Con Edison Reaches Sales Agreement for First Avenue Properties Significant Benefits to Consumers, NYC Economy and Environment

November 28, 2000

NEW YORK, Nov. 28 /PRNewswire/ -- Consolidated Edison Company of New York, Inc. (Con Edison) (NYSE: ED) announced today that the company has entered into a contract of sale agreement with FSM East River Associates LLC for several Con Edison properties along First Avenue in Manhattan.

FSM East River Associates is a partnership comprising Fisher Brothers and Solow Realty and Development. The developers of the property, with Morgan Stanley, were the winning bidders for the properties through an auction process conducted by Cushman & Wakefield, Inc.

The sale involves a total of 9.2 acres of Con Edison property located at 616 First Avenue, between 35th and 36th Streets; 685 First Avenue, between 39th and 40th Streets; and 708 First Avenue, between 40th and 41st Streets, currently the site of an office building. In addition, the sale includes 700 First Avenue, between 38th and 40th Streets, the site of Con Edison's 99-year-old Waterside steam electric generating station.

The purchase price for all of the properties is expected to be between $576 million and $680 million, with the net proceeds to be used for customer benefit in a manner to be determined by the state Public Service Commission (PSC).

"The sale of these properties will greatly benefit the customers of Con Edison and the residents of New York City," said Kevin Burke, president of Con Edison. "It will prove advantageous for customers while enhancing the city's ability to grow."

"The acquisition of these properties presents an exciting opportunity for residential, commercial and waterfront development coupled with meaningful tax and employment benefits, both during and after development," said Sheldon H. Solow, President of Solow Realty and Development.

Richard L. Fisher, Partner, Fisher Brothers, said: "We are enormously pleased to participate in this historic event."

The sale of the properties is expected to be completed over time, pending approval of the PSC, rezoning as part of the city's land use review process and completion of related remediation and demolition.

Con Edison was represented by Alan M. Berman of the firm LeBoeuf, Lamb, Greene and MacRae, L.L.P. in the transaction. FSM East River Associates, the purchaser, was represented by Marty Edelman of Paul, Hastings, Janofsky & Walker, L.L.P., Chris Smith of Shearman & Sterling, and Dan Riesel of Sive, Paget & Riesel.

Con Edison is a subsidiary of Consolidated Edison, Inc., one of the nation's largest investor-owned energy companies, with approximately $9 billion in annual revenues and $16 billion in assets. The utility provides electric, gas and steam service to more than three million customers in New York City and Westchester County, New York. For additional financial, operations and customer service information, visit Con Edison's web site at http://www.coned.com. SOURCE Consolidated Edison Company of New York, Inc.

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