

UNITED NATIONS DEVELOPMENT CORPORATION

2025 Measurement Report

The Corporation has adopted a mission statement and performance measures as prescribed by the New York State Public Authorities Law. To evaluate its progress towards meeting its mission, the Corporation also prepares an annual measurement report. These materials are posted on the Corporation's website and provided to the State Authorities Budget Office.

2025 Mission Statement

The mission of the United Nations Development Corporation is (a) to provide office and other facilities to meet the needs of the United Nations (the "UN"), missions to the UN and UN-related programs (together, the "UN Community"), and (b) otherwise to assist the UN Community in meeting its current and future real estate needs.

To accomplish its mission and to help the City and State of New York fulfill their responsibilities as hosts to the UN Community, the Corporation develops and operates office and other facilities for the benefit of the UN Community. The Corporation also provides advice and services, including studies, with respect to real estate needs and development within the State of New York, as requested by the State or City of New York, the United States or the UN.

Under its enabling statute, the Corporation is permitted to develop and operate real estate within a prescribed area (the "Development District") in the vicinity of UN headquarters in Manhattan. The boundaries of the Development District and other powers of the Corporation are subject to change to the extent provided by additional legislation. The Corporation has from time to time sought the enactment of such additional legislation, and may do so in the future, consistent with its mission and at the request of the UN or the City or State of New York, and to respond to and help meet the changing real estate needs of the UN Community.

2025 Measurement Report

The Corporation's 2025 Measurement Report is provided below. Performance measures are shown in bold, followed by the Corporation's evaluation.

- 1. Meeting the real estate needs of the UN Community in the City and State of New York by providing office and other facilities at rental rates and on other terms that encourage the UN Community to remain and continue its activities in New York City, as measured by long-term occupancy, minimal tenant turnover, timely compliance by tenants with rent and other obligations, and absence of disputes with tenants.**

In 2025, the City of New York and the Corporation announced a \$500 million development plan for One and Two United Nations Plaza that will support 1,800 construction jobs and help retain the UN's long-term presence in the City. As part of the plan the Corporation signed new leases at One and Two UN Plaza and implemented a comprehensive renovation program, as described below.

New Leases with the UN Community

UN Leases: In early 2025, the Corporation signed new long-term leases with the UN and the United Nations Development Programme (“UNDP”). Under the new leases, the UN leases occupies nearly all of Two UN Plaza and UNDP occupies approximately 60% of One UN Plaza as its world headquarters. Various UN organizations and permanent missions to the UN also signed new leases at One and Two UN Plaza in 2025.

Renovation Project

The renovation project (the “Project”) includes comprehensive building-wide renovations by the Corporation and renovations by the UN and UNDP of their leased premises. Building-wide renovations include new energy efficient systems in compliance with New York State’s BuildSmart 2025 program, common area improvements, including renovations to lobbies, restrooms and other common areas, and construction of an indoor bicycle parking facility. Construction on the project commenced in 2025 and is expected to be completed by early 2030.

Compliance and Tenant Relations

The Corporation maintained positive relations with its office tenants in 2025. There were no reported disputes, and to the best of the Corporation’s knowledge, all tenants remained in compliance with their lease obligations.

- 2. Responsiveness to the other real estate needs of the UN community and the UN-related needs of the City and State of New York, as measured by projects and studies undertaken by the Corporation as requested by the UN, the City or the State without any start-up or other funds provided by the City or the State.**

The Project is designed to support the future real estate needs of the UN Community. The Project will support 1,800 construction jobs and preserve thousands of existing positions related to the UN’s presence in New York City.

- 3. Enhancing the long-term value of the Corporation’s properties, maintaining the competitiveness of the Corporation’s properties in their relevant submarkets, and operating and maintaining the Corporation’s properties safely, efficiently, and in accordance with Class A standards, as measured by: increases in the relative value of the Corporation’s properties, consistently low vacancy rates, and building and capital improvements, including security enhancements, energy efficiency and sustainability projects and preventive maintenance programs, all in accordance with approved budgets.**

The Project will significantly increase the economic value of One and Two UN Plaza, improve the tenant experience, and ensure that the buildings are operated at a high standard, with emphasis on safety and security, energy efficiency and sustainability.

- 4. Complying with all obligations under the Corporation’s bond financing and real estate agreements, as measured by the Corporation exceeding thresholds for compliance with revenue covenants, timely payment of rent under its leases from the City of New York, and the absence of defaults by the Corporation in performing its obligations.**

The Corporation complied with its obligations under its bond financing and real estate agreements in 2025. The Corporation met its lease requirements with the City of New York in 2025, including payment of all rents due. There were no defaults by the Corporation in performing such obligations.

- 5. Implementing policies and procedures to ensure that the Corporation complies with its enabling statute, by-laws, corporate governance guidelines, applicable Federal, State and City laws, rules and regulations, and financial and other obligations, as measured by absence of violation notices, penalties or other sanctions, or defaults under contracts or other agreements.**

The Corporation has adopted policies and procedures to meet its compliance obligations. In 2025, the Corporation was not in default under any contracts or other agreements and was not subject to any penalties or other sanctions.

- 6. Take appropriate action to have the State Legislature approve and the Governor sign additional legislation that permits the Corporation to develop and operate real estate outside the current boundaries of the Development District and/or changes of other powers of the Corporation, as appropriate, to permit the Corporation, consistent with its mission and at the request of the UN or the City or State of New York, to respond to and help meet changing real estate needs of the UN Community, as measured by the enactment of such legislation and by the Corporation responding to and helping to meet changing real estate needs of the UN Community.**

There are no current plans to obtain State legislation, amend the Corporation's enabling statute or to expand its authority. The Corporation has taken such actions in the past in connection with a proposed new building in the area of the United Nations headquarters. Should additional legislation be necessary in the future to respond to the real estate needs of the UN Community, the Corporation will take appropriate action.

- 7. Stability in management and operations, as measured by consistency in annual revenues and expenses without any City or State funding, absence of financial emergencies or unplanned financial demands and longevity of service by key managers and others.**

The Corporation's management and operations were stable in 2025. The Corporation has engaged a professional team, including construction and project management, engineering and architecture firms, to plan and manage the Project. No financial emergencies or unplanned financial demands occurred in 2025. No City, State or Federal funds were received by the Corporation in 2025 or in prior years.