

## Vornado Completes Mart Asset Sales; and Sells Washington Office Building

Company Release - 7/5/2012

PARAMUS, N.J.--(BUSINESS WIRE)-- VORNADO REALTY TRUST (NYSE:VNO) announced today that it has agreed to sell Mart segment assets, the Washington Design Center, the Boston Design Center, the L.A. Mart and the Canadian Trade Shows.

The total sales price for these assets is approximately \$228 million of which \$193 million is cash and \$35 million is 9-month seller financing for the L.A. Mart. Net proceeds will be approximately \$144 million after closing costs, \$67 million of indebtedness on the Boston Design Center and income taxes on the gain on the sale of the Canadian Trade Shows.

The sales of the L.A. Mart and the Canadian Trade Shows have closed. The other sales are subject to customary closing conditions and are expected to close in the third quarter. The Company will recognize an \$11.9 million loss in the second quarter and a \$24.5 million gain in the third quarter, including non-comparable Funds From Operations of \$19.2 million from the sale of the Canadian Trade Shows.

As previously reported in January, Vornado sold the Mart segment's 350 West Mart Center for \$228 million, resulting in a \$55 million gain. Vornado also is in the process of transferring 7 West 34th Street to its New York segment.

Vornado continues to own the 3.5 million square foot Chicago Merchandise Mart.

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Vornado also has entered into an agreement to sell 409 Third Street S.W. for \$200 million which will result in net proceeds of \$186 million and a net gain of \$120 million. This office building, which is part of the Washington, DC segment is contiguous to the Washington Design Center and is being sold to the same purchaser. Both of these assets were acquired as part of the original Mart acquisition. This sale is also subject to customary closing

conditions and is expected to close in the third quarter.

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

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

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