

Vornado to Redeem \$87.5 Million of 8.5% Series D-1 Cumulative Redeemable Preferred Units

Company Release - 10/9/2003

Paramus, New Jersey October 10, 2003

Vornado Realty Trust (NYSE:VNO) today announced that Vornado Realty L.P., the operating partnership through which Vornado Realty Trust conducts its business, is calling for the redemption of all of its 8.5% Series D-1 Cumulative Redeemable Preferred Units issued in 1998. The Preferred Units will be redeemed on November 12, 2003 at a redemption price equal to \$25.00 per unit or an aggregate of \$87.5 million plus accrued distributions. In conjunction with the redemption, the Company will write-off \$2.1 million of issuance costs in the fourth quarter of this year.

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

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