

PRESS RELEASE

Contact:

Joseph Macnow
(201) 587-1000



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Vornado to acquire Washington D.C. office building located at 2101 L Street

PARAMUS, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today announced that it has entered into an agreement to acquire 2101 L Street, a 370,000 square foot office building, from a limited partnership in which Mr. Robert H. Smith and Mr. Robert P. Kogod, trustees of Vornado, together with family members own approximately 24 percent. Mr. Smith is also a general partner. The purchase price of approximately \$77 million includes \$45 million of newly issued Vornado Operating Partnership units and approximately \$32 million in cash. The building is located in the Central Business District of Washington D.C. With this acquisition, the CESCO division of Vornado will own 56 office buildings in the Washington, D.C. and Northern Virginia area containing over 13.8 million square feet and partial interests in six Washington D.C. office buildings containing 1.8 million square feet. In addition, CESCO manages an additional 8.5 million square feet of office and other commercial properties.

The closing, which is expected in the third quarter of 2003, is subject to customary conditions. Accordingly, there can be no assurance that the proposed transaction will ultimately be completed.

Vornado Realty Trust is a fully-integrated equity real estate investment trust.

Certain statements contained herein may constitute 'forward-looking statements' within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.