

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-K/A-1

FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO SECTIONS 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934.

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

For the Fiscal Year Ended: DECEMBER 31, 1997

or

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

For the transition period from _____ to _____

Commission File Number: 1-11954

VORNADO REALTY TRUST

(Exact name of Registrant as specified in its charter)

MARYLAND

22-1657560

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification Number)

PARK 80 WEST, PLAZA II, SADDLE BROOK, NEW JERSEY

07663

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number including area code: (201) 587-1000

Securities registered pursuant to Section 12(b) OF THE ACT:

Title of Each Class	Name of Each Exchange on Which Registered
Common Shares of beneficial interest, \$.04 par value per share	New York Stock Exchange
Series A Convertible Preferred Shares of beneficial interest, no par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark whether the registrant: (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days. YES NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405
of Regulation S-K is not contained herein, and will not be contained, to the
best of registrant's knowledge, in definitive proxy or information statements
incorporated by reference in Part III of the registrant's Form 10-K
previously filed with the Securities and Exchange Commission on March 31, 1998
or any amendment to such Form 10-K.

The aggregate market value of the voting and non-voting common equity held by
non-affiliates of the registrant, i.e. by persons other than officers and
trustees of Vornado Realty Trust as reflected in the table in Item 12 of the
registrant's Form 10-K previously filed with the Securities and Exchange
Commission on March 31, 1998, at March 6, 1998 was \$2,575,057,000.

As of March 6, 1998, there were 72,185,535 shares of the registrant's shares of
beneficial interest outstanding.

Documents Incorporated by Reference

PART III: Proxy Statement for Annual Meeting of Shareholders to be held on May 27, 1998.

Page 1 of 10

This Form 10-K/A-1 Amends Part IV Item. 14(a)(3) of the Company's Amended Annual Report on Form 10-K previously filed with the Securities and Exchange Commission on April 8, 1998 to include Exhibit 10.10.

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PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) The following documents are filed as part of this report:

3. The following exhibits listed on the Exhibit Index are filed with this Annual Report on Form 10-K/A-1.

EXHIBIT NO.

- 3.4 Second Amended and Restated Agreement of Limited Partnership, of the Operating Partnership, dated as of October 20, 1997.*
- 3.5 Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of December 16, 1997.*
- 10.10 Employment Agreement between Vornado Realty Trust and Irwin Goldberg, dated December 11, 1997.**
- 10.30 Amended and Restated Revolving Credit Agreement, dated as of February 23, 1998, between Vornado Realty L.P.; as Borrower, Vornado Realty Trust, as General Partner and Union Bank of Switzerland (New York Branch), as Bank, the other banks signatory thereto, each as a bank, Union Bank of Switzerland (New York Branch), as Administrative Agent and Citicorp Real Estate, Inc., The Chase Manhattan Bank and Nationsbank, as Syndication Agents.*
- 10.35 Contribution Agreement between Vornado Realty Trust, Vornado Realty L.P. and the Contributors Signatory thereto -- Merchandise Mart Properties, Inc. (DE) and Merchandise Mart Enterprises, Inc.***
- 10.36 Sale Agreement executed November 18, 1997, and effective December 19, 1997, between MidCity Associates, a New York partnership, as Seller, and One Penn Plaza LLC, a New York Limited liability company, as purchaser.***
- 12 Consolidated Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Share Dividend Requirements*
- 21 Subsidiaries of the Registrant.*
- 23 Consent of Independent Auditors to Incorporation by Reference.*
- 27.1 Financial Data Schedule.*
- 27.2 Financial Data Schedule.*
- 27.3 Financial Data Schedule.*

* Previously filed as an Exhibit to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1997, as filed with the Securities and Exchange Commission on March 31, 1998.

** Management contract or compensatory plan.

***Previously filed as an Exhibit to the Registrant's Amended Annual Report on Form 10-K/A for the year ended December 31, 1997, as filed with the Securities and Exchange Commission on April 8, 1998.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VORNADO REALTY TRUST

By: /s/ IRWIN GOLDBERG

Irwin Goldberg, Vice President,
Chief Financial Officer

Date: April 14, 1998

EXHIBIT INDEX

EXHIBIT
NO.

- 2.1 -- Master Consolidation Agreement (the "Master Consolidation Agreement"), dated March 12, 1997, among Vornado Realty Trust, Vornado/Saddle Brook L.L.C., The Mendik Company, L.P., and various parties defined therein -- Incorporated by reference to Exhibit 2.1 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on March 26, 1997....
- 2.2 -- Agreement for Contribution of Interests in 1740 Broadway Investment Company, dated as of April 15, 1997, by and among The Mendik Company, L.P., Mendik 1740 Corp. and Certain Partners of 1740 Broadway Investment Company -- Incorporated by reference to Exhibit 2.1 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997.....
- 2.3 -- Agreement for Contribution of Interests in Eleven Penn Plaza Company, dated as of April 15, 1997, by and among The Mendik Company, L.P., The Partners in M/F Associates, M/F Eleven Associates and M/S Associates and M/S Eleven Associates and Bernard H. Mendik -- Incorporated by reference to Exhibit 2.2 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997....
- 2.4 -- Agreement for Contribution of Interests in 866 UN Plaza Associates LLC, dated as of April 15, 1997, by and among The Mendik Company, L.P., The Members of 866 UN Plaza Associates LLC and Bernard H. Mendik -- Incorporated by reference to Exhibit 2.3 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997....
- 2.5 -- Agreement for Contribution of Interests in M330 Associates, dated as of April 15, 1997, by and among The Mendik Company, L.P., The Partners in M330 Associates and The Mendik Partnership, L.P. -- Incorporated by reference to Exhibit 2.4 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997.....
- 2.6 -- Agreement for Contribution of Interests in 570 Lexington Interests, dated as of April 15, 1997, by and among The Mendik Company, L.P., Mendik Realty Company and The Partners of 570 Lexington Investors -- Incorporated by reference to Exhibit 2.5 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997....
- 2.7 -- Agreement for Contribution of Interests in B&B Park Avenue L.P., dated as of April 15, 1997, by and among The Mendik Company, L.P., Mendik RELP Corporation and The Partners of B&B Park Avenue L.P. -- Incorporated by reference to Exhibit 2.6 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997.....
- 2.8 -- Agreement for Contribution of Interests in Two Penn Plaza Associates L.P., dated as of April 15, 1997, by and among The Mendik Company, L.P., The Partners of Two Penn Plaza Associates L.P. and Bernard H. Mendik -- Incorporated by reference to Exhibit 2.7 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997....
- 2.9 -- Contribution Agreement (Transfer of 99% of REIT Management Assets from Mendik/FW LLC to the Operating Partnership), dated as of April 15, 1997, between FW/Mendik REIT, L.L.C. and The Mendik Company, L.P. -- Incorporated by reference to Exhibit 2.8 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997.....
- 2.10 -- Assignment and Assumption Agreement (Transfer of 1% Interest in REIT Management Assets and Third-Party Management Assets from Mendik/FW LLC to the Management Corporation), dated as of April 15, 1997, between FW/Mendik REIT, L.L.C. and Mendik Management Company, Inc. -- Incorporated by reference to Exhibit 2.9 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997....
- 2.11 -- Agreement and Plan of Merger, dated as of August 22, 1997, among Vornado Realty Trust, Trees Acquisition Subsidiary, Inc. and Arbor Property Trust -- Incorporated by reference to Exhibit 99.3 of Vornado's Current Report on Form 8-K (File No. 001-11954), dated August 21, 1997, as amended by Form 8-K/A, dated August 21, 1997 and filed on September 11, 1997.....

EXHIBIT
NO.

- 2.12 -- Amendment to Agreement and Plan of Merger, dated as of October 15, 1997, among Vornado Realty Trust, Trees Acquisition Subsidiary, Inc. and Arbor Property Trust -- Incorporated by reference to Exhibit 2.2 of Vornado's Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-36835), filed on October 27, 1997.....
- 2.13 -- Agreement and Plan of Merger, dated as of September 26, 1997, among Vornado Realty Trust, Atlanta Parent, Inc., Atlanta Storage Acquisition Co. and URS Logistics, Inc. -- Incorporated by reference to Exhibit 99.4 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on October 8, 1997.....
- 2.14 -- Agreement and Plan of Merger, dated as of September 26, 1997, among Vornado Realty Trust, Portland Parent, Inc., Portland Storage Acquisition Co. and Americold Corporation -- Incorporated by reference to Exhibit 99.5 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on October 8, 1997.....
- 3.1 -- Amended and Restated Declaration of Trust of Vornado, amended April 3, 1997 -- Incorporated by reference to Exhibit 3.1 of Vornado's Registration Statement on Form S-8 (File No. 333-29011), filed on June 12, 1997.....
- 3.2 -- By-laws of Vornado, as amended on April 28, 1997 -- Incorporated by reference to Exhibit 3(b) of Vornado's Quarterly Report on Form 10-Q for the period ended March 31, 1997 (File No. 001-11954), filed on May 14, 1997.....
- 3.3 -- First Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of April 15, 1997 -- Incorporated by reference to Exhibit 3.1 of the Operating Partnership's Registration Statement on Form 10 (File No. 000-22685), filed on June 12, 1997.....
- 3.4 -- Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of October 20, 1997 -- Incorporated by reference to Exhibit 3.4 of Vornado's Annual Report on Form 10-K for the year ended December 31, 1997 filed on March 31, 1998 (the "1997 10-K").....
- 3.5 -- Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of December 16, 1997 -- Incorporated by reference to Exhibit 3.5 of the 1997 10-K.....
- 4.1 -- Indenture dated as of November 24, 1993 between Vornado Finance Corp. and Bankers Trust Company, as Trustee -- Incorporated by reference to Vornado's current Report on Form 8-K dated November 24, 1993 (File No. 001-11954), filed December 1, 1993.....
- 4.2 -- Specimen certificate representing Vornado's Common Shares of Beneficial Interest, par value \$0.04 per share -- Incorporated by reference to Exhibit 4.1 of Amendment No. 1 to Registration Statement on Form S-3 (File No. 33-62395), filed on October 26, 1995.....
- 4.3 -- Specimen certificate representing Vornado's \$3.25 Series A Preferred Shares of Beneficial Interest, liquidation preference \$50.00 per share -- Incorporated by reference to Exhibit 4.2 of Vornado's Current Report on Form 8-K, dated April 3, 1997 (File No. 001-11954), filed on April 8, 1997.....
- 4.4 -- Articles Supplementary Classifying Vornado's \$3.25 Series A Preferred Shares of Beneficial Interest, liquidation preference \$50.00 per share -- Incorporated by reference to Exhibit 4.1 of Vornado's Current Report on Form 8-K, dated April 3, 1997 (File No. 001-11954), filed on April 8, 1997.....
- 10.1** -- Second Amendment, dated as of June 12, 1997, to Vornado's 1993 Omnibus Share Plan, as amended -- Incorporated by reference to Vornado's Registration Statement on Form S-8 (File No. 333-29011) filed on June 12, 1997.....
- 10.2 -- Master Agreement and Guaranty, between Vornado, Inc. and Bradlees New Jersey, Inc. dated as of May 1, 1992 -- Incorporated by reference to Vornado's Quarterly Report on Form 10-Q for quarter ended March 31, 1992 (File No. 001-11954), filed May 8, 1992.....

10.3 -- Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated as of November 24, 1993 made by each of the entities listed therein, as mortgagors to Vornado Finance Corp., as mortgagee -- Incorporated by reference to Vornado's Current Report on Form 8-K dated November 24, 1993 (File No. 001-11954), filed December 1, 1993.....

**Management contract or compensatory plan.

EXHIBIT
NO.

- 10.4** -- 1985 Stock Option Plan as amended -- Incorporated by reference to Vornado's Quarterly Report on Form 10-Q for quarter ended May 2, 1987 (File No. 001-11954), filed June 9, 1987.....
- 10.5** -- Form of Stock Option Agreement for use in connection with incentive stock options issued pursuant to Vornado, Inc. 1985 Stock Option Plan -- Incorporated by reference to Vornado's Quarterly Report on Form 10-Q for quarter ended October 26, 1985 (File No. 001-11954), filed December 9, 1985.....
- 10.6** -- Form of Stock Option Agreement for use in connection with incentive stock options issued pursuant to Vornado, Inc. 1985 Stock Option Plan -- Incorporated by reference to Vornado's Quarterly Report on Form 10-Q for quarter ended May 2, 1987 (File No. 001-11954), filed June 9, 1987.....
- 10.7** -- Form of Stock Option Agreement for use in connection with incentive stock options issued pursuant to Vornado, Inc. 1985 Stock Option Plan -- Incorporated by reference to Vornado's Quarterly Report on Form 10-Q for quarter ended October 26, 1985 (File No. 001-11954), filed December 9, 1985.....
- 10.8** -- Employment Agreement between Vornado, Inc. and Joseph Macnow dated January 1, 1992 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1991 (File No. 001-11954), filed March 30, 1992.....
- 10.9** -- Employment Agreement between Vornado, Inc. and Richard Rowan dated January 1, 1992 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1991 (File No. 001-11954), filed March 30, 1992.....
- 10.10** -- Employment Agreement between Vornado Realty Trust and Irwin Goldberg, dated December 11, 1997.....
- 10.11** -- Employment Agreement between Vornado Realty Trust and Michael D. Fascitelli dated December 2, 1996 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1996 (File No. 001-11954), filed March 13, 1997.....
- 10.12 -- Promissory Notes from Steven Roth to Vornado, Inc. dated December 29, 1992 and January 15, 1993 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1992 (File No. 001-11954), filed February 16, 1993.....
- 10.13 -- Registration Rights Agreement between Vornado, Inc. and Steven Roth Dated December 29, 1992 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1992 (File No. 001-11954), filed February 16, 1993.....
- 10.14 -- Stock Pledge Agreement between Vornado, Inc. and Steven Roth dated December 29, 1992 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1992 (File No. 001-11954), filed February 16, 1993.....
- 10.15 -- Promissory Note from Steven Roth to Vornado Realty Trust dated April 15, 1993 and June 17, 1993 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1993 (File No. 001-11954), filed March 24, 1994.....
- 10.16 -- Promissory Note from Richard Rowan to Vornado Realty Trust -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1993 (File No. 001-11954), filed March 24, 1994.....
- 10.17 -- Promissory Note from Joseph Macnow to Vornado Realty Trust -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1993 (File No. 001-11954), filed March 24, 1994.....
- 10.18 -- Management Agreement between Interstate Properties and Vornado, Inc. dated July 13, 1992 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1992 (File No. 001-11954), filed February 16, 1993.....

- - - - -

** Management contract or compensatory plan

EXHIBIT
NO.

- 10.19 -- Real Estate Retention Agreement between Vornado, Inc., Keen Realty Consultants, Inc. and Alexander's, Inc., dated as of July 20, 1992 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1992 (File No. 001-11954), filed February 16, 1993.....
- 10.20 -- Amendment to Real Estate Retention Agreement dated February 6, 1995 -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1994 (File No. 001-11954), filed March 23, 1995.....
- 10.21 -- Stipulation between Keen Realty Consultants Inc. and Vornado Realty Trust re: Alexander's Retention Agreement -- Incorporated by reference to Vornado's annual Report on Form 10-K for the year ended December 31, 1993 (File No. 001-11954), filed March 24, 1994.....
- 10.22 -- Stock Purchase Agreement, dated February 6, 1995, among Vornado Realty Trust and Citibank, N.A. -- Incorporated by reference to Vornado's Current Report on Form 8-K dated February 6, 1995 (File No. 001-11954), filed February 21, 1995.....
- 10.23 -- Management and Development Agreement, dated as of February 6, 1995 -- Incorporated by reference to Vornado's Current Report on Form 8-K dated February 6, 1995 (File No. 001-11954), filed February 21, 1995.....
- 10.24 -- Standstill and Corporate Governance Agreement, dated as of February 6, 1995 -- Incorporated by reference to Vornado's Current Report on Form 8-K dated February 6, 1995 (File No. 001-11954), filed February 21, 1995.....
- 10.25 -- Credit Agreement, dated as of March 15, 1995, among Alexander's Inc., as borrower, and Vornado Lending Corp., as lender -- Incorporated by reference from Annual Report on Form 10-K for the year ended December 31, 1994 (File No. 001-11954), filed March 23, 1995.....
- 10.26 -- Subordination and Intercreditor Agreement, dated as of March 15, 1995 among Vornado Lending Corp., Vornado Realty Trust and First Fidelity Bank, National Association -- Incorporated by reference to Vornado's Annual Report on Form 10-K for the year ended December 31, 1994 (File No. 001-11954), filed March 23, 1995.....
- 10.27 -- Revolving Credit Agreement dated as of February 27, 1995 among Vornado Realty Trust, as borrower, and Union Bank of Switzerland, as Bank and Administrative Agent -- Incorporated by reference to Exhibit 10(F)9 of Vornado's Annual Report on Form 10-K for the year ended December 31, 1994 (File No. 001-11954), filed March 23, 1995.....
- 10.28 -- Form of Intercompany Agreement between Vornado Realty L.P. and Vornado Operating, Inc. -- Incorporated by reference to Exhibit 10.1 of Amendment No. 1 to Vornado Operating, Inc.'s Registration Statement on Form S-11 (File No. 333-40701), filed on January 23, 1998.....
- 10.29 -- Form of Revolving Credit Agreement between Vornado Realty L.P. and Vornado Operating, Inc., together with related form of Note -- Incorporated by reference to Exhibit 10.2 of Amendment No. 1 to Vornado Operating, Inc.'s Registration Statement on Form S-11 (File No. 333-40701)...
- 10.30 -- Amended and Restated Revolving Credit Agreement, dated as of February 23, 1998, between Vornado Realty L.P., as Borrower, Vornado Realty Trust, as General Partner and Union Bank of Switzerland (New York Branch), as Bank, the other banks signatory hereto, each as a bank, Union Bank of Switzerland (New York Branch), as Administrative Agent and Citicorp Real Estate, Inc., The Chase Manhattan Bank and Nationsbank, as Syndication Agents -- Incorporated by reference to Exhibit 10.29 of the 1997 10-K.....
- 10.31 -- Registration Rights Agreement, dated as of April 15, 1997, between Vornado Realty Trust and the holders of Units listed on Schedule A thereto -- Incorporated by reference to Exhibit 10.2 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997.....

EXHIBIT
NO.

- 10.32 -- Noncompetition Agreement, dated as of April 15, 1997, by and among Vornado Realty Trust, the Mendik Company, L.P., and Bernard H. Mendik -- Incorporated by reference to Exhibit 10.3 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997.....
- 10.33 -- Employment Agreement, dated as of April 15, 1997, by and among Vornado Realty Trust, The Mendik Company, L.P. and David R. Greenbaum -- Incorporated by reference to Exhibit 10.4 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on April 30, 1997.....
- 10.34 -- Agreement, dated September 28, 1997, between Atlanta Parent Incorporated, Portland Parent Incorporated and Crescent Real Estate Equities, Limited Partnership -- Incorporated by reference to Exhibit 99.6 of Vornado's Current Report on Form 8-K (File No. 001-11954), filed on October 8, 1997.....
- 10.35 -- Contribution Agreement between Vornado Realty Trust, Vornado Realty L.P. and The Contributors Signatory -- thereto -- Merchandise Mart Properties, Inc. (DE) and Merchandise Mart Enterprises, Inc. Incorporated by reference to Exhibit 10.34 to 1997 10-K/A.....
- 10.36 -- Sale Agreement executed November 18, 1997, and effective December 19, 1997, between MidCity Associates, a New York partnership, as Seller, and One Penn Plaza LLC, a New York Limited liability company; as purchaser. Incorporated by reference to Exhibit 10.35 to 1997 10-K/A.....
- 12 -- Consolidated Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Share Dividend Requirements -- Incorporated by reference to Exhibit No. 12 of the 1997 10-K.....
- 13 -- Not applicable.....
- 16 -- Not applicable.....
- 18 -- Not applicable.....
- 19 -- Not applicable.....
- 21 -- Subsidiaries of the Registrant -- Incorporated by reference to Exhibit No. 21 of the 1997 10-K.....
- 22 -- Not applicable.....
- 23 -- Consent of independent auditors to incorporation by reference -- Incorporated by reference to Exhibit No. 23 of the 1997 10-K.....
- 25 -- Not applicable.....
- 27.1 -- Financial Data Schedule -- Incorporated by reference to Exhibit No. 27.1 of the 1997 10-K.....
- 27.2 -- Financial Data Schedule -- Incorporated by reference to Exhibit No. 27.2 of the 1997 10-K.....
- 27.3 -- Financial Data Schedule -- Incorporated by reference to Exhibit No. 27.3 of the 1997 10-K.....
- 29 -- Not applicable.....

AGREEMENT

AGREEMENT, dated as of December 11, 1997, by and between VORNADO REALTY TRUST, a Maryland unincorporated business trust (hereinafter referred to as "Employer") and IRWIN GOLDBERG, an individual (hereinafter referred to as "Employee").

IN CONSIDERATION of the mutual covenants herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. Employment.

Employer hereby agrees to employ Employee, and Employee agrees to serve as Vice President-Chief Financial Officer of Employer during the Period of employment, as defined in Section 2.

2. Period of Employment.

The "Period of Employment" shall be the period commencing on January 5, 1998 and, subject to the provisions of this Agreement, ending three years thereafter on December 31, 2000.

3. Duties During the Period of Employment.

Employee shall devote his full business time, attention and best efforts to the affairs of Employer and its subsidiaries during the Period of Employment; provided, however, that Employee may engage in other activities, such as activities involving charitable, educational, religious and similar types of organizations (all of which are deemed to benefit Employer), speaking engagements, membership on the board of directors of non-profit organizations, and similar type activities to the extent that such other activities do not prohibit the performance of his duties under this Agreement, or inhibit or conflict in any material way with the business of Employer and its subsidiaries, and to the extent Employer does not object to such other activities.

4. Cash Compensation.

Employer shall pay to Employee during the first year of the Period of Employment a salary at an annual rate of \$350,000.00, to be paid in equal biweekly installments. Employer shall pay to Employee during the second year of the Period of Employment a salary at an annual rate of \$350,000.00, increased by a factor which is equal to 125% of the percentage increase in the Consumer Price Index (as hereafter defined) during the period from January 1998 through December 1998, to be paid in equal biweekly installments. Employer shall pay to Employee during the third year of the Period of Employment a salary at an annual rate equal to the salary paid Employee during the second year of the Period of Employment increased by a factor which is equal to 125% of the percentage increase in the Consumer Price Index during the period from January 1999 through December 1999, to be paid in equal biweekly installments. For purposes of this Agreement, the "Consumer Price Index" shall mean the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers - All Items (CPI-W), Northeast Region, Class A, on the base 1982-84=100, published by the Bureau of Labor Statistics of the U.S. Department of Labor.

5. Stock Options.

During each year in the Period of Employment, Employer shall use its best efforts to cause the Compensation Committee of the Board of Directors to grant to Employee, on the date in January when other Vornado employees are granted options, options to purchase 60,000

shares of Employer's common stock during the first year, and 30,000 shares of Employer's common stock in each of the second and third years, all at a purchase price equal to the fair market value of the stock on the date the options are granted. Employer shall take all necessary actions to ensure that such options qualify, to the extent possible, as "incentive stock options" within the meaning of Section 422A of the Internal Revenue Code of 1986, as amended, and successor provisions.

6. Other Employee Benefits.

(a) Vacation and Sick Leave.

Employee shall be entitled to sick leave and paid annual vacation periods in accordance with Employer's policy, but not less than three weeks yearly.

(b) Automobile.

Employer shall provide Employee with the use of an automobile of the same quality as that provided to other corporate officers of equal or similar position and pay all expenses incurred by Employee in connection with the use of the automobile.

(c) Regular Reimbursed Business Expenses.

Employer shall reimburse Employee for all expenses and disbursements reasonably incurred by Employee in the performance of his duties during the Period of Employment, and such other facilities or services as Employer and Employee may, from time to time, agree are reimbursable.

(d) Employee Benefit Plans or Arrangements.

In addition to the cash compensation provided for in Section 4 hereof, Employee, subject to meeting eligibility provisions and to the provisions of this Agreement, shall be entitled to participate in all employee benefits plans of Employer, as presently in effect or as they may be modified or added to by Employer from time to time, including, without limitation, plans providing

retirement benefits, medical insurance, life insurance, disability insurance, and accidental death or dismemberment insurance.

7. Termination

(a) Termination by Employer Other Than for Just Cause.

If Employer should terminate the Period of Employment or not renew this Agreement at the end of the Period of Employment for other than just cause, as defined in paragraph (b) of this Section, Employer shall continue to pay to employee his then-current annual salary, as provided in Section 4, in equal biweekly installments and continue employees personal fringe benefit coverage (such as medical and life insurance and employee benefit plans) for a two-year period after (i) the date of termination, (ii) or the end of the Period of Employment, whichever is applicable, provided, however, that the amount of compensation paid to employee hereunder shall be reduced by the amount of any compensation paid to employee by another employer or earned by the employee by being self-employed during such two year period.

(b) Termination by Employer for Just Cause.

If Employer should terminate the Period of Employment for just cause, Employee will be entitled to be paid his annual salary, as provided in Section 4, through the end of the month in which the Period of Employment is terminated.

For purposes of paragraphs (a) and (b) of this Section, "just cause" shall mean failure to follow the legitimate directions of Employer; conviction of a felony; habitual drug or alcohol abuse; absenteeism not related to illness, sick leave or vacations; dishonesty; or conflicts of interest which are continued after notice in writing from Employer.

(c) Termination by Employee Other Than for Just Cause.

If Employee should terminate the Period of Employment for other than just cause, as defined in paragraph (d) of this Section, Employer shall no longer have any obligations under this Agreement as of the date of termination.

(d) Termination by Employee for Just Cause.

If Employee should terminate the Period of Employment for just cause, Employer shall on the date of termination pay to Employee an amount equal to the product of employee's annual salary, as provided in Section 4, multiplied by 2.99. In addition, on the date of termination Employee shall become fully vested in any stock options granted to Employee by the Board of Directors.

For purposes of paragraphs (c) and (d) of this Section, "just cause" shall mean Employer's relocation to a site outside of the New York metropolitan area; termination of Steven Roth's employment with Employer; Employer's merger or consolidation with another entity where Employer is not the surviving entity; a material change in Employee's responsibilities, authority, compensation, or title; or the acquisition of 40% or more of the voting power of Employer's stock by persons or entities other than shareholders currently owning 5% or more of the voting power of Employer's stock, Employer, its affiliates, employees of Employer or its affiliates, and employee benefit plans maintained by Employer or its affiliates.

8. Non-Competition and Non-Disclosure.

Without the consent in writing of Employer, (a) during the period from January 5, 1998 through December 31, 2000, Employee will not engage in any business otherwise competitive with that of Employer or any of its subsidiaries in the States of New Jersey, New York, Pennsylvania, Maryland, Massachusetts and Connecticut; and (b) upon termination of the Period of Employment for any reason whatsoever. Employee will not for a period of two years thereafter, (i) solicit or aid in soliciting any employees of Employer or its subsidiaries to leave their employment, or (ii) copy, remove from Employer or its subsidiaries, disclose or make any use of, any client list, confidential business information with respect to clients, material relating to the practices or procedures of Employer or its subsidiaries, or any other proprietary information. In the event of a violation of this Section. Employer shall, in addition to any other relief, be entitled to injunctive relief in any court of competent jurisdiction.

9. Governing Law.

This Agreement is governed by and is to be construed and enforced in accordance with the laws of the State of New Jersey. If under such law any portion of this Agreement is at any time deemed to be in conflict with any applicable statute, rule, regulation or ordinance, such portion shall be deemed to be modified or altered to conform thereto or, if that is not possible, to be omitted from this Agreement; and the invalidity of any such portion shall not affect the force, effect and validity of the remaining portion hereof.

10. Notices.

All notices under this Agreement shall be in writing and shall be deemed effective when delivered in person (in the Employer's case to its Secretary) or twenty-four (24) hours after deposit thereof in the U.S. mails, postage prepaid, for delivery as registered or certified mail -- addressed, in the case of Employee, to him at his residential address, and in the case of Employer, to its corporate headquarters, attention of the Secretary, or to such other address as Employee or Employer may designate in writing at any time or from time to time to the other party. In lieu of notice by deposit in the U.S. mail, a party may give notice by telegram or telex.

11. Miscellaneous.

This Agreement constitutes the entire understanding between Employer and Employee relating to employment of Employee by Employer and supersedes and cancels all prior written and oral agreements and understandings with respect to the subject matter of this Agreement. This Agreement shall be binding upon and shall inure to the benefit of Employee, his heirs, executors, administrators, beneficiaries and assigns and to the benefit of Employer and its successors.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the year and day first above written.

VORNADO REALTY TRUST

By: /s/ STEVE ROTH

Steve Roth
Title: Chairman of the Board
of Directors

/s/ IRWIN GOLDBERG

Irwin Goldberg