

Vornado and the Kushner Companies Announce the Recapitalization of 666 Fifth Avenue

Company Release - 12/16/2011

NEW YORK--(BUSINESS WIRE)-- Vornado Realty Trust (NYSE: VNO) announced today that it has formed a joint venture with an affiliate of the Kushner Companies to recapitalize the office portion of 666 Fifth Avenue, a 39-story, 1.450 million square foot Class A office building located on the full block front of Fifth Avenue between 52nd and 53rd Street. Vornado has acquired a 49.5% interest in the property from the Kushner Companies, the current owner.

In connection therewith, the existing \$1.215 billion mortgage loan has been modified into a \$1.1 billion A-Note and a \$115 million B-Note and extended to February 2019; and a portion of the current pay interest has been deferred to the B-Note.

Vornado (\$80 million) and the Kushner Companies (\$30 million) have committed to lend the joint venture \$110 million for tenant improvements and working capital for the property, which loan will be senior to the B-Note.

Vornado Realty Trust is a fully-integrated real estate investment trust. Vornado is one of the largest owners and managers of commercial real estate in the United States with a portfolio totaling over 100 million square feet primarily located in the New York and Washington, DC metropolitan areas. For more information about Vornado, please visit our website at www.vno.com.

Kushner Companies is a diversified real estate organization headquartered in New York City. The company is involved in the ownership, management, development and redevelopment of numerous properties. Kushner Companies' national reach consists of more than 13,000 multifamily apartments, as well as 7 million square feet of office, hotel, industrial and retail space throughout New York, New Jersey, Pennsylvania, Ohio, Indiana and Illinois. Kushner Companies was advised by Robert Verrone of IronHound Management LLC in this transaction.

Certain statements contained herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks,

uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.

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