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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

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

Date of Report (Date of earliest event reported):  
May 4, 2015

VORNADO REALTY TRUST  
(Exact Name of Registrant as Specified in Charter)

Maryland  
(State or Other  
Jurisdiction of  
Incorporation)

No. 001-11954  
(Commission  
File Number)

No. 22-1657560  
(IRS Employer  
Identification No.)

VORNADO REALTY L.P.  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other  
Jurisdiction of  
Incorporation)

No. 001-34482  
(Commission  
File Number)

No. 13-3925979  
(IRS Employer  
Identification No.)

888 Seventh Avenue  
New York, New York  
(Address of Principal Executive offices)

10019  
(Zip Code)

Registrant's telephone number, including area code: (212) 894-7000

Former name or former address, if changed since last report: N/A

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

On May 4, 2015, Vornado Realty Trust (the “Company”), the general partner of Vornado Realty L.P., issued a press release announcing its financial results for the first quarter of 2015. That press release referred to certain supplemental financial information that is available on the Company’s website. That press release and the supplemental financial information are attached to this Current Report on Form 8-K as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein.

Exhibits 99.1 and 99.2 hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company or Vornado Realty L.P. under the Securities Act of 1933 or the Exchange Act.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits are being furnished as part of this Current Report on Form 8-K:

99.1 Vornado Realty Trust press release dated May 4, 2015.

99.2 Vornado Realty Trust supplemental operating and financial data for the quarter ended March 31, 2015.

**SIGNATURE**

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 hereunto duly authorized.

**VORNADO REALTY TRUST**

(Registrant)

By:         /s/ Stephen W. Theriot          
Name: Stephen W. Theriot  
Title: Chief Financial Officer (duly authorized officer  
and principal financial and accounting officer)

Date: May 5, 2015

**SIGNATURE**

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 hereunto duly authorized.

**VORNADO REALTY L.P.**

(Registrant)

By: VORNADO REALTY TRUST,  
Sole General Partner

By:         /s/ Stephen W. Theriot          
Name: Stephen W. Theriot  
Title: Chief Financial Officer of Vornado Realty Trust,  
sole general partner of Vornado Realty L.P.  
(duly authorized officer and principal financial  
and accounting officer)

Date: May 5, 2015

## Exhibit Index

- 99.1 Vornado Realty Trust press release dated May 4, 2015.
- 99.2 Vornado Realty Trust supplemental operating and financial data for the quarter ended March 31, 2015.



210 Route 4 East  
Paramus, NJ

FOR IMMEDIATE RELEASE – May 4, 2015

### Vornado Announces First Quarter 2015 Financial Results

PARAMUS, NEW JERSEY.....VORNADO REALTY TRUST (New York Stock Exchange: VNO) filed its Form 10-Q for the quarter ended March 31, 2015 today and reported:

NET INCOME attributable to common shareholders for the quarter ended March 31, 2015 was \$84.6 million, or \$0.45 per diluted share, compared to \$62.3 million, or \$0.33 per diluted share for the quarter ended March 31, 2014. Net income for the quarters ended March 31, 2015 and 2014 include \$0.3 million and \$20.8 million, respectively, of real estate impairment losses and \$10.9 million of net gains on sale of real estate in the quarter ended March 31, 2015. In addition, the quarters ended March 31, 2015 and 2014 include certain other items that affect comparability, which are listed in the table below. Adjusting net income attributable to common shareholders for net gains on sale of real estate, real estate impairment losses and the items in the table below, net of amounts attributable to noncontrolling interests, net income attributable to common shareholders for the quarters ended March 31, 2015 and 2014 was \$65.8 million and \$45.8 million, or \$0.35 and \$0.24 per diluted share, respectively.

FUNDS FROM OPERATIONS attributable to common shareholders plus assumed conversions (“FFO”) for the quarter ended March 31, 2015 was \$220.1 million, or \$1.16 per diluted share, compared to \$247.1 million, or \$1.31 per diluted share for the prior year’s quarter. Adjusting FFO for certain items that affect comparability which are listed in the table below, FFO for the quarters ended March 31, 2015 and 2014 was \$209.3 million and \$187.3 million, or \$1.10 and \$0.99 per diluted share, respectively.

(Amounts in thousands, except per share amounts)

|  | For the Three Months Ended March 31, |                   |
|--|--------------------------------------|-------------------|
|  | 2015                                 | 2014              |
| FFO (1)  | \$ 220,084                           | \$ 247,079        |
| Per Share  | \$ 1.16                              | \$ 1.31           |
| <b>Items that affect comparability income (expense):</b>   |                                      |                   |
| FFO from discontinued operations (including Urban Edge spin-off related costs of \$22,645 in 2015) | \$ 7,396                             | \$ 45,398         |
| Net gain on sale of residential condominiums and a land parcel                                     | 1,860                                | 9,635             |
| Toys "R" Us FFO  | 1,454                                | 9,267             |
| Other, net   | 740                                  | (1,285)           |
|  | 11,450                               | 63,015            |
| Noncontrolling interests' share of above adjustments   | (628)                                | (3,272)           |
| Items that affect comparability, net   | \$ 10,822                            | \$ 59,743         |
| <b>FFO as adjusted for comparability</b>   | <b>\$ 209,262</b>                    | <b>\$ 187,336</b> |
| <b>Per Share</b>   | <b>\$ 1.10</b>                       | <b>\$ 0.99</b>    |

(1) See page 3 for a reconciliation of our net income to FFO for the three months ended March 31, 2015 and 2014.

#### Supplemental Financial Information

Further details regarding results of operations, properties and tenants can be accessed at the Company’s website [www.vno.com](http://www.vno.com). 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. For a discussion of factors that could materially affect the outcome of our forward-looking statements and our future results and financial condition, see “Risk Factors” in Part I, Item 1A, of our Annual Report on Form 10-K, as amended, for the year ended December 31, 2014. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.

(tables to follow)

**VORNADO REALTY TRUST**  
**OPERATING RESULTS FOR THE THREE MONTHS ENDED**  
**MARCH 31, 2015 AND 2014**

|   | <b>For the Three Months<br/>Ended March 31,</b> |             |
|---|---|-------------|
|   | <b>2015</b>                                     | <b>2014</b> |
| (Amounts in thousands, except per share amounts)                  |   |             |
| Revenues  | \$ 606,802                                      | \$ 562,381  |
| Income from continuing operations                                 | \$ 109,405                                      | \$ 89,690   |
| Income from discontinued operations                               | 15,841  | 8,466       |
| Net income  | 125,246   | 98,156      |
| Less net income attributable to noncontrolling interests in:      |   |             |
| Consolidated subsidiaries   | (15,882)  | (11,579)    |
| Operating Partnership   | (5,275)   | (3,848)     |
| Preferred unit distributions of the Operating Partnership         | (12)  | (12)        |
| Net income attributable to Vornado                                | 104,077   | 82,717      |
| Preferred share dividends   | (19,484)  | (20,368)    |
| Net income attributable to common shareholders                    | \$ 84,593                                       | \$ 62,349   |
| <b>Income per common share - Basic:</b>                           |   |             |
| Income from continuing operations, net                            | \$ 0.37   | \$ 0.29     |
| Income from discontinued operations, net                          | 0.08  | 0.04        |
| Net income per common share                                       | \$ 0.45   | \$ 0.33     |
| Weighted average shares outstanding                               | 187,999   | 187,307     |
| <b>Income per common share - Diluted:</b>                         |   |             |
| Income from continuing operations, net                            | \$ 0.37   | \$ 0.29     |
| Income from discontinued operations, net                          | 0.08  | 0.04        |
| Net income per common share                                       | \$ 0.45   | \$ 0.33     |
| Weighted average shares outstanding                               | 189,336   | 188,240     |
| FFO attributable to common shareholders plus assumed conversions  | \$ 220,084                                      | \$ 247,079  |
| Per diluted share   | \$ 1.16   | \$ 1.31     |
| FFO as adjusted for comparability                                 | \$ 209,262                                      | \$ 187,336  |
| Per diluted share   | \$ 1.10   | \$ 0.99     |
| Weighted average shares used in determining FFO per diluted share | 189,381   | 188,287     |

The following table reconciles our net income to FFO:

(Amounts in thousands)

|   | For the Three Months<br>Ended March 31, |            |
|---|---|------------|
|   | 2015                                    | 2014       |
| <b>Reconciliation of our net income to FFO:</b>   |   |            |
| Net income attributable to Vornado  | \$ 104,077                              | \$ 82,717  |
| Depreciation and amortization of real property  | 118,256                                 | 142,569    |
| Net gains on sale of real estate  | (10,867)                                | -          |
| Real estate impairment losses   | 256                                     | 20,842     |
| Proportionate share of adjustments to equity in net income of<br>Toys, to arrive at FFO:  |   |            |
| Depreciation and amortization of real property  | -                                       | 11,415     |
| Income tax effect of above adjustments  | -                                       | (3,995)    |
| Proportionate share of adjustments to equity in net (loss) income of<br>partially owned entities, excluding Toys, to arrive at FFO: |   |            |
| Depreciation and amortization of real property  | 36,272                                  | 25,271     |
| Noncontrolling interests' share of above adjustments  | (8,448)                                 | (11,399)   |
| FFO attributable to Vornado   | 239,546                                 | 267,420    |
| Preferred share dividends   | (19,484)                                | (20,368)   |
| FFO attributable to common shareholders   | 220,062                                 | 247,052    |
| Convertible preferred share dividends   | 22                                      | 27         |
| FFO attributable to common shareholders plus assumed conversions  | \$ 220,084                              | \$ 247,079 |

FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gain from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets, extraordinary items and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. A reconciliation of our net income to FFO is provided above. In addition to FFO, we also disclose FFO before certain items that affect comparability. Although this non-GAAP measure clearly differs from NAREIT's definition of FFO, we believe it provides a meaningful presentation of operating performance. Reconciliations of FFO to FFO as adjusted for comparability is provided on page 1 of this press release.

#### Conference Call and Audio Webcast

As previously announced, the Company will host a quarterly earnings conference call and an audio webcast on Tuesday, May 5, 2015 at 10:00 a.m. Eastern Time (ET). The conference call can be accessed by dialing 888-895-5479 (domestic) or 847-619-6250 (international) and indicating to the operator the passcode 39538678. A telephonic replay of the conference call will be available from 1:00 p.m. ET on May 5, 2015 through June 4, 2015. To access the replay, please dial 888-843-7419 and enter the passcode 39538678#. A live webcast of the conference call will be available on the Company's website at [www.vno.com](http://www.vno.com) and an online playback of the webcast will be available on the website for 90 days following the conference call.

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SUPPLEMENTAL OPERATING  
AND FINANCIAL DATA  
For the Quarter Ended March 31, 2015

**VORNADO**  
REALTY TRUST

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Certain statements contained herein constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as “approximates,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “would,” “may” or other similar expressions in this supplemental package. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see “Item 1A. Risk Factors” in our Annual Report on Form 10-K, as amended, for the year ended December 31, 2014.

For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this supplemental package. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the date of our Annual Report on Form 10-K, as amended, or Quarterly Report on Form 10-Q, as applicable, and this supplemental package.

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**INVESTOR INFORMATION**

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**Key Employees:**

|                    |   |
|--------------------|---|
| Steven Roth        | Chairman of the Board and Chief Executive Officer                   |
| David R. Greenbaum | President - New York Division                                       |
| Mitchell N. Schear | President - Vornado / Charles E. Smith Washington, DC Division      |
| Michael J. Franco  | Executive Vice President - Chief Investment Officer                 |
| Joseph Macnow      | Executive Vice President - Finance and Chief Administrative Officer |
| Stephen W. Theriot | Chief Financial Officer   |

**RESEARCH COVERAGE - EQUITY**

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|  |  |  |
|--|--|--|
| James Feldman / Scott Freitag<br><u>Bank of America / Merrill Lynch</u><br>646-855-5808 / 646-855-3197 | Steve Sakwa / Gabriel Hilmoe<br><u>Evercore ISI</u><br>212-446-9462 / 212-446-9459 | Alexander Goldfarb / Ryan Peterson<br><u>Sandler O'Neill</u><br>212-466-7937 / 212-466-7927              |
| Ross Smotrich / Peter Siciliano<br><u>Barclays Capital</u><br>212-526-2306 / 212-526-3098              | Brad K. Burke<br><u>Goldman Sachs</u><br>917-343-2082                              | John W. Guinee / Erin T. Aslakson<br><u>Stifel Nicolaus &amp; Company</u><br>443-224-1307 / 443-224-1350 |
| Michael Bilerman / Emmanuel Korchman<br><u>Citi</u><br>212-816-1383 / 212-816-1382                     | John Bejjani<br><u>Green Street Advisors</u><br>949-640-8780                       | Michael Lewis<br><u>SunTrust Robinson Humphrey</u><br>212-319-5659                                       |
| Ian Weissman / Derek J.A. van Dijkum<br><u>Credit Suisse</u><br>212-538-6889 / 212-325-9752            | Anthony Paolone<br><u>JP Morgan</u><br>212-622-6682                                | Ross T. Nussbaum / Nick Yulico<br><u>UBS</u><br>212-713-2484 / 212-713-3402                              |
| Vincent Chao<br><u>Deutsche Bank</u><br>212-250-6799   | Vance H. Edelson<br><u>Morgan Stanley</u><br>212-761-0078                          |  |

**RESEARCH COVERAGE - DEBT**

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|   |   |  |
|---|---|--|
| Scott Frost<br><u>Bank of America / Merrill Lynch</u><br>646-855-8078 | Robert Haines / Craig Guttenplan<br><u>Credit Sights</u><br>212-340-3835 / 212-340-3859 | Thierry Perrein<br><u>Wells Fargo Securities</u><br>704-715-8455 |
| Peter Troisi<br><u>Barclays Capital</u><br>212-412-3695               | Ron Perrotta<br><u>Goldman Sachs</u><br>212-902-7885                                    |  |
| Thomas Cook<br><u>Citi</u><br>212-723-1112                            | Mark Streeter<br><u>JP Morgan</u><br>212-834-5086                                       |  |

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This information is provided as a service to interested parties and not as an endorsement of any report, or representation as to the accuracy of any information contained therein. Opinions, forecasts and other forward-looking statements expressed in analysts' reports are subject to change without notice.

**Urban Edge Properties (“UE”) (NYSE: UE) spin-off**

On January 15, 2015, we completed the spin-off of substantially all of our retail segment comprised of 79 strip shopping centers, three malls, a warehouse park and \$225,000,000 of cash to Urban Edge Properties (“UE”) (NYSE: UE). As part of this transaction, we retained 5,717,184 UE operating partnership units (5.4% ownership interest). We are providing transition services to UE for an initial period of up to two years, including information technology, human resources, tax and financial reporting. UE is providing us with leasing and property management services for (i) the Monmouth Mall, (ii) certain small retail properties that we plan to sell, and (iii) our affiliate, Alexander’s, Inc. (NYSE: ALX), Rego Park retail assets. Steven Roth, our Chairman and Chief Executive Officer is a member of the Board of Trustees of UE. The spin-off distribution was effected by Vornado distributing one UE common share for every two Vornado common shares.

**Acquisitions**

Since January 1, 2015, we completed the following acquisitions:

- On January 20, we and one of the Fund’s limited partners co-invested with the Fund to buy out the Fund’s joint venture partner’s 57% interest in the Crowne Plaza Times Square Hotel.
- On March 18, we acquired the Center Building, a 437,000 square foot office building, located at 33-00 Northern Boulevard in Long Island City, New York, for \$142,000,000, including the assumption of an existing \$62,000,000, 4.43% mortgage maturing in October 2018.
- As of March 31, we have made a \$25,000,000 non-refundable deposit related to an agreement to acquire a property in the Penn Plaza submarket in Manhattan for \$355,000,000.
- On April 8, we made an \$11,000,000 refundable contribution to a joint venture, in which we will have a 55% interest. The joint venture plans to develop a 173,000 square foot Class-A office building, located on the western side of the High Line at 510 West 22nd Street.

## 2015 BUSINESS DEVELOPMENTS

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### Dispositions

Since January 1, 2015, we completed the following dispositions:

- On March 13, we sold our lease position in Geary Street, CA for \$34,189,000, which resulted in a net gain of \$21,376,000.
- On March 25, the Fund completed the sale of 520 Broadway for \$91,650,000. The Fund realized a \$24,705,000 net gain over the holding period.
- On March 31, we transferred the redeveloped Springfield Town Center, a 1,350,000 square foot mall located in Springfield, Fairfax County, Virginia, to Pennsylvania Real Estate Investment Trust ("PREIT"). The financial statement gain was \$7,823,000, of which \$7,192,000 was recognized in the first quarter and the remaining \$631,000 was deferred based on our ownership interest in PREIT. In the first quarter of 2014, we recorded a non-cash impairment loss of \$20,000,000 on Springfield Town Center which is included in "income from discontinued operations" on our consolidated statements of income.
- During the first quarter, we sold five residual retail properties, in separate transactions, for an aggregate of \$10,731,000, which resulted in net gains of \$3,675,000.

### Financing Activities

Since January 1, 2015, we completed the following financing transactions:

- On January 1, we redeemed all of the \$500,000,000 principal amount of our outstanding 4.25% senior unsecured notes, which were scheduled to mature on April 1, 2015, at a redemption price of 100% of the principal amount plus accrued interest through December 31, 2014.
- On April 1, we completed a \$308,000,000 refinancing of RiverHouse Apartments, a three building, 1,670 unit rental complex located in Arlington, V.A. The loan is interest-only at LIBOR plus 1.28% and matures in 2025. We realized net proceeds of approximately \$43,000,000. The property was previously encumbered by a 5.43% \$195,000,000 mortgage maturing in April 2015 and a \$64,000,000 mortgage at LIBOR plus 1.53% maturing in 2018.

## COMMON SHARES DATA (NYSE: VNO)

(unaudited)

Vornado Realty Trust common shares are traded on the New York Stock Exchange ("NYSE") under the symbol VNO. Below is a summary of performance and dividends for VNO common shares (based on NYSE prices):

|   | First Quarter<br>2015  | Fourth Quarter<br>2014 | Third Quarter<br>2014 | Second Quarter<br>2014 |
|---|------------------------|------------------------|-----------------------|------------------------|
| High Price  | \$ 116.02              | \$ 120.23              | \$ 109.12             | \$ 109.01              |
| Low Price   | \$ 104.11              | \$ 93.09               | \$ 99.26              | \$ 96.93               |
| Closing Price - end of quarter  | \$ 112.00              | \$ 117.71              | \$ 99.96              | \$ 106.73              |
| Annualized Dividend per share   | \$ 2.52 <sup>(1)</sup> | \$ 2.92                | \$ 2.92               | \$ 2.92                |
| Annualized Dividend Yield - on Closing Price  | 2.3%                   | 2.5%                   | 2.9%                  | 2.7%                   |
| Outstanding shares, Class A units and convertible preferred units as converted, excluding stock options (in thousands)          | 200,361                | 199,753                | 199,721               | 199,652                |
| Closing market value of outstanding shares, Class A units and convertible preferred units as converted, excluding stock options | \$ 22.4 Billion        | \$ 23.5 Billion        | \$ 20.0 Billion       | \$ 21.3 Billion        |

(1) The first quarter 2015 dividend is after the January 15, 2015 spin-off of Urban Edge Properties (NYSE: UE). The \$2.52 annualized dividend, combined with the expected dividend of UE, is the same \$2.92 annual dividend that was paid in 2014.

## TIMING

Quarterly financial results and related earnings conference calls for the remainder of 2015 are expected to occur as follows:

|                     | Filing Date              | Earnings Call                     |
|---------------------|--------------------------|-----------------------------------|
| Second Quarter 2015 | Monday, August 3, 2015   | Tuesday, August 4, 2015 10AM ET   |
| Third Quarter 2015  | Monday, November 2, 2015 | Tuesday, November 3, 2015 10AM ET |

## FINANCIAL HIGHLIGHTS

(unaudited and in thousands, except per share amounts)

This section includes non-GAAP financial measures, including Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA"), Funds From Operations attributable to common shares plus assumed conversions ("FFO"), FFO as adjusted for comparability, and Funds Available for Distribution ("FAD"). A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measures are provided on the pages that follow.

|  | Three Months Ended |                   |                   |
|--|--------------------|-------------------|-------------------|
|  | March 31,          |                   | December 31,      |
|  | 2015               | 2014              | 2014              |
| Total revenues   | \$ 606,802         | \$ 562,381        | \$ 597,010        |
| Net income attributable to common shareholders                                 | \$ 84,593          | \$ 62,349         | \$ 513,238        |
| Per common share:  |                    |                   |                   |
| Basic  | \$ 0.45            | \$ 0.33           | \$ 2.73           |
| Diluted  | \$ 0.45            | \$ 0.33           | \$ 2.72           |
| <b>FFO as adjusted for comparability</b>                                       | <b>\$ 209,262</b>  | <b>\$ 187,336</b> | <b>\$ 222,941</b> |
| <b>Per diluted share</b>   | <b>\$ 1.10</b>     | <b>\$ 0.99</b>    | <b>\$ 1.18</b>    |
| FFO  | \$ 220,084         | \$ 247,079        | \$ 230,143        |
| FFO - Operating Partnership Basis ("OP Basis")                                 | \$ 233,926         | \$ 262,431        | \$ 244,315        |
| Per diluted share  | \$ 1.16            | \$ 1.31           | \$ 1.22           |
| FAD  | \$ 154,305         | \$ 152,032        | \$ 141,499        |
| Per diluted share  | \$ 0.81            | \$ 0.81           | \$ 0.75           |
| Dividends per common share   | \$ 0.63            | \$ 0.73           | \$ 0.73           |
| FFO payout ratio (based on FFO as adjusted for comparability)                  | 57.3%              | 73.7%             | 61.9%             |
| FAD payout ratio   | 77.8%              | 90.1%             | 97.3%             |
| Weighted average shares used in determining FFO per diluted share - REIT basis | 189,381            | 188,287           | 188,970           |
| Convertible units:   |                    |                   |                   |
| Class A  | 10,675             | 10,611            | 10,599            |
| D-13   | 423                | 498               | 429               |
| G1-G4  | 76                 | 87                | 73                |
| Equity awards - unit equivalents   | 737                | 503               | 536               |
| Weighted average shares used in determining FFO per diluted share - OP Basis   | <u>201,292</u>     | <u>199,986</u>    | <u>200,607</u>    |

**RECONCILIATION OF NET INCOME TO FFO <sup>(1)</sup>**

(unaudited and in thousands, except per share amounts)

|   | Three Months Ended |                   |                   |
|---|--------------------|-------------------|-------------------|
|   | March 31,          |                   | December 31,      |
|   | 2015               | 2014              | 2014              |
| <b>Reconciliation of our net income to FFO:</b>   |                    |                   |                   |
| Net income attributable to Vornado  | \$ 104,077         | \$ 82,717         | \$ 533,603        |
| Depreciation and amortization of real property  | 118,256            | 142,569           | 129,944           |
| Net gains on sale of real estate  | (10,867)           | -                 | (449,396)         |
| Real estate impairment losses   | 256                | 20,842            | 5,676             |
| Proportionate share of adjustments to equity in net loss of Toys, to arrive at FFO:                                       |                    |                   |                   |
| Depreciation and amortization of real property  | -                  | 11,415            | -                 |
| Income tax effect of above adjustments  | -                  | (3,995)           | -                 |
| Proportionate share of adjustments to equity in net income of partially owned entities, excluding Toys, to arrive at FFO: |                    |                   |                   |
| Depreciation and amortization of real property  | 36,272             | 25,271            | 24,350            |
| Net gains on sale of real estate  | -                  | -                 | (10,820)          |
| Noncontrolling interests' share of above adjustments  | (8,448)            | (11,399)          | 17,127            |
| FFO attributable to Vornado   | 239,546            | 267,420           | 250,484           |
| Preferred share dividends   | (19,484)           | (20,368)          | (20,365)          |
| FFO attributable to common shareholders   | 220,062            | 247,052           | 230,119           |
| Convertible preferred share dividends   | 22                 | 27                | 24                |
| FFO attributable to common shareholders plus assumed conversions  | 220,084            | 247,079           | 230,143           |
| Add back of income allocated to noncontrolling interests of the Operating Partnership                                     | 13,842             | 15,352            | 14,172            |
| <b>FFO - OP Basis <sup>(1)</sup></b>  | <b>\$ 233,926</b>  | <b>\$ 262,431</b> | <b>\$ 244,315</b> |
| <b>FFO per diluted share <sup>(1)</sup></b>   | <b>\$ 1.16</b>     | <b>\$ 1.31</b>    | <b>\$ 1.22</b>    |

(1) FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gains from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets, extraordinary items and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flows as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies.

**RECONCILIATION OF FFO TO FFO AS ADJUSTED FOR COMPARABILITY**

(unaudited and in thousands, except per share amounts)

|   | Three Months Ended     |                       |                       |
|---|------------------------|-----------------------|-----------------------|
|   | 2015                   | March 31,<br>2014     | December 31,<br>2014  |
| FFO attributable to common shareholders plus assumed conversions  | (A)\$ 220,084          | \$ 247,079            | \$ 230,143            |
| Per diluted share   | <u>\$ 1.16</u>         | <u>\$ 1.31</u>        | <u>\$ 1.22</u>        |
| <i>Items that affect comparability income:</i>  |                        |                       |                       |
| FFO from discontinued operations (including UE spin-off related costs of \$22,645, \$499, and \$5,613 in the three months ended March 31, 2015 and 2014, and December 31, 2014, respectively) | 7,396                  | 45,398                | 38,284                |
| Acquisition and transaction related costs   | (1,981)                | (1,285)               | (12,763)              |
| Net gain on sale of residential condominiums and a land parcel  | 1,860                  | 9,635                 | 363                   |
| Toys FFO  | 1,454                  | 9,267                 | 606                   |
| Write-off of deferred financing costs and defeasance costs in connection with refinancings  | -                      | -                     | (16,747)              |
| Other, net  | 2,721                  | -                     | (2,097)               |
|   | <u>11,450</u>          | <u>63,015</u>         | <u>7,646</u>          |
| Noncontrolling interests' share of above adjustments  | (628)                  | (3,272)               | (444)                 |
| Items that affect comparability, net  | (B)\$ 10,822           | \$ 59,743             | \$ 7,202              |
| Per diluted share   | <u>\$ 0.06</u>         | <u>\$ 0.32</u>        | <u>\$ 0.04</u>        |
| <b>FFO attributable to common shareholders plus assumed conversions, as adjusted for comparability</b>  | <b>(A-B)\$ 209,262</b> | <b>\$ 187,336</b>     | <b>\$ 222,941</b>     |
| <b>Per diluted share</b>  | <b><u>\$ 1.10</u></b>  | <b><u>\$ 0.99</u></b> | <b><u>\$ 1.18</u></b> |



**RECONCILIATION OF FFO TO FAD<sup>(1)</sup>**

(unaudited and in thousands, except per share amounts)

|   | Three Months Ended     |                   |                   |
|---|------------------------|-------------------|-------------------|
|   | March 31,              |                   | December 31,      |
|   | 2015                   | 2014              | 2014              |
| FFO attributable to common shareholders plus assumed conversions                                  | (A)\$ 220,084          | \$ 247,079        | \$ 230,143        |
| <b>Adjustments to arrive at FAD:</b>  |                        |                   |                   |
| Recurring tenant improvements, leasing commissions and other capital expenditures                 | 52,048                 | 72,500            | 101,756           |
| Straight-line rentals   | 29,296                 | 12,990            | 24,261            |
| Stock-based compensation expense  | (20,142)               | (11,024)          | (8,252)           |
| Amortization of acquired below-market leases, net   | 11,992                 | 9,254             | 10,725            |
| Amortization of debt issuance costs   | (7,456)                | (4,422)           | (9,945)           |
| Items that affect comparability per page 8, excluding FFO attributable to discontinued operations | 4,054                  | 17,617            | (30,638)          |
| Non real estate depreciation  | (1,922)                | (1,575)           | (1,529)           |
| Carried interest and our share of net unrealized gains from Real Estate Fund                      | 1,621                  | 5,317             | 7,725             |
| Noncontrolling interests' share of above adjustments  | (3,712)                | (5,610)           | (5,459)           |
|   | (B)                    | 95,047            | 88,644            |
| <b>FAD<sup>(1)</sup></b>  | <b>(A-B)\$ 154,305</b> | <b>\$ 152,032</b> | <b>\$ 141,499</b> |
| <b>FAD per diluted share</b>  | <b>\$ 0.81</b>         | <b>\$ 0.81</b>    | <b>\$ 0.75</b>    |
| <b>FAD payout ratio<sup>(2)</sup></b>   | <b>77.8%</b>           | <b>90.1%</b>      | <b>97.3%</b>      |

(1) FAD is defined as FFO less (i) recurring tenant improvements, leasing commissions and capital expenditures, (ii) straight-line rents and amortization of acquired below-market leases, net, and (iii) other non-cash income, plus (iv) other non-cash charges. FAD is a non-GAAP financial measure that is not intended to represent cash flow and is not indicative of cash flow provided by operating activities as determined in accordance with GAAP. FAD is presented solely as a supplemental disclosure that management believes provides useful information regarding the Company's ability to fund its dividends.

(2) FAD payout ratios on a quarterly basis are not necessarily indicative of amounts for the full year due to fluctuation in timing of cash based expenditures, the commencement of new leases and the seasonality of our operations.

**CONSOLIDATED NET INCOME / EBITDA <sup>(1)</sup>**

(unaudited and in thousands)

|  | Three Months Ended |                   |                    | December 31,<br>2014 |
|--|--------------------|-------------------|--------------------|----------------------|
|  | 2015               | March 31,<br>2014 | Inc (Dec)          |                      |
| Property rentals   | \$ 458,528         | \$ 444,438        | \$ 14,090          | \$ 455,435           |
| Straight-line rent adjustments                                     | 29,296             | 12,990            | 16,306             | 24,261               |
| Amortization of acquired below-market leases, net                  | 12,450             | 9,712             | 2,738              | 11,183               |
| Total rentals  | 500,274            | 467,140           | 33,134             | 490,879              |
| Tenant expense reimbursements                                      | 66,921             | 59,301            | 7,620              | 65,455               |
| Fee and other income:  |                    |                   |                    |                      |
| BMS cleaning fees  | 22,633             | 18,956            | 3,677              | 22,040               |
| Management and leasing fees  | 4,192              | 5,828             | (1,636)            | 4,046                |
| Lease termination fees   | 3,747              | 3,577             | 170                | 4,940                |
| Other income   | 9,035              | 7,579             | 1,456              | 9,650                |
| Total revenues   | 606,802            | 562,381           | 44,421             | 597,010              |
| Operating expenses   | 254,493            | 236,561           | 17,932             | 246,564              |
| Depreciation and amortization                                      | 124,122            | 131,792           | (7,670)            | 121,489              |
| General and administrative   | 58,492             | 47,502            | 10,990             | 40,906               |
| Acquisition and transaction related costs, and impairment losses   | 1,981              | 1,285             | 696                | 14,806               |
| Total expenses   | 439,088            | 417,140           | 21,948             | 423,765              |
| Operating income   | 167,714            | 145,241           | 22,473             | 173,245              |
| Income from real estate fund investments                           | 24,089             | 18,148            | 5,941              | 20,616               |
| (Loss) income from partially owned entities                        | (2,405)            | 1,979             | (4,384)            | 19,295               |
| Interest and debt expense  | (91,674)           | (96,312)          | 4,638              | (111,713)            |
| Interest and other investment income, net                          | 10,792             | 11,850            | (1,058)            | 9,938                |
| Net gain on disposition of wholly owned and partially owned assets | 1,860              | 9,635             | (7,775)            | 363                  |
| Income before income taxes   | 110,376            | 90,541            | 19,835             | 111,744              |
| Income tax expense   | (971)              | (851)             | (120)              | (2,498)              |
| Income from continuing operations                                  | 109,405            | 89,690            | 19,715             | 109,246              |
| Income from discontinued operations                                | 15,841             | 8,466             | 7,375              | 466,740              |
| Net income   | 125,246            | 98,156            | 27,090             | 575,986              |
| Less net income attributable to noncontrolling interests in:       |                    |                   |                    |                      |
| Consolidated subsidiaries  | (15,882)           | (11,579)          | (4,303)            | (11,322)             |
| Operating Partnership  | (5,287)            | (3,860)           | (1,427)            | (31,061)             |
| Net income attributable to Vornado                                 | 104,077            | 82,717            | 21,360             | 533,603              |
| Interest and debt expense  | 114,675            | 170,952           | (56,277)           | 143,674              |
| Depreciation and amortization                                      | 156,450            | 196,339           | (39,889)           | 155,921              |
| Income tax (benefit) expense                                       | (739)              | 19,831            | (20,570)           | 2,759                |
| <b>EBITDA</b>  | <b>\$ 374,463</b>  | <b>\$ 469,839</b> | <b>\$ (95,376)</b> | <b>\$ 835,957</b>    |
| Capitalized leasing and development payroll                        | \$ 4,941           | \$ 3,569          | \$ 1,372           | \$ 5,762             |
| Capitalized interest and debt expense                              | \$ 11,110          | \$ 13,622         | \$ (2,512)         | \$ 16,269            |

(1) EBITDA represents "Earnings Before Interest, Taxes, Depreciation and Amortization." Management considers EBITDA a supplemental measure for making decisions and assessing the unlevered performance of its segments as it relates to the total return on assets as opposed to the levered return on equity. As properties are bought and sold based on a multiple of EBITDA, management utilizes this measure to make investment decisions as well as to compare the performance of its assets to that of its peers. EBITDA should not be considered a substitute for net income. EBITDA may not be comparable to similarly titled measures employed by other companies.

**EBITDA BY SEGMENT**

(unaudited and in thousands)

|  | Three Months Ended March 31, 2015 |                       |                      |                      |
|--|-----------------------------------|-----------------------|----------------------|----------------------|
|  | Total                             | New York              | Washington, DC       | Other                |
| Property rentals   | \$ 458,528                        | \$ 286,794            | \$ 107,366           | \$ 64,368            |
| Straight-line rent adjustments                                     | 29,296                            | 17,474                | 5,311                | 6,511                |
| Amortization of acquired below-market leases, net                  | 12,450                            | 11,110                | 377                  | 963                  |
| Total rentals  | 500,274                           | 315,378               | 113,054              | 71,842               |
| Tenant expense reimbursements                                      | 66,921                            | 49,501                | 11,469               | 5,951                |
| Fee and other income:  |                                   |                       |                      |                      |
| BMS cleaning fees  | 22,633                            | 27,303                | -                    | (4,670)              |
| Management and leasing fees  | 4,192                             | 1,444                 | 3,086                | (338)                |
| Lease termination fees   | 3,747                             | 3,522                 | 129                  | 96                   |
| Other income   | 9,035                             | 2,365                 | 6,230                | 440                  |
| Total revenues   | 606,802                           | 399,513               | 133,968              | 73,321               |
| Operating expenses   | 254,493                           | 170,661               | 50,803               | 33,029               |
| Depreciation and amortization                                      | 124,122                           | 70,055                | 36,490               | 17,577               |
| General and administrative   | 58,492                            | 12,044                | 5,704                | 40,744               |
| Acquisition and transaction related costs, and impairment losses   | 1,981                             | -                     | -                    | 1,981                |
| Total expenses   | 439,088                           | 252,760               | 92,997               | 93,331               |
| Operating income (loss)  | 167,714                           | 146,753               | 40,971               | (20,010)             |
| Income from real estate fund investments                           | 24,089                            | -                     | -                    | 24,089               |
| (Loss) income from partially owned entities                        | (2,405)                           | (5,663)               | 131                  | 3,127                |
| Interest and debt expense  | (91,674)                          | (45,351)              | (18,160)             | (28,163)             |
| Interest and other investment income, net                          | 10,792                            | 1,862                 | 13                   | 8,917                |
| Net gain on disposition of wholly owned and partially owned assets | 1,860                             | -                     | -                    | 1,860                |
| Income (loss) before income taxes                                  | 110,376                           | 97,601                | 22,955               | (10,180)             |
| Income tax (expense) benefit                                       | (971)                             | (943)                 | 674                  | (702)                |
| Income (loss) from continuing operations                           | 109,405                           | 96,658                | 23,629               | (10,882)             |
| Income from discontinued operations                                | 15,841                            | -                     | -                    | 15,841               |
| Net income   | 125,246                           | 96,658                | 23,629               | 4,959                |
| Less net income attributable to noncontrolling interests in:       |                                   |                       |                      |                      |
| Consolidated subsidiaries  | (15,882)                          | (1,506)               | -                    | (14,376)             |
| Operating Partnership  | (5,287)                           | -                     | -                    | (5,287)              |
| Net income (loss) attributable to Vornado                          | 104,077                           | 95,152                | 23,629               | (14,704)             |
| Interest and debt expense  | 114,675                           | 58,667                | 21,512               | 34,496               |
| Depreciation and amortization                                      | 156,450                           | 94,124                | 40,752               | 21,574               |
| Income tax (benefit) expense                                       | (739)                             | 1,002                 | (2,636)              | 895                  |
| <b>EBITDA for the three months ended March 31, 2015</b>            | <b>\$ 374,463</b>                 | <b>\$ 248,945</b>     | <b>\$ 83,257</b>     | <b>\$ 42,261</b>     |
| <b>EBITDA for the three months ended March 31, 2014</b>            | <b>\$ 469,839</b>                 | <b>\$ 233,798</b>     | <b>\$ 84,087</b>     | <b>\$ 151,954</b>    |
| <b>EBITDA as adjusted for comparability - OP basis:</b>            |                                   |                       |                      |                      |
| For the three months ended March 31, 2015                          | <b>\$ 358,510</b>                 | <b>\$ 248,945 (1)</b> | <b>\$ 83,257 (2)</b> | <b>\$ 26,308 (3)</b> |
| For the three months ended March 31, 2014                          | <b>\$ 341,730</b>                 | <b>\$ 227,676 (1)</b> | <b>\$ 84,087 (2)</b> | <b>\$ 29,967 (3)</b> |

See notes on page 12.

**NOTES TO EBITDA BY SEGMENT**

(unaudited and in thousands)

(1) The elements of "New York" EBITDA as adjusted for comparability are summarized below.

|  | <b>Three Months Ended March 31,</b> |                   |
|--|-------------------------------------|-------------------|
|  | <b>2015</b>                         | <b>2014</b>       |
| Office (including BMS EBITDA of \$5,681 and \$5,527, respectively) | \$ 159,359                          | \$ 152,126        |
| Retail   | 81,305                              | 65,826            |
| Alexander's  | 10,407                              | 10,430            |
| Hotel Pennsylvania   | (2,126)                             | (706)             |
| <b>Total New York</b>  | <b>\$ 248,945</b>                   | <b>\$ 227,676</b> |

(2) The elements of "Washington, DC" EBITDA as adjusted for comparability are summarized below.

|  | <b>Three Months Ended March 31,</b> |                  |
|--|-------------------------------------|------------------|
|  | <b>2015</b>                         | <b>2014</b>      |
| Office, excluding the Skyline Properties | \$ 67,385                           | \$ 67,257        |
| Skyline properties                       | 6,055                               | 6,499            |
| <b>Total Office</b>                      | <b>73,440</b>                       | <b>73,756</b>    |
| Residential                              | 9,817                               | 10,331           |
| <b>Total Washington, DC</b>              | <b>\$ 83,257</b>                    | <b>\$ 84,087</b> |

(3) The elements of "other" EBITDA as adjusted for comparability are summarized below.

|  | <b>Three Months Ended March 31,</b> |                  |
|--|-------------------------------------|------------------|
|  | <b>2015</b>                         | <b>2014</b>      |
| Our share of Real Estate Fund:                               |                                     |                  |
| Income before net realized/unrealized gains                  | \$ 1,614                            | \$ 1,982         |
| Net realized/unrealized gains on investments                 | 5,548                               | 3,542            |
| Carried interest   | 3,388                               | 1,775            |
| <b>Total</b>   | <b>10,550</b>                       | <b>7,299</b>     |
| The Mart and trade shows                                     | 21,041                              | 19,087           |
| 555 California Street  | 12,401                              | 12,066           |
| India real estate ventures                                   | 1,841                               | 1,824            |
| Other investments  | 7,655                               | 7,600            |
|  | 53,488                              | 47,876           |
| Corporate general and administrative expenses <sup>(a)</sup> | (35,942)                            | (25,982)         |
| Investment income and other, net <sup>(a)</sup>              | 8,762                               | 8,073            |
| <b>Total Other</b>   | <b>\$ 26,308</b>                    | <b>\$ 29,967</b> |

(a) The amounts in these captions (for this table only) exclude income / expense from the mark-to-market of our deferred compensation plan of \$2,859 and \$4,400 for the three months ended March 31, 2015 and 2014, respectively. The three months ended March 31, 2015, include \$8,817 from the acceleration of the recognition of compensation expense related to 2013-2015 Out-Performance Plans due to the modification of the vesting criteria of awards such that they will fully vest at age 65. The accelerated expense will result in lower general and administrative expense for the remainder of 2015 of \$2,600 and \$6,217 thereafter.

**EBITDA BY SEGMENT AND REGION**

(unaudited)

The following tables set forth the percentages of EBITDA, by operating segment and by geographic region, excluding discontinued operations and other items that affect comparability.

|   | <b>Three Months Ended March 31,</b> |             |
|---|-------------------------------------|-------------|
|   | <b>2015</b>                         | <b>2014</b> |
| <b>Segment</b>                          |                                     |             |
| New York                                | 75%                                 | 73%         |
| Washington, DC                          | 25%                                 | 27%         |
|   | <u>100%</u>                         | <u>100%</u> |
| <b>Region</b>                           |                                     |             |
| New York City metropolitan area         | 68%                                 | 66%         |
| Washington, DC / Northern Virginia area | 23%                                 | 25%         |
| Chicago, IL                             | 6%                                  | 5%          |
| San Francisco, CA                       | 3%                                  | 4%          |
|   | <u>100%</u>                         | <u>100%</u> |

**CONSOLIDATED BALANCE SHEETS**

(unaudited and in thousands)

|  | March 31,<br>2015    | December 31,<br>2014 | (Decrease)<br>Increase |
|--|----------------------|----------------------|------------------------|
| <b>ASSETS</b>  |                      |                      |                        |
| Real estate, at cost:  |                      |                      |                        |
| Land   | \$ 3,914,401         | \$ 3,861,913         | \$ 52,488              |
| Buildings and improvements   | 11,881,228           | 11,705,749           | 175,479                |
| Development costs and construction in progress                           | 1,157,180            | 1,128,037            | 29,143                 |
| Leasehold improvements and equipment                                     | 127,534              | 126,659              | 875                    |
| Total  | 17,080,343           | 16,822,358           | 257,985                |
| Less accumulated depreciation and amortization                           | (3,248,078)          | (3,161,633)          | (86,445)               |
| Real estate, net   | 13,832,265           | 13,660,725           | 171,540                |
| Cash and cash equivalents  | 1,067,568            | 1,198,477            | (130,909)              |
| Restricted cash  | 198,672              | 176,204              | 22,468                 |
| Marketable securities  | 184,991              | 206,323              | (21,332)               |
| Tenant and other receivables, net  | 110,477              | 109,998              | 479                    |
| Investments in partially owned entities                                  | 1,408,214            | 1,246,496            | 161,718                |
| Real estate fund investments   | 554,426              | 513,973              | 40,453                 |
| Receivable arising from the straight-lining of rents, net                | 816,661              | 787,271              | 29,390                 |
| Deferred leasing and financing costs, net                                | 478,507              | 475,158              | 3,349                  |
| Identified intangible assets, net  | 229,579              | 225,155              | 4,424                  |
| Assets related to discontinued operations                                | 35,342               | 2,238,474            | (2,203,132)            |
| Other assets   | 344,349              | 410,066              | (65,717)               |
| <b>Total assets</b>  | <b>\$ 19,261,051</b> | <b>\$ 21,248,320</b> | <b>\$ (1,987,269)</b>  |
| <b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY</b>       |                      |                      |                        |
| Liabilities:   |                      |                      |                        |
| Mortgages payable  | \$ 8,316,793         | \$ 8,263,165         | \$ 53,628              |
| Senior unsecured notes   | 847,332              | 1,347,159            | (499,827)              |
| Revolving credit facility debt   | 400,000              | -                    | 400,000                |
| Accounts payable and accrued expenses                                    | 432,970              | 447,745              | (14,775)               |
| Deferred revenue   | 346,026              | 358,613              | (12,587)               |
| Deferred compensation plan   | 121,530              | 117,284              | 4,246                  |
| Liabilities related to discontinued operations                           | 11,354               | 1,511,362            | (1,500,008)            |
| Other liabilities  | 436,608              | 375,830              | 60,778                 |
| Total liabilities  | 10,912,613           | 12,421,158           | (1,508,545)            |
| Redeemable noncontrolling interests                                      | 1,304,790            | 1,337,780            | (32,990)               |
| Vornado shareholders' equity   | 6,285,898            | 6,745,426            | (459,528)              |
| Noncontrolling interests in consolidated subsidiaries                    | 757,750              | 743,956              | 13,794                 |
| <b>Total liabilities, redeemable noncontrolling interests and equity</b> | <b>\$ 19,261,051</b> | <b>\$ 21,248,320</b> | <b>\$ (1,987,269)</b>  |

## CAPITAL STRUCTURE

(unaudited and in thousands, except per share amounts)

|   | <b>March 31, 2015</b>    |
|---|--------------------------|
| <b>Debt:</b>  |                          |
| Consolidated debt:  |                          |
| Mortgages payable   | \$ 8,316,793             |
| Senior unsecured notes  | 847,332                  |
| \$2.5 billion revolving credit facilities   | 400,000                  |
|   | <u>9,564,125</u>         |
| Pro rata share of non-consolidated debt in partially owned entities<br>(excluding \$1,549,865 of Toys' debt)                    | 2,407,285                |
| Less: Noncontrolling interests' share of consolidated debt<br>(primarily 1290 Avenue of the Americas and 555 California Street) | (474,213)                |
| <b>Total debt</b>   | <b><u>11,497,197</u></b> |

| <b>Perpetual Preferred:</b>                    | <b>Shares/Units</b> | <b>Par Value</b> |                  |
|--|---------------------|------------------|------------------|
| 5.00% Preferred Unit (D-16) (1 unit @ \$1,000) |                     |                  | 1,000            |
| 6.625% Series G Preferred Shares               | 8,000               | \$ 25.00         | 200,000          |
| 6.625% Series I Preferred Shares               | 10,800              | 25.00            | 270,000          |
| 6.875% Series J Preferred Shares               | 9,850               | 25.00            | 246,250          |
| 5.70% Series K Preferred Shares                | 12,000              | 25.00            | 300,000          |
| 5.40% Series L Preferred Shares                | 12,000              | 25.00            | 300,000          |
|  |                     |                  | <u>1,317,250</u> |

|                                    | <b>Converted<br/>Shares</b> | <b>March 31, 2015<br/>Common<br/>Share Price</b> |                             |
|------------------------------------|-----------------------------|--|-----------------------------|
| <b>Equity:</b>                     |                             |  |                             |
| Common shares                      | 188,273                     | \$ 112.00  | 21,086,576                  |
| Class A units                      | 10,759                      | 112.00   | 1,205,008                   |
| Convertible share equivalents:     |                             |  |                             |
| Equity awards - unit equivalents   | 796                         | 112.00   | 89,152                      |
| D-13 preferred units               | 417                         | 112.00   | 46,704                      |
| G1-G4 units                        | 71                          | 112.00   | 7,952                       |
| Series A preferred shares          | 45                          | 112.00   | 5,040                       |
|                                    |                             |  | <u>22,440,432</u>           |
| <b>Total Market Capitalization</b> |                             |  | <b><u>\$ 35,254,879</u></b> |

**DEBT ANALYSIS**

(unaudited and in thousands)

|   | As of March 31, 2015 |                                |              |                                |              |                                |
|---|----------------------|--------------------------------|--------------|--------------------------------|--------------|--------------------------------|
|   | Total                |                                | Variable     |                                | Fixed        |                                |
|   | Amount               | Weighted Average Interest Rate | Amount       | Weighted Average Interest Rate | Amount       | Weighted Average Interest Rate |
| Consolidated debt   | \$ 9,564,125         | 3.91%                          | \$ 2,162,869 | 2.32%                          | \$ 7,401,256 | 4.37%                          |
| Pro rata share of non-consolidated debt:  |                      |                                |              |                                |              |                                |
| Toys  | 1,549,865            | 8.31%                          | 892,325      | 8.04%                          | 657,540      | 8.68%                          |
| All other   | 2,407,285            | 5.24%                          | 318,935      | 1.74%                          | 2,088,350    | 5.77%                          |
| Total   | 13,521,275           | 4.65%                          | 3,374,129    | 3.78%                          | 10,147,146   | 4.94%                          |
| Less: Noncontrolling interests' share of consolidated debt<br>(primarily 1290 Avenue of the Americas and 555 California Street) | (474,213)            |                                | (10,500)     |                                | (463,713)    |                                |
| Company's pro rata share of total debt  | \$ 13,047,062        | 4.67%                          | \$ 3,363,629 | 3.79%                          | \$ 9,683,433 | 4.98%                          |

|                                  | Senior Unsecured Notes |            | Unencumbered EBITDA |            |
|----------------------------------|------------------------|------------|---------------------|------------|
|                                  | Due 2019               | Due 2022   | 1Q 2015 Annualized  |            |
| Settlement Date                  | 6/16/2014              | 12/7/2011  |                     |            |
| Principal Amount                 | \$ 450,000             | \$ 400,000 | New York            | \$ 383,016 |
| Issue Price                      | 99.619%                | 99.546%    | Washington, DC      | 164,004    |
| Coupon                           | 2.500%                 | 5.000%     | Other               | 38,540     |
| Effective economic interest rate | 2.581%                 | 5.057%     | Total               | \$ 585,560 |
| Ratings:                         |                        |            |                     |            |
| Moody's                          | Baa2                   | Baa2       |                     |            |
| S&P                              | BBB                    | BBB        |                     |            |
| Fitch                            | BBB                    | BBB        |                     |            |
| Maturity Date / Put Date         | 6/30/2019              | 1/15/2022  |                     |            |

**Debt Covenant Ratios: (1)**

|   | Senior Unsecured Notes |                 |                 | Revolving Credit Facilities |        |
|---|------------------------|-----------------|-----------------|-----------------------------|--------|
|   | Required               | Actual Due 2019 | Actual Due 2022 | Required                    | Actual |
| Total Outstanding Debt / Total Assets (2)   | Less than 65%          | 43%             | 43%             | Less than 60%               | 30%    |
| Secured Debt / Total Assets   | Less than 50%          | 37%             | 37%             | Less than 50%               | 25%    |
| Interest Coverage Ratio (Annualized Combined EBITDA to Annualized Interest Expense) | Greater than 1.50      | 2.84            | 2.84            |                             | N/A    |
| Fixed Charge Coverage   |                        | N/A             | N/A             | Greater than 1.40           | 2.67   |
| Unencumbered Assets / Unsecured Debt  | Greater than 150%      | 749%            | 749%            |                             | N/A    |
| Unsecured Debt / Cap Value of Unencumbered Assets                                   |                        | N/A             | N/A             | Less than 60%               | 10%    |
| Unencumbered Coverage Ratio   |                        | N/A             | N/A             | Greater than 1.50           | 15.96  |

(1) Our debt covenant ratios are computed in accordance with the terms of our senior unsecured notes and revolving credit facilities, as applicable. The methodology used for these computations may differ significantly from similarly titled ratios of other companies. For additional information regarding the methodology used to compute these ratios, please see our filings with the SEC of our revolving credit facilities, senior debt indentures and applicable prospectuses and prospectus supplements.

(2) Total assets includes EBITDA capped at 7.5% under the senior unsecured notes and 6.0% under the revolving credit facilities.



**DEBT MATURITIES**

(unaudited and in thousands)

| Property   | Maturity Date <sup>(1)</sup> | Spread over LIBOR | Interest Rate | 2015       | 2016    | 2017    | 2018   | 2019    | Thereafter | Total      |
|--|------------------------------|-------------------|---------------|------------|---------|---------|--------|---------|------------|------------|
|  |                              |                   |               |            |         |         |        |         |            |            |
| River House Apartments                             | 04/15                        |                   | 5.43%         | \$ 195,546 | \$ -    | \$ -    | \$ -   | \$ -    | \$ -       | \$ 195,546 |
| 2200 / 2300 Clarendon Boulevard                    | 05/15                        | L+75              | 0.93%         | 33,586     | -       | -       | -      | -       | -          | 33,586     |
| 888 Seventh Avenue                                 | 01/16                        |                   | 5.71%         | -          | 318,554 | -       | -      | -       | -          | 318,554    |
| 510 5th Avenue                                     | 01/16                        |                   | 5.60%         | -          | 30,052  | -       | -      | -       | -          | 30,052     |
| 770 Broadway                                       | 03/16                        |                   | 5.65%         | -          | 353,000 | -       | -      | -       | -          | 353,000    |
| Bowen Building                                     | 06/16                        |                   | 6.14%         | -          | 115,022 | -       | -      | -       | -          | 115,022    |
| 1730 M and 1150 17th Street                        | 06/16                        | L+125             | 1.42%         | -          | 43,581  | -       | -      | -       | -          | 43,581     |
| The Mart   | 12/16                        |                   | 5.57%         | -          | 550,000 | -       | -      | -       | -          | 550,000    |
| 350 Park Avenue                                    | 01/17                        |                   | 3.75%         | -          | -       | 293,544 | -      | -       | -          | 293,544    |
| 100 West 33rd Street - office and retail           | 03/17                        | L+150             | 1.67%         | -          | -       | 325,000 | -      | -       | -          | 325,000    |
| 2011 Crystal Drive                                 | 08/17                        |                   | 7.30%         | -          | -       | 77,249  | -      | -       | -          | 77,249     |
| 220 20th Street                                    | 02/18                        |                   | 4.61%         | -          | -       | -       | 71,012 | -       | -          | 71,012     |
| River House Apartments                             | 04/18                        | L+153             | 1.70%         | -          | -       | -       | 64,000 | -       | -          | 64,000     |
| 828-850 Madison Avenue Retail Condominium          | 06/18                        |                   | 5.29%         | -          | -       | -       | 80,000 | -       | -          | 80,000     |
| \$1.25 Billion unsecured revolving credit facility | 06/18                        | L+115             | 0.00%         | -          | -       | -       | -      | -       | -          | -          |
| 33-00 Northern Blvd                                | 10/18                        |                   | 4.43%         | -          | -       | -       | 62,000 | -       | -          | 62,000     |
| 220 Central Park South                             | 01/19                        | L+275             | 2.93%         | -          | -       | -       | -      | 600,000 | -          | 600,000    |
| Senior unsecured notes due 2019                    | 06/19                        |                   | 2.50%         | -          | -       | -       | -      | 448,543 | -          | 448,543    |
| 435 Seventh Avenue - retail                        | 08/19                        | L+225             | 2.43%         | -          | -       | -       | -      | 98,000  | -          | 98,000     |
| \$1.25 Billion unsecured revolving credit facility | 11/19                        | L+105             | 1.23%         | -          | -       | -       | -      | 400,000 | -          | 400,000    |
| 4 Union Square South - retail                      | 11/19                        | L+215             | 2.32%         | -          | -       | -       | -      | 119,385 | -          | 119,385    |
| Eleven Penn Plaza                                  | 12/20                        |                   | 3.95%         | -          | -       | -       | -      | -       | 450,000    | 450,000    |
| Borgata Land                                       | 02/21                        |                   | 5.14%         | -          | -       | -       | -      | -       | 58,220     | 58,220     |
| 909 Third Avenue                                   | 05/21                        |                   | 3.91%         | -          | -       | -       | -      | -       | 350,000    | 350,000    |
| West End 25  | 06/21                        |                   | 4.88%         | -          | -       | -       | -      | -       | 101,671    | 101,671    |
| Universal Buildings                                | 08/21                        | L+190             | 2.07%         | -          | -       | -       | -      | -       | 185,000    | 185,000    |
| 555 California Street                              | 09/21                        |                   | 5.10%         | -          | -       | -       | -      | -       | 595,709    | 595,709    |
| 655 Fifth Avenue                                   | 10/21                        | L+140             | 1.57%         | -          | -       | -       | -      | -       | 140,000    | 140,000    |
| Two Penn Plaza                                     | 12/21                        | (2)               | 3.99%         | -          | -       | -       | -      | -       | 575,000    | 575,000    |
| Senior unsecured notes due 2022                    | 01/22                        |                   | 5.00%         | -          | -       | -       | -      | -       | 398,789    | 398,789    |
| Skyline Properties                                 | 02/22                        |                   | 2.97%         | -          | -       | -       | -      | -       | 678,000    | 678,000    |
| 1290 Avenue of the Americas                        | 11/22                        |                   | 3.34%         | -          | -       | -       | -      | -       | 950,000    | 950,000    |
| 2121 Crystal Drive                                 | 03/23                        |                   | 5.51%         | -          | -       | -       | -      | -       | 145,851    | 145,851    |
| 666 Fifth Avenue Retail Condominium                | 03/23                        |                   | 3.61%         | -          | -       | -       | -      | -       | 390,000    | 390,000    |
| 2101 L Street                                      | 08/24                        |                   | 3.97%         | -          | -       | -       | -      | -       | 148,237    | 148,237    |

See notes on the following page.

**DEBT MATURITIES**

(unaudited and in thousands)

| Property   | Maturity Date <sup>(1)</sup> | Spread over LIBOR | Interest Rate | 2015              | 2016                | 2017              | 2018              | 2019                | Thereafter          | Total               |
|--|------------------------------|-------------------|---------------|-------------------|---------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| 1215 Clark Street, 200 12th Street & 251 18th Street | 01/25                        |                   | 7.94%         | \$ -              | \$ -                | \$ -              | \$ -              | \$ -                | \$ 97,075           | \$ 97,075           |
| Other properties                                     | Various                      |                   | 2.97%         | -                 | -                   | -                 | -                 | -                   | 20,577              | 20,577              |
| Purchase accounting valuation adjustments            | Various                      |                   |               | -                 | -                   | -                 | (135)             | -                   | 2,057               | 1,922               |
| <b>Total</b>   |                              |                   |               | <b>\$ 229,132</b> | <b>\$ 1,410,209</b> | <b>\$ 695,793</b> | <b>\$ 276,877</b> | <b>\$ 1,665,928</b> | <b>\$ 5,286,186</b> | <b>\$ 9,564,125</b> |
| <b>Weighted average rate</b>                         |                              |                   |               | <b>4.77%</b>      | <b>5.54%</b>        | <b>3.17%</b>      | <b>4.11%</b>      | <b>2.70%</b>        | <b>3.90%</b>        | <b>3.91%</b>        |
| Fixed rate debt                                      |                              |                   |               | \$ 195,546        | \$ 1,366,628        | \$ 370,793        | \$ 212,877        | \$ 448,543          | \$ 4,806,869        | \$ 7,401,256        |
| Fixed weighted average rate expiring                 |                              |                   |               | 5.43%             | 5.67%               | 4.49%             | 4.83%             | 2.50%               | 4.11%               | 4.37%               |
| Floating rate debt                                   |                              |                   |               | \$ 33,586         | \$ 43,581           | \$ 325,000        | \$ 64,000         | \$ 1,217,385        | \$ 479,317          | \$ 2,162,869        |
| Floating weighted average rate expiring              |                              |                   |               | 0.93%             | 1.42%               | 1.67%             | 1.70%             | 2.78%               | 1.85%               | 2.32%               |

(1) Represents the extended maturity for certain loans in which we have the unilateral right to extend.

(2) Pursuant to an existing swap agreement, \$421,000 of the loan bears interest at a fixed rate of 4.78% through March 2018, and the balance of \$154,000 floats through March 2018. The entire \$575,000 will float thereafter for the duration of the loan.

**UNCONSOLIDATED JOINT VENTURES**

(unaudited and in thousands)

| Joint Venture Name                     | Asset Category     | Percentage Ownership at March 31, 2015 | As of March 31, 2015      |                          |                       |
|--|--------------------|--|---------------------------|--------------------------|-----------------------|
|  |                    |  | Company's Carrying Amount | Debt                     |                       |
|  |                    |  |                           | Company's Pro rata Share | 100% of Joint Venture |
| PREIT Associates                       | REIT               | 8.1%                                   | \$ 144,681                | \$ - (1)                 | \$ - (1)              |
| Alexander's, Inc.                      | Office/Retail      | 32.4%                                  | 132,143                   | 334,370                  | 1,032,004             |
| India real estate ventures             | Office/Land        | 4.1% to 36.5%                          | 67,159                    | 46,662                   | 186,649               |
| Urban Edge                             | REIT               | 5.4%                                   | 25,206                    | - (1)                    | - (1)                 |
| Toys                                   | Retailer           | 32.6%                                  | -                         | 1,549,865                | 4,754,178             |
| Partially owned office buildings:      |                    |  |                           |                          |                       |
| 280 Park Avenue                        | Office             | 50.0%                                  | 302,571                   | 364,125                  | 728,249               |
| One Park Avenue                        | Office             | 55.0%                                  | 139,007                   | 139,659                  | 253,926               |
| 650 Madison Avenue                     | Office/Retail      | 20.1%                                  | 113,125                   | 161,024                  | 800,000               |
| Rosslyn Plaza                          | Office/Residential | 43.7% to 50.4%                         | 52,567                    | 16,881                   | 33,488                |
| 666 Fifth Avenue Office Condominium    | Office             | 49.5%                                  | 49,542                    | 612,301                  | 1,236,972             |
| West 57th Street properties            | Office             | 50.0%                                  | 40,738                    | 10,000                   | 20,000                |
| 330 Madison Avenue                     | Office             | 25.0%                                  | 30,134                    | 37,500                   | 150,000               |
| Warner Building                        | Office             | 55.0%                                  | 21,577                    | 160,985                  | 292,700               |
| Fairfax Square                         | Office             | 20.0%                                  | 5,927                     | 18,000                   | 90,000                |
| 1101 17th Street                       | Office             | 55.0%                                  | (3,562)                   | 17,050                   | 31,000                |
| 825 Seventh Avenue                     | Office             | 50.0%                                  | 1,397                     | 10,250                   | 20,500                |
| Other partially owned office buildings | Office             | Various                                | 13,051                    | 17,465                   | 50,150                |
| Other investments:                     |                    |  |                           |                          |                       |
| Independence Plaza                     | Residential        | 50.1%                                  | 151,034                   | 275,550                  | 550,000               |
| Monmouth Mall                          | Retail             | 50.0%                                  | 5,869                     | 77,229                   | 154,457               |
| Other investments                      | Various            | Various                                | 116,048                   | 108,234                  | 773,182               |
|  |                    |  | <u>\$ 1,408,214</u>       | <u>\$ 3,957,150</u>      | <u>\$ 11,157,455</u>  |

(1) Because we file our Form 10-Q prior to PREIT and UE's 10-Q filings, we account for these investments on a one-quarter lag basis and accordingly, we will report our pro rata share of debt of these entities beginning in the second quarter of 2015.

**UNCONSOLIDATED JOINT VENTURES**

(unaudited and in thousands)

| Joint Venture Name  | Percentage Ownership at March 31, 2015 | Our Share of Net Income (Loss) for the Three Months Ended March 31, |                 | Our Share of EBITDA for the Three Months Ended March 31, |                   |
|---|--|---|-----------------|--|-------------------|
|   |  | 2015  | 2014            | 2015   | 2014              |
| New York:   |  |   |                 |  |                   |
| 666 Fifth Avenue Office Condominium                       | 49.5%                                  | \$ (8,574)  | \$ 2,005        | \$ 5,786   | \$ 7,395          |
| Alexander's, Inc.   | 32.4%                                  | 5,594   | 4,759           | 10,407   | 10,430            |
| West 57th Street properties (partially under development) | 50.0%                                  | (2,219)   | (2,599)         | 84   | 490               |
| Independence Plaza  | 50.1%                                  | (2,049)   | (2,064)         | 4,659  | 4,336             |
| 330 Madison Avenue  | 25.0%                                  | 1,464   | 1,345           | 2,522  | 2,267             |
| 825 Seventh Avenue  | 50.0%                                  | 707   | 475             | 833  | 768               |
| One Park Avenue   | 55.0%                                  | 573   | 98              | 4,870  | 1,870             |
| 280 Park Avenue (partially under development)             | 50.0%                                  | (566)   | (51)            | 5,589  | 5,262             |
| 650 Madison Avenue  | 20.1%                                  | (544)   | (2,090)         | 2,969  | 2,917             |
| Other   | Various                                | (49)  | (312)           | 1,041  | 680               |
|   |  | <u>(5,663)</u>  | <u>1,566</u>    | <u>38,760</u>  | <u>36,415</u>     |
| Washington, DC:   |  |   |                 |  |                   |
| 1101 17th Street  | 55.0%                                  | 2,317   | 286             | 715  | 597               |
| Warner Building   | 55.0%                                  | (1,871)   | (1,486)         | 2,215  | 2,259             |
| Rosslyn Plaza   | 43.7% to 50.4%                         | (737)   | (572)           | 1,080  | 1,656             |
| Fairfax Square  | 20.0%                                  | 16  | 33              | 460  | 598               |
| Other   | Various                                | 406   | 473             | 1,313  | 1,375             |
|   |  | <u>131</u>  | <u>(1,266)</u>  | <u>5,783</u>   | <u>6,485</u>      |
| Other:  |  |   |                 |  |                   |
| Alexander's corporate fee income                          | 32.4%                                  | 2,097   | 1,626           | 2,097  | 1,626             |
| Toys  | 32.6%                                  | 1,454   | 1,847           | 1,454  | 85,397            |
| Urban Edge <b>(1)</b>                                     | 5.4%                                   | 584   | -               | 584  | -                 |
| Monmouth Mall   | 50.0%                                  | 318   | 517             | 2,239  | 2,391             |
| India real estate ventures                                | 4.1% to 36.5%                          | (109)   | (137)           | 1,841  | 1,824             |
| Other   | Various                                | (1,217)   | (2,174)         | 6,201  | 6,321             |
|   |  | <u>3,127</u>  | <u>1,679</u>    | <u>14,416</u>  | <u>97,559</u>     |
|   |  | <u>\$ (2,405)</u>   | <u>\$ 1,979</u> | <u>\$ 58,959</u>   | <u>\$ 140,459</u> |

(1) Represents fees earned pursuant to our transitional services agreement with UE.

**SQUARE FOOTAGE** in service

(unaudited and square feet in thousands)

| Segment:                                     | Total Portfolio | Owned by Company   |                          |                         |              |              |
|--|-----------------|--------------------|--------------------------|-------------------------|--------------|--------------|
|  |                 | Total              | Office                   | Retail                  | Showroom     | Other        |
| <b>New York:</b>                             |                 |                    |                          |                         |              |              |
| Office                                       | 20,695          | 17,363             | 17,180                   | -                       | 183          | -            |
| Retail                                       | 2,474           | 2,201              | -                        | 2,201                   | -            | -            |
| Alexander's (32.4% interest)                 | 2,178           | 706                | 287                      | 419                     | -            | -            |
| Hotel Pennsylvania                           | 1,400           | 1,400              | -                        | -                       | -            | 1,400        |
| Residential (1,654 units)                    | 1,521           | 761                | -                        | -                       | -            | 761          |
|  | <u>28,268</u>   | <u>22,431</u>      | <u>17,467</u>            | <u>2,620</u>            | <u>183</u>   | <u>2,161</u> |
| <b>Washington, DC:</b>                       |                 |                    |                          |                         |              |              |
| Office, excluding the Skyline Properties     | 13,457          | 11,083             | 10,267                   | 816                     | -            | -            |
| Skyline Properties                           | 2,648           | 2,648              | 2,599                    | 49                      | -            | -            |
| Total Office                                 | 16,105          | 13,731             | 12,866                   | 865                     | -            | -            |
| Residential (2,414 units)                    | 2,597           | 2,455              | -                        | -                       | -            | 2,455        |
| Other  | 384             | 384                | -                        | 9                       | -            | 375          |
|  | <u>19,086</u>   | <u>16,570</u>      | <u>12,866</u>            | <u>874</u>              | <u>-</u>     | <u>2,830</u> |
| <b>Other:</b>                                |                 |                    |                          |                         |              |              |
| The Mart                                     | 3,587           | 3,578              | 1,687                    | 99                      | 1,792        | -            |
| 555 California Street (70% interest)         | 1,802           | 1,261              | 1,168                    | 93                      | -            | -            |
| 85 Tenth Avenue (49.9% effective interest)   | 614             | 306                | 287                      | 19                      | -            | -            |
| Other Properties                             | 2,135           | 1,174              | -                        | 1,174                   | -            | -            |
|  | <u>8,138</u>    | <u>6,319</u>       | <u>3,142</u>             | <u>1,385</u>            | <u>1,792</u> | <u>-</u>     |
| Total square feet at March 31, 2015          | <u>55,492</u>   | <u>45,320</u>      | <u>33,475</u>            | <u>4,879</u>            | <u>1,975</u> | <u>4,991</u> |
| Total square feet at December 31, 2014       | <u>54,830</u>   | <u>44,745</u>      | <u>32,922</u>            | <u>4,859</u>            | <u>1,971</u> | <u>4,993</u> |
| <b>Parking Garages (not included above):</b> |                 |                    |                          |                         |              |              |
|  |                 | <b>Square Feet</b> | <b>Number of Garages</b> | <b>Number of Spaces</b> |              |              |
| New York                                     |                 | 1,702              | 11                       | 4,980                   |              |              |
| Washington, DC                               |                 | 8,928              | 56                       | 29,628                  |              |              |
| The Mart                                     |                 | 558                | 4                        | 1,664                   |              |              |
| 555 California Street                        |                 | 168                | 1                        | 453                     |              |              |
| Total at March 31, 2015                      |                 | <u>11,356</u>      | <u>72</u>                | <u>36,725</u>           |              |              |

**TOP 30 TENANTS**

(unaudited)

| Tenants   | Square<br>Footage | 2015<br>Annualized<br>Revenues<br>(in thousands) | % of 2015<br>Annualized<br>Revenues |
|---|-------------------|--|-------------------------------------|
| U.S. Government   | 4,574,818         | \$ 162,043                                       | 6.7%                                |
| IPG and affiliates  | 754,979           | 42,676   | 1.8%                                |
| Bank of America   | 642,570           | 40,737   | 1.7%                                |
| AXA Equitable Life Insurance                                    | 422,934           | 37,228   | 1.5%                                |
| Macy's  | 665,433           | 36,094   | 1.5%                                |
| Amazon.com  | 470,143           | 32,157   | 1.3%                                |
| Neuberger Berman Group LLC                                      | 411,894           | 31,011   | 1.3%                                |
| Forever 21  | 165,388           | 28,348   | 1.2%                                |
| McGraw-Hill Companies, Inc.                                     | 479,557           | 27,505   | 1.1%                                |
| Ziff Brothers Investments, Inc.                                 | 287,030           | 26,931   | 1.1%                                |
| New York Stock Exchange   | 381,425           | 24,987   | 1.0%                                |
| J. Crew   | 389,968           | 24,723   | 1.0%                                |
| Madison Square Garden   | 393,299           | 24,683   | 1.0%                                |
| Topshop   | 94,349            | 21,159   | 0.9%                                |
| Motorola Mobility (guaranteed by Google)                        | 607,872           | 20,222   | 0.8%                                |
| Fast Retailing (Uniqlo)   | 90,732            | 20,138   | 0.8%                                |
| AOL   | 233,264           | 19,670   | 0.8%                                |
| AMC Networks, Inc.  | 283,745           | 18,842   | 0.8%                                |
| Hollister   | 21,741            | 17,566   | 0.7%                                |
| JCPenney  | 154,038           | 17,052   | 0.7%                                |
| Bryan Cave LLP  | 213,946           | 16,117   | 0.7%                                |
| Family Health International                                     | 340,605           | 15,738   | 0.6%                                |
| Cushman & Wakefield   | 166,287           | 15,077   | 0.6%                                |
| Lockheed Martin   | 328,919           | 14,783   | 0.6%                                |
| New York & Co   | 197,154           | 12,930   | 0.5%                                |
| Sears Holding Company (Kmart Corporation and Sears Corporation) | 286,705           | 12,184   | 0.5%                                |
| Information Builders, Inc.                                      | 243,486           | 12,100   | 0.5%                                |
| Hennes & Mauritz  | 42,769            | 11,500   | 0.5%                                |
| Fitzpatrick Cella Harper  | 130,424           | 11,444   | 0.5%                                |
| Ferragamo   | 57,481            | 10,756   | 0.4%                                |

**LEASE EXPIRATIONS  
NEW YORK SEGMENT**

(unaudited)

|                | Year of Lease Expiration | Our share of Square Feet of Expiring Leases | Weighted Average Annual Rent of Expiring Leases |             | Percentage of Annualized Escalated Rent |
|----------------|--------------------------|---|---|-------------|---|
|                |                          |   | Total   | Per Sq. Ft. |   |
| <b>Office:</b> | Month to Month           | 46,000                                      | \$ 2,247,000                                    | \$ 48.86    | 0.2%                                    |
|                | Second Quarter 2015      | 300,000                                     | 18,007,000                                      | 60.02       | 1.8%                                    |
|                | Third Quarter 2015       | 228,000                                     | 17,000,000                                      | 74.56       | 1.7%                                    |
|                | Fourth Quarter 2015      | 153,000                                     | 10,489,000                                      | 68.55       | 1.0%                                    |
|                | Total 2015               | 681,000                                     | 45,496,000                                      | 66.81       | 4.4%                                    |
|                | First Quarter 2016       | 254,000                                     | 13,916,000                                      | 54.79       | 1.4%                                    |
|                | Remaining 2016           | 1,089,000                                   | 71,733,000                                      | 65.87       | 7.0%                                    |
|                | 2017                     | 887,000                                     | 51,712,000                                      | 58.30       | 5.0%                                    |
|                | 2018                     | 1,028,000                                   | 76,914,000                                      | 74.82       | 7.5%                                    |
|                | 2019                     | 983,000                                     | 66,403,000                                      | 67.55       | 6.5%                                    |
|                | 2020                     | 1,577,000                                   | 92,112,000                                      | 58.41       | 9.0%                                    |
|                | 2021                     | 1,021,000                                   | 65,734,000                                      | 64.38       | 6.4%                                    |
|                | 2022                     | 854,000                                     | 50,930,000                                      | 59.64       | 5.0%                                    |
|                | 2023                     | 1,603,000                                   | 111,586,000                                     | 69.61       | 10.9%                                   |
|                | 2024                     | 1,205,000                                   | 87,447,000                                      | 72.57       | 8.5%                                    |
| <b>Retail:</b> | Month to Month           | 15,000                                      | \$ 1,843,000                                    | \$ 122.88   | 0.5%                                    |
|                | Second Quarter 2015      | 9,000                                       | 1,506,000                                       | 167.30      | 0.4%                                    |
|                | Third Quarter 2015       | 31,000                                      | 2,636,000                                       | 85.04       | 0.8%                                    |
|                | Fourth Quarter 2015      | 10,000                                      | 1,497,000                                       | 149.68      | 0.4%                                    |
|                | Total 2015               | 50,000                                      | 5,639,000                                       | 112.78      | 1.6%                                    |
|                | First Quarter 2016       | 58,000                                      | 14,170,000                                      | 244.30      | 4.1%                                    |
|                | Remaining 2016           | 39,000                                      | 12,781,000                                      | 327.71      | 3.7%                                    |
|                | 2017                     | 15,000                                      | 3,467,000                                       | 231.12      | 1.0%                                    |
|                | 2018                     | 161,000                                     | 39,123,000                                      | 243.00      | 11.4%                                   |
|                | 2019                     | 120,000                                     | 31,346,000                                      | 261.22      | 9.2%                                    |
|                | 2020                     | 63,000                                      | 9,722,000                                       | 154.32      | 2.8%                                    |
|                | 2021                     | 38,000                                      | 7,427,000                                       | 195.46      | 2.2%                                    |
|                | 2022                     | 31,000                                      | 3,891,000                                       | 125.52      | 1.1%                                    |
|                | 2023                     | 81,000                                      | 18,721,000                                      | 231.13      | 5.5%                                    |
|                | 2024                     | 171,000                                     | 56,874,000                                      | 332.59      | 16.6%                                   |

**LEASE EXPIRATIONS  
WASHINGTON, DC SEGMENT**

(unaudited)

|                | Year of Lease<br>Expiration | Our share of<br>Square Feet<br>of Expiring<br>Leases | Weighted Average Annual<br>Rent of Expiring Leases |             | Percentage of<br>Annualized<br>Escalated Rent |
|----------------|-----------------------------|--|--|-------------|---|
|                |                             |  | Total  | Per Sq. Ft. |   |
| <b>Office:</b> | Month to Month              | 244,000  | \$ 8,371,000                                       | \$ 34.36    | 1.9%  |
|                | Second Quarter 2015         | 211,000  | 10,499,000   | 49.84       | 2.4%  |
|                | Third Quarter 2015          | 325,000  | 13,361,000   | 41.05       | 3.0%  |
|                | Fourth Quarter 2015         | 661,000  | 26,271,000   | 39.77       | 5.9%  |
|                | Total 2015                  | 1,197,000  | 50,131,000   | 41.89       | 11.2%   |
|                | First Quarter 2016          | 589,000  | 23,031,000   | 39.11       | 5.2%  |
|                | Remaining 2016              | 606,000  | 28,230,000   | 46.60       | 6.3%  |
|                | 2017                        | 621,000  | 25,541,000   | 41.12       | 5.7%  |
|                | 2018                        | 992,000  | 44,067,000   | 44.42       | 9.9%  |
|                | 2019                        | 1,520,000  | 64,076,000   | 42.14       | 14.4%   |
|                | 2020                        | 867,000  | 41,301,000   | 47.64       | 9.3%  |
|                | 2021                        | 569,000  | 25,967,000   | 45.63       | 5.8%  |
|                | 2022                        | 990,000  | 43,140,000   | 43.59       | 9.7%  |
|                | 2023                        | 178,000  | 8,231,000  | 46.20       | 1.8%  |
|                | 2024                        | 385,000  | 15,276,000   | 39.63       | 3.4%  |



## LEASING ACTIVITY

(unaudited)

The leasing activity presented below is based on leases signed during the period and is not intended to coincide with the commencement of rental revenue in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Tenant improvements and leasing commissions presented below are based on square feet leased during the period. Second generation relet space represents square footage that has not been vacant for more than nine months.

| (square feet in thousands)                   | New York |               | Washington, DC          |
|--|----------|---------------|-------------------------|
|  | Office   | Street Retail | Office                  |
| <b>Quarter Ended March 31, 2015</b>          |          |               |                         |
| Total square feet leased                     | 553      | 7             | 754                     |
| Our share of square feet leased:             | 417      | 7             | 696                     |
| Initial rent <sup>(1)</sup>                  | \$ 77.85 | \$ 362.96     | \$ 35.06                |
| Weighted average lease term (years)          | 8.7      | 12.2          | 11.1                    |
| Second generation relet space:               |          |               |                         |
| Square feet                                  | 263      | 3             | 505                     |
| Cash basis:                                  |          |               |                         |
| Initial rent <sup>(1)</sup>                  | \$ 74.67 | \$ 302.30     | \$ 33.30 <sup>(3)</sup> |
| Prior escalated rent                         | \$ 63.78 | \$ 258.75     | \$ 40.39 <sup>(3)</sup> |
| Percentage increase (decrease)               | 17.1%    | 16.8%         | (17.6%) <sup>(3)</sup>  |
| GAAP basis:                                  |          |               |                         |
| Straight-line rent <sup>(2)</sup>            | \$ 71.14 | \$ 330.95     | \$ 31.13 <sup>(3)</sup> |
| Prior straight-line rent                     | \$ 60.16 | \$ 241.36     | \$ 37.51 <sup>(3)</sup> |
| Percentage increase (decrease)               | 18.2%    | 37.1%         | (17.0%) <sup>(3)</sup>  |
| Tenant improvements and leasing commissions: |          |               |                         |
| Per square foot                              | \$ 74.72 | \$ 296.70     | \$ 84.37                |
| Per square foot per annum                    | \$ 8.59  | \$ 24.32      | \$ 7.60                 |
| Percentage of initial rent                   | 11.0%    | 6.7%          | 21.7%                   |

(1) Represents the cash basis weighted average starting rent per square foot, which is generally indicative of market rents. Most leases include free rent and periodic step-ups in rent which are not included in the initial cash basis rent per square foot but are included in the GAAP basis straight-line rent per square foot.

(2) Represents the GAAP basis weighted average rent per square foot that is recognized over the term of the respective leases, and includes the effect of free rent and periodic step-ups in rent.

(3) Excluding 371 square feet of leasing activity with the U.S. Marshals Service (of which 293 square feet are second generation relet space), our initial rent and prior escalated rent on a cash basis was \$35.11 and \$35.26 per square foot, respectively (0.4% decrease), and our initial rent and prior escalated rent on a GAAP basis was \$32.72 and \$33.77 per square foot, respectively (3.1% decrease).

## OCCUPANCY, SAME STORE EBITDA AND RESIDENTIAL STATISTICS

(unaudited)

### Occupancy and Same Store EBITDA:

|   | <u>New York</u>       | <u>Washington, DC <sup>(1)</sup></u> |
|---|-----------------------|--------------------------------------|
| Occupancy rate at:                                      |                       |                                      |
| March 31, 2015  | 97.3%                 | 84.2%                                |
| December 31, 2014                                       | 96.9%                 | 83.8%                                |
| March 31, 2014  | 97.0%                 | 83.3%                                |
| Same store EBITDA % increase (decrease):                |                       |                                      |
| Three months ended March 31, 2015 vs. March 31, 2014    | 3.2% <sup>(2)</sup>   | (0.2%)                               |
| Three months ended March 31, 2015 vs. December 31, 2014 | (4.3%) <sup>(3)</sup> | 2.4%                                 |
| Cash basis same store EBITDA % increase (decrease):     |                       |                                      |
| Three months ended March 31, 2015 vs. March 31, 2014    | 5.5% <sup>(2)</sup>   | (5.5%)                               |
| Three months ended March 31, 2015 vs. December 31, 2014 | (3.9%) <sup>(3)</sup> | (0.8%)                               |

(1) The total office occupancy rates for the Washington, DC segment were as follows:

|                   |       |
|-------------------|-------|
| March 31, 2015    | 81.5% |
| December 31, 2014 | 80.9% |
| March 31, 2014    | 80.5% |

(2) Excluding Hotel Pennsylvania, same store EBITDA increased by 3.8% and by 6.1% on a cash basis.

(3) Excluding Hotel Pennsylvania, same store EBITDA increased by 1.5% and by 2.6% on a cash basis.

### Residential Statistics:

|                        | <u>Number of Units</u> | <u>Occupancy Rate</u> | <u>Average Monthly Rent Per Unit</u> |
|------------------------|------------------------|-----------------------|--------------------------------------|
| <b>New York:</b>       |                        |                       |                                      |
| March 31, 2015         | 1,654                  | 96.1%                 | \$ 3,251                             |
| December 31, 2014      | 1,654                  | 95.2%                 | \$ 3,163                             |
| March 31, 2014         | 1,655                  | 96.2%                 | \$ 2,858                             |
| <b>Washington, DC:</b> |                        |                       |                                      |
| March 31, 2015         | 2,414                  | 97.1%                 | \$ 2,060                             |
| December 31, 2014      | 2,414                  | 97.4%                 | \$ 2,078                             |
| March 31, 2014         | 2,414                  | 96.8%                 | \$ 2,102                             |

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**CONSOLIDATED**

(unaudited and in thousands)

|   | Three Months Ended<br>March 31, 2015 | Year Ended December 31, |                   |
|---|--------------------------------------|-------------------------|-------------------|
|   |                                      | 2014                    | 2013              |
| <b>Capital expenditures (accrual basis):</b>                              |                                      |                         |                   |
| Expenditures to maintain assets   | \$ 20,935                            | \$ 107,728              | \$ 73,130         |
| Tenant improvements   | 50,900                               | 205,037                 | 120,139           |
| Leasing commissions   | 8,281                                | 79,636                  | 51,476            |
| Non-recurring capital expenditures  | 35,987                               | 122,330                 | 49,441            |
| <b>Total capital expenditures and leasing commissions (accrual basis)</b> | <b>116,103</b>                       | <b>514,731</b>          | <b>294,186</b>    |
| Adjustments to reconcile to cash basis:                                   |                                      |                         |                   |
| Expenditures in the current year applicable to prior periods              | 40,209                               | 140,490                 | 155,035           |
| Expenditures to be made in future periods for the current period          | (88,136)                             | (313,746)               | (150,067)         |
| <b>Total capital expenditures and leasing commissions (cash basis)</b>    | <b>\$ 68,176</b>                     | <b>\$ 341,475</b>       | <b>\$ 299,154</b> |
| Our share of square feet leased   | 1,120                                | 5,204                   | 3,537             |
| Tenant improvements and leasing commissions per square foot per annum     | \$ 8.04                              | \$ 6.53                 | \$ 5.55           |
| Percentage of initial rent  | 15.2%                                | 10.3%                   | 9.3%              |

**Development and redevelopment expenditures:**

|  |                  |                   |                   |
|--|------------------|-------------------|-------------------|
| 220 Central Park South                             | \$ 20,277        | \$ 78,059         | \$ 243,687        |
| Springfield Towne Center                           | 14,478           | 127,467           | 68,716            |
| The Bartlett                                       | 13,791           | 38,163            | 6,289             |
| 330 West 34th Street                               | 11,902           | 41,592            | 6,832             |
| Marriott Marquis Times Square - retail and signage | 10,651           | 112,390           | 40,356            |
| 90 Park Avenue                                     | 5,173            | 8,910             | -                 |
| Wayne Towne Center                                 | 2,362            | 19,740            | 4,927             |
| Penn Plaza   | 1,163            | 4,009             | 731               |
| 2221 South Clark Street                            | 1,127            | 3,481             | 283               |
| 608 Fifth Avenue                                   | 809              | 20,377            | 3,492             |
| 7 West 34th Street                                 | 506              | 11,555            | -                 |
| Other  | 5,813            | 78,444            | 94,104            |
|  | <b>\$ 88,052</b> | <b>\$ 544,187</b> | <b>\$ 469,417</b> |

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**NEW YORK SEGMENT**

(unaudited and in thousands)

|   | Three Months Ended | Year Ended December 31, |            |
|---|--------------------|-------------------------|------------|
|   | March 31, 2015     | 2014                    | 2013       |
| <b>Capital expenditures (accrual basis):</b>                          |                    |                         |            |
| Expenditures to maintain assets                                       | \$ 12,810          | \$ 48,518               | \$ 34,553  |
| Tenant improvements   | 9,762              | 143,007                 | 87,275     |
| Leasing commissions   | 3,744              | 66,369                  | 39,348     |
| Non-recurring capital expenditures                                    | 19,774             | 64,423                  | 11,579     |
| Total capital expenditures and leasing commissions (accrual basis)    | 46,090             | 322,317                 | 172,755    |
| Adjustments to reconcile to cash basis:                               |                    |                         |            |
| Expenditures in the current year applicable to prior periods          | 26,220             | 67,577                  | 56,345     |
| Expenditures to be made in future periods for the current period      | (28,594)           | (205,258)               | (91,107)   |
| Total capital expenditures and leasing commissions (cash basis)       | \$ 43,716          | \$ 184,636              | \$ 137,993 |
| Our share of square feet leased                                       | 424                | 3,530                   | 2,145      |
| Tenant improvements and leasing commissions per square foot per annum | \$ 8.95            | \$ 6.82                 | \$ 5.89    |
| Percentage of initial rent  | 10.8%              | 9.1%                    | 8.1%       |

**Development and redevelopment expenditures:**

|  |           |            |           |
|--|-----------|------------|-----------|
| 330 West 34th Street                               | \$ 11,902 | \$ 41,592  | \$ 6,832  |
| Marriott Marquis Times Square - retail and signage | 10,651    | 112,390    | 40,356    |
| 90 Park Avenue                                     | 5,173     | 8,910      | -         |
| Penn Plaza   | 1,163     | 4,009      | 731       |
| 608 Fifth Avenue                                   | 809       | 20,377     | 3,492     |
| 7 West 34th Street                                 | 506       | 11,555     | -         |
| Other  | 939       | 14,973     | 34,574    |
|  | \$ 31,143 | \$ 213,806 | \$ 85,985 |

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**WASHINGTON, DC SEGMENT**

(unaudited and in thousands)

|   | Three Months Ended | Year Ended December 31, |           |
|---|--------------------|-------------------------|-----------|
|   | March 31, 2015     | 2014                    | 2013      |
| <b>Capital expenditures (accrual basis):</b>                          |                    |                         |           |
| Expenditures to maintain assets                                       | \$ 1,986           | \$ 23,425               | \$ 22,165 |
| Tenant improvements   | 37,011             | 37,842                  | 6,976     |
| Leasing commissions   | 3,748              | 5,857                   | 4,389     |
| Non-recurring capital expenditures                                    | 16,129             | 37,798                  | 37,342    |
| Total capital expenditures and leasing commissions (accrual basis)    | 58,874             | 104,922                 | 70,872    |
| Adjustments to reconcile to cash basis:                               |                    |                         |           |
| Expenditures in the current year applicable to prior periods          | 6,924              | 45,084                  | 26,075    |
| Expenditures to be made in future periods for the current period      | (54,612)           | (63,283)                | (36,702)  |
| Total capital expenditures and leasing commissions (cash basis)       | \$ 11,186          | \$ 86,723               | \$ 60,245 |
| Our share of square feet leased                                       | 696                | 1,674                   | 1,392     |
| Tenant improvements and leasing commissions per square foot per annum | \$ 7.60            | \$ 5.70                 | \$ 4.75   |
| Percentage of initial rent  | 21.7%              | 14.8%                   | 11.9%     |
| <b>Development and redevelopment expenditures:</b>                    |                    |                         |           |
| The Bartlett  | \$ 13,791          | \$ 38,163               | \$ 6,289  |
| 2221 South Clark Street   | 1,127              | 3,481                   | 283       |
| Other   | 4,628              | 42,001                  | 35,129    |
|   | \$ 19,546          | \$ 83,645               | \$ 41,701 |

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**OTHER**

(unaudited and in thousands)

|  | Three Months Ended<br>March 31, 2015 | Year Ended December 31, |            |
|--|--------------------------------------|-------------------------|------------|
|  |                                      | 2014                    | 2013       |
| <b>Capital expenditures (accrual basis):</b>                       |                                      |                         |            |
| Expenditures to maintain assets                                    | \$ 6,139                             | \$ 35,785               | \$ 16,412  |
| Tenant improvements  | 4,127                                | 24,188                  | 25,888     |
| Leasing commissions  | 789                                  | 7,410                   | 7,739      |
| Non-recurring capital expenditures                                 | 84                                   | 20,109                  | 520        |
| Total capital expenditures and leasing commissions (accrual basis) | 11,139                               | 87,492                  | 50,559     |
| Adjustments to reconcile to cash basis:                            |                                      |                         |            |
| Expenditures in the current year applicable to prior periods       | 7,065                                | 27,829                  | 72,615     |
| Expenditures to be made in future periods for the current period   | (4,930)                              | (45,205)                | (22,258)   |
| Total capital expenditures and leasing commissions (cash basis)    | \$ 13,274                            | \$ 70,116               | \$ 100,916 |

**Development and redevelopment expenditures:**

|                         |           |            |            |
|-------------------------|-----------|------------|------------|
| 220 Central Park South  | \$ 20,277 | \$ 78,059  | \$ 243,687 |
| Springfield Town Center | 14,478    | 127,467    | 68,716     |
| Wayne Towne Center      | 2,362     | 19,740     | 4,927      |
| Other                   | 246       | 21,470     | 24,401     |
|                         | \$ 37,363 | \$ 246,736 | \$ 341,731 |

**DEVELOPMENT COSTS AND CONSTRUCTION IN PROGRESS**

(unaudited and in thousands, except square feet)

| <u>Development Projects</u>                       | <u>Zoning<br/>Square Feet</u> | <u>At March 31, 2015</u> |                                       |                                       |
|---|-------------------------------|--------------------------|---------------------------------------|---------------------------------------|
|   |                               | <u>Total</u>             | <u>Development Costs<br/>Expended</u> | <u>Land and<br/>Acquisition Costs</u> |
| <b>New York:</b>                                  |                               |                          |                                       |                                       |
| 220 Central Park South - Residential Condominiums | 472,000                       | \$ 626,620               | \$ 130,230                            | \$ 496,390                            |
| 1535 Broadway - Marriott Marquis - Retail         | 109,000                       | 224,876                  | 81,069                                | 143,807                               |
| Other   |                               | 83,745                   | 83,745                                | -                                     |
| Total New York                                    |                               | 935,241                  | 295,044                               | 640,197                               |
| <b>Washington, DC:</b>                            |                               |                          |                                       |                                       |
| The Bartlett - Rental Residential / Retail        | 618,000                       | 108,097                  | 66,797                                | 41,300                                |
| Other   |                               | 108,444                  | 108,444                               | -                                     |
| Total Washington, DC                              |                               | 216,541                  | 175,241                               | 41,300                                |
| Other Projects                                    |                               | 5,398                    | 5,398                                 | -                                     |
| <b>Total Amount on the Balance Sheet</b>          |                               | <b>\$ 1,157,180</b>      | <b>\$ 475,683</b>                     | <b>\$ 681,497</b>                     |

| <u>Undeveloped Land</u>   | <u>Zoning<br/>Square Feet</u> | <u>Total</u>      |
|---|-------------------------------|-------------------|
| <b>Washington, DC:</b>  |                               |                   |
| 1900 Crystal Drive  | 712,000                       | \$ 35,382         |
| Metropolitan Park 6,7 & 8 - Rental Residential (1,403 Units) / Retail | 1,144,000                     | 84,228            |
| PenPlace - Office / Hotel (300 Units)                                 | 1,381,000                     | 71,147            |
| 223 23rd Street - Office / Rental Residential (353 Units)             | 937,000                       | 15,847            |
| Square 649  | 675,000                       | 19,823            |
| Total   |                               | <b>\$ 226,427</b> |

**NEW YORK SEGMENT**

**PROPERTY TABLE**

| Property  | % Ownership | % Occupancy | Weighted                    | Square Feet      |                  |  | Encumbrances<br>(in thousands) | Major Tenants  |
|---|-------------|-------------|-----------------------------|------------------|------------------|--|--------------------------------|--|
|   |             |             | Average Annual Rent PSF (1) | Total Property   | In Service       | Under Development or Not Available for Lease |                                |  |
| <b>NEW YORK:</b>  |             |             |                             |                  |                  |  |                                |  |
| <b>Penn Plaza:</b>  |             |             |                             |                  |                  |  |                                |  |
| One Penn Plaza<br>(ground leased through 2098)  |             |             |                             |                  |                  |  |                                |  |
| -Office   | 100.0%      | 96.5%       | \$ 58.43                    | 2,252,000        | 2,252,000        | -  |                                | Cisco, MWB Leasing, Parsons Brinkerhoff, United Health Care, United States Customs Department, URS Corporation Group Consulting, Lion Resources Bank of America, Kmart Corporation |
| -Retail   | 100.0%      | 99.6%       | 122.40                      | <u>272,000</u>   | <u>272,000</u>   | -  |                                |  |
|   | 100.0%      | 96.8%       | 65.32                       | <u>2,524,000</u> | <u>2,524,000</u> | -  | \$ -                           |  |
| Two Penn Plaza  |             |             |                             |                  |                  |  |                                |  |
| -Office   | 100.0%      | 99.9%       | 54.58                       | 1,569,000        | 1,569,000        | -  |                                | EMC, Forest Electric, Information Builders, Inc., Madison Square Garden, McGraw-Hill Companies, Inc. Chase Manhattan Bank  |
| -Retail   | 100.0%      | 38.4%       | 191.30                      | <u>50,000</u>    | <u>50,000</u>    | -  |                                |  |
|   | 100.0%      | 98.0%       | 58.81                       | <u>1,619,000</u> | <u>1,619,000</u> | -  | 575,000                        |  |
| Eleven Penn Plaza   |             |             |                             |                  |                  |  |                                |  |
| -Office   | 100.0%      | 99.6%       | 58.00                       | 1,133,000        | 1,133,000        | -  |                                | Macy's, Madison Square Garden, AMC Networks, Inc. PNC Bank National Association  |
| -Retail   | 100.0%      | 93.1%       | 179.09                      | <u>17,000</u>    | <u>17,000</u>    | -  |                                |  |
|   | 100.0%      | 99.5%       | 59.79                       | <u>1,150,000</u> | <u>1,150,000</u> | -  | 450,000                        |  |
| 100 West 33rd Street  |             |             |                             |                  |                  |  |                                |  |
| -Office   | 100.0%      | 99.5%       | 55.29                       | 851,000          | 851,000          | -  | 223,242                        | IPG and affiliates, Rocket Fuel  |
| Manhattan Mall  |             |             |                             |                  |                  |  |                                |  |
| -Retail   | 100.0%      | 87.8%       | 133.25                      | 256,000          | 256,000          | -  | 101,758                        | JCPenney, Aeropostale, Express   |
| 330 West 34th Street<br>(ground leased through 2148 - 34.8% ownership interest in the land) |             |             |                             |                  |                  |  |                                |  |
| -Office   | 100.0%      | 100.0%      | 53.52                       | 669,000          | 382,000          | 287,000                                      |                                | Deutsch, Inc. (lease not commenced), New York & Co., Yodle, Inc.   |
| -Retail   | 100.0%      | -           | -                           | <u>13,000</u>    | -                | <u>13,000</u>                                |                                |  |
|   | 100.0%      | 100.0%      | 53.52                       | <u>682,000</u>   | <u>382,000</u>   | <u>300,000</u>                               | 50,150                         |  |
| 435 Seventh Avenue  |             |             |                             |                  |                  |  |                                |  |
| -Retail   | 100.0%      | 100.0%      | 268.88                      | 43,000           | 43,000           | -  | 98,000                         | Hennes & Mauritz   |
| 7 West 34th Street  |             |             |                             |                  |                  |  |                                |  |
| -Office   | 100.0%      | 100.0%      | 62.80                       | 456,000          | 456,000          | -  |                                | Amazon Mango NY Inc., Amazon (lease not commenced)   |
| -Retail   | 100.0%      | 100.0%      | 306.71                      | <u>21,000</u>    | <u>21,000</u>    | -  |                                |  |
|   | 100.0%      | 100.0%      | 73.54                       | <u>477,000</u>   | <u>477,000</u>   | -  | -                              |  |
| 484 Eighth Avenue   |             |             |                             |                  |                  |  |                                |  |
| -Retail   | 100.0%      | -           | -                           | 16,000           | 16,000           | -  | -                              |  |
| 431 Seventh Avenue  |             |             |                             |                  |                  |  |                                |  |
| -Retail   | 100.0%      | 100.0%      | 224.12                      | 10,000           | 10,000           | -  | -                              |  |
| 488 Eighth Avenue   |             |             |                             |                  |                  |  |                                |  |
| -Retail   | 100.0%      | 100.0%      | 73.20                       | 6,000            | 6,000            | -  | -                              |  |
| 267 West 34th Street  |             |             |                             |                  |                  |  |                                |  |
| -Retail   | 100.0%      | 100.0%      | 165.31                      | 6,000            | 6,000            | -  | -                              |  |
| 138-142 West 32nd Street  |             |             |                             |                  |                  |  |                                |  |
| -Retail   | 100.0%      | 100.0%      | 92.69                       | 5,000            | 5,000            | -  | -                              |  |
| <b>Total Penn Plaza</b>   |             |             |                             | <u>7,645,000</u> | <u>7,345,000</u> | <u>300,000</u>                               | <u>1,498,150</u>               |  |



**NEW YORK SEGMENT**

**PROPERTY TABLE**

| Property   | % Ownership | % Occupancy | Weighted<br>Average<br>Annual Rent<br>PSF (1) | Square Feet       |                  | Under<br>Development<br>or Not Available<br>for Lease | Encumbrances<br>(in thousands) | Major Tenants  |
|--|-------------|-------------|---|-------------------|------------------|---|--------------------------------|--|
|  |             |             |   | Total<br>Property | In Service       |   |                                |  |
| <b>NEW YORK (Continued):</b>                       |             |             |   |                   |                  |   |                                |  |
| <b>Midtown East:</b>                               |             |             |   |                   |                  |   |                                |  |
| 909 Third Avenue<br>(ground leased through 2063)   |             |             |   |                   |                  |   |                                | IPG and affiliates, Forest Laboratories, Geller & Company, Morrison Cohen LLP, Robeco USA Inc., United States Post Office, The Procter & Gamble Distributing LLC |
| -Office  | 100.0%      | 100.0%      | \$ 57.04 <sup>(2)</sup>                       | 1,343,000         | 1,343,000        | -   | \$ 350,000                     |  |
| 150 East 58th Street                               |             |             |   |                   |                  |   |                                | Castle Harlan, Tournesol Realty LLC. (Peter Marino), Various showroom tenants  |
| -Office  | 100.0%      | 98.2%       | 67.25   | 541,000           | 541,000          | -   | -                              |  |
| -Retail  | 100.0%      | 100.0%      | 171.69  | 2,000             | 2,000            | -   | -                              |  |
|  | 100.0%      | 98.2%       | 67.63   | 543,000           | 543,000          | -   | -                              |  |
| 715 Lexington                                      |             |             |   |                   |                  |   |                                | New York & Company, Zales  |
| -Retail  | 100.0%      | 100.0%      | 252.72  | 23,000            | 23,000           | -   | -                              |  |
| 966 Third Avenue                                   |             |             |   |                   |                  |   |                                | McDonald's   |
| -Retail  | 100.0%      | 100.0%      | 88.30   | 7,000             | 7,000            | -   | -                              |  |
| 968 Third Avenue                                   |             |             |   |                   |                  |   |                                | Capital One Financial Corporation  |
| -Retail  | 50.0%       | 100.0%      | 246.47  | 6,000             | 6,000            | -   | -                              |  |
| <b>Total Midtown East</b>                          |             |             |   | <b>1,922,000</b>  | <b>1,922,000</b> | <b>-</b>  | <b>350,000</b>                 |  |
| <b>Midtown West:</b>                               |             |             |   |                   |                  |   |                                |  |
| 888 Seventh Avenue<br>(ground leased through 2067) |             |             |   |                   |                  |   |                                | Soros Fund, TPG-Axon Capital, Vornado Executive Headquarters Redeye Grill L.P.   |
| -Office  | 100.0%      | 96.3%       | 85.71   | 865,000           | 865,000          | -   | -                              |  |
| -Retail  | 100.0%      | 100.0%      | 201.62  | 15,000            | 15,000           | -   | -                              |  |
|  | 100.0%      | 96.4%       | 87.68   | 880,000           | 880,000          | -   | 318,554                        |  |
| 57th Street - 5 buildings                          |             |             |   |                   |                  |   |                                | Various  |
| -Office  | 50.0%       | 99.2%       | 52.82   | 132,000           | 80,000           | 52,000  | -                              |  |
| -Retail  | 50.0%       | 99.3%       | 119.83  | 56,000            | 22,000           | 34,000  | -                              |  |
|  | 50.0%       | 99.2%       | 72.78   | 188,000           | 102,000          | 86,000  | 20,000                         |  |
| 825 Seventh Avenue                                 |             |             |   |                   |                  |   |                                | Young & Rubicam<br>Lindy's   |
| -Office  | 50.0%       | 100.0%      | 74.64   | 165,000           | 165,000          | -   | -                              |  |
| -Retail  | 100.0%      | 100.0%      | 293.05  | 4,000             | 4,000            | -   | -                              |  |
|  | 51.2%       | 100.0%      | 79.81   | 169,000           | 169,000          | -   | 20,500                         |  |
| <b>Total Midtown West</b>                          |             |             |   | <b>1,237,000</b>  | <b>1,151,000</b> | <b>86,000</b>   | <b>359,054</b>                 |  |
| <b>Park Avenue:</b>                                |             |             |   |                   |                  |   |                                |  |
| 280 Park Avenue                                    |             |             |   |                   |                  |   |                                | Cohen & Steers Inc., Franklin Templeton Co. LLC (lease not commenced), New Advisory L.P., Investcorp International Inc. Scottrade Inc., Starbucks                |
| -Office  | 50.0%       | 100.0%      | 94.25   | 1,235,000         | 990,000          | 245,000   | -                              |  |
| -Retail  | 50.0%       | 100.0%      | 218.76  | 31,000            | 7,000            | 24,000  | -                              |  |
|  | 50.0%       | 100.0%      | 97.30   | 1,266,000         | 997,000          | 269,000   | 728,249                        |  |
| 350 Park Avenue                                    |             |             |   |                   |                  |   |                                | Kissinger Associates Inc., Ziff Brothers Investment Inc., MFA Financial Inc., M&T Bank Fidelity Investment, AT&T Wireless, Valley National Bank                  |
| -Office  | 100.0%      | 100.0%      | 92.56   | 553,000           | 553,000          | -   | -                              |  |
| -Retail  | 100.0%      | 100.0%      | 205.57  | 17,000            | 17,000           | -   | -                              |  |
|  | 100.0%      | 100.0%      | 95.93   | 570,000           | 570,000          | -   | 293,544                        |  |
| <b>Total Park Avenue</b>                           |             |             |   | <b>1,836,000</b>  | <b>1,567,000</b> | <b>269,000</b>  | <b>1,021,793</b>               |  |

**NEW YORK SEGMENT**

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|--------------------------------|-------------|-------------|---|-------------------|------------------|---|--------------------------------|---|
|                                |             |             |   | Total<br>Property | In Service       |   |                                |   |
| <b>NEW YORK (Continued):</b>   |             |             |   |                   |                  |   |                                |   |
| <b>Grand Central:</b>          |             |             |   |                   |                  |   |                                |   |
| 90 Park Avenue                 |             |             |   |                   |                  |   |                                |   |
| -Office                        | 100.0%      | 97.1%       | \$ 69.96                                      | 922,000           | 922,000          | -   |                                | Alston & Bird, Amster, Rothstein & Ebenstein,<br>Capital One, First Manhattan Consulting,<br>Factset Research Systems Inc., Foley & Lardner<br>Citibank       |
| -Retail                        | 100.0%      | 100.0%      | 115.82  | 26,000            | 26,000           | -   |                                |   |
|                                | 100.0%      | 97.2%       | 71.22   | 948,000           | 948,000          | -   | \$ -                           |   |
| 330 Madison Avenue             |             |             |   |                   |                  |   |                                |   |
| -Office                        | 25.0%       | 100.0%      | 67.90   | 806,000           | 806,000          | -   |                                | Guggenheim Partners LLC, HSBC Bank AFS,<br>Jones Lang LaSalle Inc., Wells Fargo<br>Ann Taylor Retail Inc., Citibank   |
| -Retail                        | 25.0%       | 100.0%      | 280.98  | 34,000            | 34,000           | -   |                                |   |
|                                | 25.0%       | 100.0%      | 76.52   | 840,000           | 840,000          | -   | 150,000                        |   |
| 510 Fifth Avenue               |             |             |   |                   |                  |   |                                |   |
| -Retail                        | 100.0%      | 90.6%       | 141.38  | 65,000            | 65,000           | -   | 30,052                         | Joe Fresh   |
| <b>Total Grand Central</b>     |             |             |   | <b>1,853,000</b>  | <b>1,853,000</b> | <b>-</b>  | <b>180,052</b>                 |   |
| <b>Madison/Fifth:</b>          |             |             |   |                   |                  |   |                                |   |
| 640 Fifth Avenue               |             |             |   |                   |                  |   |                                |   |
| -Office                        | 100.0%      | 87.6%       | 81.78   | 264,000           | 264,000          | -   |                                | Fidelity Investments, Owl Creek Asset Management LP,<br>Stifel Financial Corp.<br>Citibank  |
| -Retail                        | 100.0%      | 100.0%      | 187.38  | 63,000            | 63,000           | -   |                                |   |
|                                | 100.0%      | 90.0%       | 102.12  | 327,000           | 327,000          | -   | -                              |   |
| 666 Fifth Avenue               |             |             |   |                   |                  |   |                                |   |
| -Office (Office Condo)         | 49.5%       | 76.3%       | 74.75   | 1,368,000         | 1,368,000        | -   | 1,236,972                      | Fulbright & Jaworski, Colliers International NY LLC,<br>Integrated Holding Group, Vinson & Elkins LLP<br>HSBC Bank USA, Citibank<br>Uniqlo, Hollister, Swatch |
| -Retail (Office Condo)         | 49.5%       | 100.0%      | 162.65  | 46,000            | 46,000           | -   | -                              |   |
| -Retail (Retail Condo)         | 100.0%      | 100.0%      | 370.26  | 114,000 (3)       | 114,000          | -   | 390,000                        |   |
|                                |             | 78.7%       | 99.44   | 1,528,000         | 1,528,000        | -   | 1,626,972                      |   |
| 595 Madison Avenue             |             |             |   |                   |                  |   |                                |   |
| -Office                        | 100.0%      | 98.6%       | 73.15   | 292,000           | 292,000          | -   |                                | Beauvais Carpets, Levin Capital Strategies LP,<br>Cosmetech Mably Int'l LLC.<br>Coach, Prada  |
| -Retail                        | 100.0%      | 100.0%      | 778.99  | 30,000            | 30,000           | -   |                                |   |
|                                | 100.0%      | 98.7%       | 138.91  | 322,000           | 322,000          | -   | -                              |   |
| 650 Madison Avenue             |             |             |   |                   |                  |   |                                |   |
| -Office                        |             |             |   |                   |                  |   |                                | Memorial Sloan Kettering Cancer Center, Polo Ralph<br>Lauren<br>Crate & Barrel  |
| -Retail                        | 20.1%       | 86.2%       | 103.49  | 524,000           | 524,000          | -   |                                |   |
|                                | 20.1%       | 100.0%      | 266.43  | 71,000            | 71,000           | -   |                                |   |
|                                |             |             |   |                   |                  |   | 800,000                        |   |
|                                |             |             |   | 595,000           | 595,000          | -   |                                |   |
| 689 Fifth Avenue               |             |             |   |                   |                  |   |                                |   |
| -Office                        | 100.0%      | 100.0%      | 70.23   | 82,000            | 82,000           | -   |                                | Yamaha Artist Services Inc., Brunello Cucinelli USA, Inc.<br>MAC Cosmetics, Massimo Dutti   |
| -Retail                        | 100.0%      | 100.0%      | 724.55  | 17,000            | 17,000           | -   |                                |   |
|                                | 100.0%      | 100.0%      | 182.59  | 99,000            | 99,000           | -   | -                              |   |
| 655 Fifth Avenue               |             |             |   |                   |                  |   |                                |   |
| -Retail                        | 92.5%       | 100.0%      | 189.00  | 57,000            | 57,000           | -   | 140,000                        | Ferragamo   |
| 697-703 5th Avenue (St. Regis) |             |             |   |                   |                  |   |                                |   |
| -Retail                        | 74.3%       | 100.0%      | 355.83  | 25,000            | 25,000           | -   | -                              | Bottega Veneta, DeBeers Diamond Jewelers  |
| <b>Total Madison/Fifth</b>     |             |             |   | <b>2,953,000</b>  | <b>2,953,000</b> | <b>-</b>  | <b>2,566,972</b>               |   |

**NEW YORK SEGMENT**

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|---|-------------|-------------|---|-------------------|------------|---|--------------------------------|---|
|   |             |             |   | Total<br>Property | In Service |   |                                |   |
| <b>NEW YORK (Continued):</b>                  |             |             |   |                   |            |   |                                |   |
| <b>Midtown South:</b>                         |             |             |   |                   |            |   |                                |   |
| 770 Broadway                                  |             |             |   |                   |            |   |                                |   |
| -Office                                       | 100.0%      | 100.0%      | \$ 70.92                                      | 988,000           | 988,000    | -   |                                | AOL, J. Crew, Facebook, Structure Tone  |
| -Retail                                       | 100.0%      | 100.0%      | 49.80   | 168,000           | 168,000    | -   |                                | Ann Taylor Retail Inc., Bank of America, Kmart Corporation  |
|   | 100.0%      | 100.0%      | 67.85   | 1,156,000         | 1,156,000  | -   | \$ 353,000                     |   |
| One Park Avenue                               |             |             |   |                   |            |   |                                |   |
| -Office                                       | 55.0%       | 96.5%       | 45.32   | 868,000           | 868,000    | -   |                                | New York University, Public Service Mutual Insurance  |
| -Retail                                       | 55.0%       | 100.0%      | 61.65   | 79,000            | 79,000     | -   |                                | Bank of Baroda, Citibank, Equinox, Men's Wearhouse  |
|   | 55.0%       | 96.8%       | 46.68   | 947,000           | 947,000    | -   | 253,926                        |   |
| 4 Union Square South                          |             |             |   |                   |            |   |                                |   |
| -Retail                                       | 100.0%      | 100.0%      | 94.88   | 206,000           | 206,000    | -   | 119,386                        | Burlington Coat Factory, Whole Foods Market, DSW, Forever 21  |
| 692 Broadway                                  |             |             |   |                   |            |   |                                |   |
| -Retail                                       | 100.0%      | 100.0%      | 70.41   | 35,000            | 35,000     | -   | -                              | Equinox, Major League Baseball  |
| Total Midtown South                           |             |             |   | 2,344,000         | 2,344,000  | -   | 726,312                        |   |
| <b>Rockefeller Center:</b>                    |             |             |   |                   |            |   |                                |   |
| 1290 Avenue of the Americas                   |             |             |   |                   |            |   |                                |   |
| -Office                                       | 70.0%       | 97.8%       | 75.88   | 2,029,000         | 2,029,000  | -   |                                | AXA Equitable Life Insurance, Hachette Book Group Inc., Bryan Cave LLP, Neuberger Berman, SSB Realty LLC, Warner Music Group, Cushman & Wakefield, Fitzpatrick, Cella, Harper & Scinto, Columbia University |
| -Retail                                       | 70.0%       | 100.0%      | 161.16  | 79,000            | 79,000     | -   |                                | Duane Reade, JPMorgan Chase Bank, Sovereign Bank  |
|   | 70.0%       | 97.8%       | 79.08   | 2,108,000         | 2,108,000  | -   | 950,000                        |   |
| 608 Fifth Avenue (ground leased through 2033) |             |             |   |                   |            |   |                                |   |
| -Office                                       | 100.0%      | 93.9%       | 57.02   | 81,000            | 81,000     | -   |                                |   |
| -Retail                                       | 100.0%      | 100.0%      | 419.77  | 44,000            | 44,000     | -   |                                | Topshop   |
|   | 100.0%      | 96.1%       | 184.71  | 125,000           | 125,000    | -   | -                              |   |
| Total Rockefeller Center                      |             |             |   | 2,233,000         | 2,233,000  | -   | 950,000                        |   |
| <b>Wall Street/Downtown:</b>                  |             |             |   |                   |            |   |                                |   |
| 20 Broad Street (ground leased through 2081)  |             |             |   |                   |            |   |                                |   |
| -Office                                       | 100.0%      | 99.3%       | 58.54   | 473,000           | 473,000    | -   | -                              | New York Stock Exchange   |
| 40 Fulton Street                              |             |             |   |                   |            |   |                                |   |
| -Office                                       | 100.0%      | 99.0%       | 37.09   | 244,000           | 244,000    | -   |                                | Market News International Inc., Sapient Corp.   |
| -Retail                                       | 100.0%      | 100.0%      | 97.78   | 5,000             | 5,000      | -   |                                | TD Bank   |
|   | 100.0%      | 99.0%       | 38.31   | 249,000           | 249,000    | -   | -                              |   |
| Total Wall Street/Downtown                    |             |             |   | 722,000           | 722,000    | -   | -                              |   |

**NEW YORK SEGMENT**

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|--|-------------|-------------|---|-------------------|----------------|---|--------------------------------|--|
|  |             |             |   | Total<br>Property | In Service     |   |                                |  |
| <b>NEW YORK (Continued):</b>   |             |             |   |                   |                |   |                                |  |
| <b>Soho:</b>   |             |             |   |                   |                |   |                                |  |
| 478-486 Broadway - 2 buildings<br>-Retail  | 100.0%      | 100.0%      | \$ 152.59                                     | 85,000            | 85,000         | -   | \$ -                           | Topshop, Madewell, J. Crew   |
| 443 Broadway<br>-Retail  | 100.0%      | 100.0%      | 128.40  | 16,000            | 16,000         | -   | -                              | Necessary Clothing   |
| 304 Canal Street<br>-Retail  | 100.0%      | -           | -   | 14,000            | -              | 14,000  | -                              |  |
| 334 Canal Street<br>-Retail  | 100.0%      | 100.0%      | -   | 15,000            | 11,000         | 4,000   | -                              |  |
| 155 Spring Street<br>-Retail   | 100.0%      | 98.5%       | 79.89   | 49,000            | 49,000         | -   | -                              | Sigrid Olsen   |
| 148 Spring Street<br>-Retail   | 100.0%      | 100.0%      | 130.00  | 7,000             | 7,000          | -   | -                              |  |
| 150 Spring Street<br>-Retail   | 100.0%      | 100.0%      | 242.15  | 7,000             | 7,000          | -   | -                              | Sandro   |
| <b>Total Soho</b>  |             |             |   | <b>193,000</b>    | <b>175,000</b> | <b>18,000</b>   | <b>-</b>                       |  |
| <b>Times Square:</b>   |             |             |   |                   |                |   |                                |  |
| 1540 Broadway<br>-Retail   | 100.0%      | 100.0%      | 217.02  | 160,000           | 160,000        | -   | -                              | Forever 21, Planet Hollywood, Disney, Sunglass Hut, MAC Cosmetics, U.S. Polo |
| 1535 Broadway (Marriott Marquis - retail and signage)<br>(ground and building leased through 2032) |             |             |   |                   |                |   |                                |  |
| -Retail  | 100.0%      | 100.0%      | 2,147.66                                      | 47,000            | 5,000          | 42,000  | -                              | T-Mobile, Invicta  |
| -Theatre   | 100.0%      | 100.0%      | 13.05   | 62,000            | 62,000         | -   | -                              | Nederlander-Marquis Theatre  |
|  | 100.0%      | 100.0%      | 172.35  | 109,000           | 67,000         | 42,000  | -                              |  |
| <b>Total Times Square</b>  |             |             |   | <b>269,000</b>    | <b>227,000</b> | <b>42,000</b>   | <b>-</b>                       |  |
| <b>Upper East Side:</b>  |             |             |   |                   |                |   |                                |  |
| 828-850 Madison Avenue<br>-Retail  | 100.0%      | 100.0%      | 576.73  | 18,000            | 18,000         | -   | 80,000                         | Gucci, Chloe, Cartier, Cho Cheng, Christoffe Silver Inc.                     |
| 677-679 Madison Avenue<br>-Retail  | 100.0%      | 100.0%      | 452.65  | 8,000             | 8,000          | -   | -                              | Berluti  |
| 40 East 66th Street<br>-Retail   | 100.0%      | 100.0%      | 881.63  | 11,000            | 11,000         | -   | -                              | John Varvatos, Nespresso USA, J. Crew  |
| 1131 Third Avenue<br>-Retail   | 100.0%      | 85.9%       | 109.09  | 22,000            | 22,000         | -   | -                              | Nike, Boom Fitness   |
| <b>Total Upper East Side</b>   |             |             |   | <b>59,000</b>     | <b>59,000</b>  | <b>-</b>  | <b>80,000</b>                  |  |

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|-------------------------------------|-------------|-------------|---|-------------------|------------|---|--------------------------------|---|
|                                     |             |             |   | Total<br>Property | In Service |   |                                |   |
| <b>NEW YORK (Continued):</b>        |             |             |   |                   |            |   |                                |   |
| <b>Long Island City:</b>            |             |             |   |                   |            |   |                                |   |
| 33-00 Northern Boulevard<br>-Office | 100.0%      | 95.5%       | \$ 29.19                                      | 445,000           | 445,000    | -   | \$ 61,865                      | City of New York (HRA), NYC Transit Authority |
| <b>New Jersey:</b>                  |             |             |   |                   |            |   |                                |   |
| Paramus<br>-Office                  | 100.0%      | 96.1%       | 21.41   | 129,000           | 129,000    | -   | -                              | Vornado's Administrative Headquarters         |
| <b>Washington D.C.:</b>             |             |             |   |                   |            |   |                                |   |
| 3040 M Street<br>-Retail            | 100.0%      | 100.0%      | 61.44   | 44,000            | 44,000     | -   | -                              | Nike, Barneys                                 |
| <b>New York Office:</b>             |             |             |   |                   |            |   |                                |   |
| <b>Total</b>                        |             | 96.5%       | \$ 66.34                                      | 21,279,000        | 20,695,000 | 584,000   | \$ 6,835,003                   |   |
| <b>Vornado's Ownership Interest</b> |             | 97.3%       | \$ 64.46                                      | 17,800,000        | 17,363,000 | 436,000   | \$ 4,950,441                   |   |
| <b>New York Retail:</b>             |             |             |   |                   |            |   |                                |   |
| <b>Total</b>                        |             | 96.3%       | \$ 177.74                                     | 2,605,000         | 2,474,000  | 131,000   | \$ 959,195                     |   |
| <b>Vornado's Ownership Interest</b> |             | 96.0%       | \$ 176.65                                     | 2,303,000         | 2,201,000  | 102,000   | \$ 959,195                     |   |

**NEW YORK SEGMENT**

**PROPERTY TABLE**

| Property  | % Ownership | % Occupancy  | Weighted<br>Average<br>Annual Rent<br>PSF (1) | Square Feet       |                   | Under<br>Development<br>or Not Available<br>for Lease | Encumbrances<br>(in thousands) | Major Tenants   |
|---|-------------|--------------|---|-------------------|-------------------|---|--------------------------------|---|
|   |             |              |   | Total<br>Property | In Service        |   |                                |   |
| <b>NEW YORK (Continued):</b>  |             |              |   |                   |                   |   |                                |   |
| <b>ALEXANDER'S, INC.:</b>   |             |              |   |                   |                   |   |                                |   |
| <b>New York:</b>  |             |              |   |                   |                   |   |                                |   |
| 731 Lexington Avenue, Manhattan   |             |              |   |                   |                   |   |                                |   |
| -Office   | 32.4%       | 100.0%       | \$ 100.42                                     | 885,000           | 885,000           | -   | \$ 300,000                     | Bloomberg<br>Hennes & Mauritz, The Home Depot, The Container<br>Store |
| -Retail   | 32.4%       | 100.0%       | 177.67  | 174,000           | 174,000           | -   | 320,000                        |   |
|   | 32.4%       | 100.0%       | 112.09  | 1,059,000         | 1,059,000         | -   | 620,000                        |   |
| Rego Park I, Queens (4.8 acres)   | 32.4%       | 100.0%       | 37.97   | 343,000           | 343,000           | -   | 78,246                         | Sears, Burlington Coat Factory, Bed Bath & Beyond,<br>Marshalls       |
| Rego Park II (adjacent to Rego Park I),<br>Queens (6.6 acres)             | 32.4%       | 98.9%        | 43.39   | 609,000           | 609,000           | -   | 265,758                        | Century 21, Costco, Kohl's, TJ Maxx, Toys "R" Us                      |
| Flushing, Queens (4) (1.0 acre)   | 32.4%       | 100.0%       | 16.53   | 167,000           | 167,000           | -   | -                              | New World Mall LLC  |
| <b>New Jersey:</b>  |             |              |   |                   |                   |   |                                |   |
| Paramus, New Jersey<br>(30.3 acres ground leased to IKEA<br>through 2041) | 32.4%       | 100.0%       | -   | -                 | -                 | -   | 68,000                         | IKEA (ground lessee)  |
| <b>Property under Development:</b>  |             |              |   |                   |                   |   |                                |   |
| Rego Park II Apartment Tower, Queens,<br>NY                               | 32.4%       | -            | -   | 255,000           | -                 | 255,000   | -                              |   |
| <b>Property to be Developed:</b>  |             |              |   |                   |                   |   |                                |   |
| Rego Park III (adjacent to Rego Park II),<br>Queens, NY (3.4 acres)       | 32.4%       | -            | -   | -                 | -                 | -   | -                              |   |
| Total Alexander's   |             | 99.7%        | 73.71   | 2,433,000         | 2,178,000         | 255,000   | 1,032,004                      |   |
| <b>Hotel Pennsylvania:</b>  |             |              |   |                   |                   |   |                                |   |
| -Hotel (1,700 Keys)   | 100.0%      | -            | -   | 1,400,000         | 1,400,000         | -   | -                              |   |
| <b>Residential:</b>   |             |              |   |                   |                   |   |                                |   |
| 50-70 W 93rd Street (326 units)   | 49.9%       | 97.8%        | -   | 283,000           | 283,000           | -   | 65,000                         |   |
| Independence Plaza, Tribeca (1,328 units)                                 |             |              |   |                   |                   |   |                                |   |
| -Residential  | 50.1%       | 95.6%        | -   | 1,187,000         | 1,187,000         | -   | -                              | Duane Reade, Food Emporium  |
| -Retail   | 50.1%       | 80.3%        | 30.64   | 51,000            | 51,000            | -   | -                              |   |
|   |             |              |   | 1,238,000         | 1,238,000         | -   | 550,000                        |   |
| Total Residential   |             | 96.1%        |   | 1,521,000         | 1,521,000         | -   | 615,000                        |   |
| <b>Total New York</b>   |             | <b>96.8%</b> | <b>\$ 77.20</b>                               | <b>29,238,000</b> | <b>28,268,000</b> | <b>970,000</b>  | <b>\$ 9,441,202</b>            |   |
| <b>Vornado's Ownership Interest</b>                                       |             | <b>97.3%</b> | <b>\$ 76.68</b>                               | <b>23,053,000</b> | <b>22,431,000</b> | <b>621,000</b>  | <b>\$ 6,551,991</b>            |   |

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent, garages and residential.

(2) Excludes US Post Office leased through 2038 (including four five-year renewal options) for which the annual escalated rent is \$11.27 PSF.

(3) 75,000 square feet is leased from the office condo.

(4) Leased by Alexander's through January 2037.

**WASHINGTON, DC SEGMENT**

**PROPERTY TABLE**

| Property   | % Ownership   | % Occupancy  | Weighted<br>Average<br>Annual Rent<br>PSF (1) | Square Feet       |                  | Under<br>Development<br>or Not Available<br>for Lease | Encumbrances<br>(in thousands) | Major Tenants   |
|--|---------------|--------------|---|-------------------|------------------|---|--------------------------------|---|
|  |               |              |   | Total<br>Property | In Service       |   |                                |   |
| <b>WASHINGTON, DC:</b>   |               |              |   |                   |                  |   |                                |   |
| <b>Crystal City:</b>   |               |              |   |                   |                  |   |                                |   |
| 2011-2451 Crystal Drive - 5 buildings                              | 100.0%        | 89.1%        | \$ 43.63                                      | 2,321,000         | 2,321,000        | -   | \$ 223,099                     | General Services Administration, Lockheed Martin, Finmeccanica, Conservation International, Smithsonian Institution, Natl. Consumer Coop. Bank, Council on Foundations, Vornado / Charles E. Smith Headquarters, KBR, Scitor Corp., Food Marketing Institute, American Diabetes Association |
| S. Clark Street / 12th Street - 5 buildings                        | 100.0%        | 83.3%        | 37.59   | 1,540,000         | 1,540,000        | -   | 58,498                         | General Services Administration, L-3 Communications, The Int'l Justice Mission, Management Systems International  |
| 1550-1750 Crystal Drive / 241-251 18th Street - 4 buildings        | 100.0%        | 81.5%        | 40.58   | 1,484,000         | 1,484,000        | -   | 40,634                         | General Services Administration, Alion Science & Technologies, Booz Allen, Arete Associates, Battelle Memorial Institute  |
| 1800, 1851 and 1901 South Bell Street - 3 buildings                | 100.0%        | 91.6%        | 40.32   | 869,000           | 506,000          | 363,000 *   | -                              | General Services Administration, Lockheed Martin  |
| 2100 / 2200 Crystal Drive - 2 buildings                            | 100.0%        | 100.0%       | 33.52   | 529,000           | 529,000          | -   | -                              | General Services Administration, Public Broadcasting Service  |
| 223 23rd Street / 2221 South Clark Street - 2 buildings            | 100.0%        | -            | -   | 316,000           | -                | 316,000   | -                              | WeWork  |
| 2001 Jefferson Davis Highway                                       | 100.0%        | 63.6%        | 36.14   | 162,000           | 162,000          | -   | -                              | Institute for the Psychology Sciences, VT Aepeco, Inc.  |
| Crystal City Shops at 2100   | 100.0%        | 96.0%        | 25.87   | 80,000            | 80,000           | -   | -                              | Various   |
| Crystal Drive Retail   | 100.0%        | 100.0%       | 46.64   | 57,000            | 57,000           | -   | -                              | Various   |
| <b>Total Crystal City</b>  | <b>100.0%</b> | <b>86.7%</b> | <b>40.09</b>                                  | <b>7,358,000</b>  | <b>6,679,000</b> | <b>679,000</b>  | <b>322,231</b>                 |   |
| <b>Central Business District:</b>                                  |               |              |   |                   |                  |   |                                |   |
| Universal Buildings 1825-1875 Connecticut Avenue, NW - 2 buildings | 100.0%        | 95.1%        | 45.05   | 685,000           | 685,000          | -   | 185,000                        | Family Health International, WeWork   |
| Warner Building - 1299 Pennsylvania Avenue, NW                     | 55.0%         | 78.6%        | 70.42   | 613,000           | 613,000          | -   | 292,700                        | Baker Botts LLP, General Electric, Cooley LLP, Facebook, Live Nation, APCO Worldwide Inc  |
| 2101 L Street, NW  | 100.0%        | 99.0%        | 66.81   | 380,000           | 380,000          | -   | 148,237                        | Greenberg Traurig, LLP, US Green Building Council, American Insurance Association, RTKL Associates, DTZ   |
| 1750 Pennsylvania Avenue, NW                                       | 100.0%        | 94.0%        | 48.35   | 277,000           | 277,000          | -   | -                              | General Services Administration, UN Foundation, AOL   |
| 1150 17th Street, NW   | 100.0%        | 91.7%        | 44.61   | 241,000           | 241,000          | -   | 28,728                         | American Enterprise Institute   |
| Bowen Building - 875 15th Street, NW                               | 100.0%        | 100.0%       | 69.22   | 231,000           | 231,000          | -   | 115,022                        | Paul Hastings LLP, Millennium Challenge Corporation   |
| 1101 17th Street, NW   | 55.0%         | 98.4%        | 47.83   | 214,000           | 214,000          | -   | 31,000                         | AFSCME, Verto Solutions   |
| 1730 M Street, NW (ground rent through 2061)                       | 100.0%        | 90.8%        | 46.72   | 203,000           | 203,000          | -   | 14,853                         | General Services Administration   |

**WASHINGTON, DC SEGMENT**

**PROPERTY TABLE**

| Property   | % Ownership | % Occupancy  | Weighted                    | Square Feet       |                   |  | Encumbrances<br>(in thousands) | Major Tenants  |
|--|-------------|--------------|-----------------------------|-------------------|-------------------|--|--------------------------------|--|
|  |             |              | Average Annual Rent PSF (1) | Total Property    | In Service        | Under Development or Not Available for Lease |                                |  |
| <b>WASHINGTON, DC (Continued):</b>   |             |              |                             |                   |                   |  |                                |  |
| 1726 M Street, NW  | 100.0%      | 98.0%        | \$ 42.60                    | 92,000            | 92,000            | -  | \$ -                           | Aptima, Inc., Nelnet Corporation   |
| Waterfront Station   | 2.5%        | -            | -                           | 675,000           | -                 | 675,000                                      | *                              | -  |
| 1501 K Street, NW  | 5.0%        | 100.0%       | 67.93                       | 379,000           | 379,000           | -  | -                              | Sidley Austin LLP, UBS   |
| 1399 New York Avenue, NW   | 100.0%      | 92.9%        | 81.41                       | 129,000           | 129,000           | -  | -                              | Bloomberg, Abbott Laboratories, Abbvie US LLC  |
| Total Central Business District  |             | 93.4%        | 55.80                       | <u>4,119,000</u>  | <u>3,444,000</u>  | <u>675,000</u>                               | <u>815,540</u>                 |  |
| <b>Skyline Properties:</b>   |             |              |                             |                   |                   |  |                                |  |
| Skyline Place - 7 buildings  | 100.0%      | 42.0%        | 33.76                       | 2,130,000         | 2,130,000         | -  | 559,789                        | General Services Administration, Analytic Services, Northrop Grumman, Axiom Resource Management, Booz Allen, Intellidyne, Inc. |
| One Skyline Tower  | 100.0%      | 100.0%       | 33.10                       | 518,000           | 518,000           | -  | 138,788                        | General Services Administration  |
| Total Skyline Properties   | 100.0%      | 53.4%        | 33.51                       | <u>2,648,000</u>  | <u>2,648,000</u>  | <u>-</u>                                     | <u>698,577</u>                 |  |
| <b>Rosslyn / Ballston:</b>   |             |              |                             |                   |                   |  |                                |  |
| 2200 / 2300 Clarendon Blvd (Courthouse Plaza) - 2 buildings (ground leased through 2062) | 100.0%      | 94.8%        | 44.18                       | 638,000           | 638,000           | -  | 33,586                         | Arlington County, General Services Administration, AMC Theaters  |
| Rosslyn Plaza - 4 buildings  | 46.2%       | 55.7%        | 40.76                       | 744,000           | 532,000           | 212,000                                      | 33,488                         | General Services Administration, Corporate Executive Board, Nathan Associates, Inc.  |
| Total Rosslyn / Ballston   |             | 83.7%        | 43.49                       | <u>1,382,000</u>  | <u>1,170,000</u>  | <u>212,000</u>                               | <u>67,074</u>                  |  |
| <b>Reston:</b>   |             |              |                             |                   |                   |  |                                |  |
| Commerce Executive - 3 buildings   | 100.0%      | 87.6%        | 32.91                       | <u>419,000</u>    | <u>400,000</u>    | <u>19,000</u>                                | *                              | L-3 Communications, Allworld Language Consultants, BT North America, Applied Information Sciences, Clarabridge Inc.            |
| <b>Rockville/Bethesda:</b>   |             |              |                             |                   |                   |  |                                |  |
| Democracy Plaza One (ground leased through 2084)   | 100.0%      | 94.9%        | 31.76                       | <u>216,000</u>    | <u>216,000</u>    | <u>-</u>                                     | <u>-</u>                       | National Institutes of Health  |
| <b>Tysons Corner:</b>  |             |              |                             |                   |                   |  |                                |  |
| Fairfax Square - 3 buildings   | 20.0%       | 72.5%        | 42.17                       | <u>559,000</u>    | <u>559,000</u>    | <u>-</u>                                     | <u>90,000</u>                  | Dean & Company, Womble Carlyle   |
| <b>Pentagon City:</b>  |             |              |                             |                   |                   |  |                                |  |
| Fashion Centre Mall  | 7.5%        | 97.4%        | 41.61                       | 819,000           | 819,000           | -  | 410,000                        | Macy's, Nordstrom  |
| Washington Tower   | 7.5%        | 100.0%       | 47.93                       | 170,000           | 170,000           | -  | 40,000                         | The Rand Corporation   |
| Total Pentagon City  |             | 97.9%        | 42.72                       | <u>989,000</u>    | <u>989,000</u>    | <u>-</u>                                     | <u>450,000</u>                 |  |
| <b>Total Washington, DC office properties</b>  |             |              |                             |                   |                   |  |                                |  |
|  |             | <b>82.2%</b> | <b>\$ 43.65</b>             | <b>17,690,000</b> | <b>16,105,000</b> | <b>1,585,000</b>                             | <b>\$ 2,443,422</b>            |  |
| <b>Vornado's Ownership Interest</b>  |             |              |                             |                   |                   |  |                                |  |
|  |             | <b>81.5%</b> | <b>\$ 42.53</b>             | <b>14,538,000</b> | <b>13,731,000</b> | <b>807,000</b>                               | <b>\$ 1,792,900</b>            |  |



**WASHINGTON, DC SEGMENT**

**PROPERTY TABLE**

| Property                                | % Ownership | % Occupancy   | Weighted Average Annual Rent PSF (1) | Square Feet       |                   |  | Encumbrances (in thousands) | Major Tenants |
|---|-------------|---------------|--------------------------------------|-------------------|-------------------|--|-----------------------------|---------------|
|   |             |               |                                      | Total Property    | In Service        | Under Development or Not Available for Lease |                             |               |
| <b>WASHINGTON, DC (Continued):</b>      |             |               |                                      |                   |                   |  |                             |               |
| <b>Residential:</b>                     |             |               |                                      |                   |                   |  |                             |               |
| <b>For rent residential:</b>            |             |               |                                      |                   |                   |  |                             |               |
| Riverhouse - 3 buildings (1,670 units)  | 100.0%      | 96.6%         | \$ -                                 | 1,802,000         | 1,802,000         | -  | \$ 259,546                  |               |
| West End 25 (283 units)                 | 100.0%      | 98.6%         | -                                    | 273,000           | 273,000           | -  | 101,671                     |               |
| 220 20th Street (265 units)             | 100.0%      | 98.1%         | -                                    | 269,000           | 269,000           | -  | 71,012                      |               |
| Rosslyn Plaza - 2 buildings (196 units) | 43.7%       | 98.5%         | -                                    | 253,000           | 253,000           | -  | -                           |               |
| <b>Total Residential</b>                |             | <b>97.1%</b>  |                                      | <b>2,597,000</b>  | <b>2,597,000</b>  | <b>-</b>                                     | <b>432,229</b>              |               |
| <b>Other:</b>                           |             |               |                                      |                   |                   |  |                             |               |
| Crystal City Hotel                      | 100.0%      | 100.0%        | -                                    | 266,000           | 266,000           | -  | -                           |               |
| Met Park / Warehouses - 1 building      | 100.0%      | 100.0%        | -                                    | 129,000           | 109,000           | 20,000 *                                     | -                           |               |
| The Bartlett - 1 building               | 100.0%      | -             | -                                    | 618,000           | -                 | 618,000                                      | -                           | Whole Foods   |
| Other - 3 buildings                     | 100.0%      | 100.0%        | -                                    | 11,000            | 9,000             | 2,000 *                                      | -                           |               |
| <b>Total Other</b>                      |             | <b>100.0%</b> |                                      | <b>1,024,000</b>  | <b>384,000</b>    | <b>640,000</b>                               | <b>-</b>                    |               |
| <b>Total Washington, DC</b>             |             | <b>84.6%</b>  | <b>\$ 43.65</b>                      | <b>21,311,000</b> | <b>19,086,000</b> | <b>2,225,000</b>                             | <b>\$ 2,875,651</b>         |               |
| <b>Vornado's Ownership Interest</b>     |             | <b>84.2%</b>  | <b>\$ 42.53</b>                      | <b>18,016,000</b> | <b>16,570,000</b> | <b>1,446,000</b>                             | <b>\$ 2,225,129</b>         |               |

\* We do not capitalize interest or real estate taxes on this space.

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent, garages and residential.

**OTHER**

**PROPERTY TABLE**

| Property                            | % Ownership   | % Occupancy     | Weighted<br>Average<br>Annual Rent<br>PSF (1) | Square Feet       |            | Under<br>Development<br>or Not Available<br>for Lease | Encumbrances<br>(in thousands) | Major Tenants   |
|-------------------------------------|---------------|-----------------|---|-------------------|------------|---|--------------------------------|---|
|                                     |               |                 |   | Total<br>Property | In Service |   |                                |   |
| <b>555 CALIFORNIA STREET:</b>       |               |                 |   |                   |            |   |                                |   |
| 555 California Street               | 70.0%         | 97.0%           | \$ 66.36                                      | 1,507,000         | 1,507,000  | -   | \$ 595,708                     | Bank of America, Dodge & Cox, Goldman Sachs & Co., Jones Day, Kirkland & Ellis LLP, Morgan Stanley & Co. Inc., McKinsey & Company Inc., UBS Financial Services, KKR Financial, Microsoft Corporation, Fenwick & West LLP (lease not commenced)  |
| 315 Montgomery Street               | 70.0%         | 100.0%          | 47.58   | 231,000           | 231,000    | -   | -                              | Bank of America, Regus (lease not commenced)  |
| 345 Montgomery Street               | 70.0%         | 100.0%          | 96.83   | 64,000            | 64,000     | -   | -                              | Bank of America   |
| <b>Total 555 California Street</b>  | <b>97.5%</b>  | <b>\$ 65.03</b> | <b>1,802,000</b>                              | <b>1,802,000</b>  | <b>-</b>   | <b>\$ 595,708</b>                                     |                                |   |
| <b>Vornado's Ownership Interest</b> | <b>97.5%</b>  | <b>\$ 65.03</b> | <b>1,261,000</b>                              | <b>1,261,000</b>  | <b>-</b>   | <b>\$ 416,996</b>                                     |                                |   |
| <b>The Mart:</b>                    |               |                 |   |                   |            |   |                                |   |
| <b>Illinois:</b>                    |               |                 |   |                   |            |   |                                |   |
| The Mart, Chicago                   | 100.0%        | 94.5%           | \$ 36.88                                      | 3,568,000         | 3,568,000  | -   | \$ 550,000                     | American Intercontinental University (AIU), Steelcase, Baker, Knapp & Tubbs, Motorola Mobility (guaranteed by Google), CCC Information Services, Ogilvy Group (WPP), Chicago Teachers Union, Publicis Groupe, Office of the Special Deputy Receiver, Holly Hunt Ltd., Razorfish, 1871, Chicago School of Professional Psychology, Yelp Inc., Paypal, Inc. |
| Other                               | 50.0%         | 100.0%          | 32.82   | 19,000            | 19,000     | -   | 22,682                         |   |
| Total Illinois                      |               | 94.5%           | 36.86   | 3,587,000         | 3,587,000  | -   | 572,682                        |   |
| <b>Total The Mart</b>               | <b>94.5%</b>  | <b>\$ 36.86</b> | <b>3,587,000</b>                              | <b>3,587,000</b>  | <b>-</b>   | <b>\$ 572,682</b>                                     |                                |   |
| <b>Vornado's Ownership Interest</b> | <b>94.5%</b>  | <b>\$ 36.86</b> | <b>3,578,000</b>                              | <b>3,578,000</b>  | <b>-</b>   | <b>\$ 561,341</b>                                     |                                |   |
| <b>85 Tenth Avenue:</b>             |               |                 |   |                   |            |   |                                |   |
| <b>NEW YORK</b>                     |               |                 |   |                   |            |   |                                |   |
| 85 Tenth Avenue, Manhattan          |               |                 |   |                   |            |   |                                |   |
| - Office                            | 49.9% (2)     | 100.0%          | \$ 62.70                                      | 576,000           | 576,000    | -   |                                | Google, General Services Administration, Telehouse International Corp., L-3 Communications, Moet Hennessy USA, Inc.   |
| - Retail                            | 49.9% (2)     | 100.0%          | 66.45   | 38,000            | 38,000     | -   |                                | Craft Restaurants Inc., IL Posto LLC, Toro NYC Restaurant   |
|                                     | 49.9% (2)     | 100.0%          | 62.85   | 614,000           | 614,000    | -   | \$ 270,000 (3)                 |   |
| <b>Total 85 Tenth Avenue</b>        | <b>100.0%</b> | <b>\$ 62.85</b> | <b>614,000</b>                                | <b>614,000</b>    | <b>-</b>   | <b>\$ 270,000</b>                                     |                                |   |
| <b>Vornado's Ownership Interest</b> | <b>100.0%</b> | <b>\$ 62.85</b> | <b>306,000</b>                                | <b>306,000</b>    | <b>-</b>   | <b>\$ 134,730</b>                                     |                                |   |

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

(2) As of March 31, 2015, we own junior and senior mezzanine loans of 85 Tenth Avenue with an accreted balance of \$151.4 million. The junior and senior mezzanine loans bear paid-in-kind interest of 12% and 9%, respectively and mature in May 2017. We account for our investment in 85 Tenth Avenue using the equity method of accounting because we will receive a 49.9% interest in the property after repayment of the junior mezzanine loan. As a result of recording our share of the GAAP losses of the property, the net carrying amount of these loans is \$26.2 million on our consolidated balance sheets.

(3) Excludes the Company's junior and senior mezzanine loans which are accounted for as equity.

**REAL ESTATE FUND**

**PROPERTY TABLE**

| Property                                 | Fund Ownership % | % Occupancy  | Weighted Average Annual Rent PSF (1) | Square Feet    |                | Under Development or Not Available for Lease | Encumbrances (in thousands) | Major Tenants   |
|--|------------------|--------------|--------------------------------------|----------------|----------------|--|-----------------------------|---|
|  |                  |              |                                      | Total Property | In Service     |  |                             |   |
| <b>VORNADO CAPITAL PARTNERS</b>          |                  |              |                                      |                |                |  |                             |   |
| <b>REAL ESTATE FUND:</b>                 |                  |              |                                      |                |                |  |                             |   |
| <b>New York, NY:</b>                     |                  |              |                                      |                |                |  |                             |   |
| Lucida, 86th Street and Lexington Avenue |                  |              |                                      |                |                |  |                             |   |
| (ground leased through 2082)             |                  |              |                                      |                |                |  |                             |   |
| - Retail                                 | 100.0%           | 100.0%       | \$ 190.84                            | 95,000         | 95,000         | -  |                             | Barnes & Noble, Hennes & Mauritz, Sephora, Bank of America                                      |
| - Residential                            | 100.0%           | 91.7%        | -                                    | 51,000         | 51,000         | -  |                             |   |
|  | 100.0%           | 97.1%        | -                                    | 146,000        | 146,000        | -  | \$ 146,000                  |   |
| 11 East 68th Street Retail               | 100.0%           | 100.0%       | 793.75                               | 11,000         | 8,000          | 3,000  | -                           | Belstaff, Kent & Curwen   |
| Crowne Plaza Times Square                |                  |              |                                      |                |                |  |                             |   |
| - Hotel (795 Keys)                       |                  |              |                                      |                |                |  |                             |   |
| - Retail                                 | 75.3% (2)        | 100.0%       | 353.24                               | 15,000         | 15,000         | -  |                             | Hershey   |
| - Office                                 | 75.3% (2)        | 100.0%       | 38.09                                | 220,000        | 220,000        | -  |                             | American Management Association   |
|  | 75.3% (2)        | 100.0%       | 58.21                                | 235,000        | 235,000        | -  | 310,000                     |   |
| 501 Broadway                             | 100.0%           | 100.0%       | 238.25                               | 9,000          | 9,000          | -  | 20,000                      | Capital One   |
| <b>Culver City, CA:</b>                  |                  |              |                                      |                |                |  |                             |   |
| 800 Corporate Pointe - 2 buildings       | 100.0%           | 57.0%        | 35.22                                | 243,000        | 243,000        | -  | 60,094                      | Meredith Corp., West Publishing Corp., Symantec Corp., Syska Hennessy Group, X Prize Foundation |
| <b>Miami, FL:</b>                        |                  |              |                                      |                |                |  |                             |   |
| 1100 Lincoln Road                        |                  |              |                                      |                |                |  |                             |   |
| - Retail                                 | 100.0%           | 100.0%       | 133.21                               | 48,000         | 48,000         | -  |                             | Anthropologie, Banana Republic  |
| - Theatre                                | 100.0%           | 100.0%       | 36.45                                | 79,000         | 79,000         | -  |                             | Regal Cinema  |
|  | 100.0%           | 100.0%       | 73.28                                | 127,000        | 127,000        | -  | 66,000                      |   |
| <b>Total Real Estate Fund</b>            | <b>92.4%</b>     | <b>84.7%</b> |                                      | <b>771,000</b> | <b>768,000</b> | <b>3,000</b>                                 | <b>\$ 602,094</b>           |   |
| <b>Vornado's Ownership Interest</b>      | <b>23.1%</b>     | <b>84.7%</b> |                                      | <b>178,000</b> | <b>177,000</b> | <b>1,000</b>                                 | <b>\$ 102,628</b>           |   |

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent, garages and residential.  
(2) Vornado's effective ownership through its Real Estate Fund and its co-investment is 33%.

**OTHER**

**PROPERTY TABLE**

| Property  | % Ownership | % Occupancy  | Weighted<br>Average<br>Annual Rent<br>PSF (1) | Square Feet              |                     |                        | Under<br>Development<br>or Not Available<br>for Lease | Encumbrances<br>(in thousands) | Major Tenants  |
|---|-------------|--------------|---|--------------------------|---------------------|------------------------|---|--------------------------------|--|
|   |             |              |   | Total<br>Property        | In Service          |                        |   |                                |  |
|   |             |              |   |                          | Owned by<br>Company | Owned By<br>Tenant (2) |   |                                |  |
| <b>Other Properties:</b>                                  |             |              |   |                          |                     |                        |   |                                |  |
| <b>NEW JERSEY</b>   |             |              |   |                          |                     |                        |   |                                |  |
| Wayne Town Center, Wayne<br>(ground leased through 2064)  | 100.0%      | 100.0%       | \$ 26.25                                      | 663,000                  | 101,000             | 443,000                | 119,000   | \$ -                           | JCPenney, Costco, Dick's Sporting Goods  |
| Monmouth Mall, Eatontown                                  | 50.0%       | 92.0%        | 35.30 <sup>(3)</sup>                          | 1,463,000 <sup>(4)</sup> | 851,000             | 612,000 <sup>(4)</sup> | -   | 165,862                        | Boscov's, Macy's (4), JCPenney (4), Lord & Taylor, Loews Theatre, Barnes & Noble, Forever 21 |
| Total New Jersey  |             |              |   | <u>2,126,000</u>         | <u>952,000</u>      | <u>1,055,000</u>       | <u>119,000</u>  | <u>165,862</u>                 |  |
| <b>MARYLAND</b>   |             |              |   |                          |                     |                        |   |                                |  |
| Annapolis<br>(ground and building leased through<br>2042) | 100.0%      | 100.0%       | 8.99  | 128,000                  | 128,000             | -                      | -   | -                              | The Home Depot   |
| <b>Total Other Properties</b>                             |             | <b>94.5%</b> | <b>\$ 31.19</b>                               | <b>2,254,000</b>         | <b>1,080,000</b>    | <b>1,055,000</b>       | <b>119,000</b>  | <b>\$ 165,862</b>              |  |
| <b>Vornado's Ownership Interest</b>                       |             | <b>96.6%</b> | <b>\$ 27.99</b>                               | <b>1,293,000</b>         | <b>654,000</b>      | <b>520,000</b>         | <b>119,000</b>  | <b>\$ 82,931</b>               |  |

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent, garages and residential.

(2) Owned by tenant on land leased from the company.

(3) Weighted Average Annual Rent PSF shown is for in-line tenants only.

(4) Includes square footage of anchors who own their land and building.