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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: JUNE 30, 2001

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)
888 SEVENTH AVENUE, NEW YORK, NEW YORK	10019
(Address of principal executive offices)	(Zip Code)

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

N/A
(Former name, former address and former fiscal year, if changed since last report)

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.

[X] Yes [ ] No

As of August 1, 2001, 88,661,224 of the registrant's common shares of beneficial interest are outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

VORNADO REALTY TRUST

CONSOLIDATED BALANCE SHEETS

(amounts in thousands except share and per share amounts)

	JUNE 30, 2001	DECEMBER 31, 2000
ASSETS		
Real estate, at cost:		
Land	$ 887,769	$ 870,023
Buildings and improvements	3,459,286	3,328,760
Development costs and construction-in-progress	213,151	66,264
Leasehold improvements and equipment	36,320	29,795
Total	4,596,526	4,294,842
Less accumulated depreciation and amortization	(462,336)	(393,787)
Real estate, net	4,134,190	3,901,055
Cash and cash equivalents, including U.S. government obligations under repurchase agreements of $27,430 and $27,793	119,920	136,989
Escrow deposits and restricted cash	186,508	214,359
Marketable securities	118,809	120,340
Investments and advances to partially-owned entities, including Alexander's of $189,060 and $178,413	1,279,468	1,459,211
Due from officers	19,522	20,549
Accounts receivable, net of allowance for doubtful accounts of $8,947 and $9,343	52,322	47,937
Notes and mortgage loans receivable	213,432	188,722
Receivable arising from the straight-lining of rents	126,592	111,504
Other assets	251,888	169,648
TOTAL ASSETS	$ 6,502,651	$ 6,370,314

	JUNE 30, 2001	DECEMBER 31, 2000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Notes and mortgages payable	$ 2,284,009	$ 2,231,897
Revolving credit facility	450,000	425,000
Accounts payable and accrued expenses	142,775	130,464
Officer's compensation payable	39,644	38,424
Deferred leasing fee income	7,595	7,852
Other liabilities	1,725	1,798
Total liabilities	2,925,748	2,835,435
Minority interest of unitholders in the Operating Partnership	1,464,544	1,456,159
Commitments and contingencies		
Shareholders' equity:		
Preferred shares of beneficial interest: no par value per share; authorized, 45,000,000 shares;		
Series A: liquidation preference $50.00 per share; issued 5,788,855 shares	289,446	288,507
Series B: liquidation preference $25.00 per share; issued 3,400,000 shares	81,805	81,805
Series C: liquidation preference $25.00 per share; issued 4,600,000 shares	111,148	111,148
Common shares of beneficial interest: $.04 par value per share; authorized, 150,000,000 shares; issued and outstanding 87,022,583 and 86,803,770 shares	3,480	3,472
Additional capital	1,716,051	1,709,284
Accumulated deficit	(77,601)	(90,366)

	2,124,329	2,103,850
Accumulated other comprehensive loss	(7,266)	(20,426)
Due from officers for purchase of common shares of beneficial interest	(4,704)	(4,704)
Total shareholders' equity	2,112,359	2,078,720
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 6,502,651	$ 6,370,314

See notes to consolidated financial statements.

VORNADO REALTY TRUST

CONSOLIDATED STATEMENTS OF INCOME

(amounts in thousands except per share amounts)

	FOR THE THREE MONTHS ENDED JUNE 30,		FOR THE SIX MONTHS ENDED JUNE 30,	
	2001	2000	2001	2000
Revenues:				
Rentals	$ 212,252	$ 169,107	$ 416,970	$ 336,010
Expense reimbursements	31,543	28,413	66,635	55,220
Other income (including fee income from related parties of $514 and $346 in each three month period and $884 and $667 in each six month period)	2,280	1,225	5,080	2,794
Total revenues	246,075	198,745	488,685	394,024
Expenses:				
Operating	96,831	74,366	197,214	150,671
Depreciation and amortization	30,086	24,687	61,951	47,940
General and administrative	22,415	10,770	36,663	20,967
Costs of acquisitions not consummated	--	--	5,000	--
Total expenses	149,332	109,823	300,828	219,578
Operating income	96,743	88,922	187,857	174,446
Income applicable to Alexander's	4,676	4,458	16,980	8,565
Income from partially-owned entities	19,228	22,681	43,218	45,232
Interest and other investment income	15,874	4,939	29,347	10,698
Write-off of investments in technology companies	(13,561)	--	(18,284)	--
Interest and debt expense	(43,994)	(39,335)	(93,389)	(78,682)
Net gain on sale of real estate and partially-owned entities	12,445	--	12,445	2,560
Net gain from condemnation proceeding	3,050	--	3,050	--
Minority interest:				
Perpetual preferred unit distributions	(17,326)	(14,815)	(34,652)	(27,809)
Minority limited partnership earnings	(10,614)	(9,320)	(20,243)	(18,669)
Partially-owned entities	(409)	(577)	(768)	(1,067)
Income before cumulative effect of change in accounting principle and extraordinary item	66,112	56,953	125,561	115,274
Cumulative effect of change in accounting principle	--	--	(4,110)	--
Extraordinary item	--	--	1,170	(1,125)
Net income	66,112	56,953	122,621	114,149
Preferred stock dividends (including accretion of issuance expenses of $240 and $719 in each three month period and $958 and $1,438 in each six month period)	(9,192)	(9,672)	(18,865)	(19,345)
NET INCOME applicable to common shares	$ 56,920	$ 47,281	$ 103,756	$ 94,804
NET INCOME PER COMMON SHARE - BASIC	$ .65	$ .55	$ 1.19	$ 1.10
NET INCOME PER COMMON SHARE - DILUTED	$ .64	$ .53	$ 1.16	$ 1.08
DIVIDENDS PER COMMON SHARE	$ .53	$ .48	$ 1.06	$ .96

See notes to consolidated financial statements.

VORNADO REALTY TRUST

CONSOLIDATED STATEMENTS OF CASH FLOWS

(amounts in thousands)

	FOR THE SIX MONTHS ENDED JUNE 30, 2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 122,621	$ 114,149
Adjustments to reconcile net income to net cash provided by operations:		
Cumulative effect of change in accounting principle	4,110	--
Extraordinary item	(1,170)	1,125
Minority interest	55,663	47,544
Net gain on sale of real estate and partially-owned entities	(12,445)	(2,560)
Net gain from condemnation proceeding	(3,050)	--
Write-off of investments in technology companies	18,284	--
Depreciation and amortization	61,951	47,940
Straight-lining of rental income	(14,542)	(15,182)
Equity in income of Alexander's	(16,980)	(8,565)
Equity in net income of partially-owned entities	(43,218)	(45,232)
Changes in operating assets and liabilities	21,642	(34,668)
Net cash provided by operating activities	192,866	104,551
CASH FLOWS FROM INVESTING ACTIVITIES:		
Development costs and construction in progress	(74,856)	(24,655)
Proceeds from sale of real estate	--	23,992
Investments in partially-owned entities	(25,221)	(45,450)
Distributions from partially-owned entities	93,032	17,705
Investment in notes and mortgage loans receivable	(30,767)	(7,595)
Repayment of notes and mortgage loans receivable	6,057	--
Cash restricted for tenant improvements	27,851	(3,645)
Additions to real estate	(49,326)	(49,116)
Purchases of marketable securities	(9,350)	(24,412)
Acquisitions of real estate and other	--	(6,660)
Proceeds from sale of marketable securities	1,121	--
Real estate deposits and other	1,493	(1,020)
Net cash (used in) investing activities	(59,966)	(120,856)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	118,853	590,000
Repayments of borrowings	(111,748)	(619,444)
Debt issuance costs	--	(17,996)
Proceeds from issuance of preferred units	--	195,639
Distributions to minority partners	(53,710)	(47,144)
Dividends paid on common shares	(90,992)	(82,051)
Dividends paid on preferred shares	(17,926)	(17,907)
Exercise of stock options	5,554	1,715
Net cash (used in) provided by financing activities	(149,969)	2,812
Net decrease in cash and cash equivalents	(17,069)	(13,493)
Cash and cash equivalents at beginning of period	136,989	112,630
Cash and cash equivalents at end of period	$ 119,920	$ 99,137
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash payments for interest (including capitalized interest of $7,556 in 2001 and $5,646 in 2000)	$ 95,737	$ 82,381
NON-CASH TRANSACTIONS:		
Financing assumed in acquisitions	$ --	$ 17,640
Unrealized gain on securities available for sale	2,760	8,039

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION

Vornado Realty Trust is a fully-integrated real estate investment trust ("REIT"). Vornado conducts its business through Vornado Realty L.P., a Delaware limited partnership (the "Operating Partnership"). Vornado is the sole general partner of, and owned approximately 86% of the common limited partnership interest in, the Operating Partnership at June 30, 2001. All references to the "Company" and "Vornado" refer to Vornado Realty Trust and its consolidated subsidiaries, including the Operating Partnership.

2. BASIS OF PRESENTATION

The consolidated balance sheet as of June 30, 2001, the consolidated statements of income for the three and six months ended June 30, 2001 and 2000 and the consolidated statements of changes in cash flows for the six months ended June 30, 2001 and 2000 are unaudited. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in cash flows have been made. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in Vornado's annual report on Form 10-K for the year ended December 31, 2000 as filed with the Securities and Exchange Commission. The results of operations for the three and six months ended June 30, 2001 are not necessarily indicative of the operating results for the full year.

The accompanying consolidated financial statements include the accounts of Vornado Realty Trust and its majority-owned subsidiary, Vornado Realty L.P., as well as equity interests acquired that individually (or in the aggregate with prior interests) exceed a 50% interest and the Company exercises unilateral control. All significant intercompany amounts have been eliminated. Equity interests in partially-owned entities include partnerships and joint ventures and are accounted for under the equity method of accounting as the Company exercises significant influence. These investments are recorded initially at cost and subsequently adjusted for net equity in income (loss) and cash contributions and distributions. Prior to January 1, 2001, the Company's equity interests in partially-owned entities also included investments in preferred stock affiliates (corporations in which the Company owned all of the preferred stock and none of the common equity). Ownership of the preferred stock entitled the Company to substantially all of the economic benefits in the preferred stock affiliates. On January 1, 2001, the Company acquired the common stock of the preferred stock affiliates, which was owned by Officers and Trustees of Vornado, and converted them to taxable REIT subsidiaries. Accordingly, the Hotel portion of the Hotel Pennsylvania, the Company's investment in the Park Laurel (including the minority interest for the 20% the Company does not own) and the management companies (which provide services to the Company's business segments and operate the Trade Show business of the Merchandise Mart division) have been consolidated beginning January 1, 2001.

Management has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year presentation.

3. RECENTLY ISSUED ACCOUNTING STANDARDS

The Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 133, ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES, as amended, which establishes accounting and reporting standards requiring every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded on the balance sheet as either an asset or liability measured at its fair value. The Statement requires that changes in the derivative instrument's fair value be recognized currently in earnings unless specific hedge accounting criteria are met.

The Company's investment securities include stock purchase warrants received from companies that provide fiber-optic network and broadband access to the Company's Office division tenants. Statement 133 requires these warrants to be marked-to-market at each reporting period with the change in value recognized currently in earnings.

The Company has previously marked-to-market changes in value through accumulated other comprehensive loss. Under Statement 133, those changes are recognized through earnings, and accordingly, the Company has reclassed $4,110,000 from accumulated other comprehensive loss to the consolidated statement of income as of January 1, 2001. Future changes in value of such securities will be recorded through earnings.

In June 2001, the Financial Accounting Standards Board issued SFAS No. 141, BUSINESS COMBINATIONS (effective July 1, 2001) and SFAS No, 142, GOODWILL AND OTHER INTANGIBLE ASSETS (effective January 1, 2002). SFAS No. 141 prohibits pooling-of-interests accounting for acquisitions. SFAS No. 142 specifies that goodwill and some intangible assets will no longer be amortized but instead be subject to periodic impairment testing. The Company is in the process of evaluating the financial statement impact of the adoption of SFAS No. 142.

4. FINANCINGS AND DISPOSITIONS

On January 11, 2001, the Company completed a $105,000,000 refinancing of its 888 Seventh Avenue office building. The loan bears interest at a fixed rate of 6.6% and matures on February 11, 2006. A portion of the proceeds received were used to repay the then existing mortgage of $55,000,000.

On May 17, 2001, the Company sold its 50% interest in 570 Lexington Avenue for $60,000,000, resulting in a gain of $12,445,000.

In September 1998, Atlantic City condemned the Company's vacant property. In the third quarter of 1998, the Company recorded a gain of $1,694,000, which reflected the condemnation award of $3,100,000, net of the carrying value of the property of $1,406,000. The Company appealed the amount and on June 27, 2001, was awarded an additional $3,050,000, which has been recorded as a gain in the quarter ended June 30, 2001.

On June 29, 2001, the Company entered into an agreement to sell its leasehold interest in 550/600 Mamaroneck Avenue, a 235,000 square foot office building, for $22,500,000. Vornado's gain on the sale will be approximately $1,000,000. The sale, which is subject to customary closing conditions, is expected to be completed in the third quarter of this year.

5. INVESTMENTS AND ADVANCES TO PARTIALLY-OWNED ENTITIES

The Company's investments and advances to partially-owned entities and income recognized from such investments are as follows:

INVESTMENTS AND ADVANCES (amounts in thousands)	June 30, 2001	December 31, 2000
Temperature Controlled Logistics	$ 480,455	$ 469,613
Charles E. Smith Commercial Realty L.P. ("CESCR")	329,251	325,328
Alexander's	189,060	178,413
Newkirk Joint Ventures	181,071	163,157
Hotel Pennsylvania (1)	--	73,531
Partially-Owned Office Buildings (4)	23,329	61,002
Vornado Ceruzzi Joint Ventures	27,542	28,847
Fort Lee	30,905	28,208
Park Laurel (2)	--	70,007
Management Companies and Other (2)	17,855	61,105
	$ 1,279,468	$ 1,459,211

INCOME (amounts in thousands)	For The Three Months Ended June 30, 2001	For The Three Months Ended June 30, 2000	For The Six Months Ended June 30, 2001	For The Six Months Ended June 30, 2000
Income applicable to Alexander's:				
33.1% share of equity in income	$ 535	$ 171	$ 7,691(3)	$ 478
Interest Income	2,935	2,942	6,362	5,678
Management and Leasing Fee Income	1,206	1,345	2,927(3)	2,409
	$ 4,676	$ 4,458	$ 16,980	$ 8,565
Temperature Controlled Logistics:				
60% share of equity in net income	$ 2,466	$ 5,585	$ 6,930	$ 13,660
Management fee (40% of 1% per annum of Total Combined Assets, as defined)	1,255	1,357	2,739	2,680
	3,721	6,942	9,669	16,340
CESCR-34% share of equity in income	6,828	6,589	14,195	13,318
Newkirk Joint Ventures:				
Equity in income of limited partnerships	6,371	3,377	12,726	6,392
Interest and other income	1,590	2,025	3,202	3,346
	7,961	5,402	15,928	9,738
Hotel Pennsylvania (1)	--	2,886	--	3,307
Partially-Owned Office Buildings (4)	1,509	978	2,773	1,678
Management Companies and Other	(791)	(116)	653	851
	$ 19,228	$ 22,681	$ 43,218	$ 45,232

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(1) As of December 31, 2000, the Company owned 100% of the commercial portion of the building (retail and office space) and 98% of the hotel portion which was owned through a preferred stock affiliate. On January 1, 2001, the Company acquired the common stock of the preferred stock affiliate and converted it to a taxable REIT subsidiary. Accordingly, the hotel portion is also consolidated in 2001.

(2) On January 1, 2001, the Company acquired the common stock of the preferred stock affiliates and converted them to taxable REIT subsidiaries. Accordingly, the Park Laurel and the management companies are consolidated in 2001.

(3) Equity in income includes $6,298 representing the Company's share of Alexander's gain on sale of its Fordham Road property on January 12, 2001 and excludes $1,170 representing the Company's share of Alexander's extraordinary gain on the early extinguishment of debt on this property which is reflected as an extraordinary item on the consolidated statements of income. Management and leasing fee income include a fee of $520 paid to the Company in connection with the sale.

(4) Represents the Company's interests in 330 Madison Avenue (24.8%), and 570 Lexington Avenue (50%). On May 17, 2001, the Company sold its 50% interest in 570 Lexington Avenue for $60,000,000, resulting in a gain of $12,445,000 which is not included in income in the table above.

TEMPERATURE CONTROLLED LOGISTICS

On February 22, 2001, the Landlord restructured the AmeriCold Logistics leases to among other things, (i) reduce 2001's contractual rent to $146,000,000 (the same amount recognized as rental income in 2000's Funds from Operations), (ii) reduce 2002's contractual rent to $150,000,000 (plus additional contingent rent in certain circumstances), (iii) increase the Landlord's share of annual maintenance capital expenditures by $4,500,000 to $9,500,000 effective January 1, 2000 and (iv) extend the deferred rent period to December 31, 2003 from March 11, 2002.

The tenant has advised the Landlord that (i) its revenue for the current quarter and six months ended June 30, 2001 from the warehouses it leases from the Landlord, is lower than last year by 1.1% and 3.3%, and (ii) its gross profit before rent at these warehouses for the corresponding periods is lower than last year by $5,971,000 (a 13.2% decline) and $10,183,000 (an 11.4% decline). These decreases are attributable to a reduction in total customer inventory stored at the warehouses and customer inventory turns.

Based on the Company's policy of recognizing rental income when earned and collection is assured or cash is received, the Company did not recognize $2,340,000 of income for the quarter and six months ended June 30, 2001 and $2,400,000 of income for the quarter and six months ended June 30, 2000. At June 30, 2001, the Company's balance of the tenant's total deferred rent is $15,806,000 (Does not include $1,174,000 applicable to the receivable arising from the straight-lining of rents which was deferred in the year ended December 31, 2000).

ALEXANDER'S

Alexander's is managed by and its properties are leased by the Company, pursuant to agreements with a one-year term expiring in March of each year which are automatically renewable.

At June 30, 2001, the Company has loans receivable from Alexander's of $119,000,000, including $24,000,000 under the $50,000,000 line of credit the Company granted to Alexander's on August 1, 2000. On March 15, 2001, the interest rate on these loans was reset from 15.72% to 13.74%, using the same spread to treasuries as previously used.

On January 12, 2001, Alexander's sold its Fordham Road property for $25,500,000, which resulted in a gain of $19,026,000, of which the Company's share was $6,298,000. In addition, Alexander's paid off the mortgage on this property at a discount, which resulted in an extraordinary gain from the early extinguishment of debt of $3,534,000, of which the Company's share was $1,170,000. The Company also received a commission of $520,000 in connection with this sale.

On June 1, 2001, Alexander's completed a $223,000,000 ten-year mortgage loan collateralized by its Kings Plaza Shopping Center. The note bears interest at a rate of 7.46%. A portion of the proceeds was used to repay the existing $115,210,000 mortgage loan.

6. OTHER RELATED PARTY TRANSACTIONS

The Company currently manages and leases the real estate assets of Interstate Properties pursuant to a management agreement. Management fees earned by the Company pursuant to the management agreement were $514,000 and $200,000 for the three months ended June 30, 2001 and 2000, and $884,000 and $387,000 for the six months ended June 30, 2001 and 2000.

The Mendik Group owns an entity, which provides cleaning and related services and security services to office properties, including the Company's Manhattan office properties. The Company was charged fees in connection with these contracts of $12,725,000 and $11,485,000 for the three months ended June 30, 2001 and 2000, and $25,625,000 and $23,418,000 for the six months ended June 30, 2001 and 2000.

7. MINORITY INTEREST

The minority interest represents limited partners', other than the Company, interests in the Operating Partnership and are comprised of:

Unit Series	Outstanding Units at June 30, 2001	Outstanding Units at December 31, 2000	Per Unit Liquidation Preference	Preferred or Annual Distribution Rate	Conversion Rate Into Class A Units
Common:					
Class A (a)......................	6,627,994	6,456,749	--	$ 2.12	N/A
Class D..........................	864,259	869,387	--	$ 2.12	1.0(b)
Convertible Preferred:					
5.0% B-1 Convertible Preferred...	899,566	899,566	$ 50.00	$ 2.50	.914
8.0% B-2 Convertible Preferred...	449,783	449,783	$ 50.00	$ 4.00	.914
6.5% C-1 Convertible Preferred...	747,912	747,912	$ 50.00	$ 3.25	1.1431
6.5% E-1 Convertible Preferred...	4,998,000	4,998,000	$ 50.00	$ 3.25(c)	1.1364
Perpetual Preferred: (d)					
8.5% D-1 Cumulative Redeemable Preferred...........	3,500,000	3,500,000	$ 25.00	$ 2.125	N/A
8.375% D-2 Cumulative Redeemable Preferred......................	549,336	549,336	$ 50.00	$ 4.1875	N/A
8.25% D-3 Cumulative Redeemable Preferred......................	8,000,000	8,000,000	$ 25.00	$ 2.0625	N/A
8.25% D-4 Cumulative Redeemable Preferred......................	5,000,000	5,000,000	$ 25.00	$ 2.0625	N/A
8.25% D-5 Cumulative Redeemable Preferred......................	7,480,000	7,480,000	$ 25.00	$ 2.0625	N/A
8.25% D-6 Cumulative Redeemable Preferred......................	840,000	840,000	$ 25.00	$ 2.0625	N/A
8.25% D-7 Cumulative Redeemable Preferred......................	7,200,000	7,200,000	$ 25.00	$ 2.0625	N/A
8.25% D-8 Cumulative Redeemable Preferred......................	360,000	360,000	$ 25.00	$ 2.0625	N/A

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(a) Class A units are redeemable at the option of the holder for common shares of beneficial interest in Vornado, on a one-for-one basis, or at the Company's option for cash.

(b) Class D unitholders participate in distributions at an annual rate of $2.12, then pari passu with Class A. Based on the current level of dividends, Class D units will convert into Class A units in the third quarter of 2001.

(c) Increases to $3.38 in March 2007.

(d) Convertible at the option of the holder for an equivalent amount of the Company's preferred shares and redeemable at the Company's option after the 5th anniversary of the date of issuance (ranging from December 1998 to December 2000).

8. INCOME PER SHARE

The following table sets forth the computation of basic and diluted income per share:

	For The Three Months Ended June 30, 2001	For The Three Months Ended June 30, 2000	For The Six Months Ended June 30, 2001	For The Six Months Ended June 30, 2000
(amounts in thousands except per share amounts)				
Numerator:				
Income before cumulative effect of change in accounting principle and extraordinary item ...	$ 66,112	$ 56,953	$ 125,561	$ 115,274
Cumulative effect of change in accounting principle	--	--	(4,110)	--
Extraordinary item	--	--	1,170	(1,125)
Net income	66,112	56,953	122,621	114,149
Preferred stock dividends	(9,192)	(9,672)	(18,865)	(19,345)
Numerator for basic and diluted income per share - net income applicable to common shares ..	$ 56,920	$ 47,281	$ 103,756	$ 94,804
Denominator:				
Denominator for basic income per share - weighted average shares	86,901	86,399	86,864	86,389
Effect of dilutive securities:				
Employee stock options	2,701	2,347	2,637	1,689
Denominator for diluted income per share - adjusted weighted average shares and assumed conversions	89,602	88,746	89,501	88,078
INCOME PER COMMON SHARE - BASIC:				
Income before cumulative effect of change in accounting principle and extraordinary item .	$ .65	$ .55	$ 1.23	$ 1.11
Cumulative effect of change in accounting principle	--	--	(.05)	--
Extraordinary item	--	--	.01	(.01)
Net income per common share	$ .65	$ .55	$ 1.19	$ 1.10
INCOME PER COMMON SHARE - DILUTED:				
Income before cumulative effect of change in accounting principle and extraordinary item .	$ .64	$ .53	$ 1.20	$ 1.09
Cumulative effect of change in accounting principle	--	--	(.05)	--
Extraordinary item	--	--	.01	(.01)
Net income per common share	$ .64	$ .53	$ 1.16	$ 1.08

9. COMPREHENSIVE INCOME

The following table sets forth the Company's comprehensive income:

(amounts in thousands)	For The Three Months Ended June 30, 2001	For The Three Months Ended June 30, 2000	For The Six Months Ended June 30, 2001	For The Six Months Ended June 30, 2000
Net income applicable to common shares	$ 56,920	$ 47,281	$ 103,756	$ 94,804
Adjustment to record cumulative effect of change in accounting principle	--	--	4,110	--
Other comprehensive income	8,532	(54,456)(1)	9,050	(2,256)(1)
Comprehensive income	$ 65,452	$ (7,175)	$ 116,916	$ 92,548

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(1) Primarily reflects the fluctuations in the market value of Vornado's investments in companies that provide fiber-optic networks and broadband access to the Company's Office division tenants. In the first quarter of 2000, the Company was required to record the unrealized appreciation on such securities of $52,779. In the second quarter of 2000, the value of these securities decreased by $54,456 and accordingly, the Company was required to record such decrease.

10. WRITE-OFF OF EQUITY INVESTMENTS IN TECHNOLOGY COMPANIES

In the first quarter of 2001, the Company recorded a charge of $4,723,000 resulting from the write-off of an equity investment in a technology company. In the second quarter of 2001, the Company recorded an additional charge of $13,561,000 resulting from the write-off of all of its remaining equity investments in technology companies due to both the deterioration of the financial condition of these companies and the lack of acceptance by the market of certain of their products and services.

11. COSTS OF ACQUISITIONS NOT CONSUMMATED

The Company was unable to reach a final agreement with the Port Authority of NY & NJ to conclude a net lease of the World Trade Center. In the three months ended March 31, 2001, the Company wrote-off costs of $5,000,000 primarily associated with the World Trade Center.

12. COMMITMENTS AND CONTINGENCIES

At June 30, 2001, in addition to the $450 million outstanding under the Company's revolving credit facility, the Company had utilized $84.7 million of availability under the facility for letters of credit and guarantees.

Each of the Company's properties has been subjected to varying degrees of environmental assessment at various times. The environmental assessments did not reveal any material environmental contamination. However, there can be no assurance that the identification of new areas of contamination, changes in the extent or known scope of contamination, the discovery of additional sites, or changes in cleanup requirements would not result in significant costs to the Company.

From time-to-time, the Company has disposed of substantial amounts of real estate to third parties for which, as to certain properties, it remains contingently liable for rent payments or mortgage indebtedness.

There are various legal actions against the Company in the ordinary course of business. In the opinion of management, after consultation with legal counsel, the outcome of such matters will not have a material effect on the Company's financial condition, results of operations or cash flow.

13. SEGMENT INFORMATION

The Company has four business segments: Office, Retail, Merchandise Mart Properties and Temperature Controlled Logistics. Prior to this year, income from the Company's preferred stock affiliates was included in Income from partially-owned entities. On January 1, 2001, the Company acquired the common stock of its preferred stock affiliates and converted these entities to taxable REIT subsidiaries. Accordingly, the Hotel portion of the Hotel Pennsylvania, the Company's investment in the Park Laurel (including the minority interest for the 20% the Company does not own) and the management companies (which provide services to the Company's business segments and operate the Trade Show business of the Merchandise Mart division) have been consolidated. Net income and EBITDA for the three and six months ended June 30, 2000 have been restated on a pro forma basis to reflect these entities as if consolidated as of January 1, 2000.

	For The Three Months Ended June 30,						
(amounts in thousands)	2001						
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)	Total
Rentals	$ 212,252	$ 114,260	$ 30,232	$ 50,118	$ --	$ 17,642	$ 196,600
Expense reimbursements	31,543	15,920	11,145	3,858	--	620	28,412
Other income	2,280	813	542	818	--	107	4,109
Total revenues	246,075	130,993	41,919	54,794	--	18,369	229,121
Operating expenses	96,831	51,684	13,797	21,662	--	9,688	90,981
Depreciation and amortization	30,086	17,300	4,347	6,064	--	2,375	26,387
General and administrative	22,415	2,637	24	4,650	--	15,104	17,280
Total expenses	149,332	71,621	18,168	32,376	--	27,167	134,648
Operating income	96,743	59,372	23,751	22,418	--	(8,798)	94,473
Income applicable to Alexander's	4,676	--	--	--	--	4,676	4,458
Income from partially-owned entities	19,228	8,365	495	(4)	3,721(6)	6,651	18,261
Interest and other investment income	15,874	1,897	416	714	--	12,847	4,694
Write-off of investments in technology companies	(13,561)	--	--	--	--	(13,561)	--
Interest and debt expense	(43,994)	(14,407)	(14,264)	(8,317)	--	(7,006)	(40,221)
Net gain on sale of real estate and partially-owned entities	12,445	12,445	--	--	--	--	--
Net gain from condemnation proceeding	3,050	--	3,050	--	--	--	--
Minority interest	(28,349)	(14,734)	(4,349)	(4,125)	(2,815)	(2,326)	(24,712)
Net income	66,112	52,938	9,099	10,686	906	(7,517)	56,953
Minority interest	28,349	14,734	4,349	4,125	2,815	2,326	24,712
Net gain on sale of real estate and partially-owned entities	(12,445)	(12,445)	--	--	--	--	--
Net gain from condemnation proceeding	(3,050)	--	(3,050)	--	--	--	--
Interest and debt expense(3)	67,151	24,859	14,906	8,317	6,773	12,296	62,962
Depreciation and amortization(3)	45,918	21,992	4,612	6,064	8,403	4,847	40,932
Straight-lining of rents(3)	(6,339)	(4,050)	(534)	(1,280)	--	(475)	(6,349)
Other	2,997	(1,130)	--	--	69	4,058	2,707
EBITDA(1)	$ 188,693	$ 96,898	$ 29,382	$ 27,912	$ 18,966	$ 15,535	$ 181,917

(amounts in thousands)	2000 (Pro Forma)				
	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)
Rentals	$ 98,651	$ 31,784	$ 46,113	$ --	$ 20,052
Expense reimbursements	14,194	10,404	2,649	--	1,165
Other income	724	848	1,182	--	1,355
Total revenues	113,569	43,036	49,944	--	22,572

Operating expenses	45,743	13,427	20,567	--	11,244
Depreciation and amortization	13,934	4,635	5,448	--	2,370
General and administrative	3,244	418	4,680	--	8,938
Total expenses	62,921	18,480	30,695	--	22,552
Operating income	50,648	24,556	19,249	--	20
Income applicable to Alexander's	--	--	--	--	4,458
Income from partially-owned entities	7,403	222	--	6,942(6)	3,694
Interest and other investment income	260	5	52	--	4,377
Write-off of investments in technology companies	--	--	--	--	--
Interest and debt expense	(13,810)	(13,851)	(9,558)	--	(3,002)
Net gain on sale of real estate and partially-owned entities	--	--	--	--	--
Net gain from condemnation proceeding	--	--	--	--	--
Minority interest	(11,673)	(3,938)	(2,974)	(2,892)	(3,235)
Net income	32,828	6,994	6,769	4,050	6,312
Minority interest	11,673	3,938	2,974	2,892	3,235
Net gain on sale of real estate and partially-owned entities	--	--	--	--	--
Net gain from condemnation proceeding	--	--	--	--	--
Interest and debt expense(3)	22,964	14,494	9,558	7,307	8,639
Depreciation and amortization(3)	18,343	5,483	5,021	8,005	4,080
Straight-lining of rents(3)	(3,985)	(709)	(1,485)	(282)	112
Other	--	--	--	294	2,413
EBITDA(1)	$ 81,823	$ 30,200	$ 22,837	$ 22,266	$ 24,791

See footnotes 1-6 on page 15.

(amounts in thousands)	For The Six Months Ended June 30, 2001					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)
Rentals	$ 416,970	$ 228,120	$ 59,336	$ 97,123	$ --	$ 32,391
Expense reimbursements	66,635	34,961	22,440	7,831	--	1,403
Other income	5,080	1,385	1,971	1,537	--	187
Total revenues	488,685	264,466	83,747	106,491	--	33,981
Operating expenses	197,214	107,445	29,209	42,794	--	17,766(4)
Depreciation and amortization	61,951	35,944	8,810	12,506	--	4,691
General and administrative	36,663	6,007	47	9,245	--	21,364
Costs of acquisitions not consummated	5,000	--	--	--	--	5,000
Total expenses	300,828	149,396	38,066	64,545	--	48,821
Operating income	187,857	115,070	45,681	41,946	--	(14,840)
Income applicable to Alexander's	16,980	--	--	--	--	16,980
Income from partially-owned entities	43,218	17,060	2,392	109	9,669(6)	13,988
Interest and other investment income	29,347	4,195	416	1,377	--	23,359
Write-off of investments in technology companies	-- (18,284)	-- --	-- --	-- --	--	(18,284)
Interest and debt expense	(93,389)	(31,014)	(28,413)	(17,986)	--	(15,976)
Net gain on sale of real estate and partially-owned entities	12,445	12,445	--	--	--	--
Net gain from condemnation proceeding	3,050	--	3,050	--	--	--
Minority interest	(55,663)	(28,322)	(8,476)	(7,769)	(5,825)	(5,271)
Income before cumulative effect of change in accounting principle and extraordinary item	125,561	89,434	14,650	17,677	3,844	(44)
Cumulative effect of change in accounting principle	(4,110)	--	--	--	--	(4,110)
Extraordinary item	1,170	--	--	--	--	1,170
Net income	122,621	89,434	14,650	17,677	3,844	(2,984)
Cumulative effect of change in accounting principle	4,110	--	--	--	--	4,110
Extraordinary item	(1,170)	--	--	--	--	(1,170)
Minority interest	55,663	28,322	8,476	7,769	5,825	5,271
Net gain on sale of real estate and partially-owned entities	(12,445)	(12,445)	--	--	--	--
Net gain from condemnation proceeding	(3,050)	--	(3,050)	--	--	--
Interest and debt expense(3)	140,405	52,306	29,697	17,986	13,486	26,930
Depreciation and amortization(3)	93,836	45,636	9,339	12,506	16,811	9,544
Straight-lining of rents(3)	(14,076)	(10,005)	(695)	(2,388)	--	(988)
Other	(7,560)	(3,220)	--	--	181	(4,521)(5)
EBITDA(1)	$ 378,334	190,028	$ 58,417	$ 53,550	$ 40,147	$ 36,192

(amounts in thousands)	For The Six Months Ended June 30, 2000 (Pro Forma)					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)
Rentals	$ 379,144	$ 195,679	$ 63,749	$ 83,985	$ --	$ 35,731
Expense reimbursements	55,219	26,126	21,943	5,640	--	1,510
Other income	8,193	1,749	1,164	2,780	--	2,500

Total revenues	442,556	223,554	86,856	92,405	--	39,741
Operating expenses	175,939	91,884	28,159	34,892	--	21,004
Depreciation and amortization	51,235	27,286	8,624	10,885	--	4,440
General and administrative	31,708	6,008	479	8,166	--	17,055
Total expenses	258,882	125,178	37,262	53,943	--	42,499
Operating income	183,674	98,376	49,594	38,462	--	(2,758)
Income applicable to Alexander's	8,565	--	--	--	--	8,565
Income from partially-owned entities	38,114	15,128	499	--	16,340(6)	6,147
Interest and other investment income	10,482	644	8	163	--	9,667
Write-off of investments in technology companies	--	--	--	--	--	--
Interest and debt expense	(80,577)	(28,133)	(24,656)	(17,905)	--	(9,883)
Net gain on sale of real estate and partially-owned entities	2,560	--	2,560	--	--	--
Net gain from condemnation proceeding	--	--	--	--	--	--
Minority interest	(47,544)	(21,854)	(7,834)	(6,011)	(6,109)	(5,736)
Income before cumulative effect of change in accounting principle and extraordinary item	115,274	64,161	20,171	14,709	10,231	6,002
Cumulative effect of change in accounting principle	--	--	--	--	--	--
Extraordinary item	(1,125)	--	(1,125)	--	--	--
Net income	114,149	64,161	19,046	14,709	10,231	6,002
Cumulative effect of change in accounting principle	1,125	--	1,125	--	--	--
Extraordinary item	--	--	--	--	--	--
Minority interest	47,544	21,854	7,834	6,011	6,109	5,736
Net gain on sale of real estate and partially-owned entities	(2,560)	--	(2,560)	--	--	--
Net gain from condemnation proceeding	--	--	--	--	--	--
Interest and debt expense(3)	124,622	46,152	25,954	17,905	14,037	20,574
Depreciation and amortization(3)	80,309	36,299	9,785	10,048	16,334	7,843
Straight-lining of rents(3)	(13,781)	(9,286)	(1,386)	(2,764)	(809)	464
Other	3,981	--	--	--	809	3,172
EBITDA(1)	$ 355,389	$ 159,180	$ 59,798	$ 45,909	$ 46,711	$ 43,791

	June 30, 2001					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other
Balance sheet data:						
Real estate, net	$4,134,190	$2,436,196	$ 621,998	$ 873,666	$ --	$ 202,330
Investments and advances to partially-owned entities	1,279,468	353,512	29,758	6,684	480,455	409,059
Capital expenditures						
Acquisitions	--	--	--	--	--	--
Other	124,182	48,488	2,641	26,621	--	46,432

	December 31, 2000					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other
Balance sheet data:						
Real estate, net	$3,901,055	$2,388,393	$ 551,183	$ 862,003	$ --	$ 99,476
Investments and advances to partially-owned entities	1,459,211	394,089	31,660	41,670	469,613	522,179
Capital expenditures						
Acquisitions	246,500	128,000	--	89,000	--	29,500
Other	200,181	106,689	7,251	37,362	28,582	20,297

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See footnotes 1-6 on the next page.

Notes to segment information:

(1) EBITDA represents income before interest, taxes, depreciation and amortization, extraordinary or non-recurring items, gains or losses on sales of real estate, the effect of straight-lining of property rentals for rent escalations and minority interest. Management considers EBITDA a supplemental measure for making decisions and assessing the performance of its segments. EBITDA may not be comparable to similarly titled measures employed by other companies.

(2) Other EBITDA is comprised of:

(amounts in thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2001	2000	2001	2000
Hotel Pennsylvania	$ 6,141	$ 7,634	$ 11,421 (4)	$ 11,061
Newkirk Joint Ventures:				
Equity in income of limited partnerships	12,107	9,514	26,708	19,926
Interest and other income	1,590	2,025	3,202	3,346
Other partially-owned entities (Alexander's and other)	4,834	3,987	9,639	8,654
Write-off of investments in technology companies	(13,561)	--	(18,284)	--
Unallocated general and administrative expenses	(9,187)	(8,025)	(16,720)	(13,837)
Costs of acquisitions not consummated	--	--	(5,000)	--
Investment income and other	13,611	9,656	25,226	14,641
Total	$ 15,535	$ 24,791	$ 36,192	$ 43,791

(3) Interest and debt expense, depreciation and amortization and straight-lining of rents included in the reconciliation of net income to EBITDA reflects amounts which are netted in income from partially-owned entities.

(4) Includes a $1,900 settlement from a tenant for rent previously reserved.

(5) Includes the reversal of $6,298 representing the Company's share of Alexander's gain on sale of its Fordham Road property on January 12, 2001.

(6) Net of rent not recognized of $2,340 for the three and six months ended June 30, 2001 and $2,400 for the three and six months ended June 30, 2000.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(All of the amounts presented are in thousands, except share amounts and percentages)

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. Certain factors could cause actual results to differ materially from those in the forward-looking statements. Factors that might cause such a material difference include, but are not limited to, (a) changes in the general economic climate, (b) local conditions such as an oversupply of space or a reduction in demand for real estate in the area, (c) conditions of tenants, (d) competition from other available space, (e) increased operating costs and interest expense, (f) the timing of and costs associated with property improvements, (g) changes in taxation or zoning laws, (h) government regulations, (i) failure of Vornado to continue to qualify as a REIT, (j) availability of financing on acceptable terms, (k) potential liability under environmental or other laws or regulations, and (l) general competitive factors.

OVERVIEW

Below is a summary of net income and EBITDA(1) by segment for the three and six months ended June 30, 2001 and 2000. Prior to this year, income from the Company's preferred stock affiliates was included in income from partially-owned entities. On January 1, 2001, the Company acquired the common stock of its preferred stock affiliates and converted these entities to taxable REIT subsidiaries. Accordingly, the Hotel portion of the Hotel Pennsylvania, the Company's investment in the Park Laurel (including the minority interest for the 20% the Company does not own) and the management companies (which provide services to the Company's business segments and operate the Trade Show business of the Merchandise Mart division) have been consolidated. Net income and EBITDA for the three and six months ended June 30, 2000 have been restated on a pro forma basis to reflect these entities as if consolidated as of January 1, 2000.

	Three Months Ended June 30, 2001					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)
Rentals	$ 212,252	$ 114,260	$ 30,232	$ 50,118	$ --	$ 17,642
Expense reimbursements	31,543	15,920	11,145	3,858	--	620
Other income	2,280	813	542	818	--	107
Total revenues	246,075	130,993	41,919	54,794	--	18,369
Operating expenses	96,831	51,684	13,797	21,662	--	9,688
Depreciation and amortization	30,086	17,300	4,347	6,064	--	2,375
General and administrative	22,415	2,637	24	4,650	--	15,104
Total expenses	149,332	71,621	18,168	32,376	--	27,167
Operating income	96,743	59,372	23,751	22,418	--	(8,798)
Income applicable to Alexander's	4,676	--	--	--	--	4,676
Income from partially-owned entities	19,228	8,365	495	(4)	3,721(4)	6,651
Interest and other investment income	15,874	1,897	416	714	--	12,847
Write-off of investments in technology companies	(13,561)	--	--	--	--	(13,561)
Interest and debt expense	(43,994)	(14,407)	(14,264)	(8,317)	--	(7,006)
Net gain on sale of real estate and partially-owned entities	12,445	12,445	--	--	--	--
Net gain from condemnation proceeding	3,050	--	3,050	--	--	--
Minority interest	(28,349)	(14,734)	(4,349)	(4,125)	(2,815)	(2,326)
Net income	66,112	52,938	9,099	10,686	906	(7,517)
Minority interest	28,349	14,734	4,349	4,125	2,815	2,326
Net gain on sale of real estate and partially-owned entities	(12,445)	(12,445)	--	--	--	--
Net gain from condemnation proceeding	(3,050)	--	(3,050)	--	--	--
Interest and debt expense(3)	67,151	24,859	14,906	8,317	6,773	12,296
Depreciation and amortization(3)	45,918	21,992	4,612	6,064	8,403	4,847
Straight-lining of rents(3)	(6,339)	(4,050)	(534)	(1,280)	--	(475)
Other	2,997	(1,130)	--	--	69	4,058(5)
EBITDA(1)	$ 188,693	$ 96,898	$ 29,382	$ 27,912	$ 18,966	$ 15,535

	Three Months Ended June 30, 2000 (Pro Forma)					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)
Rentals	$ 196,600	$ 98,651	$ 31,784	$ 46,113	$ --	$ 20,052
Expense reimbursements	28,412	14,194	10,404	2,649	--	1,165
Other income	4,109	724	848	1,182	--	1,355
Total revenues	229,121	113,569	43,036	49,944	--	22,572
Operating expenses	90,981	45,743	13,427	20,567	--	11,244
Depreciation and amortization	26,387	13,934	4,635	5,448	--	2,370
General and administrative	17,280	3,244	418	4,680	--	8,938
Total expenses	134,648	62,921	18,480	30,695	--	22,552
Operating income	94,473	50,648	24,556	19,249	--	20
Income applicable to Alexander's	4,458	--	--	--	--	4,458
Income from partially-owned entities	18,261	7,403	222	--	6,942(4)	3,694
Interest and other investment income	4,694	260	5	52	--	4,377
Interest and debt expense	(40,221)	(13,810)	(13,851)	(9,558)	--	(3,002)
Minority interest	(24,712)	(11,673)	(3,938)	(2,974)	(2,892)	(3,235)
Net income	56,953	32,828	6,994	6,769	4,050	6,312
Minority interest	24,712	11,673	3,938	2,974	2,892	3,235
Interest and debt expense(3)	62,962	22,964	14,494	9,558	7,307	8,639
Depreciation and amortization(3)	40,932	18,343	5,483	5,021	8,005	4,080
Straight-lining of rents(3)	(6,349)	(3,985)	(709)	(1,485)	(282)	112
Other	2,707	--	--	--	294	2,413
EBITDA(1)	$ 181,917	$ 81,823	$ 30,200	$ 22,837	$ 22,266	$ 24,791

(1) EBITDA represents income before interest, taxes, depreciation and amortization, extraordinary or non-recurring items, gains or losses on sales of real estate, the effect of straight-lining of property rentals for rent escalations and minority interest. Management considers EBITDA a supplemental measure for making decisions and assessing the performance of its segments. EBITDA may not be comparable to similarly titled measures employed by other companies.

(2) Other EBITDA is comprised of:

	For the Three Months Ended June 30,	
	2001	2000
Hotel Pennsylvania	$ 6,141	$ 7,634
Newkirk Joint Ventures:		
Equity in income of limited partnerships	12,107	9,514
Interest and other income	1,590	2,025
Other partially-owned entities (Alexander's and other)	4,834	3,987
Write-off of investments in technology companies	(13,561)	--
Unallocated general and administrative expenses	(9,187)	(8,025)
Investment income and other	13,611	9,656
Total	$ 15,535	$ 24,791

(3) Interest and debt expense, depreciation and amortization and straight-lining of rents included in the reconciliation of net income to EBITDA reflects amounts which are netted in income from partially-owned entities.

(4) Net of rent not recognized of $2,340 in the three and six months ended June 30, 2001 and $2,400 in the three and six months ended June 30, 2000.

(5) Includes the reversal of $2,952 of expenses incurred in connection with a deferred compensation arrangement.

RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 30, 2001 AND JUNE 30, 2000

Below are the details of the changes by segment in EBITDA.

	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other
Three months ended June 30, 2000	$181,917	$81,823	$30,200	$22,837	$22,266	$ 24,791
2001 Operations:						
Same store operations(1)	10,725	10,243	695	1,600	(3,300)(3)	1,487
Acquisitions, dispositions and non-recurring income and expenses.........................	(3,949)	4,832	(1,513)	3,475	--	(10,743)(4)
Three months ended June 30, 2001	$188,693	$96,898(2)	$29,382	$27,912	$18,966	$ 15,535
% increase in same store operations	5.9%	12.5%(2)	2.3%	7.0%	(14.8%)(3)	6.0%

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(1) Represents operations which were owned for the same period in each year and excludes non-recurring income and expenses.

(2) EBITDA and the same store percentage increase was $75,998 and 15.0% for the New York City office portfolio and $20,900 and 3.7% for the CESCR portfolio.

(3) The Company reflects its 60% share of the Vornado/Crescent Partnerships' ("the Landlord") equity in the rental income it receives from AmeriCold Logistics, its tenant, which leases the underlying temperature controlled warehouses used in its business. On February 22, 2001, the Landlord restructured the AmeriCold Logistics leases to among other things, (i) reduce 2001's contractual rent to $146,000 (the same amount recognized as rental income in 2000's Funds from Operations), (ii) reduce 2002's contractual rent to $150,000 (plus additional contingent rent in certain circumstances), (iii) increase the Landlord's share of annual maintenance capital expenditures by $4,500 to $9,500 effective January 1, 2000 and (iv) extend the deferred rent period to December 31, 2003 from March 11, 2002.

The tenant has advised the Landlord that (i) its revenue for the current quarter and six months ended June 30, 2001 from the warehouses it leases from the Landlord, is lower than last year by 1.1% and 3.3%, and (ii) its gross profit before rent at these warehouses for the corresponding periods is lower than last year by $5,971 (a 13.2% decline) and $10,183 (an 11.4% decline). These decreases are attributable to a reduction in total customer inventory stored at the warehouses and customer inventory turns.

Based on the Company's policy of recognizing rental income when earned and collection is assured or cash is received, the Company did not recognize $2,340 of income for the quarter and six months ended June 30, 2001 and $2,400 of income for the quarter and six months ended June 30, 2000. At June 30, 2001, the Company's balance of the tenant's total deferred rent is $15,806 (Does not include $1,174 applicable to the receivable arising from the straight-lining of rents which was deferred in the year ended December 31, 2000).

(4) Includes $13,561 resulting from the write-off of all of the Company's remaining equity investments in technology companies.

Revenues

The Company's revenues, which consist of property rentals, tenant expense reimbursements, hotel revenues, trade shows revenues, and other income were $246,075 for the three months ended June 30, 2001, compared to $229,121 in the prior year's quarter, an increase of $16,954. This increase by segment resulted from:

	Date of Acquisition	Total	Office	Retail	Merchandise Mart	Other
Property Rentals:						
Acquisitions:						
7 West 34th Street	November 2000	$ 3,648	$ 3,648	$ --	$ --	$ --
33 North Dearborn Street	September 2000	1,395	--	--	1,395	--
L.A. Mart	October 2000	2,971	--	--	2,971	--
Dispositions and other		(2,419)	--	(2,419)(1)	--	--
Leasing activity		12,908	11,961	867	577	(497)(2)
Total increase in property Rentals		18,503	15,609	(1,552)	4,943	(497)
Tenant expense reimbursements:						
Increase in tenant expense reimbursements due to acquisitions/dispositions		1,736	1,176	(445)	1,005	--
Other		1,395	550	1,186	204	(545)(2)
Total increase in tenant expense reimbursements ..		3,131	1,726	741	1,209	(545)
Hotel activity		(1,913)	--	--	--	(1,913)
Trade shows activity		(938)	--	--	(938)	--
Other income		(1,829)	89	(306)	(364)	(1,248)
Total increase in revenues ...		$16,954	$17,424	$(1,117)	$4,850	$(4,203)

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(1) Results primarily from Bradlees rejection of its lease at the 14th Street and Union Square property on February 9, 2001.

(2) Results primarily from the termination of the Sports Authority lease at the Hotel Pennsylvania in January 2001.

See supplemental information on page 29 for further details.

EXPENSES

The Company's expenses were $149,332 for the three months ended June 30, 2001, compared to $134,648 in the prior year's quarter, an increase of $14,684. This increase by segment resulted from:

	Total	Office	Retail	Merchandise Mart	Other
Operating:					
Acquisitions	$ 2,922	$ 1,644	$ (597)	$ 1,875	$ --
Same store operations ..	2,928	4,297	967	(780)	(1,556)
	5,850	5,941	370	1,095	(1,556)
Depreciation and amortization:					
Acquisitions	938	683	(241)	496	--
Same store operations ..	2,761	2,683	(47)	120	5
	3,699	3,366	(288)	616	5
General and administrative:					
Appreciation in value of Vornado shares and other securities held in officer's deferred compensation trust	4,162	--	--	--	4,162
Other expenses	973	(607)	(394)	(30)	2,004
	5,135	(607)	(394)	(30)	6,166
	$ 14,684	$ 8,700	$ (312)	$ 1,681	$ 4,615

Income from partially-owned entities was $19,228 in the three months ended June 30, 2001, compared to $18,261 in the prior year's quarter, an increase of $967. This increase by segment resulted from:

	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other
Increase (decrease) in equity in income:						
Temperature Controlled Logistics	$(3,221)	$ --	$ --	$ --	$(3,221)	$ --
Charles E. Smith Commercial Realty L.P.	239	239	--	--	--	--
Newkirk Joint Ventures	2,559	--	--	--	--	2,559
Partially-owned office buildings	531	531	--	--	--	--
Other	859	192	273	(4)	--	398
	$ 967	$ 962	$ 273	$ (4)	$(3,221)	$ 2,957

Interest and other investment income (interest income on mortgage loans receivable, other interest income, dividend income and net gains on sale of marketable securities) was $15,874 for the three months ended June 30, 2001, compared to $4,694 for the prior year's quarter, an increase of $11,180. This increase resulted primarily from the acquisition of NorthStar subordinated unsecured debt (22% effective rate) on September 19, 2000 and a loan to Primestone Investment Partners, L.P. (20% effective rate) on September 28, 2000.

In the three months ended June 30, 2001, the Company recorded a charge of $13,561 resulting from the write-off of all of its remaining equity investments in technology companies due to both the deterioration of the financial condition of these companies and the lack of acceptance by the market of certain of their products and services.

Interest and debt expense was $43,994 for the three months ended June 30, 2001, compared to $40,221 in the prior year's quarter, an increase of $3,773. This increase resulted from interest on higher average outstanding loan balances, partially offset by a $6,148 savings from a 90 basis point reduction in weighted average interest rates of variable rate debt.

In June 2001, the Company recorded a net gain of $12,445 on the sale of its 50% interest in 570 Lexington Avenue and a net gain of $3,050 in connection with the final settlement of the 1998 condemnation of its Atlantic City Property.

Minority interest was $28,349 for the three months ended June 30, 2001, compared to $24,712 in the prior year's quarter, an increase of $3,637. This increase is primarily due to the issuance of perpetual preferred units in connection with acquisitions.

SIX MONTHS ENDED JUNE 30, 2001 AND JUNE 30, 2000

	For The Six Months Ended June 30, 2001					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)
Rentals	$ 416,970	$ 228,120	$ 59,336	$ 97,123	$ --	$ 32,391
Expense reimbursements	66,635	34,961	22,440	7,831	--	1,403
Other income	5,080	1,385	1,971	1,537	--	187
Total revenues	488,685	264,466	83,747	106,491	--	33,981
Operating expenses	197,214	107,445	29,209	42,794	--	17,766(4)
Depreciation and amortization	61,951	35,944	8,810	12,506	--	4,691
General and administrative	36,663	6,007	47	9,245	--	21,364
Costs of acquisitions not consummated	5,000	--	--	--	--	5,000
Total expenses	300,828	149,396	38,066	64,545	--	48,821
Operating income	187,857	115,070	45,681	41,946	--	(14,840)
Income applicable to Alexander's	16,980	--	--	--	--	16,980
Income from partially-owned entities	43,218	17,060	2,392	109	9,669(6)	13,988
Interest and other investment income	29,347	4,195	416	1,377	--	23,359
Write-off of investments in technology companies	(18,284)	--	--	--	--	(18,284)
Interest and debt expense	(93,389)	(31,014)	(28,413)	(17,986)	--	(15,976)
Net gain on sale of real estate and partially-owned entities	12,445	12,445	--	--	--	--
Net gain from condemnation proceeding	3,050	--	3,050	--	--	--
Minority interest	(55,663)	(28,322)	(8,476)	(7,769)	(5,825)	(5,271)
Income before cumulative effect of change in accounting principle and extraordinary item	125,561	89,434	14,650	17,677	3,844	(44)
Cumulative effect of change in accounting principle	(4,110)	--	--	--	--	(4,110)
Extraordinary item	1,170	--	--	--	--	1,170
Net income	122,621	89,434	14,650	17,677	3,844	(2,984)
Cumulative effect of change in accounting principle	4,110	--	--	--	--	4,110
Extraordinary item	(1,170)	--	--	--	--	(1,170)
Minority interest	55,663	28,322	8,476	7,769	5,825	5,271
Net gain on sale of real estate and partially-owned entities	(12,445)	(12,445)	--	--	--	--
Net gain from condemnation proceeding	(3,050)	--	(3,050)	--	--	--
Interest and debt expense(3)	140,405	52,306	29,697	17,986	13,486	26,930
Depreciation and amortization(3)	93,836	45,636	9,339	12,506	16,811	9,544
Straight-lining of rents(3)	(14,076)	(10,005)	(695)	(2,388)	--	(988)
Other	(7,560)	(3,220)	--	--	181	(4,521)(5)
EBITDA(1)	$ 378,334	$ 190,028	$ 58,417	$ 53,550	$ 40,147	$ 36,192

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See footnotes on page 23.

	For the Six Months Ended June 30, 2000 (Pro Forma)					
	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other(2)
Rentals	$ 379,144	$ 195,679	$ 63,749	$ 83,985	$ --	$ 35,731
Expense reimbursements	55,219	26,126	21,943	5,640	--	1,510
Other income	8,193	1,749	1,164	2,780	--	2,500
Total revenues	442,556	223,554	86,856	92,405	--	39,741
Operating expenses	175,939	91,884	28,159	34,892	--	21,004
Depreciation and amortization	51,235	27,286	8,624	10,885	--	4,440
General and administrative	31,708	6,008	479	8,166	--	17,055
Total expenses	258,882	125,178	37,262	53,943	--	42,499
Operating income	183,674	98,376	49,594	38,462	--	(2,758)
Income applicable to Alexander's	8,565	--	--	--	--	8,565
Income from partially-owned entities	38,114	15,128	499	--	16,340(6)	6,147
Interest and other investment income	10,482	644	8	163	--	9,667
Interest and debt expense	(80,577)	(28,133)	(24,656)	(17,905)	--	(9,883)
Net gain on sale of real estate	2,560	--	2,560	--	--	--
Minority interest	(47,544)	(21,854)	(7,834)	(6,011)	(6,109)	(5,736)
Income before cumulative effect of change in accounting principle and extraordinary item	115,274	64,161	20,171	14,709	10,231	6,002
Cumulative effect of change in accounting principle	--	--	--	--	--	--
Extraordinary item	(1,125)	--	(1,125)	--	--	--
Net income	114,149	64,161	19,046	14,709	10,231	6,002
Extraordinary item	1,125	--	1,125	--	--	--
Cumulative effect of change in accounting principle	--	--	--	--	--	--
Minority interest	47,544	21,854	7,834	6,011	6,109	5,736
Net gain on sale of real estate	(2,560)	--	(2,560)	--	--	--
Interest and debt expense(3)	124,622	46,152	25,954	17,905	14,037	20,574
Depreciation and amortization(3)	80,309	36,299	9,785	10,048	16,334	7,843
Straight-lining of rents(3)	(13,781)	(9,286)	(1,386)	(2,764)	(809)	464
Other	3,981	--	--	--	809	3,172
EBITDA(1)	$ 355,389	$ 159,180	$ 59,798	$ 45,909	$ 46,711	$ 43,791

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(1) EBITDA represents income before interest, taxes, depreciation and amortization, extraordinary or non-recurring items, gains or losses on sales of real estate, the effect of straight-lining of property rentals for rent escalations and minority interest. Management considers EBITDA a supplemental measure for making decisions and assessing the performance of its segments. EBITDA may not be comparable to similarly titled measures employed by other companies.
(2) Other EBITDA is comprised of:

	For the Six Months Ended June 30,	
	2001	2000
Hotel Pennsylvania	$ 11,421(4)	$ 11,061
Newkirk Joint Ventures:		
Equity in income of limited partnerships	26,708	19,926
Interest and other income	3,202	3,346
Other partially-owned entities (Alexander's and other)	9,639	8,654
Write-off of investments in technology companies	(18,284)	--
Unallocated general and administrative expenses	(16,720)	(13,837)
Costs of acquisitions not consummated	(5,000)	--
Investment income and other	25,226	14,641
Total	$ 36,192	$ 43,791

(3) Interest and debt expense, depreciation and amortization and straight-lining of rents included in the reconciliation of net income to EBITDA reflects amounts which are netted in income from partially-owned entities.
(4) Includes a $1,900 settlement from a tenant for rent previously reserved.
(5) Includes the reversal of $6,298 representing the Company's share of Alexander's gain on sale of its Fordham Road property on January 12, 2001.
(6) Net of rent not recognized of $2,340 in the three and six months ended June 30, 2001 and $2,400 in the three and six months ended June 30, 2000.

Below are the details of the changes by segment in EBITDA.

	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other
Six months ended June 30, 2000..........	$ 355,389	$ 159,180	$ 59,798	$ 45,909	$ 46,711	$ 43,791
2000 Operations:						
Same store operations(1)..	20,600	19,833	1,394	3,241	(6,564)(3)	2,696
Acquisitions and other....	2,345	11,015	(2,775)	4,400	--	(10,295)(4)
Six months ended June 30, 2001..........	$ 378,334	$ 190,028(2)	$ 58,417	$ 53,550	$ 40,147	$ 36,192
% increase in same store operations....	5.8%	12.5%(2)	2.3%	7.1%	(14.1%)(3)	6.2%

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(1) Represents operations which were owned for the same period in each year and excludes non-recurring income and expenses.

(2) EBITDA and the same store percentage increase was $147,528 and 14.9% for the New York City office portfolio and $42,500 and 4.0% for the CESCR portfolio.

(3) The Company reflects its 60% share of the Vornado/Crescent Partnerships' ("the Landlord") equity in the rental income it receives from AmeriCold Logistics, its tenant, which leases the underlying temperature controlled warehouses used in its business. On February 22, 2001, the Landlord restructured the AmeriCold Logistics leases to among other things, (i) reduce 2001's contractual rent to $146,000 (the same amount recognized as rental income in 2000's Funds from Operations), (ii) reduce 2002's contractual rent to $150,000 (plus additional contingent rent in certain circumstances), (iii) increase the Landlord's share of annual maintenance capital expenditures by $4,500 to $9,500 effective January 1, 2000 and (iv) extend the deferred rent period to December 31, 2003 from March 11, 2002.

The tenant has advised the Landlord that (i) its revenue for the current quarter and six months ended June 30, 2001 from the warehouses it leases from the Landlord, is lower than last year by 1.1% and 3.3%, and (ii) its gross profit before rent at these warehouses for the corresponding periods is lower than last year by $5,971 (a 13.2% decline) and $10,183 (an 11.4% decline). These decreases are attributable to a reduction in total customer inventory stored at the warehouses and customer inventory turns.

Based on the Company's policy of recognizing rental income when earned and collection is assured or cash is received, the Company did not recognize $2,340 of income for the quarter and six months ended June 30, 2001 and $2,400 of income for the quarter and six months ended June 30, 2000. At June 30, 2001, the Company's balance of the tenant's total deferred rent is $15,806 (Does not include $1,174 applicable to the receivable arising from the straight-lining of rents which was deferred in the year ended December 31, 2000).

(4) Includes $18,284 resulting from the write-off of all of the Company's remaining equity investments in technology companies.

Revenues

The Company's revenues, which consist of property rentals, tenant expense reimbursements, hotel revenues, trade shows revenues, and other income were $488,685 in the six months ended June 30, 2001, compared to $442,556 in the prior year's six months, an increase of $46,129. This increase by segment resulted from:

	Date of Acquisition	Total	Office	Retail	Merchandise Mart	Other
>						
Property Rentals:						
Acquisitions:						
7 West 34th Street	November 2000	$ 7,296	$ 7,296	$ --	$ --	$--
33 North Dearborn Street .	September 2000	2,810	--	--	2,810	--
L.A. Mart	October 2000	6,010	--	--	6,010	--
Dispositions and other		(5,475)	--	(5,475)(1)	--	--
Leasing activity		26,723	25,145	1,062	2,025	(1,509)
Total increase in property rentals		37,364	32,441	(4,413)	10,845	(1,509)(2)
Tenant expense reimbursements:						
Increase in tenant expense reimbursements due to acquisitions/dispositions		2,463	2,019	(445)(1)	889	--
Other		8,953	6,816	942	1,302	(107)
Total increase in tenant expense reimbursements		11,416	8,835	497	2,191	(107)
Hotel activity		(1,831)	--	--	--	(1,831)
Trade shows activity		2,293	--	--	2,293	--
Other income		(3,113)	(364)	807	(1,243)	(2,313)
Total increase in revenues		$ 46,129	$ 40,912	$ (3,109)	$ 14,086	$(5,760)

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(1) Results primarily from Bradlees rejection of its lease at 14th Street and Union Square on February 9, 2001 and the sale of the Company's Texas properties on March 2, 2000.

(2) Results primarily from the termination of the Sports Authority lease at the Hotel Pennsylvania in January 2001.

See Supplemental Information on page 29.

Expenses

The Company's expenses were $300,828 in the six months ended June 30, 2001 compared to $258,882 in the prior year's six months, an increase of $41,946. This increase by segment resulted from:

	Total	Office	Retail	Merchandise Mart	Other
Operating:					
Acquisitions	$ 7,322	$ 3,138	$ (597)	$ 4,781	$ --
Same store operations	13,953	12,423	1,647	3,121	(3,238)(1)
	21,275	15,561	1,050	7,902	(3,238)
Depreciation and amortization:					
Acquisitions	2,005	1,269	(241)	977	--
Same store operations	8,711	7,389	427	644	251
	10,716	8,658	186	1,621	251
General and administrative:					
Depreciation in value of Vornado's shares and other securities held in Officer's deferred compensation trust	302	--	--	--	302
Other expenses	4,653(2)	(1)	(432)	1,079	4,007
	4,955	(1)	(432)	1,079	4,309
Costs of acquisitions not consumated	5,000	--	--	--	5,000(3)
	$ 41,946	$ 24,218	$ 804	$ 10,602	$ 6,322

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(1) Includes a $1,900 settlement from a tenant for rent previously reserved.

(2) Higher payroll expenses, partially offset by lower professional fees.

(3) Primarily associated with the World Trade Center.

Income applicable to Alexander's (loan interest income, equity in income and depreciation) was $16,980 in the six months ended June 30, 2001, compared to $8,565 in the prior year's six months, an increase of $8,415. This increase resulted primarily from the Company's share of Alexander's gain on sale of its Fordham Road property on January 12, 2001.

Income from partially-owned entities was $43,218 in the six months ended June 30, 2001, compared to $38,114 in the prior year's six months, an increase of $5,104. This increase by segment resulted from:

	Total	Office	Retai	Merchandise Mart	Temperature Controlled Logistics	Other
Increase (decrease) in equity in income:						
Temperature Controlled Logistics	$(6,671)	$ --	$ --	$ --	$(6,671)	$ --
CESCR	877	877	--	--	--	--
Newkirk Joint Ventures	6,190	--	--	--	--	6,190
Partially-owned office buildings	1,095	1,095	--	--	--	--
Other	3,613	(40)	1,893	109	--	1,651
	$ 5,104	$ 1,932	$ 1,893	$ 109	$(6,671)	$ 7,841

Interest and other investment income (interest income on mortgage loans receivable, other interest income, dividend income and net gains on sale of marketable securities) was $29,347 for the six months ended June 30, 2001, compared to $10,482 in the prior year's six months, an increase of $18,865. This increase resulted primarily from the acquisition of NorthStar subordinated unsecured debt (22% effective rate) on September 19, 2000 and a loan to Primestone Investment Partners, L.P. (20% effective rate) on September 28, 2000.

The Company recorded a charge of $18,284 this year resulting from the write-off of all of its remaining equity investments in technology companies due to both the deterioration of the financial condition of these companies and the lack of acceptance by the market of certain of their products and services.

Interest and debt expense was $93,389 for the six months ended June 30, 2001, compared to $80,577 in the prior year's six months, an increase of $12,812. This increase resulted from interest on higher average outstanding loan balances, partially offset by a $8,219 savings from a 60 basis point reduction in weighted average interest rates on variable rate debt.

In June 2001, the Company recorded a net gain of $12,445 on the sale of its 50% interest in 570 Lexington Avenue and a net gain of $3,050 in connection with the final settlement of the 1998 condemnation of its Atlantic City property.

Minority interest was $55,663 for the six months ended June 30, 2000, compared to $47,544 in the prior year's six months, an increase of $8,119. This increase is primarily due to the issuance of perpetual preferred units.

The Company recorded the cumulative effect of a change in accounting principle of $4,110 in the first quarter of 2001. The Company had previously marked-to-market changes in value of stock purchase warrants through accumulated other comprehensive loss. Under SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended, those changes are recognized through earnings, and accordingly, the Company has reclassed $4,110 from accumulated other comprehensive loss to the consolidated statement of income as of January 1, 2001. Future changes in value of such securities will be recorded through earnings.

The Company recorded an extraordinary item of $1,170 in the first quarter of 2001 representing the Company's share of Alexander's extraordinary gain from early extinguishment of debt. The Company incurred an extraordinary loss of $1,125 in the first quarter of 2000 due to the write-off of unamortized financing costs in connection with the prepayment of debt.

LIQUIDITY AND CAPITAL RESOURCES

SIX MONTHS ENDED JUNE 30, 2001

Cash flows provided by operating activities of $192,866 was primarily comprised of (i) income of $122,621 and (ii) adjustments for non-cash items of $63,798 and (iii) the net change in operating assets and liabilities of $21,642. The adjustments for non-cash items are primarily comprised of (i) cumulative effect of change in accounting principle of $4,110, (ii) the write-off of equity investments in technology of $18,284, (iii) depreciation and amortization of $61,951 and (iv) minority interest of $55,663, partially offset by (v) the effect of straight-lining of rental income of $14,542 and (vi) equity in net income of partially-owned entities and income applicable to Alexander's of $60,198.

Net cash used in investing activities of $59,966 was primarily comprised of (i) recurring capital expenditures of $26,490, (ii) non-recurring capital expenditures of $22,836, (iii) development and redevelopment expenditures of $74,856, (iv) investment in notes and mortgages receivable of $30,767, (v) investments in partially-owned entities of $25,221 partially offset by, (vi) distributions from partially-owned entities of $93,032 and (vii) a decrease in restricted cash arising primarily from the repayment of mortgage escrows of $27,851.

Net cash used in financing activities of $149,969 was primarily comprised of (i) proceeds from borrowings of $118,853, partially offset by, (ii) repayments of borrowings of $111,748, (iii) dividends paid on common shares of $90,992, (iv) dividends paid on preferred shares of $17,926, and (v) distributions to minority partners of $53,710.

Below are the details of capital expenditures, leasing commissions and development and redevelopment expenditures.

Capital expenditures are categorized as follows:

Recurring -- capital improvements expended to maintain a property's competitive position within the market and tenant improvements and leasing commissions for costs to release expiring leases or renew or extend existing leases.

Non-recurring -- capital improvements completed in the year of acquisition and the following two years (which were planned at the time of acquisition) and tenant improvements and leasing commissions for space which was vacant at the time of acquisition of a property.

Development and Redevelopment expenditures include all hard and soft costs associated with the development or redevelopment of a property, including tenant improvements, leasing commissions and capitalized interest and operating costs until the property is substantially complete and ready for its intended use.

	Total	New York City Office	Retail	Merchandise Mart	Other
Capital Expenditures:					
Expenditures to maintain the assets:					
Recurring	$ 8,268	$ 4,937	$ 412	$ 1,187	$ 1,732
Non-recurring	19,732	10,523	--	3,259	5,950
	28,000	15,460	412	4,446	7,682
Tenant improvements:					
Recurring	18,222	15,242	265	2,715	--
Non-recurring	3,104	3,104	--	--	--
	21,326	18,346	265	2,715	--
Total	$49,326	$33,806	$ 677	$ 7,161	$ 7,682
Leasing Commissions:					
Recurring	$ 6,090	$ 5,710	$ 195	$ 48	$ 137
Non-recurring	--	--	--	--	--
	$ 6,090	$ 5,710	$ 195	$ 48	$ 137
Development and Redevelopment:					
Expenditures: (1)					
Park Laurel (80% interest)	$29,212	$ --	$ --	$ --	$29,212
Market Square on Main Street	17,597	--	--	17,597	--
Other	28,047	14,682	1,964	1,863	9,538
	$74,856	$14,682	$ 1,964	$19,460	$38,750

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(1) Does not include $60,951 of Fort Lee development costs during the six months ended June 30, 2001, which were funded by a construction loan.

SIX MONTHS ENDED JUNE 30, 2000

Cash flows provided by operating activities of $104,551 was primarily comprised of (i) income of $114,149 and (ii) adjustments for non-cash items of $27,631, offset by (iii) the net change in operating assets and liabilities of $34,669. The adjustments for non-cash items are primarily comprised of (i) depreciation and amortization of $47,940 and (ii) minority interest of $47,544, partially offset by (iii) the effect of straight-lining of rental income of $15,182 and (iv) equity in net income of partially-owned entities and income applicable to Alexander's of $53,796.

Net cash used in investing activities of $120,856 was primarily comprised of (i) capital expenditures of $73,771 (see detail below), (ii) investment in notes and mortgages receivable of $7,595 (loan to Vornado Operating Company), (iii) acquisitions of real estate of $6,660 (see detail below), (iv) investments in partially-owned entities of $45,450 (see detail below), partially offset by (vi) proceeds from the sale of real estate of $23,992 and distributions from partially-owned entities of $17,705.

Acquisitions of real estate and investments in partially-owned entities are comprised of:

	Cash	Debt Assumed	Investment
Real Estate:			
Student Housing Complex (90% Interest)................	$ 6,660	$ 17,640	$ 24,300
Investments in Partially-Owned Entities:			
Vornado Ceruzzi Joint Venture (80% interest)..........	$ 18,220	$ --	$ 18,220
Funding of Development Expenditures:			
Fort Lee...	8,875	--	8,875
Park Laurel..	15,587	--	15,587
Other..	2,768	--	2,768
	$ 45,450	$ --	$ 45,450

Capital expenditures were comprised of:

	Total	New York City Office	Retail	Merchandise Mart	Other
Expenditures to maintain the assets	$ 8,068	$ 5,182	$ 331	$ 2,195	$ 360
Tenant allowances	31,672	27,080	2,497	2,095	--
Redevelopment expenditures	24,655	13,759	1,585	9,311	--
Corporate (primarily relocation of offices)	9,376	--	--	--	9,376
	$73,771	$46,021	$ 4,413	$13,601	$ 9,736

Net cash provided by financing activities of $2,812 was primarily comprised of (i) proceeds from borrowings of $590,000, (ii) proceeds from issuance of preferred units of $195,639, partially offset by, (iii) repayments of borrowings of $619,444, (iv) dividends paid on common shares of $82,051, (v) dividends paid on preferred shares of $17,907, and (vi) distributions to minority partners of $47,144.

SUPPLEMENTAL INFORMATION

Below are the details of the changes by segment in EBITDA for the three months ended June 30, 2001 and March 31, 2001.

	Total	Office	Retail	Merchandise Mart	Temperature Controlled Logistics	Other
Three months ended						
March 31, 2001	$ 189,641	$ 93,130	$ 29,035	$ 25,638	$ 21,181	$ 20,657
2001 Operations:						
Same store operations(1)	7,588	6,543	347	2,274(3)	(2,215)	639(3)
Acquisitions, dispositions and other non-recurring income and expenses	(8,536)	(2,775)	--	--	--	(5,761)
Three months ended						
June 30, 2001	$ 188,693	$ 96,898(2)	$ 29,382	$ 27,912	$ 18,966	$ 15,535
% increase in same store operations	4.0%	7.0%(2)	1.2%	8.9%	(10.5%)	3.1%

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(1) Represents operations which were owned for the same period in each year and excludes non-recurring income and expenses.
(2) Same store percentage increase was 8.5% for the New York City office portfolio, and 2.2% for the CESCR portfolio.
(3) Reflects seasonality of the Merchandise Mart trade show business and the Hotel Pennsylvania which is included in Other.

The following table sets forth certain information for the properties the Company owns directly or indirectly, including leasing activity for space previously occupied:

	Office			Merchandise Mart		
	New York City	CESCR	Retail	Office(1)	Showroom(1)	Temperature Controlled Logistics
As of June 30, 2001:						
Square feet	14,465	4,249	11,301	2,869	5,044	17,569
Cubic feet	--	--	--	--	--	440,200
Number of properties	22	50	55	9	9	88
Occupancy rate	95%	96%	92%	90%	97%	74%(5)
Leasing Activity:						
For the quarter ended June 30, 2001:						
Square feet	116	108	161(3)	--	58	--
Rent per square foot:						
Initial rent (2)	$ 43.19	$ 32.55	$ 13.32	--	$ 24.28	--
Prior escalated rent	$ 31.30	$ 27.05	$ 13.22	--	$ 22.33	--
Percentage increase	38%	20%	1%	--	9%	--
For the six months ended June 30, 2001:						
Square feet	510(4)	430	248(3)	10	162	--
Rent per square foot:						
Initial rent (2)	$ 46.93	$ 31.50	$ 15.90	$ 28.35	$ 23.37	--
Prior escalated rent	$ 31.37	$ 25.06	$ 15.16	$ 24.78	$ 20.67	--
Percentage increase	50%	26%	5%	14%	13%	--
As of March 31, 2001:						
Square feet	14,410	4,248	11,300	2,869	5,044	17,495
Cubic feet	--	--	--	--	--	438,900
Number of properties	22	50	55	9	9	88
Occupancy rate	97%	98%	92%	91%	98%	73%(5)

As of December 31, 2000:						
Square feet	14,396	4,248	11,293	2,869	5,044	17,495
Cubic feet	--	--	--	--	--	438,900
Number of properties	22	50	55	9	9	88
Occupancy rate	96%	98%	92%	90%	98%	82%
As of June 30, 2000:						
Square feet	14,200	3,782	11,960	2,739	4,317	18,073
Cubic feet	--	--	--	--	--	454,500
Number of properties	22	41	56	7	7	92
Occupancy rate	97%	98%	94%	89%	99%	82%

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(1) The office and showroom space is contained in the same mixed-use properties.

(2) Most leases include periodic step-ups in rent, which are not reflected in the initial rent per square foot leased.

(3) Does not reflect the assignment to new tenants (Kohls, 83,000 square feet, and Giant Foods, 85,000 square feet) of two former Bradlees leases, which continue to be subject to the guarantee of Stop & Shop Companies, Inc., under a Master Agreement and Guaranty, dated May 1, 1992.

(4) In addition to the above, the Company leased 27,000 square feet of retail space at $221.03 per square foot.

(5) The tenant has advised the Landlord that (i) its revenue for the current quarter and six months ended June 30, 2001 from the warehouses it leases from the Landlord, is lower than last year by 1.1% and 3.3%, and (ii) its gross profit before rent at these warehouses for the corresponding periods is lower than last year by $5,971 (a 13.2% decline) and $10,183 (an 11.4% decline). These decreases are attributable to a reduction in total customer inventory stored at the warehouses and customer inventory turns.

FUNDS FROM OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2001 AND 2000

Funds from operations was $83,930 in the three months ended June 30, 2001, compared to $83,003 in the prior year's quarter, an increase of $927. Funds from operations was $165,837 in the six months ended June 30, 2001, compared to $163,179 in the prior year's six months, an increase of $2,658. Funds from operations for the three months ended June 30, 2001 includes a charge of $13,561 resulting from the write-off of all of the Company's remaining equity investments in technology companies. Funds from operations for the six months ended June 30, 2001, includes (i) a charge of $5,000 for the write-off of costs associated with two acquisitions which were not consummated and (ii) a charge of $18,284 resulting from the write-off of all of the Company's investments in technology companies. The following table reconciles funds from operations and net income:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2001	2000	2001	2000
Net income applicable to common shares	$ 56,920	$ 47,281	$ 103,756	$ 94,804
Cumulative effect of a change in accounting principle	--	--	4,110	--
Extraordinary item	--	--	(1,170)	1,125
Depreciation and amortization of real property	29,041	24,263	60,081	47,078
Straight-lining of property rentals for rent escalations	(5,819)	(5,999)	(13,074)	(13,037)
Leasing fees received in excess of income recognized	(124)	485	(248)	970
Appreciation of securities held in officer's deferred compensation trust	2,952	1,150	669	1,490
Net gain on sale of real estate and partially-owned entities	(12,445)	--	(12,445)	(2,560)
Net gain from condemnation proceeding	(3,050)	--	(3,050)	--
Proportionate share of adjustments to equity in net income of partially-owned entities to arrive at funds from operations:				
Depreciation and amortization of real property	15,615	16,245	31,607	32,368
Net gain on sale of real estate (Alexander's Fordham Road property)	--	--	(6,298)	--
Other	(323)	(1,660)	(751)	(1,992)
Minority interest in excess of preferential distributions	(3,780)	(4,184)	(7,716)	(7,912)
Series A preferred shares	78,987	77,581	155,471	152,334
Funds from operations--diluted (1)	4,943	5,422	10,366	10,845
	$ 83,930	$ 83,003	$ 165,837	$ 163,179

The number of shares that should be used for determining funds from operations per share is as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2001	2000	2001	2000
Weighted average shares used for determining diluted income per share	89,602	88,746	89,501	88,078
Series A preferred shares	8,018	8,018	8,018	8,018
Shares used for determining diluted funds from operations per share (1)	97,620	96,764	97,519	96,096

Funds from operations does not represent cash generated from operating activities in accordance with accounting principles generally accepted in the United States of America and is not necessarily indicative of cash available to fund cash needs which is disclosed in the Consolidated Statements of Cash Flows for the applicable periods. There are no material legal or functional restrictions on the use of funds from operations. Funds from operations should not be considered as an alternative to net income as an indicator of the Company's operating performance or as an alternative to cash flows as a measure of liquidity. Management considers funds from operations a supplemental measure of operating performance and along with cash flow from operating activities, financing activities and investing activities, it provides investors with an indication of the ability of the Company to incur and service debt, to make capital expenditures and to fund other cash needs. Funds from operations may not be comparable to similarly titled measures reported by other REITs since a number of REITs, including the Company, calculate funds from operations in a manner different from that used by NAREIT. Funds from operations, as defined by NAREIT, represents net income applicable to common shares before depreciation and amortization, extraordinary items and gains or losses on sales of real estate. Funds from operations as disclosed above has been modified from this definition to adjust primarily for (i) the effect of straightlining of property rentals for rent escalations and leasing fee income, and (ii) the reversal of income taxes (benefit) which are considered non-recurring because of the conversion of Temperature Controlled Logistics Companies to REITs in 2000.

Below are the cash flows provided by (used in) operating, investing and financing activities:

	For the Six Months Ended June 30,	
	2001	2000
Operating activities...............	$ 192,866	$ 104,551
Investing activities...............	$ (59,966)	$ (120,856)
Financing activities...............	$ (149,969)	$ 2,812

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(1) Assuming all of the convertible units of the Operating Partnership were converted to shares, the minority interest in partnership earnings would not be deducted in calculating funds from operations and the shares used in calculating funds from operations per share would be increased to reflect the conversion. Funds from operations per share would not change. The following table reconciles funds from operations as shown above, to the Operating Partnership's funds from operations for the three and six months ended June 30, 2001:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2001	2000	2001	2000
Funds from operations, as above.............	$ 83,930	$ 83,003	$ 165,837	$ 163,179
Addback of minority interest reflected as equity in the Operating Partnership.........	13,147	13,504	25,951	26,068
Operating Partnership funds from operations..	$ 97,077	$ 96,507	$ 191,788	$ 189,247

The number of shares that should be used for determining Operating Partnership funds from operations per share is as follows:

Shares used for determining diluted funds from operations per share, as above.............	97,620	96,764	97,519	96,096
Convertible units:				
Non-Vornado owned Class A units..........	6,628	6,284	6,628	6,284
Class D units...........................	864	877	864	877
B-1 units...............................	822	822	822	822
B-2 units...............................	411	411	411	411
C-1 units...............................	855	855	855	855
E-1 units...............................	5,680	5,680	5,680	5,680
Shares used for determining Operating Partnership diluted funds from operations per share............	112,880	111,693	112,779	111,025

Financings

The Company anticipates that cash from continuing operations will be adequate to fund business operations and the payment of dividends and distributions on an on-going basis for more than the next twelve months; however, capital outlays for significant acquisitions would require funding from borrowings or equity offerings.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

The Company's exposure to a change in interest rates on its wholly-owned and partially-owned debt (all of which arises out of non-trading activity) is as follows:

($ in thousands, except per share amounts)

	June 30, 2001			December 31, 2000	
	Balance	Weighted Average Interest Rate	Effect of 1% Change In Base Rates	Balance	Weighted Average Interest Rate
Wholly-owned debt:					
Variable rate	$ 1,581,042	5.23%	$ 14,575(1)	$ 1,593,751	8.00%
Fixed rate	1,152,967	7.57%	--	1,063,146	7.61%
	$ 2,734,009	6.22%	14,575	$ 2,656,897	
Partially-owned debt:					
Variable rate	$ 144,671	6.53%	1,447	$ 204,462	8.40%
Fixed rate	1,197,976	7.08%	--	1,123,926	7.54%
	$ 1,342,647	7.02%	1,447	$ 1,328,388	
Minority interest			(2,323)		
Total decrease in the Company's annual net income			$ 13,699		
Per share-diluted			$ .15		

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(1) Excludes the effect of a $123,500 mortgage financing, cross-collateralized by the Company's 770 Broadway and 595 Madison Avenue office properties, as the proceeds are in a restricted mortgage escrow account which bears interest at the same rate as the loan.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is from time to time involved in legal actions arising in the ordinary course of its business. In the opinion of management, after consultation with legal counsel, the outcome of such matters will not have a material adverse effect on the Company's financial condition, results of operations or cash flows.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On May 30, 2001, the Company held its annual meeting of shareholders. The shareholders voted, in person or by proxy, for the election of two nominees to serve on the Board of Trustees for a term of three years or until their respective successors are duly elected and qualified. The results of the voting are shown below:

Election of Trustees:

Trustee	Votes Cast For	Votes Cast Against or Withheld
David Mandelbaum	72,723,142	1,278,550
Richard West	72,742,477	1,259,215

Because of the nature of the matters voted upon, there were no abstentions or broker non-votes.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits required by Item 601 of Regulation S-K are incorporated herein by reference and are listed in the attached Exhibit Index.

(b) Reports on Form 8-K

During the quarter ended June 30, 2001, Vornado Realty Trust did not file any reports on Form 8-K.

SIGNATURES

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 thereunto duly authorized.

VORNADO REALTY TRUST

(Registrant)

Date: August 2, 2001 By: /s/ Joseph Macnow

Joseph Macnow, Executive Vice President -
Finance and Administration and
Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NO.			
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	--	Articles of Amendment of Declaration of Trust of Vornado, as filed with the State Department of Assessments and Taxation of Maryland on October 14, 1997 - Incorporated by reference to Exhibit 3.2 of Vornado's Registration Statement on Form S-3 (File No. 333-36080), filed on May 2, 2000..	*
3.3	--	Articles of Amendment of Declaration of Trust of Vornado, as filed with the State Department of Assessments and Taxation of Maryland on April 22, 1998 - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated April 22, 1998 (File No. 001-11954), filed on April 28, 1998..	*
3.4	--	Articles of Amendment of Declaration of Trust of Vornado, as filed with the State Department of Assessments and Taxation of Maryland on November 24, 1999 - Incorporated by reference to Exhibit 3.4 of Vornado's Registration Statement on Form S-3 (File No. 333-36080), filed on May 2, 2000..	*
3.5	--	Articles of Amendment of Declaration of Trust of Vornado, as filed with the State Department of Assessments and Taxation of Maryland on April 20, 2000 - Incorporated by reference to Exhibit 3.5 of Vornado's Registration Statement on Form S-3 (File No. 333-36080), filed on May 2, 2000..	*
3.6	--	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...	*
3.7	--	Articles Supplementary Classifying Vornado's Series D-1 8.5% Cumulative Redeemable Preferred Shares of Beneficial Interest, no par value (the "Series D-1 Preferred Shares") - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated November 12, 1998 (File No. 001-11954), filed on November 30, 1998...	*
3.8	--	Articles Supplementary Classifying Additional Series D-1 Preferred Shares - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K/A, dated November 12, 1998 (File No. 001-11954), filed on February 9, 1999..	*
3.9	--	Articles Supplementary Classifying 8.5% Series B Cumulative Redeemable Preferred Shares of Beneficial Interest, liquidation preference $25.00 per share, no par value - Incorporated by reference to Exhibit 3.3 of Vornado's Current Report on Form 8-K, dated March 3, 1999 (File No. 001-11954), filed on March 17, 1999..	*
3.10	--	Articles Supplementary Classifying Vornado's Series C Preferred Shares - Incorporated by reference to Exhibit 3.7 of Vornado's Registration Statement on Form 8-A (File No. 001-11954), filed on May 19, 1999...	*

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* Incorporated by reference

EXHIBIT NO.			
3.11	--	Articles Supplementary Classifying Vornado Realty Trust's Series D-2 Preferred Shares, dated as of May 27, 1999, as filed with the State Department of Assessments and Taxation of Maryland on May 27, 1999 - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated May 27, 1999 (File No. 001-11954), filed on July 7, 1999............................	*
3.12	--	Articles Supplementary Classifying Vornado's Series D-3 Preferred Shares, dated September 3, 1999, as filed with the State Department of Assessments and Taxation of Maryland on September 3, 1999 - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated September 3, 1999 (File No. 001-11954), filed on October 25, 1999........................	*
3.13	--	Articles Supplementary Classifying Vornado's Series D-4 Preferred Shares, dated September 3, 1999, as filed with the State Department of Assessments and Taxation of Maryland on September 3, 1999 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated September 3, 1999 (File No. 001-11954), filed on October 25, 1999........................	*
3.14	--	Articles Supplementary Classifying Vornado's Series D-5 Preferred Shares - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated November 24, 1999 (File No. 001-11954), filed on December 23, 1999...	*
3.15	--	Articles Supplementary to Declaration of Trust of Vornado Realty Trust with respect to the Series D-6 Preferred Shares, dated May 1, 2000, as filed with the State Department of Assessments and Taxation of Maryland on May 1, 2000 - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated May 1, 2000 (File No. 001-11954), filed May 19, 2000..	*
3.16	--	Articles Supplementary to Declaration of Trust of Vornado Realty Trust with respect to the Series D-7 Preferred Shares, dated May 25, 2000, as filed with the State Department of Assessments and Taxation of Maryland on June 1, 2000 - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated May 25, 2000 (File No. 001-11954), filed on June 16, 2000...	*
3.17	--	Articles Supplementary to Declaration of Trust of Vornado Realty Trust with respect to the Series D-8 Preferred Shares - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated December 8, 2000 (File No. 001-11954), filed on December 28, 2000.....	*
3.18	--	Amended and Restated Bylaws of Vornado, as amended on March 2, 2000 - Incorporated by reference to Exhibit 3.12 of Vornado's Annual Report on Form 10-K for the period ended December 31, 1999 (File No. 001-11954), filed on March 9, 2000...	*
3.19	--	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 (File No. 001-11954) filed on March 31, 1998 (the "1997 10-K")...	*
3.20	--	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.	*
3.21	--	Second Amendment to Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of April 1, 1998 - Incorporated by reference to Exhibit 3.5 of Vornado's Registration Statement on Form S-3 (File No. 333-50095), filed on April 14, 1998.....	*

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* Incorporated by reference

EXHIBIT NO.		
3.22	-- Third Amendment to Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of November 12, 1998 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated November 12, 1998 (File No. 001-11954), filed on November 30, 1998..	*
3.23	-- Fourth Amendment to Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of November 30, 1998 - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated December 1, 1998 (File No. 001-11954), filed on February 9, 1999..	*
3.24	-- Exhibit A, dated as of December 22, 1998, to Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership - Incorporated by reference to Exhibit 3.4 of Vornado's Current Report on Form 8-K/A, dated November 12, 1998 (File No. 001-11954), filed on February 9, 1999..	*
3.25	-- Fifth Amendment to Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of March 3, 1999 - Incorporated by reference to Exhibit 3.1 of Vornado's Current Report on Form 8-K, dated March 3, 1999 (File No. 001-11954), filed on March 17, 1999..	*
3.26	-- Exhibit A to Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of March 11, 1999 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated March 3, 1999 (File No. 001-11954), filed on March 17, 1999..	*
3.27	-- Sixth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of March 17, 1999 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated May 27, 1999 (File No. 001-11954), filed on July 7, 1999...	*
3.28	-- Seventh Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of May 20, 1999 - Incorporated by reference to Exhibit 3.3 of Vornado's Current Report on Form 8-K, dated May 27, 1999 (File No. 001-11954), filed on July 7, 1999.....	*
3.29	-- Eighth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of May 20, 1999 - Incorporated by reference to Exhibit 3.4 of Vornado's Current Report on Form 8-K, dated May 27, 1999 (File No. 001-11954), filed on July 7, 1999.....	*
3.30	-- Ninth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of May 20, 1999 - Incorporated by reference to Exhibit 3.3 of Vornado's Current Report on Form 8-K, dated September 3, 1999 (File No. 001-11954), filed on October 25, 1999..	*
3.31	-- Tenth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of May 20, 1999 - Incorporated by reference to Exhibit 3.4 of Vornado's Current Report on Form 8-K, dated September 3, 1999 (File No. 001-11954), filed on October 25, 1999..	*

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* Incorporated by reference

EXHIBIT NO.			
3.32	--	Eleventh Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of November 24, 1999 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated November 24, 1999 (File No. 001-11954), filed on December 23, 1999..	*
3.33	--	Twelfth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of May 1, 2000 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated May 1, 2000 (File No. 001-11954), filed on May 19, 2000......	*
3.34	--	Thirteenth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of May 25, 2000 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated May 25, 2000 (File No. 001-11954), filed on June 16, 2000....	*
3.35	--	Fourteenth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P., dated as of December 8, 2000 - Incorporated by reference to Exhibit 3.2 of Vornado's Current Report on Form 8-K, dated December 8, 2000 (File No. 001-11954), filed on December 28, 2000..	*
4.1	--	Instruments defining the rights of security holders (see Exhibits 3.1 through 3.18 of this Quarterly Report on Form 10-Q)...	
4.2	--	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................................	*
4.3	--	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...........................	*
4.4	--	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..	*
4.5	--	Specimen certificate evidencing Vornado's Series B 8.5% Cumulative Redeemable Preferred Shares of Beneficial Interest - Incorporated by reference to Exhibit 4.2 of Vornado's Registration Statement on Form 8-A (File No. 001-11954), filed on March 15, 1999............................	*
4.6	--	Specimen certificate evidencing Vornado's 8.5% Series C Cumulative Redeemable Preferred Shares of Beneficial Interest, liquidation preferences $25.00 per share, no par value - Incorporated by reference to Exhibit 4.2 of Vornado's Registration Statement on Form 8-A (File No. 001-11954), filed May 19, 1999...	*
4.7	--	Indenture and Servicing Agreement, dated as of March 1, 2000, among Vornado, Lasalle Bank National Association, ABN Amro Bank N.V. and Midland Loan Services, Inc. - Incorporated by reference to Exhibit 10.48 of Vornado's Annual Report on Form 10-K for the period ended December 31, 1999 (File No. 001-11954), filed on March 9, 2000.................................	*

* Incorporated by reference