

Vornado Makes Mezzanine Loan for \$74 Million

Company Release - 6/30/2006

PARAMUS, N.J.--(BUSINESS WIRE)--June 30, 2006--

Vornado Realty Trust (NYSE:VNO) today announced that it has made a \$74 million mezzanine loan secured by the equity interests in 280 Park Avenue, a 1.2 million square foot office building, located between 48th and 49th Street in Manhattan. The loan bears interest at 10.25% and matures in June 2016. The loan is subordinate to \$1,036 million of other debt and senior to approximately \$270 million of equity and interest reserves.

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.

Source: Vornado Realty Trust