the executive officers and certain other officers are to receive up to a total of 211,593 shares of the Company's common stock vesting over a five-year period contingent upon the Company meeting certain performance and/or stock price appreciation objectives. The Restricted Stock Awards provided to the executive officers and certain other officers were granted under the Employee Plan. Effective January 1, 2000, 31,737 shares of the Company's common stock were issued to the executive officers and certain other officers upon meeting the required objectives.

Pursuant to the Cali Agreement, an aggregate of 38,649 shares of the Company's common stock were issued to Brant Cali and John R. Cali upon vesting of their remaining Restricted Stock Awards.

DEFERRED STOCK COMPENSATION PLAN FOR DIRECTORS

The Deferred Compensation Plan for Directors ("Deferred Compensation Plan"), which commenced January 1, 1999, is a plan which allows non-employee directors of the Company to elect to defer up to 100 percent of their annual retainer fee into deferred stock units. The deferred stock units are convertible into an equal number of shares of common stock upon the directors' termination of service from the Board of Directors or a change in control of the Company, as defined in the plan. Deferred stock units are credited to each director quarterly using the closing price of the Company's common stock on the applicable dividend record date for the respective quarter. Each participating director's account is also credited for an equivalent amount of deferred stock units based on the dividend rate for each quarter.

During 1999, 3,319 deferred stock units were earned. During the six months ended June 30, 2000, 2,132 deferred stock units were earned.

EARNINGS PER SHARE

FASB No. 128 requires a dual presentation of basic and diluted EPS on the face of the income statement for all companies with complex capital structures even where the effect of such dilution is not material. Basic EPS excludes dilution and is computed by dividing net income available to common stockholders by the weighted average number of shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

The following information presents the Company's results for the three and six month periods ended June 30, 2000 and 1999 in accordance with FASB No. 128:

<TABLE>
<CAPTION>

	Three Months Ended June 30,			
	2000		1999	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS

<S> <C> <C> <C> <C>

Net income	$94,308	$ 94,308	$18,686	$ 18,686
Add: Net income attributable to Operating Partnership - common units	--	13,019	--	2,766
Net income attributable to Operating Partnership - preferred units	--	3,765	--	--
Adjusted net income	$94,308	$111,092	$18,686	$ 21,452
Weighted average shares	58,545	73,284	58,510	67,486
Per Share	$ 1.61	$ 1.52	$ 0.32	$ 0.32

</TABLE>

<TABLE>
<CAPTION>

	Six Months Ended June 30, 2000		1999	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
<S>	<C>	<C>	<C>	<C>
Net income	$130,923	$130,923	$ 50,750	$50,750
Add: Net income attributable to Operating Partnership - common units	--	18,126	--	7,646
Net income attributable to Operating Partnership - preferred units	--	7,634	--	--
Adjusted net income	$130,923	$156,683	$ 50,750	$58,396
Weighted average shares	58,420	73,237	58,337	67,385
Per Share	$ 2.24	$ 2.14	$ 0.87	$ 0.87

</TABLE>

The following schedule reconciles the shares used in the basic EPS calculation to the shares used in the diluted EPS calculation:

<TABLE>
<CAPTION>

	Three Months Ended June 30, 2000	1999	Six Months Ended June 30, 2000	1999
<S>	<C>	<C>	<C>	<C>
Basic EPS Shares:	58,545	58,510	58,420	58,337
Add: Operating Partnership - common units	8,082	8,663	8,107	8,755
Operating Partnership - preferred units (after conversion to common units)	6,457	--	6,537	--
Stock options	200	313	173	293
Diluted EPS Shares:	73,284	67,486	73,237	67,385

</TABLE>

Contingent Units and Restricted Stock Awards outstanding in 2000 and 1999, if any, were not included in the computation of diluted EPS as such units were anti-dilutive during each of the periods. Preferred Units outstanding in 1999 were not included in the 1999 computation of diluted EPS as such units were anti-dilutive during the periods.

Pursuant to the Repurchase Program during 1999, the Company purchased for constructive retirement 1,014,500 shares of its outstanding common stock for approximately $27,500. The Company did not purchase any of its outstanding common stock during the six months ended June 30, 2000.

16. SEGMENT REPORTING

The Company operates in one business segment - real estate. The Company provides leasing, management, acquisition, development, construction and tenant-related services for its portfolio. The Company does not have any foreign operations. The accounting policies of the segments are the same as those described in Note 2, excluding straight-line rent adjustments and depreciation and amortization.

The Company evaluates performance based upon net operating income from the combined properties in the segment.

Selected results of operations for the three and six month periods ended June 30, 2000 and 1999 and selected asset information as of June 30, 2000 and December 31, 1999 regarding the Company's operating segment are as follows:

<TABLE>
<CAPTION>

<S>	Total Segment <C>	Corporate & Other (e) <C>	Total Company <C>	
TOTAL CONTRACT REVENUES (a):				
Three months ended:				
June 30, 2000	$ 140,117	$ 2,372	$ 142,489	(f)
June 30, 1999	132,575	567	133,142	(g)
Six months ended:				
June 30, 2000	$ 280,258	$ 3,020	$ 283,278	(h)
June 30, 1999	264,344	142	264,486	(i)
TOTAL OPERATING AND INTEREST EXPENSES (b):				
Three months ended:				
June 30, 2000	$ 46,079	$ 27,484	$ 73,563	(j)
June 30, 1999	44,567	28,164	72,731	(k)
Six months ended:				
June 30, 2000	$ 92,809	$ 56,118	$ 148,927	(l)
June 30, 1999	87,723	57,115	144,838	(m)
NET OPERATING INCOME (c):				
Three months ended:				
June 30, 2000	$ 94,038	$ (25,112)	$ 68,926	(f) (j)
June 30, 1999	88,008	(27,597)	60,411	(g) (k)
Six months ended:				
June 30, 2000	$ 187,449	$ (53,098)	$ 134,351	(h) (l)
June 30, 1999	176,621	(56,973)	119,648	(i) (m)
TOTAL ASSETS:				
June 30, 2000	$3,567,243	$ 60,861	$3,628,104	
December 31, 1999	3,576,806	52,795	3,629,601	
TOTAL LONG-LIVED ASSETS (d):				
June 30, 2000	$3,481,751	$ 42,253	$3,524,004	
December 31, 1999	3,510,285	30,318	3,540,603	

</TABLE>

(a) Total contract revenues represent all revenues during the period (including the Company's share of net income from unconsolidated joint ventures), excluding adjustments for straight-lining of rents and the Company's share of straight-line rent adjustments from unconsolidated joint ventures. All interest income is excluded from segment amounts and is classified in Corporate & Other for all periods.

(b) Total operating and interest expenses represent the sum of real estate taxes, utilities, operating services, general and administrative and interest expense. All interest expense (including for property-level mortgages) is excluded from segment amounts and is classified in Corporate and Other for all periods.

(c) Net operating income represents total contract revenues [as defined in Note (a)] less total operating and interest expenses [as defined in Note (b)] for the period.

(d) Long-lived assets are comprised of total rental property, unbilled rents receivable and investments in unconsolidated joint ventures.

(e) Corporate & Other represents all corporate-level items (including interest and other investment income, interest expense and non-property general and administrative expense) as well as intercompany eliminations necessary to reconcile to consolidated Company totals.

(f) Excludes $3,403 adjustments for straight-lining of rents and ($3) for the Company's share of straight-line rent adjustments from unconsolidated joint ventures.

(g) Excludes $3,859 of adjustments for straight-lining of rents and ($26) for the Company's share of straight-line rent adjustments from unconsolidated joint ventures.

(h) Excludes $5,536 of adjustments for straight-lining of rents and $54 for the Company's share of straight-line rent adjustments from unconsolidated joint ventures.

(i) Excludes $7,422 of adjustments for straight-lining of rents and ($44) for the Company's share of straight line rent adjustments from unconsolidated joint ventures.

(j) Excludes $22,945 of depreciation and amortization and non-recurring charges of $9,228.
(k) Excludes $22,465 of depreciation and amortization and non-recurring charges of $16,458.
(l) Excludes $45,127 of depreciation and amortization and non-recurring charges of $9,228.
(m) Excludes $44,434 of depreciation and amortization and non-recurring charges of $16,458.

17. IMPACT OF RECENTLY-ISSUED ACCOUNTING STANDARDS

In June 1998, the FASB issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("FASB No. 133"). FASB No. 133 is effective for all fiscal quarters of all fiscal years beginning after June 15, 1999. In June 1999, the FASB delayed the implementation date of FASB No. 133 by one year (January 1, 2001 for the Company). FASB No. 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive income, depending on whether a derivative is designated as part of a hedge transaction and, if it is, the type of hedge transaction. Management of the Company anticipates that, due to its limited use of derivative instruments, the adoption of FASB No. 133 will not have a significant effect on the Company's results of operations or its financial position.

MACK-CALI REALTY CORPORATION AND SUBSIDIARIES

ITEM 2:
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Consolidated Financial Statements of Mack-Cali Realty Corporation and the notes thereto. Certain defined terms used herein have the meaning ascribed to them in the Consolidated Financial Statements.

The following comparisons for the three and six month periods ended June 30, 2000 ("2000"), as compared to the three and six month periods ended June 30, 1999 ("1999") make reference to the following: (i) the effect of the "Same-Store Properties," which represents all in-service properties owned by the Company at March 31, 1999 (for the three-month period comparisons), and which represents all in-service properties owned by the Company at December 31, 1998 (for the six-month period comparisons), all such properties being owned by the Company for the entirety of both periods being compared, (ii) the effect of the "Acquired Properties," which represents all properties acquired or placed in service by the Company from April 1, 1999 through June 30, 2000 (for the three-month period comparisons), and which represents all properties acquired or placed in-service by the Company from January 1, 1999 through June 30, 2000 (for the six-month period comparisons), and (iii) the effect of the "Dispositions," which represents the Company's sales of rental property during the respective periods.

<TABLE>
<CAPTION>

THREE MONTHS ENDED JUNE 30, 2000 COMPARED TO THREE MONTHS ENDED JUNE 30, 1999

(IN THOUSANDS)	Quarter Ended June 30, 2000	1999	Dollar Change	Percent Change
<S>	<C>	<C>	<C>	<C>
REVENUE FROM RENTAL OPERATIONS:				
Base rents	$ 122,072	$ 116,499	$ 5,573	4.8%
Escalations and recoveries from tenants	14,627	16,366	(1,739)	(10.6)
Parking and other	6,128	3,061	3,067	100.2

Sub-total	142,827	135,926	6,901	5.1
Equity in earnings of unconsolidated joint ventures	1,070	834	236	28.3
Interest income	1,992	215	1,777	826.5
Total revenues	145,889	136,975	8,914	6.5
PROPERTY EXPENSES:				
Real estate taxes	14,733	14,208	525	3.7
Utilities	10,014	9,829	185	1.9
Operating services	16,822	17,429	(607)	(3.5)
Sub-total	41,569	41,466	103	0.2
General and administrative	5,159	5,568	(409)	(7.3)
Depreciation and amortization	22,945	22,465	480	2.1
Interest expense	26,835	25,697	1,138	4.4
Non-recurring charges	9,228	16,458	(7,230)	(43.9)
Total expenses	105,736	111,654	(5,918)	(5.3)
Income before gain on sales of rental property and minority interests	40,153	25,321	14,832	58.6
Gain on sales of rental property	73,921	--	73,921	--
Income before minority interests	114,074	25,321	88,753	350.5
MINORITY INTERESTS:				
Operating Partnership	(16,784)	(6,635)	(10,149)	153.0
Partially-owned properties	(2,982)	--	(2,982)	--
Net income	$ 94,308	$ 18,686	$ 75,622	404.7%

</TABLE>

The following is a summary of the changes in revenue from rental operations and property expenses divided into Acquired Properties, Same-Store Properties and Dispositions (in thousands):

<TABLE>
<CAPTION>

	Total Company		Acquired Properties		Same-Store Properties		Dispositions	
	Dollar Change	Percent Change	Dollar Change	Percent Change	Dollar Change	Percent Change	Dollar Change	Percent Change
REVENUE FROM RENTAL OPERATIONS:								
Base rents	$ 5,573	4.8%	$ 4,833	4.2%	$ 4,350	3.7%	$(3,610)	(3.1)%
Escalations and recoveries from tenants	(1,739)	(10.6)	232	1.4	(758)	(4.6)	(1,213)	(7.4)
Parking and other	3,067	100.2	47	1.5	3,265	106.7	(245)	(8.0)
Totals	$ 6,901	5.1%	$ 5,112	3.8%	$ 6,857	5.0%	$(5,068)	(3.7)%
PROPERTY EXPENSES:								
Real estate taxes	$ 525	3.7%	$ 523	3.7%	$ 453	3.2%	$ (451)	(3.2)%
Utilities	185	1.9	243	2.5	373	3.8	(431)	(4.4)
Operating services	(607)	(3.5)	933	5.3	(861)	(4.9)		

							(679)	(3.9)
Totals	$ 103	0.2%	$ 1,699	4.1%	$ (35)	(0.1)%	$(1,561)	(3.8)%
OTHER DATA:								
Number of Consolidated Properties	254		11		243		5	
Square feet (in thousands)	26,865		1,255		25,610		1,359	

</TABLE>

Base rents for the Same-Store Properties increased $4.4 million, or 3.7 percent, for 2000 as compared to 1999, due primarily to rental rate increases in 2000. Escalations and recoveries from tenants for the Same-Store Properties decreased $0.8 million, or 4.6 percent, for 2000 over 1999, due primarily to the recovery of a decreased amount of total property expenses, as well as fewer settle-up billings during the same period in 2000. Parking and other income for the Same-Store Properties increased $3.3 million, or 106.7 percent, due primarily to increased lease termination fees in 2000.

Real estate taxes on the Same-Store Properties increased $0.5 million, or 3.2 percent, for 2000 as compared to 1999, due primarily to property tax rate increases in certain municipalities in 2000. Utilities for the Same-Store Properties increased $0.4 million, or 3.8 percent, for 2000 as compared to 1999, due primarily to increased usage in 2000. Operating services for the Same-Store Properties decreased $0.9 million, or 4.9 percent, due primarily to decreased salaries.

Equity in earnings of unconsolidated joint ventures increased $0.2 million, or 28.3 percent, in 2000 as compared to 1999. This is due primarily to increased joint venture investments made by the Company (see Note 4 to the Financial Statements).

Interest income increased $1.8 million, or 826.5 percent, for 2000 as compared to 1999, due primarily to the effect of proceeds from the Dispositions in 2000 being invested in cash and cash equivalents.

General and administrative expense decreased by $0.4 million, or 7.3 percent, for 2000 as compared to 1999. This decrease is due primarily to decreased payroll and related costs in 2000.

Depreciation and amortization increased by $0.5 million, or 2.1 percent, for 2000 over 1999. Of this increase, $0.9 million or 4.0 percent, is attributable to the Acquired Properties, and $0.5 million, or 2.3 percent, due to the Same-Store Properties, partially offset by a decrease of $0.9 million, or 4.2 percent, due to the Dispositions.

Interest expense increased $1.1 million, or 4.4 percent, for 2000 as compared to 1999. This increase is due primarily to the increase in LIBOR which resulted in higher borrowing costs on floating rate debt.

Non-recurring charges of $9.2 million were incurred in 2000, as a result of the resignations of Brant Cali and John R. Cali (see Note 13 to the Financial Statements). Non-recurring charges of $16.5 million were incurred in 1999, as a result of the resignation of Thomas A. Rizk (see Note 13 to the Financial Statements).

Income before gain on sales of rental property and minority interests increased to $40.2 million in 2000 from $25.3 million in 1999. The increase of approximately $14.9 million is due to the factors discussed above.

Net income increased by $75.6 million, from $18.7 million in 1999 to $94.3 million in 2000. This increase was a result of an increase in income before gain on sales of rental property and minority interests of $14.9 million, and gain on sales of rental property of $73.9 million in 2000. These were partially offset by an increase in minority interests of $13.2 million.

SIX MONTHS ENDED JUNE 30, 2000 COMPARED TO SIX MONTHS ENDED JUNE 30, 1999

<TABLE>
<CAPTION>

(IN THOUSANDS)	Six Months Ended June 30, 2000	1999	Dollar Change	Percent Change
<S>	<C>	<C>	<C>	<C>
REVENUE FROM RENTAL OPERATIONS:				
Base rents	$ 243,670	$ 232,579	$ 11,091	4.8%
Escalations and recoveries from tenants	31,295	31,226	69	0.2
Parking and other	9,450	6,961	2,489	35.8

Sub-total	284,415	270,766	13,649	5.0
Equity in earnings of unconsolidated joint ventures	2,207	628	1,579	251.4
Interest income	2,246	470	1,776	377.9
Total revenues	288,868	271,864	17,004	6.3
PROPERTY EXPENSES:				
Real estate taxes	29,437	28,051	1,386	4.9
Utilities	20,393	19,421	972	5.0
Operating services	34,564	34,516	48	0.1
Sub-total	84,394	81,988	2,406	2.9
General and administrative	11,272	13,531	(2,259)	(16.7)
Depreciation and amortization	45,127	44,434	693	1.6
Interest expense	53,261	49,319	3,942	8.0
Non-recurring charges	9,228	16,458	(7,230)	(43.9)
Total expenses	203,282	205,730	(2,448)	(1.2)
Income before gain on sales of rental property and minority interests	85,586	66,134	19,452	29.4
Gain on sales of rental property	76,169	--	76,169	--
Income before minority interests	161,755	66,134	95,621	144.6
MINORITY INTERESTS:				
Operating Partnership	(25,760)	(15,384)	(10,376)	67.4
Partially-owned properties	(5,072)	--	(5,072)	--
Net income	$ 130,923	$ 50,750	$ 80,173	158.0%

</TABLE>

The following is a summary of the changes in revenue from rental operations and property expenses divided into Acquired Properties, Same-Store Properties and Dispositions (in thousands):

<TABLE>
<CAPTION>

	Total Company		Acquired Properties		Same-Store Properties		Dispositions	
	Dollar Change	Percent Change	Dollar Change	Percent Change	Dollar Change	Percent Change	Dollar Change	Percent Change
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
REVENUE FROM RENTAL OPERATIONS:								
Base rents	$11,091	4.8%	$ 8,576	3.8%	$ 6,612	2.8%	$(4,097)	(1.8)%
Escalations and recoveries from tenants	69	0.2	519	1.6	687	2.2	(1,137)	(3.6)
Parking and other	2,489	35.8	61	0.9	2,667	38.3	(239)	(3.4)
Totals	$13,649	5.0%	$ 9,156	3.3%	$ 9,966	3.7%	$(5,473)	(2.0)%
PROPERTY EXPENSES:								
Real estate taxes	$ 1,386	4.9%	$ 913	3.3%	$ 941	3.3%	$ (468)	(1.7)%
Utilities	972	5.0	467	2.4	1,009	5.2	(504)	(2.6)
Operating services	48	0.1	1,500	4.3	(754)	(2.2)		

							(698)	(2.0)
Totals	$ 2,406	2.9%	$ 2,880	3.5%	$ 1,196	1.4%	$(1,670)	(2.0)%
OTHER DATA:								
Number of Consolidated Properties	254		15		239		5	
Square feet (in thousands)	26,865		1,389		25,476		1,359	

</TABLE>

Base rents for the Same-Store Properties increased $6.6 million, or 2.8 percent, for 2000 as compared to 1999, due primarily to rental rate increases in 2000. Escalations and recoveries from tenants for the Same-Store Properties increased $0.7 million, or 2.2 percent, for 2000 over 1999, due primarily to the recovery of an increased amount of total property expenses, as well as additional settle-up billings in 2000. Parking and other income for the Same-Store Properties increased $2.7 million, or 38.3 percent, due primarily to increased lease termination fees received in 2000.

Real estate taxes on the Same-Store Properties increased $0.9 million, or 3.3 percent, for 2000 as compared to 1999, due primarily to property tax rate increases in certain municipalities in 2000. Utilities for the Same-Store Properties increased $1.0 million, or 5.2 percent, for 2000 as compared to 1999, due primarily to increased usage in 2000. Operating services for the Same-Store Properties decreased $0.8 million, or 2.2 percent, due primarily to decreased salaries.

Equity in earnings of unconsolidated joint ventures increased $1.6 million, or 251.4 percent, in 2000 as compared to 1999. This is due primarily to increased joint venture investments made by the Company (see Note 4 to the Financial Statements).

Interest income increased $1.8 million, or 377.9 percent, for 2000 as compared to 1999, due primarily to the effect of proceeds from the Dispositions in 2000 being invested in cash and cash equivalents.

General and administrative expense decreased by $2.3 million, or 16.7 percent, for 2000 as compared to 1999. This decrease is due primarily to decreased payroll and related costs in 2000.

Depreciation and amortization increased by $0.7 million, or 1.6 percent, for 2000 over 1999. Of this increase, $1.6 million or 3.6 percent, is attributable to the Acquired Properties and $0.9 million, or 2.1 percent, due to the Same-Store Properties, partially offset by a decrease of $1.8 million, or 4.1 percent, due to the Dispositions.

Interest expense increased $3.9 million, or 8.0 percent, for 2000 as compared to 1999. This increase is due primarily to the replacement in 1999 of short-term credit facility borrowings with long-term fixed rate unsecured notes.

Non-recurring charges of $9.2 million were incurred in 2000, as a result of the resignations of Brant Cali and John R. Cali (see Note 13 to the Financial Statements). Non-recurring charges of $16.5 million were incurred in 1999, as a result of the resignation of Thomas A. Rizk (see Note 13 to the Financial Statements).

Income before gain on sales of rental property and minority interests increased to $85.6 million in 2000 from $66.1 million in 1999. The increase of approximately $19.5 million is due to the factors discussed above.

Net income increased by $80.1 million, from $50.8 million in 1999 to $130.9 million in 2000. This increase was a result of an increase in income before gain on sales of rental property and minority interests of $19.5 million and gain on sales of rental property of $76.1 million in 2000. These were partially offset by an increase in minority interests of $15.5 million.

LIQUIDITY AND CAPITAL RESOURCES

STATEMENT OF CASH FLOWS During the six months ended June 30, 2000, the Company generated $120.6 million in cash flows from operating activities, and together with $435.0 million in borrowings from the Company's revolving credit facilities, $235.8 million in proceeds from sales of rental property, $7.1 million in distributions received from unconsolidated joint ventures, $1.7 million in proceeds from stock options exercised and $0.6 million from restricted cash, used an aggregate of approximately $800.8 million to acquire properties and land parcels and pay for other tenant and building improvements totaling $170.1 million, repay outstanding borrowings on its revolving credit facilities and other mortgage debt of $438.1 million, pay quarterly dividends and distributions of $85.0 million, invest $11.0 million in unconsolidated joint ventures, distribute $88.7 million to minority interest in partially-owned properties, pay financing costs of $6.0 million and increase the Company's cash and cash equivalents by $1.9 million.

CAPITALIZATION

In August 1998, the Board of Directors of the Company authorized a share repurchase program under which the Company was permitted to purchase up to $100.0 million of the Company's outstanding common stock. Purchases could be made from time to time in open market transactions at prevailing prices or through privately negotiated transactions. Subsequently, through December 31, 1999, the Company purchased for constructive retirement, 1,869,200 shares of its outstanding common stock for an aggregate cost of approximately $52.6 million. Concurrent with these purchases, the Company sold to the Operating Partnership 1,869,200 common units for approximately $52.6 million. The Company did not purchase any of its outstanding common stock during the six months ended June 30, 2000.

As of June 30, 2000, the Company's total indebtedness of $1.5 billion (weighted average interest rate of 7.28 percent) was comprised of $247.9 million of revolving credit facility borrowings and other variable rate mortgage debt (weighted average rate of 7.46 percent) and fixed rate debt of $1.2 billion (weighted average rate of 7.24 percent).

As of June 30, 2000, the Company had outstanding borrowings of $215.7 million under its revolving credit facilities (with aggregate borrowing capacity of $900.0 million). The total outstanding borrowings were from the 2000 Unsecured Facility, with no outstanding borrowings under the Prudential Facility. The interest rate on outstanding borrowings under the 2000 Unsecured Facility is currently LIBOR plus 80 basis points. The Company may instead elect an interest rate representing the higher of the lender's prime rate or the Federal Funds rate plus 50 basis points. Based upon a change in the Company's unsecured debt rating, the interest rate will be changed on a sliding scale. The 2000 Unsecured Facility also requires a 20 basis point facility fee on the current borrowing capacity payable quarterly in arrears. Subject to certain conditions, the Company has the ability to increase the borrowing capacity of the 2000 Unsecured Facility up to $1.0 billion. The 2000 Unsecured Facility matures in June 2003, with an extension option of one year, which would require a payment of 25 basis points of the then borrowing capacity of the credit line upon exercise. The Prudential Facility carries an interest rate of 110 basis points over LIBOR and matures in June 2001.

The terms of the 2000 Unsecured Facility include certain restrictions and covenants which limit, among other things, the payment of dividends (as discussed below), the incurrence of additional indebtedness, the incurrence of liens and the disposition of assets, and which require compliance with financial ratios relating to the maximum leverage ratio,

the maximum amount of secured indebtedness, the minimum amount of tangible net worth, the minimum amount of debt service coverage, the minimum amount of fixed charge coverage, the maximum amount of unsecured indebtedness, the minimum amount of unencumbered property debt service coverage and certain investment limitations. The dividend restriction referred to above provides that, except to enable the Company to continue to qualify as a REIT under the Code, the Company will not during any four consecutive fiscal quarters make distributions with respect to common stock or other equity interests in an aggregate amount in excess of 90 percent of funds from operations (as defined) for such period, subject to certain other adjustments.

The Company has three investment grade credit ratings. Standard & Poor's Rating Services ("S&P") and Fitch IBCA ("Fitch") have each assigned their BBB rating to existing and prospective senior unsecured debt of the Operating Partnership. S&P and Fitch have also assigned their BBB- rating to prospective preferred stock offerings of the Company. Moody's Investors Service has assigned its Baa3 rating to the existing and prospective senior unsecured debt of the Operating Partnership and its Ba1 rating to prospective preferred stock offerings of the Company.

The terms of the Company's unsecured corporate debt include certain restrictions and covenants which require compliance with financial ratios relating to the maximum amount of debt leverage, the maximum amount of secured indebtedness, the minimum amount of debt service coverage and the maximum amount of unsecured debt as a percent of unsecured assets.

As of June 30, 2000, the Company had 225 unencumbered properties, totaling 20.4 million square feet, representing 76.0 percent of the Company's total portfolio on a square footage basis.

The Company has an effective shelf registration statement with the SEC for an aggregate amount of $2.0 billion in equity securities of the Company. The

Company and Operating Partnership also have an effective shelf registration statement with the SEC for an aggregate of $2.0 billion in debt securities, preferred stock and preferred stock represented by depositary shares, under which the Operating Partnership has issued an aggregate of $785.3 million of unsecured corporate debt. The Company also has an effective registration statement with the SEC for a dividend reinvestment and stock purchase plan, which commenced in March 1999.

Historically, rental revenue has been the principal source of funds to pay operating expenses, debt service and capital expenditures, excluding non-recurring capital expenditures. Management believes that the Company will have access to the capital resources necessary to expand and develop its business. To the extent that the Company's cash flow from operating activities is insufficient to finance its non-recurring capital expenditures such as property acquisition and construction project costs and other capital expenditures, the Company expects to finance such activities through borrowings under its revolving credit facilities and other debt and equity financing.

The Company expects to meet its short-term liquidity requirements generally through its working capital and net cash provided by operating activities, along with the 2000 Unsecured Facility and the Prudential Facility. The Company is frequently examining potential property acquisitions and construction projects and, at any given time, one or more of such acquisitions or construction projects may be under consideration. Accordingly, the ability to fund property acquisitions and construction projects is a major part of the Company's financing requirements. The Company expects to meet its financing requirements through funds generated from operating activities, proceeds from property sales, long-term or short-term borrowings (including draws on the Company's revolving credit facilities) and the issuance of additional debt or equity securities. In addition, the Company anticipates utilizing the 2000 Unsecured Facility and the Prudential Facility primarily to fund property acquisitions and construction projects.

As of June 30, 2000, the Company's total debt had a weighted average term to maturity of 5.1 years. The Company does not intend to reserve funds to retire the Company's unsecured corporate debt, Harborside mortgages, $150.0 Million Prudential Mortgage Loan, its other property mortgages or other long-term mortgages and loans payable upon maturity. Instead, the Company will seek to refinance such debt at maturity or retire such debt through the issuance of additional equity or debt securities. The Company is reviewing various refinancing options, including the issuance of additional unsecured corporate debt, preferred stock, and/or obtaining additional mortgage debt, some or all of which may be completed during 2000. The Company anticipates that its available cash and cash equivalents and cash flows from operating activities, together with cash available from borrowings and other

sources, will be adequate to meet the Company's capital and liquidity needs both in the short and long-term. However, if these sources of funds are insufficient or unavailable, the Company's ability to make the expected distributions discussed below may be adversely affected.

To maintain its qualification as a REIT, the Company must make annual distributions to its stockholders of at least 95 percent of its REIT taxable income, determined without regard to the dividends paid deduction and by excluding net capital gains. Moreover, the Company intends to continue to make regular quarterly distributions to its stockholders which, based upon current policy, in the aggregate would equal approximately $136.6 million on an annualized basis. However, any such distribution, whether for federal income tax purposes or otherwise, would only be paid out of available cash after meeting both operating requirements and scheduled debt service on mortgages and loans payable.

SIGNIFICANT TENANTS

The following table sets forth a schedule of the Company's 20 largest tenants for the Consolidated Properties as of June 30, 2000, based upon annualized base rents:

<TABLE>
<CAPTION>

	Annualized	Percentage of Company	Square	Percentage of

	Number of Properties	Base Rental Revenue($)(1)	Annualized Base Rental Revenue(%)	Feet Leased	Total Company Leased Sq.Ft.(%)	Year of Lease Expiration
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Donaldson, Lufkin & Jenrette Securities Corp.	1	8,316,096	1.8	271,953	1.1	2011
AT&T Wireless Services	2	8,199,960	1.7	382,030	1.5	2007 (2)
AT&T Corporation	4	8,069,341	1.7	520,496	2.0	2009 (3)
Keystone Mercy Health Plan	3	7,532,982	1.6	330,394	1.3	2015 (4)
IBM Corporation	4	7,028,473	1.5	362,753	1.4	2007 (5)
Prentice-Hall Inc.	1	6,744,495	1.4	474,801	1.9	2014
Allstate Insurance Company	9	5,863,006	1.2	270,154	1.1	2009 (6)
Nabisco Inc.	3	5,694,073	1.2	310,243	1.2	2005 (7)
Toys `R' US - NJ, Inc.	1	5,342,672	1.1	242,518	0.9	2012
American Institute of Certified Public Accountants	1	4,981,357	1.1	249,768	1.0	2012
Board of Gov./Federal Reserve	1	4,694,247	1.0	117,008	0.5	2009 (8)
Dean Witter Trust Company	1	4,319,507	0.9	221,019	0.9	2008
Winston & Strawn	1	4,302,008	0.9	108,100	0.4	2003
CMP Media Inc.	1	4,206,598	0.9	206,274	0.8	2014
KPMG Peat Marwick, LLP	2	3,824,080	0.8	161,760	0.6	2007 (9)
Move.com	1	3,701,763	0.8	94,917	0.4	2006
Bank of Tokyo - Mitsubishi Ltd.	1	3,378,924	0.7	137,076	0.5	2009
Bankers Trust Harborside Inc.	1	3,272,500	0.7	385,000	1.5	2003
Cendant Operations Inc.	1	3,117,051	0.7	148,431	0.6	2008
Deloitte & Touche USA, LLP	1	3,073,126	0.7	115,967	0.4	2002
Totals		105,662,259	22.4	5,110,662	20.0	

</TABLE>

(1) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, historical results may differ from those set forth above.
(2) 12,150 square feet expire September 2004; 345,799 square feet expire March 2007; 24,081 square feet expire June 2007.
(3) 3,950 square feet expire August 2000; 66,268 square feet expire December 2000; 63,278 square feet expire May 2004; 387,000 square feet expire January 2009.
(4) 27,245 square feet expire January 2003; 303,149 square feet expire April 2015.
(5) 28,289 square feet expire January 2002; 1,065 square feet expire November 2002; 85,000 square feet expire December 2005; 248,399 square feet expire December 2007.
(6) 22,444 square feet expire July 2001; 47,364 square feet expire September 2002; 18,882 square feet expire April 2003; 2,867 square feet expire January 2004; 36,305 square feet expire January 2005; 23,024 square feet expire October 2005; 6,108 square feet expire August 2006; 70,517 square feet expire June 2007; 31,143 square feet expire April 2008; 11,500 square feet expire April 2009.
(7) 9,865 square feet expire September 2001; 300,378 square feet expire December 2005.
(8) 94,719 square feet expire May 2005; 22,289 square feet expire July 2009.
(9) 104,556 square feet expire September 2002; 57,204 square feet expire July 2007.

SCHEDULE OF LEASE EXPIRATIONS

The following table sets forth a schedule of the lease expirations for the total of the Company's office, office/flex, industrial/warehouse and stand-alone retail properties, included in the Consolidated Properties, beginning July 1, 2000, assuming that none of the tenants exercise renewal options:

Year Of Expiration	Number Of Leases Expiring(1)	Net Rentable Area Subject To Expiring Leases (Sq. Ft.)	Percentage Of Total Leased Square Feet Represented By Expiring Leases(%)(2)	Annualized Base Rental Revenue Under Expiring Leases($)(3)	Average Annual Rent Per Net Rentable Square Foot Represented By Expiring Leases ($)	Percentage Of Annual Base Rent Under Expiring Leases (%)
7/1/00-12/31/00	256	1,490,198	5.8	26,192,268	17.58	5.6
2001.....	527	2,834,176	11.1	45,918,474	16.20	9.7
2002.....	536	3,585,845	14.0	62,957,243	17.56	13.3
2003.....	448	3,717,746	14.5	65,181,163	17.53	13.8
2004.....	334	2,323,366	9.1	44,334,554	19.08	9.4
2005.....	286	2,859,481	11.2	56,116,970	19.62	11.9
2006.....	105	1,412,989	5.5	29,696,175	21.02	6.3
2007.....	64	1,521,732	5.9	31,383,457	20.62	6.7
2008.....	40	1,084,117	4.2	18,254,250	16.84	3.9
2009.....	36	1,097,738	4.3	21,298,156	19.40	4.5
2010.....	61	944,524	3.7	19,212,405	20.34	4.1
2011 and thereafter	49	2,731,935	10.7	50,927,546	18.64	10.8
Totals/Weighted Average	2,742	25,603,847	100.0	471,472,661	18.41	100.0

(1) Includes office, office/flex, industrial/warehouse and stand-alone retail property tenants only. Excludes leases for amenity, retail, parking and month-to-month tenants. Some tenants have multiple leases.
(2) Excludes all unleased space as of June 30, 2000.
(3) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, historical results may differ from those set forth above.
(4) Reconciliation to Company's total net rentable square footage is as follows:

	SQUARE FEET	PERCENTAGE OF TOTAL
Square footage leased to commercial tenants	25,603,847	95.3%
Square footage used for corporate offices, management offices, building use, retail tenants, food services, other ancillary service tenants and occupancy adjustments	425,086	1.6
Square footage unleased	835,958	3.1
Total net rentable square footage (does not include residential, land lease, retail or not-in-service properties)	26,864,891	100.0%

SCHEDULE OF LEASE EXPIRATIONS: OFFICE PROPERTIES

The following table sets forth a schedule of the lease expirations for the office properties beginning July 1, 2000, assuming that none of the tenants exercise renewal options:

Year Of Expiration	Number Of Leases Expiring(1)	Net Rentable Area Subject To Expiring Leases (Sq. Ft.)	Percentage Of Total Leased Square Feet Represented By Expiring Leases(%)(2)	Annualized Base Rental Revenue Under Expiring Leases($)(3)	Average Annual Rent Per Net Rentable Square Foot Represented By Expiring Leases ($)	Percentage Of Annual Base Rent Under Expiring Leases (%)
7/1/00-12/31/00	213	1,214,468	5.7	22,985,977	18.93	5.5
2001.....	437	2,159,752	10.2	38,977,000	18.05	9.3
2002.....	434	2,731,188	12.9	53,967,997	19.76	12.8
2003.....	375	3,121,966	14.8	59,322,147	19.00	14.1
2004.....	284	1,822,335	8.6	38,538,729	21.15	9.1
2005.....	239	2,440,656	11.5	50,947,678	20.87	12.1
2006.....	86	1,134,526	5.4	25,192,679	22.21	6.0
2007.....	56	1,386,301	6.5	29,412,223	21.22	7.0
2008.....	36	925,747	4.4	17,171,967	18.55	4.1
2009.....	26	966,678	4.6	19,469,636	20.14	4.6
2010.....	47	750,968	3.5	16,568,653	22.06	3.9
2011 and thereafter	42	2,510,911	11.9	48,363,186	19.26	11.5
Totals/Weighted Average	2,275	21,165,496	100.0	420,917,872	19.89	100.0

(1) Includes office tenants only. Excludes leases for amenity, retail, parking and month-to-month office tenants. Some tenants have multiple leases.
(2) Excludes all unleased space as of June 30, 2000.
(3) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, historical results may differ from those set forth above.

SCHEDULE OF LEASE EXPIRATIONS: OFFICE/FLEX PROPERTIES

The following table sets forth a schedule of the lease expirations for the office/flex properties beginning July 1, 2000, assuming that none of the tenants exercise renewal options:

Year Of Expiration	Number Of Leases Expiring(1)	Net Rentable Area Subject To Expiring Leases (Sq. Ft.)	Percentage Of Total Leased Square Feet Represented By Expiring Leases(%)(2)	Annualized Base Rental Revenue Under Expiring Leases($)(3)	Average Annual Rent Per Net Rentable Square Foot Represented By Expiring Leases ($)	Percentage Of Annual Base Rent Under Expiring Leases (%)
7/1/00-12/31/00	40	274,395	6.8	3,189,396	11.62	6.9
2001.....	87	664,977	16.5	6,849,197	10.30	14.8

2002.....	100	808,217	20.0	8,491,539	10.51	18.3
2003.....	69	497,806	12.3	5,357,898	10.76	11.5
2004.....	39	291,611	7.2	3,303,333	11.33	7.1
2005.....	44	405,671	10.0	4,987,415	12.29	10.8
2006.....	19	278,463	6.9	4,503,496	16.17	9.7
2007.....	8	135,431	3.4	1,971,234	14.56	4.2
2008.....	4	158,370	3.9	1,082,283	6.83	2.3
2009.....	9	119,260	2.9	1,722,320	14.44	3.7
2010.....	14	193,556	4.8	2,643,752	13.66	5.7
2011 and thereafter	6	213,024	5.3	2,299,360	10.79	5.0
Totals/Weighted Average	439	4,040,781	100.0	46,401,223	11.48	100.0

</TABLE>

(1) Includes office/flex tenants only. Excludes leases for amenity, retail, parking and month-to-month office/flex tenants. Some tenants have multiple leases.
(2) Excludes all unleased space as of June 30, 2000.
(3) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, historical results may differ from those set forth above.

SCHEDULE OF LEASE EXPIRATIONS: INDUSTRIAL/WAREHOUSE PROPERTIES

The following table sets forth a schedule of the lease expirations for the industrial/warehouse properties beginning July 1, 2000, assuming that none of the tenants exercise renewal options:

<TABLE>
<CAPTION>

Year Of Expiration	Number Of Leases Expiring(1)	Net Rentable Area Subject To Expiring Leases (Sq. Ft.)	Percentage Of Total Leased Square Feet Represented By Expiring Leases(%)	Annualized Base Rental Revenue Under Expiring Leases($)(2)	Average Annual Rent Per Net Rentable Square Foot Represented By Expiring Leases ($)	Percentage Of Annual Base Rent Under Expiring Leases (%)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
7/1/00-12/31/00	3	1,335	0.3	16,895	12.66	0.4
2001.....	3	9,447	2.5	92,277	9.77	2.5
2002.....	2	46,440	12.2	497,707	10.72	13.5
2003.....	4	97,974	25.8	501,118	5.11	13.6
2004.....	10	200,120	52.6	2,297,492	11.48	62.2
2005.....	3	13,154	3.5	181,877	13.83	4.9
2009.....	1	11,800	3.1	106,200	9.00	2.9
Totals/Weighted Average	26	380,270	100.0	3,693,566	9.71	100.0

</TABLE>

(1) Includes industrial/warehouse tenants only. Excludes leases for amenity, retail, parking and month-to-month industrial/warehouse tenants. Some tenants have multiple leases.
(2) Excludes all unleased space as of June 30, 2000.
(3) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base

rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, the historical results may differ from those set forth above.

SCHEDULE OF LEASE EXPIRATIONS: STAND-ALONE RETAIL PROPERTIES

The following table sets forth a schedule of the lease expirations for the stand-alone retail properties beginning July 1, 2000, assuming that none of the tenants exercise renewal options:

<TABLE>
<CAPTION>

Year Of Expiration	Number Of Leases Expiring(1)	Net Rentable Area Subject To Expiring Leases (Sq. Ft.)	Percentage Of Total Leased Square Feet Represented By Expiring Leases(%)	Annualized Base Rental Revenue Under Expiring Leases($)(2)	Average Annual Rent Per Net Rentable Square Foot Represented By Expiring Leases ($)	Percentage Of Annual Base Rent Under Expiring Leases (%)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
2004.....	1	9,300	53.8	195,000	20.97	42.4
2012.....	1	8,000	46.2	265,000	33.12	57.6
Totals/Weighted Average	2	17,300	100.0	460,000	26.59	100.0

</TABLE>

(1) Includes stand-alone retail property tenants only.
(2) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, historical results may differ from those set forth above.

INDUSTRY DIVERSIFICATION

The following table lists the Company's 30 largest industry classifications based on annualized contractual base rent of the Consolidated Properties:

<TABLE>
<CAPTION>

Industry Classification (3)	Annualized Base Rental Revenue ($)(1)(2)	Percentage of Company Annualized Base Rental Revenue (%)	Square Feet Leased	Percentage of Total Company Leased Sq. Ft. (%)
<S>	<C>	<C>	<C>	<C>
Securities, Commodity Contracts & Other Financial	48,482,254	10.3	2,163,027	8.4
Manufacturing	45,744,817	9.7	2,766,760	10.8
Computer System Design Svcs	34,196,330	7.2	1,814,397	7.1
Insurance Carriers & Related Activities	33,713,281	7.1	1,744,424	6.8
Telecommunications	32,802,016	6.9	1,929,988	7.5
Legal Services	27,804,546	5.9	1,264,086	4.9
Health Care & Social Assistance	22,341,554	4.7	1,144,152	4.5
Credit Intermediation & Related Activities	21,982,908	4.7	1,282,516	5.0
Wholesale Trade	17,473,059	3.7	1,247,374	4.9
Accounting/Tax Prep	15,908,652	3.4	752,393	2.9
Other Professional	15,687,935	3.3	919,295	3.6
Retail Trade	13,942,320	3.0	833,258	3.3
Information Services	13,385,639	2.8	623,356	2.4
Publishing Industries	12,555,371	2.7	563,273	2.2
Arts, Entertainment & Recreation	11,478,864	2.4	785,759	3.1
Public Administration	10,383,217	2.2	360,322	1.4
Other Services (except Public Administration)	8,916,277	1.9	699,883	2.7
Transportation	8,757,450	1.9	673,895	2.6
Advertising/Related Services	8,270,160	1.8	399,462	1.6
Real Estate & Rental & Leasing	7,747,291	1.6	378,753	1.5
Management/Scientific	7,573,469	1.6	388,954	1.5
Management of Companies & Finance	7,076,808	1.5	372,430	1.5
Scientific Research/Development	6,890,375	1.5	412,902	1.6
Data Processing Services	6,062,894	1.3	277,639	1.1
Architectural/Engineering	5,561,039	1.2	312,488	1.2
Construction	4,504,058	1.0	269,431	1.1
Educational Services	3,684,716	0.8	211,205	0.8
Utilities	3,567,432	0.8	170,462	0.7

Specialized Design Services	3,408,726	0.7	161,504	0.6
Admin. & Support, Waste Mgt. & Remediation Svc	3,101,016	0.6	222,856	0.9
Other	8,468,187	1.8	457,603	1.8
Totals	471,472,661	100.0	25,603,847	100.0

</TABLE>

(1) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, historical results may differ from those set forth above.
(2) Includes office, office/flex, industrial/warehouse and stand-alone retail tenants only. Excludes leases for amenity, retail, parking and month-to-month office tenants. Some tenants have multiple leases.
(3) The Company's tenants are classified according to the U.S. Government's new North American Industrial Classification System (NAICS) which has replaced the Standard Industrial Code (SIC) system.

MARKET DIVERSIFICATION

The following table lists the Company's 25 largest markets (MSAs), based on annualized contractual base rent of the Consolidated Properties:

<TABLE>
<CAPTION>

Market (MSA)	Annualized Base Rental Revenue ($)(1)(2)	Percentage of Company Annualized Base Rental Revenue (%)	Total Property Size Rentable Area	Percentage of Rentable Area (%)
<S>	<C>	<C>	<C>	<C>
Bergen-Passaic, NJ	82,841,703	17.6	4,530,091	16.9
New York, NY (Westchester-Rockland Counties)	78,809,935	16.7	4,696,178	17.5
Newark, NJ (Essex-Morris-Union Counties)	71,270,588	15.1	3,444,598	12.8
Philadelphia, PA-NJ	37,779,413	8.0	2,657,858	9.9
Jersey City, NJ	37,245,542	7.9	1,886,800	7.0
Washington, DC-MD-VA	18,992,505	4.0	616,549	2.3
Denver, CO	16,915,371	3.6	1,007,931	3.8
Dallas, TX	14,782,631	3.1	959,463	3.6
Trenton, NJ (Mercer County)	12,714,136	2.7	672,365	2.5
Middlesex-Somerset-Hunterdon, NJ	12,706,631	2.7	659,041	2.5
San Antonio, TX	11,793,657	2.5	940,302	3.5
San Francisco, CA	11,725,703	2.5	450,891	1.7
Stamford-Norwalk, CT	9,054,159	1.9	527,250	2.0
Houston, TX	8,888,939	1.9	700,008	2.6
Monmouth-Ocean, NJ	7,176,808	1.5	577,423	2.1
Nassau-Suffolk, NY	5,762,698	1.2	261,849	1.0
Austin-San Marcos, TX	5,751,591	1.2	270,703	1.0
Phoenix-Mesa, AZ	5,411,031	1.1	416,967	1.5
Boulder-Longmont, CO	3,578,893	0.8	270,421	1.0
Tampa-St. Petersburg-Clearwater, FL	3,415,060	0.7	297,429	

				1.1
Bridgeport, CT	3,104,796	0.7	145,487	0.5
Omaha, NE-IA	3,096,315	0.7	319,535	1.2
Colorado Springs, CO	2,837,673	0.6	209,987	0.8
Dutchess County, NY	2,172,749	0.5	118,727	0.4
Atlantic-Cape May, NJ	1,464,090	0.3	80,344	0.3
Other	2,180,044	0.5	146,694	0.5
Totals	471,472,661	100.0	26,864,891	100.0

</TABLE>

(1) Annualized base rental revenue is based on actual June 2000 billings times 12. For leases whose rent commences after July 1, 2000, annualized base rental revenue is based on the first full month's billing times 12. As annualized base rental revenue is not derived from historical GAAP results, historical results may differ from those set forth above.
(2) Includes office, office/flex, industrial/warehouse and stand-alone retail tenants only. Excludes leases for amenity, retail, parking and month-to-month office tenants. Some tenants have multiple leases.

PROPERTY LISTING

OFFICE PROPERTIES

<TABLE>
<CAPTION>

PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ATLANTIC COUNTY, NEW JERSEY						
EGG HARBOR						
100 Decadon Drive........................	1987	40,422	100.0	784	0.16	19.40
200 Decadon Drive........................	1991	39,922	95.3	735	0.15	19.32
BERGEN COUNTY, NEW JERSEY						
FAIR LAWN						
17-17 Route 208 North....................	1987	143,000	96.0	3,445	0.70	25.09
FORT LEE						
One Bridge Plaza.........................	1981	200,000	99.5	4,658	0.95	23.41
2115 Linwood Avenue (4)..................	1981	68,000	88.4	687	0.14	11.43
LITTLE FERRY						
200 Riser Road...........................	1974	286,628	100.0	1,882	0.39	6.57
MONTVALE						
95 Chestnut Ridge Road...................	1975	47,700	100.0	570	0.12	11.95
135 Chestnut Ridge Road..................	1981	66,150	92.1	971	0.20	15.94
PARAMUS						

15 East Midland Avenue....................	1988	259,823	100.0	6,639	1.36	25.55
461 From Road.............................	1988	253,554	99.8	6,084	1.24	24.04
650 From Road.............................	1978	348,510	100.0	7,584	1.55	21.76
140 Ridgewood Avenue......................	1981	239,680	100.0	5,134	1.05	21.42
61 South Paramus Avenue...................	1985	269,191	100.0	5,705	1.17	21.19
ROCHELLE PARK						
120 Passaic Street........................	1972	52,000	100.0	576	0.12	11.08
365 West Passaic Street...................	1976	212,578	96.5	3,620	0.74	17.65
SADDLE RIVER						
1 Lake Street.............................	1973/94	474,801	100.0	7,466	1.53	15.72
UPPER SADDLE RIVER						
10 Mountainview Road......................	1986	192,000	100.0	3,773	0.77	19.65
WOODCLIFF LAKE						
400 Chestnut Ridge Road...................	1982	89,200	100.0	2,129	0.44	23.87
470 Chestnut Ridge Road...................	1987	52,500	100.0	1,192	0.24	22.70
530 Chestnut Ridge Road...................	1986	57,204	100.0	1,166	0.24	20.38
50 Tice Boulevard.........................	1984	235,000	100.0	4,837	0.99	20.58
300 Tice Boulevard........................	1991	230,000	100.0	4,968	1.02	21.60
BURLINGTON COUNTY, NEW JERSEY						
MOORESTOWN						
224 Strawbridge Drive.....................	1984	74,000	95.2	1,162	0.24	16.49
228 Strawbridge Drive.....................	1984	74,000	100.0	1,434	0.29	19.38
ESSEX COUNTY, NEW JERSEY						
MILLBURN						
150 J.F. Kennedy Parkway..................	1980	247,476	100.0	5,770	1.18	23.32
ROSELAND						
101 Eisenhower Parkway....................	1980	237,000	95.1	4,127	0.84	18.31
103 Eisenhower Parkway....................	1985	151,545	99.8	3,154	0.65	20.85
HUDSON COUNTY, NEW JERSEY						
JERSEY CITY						
95 Christopher Columbus Drive (7).........	1989	n/a	n/a	10,266	2.10	n/a
Harborside Financial Center Plaza I.......	1983	400,000	99.0	3,305	0.68	8.35
Harborside Financial Center Plaza II......	1990	761,200	100.0	17,721	3.63	23.28
Harborside Financial Center Plaza III.....	1990	725,600	100.0	17,027	3.48	23.47

</TABLE>

PROPERTY LISTING

OFFICE PROPERTIES
(CONTINUED)

<TABLE>
<CAPTION>

PROPERTY	YEAR	NET RENTABLE AREA	PERCENTAGE LEASED AS OF 6/30/00	ANNUAL BASE RENT	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE	AVERAGE BASE RENT PER

LOCATION	BUILT	(SQ. FT.)	(%)(1)	($000'S)(2)	BASE RENT(%)	($) SQ. FT. (3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
MERCER COUNTY, NEW JERSEY						
PRINCETON						
400 Alexander Road (6)....................	1987	n/a	n/a	466	0.10	n/a
103 Carnegie Center.......................	1984	96,000	100.0	2,237	0.46	23.30
100 Overlook Center.......................	1988	149,600	99.8	3,738	0.76	25.04
5 Vaughn Drive............................	1987	98,500	100.0	2,271	0.46	23.06
MIDDLESEX COUNTY, NEW JERSEY						
EAST BRUNSWICK						
377 Summerhill Road.......................	1977	40,000	100.0	373	0.08	9.33
PLAINSBORO						
500 College Road East.....................	1984	158,235	100.0	3,404	0.70	21.51
SOUTH BRUNSWICK						
3 Independence Way........................	1983	111,300	99.9	2,101	0.43	18.90
WOODBRIDGE						
581 Main Street...........................	1991	200,000	100.0	4,574	0.94	22.87
MONMOUTH COUNTY, NEW JERSEY						
NEPTUNE						
3600 Route 66.............................	1989	180,000	100.0	2,413	0.49	13.41
WALL TOWNSHIP						
1305 Campus Parkway.......................	1988	23,350	92.4	423	0.09	19.61
1350 Campus Parkway.......................	1990	79,747	99.9	1,329	0.27	16.68
MORRIS COUNTY, NEW JERSEY						
FLORHAM PARK						
325 Columbia Turnpike.....................	1987	168,144	100.0	4,022	0.82	23.92
MORRIS PLAINS						
201 Littleton Road........................	1979	88,369	100.0	1,771	0.36	20.04
250 Johnson Road..........................	1977	75,000	100.0	1,090	0.22	14.53
MORRIS TOWNSHIP						
340 Mt. Kemble Avenue.....................	1985	387,000	100.0	5,529	1.13	14.29
412 Mt. Kemble Avenue (7).................	1986	n/a	n/a	6,481	1.33	n/a
PARSIPPANY						
7 Campus Drive............................	1982	154,395	100.0	2,551	0.52	16.52
8 Campus Drive	1987	215,265	100.0	5,235	1.07	24.32
2 Dryden Way..............................	1990	6,216	100.0	68	0.01	10.94
4 Gatehall Drive (4)......................	1988	248,480	98.2	5,856	1.20	24.00
2 Hilton Court............................	1991	181,592	100.0	4,556	0.93	25.09
600 Parsippany Road.......................	1978	96,000	100.0	1,347	0.28	14.03
1 Sylvan Way..............................	1989	150,557	100.0	3,513	0.72	23.33
5 Sylvan Way..............................	1989	151,383	96.8	3,542	0.72	24.17
7 Sylvan Way..............................	1987	145,983	100.0	2,920	0.60	20.00
PASSAIC COUNTY, NEW JERSEY						
CLIFTON						
777 Passaic Avenue........................	1983	75,000	63.1	939	0.19	19.84
TOTOWA						
999 Riverview Drive.......................	1988	56,066	100.0	930	0.19	16.59
WAYNE						
201 Willowbrook Boulevard.................	1970	178,329	99.0	2,426	0.50	

13.74
</TABLE>

PROPERTY LISTING

OFFICE PROPERTIES
(CONTINUED)

<TABLE>
<CAPTION>

PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
SOMERSET COUNTY, NEW JERSEY						
BASKING RIDGE						
222 Mt. Airy Road.........................	1986	49,000	100.0	743	0.15	15.16
233 Mt. Airy Road.........................	1987	66,000	100.0	762	0.16	11.55
BRIDGEWATER						
721 Route 202/206.........................	1989	192,741	100.0	3,974	0.81	20.62
UNION COUNTY, NEW JERSEY						
CLARK						
100 Walnut Avenue.........................	1985	182,555	100.0	4,548	0.93	24.91
CRANFORD						
6 Commerce Drive..........................	1973	56,000	85.5	1,048	0.21	21.89
11 Commerce Drive.........................	1981	90,000	90.8	1,053	0.22	12.89
12 Commerce Drive.........................	1967	72,260	89.4	613	0.13	9.49
20 Commerce Drive.........................	1990	176,600	100.0	3,819	0.78	21.63
65 Jackson Drive..........................	1984	82,778	100.0	1,591	0.33	19.22
NEW PROVIDENCE						
890 Mountain Road.........................	1977	80,000	100.0	2,051	0.42	25.64
TOTAL NEW JERSEY OFFICE		11,091,129	99.0	234,878	48.07	21.40
DUTCHESS COUNTY, NEW YORK						
FISHKILL						
300 South Lake Drive......................	1987	118,727	98.3	2,144	0.44	18.37
NASSAU COUNTY, NEW YORK						
NORTH HEMPSTEAD						
111 East Shore Road.......................	1980	55,575	100.0	1,515	0.31	27.26
600 Community Drive.......................	1983	206,274	100.0	4,860	0.99	23.56
ROCKLAND COUNTY, NEW YORK						
SUFFERN						
400 Rella Boulevard.......................	1988	180,000	99.0	3,579	0.73	20.08
WESTCHESTER COUNTY, NEW YORK						
ELMSFORD						

100 Clearbrook Road......................	1975	60,000	100.0	939	0.19	15.65
101 Executive Boulevard..................	1971	50,000	79.5	802	0.16	20.18
555 Taxter Road (4)......................	1986	170,554	100.0	4,017	0.82	23.55
565 Taxter Road (4)......................	1988	170,554	78.7	3,294	0.67	24.54
570 Taxter Road..........................	1972	75,000	86.2	1,431	0.29	22.13
HAWTHORNE						
30 Saw Mill River Road...................	1982	248,400	100.0	5,221	1.07	21.02
1 Skyline Drive..........................	1980	20,400	99.0	249	0.05	12.33
2 Skyline Drive..........................	1987	30,000	98.9	510	0.10	17.19
17 Skyline Drive.........................	1989	85,000	100.0	1,237	0.25	14.55
7 Skyline Drive..........................	1987	109,000	100.0	2,176	0.45	19.96
TARRYTOWN						
200 White Plains Road....................	1982	89,000	88.1	1,805	0.37	23.02
220 White Plains Road....................	1984	89,000	99.4	1,896	0.39	21.43
WHITE PLAINS						
1 Barker Avenue..........................	1975	68,000	96.6	1,600	0.33	24.36
3 Barker Avenue..........................	1983	65,300	93.3	1,257	0.26	20.63
50 Main Street...........................	1985	309,000	98.8	7,682	1.57	25.16
11 Martine Avenue........................	1987	180,000	100.0	4,376	0.90	24.31
1 Water Street...........................	1979	45,700	99.8	994	0.20	21.79

</TABLE>

PROPERTY LISTING

OFFICE PROPERTIES
(CONTINUED)

<TABLE>
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PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
YONKERS						
1 Executive Boulevard....................	1982	112,000	100.0	2,453	0.50	21.90
3 Executive Plaza........................	1987	58,000	100.0	1,258	0.26	21.69
TOTAL NEW YORK OFFICE		2,595,484	96.8	55,295	11.30	22.01
CHESTER COUNTY, PENNSYLVANIA						
BERWYN						
1000 Westlakes Drive.....................	1989	60,696	93.0	1,455	0.30	25.78
1055 Westlakes Drive.....................	1990	118,487	100.0	2,298	0.47	

						19.39
1205 Westlakes Drive.....................	1988	130,265	99.8	2,861	0.59	22.01
1235 Westlakes Drive.....................	1986	134,902	99.7	3,062	0.63	22.77
DELAWARE COUNTY, PENNSYLVANIA						
LESTER						
100 Stevens Drive........................	1986	95,000	100.0	853	0.17	8.98
200 Stevens Drive........................	1987	208,000	100.0	3,785	0.77	18.20
300 Stevens Drive........................	1992	68,000	100.0	1,140	0.23	16.76
MEDIA						
1400 Providence Road - Center I..........	1986	100,000	81.3	1,812	0.37	22.29
1400 Providence Road - Center II.........	1990	160,000	83.5	3,086	0.63	23.10
MONTGOMERY COUNTY, PENNSYLVANIA						
LOWER PROVIDENCE						
1000 Madison Avenue......................	1990	100,700	100.0	1,815	0.37	18.02
PLYMOUTH MEETING						
1150 Plymouth Meeting Mall...............	1970	167,748	84.8	2,975	0.61	20.91
Five Sentry Parkway East.................	1984	91,600	100.0	1,498	0.31	16.35
Five Sentry Parkway West.................	1984	38,400	100.0	664	0.14	17.29
TOTAL PENNSYLVANIA OFFICE		1,473,798	94.9	27,304	5.59	19.53
FAIRFIELD COUNTY, CONNECTICUT						
GREENWICH						
500 West Putnam..........................	1973	121,250	98.3	2,779	0.57	23.32
NORWALK						
40 Richards Avenue.......................	1985	145,487	97.7	2,841	0.58	19.99
SHELTON						
1000 Bridgeport Avenue...................	1986	133,000	89.5	2,316	0.47	19.46
TOTAL CONNECTICUT OFFICE		399,737	95.2	7,936	1.62	20.86
DISTRICT OF COLUMBIA						
WASHINGTON						
1201 Connecticut Avenue, NW (4)..........	1940	169,549	96.6	4,643	0.95	28.35
1400 L Street, NW........................	1987	159,000	100.0	5,868	1.20	36.91
1709 New York Avenue, NW.................	1972	166,000	100.0	6,893	1.41	41.52
TOTAL DISTRICT OF COLUMBIA OFFICE		494,549	98.8	17,404	3.56	35.61

</TABLE>

PROPERTY LISTING

OFFICE PROPERTIES
(CONTINUED)

PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
PRINCE GEORGE'S COUNTY, MARYLAND						
LANHAM						
4200 Parliament Place.....................	1989	122,000	91.3	2,335	0.48	20.96
TOTAL MARYLAND OFFICE		122,000	91.3	2,335	0.48	20.96
BEXAR COUNTY, TEXAS						
SAN ANTONIO						
200 Concord Plaza Drive..................	1986	248,700	92.4	4,451	0.91	19.37
1777 N.E. Loop 410.......................	1986	256,137	92.8	3,573	0.73	15.03
84 N.E. Loop 410.........................	1971	187,312	87.9	2,477	0.51	15.04
111 Soledad..............................	1918	248,153	93.0	2,452	0.50	10.62
COLLIN COUNTY, TEXAS						
PLANO						
555 Republic Place.......................	1986	97,889	97.2	1,472	0.30	15.47
DALLAS COUNTY,TEXAS						
DALLAS						
3030 LBJ Freeway.........................	1984	367,018	96.1	6,347	1.30	18.00
3100 Monticello..........................	1984	173,837	94.9	2,763	0.57	16.75
8214 Westchester.........................	1983	95,509	79.2	1,301	0.27	17.20
IRVING						
2300 Valley View.........................	1985	142,634	85.4	2,204	0.45	18.09
RICHARDSON						
1122 Alma Road...........................	1977	82,576	100.0	607	0.12	7.35
HARRIS COUNTY, TEXAS						
HOUSTON						
14511 Falling Creek......................	1982	70,999	98.8	853	0.17	12.16
5225 Katy Freeway........................	1983	112,213	100.0	1,429	0.29	12.73
5300 Memorial............................	1982	155,099	100.0	2,297	0.47	14.81
1717 St. James Place.....................	1975	109,574	94.0	1,345	0.28	13.06
1770 St. James Place.....................	1973	103,689	90.4	1,374	0.28	14.66
10497 Town & Country Way.................	1981	148,434	81.1	1,904	0.39	15.82
POTTER COUNTY, TEXAS						
AMARILLO						
6900 IH - 40 West (7)....................	1986	n/a	n/a	458	0.09	n./a
TARRANT COUNTY, TEXAS						
EULESS						
150 West Parkway.........................	1984	74,429	95.9	1,032	0.21	

PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
						14.46
TRAVIS COUNTY, TEXAS						
AUSTIN						
1250 Capital of Texas Hwy. South..........	1985	270,703	98.8	5,571	1.14	20.83
TOTAL TEXAS OFFICE		2,944,905	93.4	43,910	8.98	15.97

</TABLE>

PROPERTY LISTING

OFFICE PROPERTIES
(CONTINUED)

<TABLE>
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PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
MARICOPA COUNTY, ARIZONA						
GLENDALE						
5551 West Talavi Boulevard...............	1991	181,596	100.0	1,614	0.33	8.89
PHOENIX						
19640 North 31st Street..................	1990	124,171	100.0	1,198	0.25	9.65
20002 North 19th Avenue (6)..............	1986	n/a	n/a	307	0.06	n/a
SCOTTSDALE						
9060 E. Via Linda Boulevard..............	1984	111,200	100.0	2,407	0.49	21.65
TOTAL ARIZONA OFFICE		416,967	100.0	5,526	1.13	13.25
ARAPAHOE COUNTY, COLORADO						
AURORA						
750 South Richfield Street...............	1997	108,240	100.0	2,911	0.60	26.89
DENVER						
400 South Colorado Boulevard.............	1983	125,415	97.2	2,066	0.42	16.95
ENGLEWOOD						
9359 East Nichols Avenue.................	1997	72,610	100.0	903	0.18	12.44
5350 South Roslyn Street.................	1982	63,754	96.2	1,058	0.22	17.25
BOULDER COUNTY, COLORADO						
BROOMFIELD						
105 South Technology Court...............	1997	37,574	100.0	539	0.11	14.35
303 South Technology Court-A.............	1997	34,454	100.0	421	0.09	12.22
303 South Technology Court-B.............	1997	40,416	100.0	421	0.09	10.42

LOUISVILLE						
1172 Century Drive........................	1996	49,566	100.0	562	0.11	11.34
248 Centennial Parkway....................	1996	39,266	100.0	563	0.12	14.34
285 Century Place.........................	1997	69,145	100.0	1,117	0.23	16.15
DENVER COUNTY, COLORADO						
DENVER						
3600 South Yosemite.......................	1974	133,743	100.0	1,289	0.26	9.64
DOUGLAS COUNTY, COLORADO						
ENGLEWOOD						
384 Inverness Drive South.................	1985	51,523	100.0	813	0.17	15.78
400 Inverness Drive.......................	1997	111,608	99.9	2,756	0.56	24.72
67 Inverness Drive East...................	1996	54,280	100.0	662	0.14	12.20
5975 South Quebec Street..................	1996	102,877	99.8	2,380	0.49	23.18
PARKER						
9777 Pyramid Court........................	1995	120,281	100.0	1,323	0.27	11.00
EL PASO COUNTY, COLORADO						
COLORADO SPRINGS						
8415 Explorer.............................	1998	47,368	100.0	570	0.12	12.03
1975 Research Parkway.....................	1997	115,250	100.0	1,679	0.34	14.57
2375 Telstar Drive........................	1998	47,369	100.0	570	0.12	12.03

</TABLE>

PROPERTY LISTING

OFFICE PROPERTIES
(CONTINUED)

<TABLE>
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PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
JEFFERSON COUNTY, COLORADO						
LAKEWOOD						
141 Union Boulevard.......................	1985	63,600	98.9	1,099	0.22	17.47
TOTAL COLORADO OFFICE		1,488,339	99.5	23,702	4.86	16.00
SAN FRANCISCO COUNTY, CALIFORNIA						
SAN FRANCISCO						
795 Folsom Street (4).....................	1977	183,445	100.0	4,701	0.96	25.63
760 Market Street.........................	1908	267,446	95.1	7,877	1.61	30.97

TOTAL CALIFORNIA OFFICE		450,891	97.1	12,578	2.57	28.73
HILLSBOROUGH COUNTY, FLORIDA						
TAMPA						
501 Kennedy Boulevard....................	1982	297,429	88.8	3,786	0.77	14.33
TOTAL FLORIDA OFFICE		297,429	88.8	3,786	0.77	14.33
POLK COUNTY, IOWA						
WEST DES MOINES						
2600 Westown Parkway.....................	1988	72,265	100.0	1,120	0.23	15.50
TOTAL IOWA OFFICE		72,265	100.0	1,120	0.23	15.50
DOUGLAS COUNTY, NEBRASKA						
OMAHA						
210 South 16th Street....................	1894	319,535	94.3	3,310	0.68	10.98
TOTAL NEBRASKA OFFICE		319,535	94.3	3,310	0.68	10.98
TOTAL OFFICE PROPERTIES		22,167,028	97.4	439,084	89.84	20.34

</TABLE>

PROPERTY LISTING

OFFICE/FLEX PROPERTIES

<TABLE>
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PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
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BURLINGTON COUNTY, NEW JERSEY						
BURLINGTON						
3 Terri Lane.............................	1991	64,500	61.4	399	0.08	

						10.07
5 Terri Lane.............................	1992	74,555	62.2	413	0.08	8.91
MOORESTOWN						
2 Commerce Drive (4)......................	1986	49,000	100.0	364	0.07	7.43
101 Commerce Drive........................	1988	64,700	100.0	336	0.07	5.19
102 Commerce Drive (4)....................	1987	38,400	87.5	182	0.04	5.42
201 Commerce Drive........................	1986	38,400	100.0	196	0.04	5.10
202 Commerce Drive (4)....................	1988	51,200	100.0	269	0.06	5.26
1 Executive Drive.........................	1989	20,570	91.2	107	0.02	5.70
2 Executive Drive (4).....................	1988	60,800	100.0	473	0.10	5.42
101 Executive Drive.......................	1990	29,355	45.8	125	0.03	9.30
102 Executive Drive.......................	1990	64,000	90.0	422	0.09	7.33
225 Executive Drive.......................	1990	50,600	100.0	320	0.07	6.32
97 Foster Road............................	1982	43,200	100.0	187	0.04	4.33
1507 Lancer Drive.........................	1995	32,700	100.0	139	0.03	4.25
1510 Lancer Drive.........................	1998	88,000	100.0	370	0.08	4.20
1256 North Church.........................	1984	63,495	49.9	319	0.07	10.07
840 North Lenola..........................	1995	38,300	100.0	272	0.06	7.10
844 North Lenola..........................	1995	28,670	100.0	213	0.04	7.43
30 Twosome Drive..........................	1997	39,675	100.0	223	0.05	5.62
40 Twosome Drive..........................	1996	40,265	63.1	196	0.04	7.71
50 Twosome Drive..........................	1997	34,075	100.0	269	0.06	7.89
WEST DEPTFORD						
1451 Metropolitan Drive...................	1996	21,600	100.0	149	0.03	6.90
MERCER COUNTY, NEW JERSEY						
HAMILTON TOWNSHIP						
100 Horizon Drive.........................	1989	13,275	0.0	13	0.00	0.00
200 Horizon Drive.........................	1991	45,770	100.0	446	0.09	9.74
300 Horizon Drive.........................	1989	69,780	73.8	826	0.17	16.04
500 Horizon Drive.........................	1990	41,205	57.8	313	0.06	13.14
MONMOUTH COUNTY, NEW JERSEY						
WALL TOWNSHIP						
1325 Campus Parkway.......................	1988	35,000	100.0	261	0.05	7.46
1340 Campus Parkway.......................	1992	72,502	94.6	793	0.16	11.56
1345 Campus Parkway.......................	1995	76,300	100.0	707	0.14	9.27
1433 Highway 34...........................	1985	69,020	79.1	445	0.09	8.15
1320 Wyckoff Avenue.......................	1986	20,336	100.0	47	0.01	2.31
1324 Wyckoff Avenue.......................	1987	21,168	100.0	188	0.04	8.88
PASSAIC COUNTY, NEW JERSEY						
TOTOWA						
1 Center Court............................	1999	38,961	37.8	144	0.03	9.78
2 Center Court............................	1998	30,600	99.3	349	0.07	11.49
11 Commerce Way...........................	1989	47,025	100.0	476	0.10	10.12
20 Commerce Way...........................	1992	42,540	100.0	412	0.08	9.69
29 Commerce Way...........................	1990	48,930	100.0	482	0.10	9.85
40 Commerce Way...........................	1987	50,576	100.0	560	0.11	

						11.07
45 Commerce Way..........................	1992	51,207	100.0	483	0.10	9.43
60 Commerce Way..........................	1988	50,333	84.3	348	0.07	8.20
80 Commerce Way..........................	1996	22,500	100.0	286	0.06	12.71

</TABLE>

PROPERTY LISTING

OFFICE/FLEX PROPERTIES
(CONTINUED)

<TABLE>
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PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
100 Commerce Way.........................	1996	24,600	100.0	285	0.06	11.59
120 Commerce Way.........................	1994	9,024	100.0	92	0.02	10.20
140 Commerce Way.........................	1994	26,881	99.5	278	0.06	10.39
TOTAL NEW JERSEY OFFICE/FLEX		1,943,593	88.2	14,177	2.92	8.27
WESTCHESTER COUNTY, NEW YORK						
ELMSFORD						
11 Clearbrook Road.......................	1974	31,800	100.0	334	0.07	10.50
75 Clearbrook Road.......................	1990	32,720	100.0	816	0.17	24.94
150 Clearbrook Road......................	1975	74,900	100.0	1,049	0.21	14.01
175 Clearbrook Road......................	1973	98,900	98.5	1,441	0.29	14.79
200 Clearbrook Road......................	1974	94,000	99.8	1,184	0.24	12.62
250 Clearbrook Road......................	1973	155,000	94.5	1,277	0.26	8.72
50 Executive Boulevard...................	1969	45,200	97.2	384	0.08	8.74
77 Executive Boulevard...................	1977	13,000	100.0	166	0.03	12.77
85 Executive Boulevard...................	1968	31,000	99.4	407	0.08	13.21
300 Executive Boulevard..................	1970	60,000	99.7	581	0.12	9.71
350 Executive Boulevard..................	1970	15,400	98.8	243	0.05	15.97
399 Executive Boulevard..................	1962	80,000	100.0	967	0.20	12.09
400 Executive Boulevard..................	1970	42,200	100.0	618	0.13	14.64
500 Executive Boulevard..................	1970	41,600	100.0	574	0.12	13.80
525 Executive Boulevard..................	1972	61,700	100.0	837	0.17	13.57
1 Westchester Plaza......................	1967	25,000	100.0	294	0.06	

Location / Property	Year Built	Net Rentable Area (Sq. Ft.)	Percentage Leased as of 6/30/00 (%)(1)	Annual Base Rent ($000's)(2)	Percentage of Total Office, Office/Flex, and Industrial/Warehouse Base Rent (%)	Average Base Rent per Sq. Ft. ($)(3)(5)
						11.76
2 Westchester Plaza......................	1968	25,000	100.0	447	0.09	17.88
3 Westchester Plaza......................	1969	93,500	98.5	1,117	0.23	12.13
4 Westchester Plaza......................	1969	44,700	99.8	629	0.13	14.10
5 Westchester Plaza......................	1969	20,000	100.0	291	0.06	14.55
6 Westchester Plaza......................	1968	20,000	100.0	301	0.06	15.05
7 Westchester Plaza......................	1972	46,200	100.0	650	0.13	14.07
8 Westchester Plaza......................	1971	67,200	100.0	866	0.18	12.89
HAWTHORNE						
200 Saw Mill River Road..................	1965	51,100	88.8	623	0.13	13.73
4 Skyline Drive..........................	1987	80,600	100.0	1,246	0.25	15.46
8 Skyline Drive..........................	1985	50,000	98.9	797	0.16	16.12
10 Skyline Drive.........................	1985	20,000	100.0	283	0.06	14.15
11 Skyline Drive.........................	1989	45,000	100.0	683	0.14	15.18
12 Skyline Drive (4).....................	1999	46,850	100.0	733	0.15	15.65
15 Skyline Drive.........................	1989	55,000	100.0	972	0.20	17.67
YONKERS						
100 Corporate Boulevard..................	1987	78,000	98.2	1,269	0.26	16.57
200 Corporate Boulevard South............	1990	84,000	99.8	1,383	0.28	16.50
4 Executive Plaza........................	1986	80,000	99.9	1,033	0.21	12.93
6 Executive Plaza........................	1987	80,000	100.0	1,025	0.21	12.81
1 Odell Plaza............................	1980	106,000	100.0	1,309	0.27	12.35
5 Odell Plaza............................	1983	38,400	99.6	504	0.10	13.18
7 Odell Plaza............................	1984	42,600	99.6	665	0.14	15.67
TOTAL NEW YORK OFFICE/FLEX		2,076,570	99.0	27,998	5.72	13.63

</TABLE>

PROPERTY LISTING

OFFICE/FLEX PROPERTIES
(CONTINUED)

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LOCATION / PROPERTY	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
FAIRFIELD COUNTY, CONNECTICUT						
STAMFORD						

419 West Avenue...........................	1986	88,000	96.8	1,431	0.29	16.80
500 West Avenue...........................	1988	25,000	100.0	361	0.07	14.44
550 West Avenue...........................	1990	54,000	100.0	779	0.16	14.43
600 West Avenue (4).......................	1999	66,000	100.0	623	0.13	9.43
650 West Avenue...........................	1998	40,000	100.0	632	0.13	15.80
TOTAL CONNECTICUT OFFICE/FLEX		273,000	99.0	3,826	0.78	14.16
TOTAL OFFICE/FLEX PROPERTIES		4,293,163	94.1	46,001	9.42	11.39

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PROPERTY LISTING

INDUSTRIAL/WAREHOUSE PROPERTIES

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PROPERTY LOCATION	YEAR BUILT	NET RENTABLE AREA (SQ. FT.)	PERCENTAGE LEASED AS OF 6/30/00 (%)(1)	ANNUAL BASE RENT ($000'S)(2)	PERCENTAGE OF TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/ WAREHOUSE BASE RENT(%)	AVERAGE BASE RENT PER SQ. FT. ($)(3)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
WESTCHESTER COUNTY, NEW YORK						
ELMSFORD						
1 Warehouse Lane..........................	1957	6,600	100.0	57	0.01	8.64
2 Warehouse Lane..........................	1957	10,900	100.0	113	0.02	10.37
3 Warehouse Lane..........................	1957	77,200	100.0	290	0.06	3.76
4 Warehouse Lane..........................	1957	195,500	97.4	1,938	0.40	10.18
5 Warehouse Lane..........................	1957	75,100	97.1	725	0.15	9.94
6 Warehouse Lane..........................	1982	22,100	100.0	514	0.10	23.26
TOTAL INDUSTRIAL/WAREHOUSE PROPERTIES		387,400	98.1	3,637	0.74	9.57
TOTAL OFFICE, OFFICE/FLEX, AND INDUSTRIAL/WAREHOUSE PROPERTIES		26,847,591	96.9	488,722	100.00	18.79

</TABLE>

(1) Based on all leases in effect as of June 30, 2000.
(2) Total base rent for 12 months ended June 30, 2000, determined in accordance with GAAP. Substantially all of the leases provide for annual base rents plus recoveries and escalation charges based upon the tenant's proportionate share of and/or increases in real estate taxes and certain operating costs, as defined, and the pass through of charges for electrical usage. For those properties acquired or placed in service during the 12 months ended June 30, 2000, amounts are annualized, as per Note 4.
(3) Base rent for the 12 months ended June 30, 2000 divided by net rentable square feet leased at June 30, 2000. For those properties acquired or placed in service during 12 months ended June 30, 2000, amounts are annualized, as per Note 4.
(4) As this property was acquired or placed in service during the 12 months ended June 30, 2000, the amounts represented for base rent are annualized. These annualized amounts may not be indicative of the property's results had the Company owned or placed such property in service for the entire 12 months ended June 30, 2000.
(5) Excludes office space leased by the Company.
(6) The property was sold by the Company in 1999.
(7) The property was sold by the Company in 2000.

- ------------------------------

FUNDS FROM OPERATIONS

The Company considers funds from operations ("FFO"), after adjustment for straight-lining of rents and non-recurring charges, one measure of REIT performance. Funds from operations is defined as net income (loss) before minority interest of unitholders, computed in accordance with GAAP, excluding gains (or losses) from debt restructuring, other extraordinary items, and sales of depreciable rental property, plus real estate-related depreciation and amortization. Funds from operations should not be considered as an alternative to net income as an indication of the Company's performance or to cash flows as a measure of liquidity. Funds from operations presented herein is not necessarily comparable to funds from operations presented by other real estate companies due to the fact that not all real estate companies use the same definition. However, the Company's funds from operations is comparable to the funds from operations of real estate companies that use the current definition of the National Association of Real Estate Investment Trusts ("NAREIT"), after the adjustment for straight-lining of rents and non-recurring charges.

Funds from operations for the three and six month periods ended June 30, 2000 and 1999 as calculated in accordance with NAREIT's definition as published in October 1999, after adjustment for straight-lining of rents and non-recurring charges, are summarized in the following table (IN THOUSANDS):

<TABLE>
<CAPTION>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Income before gain on sales of rental property and minority interests	$ 40,153	$ 25,321	$ 85,586	$ 66,134
Add: Real estate-related depreciation and amortization (1)	23,434	22,769	46,152	45,720
Gain on sale of land	--	--	2,248	
Non-recurring charges	9,228	16,458	9,228	16,458
Deduct: Rental income adjustment for straight-lining of rents (2)	(3,400)	(3,833)	(5,590)	(7,378)
Minority interests: partially-owned properties	(2,982)	--	(5,072)	--
Funds from operations, after adjustment for straight-lining of rents and non-recurring charges	$ 66,433	$ 60,715	$ 132,552	$ 120,934
Deduct: Distributions to preferred unitholders	(3,765)	(3,869)	(7,634)	(7,738)
Funds from operations, after adjustment for				

straight-lining of rents and non-recurring charges, after distributions to preferred unitholders	$ 62,668	$ 56,846	$ 124,918	$ 113,196
Cash flows provided by operating activities			$ 120,576	$ 110,008
Cash flows provided by (used in) investing activities			$ 62,329	$ (90,548)
Cash flows used in financing activities			$(181,041)	$ (13,750)
Basic weighted average shares/units outstanding (3)	66,627	67,173	66,527	67,092
Diluted weighted average shares/units outstanding (3)	73,284	74,104	73,237	74,040

</TABLE>

(1) Includes the Company's share from unconsolidated joint ventures of $686 and $509 for the three months ended June 30, 2000 and 1999, respectively, and $1,420 and $1,610 for the six months ended June 30, 2000 and 1999, respectively.
(2) Includes the Company's share from unconsolidated joint ventures of ($3) and ($26) for the three months ended June 30, 2000 and 1999, respectively, and $54 and ($44) for the six months ended June 30, 2000 and 1999, respectively.
(3) See calculations for the amounts presented in the following reconciliation.

The following schedule reconciles the Company's basic weighted average shares to the basic and diluted weighted average shares/units presented above:
<TABLE>
<CAPTION>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
<S>	<C>	<C>	<C>	<C>
Basic weighted average shares:	58,545	58,510	58,420	58,337
Add: Weighted average common units	8,082	8,663	8,107	8,755
Basic weighted average shares/units:	66,627	67,173	66,527	67,092
Add: Weighted average preferred units (after conversion to common units)	6,457	6,618	6,537	6,655
Stock options	200	313	173	293
Diluted weighted average shares/units:	73,284	74,104	73,237	74,040

</TABLE>

INFLATION

The Company's leases with the majority of its tenants provide for recoveries and escalation charges based upon the tenant's proportionate share of, and/or increases in, real estate taxes and certain operating costs, which reduce the Company's exposure to increases in operating costs resulting from inflation.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

The Company considers portions of this information to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of The Securities Exchange Act of 1934. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Approximately $1.2 billion of the Company's long-term debt bears interest at fixed rates, and therefore the fair value of these instruments is affected by changes in the market interest rates. The following table presents principal cash flows (in thousands) based upon maturity dates of the debt obligations and the related weighted-average interest rates by expected maturity dates for the fixed rate debt. The interest rate on the variable rate debt as of June 30, 2000 ranged from LIBOR plus 65 basis points to LIBOR plus 80 basis points.

JUNE 30, 2000

LONG-TERM DEBT, INCLUDING CURRENT PORTION	7/1/00-12/31/00	2001	2002	2003	2004	THEREAFTER	TOTAL	FAIR VALUE
Fixed Rate......	$ 7,124	$ 7,468	$ 3,458	$ 195,612	$ 312,195	$ 713,512	$ 1,239,369	$1,184,442
Average Interest Rate.........	6.93%	7.44%	8.20%	7.30%	7.34%	7.19%	7.24%	
Variable Rate...				$ 215,730		$ 32,178	$ 247,908	$ 247,908

MACK-CALI REALTY CORPORATION

PART II - OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Reference is made to "Other Contingencies" in Note 13 (Commitments and Contingencies) to the Consolidated Financial Statements, which is specifically incorporated by reference herein.

Item 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

Not Applicable.

Item 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable.

Item 5. OTHER INFORMATION

Not Applicable.

MACK-CALI REALTY CORPORATION

PART II - OTHER INFORMATION (CONTINUED)

ITEM 6 - EXHIBITS

(a) Exhibits

The following exhibits are filed herewith or are incorporated by reference to exhibits previously filed:

EXHIBIT NUMBER	EXHIBIT TITLE
2.1	Agreement and Plan of Merger, dated as of June 27, 2000, among Mack-Cali Realty Corporation, Mack-Cali Realty, L.P., Prentiss Properties Trust and Prentiss Properties Acquisition Partners, L.P. (filed as Exhibit 2.1 to the Company's Form 8-K dated June 27, 2000).
3.1	Restated Charter of Mack-Cali Realty Corporation dated June 2, 1999, together with Articles Supplementary thereto (filed as Exhibit 3.1 to the Company's Form 8-K dated June 10, 1999 and as Exhibit 4.2 to the Company's Form 8-K dated July 6, 1999 and each incorporated herein by reference).
3.2	Amended and Restated Bylaws of Mack-Cali Realty Corporation dated June 10, 1999 (filed as Exhibit 3.2 to the Company's Form 8-K dated June 10, 1999 and incorporated herein by reference).
3.3	Second Amended and Restated Agreement of Limited Partnership dated December 11, 1997, for Mack-Cali Realty, L.P. (filed as Exhibit 10.110 to the Company's Form 8-K dated December 11, 1997 and incorporated herein by reference).
3.4	Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of Mack-Cali Realty, L.P. (filed as Exhibit 3.1 to the Company's Registration Statement on Form S-3, Registration No. 333-57103, and incorporated herein by reference).
3.5	Second Amendment to the Second Amended and Restated Agreement of Limited Partnership of Mack-Cali Realty, L.P. (filed as Exhibit 10.2 to the Company's Form 8-K dated July 6, 1999 and incorporated herein by reference).
4.1	Amended and Restated Shareholder Rights Agreement, dated as of March 7, 2000, between Mack-Cali Realty Corporation and EquiServe Trust Company, N.A., as Rights Agent (filed as Exhibit 4.1 to the Company's Form 8-K dated March 7, 2000 and incorporated herein by reference).
4.2	Amendment No. 1 to the Amended and Restated Shareholder Rights Agreement, dated as of June 27, 2000, by and among Mack-Cali Realty Corporation and Equiserve Trust Company, N.A. (filed as Exhibit 4.1 to the Company's Form 8-K dated June 27, 2000).
4.3	Indenture dated as of March 16, 1999, by and among Mack-Cali Realty, L.P., as issuer, Mack-Cali Realty Corporation, as guarantor, and Wilmington Trust Company, as trustee (filed as Exhibit 4.1 to the Company's Form 8-K dated March 16, 1999 and incorporated herein by reference).

EXHIBIT NUMBER	EXHIBIT TITLE
4.4	Supplemental Indenture No. 1 dated as of March 16, 1999, by and among Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.2 to the Company's Form 8-K dated March 16, 1999 and incorporated herein by reference).
4.5	Supplemental Indenture No. 2 dated as of August 2, 1999, by and among Mack-Cali Realty, L.P., as issuer, and Wilmington Trust Company, as trustee (filed as Exhibit 4.4 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.1	Amended and Restated Employment Agreement dated as of July 1, 1999 between Mitchell E. Hersh and Mack-Cali Realty Corporation (filed as Exhibit 10.2 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.2	Second Amended and Restated Employment Agreement dated as of July 1, 1999 between Timothy M. Jones and Mack-Cali Realty Corporation (filed as Exhibit 10.3 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.3	Amended and Restated Employment Agreement dated as of July 1,

1999 between John R. Cali and Mack-Cali Realty Corporation (filed as Exhibit 10.4 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).

10.4	Amended and Restated Employment Agreement dated as of July 1, 1999 between Brant Cali and Mack-Cali Realty Corporation (filed as Exhibit 10.5 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.5	Second Amended and Restated Employment Agreement dated as of July 1, 1999 between Barry Lefkowitz and Mack-Cali Realty Corporation (filed as Exhibit 10.6 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.6	Second Amended and Restated Employment Agreement dated as of July 1, 1999 between Roger W. Thomas and Mack-Cali Realty Corporation (filed as Exhibit 10.7 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.7	Restricted Share Award Agreement dated as of July 1, 1999 between Mitchell E. Hersh and Mack-Cali Realty Corporation (filed as Exhibit 10.8 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.8	Restricted Share Award Agreement dated as of July 1, 1999 between Timothy M. Jones and Mack-Cali Realty Corporation (filed as Exhibit 10.9 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.9	Restricted Share Award Agreement dated as of July 1, 1999 between John R. Cali and Mack-Cali Realty Corporation (filed as Exhibit 10.10 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.10	Restricted Share Award Agreement dated as of July 1, 1999 between Brant Cali and Mack-Cali Realty Corporation (filed as Exhibit 10.11 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.11	Restricted Share Award Agreement dated as of July 1, 1999 between Barry Lefkowitz and Mack-Cali Realty Corporation (filed as Exhibit 10.12 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).

EXHIBIT NUMBER	EXHIBIT TITLE
10.12	Restricted Share Award Agreement dated as of July 1, 1999 between Roger W. Thomas and Mack-Cali Realty Corporation (filed as Exhibit 10.13 to the Company's Form 10-Q dated June 30, 1999 and incorporated herein by reference).
10.13	Credit Agreement, dated as of December 10, 1997, by and among Cali Realty, L.P. and the other signatories thereto (filed as Exhibit 10.122 to the Company's Form 8-K dated December 11, 1997 and incorporated herein by reference).
10.14	Amendment No. 1 to Revolving Credit Agreement dated July 20, 1998, by and among Mack-Cali Realty, L.P. and The Chase Manhattan Bank, Fleet National Bank and Other Lenders Which May Become Parties Thereto (filed as Exhibit 10.5 to the Company's Form 10-K dated December 31, 1998 and incorporated herein by reference).
10.15	Amendment No. 2 to Revolving Credit Agreement dated December 30, 1998, by and among Mack-Cali Realty, L.P. and The Chase Manhattan Bank, Fleet National Bank and Other Lenders Which May Become Parties Thereto (filed as Exhibit 10.6 to the Company's Form 10-K dated December 31, 1998 and incorporated herein by reference).
10.16	Contribution and Exchange Agreement among The MK Contributors, The MK Entities, The Patriot Contributors, The Patriot Entities, Patriot American Management and Leasing Corp., Cali Realty, L.P. and Cali Realty Corporation, dated September 18, 1997 (filed as Exhibit 10.98 to the Company's Form 8-K dated September 19, 1997 and incorporated herein by reference).
10.17	First Amendment to Contribution and Exchange Agreement, dated as of December 11, 1997, by and among the Company and the Mack Group (filed as Exhibit 10.99 to the Company's Form 8-K dated December 11, 1997 and incorporated herein by reference).

*27 Financial Data Schedule

(b) Reports on Form 8-K

During the second quarter of 2000, the Company filed a report on Form 8-K dated June 8, 2000, reporting under Item 5 that the Board of Directors of the Company, upon the unanimous recommendation of the Audit Committee of the Board of Directors of the Company, approved and adopted the Mack-Cali Realty Corporation Audit Committee Charter.

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*filed herewith

MACK-CALI REALTY CORPORATION

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MACK-CALI REALTY CORPORATION
(Registrant)

Date: August 9, 2000

/s/ Mitchell E. Hersh

Mitchell E. Hersh
Chief Executive Officer

Date: August 9, 2000

/s/ Barry Lefkowitz

Barry Lefkowitz
Executive Vice President &
Chief Financial Officer

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