# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
# WASHINGTON, D.C. 20549
# FORM 10-Q

(Mark one)

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

For the quarterly period ended: **March 31, 2024**

**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:** **001-11954 (Vornado Realty Trust)**
**Commission File Number:** **001-34482 (Vornado Realty L.P.)**

# Vornado Realty Trust
# Vornado Realty L.P.

(Exact name of registrants as specified in its charter)

| | | |
|---|---|---|
| **Vornado Realty Trust** | **Maryland** | **22-1657560** |
| | (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification Number) |
| **Vornado Realty L.P.** | **Delaware** | **13-3925979** |
| | (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**
(Registrants' telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| Registrant | Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|---|
| Vornado Realty Trust | Common Shares of beneficial interest, $.04 par value per share | VNO | New York Stock Exchange |
| | Cumulative Redeemable Preferred Shares of beneficial interest, liquidation preference $25.00 per share: | | |
| Vornado Realty Trust | 5.40% Series L | VNO/PL | New York Stock Exchange |
| Vornado Realty Trust | 5.25% Series M | VNO/PM | New York Stock Exchange |
| Vornado Realty Trust | 5.25% Series N | VNO/PN | New York Stock Exchange |
| Vornado Realty Trust | 4.45% Series O | VNO/PO | New York Stock Exchange |

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.
Vornado Realty Trust: Yes ☑ No ☐ Vornado Realty L.P.: Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Vornado Realty Trust: Yes ☑ No ☐ Vornado Realty L.P.: Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Vornado Realty Trust:

| | |
|---|---|
| ☑ Large Accelerated Filer | ☐ Accelerated Filer |
| ☐ Non-Accelerated Filer | ☐ Smaller Reporting Company |
| | ☐ Emerging Growth Company |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Vornado Realty L.P.:

| | |
|---|---|
| ☐ Large Accelerated Filer | ☐ Accelerated Filer |
| ☑ Non-Accelerated Filer | ☐ Smaller Reporting Company |
| | ☐ Emerging Growth Company |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Vornado Realty Trust: Yes ☐ No ☑ Vornado Realty L.P.: Yes ☐ No ☑

As of March 31, 2024, 190,483,416 of Vornado Realty Trust’s common shares of beneficial interest are outstanding.

## EXPLANATORY NOTE

This report combines the quarterly reports on Form 10-Q for the period ended March 31, 2024 of Vornado Realty Trust and Vornado Realty L.P. Unless stated otherwise or the context otherwise requires, references to “Vornado” refer to Vornado Realty Trust, a Maryland real estate investment trust (“REIT”), and references to the “Operating Partnership” and “VRLP” refer to Vornado Realty L.P., a Delaware limited partnership. References to the “Company,” “we,” “us” and “our” mean collectively Vornado, the Operating Partnership and those subsidiaries consolidated by Vornado.

The Operating Partnership is the entity through which we conduct substantially all of our business and own, either directly or through subsidiaries, substantially all of our assets. Vornado is the sole general partner and also a 91.0% limited partner of the Operating Partnership. As the sole general partner of the Operating Partnership, Vornado has exclusive control of the Operating Partnership’s day-to-day management.

Under the limited partnership agreement of the Operating Partnership, unitholders may present their Class A units for redemption at any time (subject to restrictions agreed upon at the time of issuance of the units that may restrict such right for a period of time). Class A units may be tendered for redemption to the Operating Partnership for cash; Vornado, at its option, may assume that obligation and pay the holder either cash or Vornado common shares on a one-for-one basis. Because the number of Vornado common shares outstanding at all times equals the number of Class A units owned by Vornado, the redemption value of each Class A unit is equivalent to the market value of one Vornado common share, and the distribution to a Class A unitholder is equal to the dividend paid to a Vornado common shareholder. This one-for-one exchange ratio is subject to specified adjustments to prevent dilution. Vornado generally expects that it will elect to issue its common shares in connection with each such presentation for redemption rather than having the Operating Partnership pay cash. With each such exchange or redemption, Vornado’s percentage ownership in the Operating Partnership will increase. In addition, whenever Vornado issues common shares other than to acquire Class A units of the Operating Partnership, Vornado must contribute any net proceeds it receives to the Operating Partnership and the Operating Partnership must issue to Vornado an equivalent number of Class A units of the Operating Partnership. This structure is commonly referred to as an umbrella partnership REIT, or UPREIT.

The Company believes that combining the quarterly reports on Form 10-Q of Vornado and the Operating Partnership into this single report provides the following benefits:

- enhances investors’ understanding of Vornado and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminates duplicative disclosure and provides a more streamlined and readable presentation because a substantial portion of the disclosure applies to both Vornado and the Operating Partnership; and
- creates time and cost efficiencies in the preparation of one combined report instead of two separate reports.

The Company believes it is important to understand the few differences between Vornado and the Operating Partnership in the context of how Vornado and the Operating Partnership operate as a consolidated company. The financial results of the Operating Partnership are consolidated into the financial statements of Vornado. Vornado does not have any significant assets, liabilities or operations, other than its investment in the Operating Partnership. The Operating Partnership, not Vornado, generally executes all significant business relationships other than transactions involving the securities of Vornado. The Operating Partnership holds substantially all of the assets of Vornado. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for the net proceeds from equity offerings by Vornado, which are contributed to the capital of the Operating Partnership in exchange for Class A units of partnership in the Operating Partnership, and the net proceeds of debt offerings by Vornado, which are contributed to the Operating Partnership in exchange for debt securities of the Operating Partnership, as applicable, the Operating Partnership generates all remaining capital required by the Company’s business. These sources may include working capital, net cash provided by operating activities, borrowings under the revolving credit facilities, the issuance of secured and unsecured debt and equity securities and proceeds received from the disposition of certain properties.

To help investors better understand the key differences between Vornado and the Operating Partnership, certain information for Vornado and the Operating Partnership in this report has been separated, as set forth below:

- Item 1. Financial Statements (unaudited), which includes the following specific disclosures for Vornado Realty Trust and Vornado Realty L.P.:
    - Note 8. Redeemable Noncontrolling Interests
    - Note 9. Shareholders' Equity/Partners' Capital
    - Note 11. (Loss) Income Per Share/(Loss) Income Per Class A Unit
- Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations includes information specific to each entity, where applicable.

This report also includes separate Part I, Item 4. Controls and Procedures and Part II, Item 2. Unregistered Sales of Equity Securities and Use of Proceeds sections and separate Exhibits 31 and 32 certifications for each of Vornado and the Operating Partnership in order to establish that the requisite certifications have been made and that Vornado and the Operating Partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934 and 18 U.S.C. §1350.

**PART I. FINANCIAL INFORMATION**
**Item 1. Financial Statements**

## VORNADO REALTY TRUST
## CONSOLIDATED BALANCE SHEETS
## (UNAUDITED)

| (Amounts in thousands, except unit, share, and per share amounts) | As of | |
|---|---|---|
| | March 31, 2024 | December 31, 2023 |
| **ASSETS** | | |
| Real estate, at cost: | | |
| Land | $ 2,436,221 | $ 2,436,221 |
| Buildings and improvements | 10,017,573 | 9,952,954 |
| Development costs and construction in progress | 1,322,810 | 1,281,076 |
| Leasehold improvements and equipment | 131,762 | 130,953 |
| Total | 13,908,366 | 13,801,204 |
| Less accumulated depreciation and amortization | (3,837,679) | (3,752,827) |
| Real estate, net | 10,070,687 | 10,048,377 |
| Right-of-use assets | 678,951 | 680,044 |
| Cash and cash equivalents | 892,652 | 997,002 |
| Restricted cash | 256,268 | 264,582 |
| Tenant and other receivables | 76,627 | 69,543 |
| Investments in partially owned entities | 2,599,134 | 2,610,558 |
| 220 Central Park South condominium units ready for sale | 36,578 | 35,941 |
| Receivable arising from the straight-lining of rents | 706,280 | 701,666 |
| Deferred leasing costs, net of accumulated amortization of $257,027 and $249,347 | 355,790 | 355,010 |
| Identified intangible assets, net of accumulated amortization of $101,641 and $98,589 | 124,887 | 127,082 |
| Other assets | 409,311 | 297,860 |
| | $ 16,207,165 | $ 16,187,665 |
| **LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY** | | |
| Mortgages payable, net | $ 5,690,639 | $ 5,688,020 |
| Senior unsecured notes, net | 1,194,383 | 1,193,873 |
| Unsecured term loan, net | 794,906 | 794,559 |
| Unsecured revolving credit facilities | 575,000 | 575,000 |
| Lease liabilities | 737,500 | 732,859 |
| Accounts payable and accrued expenses | 388,988 | 411,044 |
| Deferred revenue | 30,877 | 32,199 |
| Deferred compensation plan | 108,919 | 105,245 |
| Other liabilities | 308,643 | 311,132 |
| Total liabilities | 9,829,855 | 9,843,931 |
| Commitments and contingencies | | |
| Redeemable noncontrolling interests: | | |
| Class A units - 17,116,176 and 17,000,030 units outstanding | 492,432 | 480,251 |
| Series D cumulative redeemable preferred units - 141,400 units outstanding | 3,535 | 3,535 |
| Total redeemable noncontrolling partnership units | 495,967 | 483,786 |
| Redeemable noncontrolling interest in a consolidated subsidiary | 147,175 | 154,662 |
| Total redeemable noncontrolling interests | 643,142 | 638,448 |
| Shareholders' equity: | | |
| Preferred shares of beneficial interest: no par value per share; authorized 110,000,000 shares; issued and outstanding 48,792,902 shares | 1,182,459 | 1,182,459 |
| Common shares of beneficial interest: $0.04 par value per share; authorized 250,000,000 shares; issued and outstanding 190,483,416 and 190,390,703 shares | 7,598 | 7,594 |
| Additional capital | 8,261,568 | 8,263,291 |
| Earnings less than distributions | (4,018,454) | (4,009,395) |
| Accumulated other comprehensive income | 105,916 | 65,115 |
| Total shareholders' equity | 5,539,087 | 5,509,064 |
| Noncontrolling interests in consolidated subsidiaries | 195,081 | 196,222 |
| Total equity | 5,734,168 | 5,705,286 |
| | $ 16,207,165 | $ 16,187,665 |

See notes to consolidated financial statements (unaudited).

# VORNADO REALTY TRUST
# CONSOLIDATED STATEMENTS OF INCOME
# (UNAUDITED)

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| **REVENUES:** | | |
| Rental revenues | $ 389,278 | $ 396,793 |
| Fee and other income | 47,097 | 49,130 |
| Total revenues | 436,375 | 445,923 |
| **EXPENSES:** | | |
| Operating | (226,224) | (228,773) |
| Depreciation and amortization | (108,659) | (106,565) |
| General and administrative | (37,897) | (41,595) |
| Expense from deferred compensation plan liability | (4,520) | (3,728) |
| Transaction related costs and other | (653) | (658) |
| Total expenses | (377,953) | (381,319) |
| | | |
| Income from partially owned entities | 16,279 | 16,666 |
| Interest and other investment income, net | 11,724 | 9,584 |
| Income from deferred compensation plan assets | 4,520 | 3,728 |
| Interest and debt expense | (90,478) | (86,237) |
| Net gains on disposition of wholly owned and partially owned assets | — | 7,520 |
| Income before income taxes | 467 | 15,865 |
| Income tax expense | (6,740) | (4,667) |
| Net (loss) income | (6,273) | 11,198 |
| Less net loss (income) attributable to noncontrolling interests in: | | |
| Consolidated subsidiaries | 11,982 | 9,928 |
| Operating Partnership | 786 | (429) |
| Net income attributable to Vornado | 6,495 | 20,697 |
| Preferred share dividends | (15,529) | (15,529) |
| **NET (LOSS) INCOME attributable to common shareholders** | $ (9,034) | $ 5,168 |
| | | |
| **(LOSS) INCOME PER COMMON SHARE - BASIC:** | | |
| Net (loss) income per common share | $ (0.05) | $ 0.03 |
| Weighted average shares outstanding | 190,429 | 191,869 |
| | | |
| **(LOSS) INCOME PER COMMON SHARE - DILUTED:** | | |
| Net (loss) income per common share | $ (0.05) | $ 0.03 |
| Weighted average shares outstanding | 190,429 | 191,881 |

See notes to consolidated financial statements (unaudited).

**VORNADO REALTY TRUST**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**(UNAUDITED)**

(Amounts in thousands)

| | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Net (loss) income | $ (6,273) | $ 11,198 |
| Other comprehensive income (loss): | | |
| Change in fair value of consolidated interest rate hedges and other | 48,209 | (81,536) |
| Other comprehensive loss of nonconsolidated subsidiaries | (542) | (3,329) |
| Comprehensive income (loss) | 41,394 | (73,667) |
| Less comprehensive loss attributable to noncontrolling interests | 5,924 | 15,838 |
| Comprehensive income (loss) attributable to Vornado | $ 47,318 | $ (57,829) |

See notes to consolidated financial statements (unaudited).

# VORNADO REALTY TRUST
# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
# (UNAUDITED)

(Amounts in thousands, except per share amounts)

| | Preferred Shares | | Common Shares | | Additional Capital | Earnings Less Than Distributions | Accumulated Other Comprehensive Income | Non-controlling Interests in Consolidated Subsidiaries | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | | | | | |
| **For the Three Months Ended March 31, 2024:** | | | | | | | | | |
| **Balance as of December 31, 2023** | 48,793 | $1,182,459 | 190,391 | $ 7,594 | $ 8,263,291 | $ (4,009,395) | $ 65,115 | $ 196,222 | $ 5,705,286 |
| Net income attributable to Vornado | — | — | — | — | — | 6,495 | — | — | 6,495 |
| Net loss attributable to nonredeemable noncontrolling interests in consolidated subsidiaries | — | — | — | — | — | — | — | (4,495) | (4,495) |
| Dividends on preferred shares (see Note 9 for dividends per share amounts) | — | — | — | — | — | (15,529) | — | — | (15,529) |
| Common shares issued upon redemption of Class A units, at redemption value | — | — | 93 | 4 | 2,485 | — | — | — | 2,489 |
| Contributions | — | — | — | — | — | — | — | 270 | 270 |
| Distributions | — | — | — | — | — | — | — | (78) | (78) |
| Other comprehensive loss of nonconsolidated subsidiaries | — | — | — | — | — | — | (542) | — | (542) |
| Change in fair value of consolidated interest rate hedges and other | — | — | — | — | — | — | 48,209 | — | 48,209 |
| Redeemable Class A unit measurement adjustment | — | — | — | — | (4,353) | — | (22) | — | (4,375) |
| Other comprehensive income attributable to noncontrolling interests in: | | | | | | | | | |
| Operating Partnership | — | — | — | — | — | — | (3,682) | — | (3,682) |
| Consolidated subsidiaries | — | — | — | — | — | — | (3,162) | 3,162 | — |
| Other | — | — | (1) | — | 145 | (25) | — | — | 120 |
| **Balance as of March 31, 2024** | 48,793 | $1,182,459 | 190,483 | $ 7,598 | $ 8,261,568 | $ (4,018,454) | $ 105,916 | $ 195,081 | $ 5,734,168 |

See notes to consolidated financial statements (unaudited).

# VORNADO REALTY TRUST
# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY - CONTINUED
# (UNAUDITED)

(Amounts in thousands, except per share amounts)

| | Preferred Shares | | Common Shares | | Additional Capital | Earnings Less Than Distributions | Accumulated Other Comprehensive Income | Non-controlling Interests in Consolidated Subsidiaries | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | | | | | |
| **For the Three Months Ended March 31, 2023:** | | | | | | | | | |
| **Balance as of December 31, 2022** | 48,793 | $1,182,459 | 191,867 | $ 7,654 | $ 8,369,228 | $ (3,894,580) | $ 174,967 | $ 236,652 | $ 6,076,380 |
| Net income attributable to Vornado | — | — | — | — | — | 20,697 | — | — | 20,697 |
| Net loss attributable to nonredeemable noncontrolling interests in consolidated subsidiaries | — | — | — | — | — | — | — | (684) | (684) |
| Dividends on common shares ($0.375 per share) | — | — | — | — | — | (71,950) | — | — | (71,950) |
| Dividends on preferred shares (see Note 9 for dividends per share amounts) | — | — | — | — | — | (15,529) | — | — | (15,529) |
| Common shares issued: | | | | | | | | | |
| Upon redemption of Class A units, at redemption value | — | — | 9 | — | 187 | — | — | — | 187 |
| Under dividend reinvestment plan | — | — | 6 | — | 146 | — | — | — | 146 |
| Contributions | — | — | — | — | — | — | — | 6,128 | 6,128 |
| Distributions | — | — | — | — | — | — | — | (811) | (811) |
| Deferred compensation shares and options | — | — | (1) | — | 84 | (30) | — | — | 54 |
| Other comprehensive loss of nonconsolidated subsidiaries | — | — | — | — | — | — | (3,329) | — | (3,329) |
| Change in fair value of consolidated interest rate hedges and other | — | — | — | — | — | — | (81,536) | — | (81,536) |
| Redeemable Class A unit measurement adjustment | — | — | — | — | (22,964) | — | (879) | — | (23,843) |
| Unearned 2020 Out-Performance Plan and 2019 Performance AO LTIP awards | — | — | — | — | 20,668 | — | — | — | 20,668 |
| Other comprehensive loss attributable to noncontrolling interests in: | | | | | | | | | |
| Operating Partnership | — | — | — | — | — | — | 6,080 | — | 6,080 |
| Consolidated subsidiaries | — | — | — | — | — | — | 259 | (259) | — |
| **Balance as of March 31, 2023** | 48,793 | $1,182,459 | 191,881 | $ 7,654 | $ 8,367,349 | $ (3,961,392) | $ 95,562 | $ 241,026 | $ 5,932,658 |

See notes to consolidated financial statements (unaudited).

**VORNADO REALTY TRUST**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(UNAUDITED)**

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | 2023 |
|---|---|---|
| **Cash Flows from Operating Activities:** | | |
| Net (loss) income | $ (6,273) | $ 11,198 |
| Adjustments to reconcile net (loss) income to net cash provided by operating activities: | | |
| Depreciation and amortization (including amortization of deferred financing costs) | 114,010 | 112,578 |
| Distributions of income from partially owned entities | 30,438 | 38,706 |
| Equity in net income of partially owned entities | (16,279) | (16,666) |
| Amortization of interest rate cap premiums | 11,514 | 427 |
| Stock-based compensation expense | 7,519 | 11,714 |
| Straight-lining of rents | (4,571) | 3,821 |
| Change in deferred tax liability | 3,947 | 2,591 |
| Amortization of below-market leases, net | (693) | (1,367) |
| Net gains on disposition of wholly owned and partially owned assets | — | (7,520) |
| Other non-cash adjustments | 1,247 | 1,645 |
| Changes in operating assets and liabilities: | | |
| Tenant and other receivables | (8,505) | (13,862) |
| Prepaid assets | (57,910) | (72,347) |
| Other assets | (32,447) | (6,746) |
| Lease liabilities | 4,641 | 4,332 |
| Accounts payable and accrued expenses | (14,251) | (1,411) |
| Other liabilities | (902) | 24,779 |
| Net cash provided by operating activities | 31,485 | 91,872 |
| | | |
| **Cash Flows from Investing Activities:** | | |
| Development costs and construction in progress | (75,292) | (135,550) |
| Additions to real estate | (51,307) | (57,032) |
| Investments in partially owned entities | (2,026) | (8,833) |
| Proceeds from maturities of U.S. Treasury bills | — | 197,294 |
| Proceeds from repayment of participation in 150 West 34th Street mortgage loan | — | 105,000 |
| Proceeds from sale of condominium units at 220 Central Park South | — | 14,216 |
| Distributions of capital from partially owned entities | — | 11,559 |
| Acquisitions of real estate and other | — | (1,000) |
| Net cash (used in) provided by investing activities | (128,625) | 125,654 |

See notes to consolidated financial statements (unaudited).

## VORNADO REALTY TRUST
## CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
## (UNAUDITED)

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| **Cash Flows from Financing Activities:** | | |
| Dividends paid on preferred shares | $ (15,529) | $ (15,529) |
| Deferred financing costs | (279) | (2,798) |
| Contributions from noncontrolling interests | 270 | 2,129 |
| Distributions to noncontrolling interests | (106) | (6,412) |
| Repayments of borrowings | — | (110,400) |
| Dividends paid on common shares | — | (71,950) |
| Other financing activity, net | 120 | 116 |
| Net cash used in financing activities | (15,524) | (204,844) |
| Net (decrease) increase in cash and cash equivalents and restricted cash | (112,664) | 12,682 |
| Cash and cash equivalents and restricted cash at beginning of period | 1,261,584 | 1,021,157 |
| Cash and cash equivalents and restricted cash at end of period | $ 1,148,920 | $ 1,033,839 |
| | | |
| **Reconciliation of Cash and Cash Equivalents and Restricted Cash:** | | |
| Cash and cash equivalents at beginning of period | $ 997,002 | $ 889,689 |
| Restricted cash at beginning of period | 264,582 | 131,468 |
| Cash and cash equivalents and restricted cash at beginning of period | $ 1,261,584 | $ 1,021,157 |
| | | |
| Cash and cash equivalents at end of period | $ 892,652 | $ 890,957 |
| Restricted cash at end of period | 256,268 | 142,882 |
| Cash and cash equivalents and restricted cash at end of period | $ 1,148,920 | $ 1,033,839 |
| | | |
| **Supplemental Disclosure of Cash Flow Information:** | | |
| Cash payments for interest (excluding capitalized interest) and interest rate cap premiums | $ 69,970 | $ 85,429 |
| Cash payments for income taxes | $ 1,605 | $ 2,175 |
| | | |
| **Non-Cash Information:** | | |
| Change in fair value of consolidated interest rate hedges and other | $ 48,209 | $ (81,536) |
| Accrued capital expenditures included in accounts payable and accrued expenses | 44,254 | 70,132 |
| Write-off of fully depreciated assets | (12,559) | (17,776) |
| Redeemable Class A unit measurement adjustment | (4,375) | (23,843) |

See notes to consolidated financial statements (unaudited).

**VORNADO REALTY L.P.**
**CONSOLIDATED BALANCE SHEETS**
**(UNAUDITED)**

| (Amounts in thousands, except unit amounts) | As of | |
|---|---|---|
| | March 31, 2024 | December 31, 2023 |
| **ASSETS** | | |
| Real estate, at cost: | | |
| Land | $ 2,436,221 | $ 2,436,221 |
| Buildings and improvements | 10,017,573 | 9,952,954 |
| Development costs and construction in progress | 1,322,810 | 1,281,076 |
| Leasehold improvements and equipment | 131,762 | 130,953 |
| Total | 13,908,366 | 13,801,204 |
| Less accumulated depreciation and amortization | (3,837,679) | (3,752,827) |
| Real estate, net | 10,070,687 | 10,048,377 |
| Right-of-use assets | 678,951 | 680,044 |
| Cash and cash equivalents | 892,652 | 997,002 |
| Restricted cash | 256,268 | 264,582 |
| Tenant and other receivables | 76,627 | 69,543 |
| Investments in partially owned entities | 2,599,134 | 2,610,558 |
| 220 Central Park South condominium units ready for sale | 36,578 | 35,941 |
| Receivable arising from the straight-lining of rents | 706,280 | 701,666 |
| Deferred leasing costs, net of accumulated amortization of $257,027 and $249,347 | 355,790 | 355,010 |
| Identified intangible assets, net of accumulated amortization of $101,641 and $98,589 | 124,887 | 127,082 |
| Other assets | 409,311 | 297,860 |
| | $ 16,207,165 | $ 16,187,665 |
| **LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY** | | |
| Mortgages payable, net | $ 5,690,639 | $ 5,688,020 |
| Senior unsecured notes, net | 1,194,383 | 1,193,873 |
| Unsecured term loan, net | 794,906 | 794,559 |
| Unsecured revolving credit facilities | 575,000 | 575,000 |
| Lease liabilities | 737,500 | 732,859 |
| Accounts payable and accrued expenses | 388,988 | 411,044 |
| Deferred revenue | 30,877 | 32,199 |
| Deferred compensation plan | 108,919 | 105,245 |
| Other liabilities | 308,643 | 311,132 |
| Total liabilities | 9,829,855 | 9,843,931 |
| Commitments and contingencies | | |
| Redeemable noncontrolling interests: | | |
| Class A units - 17,116,176 and 17,000,030 units outstanding | 492,432 | 480,251 |
| Series D cumulative redeemable preferred units - 141,400 units outstanding | 3,535 | 3,535 |
| Total redeemable noncontrolling partnership units | 495,967 | 483,786 |
| Redeemable noncontrolling interest in a consolidated subsidiary | 147,175 | 154,662 |
| Total redeemable noncontrolling interests | 643,142 | 638,448 |
| Partners' equity: | | |
| Partners' capital | 9,451,625 | 9,453,344 |
| Earnings less than distributions | (4,018,454) | (4,009,395) |
| Accumulated other comprehensive income | 105,916 | 65,115 |
| Total partners' equity | 5,539,087 | 5,509,064 |
| Noncontrolling interests in consolidated subsidiaries | 195,081 | 196,222 |
| Total equity | 5,734,168 | 5,705,286 |
| | $ 16,207,165 | $ 16,187,665 |

See notes to consolidated financial statements (unaudited).

# VORNADO REALTY L.P.
## CONSOLIDATED STATEMENTS OF INCOME
## (UNAUDITED)

| (Amounts in thousands, except per unit amounts) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| **REVENUES:** | | |
| Rental revenues | $ 389,278 | $ 396,793 |
| Fee and other income | 47,097 | 49,130 |
| Total revenues | 436,375 | 445,923 |
| **EXPENSES:** | | |
| Operating | (226,224) | (228,773) |
| Depreciation and amortization | (108,659) | (106,565) |
| General and administrative | (37,897) | (41,595) |
| Expense from deferred compensation plan liability | (4,520) | (3,728) |
| Transaction related costs and other | (653) | (658) |
| Total expenses | (377,953) | (381,319) |
| | | |
| Income from partially owned entities | 16,279 | 16,666 |
| Interest and other investment income, net | 11,724 | 9,584 |
| Income from deferred compensation plan assets | 4,520 | 3,728 |
| Interest and debt expense | (90,478) | (86,237) |
| Net gains on disposition of wholly owned and partially owned assets | — | 7,520 |
| Income before income taxes | 467 | 15,865 |
| Income tax expense | (6,740) | (4,667) |
| Net (loss) income | (6,273) | 11,198 |
| Less net loss attributable to noncontrolling interests in consolidated subsidiaries | 11,982 | 9,928 |
| Net income attributable to Vornado Realty L.P. | 5,709 | 21,126 |
| Preferred unit distributions | (15,558) | (15,558) |
| **NET (LOSS) INCOME attributable to Class A unitholders** | $ (9,849) | $ 5,568 |
| | | |
| **(LOSS) INCOME PER CLASS A UNIT - BASIC:** | | |
| Net (loss) income per Class A unit | $ (0.05) | $ 0.03 |
| Weighted average units outstanding | 204,873 | 205,802 |
| | | |
| **(LOSS) INCOME PER CLASS A UNIT - DILUTED:** | | |
| Net (loss) income per Class A unit | $ (0.05) | $ 0.03 |
| Weighted average units outstanding | 204,873 | 205,814 |

See notes to consolidated financial statements (unaudited).

**VORNADO REALTY L.P.**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**(UNAUDITED)**

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| Net (loss) income | $ (6,273) | $ 11,198 |
| Other comprehensive income (loss): | | |
| Change in fair value of consolidated interest rate hedges and other | 48,209 | (81,536) |
| Other comprehensive loss of nonconsolidated subsidiaries | (542) | (3,329) |
| Comprehensive income (loss) | 41,394 | (73,667) |
| Less comprehensive loss attributable to noncontrolling interests in consolidated subsidiaries | 8,820 | 10,187 |
| Comprehensive income (loss) attributable to Vornado Realty L.P. | $ 50,214 | $ (63,480) |

See notes to consolidated financial statements (unaudited).

## VORNADO REALTY L.P.
## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
## (UNAUDITED)

(Amounts in thousands, except per unit amounts)

| | Preferred Units | | Class A Units Owned by Vornado | | Earnings Less Than Distributions | Accumulated Other Comprehensive Income | Non-controlling Interests in Consolidated Subsidiaries | Total Equity |
|---|---|---|---|---|---|---|---|---|
| | Units | Amount | Units | Amount | | | | |
| **For the Three Months Ended March 31, 2024:** | | | | | | | | |
| **Balance as of December 31, 2023** | 48,793 | $ 1,182,459 | 190,391 | $ 8,270,885 | $ (4,009,395) | $ 65,115 | $ 196,222 | $ 5,705,286 |
| Net income attributable to Vornado Realty L.P. | — | — | — | — | 5,709 | — | — | 5,709 |
| Net loss attributable to redeemable partnership units | — | — | — | — | 786 | — | — | 786 |
| Net loss attributable to nonredeemable noncontrolling interests in consolidated subsidiaries | — | — | — | — | — | — | (4,495) | (4,495) |
| Distributions to preferred unitholders (see Note 9 for distributions per unit amounts) | — | — | — | — | (15,529) | — | — | (15,529) |
| Class A units redeemed for common shares | — | — | 93 | 2,489 | — | — | — | 2,489 |
| Contributions | — | — | — | — | — | — | 270 | 270 |
| Distributions | — | — | — | — | — | — | (78) | (78) |
| Other comprehensive loss of nonconsolidated subsidiaries | — | — | — | — | — | (542) | — | (542) |
| Change in fair value of consolidated interest rate hedges and other | — | — | — | — | — | 48,209 | — | 48,209 |
| Redeemable Class A unit measurement adjustment | — | — | — | (4,353) | — | (22) | — | (4,375) |
| Other comprehensive income attributable to noncontrolling interests: | | | | | | | | |
| Redeemable partnership units | — | — | — | — | — | (3,682) | — | (3,682) |
| Consolidated subsidiaries | — | — | — | — | — | (3,162) | 3,162 | — |
| Other | — | — | (1) | 145 | (25) | — | — | 120 |
| **Balance as of March 31, 2024** | 48,793 | $ 1,182,459 | 190,483 | $ 8,269,166 | $ (4,018,454) | $ 105,916 | $ 195,081 | $ 5,734,168 |

See notes to consolidated financial statements (unaudited).

# VORNADO REALTY L.P.
# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY - CONTINUED
# (UNAUDITED)

| (Amounts in thousands, except per unit amounts) | Preferred Units | | Class A Units Owned by Vornado | | Earnings Less Than Distributions | Accumulated Other Comprehensive Income | Non-controlling Interests in Consolidated Subsidiaries | Total Equity |
|---|---|---|---|---|---|---|---|---|
| | Units | Amount | Units | Amount | | | | |
| **For the Three Months Ended March 31, 2023:** | | | | | | | | |
| **Balance as of December 31, 2022** | 48,793 | $ 1,182,459 | 191,867 | $ 8,376,882 | $ (3,894,580) | $ 174,967 | $ 236,652 | $ 6,076,380 |
| Net income attributable to Vornado Realty L.P. | — | — | — | — | 21,126 | — | — | 21,126 |
| Net income attributable to redeemable partnership units | — | — | — | — | (429) | — | — | (429) |
| Net loss attributable to nonredeemable noncontrolling interests in consolidated subsidiaries | — | — | — | — | — | — | (684) | (684) |
| Distributions to Vornado ($0.375 per unit) | — | — | — | — | (71,950) | — | — | (71,950) |
| Distributions to preferred unitholders (see Note 9 for distributions per unit amounts) | — | — | — | — | (15,529) | — | — | (15,529) |
| Class A units issued to Vornado: | | | | | | | | |
| Upon redemption of redeemable Class A units, at redemption value | — | — | 9 | 187 | — | — | — | 187 |
| Under Vornado's dividend reinvestment plan | — | — | 6 | 146 | — | — | — | 146 |
| Contributions | — | — | — | — | — | — | 6,128 | 6,128 |
| Distributions | — | — | — | — | — | — | (811) | (811) |
| Deferred compensation units and options | — | — | (1) | 84 | (30) | — | — | 54 |
| Other comprehensive loss of nonconsolidated subsidiaries | — | — | — | — | — | (3,329) | — | (3,329) |
| Change in fair value of consolidated interest rate hedges and other | — | — | — | — | — | (81,536) | — | (81,536) |
| Redeemable Class A unit measurement adjustment | — | — | — | (22,964) | — | (879) | — | (23,843) |
| Unearned 2020 Out-Performance Plan and 2019 Performance AO LTIP awards | — | — | — | 20,668 | — | — | — | 20,668 |
| Other comprehensive loss attributable to noncontrolling interests: | | | | | | | | |
| Redeemable partnership units | — | — | — | — | — | 6,080 | — | 6,080 |
| Consolidated subsidiaries | — | — | — | — | — | 259 | (259) | — |
| **Balance as of March 31, 2023** | 48,793 | $ 1,182,459 | 191,881 | $ 8,375,003 | $ (3,961,392) | $ 95,562 | $ 241,026 | $ 5,932,658 |

See notes to consolidated financial statements (unaudited).

**VORNADO REALTY L.P.**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(UNAUDITED)**

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| **Cash Flows from Operating Activities:** | | |
| Net (loss) income | $ (6,273) | $ 11,198 |
| Adjustments to reconcile net (loss) income to net cash provided by operating activities: | | |
| Depreciation and amortization (including amortization of deferred financing costs) | 114,010 | 112,578 |
| Distributions of income from partially owned entities | 30,438 | 38,706 |
| Equity in net income of partially owned entities | (16,279) | (16,666) |
| Amortization of interest rate cap premiums | 11,514 | 427 |
| Stock-based compensation expense | 7,519 | 11,714 |
| Straight-lining of rents | (4,571) | 3,821 |
| Change in deferred tax liability | 3,947 | 2,591 |
| Amortization of below-market leases, net | (693) | (1,367) |
| Net gains on disposition of wholly owned and partially owned assets | — | (7,520) |
| Other non-cash adjustments | 1,247 | 1,645 |
| Changes in operating assets and liabilities: | | |
| Tenant and other receivables | (8,505) | (13,862) |
| Prepaid assets | (57,910) | (72,347) |
| Other assets | (32,447) | (6,746) |
| Lease liabilities | 4,641 | 4,332 |
| Accounts payable and accrued expenses | (14,251) | (1,411) |
| Other liabilities | (902) | 24,779 |
| Net cash provided by operating activities | 31,485 | 91,872 |
| | | |
| **Cash Flows from Investing Activities:** | | |
| Development costs and construction in progress | (75,292) | (135,550) |
| Additions to real estate | (51,307) | (57,032) |
| Investments in partially owned entities | (2,026) | (8,833) |
| Proceeds from maturities of U.S. Treasury bills | — | 197,294 |
| Proceeds from repayment of participation in 150 West 34th Street mortgage loan | — | 105,000 |
| Proceeds from sale of condominium units at 220 Central Park South | — | 14,216 |
| Distributions of capital from partially owned entities | — | 11,559 |
| Acquisitions of real estate and other | — | (1,000) |
| Net cash (used in) provided by investing activities | (128,625) | 125,654 |

See notes to consolidated financial statements (unaudited).

# VORNADO REALTY L.P.
# CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
# (UNAUDITED)

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| **Cash Flows from Financing Activities:** | | |
| Distributions to preferred unitholders | $ (15,529) | $ (15,529) |
| Deferred financing costs | (279) | (2,798) |
| Contributions from noncontrolling interests in consolidated subsidiaries | 270 | 2,129 |
| Distributions to redeemable security holders and noncontrolling interests in consolidated subsidiaries | (106) | (6,412) |
| Repayments of borrowings | — | (110,400) |
| Distributions to Vornado | — | (71,950) |
| Other financing activity, net | 120 | 116 |
| Net cash used in financing activities | (15,524) | (204,844) |
| Net (decrease) increase in cash and cash equivalents and restricted cash | (112,664) | 12,682 |
| Cash and cash equivalents and restricted cash at beginning of period | 1,261,584 | 1,021,157 |
| Cash and cash equivalents and restricted cash at end of period | $ 1,148,920 | $ 1,033,839 |
| | | |
| **Reconciliation of Cash and Cash Equivalents and Restricted Cash:** | | |
| Cash and cash equivalents at beginning of period | $ 997,002 | $ 889,689 |
| Restricted cash at beginning of period | 264,582 | 131,468 |
| Cash and cash equivalents and restricted cash at beginning of period | $ 1,261,584 | $ 1,021,157 |
| | | |
| Cash and cash equivalents at end of period | $ 892,652 | $ 890,957 |
| Restricted cash at end of period | 256,268 | 142,882 |
| Cash and cash equivalents and restricted cash at end of period | $ 1,148,920 | $ 1,033,839 |
| | | |
| **Supplemental Disclosure of Cash Flow Information:** | | |
| Cash payments for interest (excluding capitalized interest) and interest rate cap premiums | $ 69,970 | $ 85,429 |
| Cash payments for income taxes | $ 1,605 | $ 2,175 |
| | | |
| **Non-Cash Information:** | | |
| Change in fair value of consolidated interest rate hedges and other | $ 48,209 | $ (81,536) |
| Accrued capital expenditures included in accounts payable and accrued expenses | 44,254 | 70,132 |
| Write-off of fully depreciated assets | (12,559) | (17,776) |
| Redeemable Class A unit measurement adjustment | (4,375) | (23,843) |

See notes to consolidated financial statements (unaudited)

## 1. Organization

Vornado Realty Trust ("Vornado") is a fully-integrated real estate investment trust ("REIT") and conducts its business through, and substantially all of its interests in properties are held by, Vornado Realty L.P. (the "Operating Partnership"), a Delaware limited partnership. Vornado is the sole general partner of and owned approximately 91.0% of the common limited partnership interest in the Operating Partnership as of March 31, 2024. All references to the "Company," "we," "us" and "our" mean, collectively, Vornado, the Operating Partnership and those subsidiaries consolidated by Vornado.

## 2. Basis of Presentation

The accompanying consolidated financial statements are unaudited and include the accounts of Vornado and the Operating Partnership and their consolidated subsidiaries. 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 ("GAAP") have been condensed or omitted. These condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q of the Securities and Exchange Commission ("SEC") and should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC.

We have made estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the operating results for the full year. In addition, certain prior year balances have been reclassified in order to conform to the current period presentation.

## 3. Recently Issued Accounting Literature

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"). ASU 2023-07 aims to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss. The update also requires disclosure regarding the chief operating decision maker and expands the interim segment disclosure requirements. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of ASU 2023-07 on our consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"). ASU 2023-09 requires entities to disclose additional information with respect to the effective tax rate reconciliation and to disclose the disaggregation by jurisdiction of income tax expense and income taxes paid. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of ASU 2023-09 on our consolidated financial statements.

## 4. Revenue Recognition

Below is a summary of our revenues by segment. Additional financial information related to these reportable segments for the three months ended March 31, 2024 and 2023 is set forth in Note 17 - *Segment Information.*

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | | | For the Three Months Ended March 31, 2023 | | |
|---|---|---|---|---|---|---|
| | Total | New York | Other | Total | New York | Other |
| Property rentals | $ 369,883 | $ 301,531 | $ 68,352 | $ 376,829 | $ 307,722 | $ 69,107 |
| Trade shows | 5,716 | — | 5,716 | 5,048 | — | 5,048 |
| Lease revenues[1] | 375,599 | 301,531 | 74,068 | 381,877 | 307,722 | 74,155 |
| Tenant services | 9,028 | 6,547 | 2,481 | 9,769 | 7,582 | 2,187 |
| Parking revenues | 4,651 | 3,657 | 994 | 5,147 | 4,212 | 935 |
| Rental revenues | 389,278 | 311,735 | 77,543 | 396,793 | 319,516 | 77,277 |
| BMS cleaning fees | 35,780 | 38,640 | (2,860) [2] | 35,328 | 37,678 | (2,350) [2] |
| Management and leasing fees | 2,611 | 2,712 | (101) | 3,049 | 3,173 | (124) |
| Other income | 8,706 | 5,147 | 3,559 | 10,753 | 3,447 | 7,306 |
| Fee and other income | 47,097 | 46,499 | 598 | 49,130 | 44,298 | 4,832 |
| Total revenues | $ 436,375 | $ 358,234 | $ 78,141 | $ 445,923 | $ 363,814 | $ 82,109 |

**(1)** The components of lease revenues were as follows:

| | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Fixed billings | $ 331,014 | $ 347,914 |
| Variable billings | 41,053 | 37,939 |
| Total contractual operating lease billings | 372,067 | 385,853 |
| Adjustment for straight-line rents and amortization of acquired below-market leases and other, net | 3,635 | (3,976) |
| Less: write-off of straight-line rent and tenant receivables deemed uncollectible | (103) | — |
| Lease revenues | $ 375,599 | $ 381,877 |

**(2)** Represents the elimination of Building Maintenance Services LLC ("BMS") cleaning fees related to THE MART and 555 California Street which are included as income in the New York segment.

## 5. Investments in Partially Owned Entities

*Fifth Avenue and Times Square JV*

As of March 31, 2024, we own a 51.5% common interest in a joint venture ("Fifth Avenue and Times Square JV") which owns interests in properties located at 640 Fifth Avenue, 655 Fifth Avenue, 666 Fifth Avenue, 689 Fifth Avenue, 697-703 Fifth Avenue, 1535 Broadway and 1540 Broadway (collectively, the "Properties"). The remaining 48.5% common interest in the joint venture is owned by a group of institutional investors (the "Investors"). Our 51.5% common interest in the joint venture represents an effective 51.0% interest in the Properties. The 48.5% common interest in the joint venture owned by the Investors represents an effective 47.2% interest in the Properties. We provide various services to Fifth Avenue and Times Square JV in accordance with management, development, leasing and other agreements.

We also own $1.828 billion aggregate liquidation preference of preferred equity interests in certain of the Properties. The preferred equity has an annual coupon of 4.25% through April 2024, increasing to 4.75% for the subsequent five years and thereafter at a formulaic rate. It can be redeemed under certain conditions on a tax deferred basis.

Fifth Avenue and Times Square JV operates pursuant to a limited partnership agreement (the “Partnership Agreement”) among VRLP, a wholly owned subsidiary of VRLP (“Vornado GP”) and the Investors. Vornado GP is the general partner of Fifth Avenue and Times Square JV. VRLP is jointly and severally liable with Vornado GP for Vornado GP’s obligations under the Partnership Agreement. Pursuant to the Partnership Agreement and the organizational documents of the entities owning the Properties, the Investors or directors of the entities owning the Properties appointed by the Investors, as the case may be, have the right to approve annual business plans and budgets for the Properties and certain other specified major decisions with respect to the Properties and Fifth Avenue and Times Square JV. The Partnership Agreement affords the Investors the right to remove and replace Vornado GP in the event Vornado GP or certain of its affiliates commit fraud or other bad acts in connection with Fifth Avenue and Times Square JV, become bankrupt or insolvent, or default on certain of their respective obligations under the Partnership Agreement (subject to notice and cure periods in certain circumstances). The Partnership Agreement includes (i) remedies for the failure of any partner to make a required capital contribution for necessary expenses and (ii) liquidity provisions, including transfer rights subject to mutual rights of first offer and a mutual buy-sell, customary for similar partnerships. Subject to certain limitations, either party may transfer more than 50% or control of its respective interests in Fifth Avenue and Times Square JV or exercise a buy-sell on a Property-by-Property basis (with only one property subject to a buy-sell at any time), and commencing April 18, 2029, either party may exercise a buy-sell on multiple properties concurrently. In the event the buy-sell is exercised with respect to any Property in which VRLP holds preferred equity and VRLP is the selling partner in the buy-sell, VRLP may elect whether or not to include its preferred equity in the buy-sell for the Property to be sold.

As of March 31, 2024, the carrying amount of our investment in the joint venture was less than our share of the equity in the net assets of the joint venture by approximately $838,278,000, the basis difference primarily resulting from non-cash impairment losses recognized in prior periods. Substantially all of this basis difference was allocated, based on our estimates of the fair values of Fifth Avenue and Times Square JV’s assets and liabilities, to real estate (land and buildings). We are amortizing the basis difference related to the buildings into earnings as a reduction to depreciation expense over their estimated useful lives.

*Alexander's, Inc. ("Alexander's") (NYSE: ALX)*

As of March 31, 2024, we own 1,654,068 Alexander’s common shares, or approximately 32.4% of Alexander’s common equity. We manage, develop and lease Alexander’s properties pursuant to agreements which expire in March of each year and are automatically renewable. In addition, wholly owned subsidiaries of Vornado provide cleaning, engineering, security, and garage management services to certain Alexander’s properties.

As of March 31, 2024, the market value ("fair value" pursuant to ASC Topic 820, *Fair Value Measurements* ("ASC 820")) of our investment in Alexander’s, based on Alexander’s March 31, 2024 closing share price of $217.14, was $359,164,000, or $273,904,000 in excess of the carrying amount on our consolidated balance sheets. As of March 31, 2024, the carrying amount of our investment in Alexander’s, excluding amounts owed to us, exceeded our share of the equity in the net assets of Alexander’s by approximately $29,494,000. The majority of this basis difference resulted from the excess of our purchase price for the Alexander’s common stock acquired over the book value of Alexander’s net assets. Substantially all of this basis difference was allocated, based on our estimates of the fair values of Alexander’s assets and liabilities, to real estate (land and buildings). We are amortizing the basis difference related to the buildings into earnings as additional depreciation expense over their estimated useful lives. This depreciation is not material to our share of equity in Alexander’s net income.

## 5. Investments in Partially Owned Entities - continued

Below is a schedule summarizing our investments in partially owned entities.

| (Amounts in thousands) | Percentage Ownership as of March 31, 2024 | Balance as of March 31, 2024 | Balance as of December 31, 2023 |
|---|---|---|---|
| **Investments:** | | | |
| Fifth Avenue and Times Square JV (see page 22 for details) | 51.5% | $ 2,241,278 | $ 2,242,972 |
| Partially owned office buildings/land[1] | Various | 110,224 | 118,558 |
| Alexander's (see page 22 for details): | 32.4% | 85,260 | 87,510 |
| Other investments[2] | Various | 162,372 | 161,518 |
| | | $ 2,599,134 | $ 2,610,558 |
| **Investments in partially owned entities included in other liabilities[3]:** | | | |
| 7 West 34th Street | 53.0% | $ (70,207) | $ (69,899) |
| 85 Tenth Avenue | 49.9% | (13,852) | (11,330) |
| | | $ (84,059) | $ (81,229) |

**(1)** Includes interests in 280 Park Avenue, 512 West 22nd Street, 61 Ninth Avenue and others.
**(2)** Includes interests in Independence Plaza, Sunset Pier 94 Joint Venture ("Pier 94 JV"), Rosslyn Plaza and others.
**(3)** Our negative basis results from distributions in excess of our investment.

Below is a schedule of income from partially owned entities.

| (Amounts in thousands) | Percentage Ownership as of March 31, 2024 | For the Three Months Ended March 31, 2024 | For the Three Months Ended March 31, 2023 |
|---|---|---|---|
| **Our share of net income (loss):** | | | |
| Fifth Avenue and Times Square JV (see page 22 for details): | | | |
| Equity in net income | 51.5% | $ 9,291 | $ 10,199 |
| Return on preferred equity, net of our share of the expense | | 9,328 | 9,226 |
| | | 18,619 | 19,425 |
| Alexander's (see page 22 for details): | | | |
| Equity in net income | 32.4% | 5,154 | 3,571 |
| Management, leasing and development fees | | 1,180 | 1,173 |
| | | 6,334 | 4,744 |
| Partially owned office buildings[1] | Various | (10,403) | (8,963) |
| Other investments[2] | Various | 1,729 | 1,460 |
| | | $ 16,279 | $ 16,666 |

**(1)** Includes interests in 280 Park Avenue, 7 West 34th Street, 512 West 22nd Street, 61 Ninth Avenue, 85 Tenth Avenue and others.
**(2)** Includes interests in Independence Plaza, Rosslyn Plaza and others.

## 6. Identified Intangible Assets and Liabilities

The following summarizes our identified intangible assets (primarily in-place and above-market leases) and liabilities (primarily below-market leases).

| (Amounts in thousands) | Balance as of | |
|---|---|---|
| | March 31, 2024 | December 31, 2023 |
| **Identified intangible assets:** | | |
| Gross amount | $ 226,528 | $ 225,671 |
| Accumulated amortization | (101,641) | (98,589) |
| Total, net | $ 124,887 | $ 127,082 |
| **Identified intangible liabilities (included in deferred revenue):** | | |
| Gross amount | $ 210,746 | $ 206,771 |
| Accumulated amortization | (183,432) | (178,282) |
| Total, net | $ 27,314 | $ 28,489 |

Amortization of acquired below-market leases, net of acquired above-market leases, resulted in an increase to rental revenues of $693,000 and $1,367,000 for the three months ended March 31, 2024 and 2023, respectively.

Amortization of all other identified intangible assets (a component of depreciation and amortization expense) was $1,711,000 and $1,987,000 for the three months ended March 31, 2024 and 2023, respectively.

## 7. Debt

The following is a summary of our debt:

| (Amounts in thousands) | Weighted Average Interest Rate as of March 31, 2024(1) | Balance as of | |
|---|---|---|---|
| | | March 31, 2024 | December 31, 2023 |
| **Mortgages Payable:** | | | |
| Fixed rate(2) | 3.87% | $ 4,517,750 | $ 4,518,200 |
| Variable rate(3) | 6.22% | 1,211,865 | 1,211,415 |
| Total | 4.37% | 5,729,615 | 5,729,615 |
| Deferred financing costs, net and other | | (38,976) | (41,595) |
| Total, net | | $ 5,690,639 | $ 5,688,020 |
| **Unsecured Debt:** | | | |
| Senior unsecured notes | 3.02% | $ 1,200,000 | $ 1,200,000 |
| Deferred financing costs, net and other | | (5,617) | (6,127) |
| Senior unsecured notes, net | | 1,194,383 | 1,193,873 |
| | | | |
| Unsecured term loan | 4.78% | 800,000 | 800,000 |
| Deferred financing costs, net and other | | (5,094) | (5,441) |
| Unsecured term loan, net | | 794,906 | 794,559 |
| | | | |
| Unsecured revolving credit facilities | 3.87% | 575,000 | 575,000 |
| | | | |
| Total, net | | $ 2,564,289 | $ 2,563,432 |

**(1)** Represents the interest rate in effect as of period end based on the appropriate reference rate as of the contractual reset date plus contractual spread, adjusted for hedging instruments, as applicable. See Note 13 - *Fair Value Measurements* for further information on our consolidated hedging instruments.

**(2)** Includes variable rate mortgages with interest rates fixed by interest rate swap arrangements and the $950,000 1290 Avenue of the Americas mortgage loan which is subject to a 1.00% SOFR interest rate cap arrangement.

**(3)** Includes variable rate mortgages subject to interest rate cap arrangements, except for the 1290 Avenue of the Americas mortgage loan discussed above. As of March 31, 2024, $1,034,119 of our variable rate debt is subject to interest rate cap arrangements. The interest rate cap arrangements have a weighted average SOFR strike rate of 4.50% and a weighted average remaining term of eight months.

## 8. Redeemable Noncontrolling Interests

*Redeemable Noncontrolling Partnership Units*

Redeemable noncontrolling partnership units are primarily comprised of Class A Operating Partnership units held by third parties and are recorded at the greater of their carrying amount or redemption value at the end of each reporting period. Changes in the value from period to period are charged to "additional capital" in Vornado's consolidated statements of changes in equity and to "partners' capital" on the consolidated balance sheets of the Operating Partnership. Class A units may be tendered for redemption to the Operating Partnership for cash; Vornado, at its option, may assume that obligation and pay the holder either cash or Vornado common shares on a one-for-one basis. Because the number of Vornado common shares outstanding at all times equals the number of Class A units owned by Vornado, the redemption value of each Class A unit is equivalent to the market value of one Vornado common share, and a distribution made to a Class A unitholder is equal to the dividend paid to a Vornado common shareholder.

Below is a table summarizing the activity of redeemable noncontrolling partnership units.

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Beginning balance | $ 483,786 | $ 348,692 |
| Net (loss) income | (786) | 429 |
| Other comprehensive income (loss) | 3,682 | (6,080) |
| Distributions | (28) | (5,601) |
| Redemption of Class A units for Vornado common shares, at redemption value | (2,489) | (187) |
| Redeemable Class A unit measurement adjustment | 4,375 | 23,843 |
| Other, net | 7,427 | (9,353) |
| Ending balance | $ 495,967 | $ 351,743 |

As of March 31, 2024 and December 31, 2023, the aggregate redemption value of redeemable Class A units of the Operating Partnership, which are those units held by third parties, was $492,432,000 and $480,251,000, respectively, based on Vornado's quarter-end closing common share price.

Redeemable noncontrolling partnership units exclude our Series G-1 through G-4 convertible preferred units and Series D-13 cumulative redeemable preferred units, as they are accounted for as liabilities in accordance with ASC Topic 480, *Distinguishing Liabilities and Equity*. Accordingly, the fair value of these units is included as a component of "other liabilities" on our consolidated balance sheets and aggregated $49,383,000 and $49,386,000 as of March 31, 2024 and December 31, 2023, respectively. Changes in the value from period to period, if any, are charged to "interest and debt expense" on our consolidated statements of income.

*Redeemable Noncontrolling Interest in a Consolidated Subsidiary*

A consolidated joint venture, in which we hold a 95% interest, developed and owns the Farley Building (the "Farley Project"). As of March 31, 2024, a historic tax credit investor (the "Tax Credit Investor") has funded $205,068,000 of capital contributions to the Farley Project in connection with the development.

The arrangement includes a put option whereby the joint venture may be obligated to purchase the Tax Credit Investor's ownership interest in the Farley Project at a future date. The put price is calculated based on a pre-determined formula. As exercise of the put option is outside of the joint venture's control, the Tax Credit Investor's interest, together with the put option, have been recorded to "redeemable noncontrolling interest in a consolidated subsidiary" on our consolidated balance sheets. The redeemable noncontrolling interest is recorded at the greater of the carrying amount or redemption value at the end of each reporting period. Changes in the value from period to period are charged to "additional capital" in Vornado's consolidated statements of changes in equity and to "partners' capital" on the consolidated balance sheets of the Operating Partnership. There was no adjustment required for the three months ended March 31, 2024 and 2023.

Below is a table summarizing the activity of the redeemable noncontrolling interest in a consolidated subsidiary.

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Beginning balance | $ 154,662 | $ 88,040 |
| Net loss | (7,487) | (9,244) |
| Ending balance | $ 147,175 | $ 78,796 |

## 9. Shareholders' Equity/Partners' Capital

The following table sets forth the details of our dividends/distributions per common share/Class A unit and dividends/distributions per share/unit for each class of preferred shares/units of beneficial interest.

| (Per share/unit) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Common shares/Class A units held by Vornado: authorized 250,000,000 shares/units | $ — | $ 0.375 |
| Preferred shares/units[(1)]: | | |
| Convertible preferred: | | |
| 6.5% Series A: authorized 12,902 shares/units[(2)] | 0.8125 | 0.8125 |
| Cumulative redeemable preferred[(3)]: | | |
| 5.40% Series L: authorized 13,800,000 shares/units | 0.3375 | 0.3375 |
| 5.25% Series M: authorized 13,800,000 shares/units | 0.3281 | 0.3281 |
| 5.25% Series N: authorized 12,000,000 shares/units | 0.3281 | 0.3281 |
| 4.45% Series O: authorized 12,000,000 shares/units | 0.2781 | 0.2781 |

**(1)** Preferred share dividends/preferred unit distributions are cumulative and are payable quarterly in arrears.

**(2)** Redeemable at the option of Vornado under certain circumstances, at a redemption price of 1.9531 common shares/Class A units per Series A preferred share/unit plus accrued and unpaid dividends/distributions through the date of redemption, or convertible at any time at the option of the holder for 1.9531 common shares/ Class A units per Series A preferred share/unit.

**(3)** Series L and Series M preferred shares/units are redeemable at Vornado's option at a redemption price of $25.00 per share/unit, plus accrued and unpaid dividends/ distributions through the date of redemption. Series N preferred shares/units are redeemable commencing November 2025 and Series O preferred shares/units are redeemable commencing September 2026, each at a redemption price of $25.00 per share/unit.

We anticipate that we will pay a common share dividend for 2024 in the fourth quarter, subject to approval by our Board of Trustees.

*Share Repurchase Program*

In April 2023, our Board of Trustees authorized a share repurchase plan under which Vornado is authorized to repurchase up to $200,000,000 of its outstanding common shares. To the extent Vornado repurchases any of its common shares, in order to fund the common share repurchase and maintain the one-to-one ratio of the number of Vornado common shares outstanding and the number of Class A units owned by Vornado, the Operating Partnership will repurchase from Vornado an equal number of its Class A units at the same price.

Share repurchases may be made from time to time in the open market, through privately negotiated transactions or through other means as permitted by federal securities laws, including through block trades, accelerated share repurchase transactions and/or trading plans intended to qualify under Rule 10b5-1. The timing, manner, price and amount of any repurchases will be determined in Vornado’s discretion depending on business, economic and market conditions, corporate and regulatory requirements, prevailing prices for Vornado’s common shares, alternative uses for capital and other considerations. The program does not have an expiration date and may be suspended or discontinued at any time and does not obligate Vornado to make any repurchases of its common shares.

During the three months ended March 31, 2024, no shares were repurchased. In total, Vornado has repurchased 2,024,495 common shares at an average price per share of $14.40. The Operating Partnership repurchased Class A units from Vornado equivalent to the number and price of common shares repurchased by Vornado. As of March 31, 2024, $170,857,000 remained available and authorized for repurchases.

## 10. Stock-based Compensation

Vornado's 2023 Omnibus Share Plan provides the Compensation Committee of Vornado's Board of Trustees the ability to grant incentive and non-qualified Vornado stock options, restricted Vornado common shares, restricted Operating Partnership units ("LTIP Units"), out-performance plan awards ("OPP Units"), appreciation-only long-term incentive plan units ("AO LTIP Units"), performance conditioned appreciation-only long-term incentive plan units ("Performance AO LTIP Units"), and long-term performance plan units ("LTPP Units") to certain of our employees and officers.

Below is a summary of our stock-based compensation expense, a component of "general and administrative" expense on our consolidated statements of income.

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | 2023 |
|---|---|---|
| Performance AO LTIP Units | $ 3,463 | $ — |
| LTIP Units | 3,218 | 6,308 |
| LTPP Units | 630 | 3,924 |
| OPP Units | 208 | 1,365 |
| Other | — | 117 |
| | $ 7,519 | $ 11,714 |

## 11. (Loss) Income Per Share/(Loss) Income Per Class A Unit

*Vornado Realty Trust*

Basic net (loss) income per common share is computed by dividing (i) net (loss) income attributable to common stockholders after allocation of dividends and undistributed earnings to participating securities by (ii) the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the dilutive impact of potential common shares and is computed after allocation of earnings to participating securities. Vornado's participating securities include unvested restricted common shares. Employee stock options, OPP Units, AO LTIP Units, Performance AO LTIP Units and LTPP Units are included in the calculation of diluted (loss) income per share using the treasury stock method, if the effect is dilutive. Series A convertible preferred shares, Series G-1 through G-4 convertible preferred units, and Series D-13 redeemable preferred units, are included in the calculation of diluted (loss) income per share using the if-converted method, if the effect is dilutive. Net (loss) income is allocated to redeemable Class A units of the Operating Partnership on a one-for-one basis with Vornado common shares. As such, redemption of these units for Vornado common shares would not have a dilutive effect on (loss) income per common share.

| (Amounts in thousands, except per share amounts) | For the Three Months Ended March 31, 2024 | 2023 |
|---|---|---|
| **Numerator:** | | |
| Net income attributable to Vornado | $ 6,495 | $ 20,697 |
| Preferred share dividends | (15,529) | (15,529) |
| Net (loss) income attributable to common shareholders | (9,034) | 5,168 |
| Distributions and earnings allocated to unvested participating securities | — | (1) |
| Numerator for basic and diluted (loss) income per common share | $ (9,034) | $ 5,167 |
| | | |
| **Denominator:** | | |
| Denominator for basic (loss) income per common share - weighted average shares | 190,429 | 191,869 |
| Effect of dilutive securities(1): | | |
| Share-based awards | — | 12 |
| Denominator for diluted (loss) income per common share - weighted average shares and assumed conversions | 190,429 | 191,881 |
| | | |
| **(LOSS) INCOME PER COMMON SHARE:** | | |
| Basic | $ (0.05) | $ 0.03 |
| Diluted | $ (0.05) | $ 0.03 |

(1) The calculation of diluted loss per share for the three months ended March 31, 2024 excluded the following potential common shares as their inclusion would be antidilutive: (i) 13,777 Performance AO LTIP Units with an exercise price of $16.87, (ii) 1,749 common share equivalents of our convertible securities, and (iii) 556 LTPP Units deemed earned if the end of the reporting period were the end of the performance period.

## 11. (Loss) Income Per Share/(Loss) Income Per Class A Unit - continued

*Vornado Realty L.P.*

Basic net (loss) income per Class A unit is computed by dividing (i) net (loss) income attributable to Class A unitholders after allocation of distributions and undistributed earnings to participating securities by (ii) the weighted average number of Class A units outstanding for the period. Diluted earnings per unit reflects the dilutive impact of potential Class A units and is computed after allocation of earnings to participating securities. VRLP's participating securities include unvested LTIP Units and LTPP Units for which the applicable performance vesting conditions were satisfied. Equity awards subject to market and/or performance vesting conditions, including Vornado stock options, OPP Units, AO LTIP Units, Performance AO LTIP Units and LTPP Units, are included in the calculation of diluted (loss) income per Class A unit using the treasury stock method, if the effect is dilutive. Convertible securities, including Series A convertible preferred units, Series G-1 through G-4 convertible preferred units, and Series D-13 redeemable preferred units, are included in the calculation of diluted (loss) income per Class A unit using the if-converted method, if the effect is dilutive.

| (Amounts in thousands, except per unit amounts) | For the Three Months Ended March 31, 2024 | 2023 |
|---|---|---|
| **Numerator:** | | |
| Net income attributable to Vornado Realty L.P. | $ 5,709 | $ 21,126 |
| Preferred unit distributions | (15,558) | (15,558) |
| Net (loss) income attributable to Class A unitholders | (9,849) | 5,568 |
| Distributions and earnings allocated to participating securities | — | (340) |
| Numerator for basic and diluted (loss) income per Class A unit | $ (9,849) | $ 5,228 |
| | | |
| **Denominator:** | | |
| Denominator for basic (loss) income per Class A unit – weighted average units | 204,873 | 205,802 |
| Effect of dilutive securities(1): | | |
| Unit-based payment awards | — | 12 |
| Denominator for diluted (loss) income per Class A unit – weighted average units and assumed conversions | 204,873 | 205,814 |
| | | |
| **(LOSS) INCOME PER CLASS A UNIT:** | | |
| Basic | $ (0.05) | $ 0.03 |
| Diluted | $ (0.05) | $ 0.03 |

(1) The calculation of diluted loss per Class A unit for the three months ended March 31, 2024 excluded the following potential Class A units as their inclusion would be antidilutive: (i) 13,777 Performance AO LTIP Units with an exercise price of $16.87, (ii) 1,749 Class A unit equivalents of our convertible securities, and (iii) 556 LTPP Units deemed earned if the end of the reporting period were the end of the performance period.

## 12. Variable Interest Entities ("VIEs")

*Unconsolidated VIEs*

As of March 31, 2024 and December 31, 2023, we had several unconsolidated VIEs. We do not consolidate these entities because we are not the primary beneficiary and the nature of our involvement in the activities of these entities does not give us power over decisions that significantly affect these entities' economic performance. We account for our investment in these entities under the equity method (see Note 5 – *Investments in Partially Owned Entities*). As of March 31, 2024 and December 31, 2023, the carrying amount of assets related to our unconsolidated VIEs was $115,386,000 and $109,220,000, respectively, included in "investments in partially owned entities" on our consolidated balance sheets. Our maximum exposure to loss from our unconsolidated VIEs as of March 31, 2024 and December 31, 2023 was $183,476,000 and $196,394,000, respectively, which includes our completion guarantee provided to the lender of the Pier 94 JV.

*Consolidated VIEs*

Our most significant consolidated VIEs are the Operating Partnership (for Vornado), the Farley Project and certain properties that have noncontrolling interests. These entities are VIEs because the noncontrolling interests do not have substantive kick-out or participating rights. We consolidate these entities because we control all significant business activities.

As of March 31, 2024, the total assets and liabilities of our consolidated VIEs, excluding the Operating Partnership, were $4,887,050,000 and $2,733,197,000, respectively. As of December 31, 2023, the total assets and liabilities of our consolidated VIEs, excluding the Operating Partnership, were $4,901,150,000 and $2,735,826,000, respectively.

## 13. Fair Value Measurements

ASC 820 defines fair value and establishes a framework for measuring fair value. The objective of fair value is to determine the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price). ASC 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three levels: Level 1 – quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities as well as certain U.S. Treasury securities that are highly liquid and are actively traded in secondary markets; Level 2 – observable prices that are based on inputs not quoted in active markets, but corroborated by market data; and Level 3 – unobservable inputs that are used when little or no market data is available. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In determining fair value, we utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as consider counterparty credit risk in our assessment of fair value. Considerable judgment is necessary to interpret Level 2 and 3 inputs in determining the fair value of our financial and non-financial assets and liabilities. Accordingly, our fair value estimates, which are made at the end of each reporting period, may be different than the amounts that may ultimately be realized upon sale or disposition of these assets.

**13. Fair Value Measurements - continued**

*Financial Assets and Liabilities Measured at Fair Value on a Recurring Basis*

Financial assets and liabilities that are measured at fair value on our consolidated balance sheets consist of (i) the assets in our deferred compensation plan (for which there is a corresponding liability on our consolidated balance sheets), (ii) loans receivable (for which we have elected the fair value option under ASC Subtopic 825-10, *Financial Instruments* ("ASC 825-10")), (iii) interest rate swaps and caps and (iv) mandatorily redeemable instruments (Series G-1 through G-4 convertible preferred units and Series D-13 cumulative redeemable preferred units). The tables below aggregate the fair values of these financial assets and liabilities by their levels in the fair value hierarchy.

| (Amounts in thousands) | As of March 31, 2024 | | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Deferred compensation plan assets ($5,296 included in restricted cash and $103,623 in other assets) | $ 108,919 | $ 60,375 | $ — | $ 48,544 |
| Loans receivable (included in investments in partially owned entities) | 32,984 | — | — | 32,984 |
| Interest rate swaps and caps designated as a hedge (included in other assets) | 168,853 | — | 168,853 | — |
| Interest rate caps not designated as a hedge (included in other assets) | 2,472 | — | 2,472 | — |
| Total assets | $ 313,228 | $ 60,375 | $ 171,325 | $ 81,528 |
| | | | | |
| Mandatorily redeemable instruments (included in other liabilities) | $ 49,383 | $ 49,383 | $ — | $ — |
| Sold interest rate caps not designated as a hedge (included in other liabilities) | 2,438 | — | 2,438 | — |
| Total liabilities | $ 51,821 | $ 49,383 | $ 2,438 | $ — |

| (Amounts in thousands) | As of December 31, 2023 | | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Deferred compensation plan assets ($26,363 included in restricted cash and $78,883 in other assets) | $ 105,246 | $ 58,956 | $ — | $ 46,290 |
| Loans receivable (included in investments in partially owned entities) | 32,984 | — | — | 32,984 |
| Interest rate swaps and caps designated as a hedge (included in other assets) | 138,772 | — | 138,772 | — |
| Interest rate caps not designated as a hedge (included in other assets) | 4,154 | — | 4,154 | — |
| Total assets | $ 281,156 | $ 58,956 | $ 142,926 | $ 79,274 |
| | | | | |
| Mandatorily redeemable instruments (included in other liabilities) | $ 49,386 | $ 49,386 | $ — | $ — |
| Interest rate swaps designated as a hedge (included in other liabilities) | 7,239 | — | 7,239 | — |
| Sold interest rate caps not designated as a hedge (included in other liabilities) | 4,092 | — | 4,092 | — |
| Total liabilities | $ 60,717 | $ 49,386 | $ 11,331 | $ — |

Deferred Compensation Plan Assets

Deferred compensation plan assets that are classified as Level 3 consist of investments in limited partnerships and investment funds, which are managed by third parties. We receive quarterly financial reports that provide net asset values on a fair value basis from a third-party administrator, which are compiled from the quarterly reports provided to them from each limited partnership and investment fund. The period of time over which these underlying assets are expected to be liquidated is unknown. The third-party administrator does not adjust these values in determining our share of the net assets and we do not adjust these values when reported in our consolidated financial statements.

The table below summarizes the changes in the fair value of deferred compensation plan assets that are classified as Level 3.

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 |
|---|---|
| Beginning balance | $ 46,290 |
| Purchases | 1,118 |
| Sales | (1,876) |
| Realized and unrealized gains | 2,272 |
| Other, net | 740 |
| Ending balance | $ 48,544 |

## 13. Fair Value Measurements - continued

*Financial Assets and Liabilities Measured at Fair Value on a Recurring Basis - continued*

Derivatives and Hedging

We use derivative instruments principally to reduce our exposure to interest rate increases. We do not enter into or hold derivative instruments for speculative trading purposes. We recognize the fair values of all derivatives in "other assets" or "other liabilities" on our consolidated balance sheets. Changes in the fair value of our cash flow hedges are recognized in other comprehensive income until the hedged item is recognized in earnings. Reported net income and equity may increase or decrease prospectively, depending on future levels of interest rates and other variables affecting the fair values of hedging instruments and hedged items, but will have no effect on cash flows. Cash payments and receipts related to our interest rate hedges are classified as operating activities and included within our disclosure of cash paid for interest on our consolidated statements of cash flows, consistent with the classification of the hedged interest payments.

The following table summarizes our consolidated hedging instruments, all of which hedge variable rate debt, as of March 31, 2024 and December 31, 2023.

(Amounts in thousands)

| | As of March 31, 2024 | | | | As of December 31, 2023 | |
|---|---|---|---|---|---|---|
| | Notional Amount | All-In Swapped Rate | Swap/Cap Expiration Date | Fair Value Asset | Fair Value Asset | Fair Value Liability |
| Interest rate swaps: | | | | | | |
| 555 California Street mortgage loan: | | | | | | |
| In-place swap | $ 840,000 (1) | 2.29% | 05/24 | $ 5,187 | $ 15,494 | $ — |
| Forward swap (effective 05/24) | 840,000 (1) | 6.03% | 05/26 | 6,108 | — | 6,091 |
| 770 Broadway mortgage loan | 700,000 | 4.98% | 07/27 | 29,953 | 20,306 | — |
| PENN 11 mortgage loan | 500,000 (2) | 6.28% | 10/25 | 3,247 | 4,702 | 1,148 |
| Unsecured revolving credit facility | 575,000 | 3.87% | 08/27 | 25,251 | 17,064 | — |
| Unsecured term loan | 700,000 | 4.52% | (3) | 18,577 | 11,089 | — |
| 100 West 33rd Street mortgage loan | 480,000 | 5.06% | 06/27 | 10,826 | 3,550 | — |
| 888 Seventh Avenue mortgage loan | 200,000 (4) | 4.76% | 09/27 | 7,299 | 4,340 | — |
| 4 Union Square South mortgage loan | 97,750 (5) | 3.74% | 01/25 | 2,048 | 2,327 | — |
| Interest rate caps: | | | | | | |
| 1290 Avenue of the Americas mortgage loan | 950,000 | (6) | 11/25 | 54,223 | 53,784 | — |
| One Park Avenue mortgage loan | 525,000 | (7) | 03/25 | 5,464 | 5,297 | — |
| Various mortgage loans | | | | 670 | 819 | — |
| | | | | $ 168,853 | $ 138,772 | $ 7,239 |

---

**(1)** Represents our 70.0% share of the $1.2 billion mortgage loan.

**(2)** In January 2024, we entered into an interest rate swap arrangement for $250,000 of the $500,000 PENN 11 mortgage loan. Together with the existing swap arrangement the loan will bear interest at an all-in swapped rate of 6.28% through October 2025.

**(3)** Represents the aggregate fair value of various interest rate swap arrangements to hedge interest payments on our unsecured term loan, which matures in December 2027. The impact of these interest rate swap arrangements is detailed below:

| | Swapped Balance | All-In Swapped Rate | Unswapped Balance (bears interest at S+129) |
|---|---|---|---|
| 10/23 through 07/25 | 700,000 | 4.52% | 100,000 |
| 07/25 through 10/26 | 550,000 | 4.35% | 250,000 |
| 10/26 through 08/27 | 50,000 | 4.03% | 750,000 |

**(4)** The remaining $59,800 mortgage loan balance bears interest at a floating rate of SOFR plus 1.80% (7.13% as of March 31, 2024).

**(5)** The remaining $22,250 mortgage loan balance bears interest at a floating rate of SOFR plus 1.50% (6.83% as of March 31, 2024).

**(6)** SOFR cap strike rate of 1.00%. In connection with the arrangement, we made a $63,100 up-front payment in November 2023, of which $18,930 was attributable to noncontrolling interests.

**(7)** SOFR cap strike rate of 3.89%.

## 13. Fair Value Measurements - continued

*Fair Value Measurements on a Nonrecurring Basis*

There were no assets measured at fair value on a nonrecurring basis on our consolidated balance sheets as of March 31, 2024.

As of December 31, 2023, we had $76,570,000 of assets measured at fair value on a nonrecurring basis, comprised of $55,097,000 of consolidated real estate assets and $21,473,000 of investments in partially owned entities. These assets were written down to estimated fair value for impairment purposes and were classified as Level 3 investments. The fair values of these assets were measured using discounted cash flow analyses and the significant unobservable quantitative inputs in the table below.

| | As of December 31, 2023 | |
|---|---|---|
| **Unobservable Quantitative Input** | **Range** | **Weighted Average (based on fair value of investments)** |
| Discount rates | 7.50% - 8.00% | 7.99% |
| Terminal capitalization rates | 5.50% | 5.50% |

*Financial Assets and Liabilities not Measured at Fair Value*

Financial assets and liabilities that are not measured at fair value on our consolidated balance sheets include cash equivalents (primarily money market funds, which invest in obligations of the United States government) and our secured and unsecured debt. The fair values of these instruments are estimated using discounted cash flow analyses provided by a third-party specialist. For floating rate debt, we use forward rates derived from observable market yield curves to project the expected cash flows we would be required to make under the instrument. The fair value of cash equivalents and borrowings under our unsecured revolving credit facilities and unsecured term loan are classified as Level 1. The fair value of our secured debt and unsecured debt are classified as Level 2. The table below summarizes the carrying amounts and fair value of these financial instruments.

| (Amounts in thousands) | As of March 31, 2024 | | As of December 31, 2023 | |
|---|---|---|---|---|
| | **Carrying Amount** | **Fair Value** | **Carrying Amount** | **Fair Value** |
| Cash equivalents | $ 675,125 | $ 675,000 | $ 825,720 | $ 826,000 |
| Debt: | | | | |
| Mortgages payable | $ 5,729,615 | $ 5,570,000 | $ 5,729,615 | $ 5,569,000 |
| Senior unsecured notes | 1,200,000 | 1,080,000 | 1,200,000 | 1,069,000 |
| Unsecured term loan | 800,000 | 800,000 | 800,000 | 800,000 |
| Unsecured revolving credit facilities | 575,000 | 575,000 | 575,000 | 575,000 |
| Total | $ 8,304,615 (1) | $ 8,025,000 | $ 8,304,615 (1) | $ 8,013,000 |

**(1)** Excludes $49,687 and $53,163 of deferred financing costs, net and other as of March 31, 2024 and December 31, 2023, respectively.

## 14. Interest and Other Investment Income, Net

The following table sets forth the details of interest and other investment income, net:

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| Interest on cash and cash equivalents and restricted cash | $ 11,689 | $ 5,674 |
| Income (loss) from real estate fund investments | 35 | (19) |
| Amortization of discount on investments in U.S. Treasury bills | — | 3,445 |
| Interest on loans receivable | — | 484 |
| | $ 11,724 | $ 9,584 |

## 15. Interest and Debt Expense

The following table sets forth the details of interest and debt expense:

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| Interest expense | $ 97,691 | $ 89,081 |
| Capitalized interest and debt expense | (12,564) | (8,857) |
| Amortization of deferred financing costs | 5,351 | 6,013 |
| | $ 90,478 | $ 86,237 |

## 16. Commitments and Contingencies

*Insurance*

For our properties, we maintain general liability insurance with limits of $300,000,000 per occurrence and per property, of which $275,000,000 includes communicable disease coverage and we maintain all risk property and rental value insurance with limits of $2.0 billion per occurrence, with sub-limits for certain perils such as flood and earthquake, excluding communicable disease coverage. Our California properties have earthquake insurance with coverage of $350,000,000 per occurrence and in the aggregate, subject to a deductible in the amount of 5% of the value of the affected property. We maintain coverage for certified terrorism acts with limits of $6.0 billion per occurrence and in the aggregate (as listed below), $1.2 billion for non-certified acts of terrorism, and $5.0 billion per occurrence and in the aggregate for terrorism involving nuclear, biological, chemical and radiological ("NBCR") terrorism events, as defined by the Terrorism Risk Insurance Act of 2002, as amended to date and which has been extended through December 2027.

Penn Plaza Insurance Company, LLC ("PPIC"), our wholly owned consolidated subsidiary, acts as a re-insurer with respect to a portion of all risk property and rental value insurance and a portion of our earthquake insurance coverage, and as a direct insurer for coverage for acts of terrorism including NBCR acts. Coverage for acts of terrorism (excluding NBCR acts) is fully reinsured by third-party insurance companies and the Federal government with no exposure to PPIC. For NBCR acts, PPIC is responsible for a deductible of $2,112,753 and 20% of the balance of a covered loss and the Federal government is responsible for the remaining portion of a covered loss. We are ultimately responsible for any loss incurred by PPIC.

Certain condominiums in which we own an interest (including the Farley Condominiums) maintain insurance policies with different per occurrence and aggregate limits than our policies described above.

We continue to monitor the state of the insurance market and the scope and costs of coverage for acts of terrorism and other events. However, we cannot anticipate what coverage will be available on commercially reasonable terms in the future. We are responsible for uninsured losses and for deductibles and losses in excess of our insurance coverage, which could be material.

Our debt instruments, consisting of mortgage loans secured by our properties, senior unsecured notes and revolving credit agreements contain customary covenants requiring us to maintain insurance. Although we believe that we have adequate insurance coverage for purposes of these agreements, we may not be able to obtain an equivalent amount of coverage at reasonable costs in the future. Further, if lenders insist on greater coverage than we are able to obtain it could adversely affect our ability to finance or refinance our properties and expand our portfolio.

*Other Commitments and Contingencies*

We are from time to time involved in legal actions arising in the ordinary course of business. In our opinion, after consultation with legal counsel, the outcome of such matters is not currently expected to have a material adverse effect on our financial position, results of operations or cash flows.

Each of our 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 us.

In January 2022, we exercised the second of three 25-year renewal options on our PENN 1 ground lease. The first renewal option period commenced June 2023 and, together with the second option exercise, extends the lease term through June 2073. The ground lease is subject to fair market value resets at each 25-year renewal period. The rent reset process for the June 2023 renewal period is currently ongoing and the timing is uncertain. The final fair market value determination may be materially higher or lower than our January 2022 estimate.

We may, from time to time, enter into guarantees including, but not limited to, payment guarantees to lenders of unconsolidated joint ventures for tax purposes, completion guarantees for development and redevelopment projects, and guarantees to fund leasing costs. These agreements terminate either upon the satisfaction of specified obligations or repayment of the underlying loans. As of March 31, 2024, the aggregate dollar amount of these guarantees was approximately $1,177,000,000, primarily comprised of payment guarantees for the mortgage loans secured by 640 Fifth Avenue, 7 West 34th Street, and 435 Seventh Avenue and the completion guarantee provided to the lender of the Pier 94 JV. Other than these loans, our mortgage loans are non-recourse to us.

As of March 31, 2024, $30,233,000 of letters of credit were outstanding under one of our unsecured revolving credit facilities. Our unsecured revolving credit facilities contain financial covenants that require us to maintain minimum interest coverage and maximum debt to market capitalization ratios and provide for higher interest rates in the event of a decline in the credit rating assigned to our senior unsecured notes. Our unsecured revolving credit facilities also contain customary conditions precedent to borrowing, including representations and warranties, and also contain customary events of default that could give rise to accelerated repayment, including such items as failure to pay interest or principal.

**16. Commitments and Contingencies - continued**

*Other Commitments and Contingencies - continued*

Our 95% consolidated joint venture (5% is owned by Related Companies ("Related")) developed and owns the Farley Building. In connection with the development of the property, the joint venture admitted a historic tax credit investor partner. Under the terms of the historic tax credit arrangement, the joint venture is required to comply with various laws, regulations, and contractual provisions. Non-compliance with applicable requirements could result in projected tax benefits not being realized and, therefore, may require a refund or reduction of the Tax Credit Investor's capital contributions. As of March 31, 2024, the Tax Credit Investor has made $205,068,000 in capital contributions. Vornado and Related have guaranteed certain of the joint venture's obligations to the Tax Credit Investor.

We are the general partner and investment manager of Vornado Capital Partners Real Estate Fund (the "Fund") and own a 25.0% interest in the Fund. As of March 31, 2024, our share of unfunded commitments to the Fund was $5,769,000.

As of March 31, 2024, we had construction commitments aggregating approximately $70,625,000.

**17. Segment Information**

We operate in two reportable segments, New York and Other, which is based on how we manage our business.

Net operating income ("NOI") at share represents total revenues less operating expenses including our share of partially owned entities. NOI at share - cash basis represents NOI at share adjusted to exclude straight-line rental income and expense, amortization of acquired below and above market leases, accruals for ground rent resets yet to be determined, and other non-cash adjustments. We consider NOI at share - cash basis to be the primary non-GAAP financial measure for making decisions and assessing the unlevered performance of our segments as it relates to the total return on assets as opposed to the levered return on equity. As properties are bought and sold based on NOI at share - cash basis, we utilize this measure to make investment decisions as well as to compare the performance of our assets to that of our peers. NOI at share and NOI at share - cash basis should not be considered alternatives to net income or cash flow from operations and may not be comparable to similarly titled measures employed by other companies. Asset information by segment is not reported as we do not use this measure to assess segment performance or to make resource allocation decisions.

Below is a summary of NOI at share and NOI at share - cash basis by segment for the three months ended March 31, 2024 and 2023.

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | | |
|---|---|---|---|
| | Total | New York | Other |
| Total revenues | $ 436,375 | $ 358,234 | $ 78,141 |
| Operating expenses | (226,224) | (188,278) | (37,946) |
| NOI - consolidated | 210,151 | 169,956 | 40,195 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (11,396) | (4,536) | (6,860) |
| Add: NOI from partially owned entities | 70,369 | 67,709 | 2,660 |
| NOI at share | 269,124 | 233,129 | 35,995 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | (1,511) | (2,335) | 824 |
| NOI at share - cash basis | $ 267,613 | $ 230,794 | $ 36,819 |

| (Amounts in thousands) | For the Three Months Ended March 31, 2023 | | |
|---|---|---|---|
| | Total | New York | Other |
| Total revenues | $ 445,923 | $ 363,814 | $ 82,109 |
| Operating expenses | (228,773) | (188,321) | (40,452) |
| NOI - consolidated | 217,150 | 175,493 | 41,657 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (11,764) | (4,823) | (6,941) |
| Add: NOI from partially owned entities | 68,097 | 65,324 | 2,773 |
| NOI at share | 273,483 | 235,994 | 37,489 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | 5,052 | 5,033 | 19 |
| NOI at share - cash basis | $ 278,535 | $ 241,027 | $ 37,508 |

## 17. Segment Information - continued

Below is a reconciliation of net (loss) income to NOI at share and NOI at share - cash basis for the three months ended March 31, 2024 and 2023.

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Net (loss) income | $ (6,273) | $ 11,198 |
| Depreciation and amortization expense | 108,659 | 106,565 |
| General and administrative expense | 37,897 | 41,595 |
| Transaction related costs and other | 653 | 658 |
| Income from partially owned entities | (16,279) | (16,666) |
| Interest and other investment income, net | (11,724) | (9,584) |
| Interest and debt expense | 90,478 | 86,237 |
| Net gains on disposition of wholly owned and partially owned assets | — | (7,520) |
| Income tax expense | 6,740 | 4,667 |
| NOI from partially owned entities | 70,369 | 68,097 |
| NOI attributable to noncontrolling interests in consolidated subsidiaries | (11,396) | (11,764) |
| NOI at share | 269,124 | 273,483 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | (1,511) | 5,052 |
| NOI at share - cash basis | $ 267,613 | $ 278,535 |

## 18. Subsequent Events

*280 Park Avenue*

On April 4, 2024, a joint venture, in which we have a 50% interest, amended and extended the $1,075,000,000 mortgage loan on 280 Park Avenue. The maturity date on the amended loan was extended to September 2026, with options to fully extend to September 2028, subject to certain conditions. The interest rate on the amended loan remains at SOFR plus 1.78%. Additionally, on April 4, 2024, the joint venture amended and extended the $125,000,000 mezzanine loan, and subsequently repaid the loan for $62,500,000.

*435 Seventh Avenue*

On April 9, 2024, we completed a $75,000,000 refinancing of 435 Seventh Avenue, of which $37,500,000 is recourse to the Operating Partnership. The interest-only loan bears a rate of SOFR plus 2.10% and matures in April 2028. The interest rate on the loan was swapped to a fixed rate of 6.96% through April 2026. The loan replaces the previous $95,696,000 fully recourse loan, which bore interest at SOFR plus 1.41%.

*220 Central Park South ("220 CPS")*

On April 12, 2024, we closed on the sale of two condominium units at 220 CPS for net proceeds of $31,605,000; four units remain unsold.

*Unsecured Revolving Credit Facility*

On May 3, 2024, we extended one of our two unsecured revolving credit facilities to April 2029 (as fully extended). The new $915,000,000 facility replaces the existing $1.25 billion facility that was due to mature in April 2026. The new facility currently bears interest at a rate of SOFR plus 1.20% with a facility fee of 25 basis points. Our $1.25 billion revolving credit facility matures in December 2027 (as fully extended) and has an interest rate of SOFR plus 1.14% and a facility fee of 25 basis points.

*Alexander's*

On May 3, 2024, Alexander's, in which we own a 32.4% common equity interest, and Bloomberg L.P. reached an agreement to extend the leases covering approximately 947,000 square feet at 731 Lexington Avenue that were scheduled to expire in February 2029 for a term of eleven years to February 2040.

We provide Alexander's with leasing services for a fee of 3% of rent for the first ten years of a lease term, 2% of rent for the eleventh through the twentieth year of a lease term, and 1% of rent for the twenty-first through thirtieth year of a lease term, subject to the payment of rents by tenants. Under the agreements in effect prior to May 1, 2024, in the event third-party real estate brokers were used, the fees due to us increased by 1% and we were responsible for the payment of fees to the third-party real estate brokers ("Third-Party Lease Commissions"). On May 1, 2024, our Board of Trustees approved amendments to the leasing agreements, subject to applicable consents from Alexander's lenders, pursuant to which Alexander's is directly responsible for any Third-Party Lease Commissions and, in such circumstances, our fee is 33% of the applicable Third-Party Lease Commissions.

In connection with the lease amendments discussed above, Alexander's will pay a leasing commission to a third-party real estate broker and pay us a $5,500,000 leasing commission override.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Trustees of Vornado Realty Trust

**Results of Review of Interim Financial Information**

We have reviewed the accompanying consolidated balance sheet of Vornado Realty Trust and subsidiaries (the "Company") as of March 31, 2024, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the three-month periods ended March 31, 2024 and 2023, and the related notes (collectively referred to as the "interim financial information"). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2023, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended (not presented herein); and in our report dated February 12, 2024, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2023, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

**Basis for Review Results**

This interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ DELOITTE & TOUCHE LLP

New York, New York
May 6, 2024

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of Vornado Realty L.P.

**Results of Review of Interim Financial Information**

We have reviewed the accompanying consolidated balance sheet of Vornado Realty L.P. and subsidiaries (the "Partnership") as of March 31, 2024, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the three-month periods ended March 31, 2024 and 2023, and the related notes (collectively referred to as the "interim financial information"). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Partnership as of December 31, 2023 and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended (not presented herein); and in our report dated February 12, 2024, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2023, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

**Basis for Review Results**

This interim financial information is the responsibility of the Partnership's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ DELOITTE & TOUCHE LLP

New York, New York
May 6, 2024

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

Certain statements contained in this Quarterly Report 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. Forward-looking statements are not guarantees of performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as "approximates," "believes," "expects," "anticipates," "estimates," "intends," "plans," "would," "may" or other similar expressions in this Quarterly Report on Form 10-Q. We also note the following forward-looking statements: in the case of our development and redevelopment projects, the estimated completion date, estimated project cost and cost to complete; estimates of future capital expenditures, dividends to common and preferred shareholders and operating partnership distributions. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see "Item 1A. Risk Factors" in Part I of our Annual Report on Form 10-K for the year ended December 31, 2023.

Currently, some of the factors are the impacts of the increase in interest rates and inflation on our business, financial condition, results of operations, cash flows, operating performance and the effect that these factors have had and may continue to have on our tenants, the global, national, regional and local economies and financial markets and the real estate market in general.

For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q or the date of any document incorporated by reference. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the date of this Quarterly Report on Form 10-Q.

Management's Discussion and Analysis of Financial Condition and Results of Operations includes a discussion of our consolidated financial statements for the three months ended March 31, 2024. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make 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. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of the operating results for the full year. Certain prior year balances have been reclassified in order to conform to the current year presentation.

## Overview

Vornado Realty Trust ("Vornado") is a fully-integrated real estate investment trust ("REIT") and conducts its business through, and substantially all of its interests in properties are held by, Vornado Realty L.P. (the "Operating Partnership"), a Delaware limited partnership. Vornado is the sole general partner of and owned approximately 91.0% of the common limited partnership interest in the Operating Partnership as of March 31, 2024. All references to the "Company," "we," "us" and "our" mean, collectively, Vornado, the Operating Partnership and those subsidiaries consolidated by Vornado.

We compete with a large number of real estate investors, property owners and developers, some of whom may be willing to accept lower returns on their investments. Principal factors of competition are rents charged, sales prices, attractiveness of location, the quality of the property and the breadth and the quality of services provided. Our success depends upon, among other factors, trends of the global, national, regional and local economies, the financial condition and operating results of current and prospective tenants and customers, availability and cost of capital, construction and renovation costs, taxes, governmental regulations, legislation, population and employment trends. See "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023 for additional information regarding these factors.

Our business has been, and may continue to be, affected by the increase in interest rates and inflation and other uncertainties including the potential for an economic downturn. These factors could have a material impact on our business, financial condition, results of operations and cash flows.

***Vornado Realty Trust***

*Quarter Ended March 31, 2024 Financial Results Summary*

Net loss attributable to common shareholders for the quarter ended March 31, 2024 was $9,034,000, or $0.05 per diluted share, compared to net income attributable to common shareholders of $5,168,000, or $0.03 per diluted share, for the prior year's quarter.

Funds from operations ("FFO") attributable to common shareholders plus assumed conversions for the quarter ended March 31, 2024 was $104,129,000, or $0.53 per diluted share, compared to $119,083,000, or $0.61 per diluted share, for the prior year's quarter. FFO attributable to common shareholders plus assumed conversions for the quarters ended March 31, 2024 and 2023 include certain items that impact the comparability of period-to-period FFO, which are listed in the table below. The aggregate of these items, net of amounts attributable to noncontrolling interests, decreased FFO attributable to common shareholders plus assumed conversions for the quarter ended March 31, 2024 by $4,718,000, or $0.02 per diluted share, and increased FFO attributable to common shareholders plus assumed conversions by $2,795,000, or $0.01 per diluted share, for the quarter ended March 31, 2023.

The following table reconciles the difference between our FFO attributable to common shareholders plus assumed conversions and our FFO attributable to common shareholders plus assumed conversions, as adjusted:

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Certain expense (income) items that impact FFO attributable to common shareholders plus assumed conversions: | | |
| Deferred tax liability on our investment in the Farley Building (held through a taxable REIT subsidiary) | $ 4,134 | $ 2,875 |
| After-tax net gain on sale of 220 Central Park South ("220 CPS") condominium units and ancillary amenities | — | (6,173) |
| Other | 1,009 | 288 |
| | 5,143 | (3,010) |
| Noncontrolling interests' share of above adjustments | (425) | 215 |
| Total of certain expense (income) items that impact FFO attributable to common shareholders plus assumed conversions, net | $ 4,718 | $ (2,795) |

## Same Store Net Operating Income ("NOI") At Share

The percentage decrease in same store NOI at share and same store NOI at share - cash basis of our New York segment, THE MART and 555 California Street are below.

| Three months ended March 31, 2024 compared to March 31, 2023 | Total | New York | THE MART | 555 California Street |
|---|---|---|---|---|
| Same store NOI at share % decrease | (4.8)% | (4.6)% | (10.0)% | (2.4)% |
| Same store NOI at share - cash basis % decrease | (5.0)% | (5.1)% | (3.3)% | (4.4)% |

Calculations of same store NOI at share, reconciliations of our net (loss) income to NOI at share, NOI at share - cash basis and FFO and the reasons we consider these non-GAAP financial measures useful are provided in the following pages of Management's Discussion and Analysis of Financial Condition and Results of Operations.

**Overview - continued**

**Financings**

*280 Park Avenue*

On April 4, 2024, a joint venture, in which we have a 50% interest, amended and extended the $1,075,000,000 mortgage loan on 280 Park Avenue. The maturity date on the amended loan was extended to September 2026, with options to fully extend to September 2028, subject to certain conditions. The interest rate on the amended loan remains at SOFR plus 1.78%. Additionally, on April 4, 2024, the joint venture amended and extended the $125,000,000 mezzanine loan, and subsequently repaid the loan for $62,500,000.

*435 Seventh Avenue*

On April 9, 2024, we completed a $75,000,000 refinancing of 435 Seventh Avenue, of which $37,500,000 is recourse to the Operating Partnership. The interest-only loan bears a rate of SOFR plus 2.10% and matures in April 2028. The interest rate on the loan was swapped to a fixed rate of 6.96% through April 2026. The loan replaces the previous $95,696,000 fully recourse loan, which bore interest at SOFR plus 1.41%.

*Unsecured Revolving Credit Facility*

On May 3, 2024, we extended one of our two unsecured revolving credit facilities to April 2029 (as fully extended). The new $915,000,000 facility replaces the existing $1.25 billion facility that was due to mature in April 2026. The new facility currently bears interest at a rate of SOFR plus 1.20% with a facility fee of 25 basis points. Our $1.25 billion revolving credit facility matures in December 2027 (as fully extended) and has an interest rate of SOFR plus 1.14% and a facility fee of 25 basis points.

*Interest Rate Hedging*

We entered into the following interest rate swap and cap arrangements during the three months ended March 31, 2024. See Note 13 - *Fair Value Measurements* in Part I, Item 1 of this Quarterly Report on Form 10-Q for further information on our consolidated hedging instruments:

| (Amounts in thousands) | Notional Amount (at share) | All-In Swapped Rate | Expiration Date | Variable Rate Spread |
|---|---|---|---|---|
| **Interest rate swaps:** | | | | |
| PENN 11[(1)] | $ 250,000 | 6.21% | 10/25 | S+206 |
| | | **Index Strike Rate** | | |
| **Interest rate caps:** | | | | |
| 61 Ninth Avenue (45.1% interest) | $ 75,543 | 4.39% | 01/26 | S+146 |

**(1)** Together with the existing $250,000 swap arrangement on the $500,000 PENN 11 mortgage loan, the loan will bear interest at an all-in swapped rate of 6.28% through October 2025.

**Dispositions**

On April 12, 2024, we closed on the sale of two condominium units at 220 CPS for net proceeds of $31,605,000; four units remain unsold.

**Alexander's**

On May 3, 2024, Alexander's, Inc. ("Alexander's"), in which we own a 32.4% common equity interest, and Bloomberg L.P. reached an agreement to extend the leases covering approximately 947,000 square feet at 731 Lexington Avenue that were scheduled to expire in February 2029 for a term of eleven years to February 2040.

**Overview - continued**

**Leasing Activity**

The leasing activity and related statistics below are based on leases signed during the period and are not intended to coincide with the commencement of rental revenue in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Second generation relet space represents square footage that has not been vacant for more than nine months and tenant improvements and leasing commissions are based on our share of square feet leased during the period.

*For the Three Months Ended March 31, 2024:*

- 291,000 square feet of New York Office space (250,000 square feet at share) at an initial rent of $89.23 per square foot and a weighted average lease term of 11.1 years. The changes in the GAAP and cash mark-to-market rent on the 95,000 square feet of second generation space were positive 2.8% and positive 2.4%, respectively. Tenant improvements and leasing commissions were $12.98 per square foot per annum, or 14.5% of initial rent.
- 36,000 square feet of New York Retail space (33,000 square feet at share) at an initial rent of $253.83 per square foot and a weighted average lease term of 3.8 years. The changes in the GAAP and cash mark-to-market rent on the 27,000 square feet of second generation space were positive 4.4% and negative 18.1%, respectively. Tenant improvements and leasing commissions were $29.16 per square foot per annum, or 11.5% of initial rent.
- 51,000 square feet at THE MART (all at share) at an initial rent of $64.02 per square foot and a weighted average lease term of 4.5 years. The changes in the GAAP and cash mark-to-market rent on the 43,000 square feet of second generation space were positive 6.4% and negative 0.1%, respectively. Tenant improvements and leasing commissions were $8.37 per square foot per annum, or 13.1% of initial rent.
- 41,000 square feet at 315 Montgomery Street in San Francisco (29,000 square feet at share) at an initial rent of $67.57 per square foot and a weighted average lease term of 5.4 years. The changes in the GAAP and cash mark-to-market rent on the 29,000 square feet of second generation space were negative 25.3% and negative 30.1%, respectively. Tenant improvements and leasing commissions were $4.01 per square foot per annum, or 5.9% of initial rent.

**Overview - continued**

**Square Footage (in service) and Occupancy as of March 31, 2024**

| (Square feet in thousands) | | Square Feet (in service) | | |
|---|---|---|---|---|
| | Number of Properties | Total Portfolio | Our Share | Occupancy % |
| New York: | | | | |
| Office | 30 (1) | 18,609 | 15,909 | 89.3 % |
| Retail (includes retail properties that are in the base of our office properties) | 50 (1) | 2,124 | 1,685 | 75.0 % |
| Residential - 1,974 units(2) | 5 (1) | 1,479 | 745 | 97.5 % (2) |
| Alexander's | 5 | 2,316 | 750 | 92.5 % (2) |
| | | 24,528 | 19,089 | 88.2 % |
| Other: | | | | |
| THE MART | 3 | 3,688 | 3,679 | 77.6 % |
| 555 California Street | 3 | 1,820 | 1,274 | 94.5 % |
| Other | 11 | 2,537 | 1,202 | 87.2 % |
| | | 8,045 | 6,155 | |
| Total square feet as of March 31, 2024 | | 32,573 | 25,244 | |

See notes below.

**Square Footage (in service) and Occupancy as of December 31, 2023**

| (Square feet in thousands) | | Square Feet (in service) | | |
|---|---|---|---|---|
| | Number of properties | Total Portfolio | Our Share | Occupancy % |
| New York: | | | | |
| Office | 30 (1) | 18,699 | 16,001 | 90.7 % |
| Retail (includes retail properties that are in the base of our office properties) | 50 (1) | 2,123 | 1,684 | 74.9 % |
| Residential - 1,974 units(2) | 5 (1) | 1,479 | 745 | 96.8 % (2) |
| Alexander's | 5 | 2,331 | 755 | 92.6 % (2) |
| | | 24,632 | 19,185 | 89.4 % |
| Other: | | | | |
| THE MART | 3 | 3,688 | 3,679 | 79.2 % |
| 555 California Street | 3 | 1,819 | 1,274 | 94.5 % |
| Other | 11 | 2,537 | 1,202 | 91.9 % |
| | | 8,044 | 6,155 | |
| Total square feet as of December 31, 2023 | | 32,676 | 25,340 | |

**(1)** Reflects the Office, Retail and Residential space within our 65 total New York properties as of March 31, 2024 and December 31, 2023.
**(2)** The Alexander Apartment Tower (312 units) is reflected in Residential unit count and occupancy.

### Critical Accounting Estimates

A summary of our critical accounting policies and estimates used in the preparation of our consolidated financial statements is included in Part II, Item 7 - *Management's Discussion and Analysis of Financial Condition and Results of Operations* in our Annual Report on Form 10-K for the year ended December 31, 2023. For the three months ended March 31, 2024, there were no material changes to these policies.

### Recently Issued Accounting Literature

Refer to Note 3 - *Recently Issued Accounting Literature* to the unaudited consolidated financial statements in Part I, Item I of this Quarterly Report on Form 10-Q for information regarding recent accounting pronouncements that may affect us.

**NOI At Share by Segment for the Three Months Ended March 31, 2024 and 2023**

NOI at share represents total revenues less operating expenses including our share of partially owned entities. NOI at share - cash basis represents NOI at share adjusted to exclude straight-line rental income and expense, amortization of acquired below and above market leases, accruals for ground rent resets yet to be determined, and other non-cash adjustments. We consider NOI at share - cash basis to be the primary non-GAAP financial measure for making decisions and assessing the unlevered performance of our segments as it relates to the total return on assets as opposed to the levered return on equity. As properties are bought and sold based on NOI at share - cash basis, we utilize this measure to make investment decisions as well as to compare the performance of our assets to that of our peers. NOI at share and NOI at share - cash basis should not be considered alternatives to net income or cash flow from operations and may not be comparable to similarly titled measures employed by other companies.

Below is a summary of NOI at share and NOI at share - cash basis by segment for the three months ended March 31, 2024 and 2023.

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | | |
|---|---|---|---|
| | Total | New York | Other |
| Total revenues | $ 436,375 | $ 358,234 | $ 78,141 |
| Operating expenses | (226,224) | (188,278) | (37,946) |
| NOI - consolidated | 210,151 | 169,956 | 40,195 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (11,396) | (4,536) | (6,860) |
| Add: NOI from partially owned entities | 70,369 | 67,709 | 2,660 |
| NOI at share | 269,124 | 233,129 | 35,995 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | (1,511) | (2,335) | 824 |
| NOI at share - cash basis | $ 267,613 | $ 230,794 | $ 36,819 |

| (Amounts in thousands) | For the Three Months Ended March 31, 2023 | | |
|---|---|---|---|
| | Total | New York | Other |
| Total revenues | $ 445,923 | $ 363,814 | $ 82,109 |
| Operating expenses | (228,773) | (188,321) | (40,452) |
| NOI - consolidated | 217,150 | 175,493 | 41,657 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (11,764) | (4,823) | (6,941) |
| Add: NOI from partially owned entities | 68,097 | 65,324 | 2,773 |
| NOI at share | 273,483 | 235,994 | 37,489 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | 5,052 | 5,033 | 19 |
| NOI at share - cash basis | $ 278,535 | $ 241,027 | $ 37,508 |

**NOI At Share by Segment for the Three Months Ended March 31, 2024 and 2023 - continued**

The elements of our New York and Other NOI at share for the three months ended March 31, 2024 and 2023 are summarized below.

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| New York: | | |
| Office | $ 167,988 | $ 174,270 |
| Retail | 47,466 | 47,196 |
| Residential | 5,968 | 5,458 |
| Alexander's | 11,707 | 9,070 |
| Total New York | 233,129 | 235,994 |
| Other: | | |
| THE MART | 14,486 | 15,409 |
| 555 California Street | 16,529 | 16,929 |
| Other investments | 4,980 | 5,151 |
| Total Other | 35,995 | 37,489 |
| NOI at share | $ 269,124 | $ 273,483 |

The elements of our New York and Other NOI at share - cash basis for the three months ended March 31, 2024 and 2023 are summarized below.

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| New York: | | |
| Office | $ 166,370 | $ 182,081 |
| Retail | 43,873 | 44,034 |
| Residential | 5,690 | 5,051 |
| Alexander's | 14,861 | 9,861 |
| Total New York | 230,794 | 241,027 |
| Other: | | |
| THE MART | 14,949 | 14,675 |
| 555 California Street | 16,938 | 17,718 |
| Other investments | 4,932 | 5,115 |
| Total Other | 36,819 | 37,508 |
| NOI at share - cash basis | $ 267,613 | $ 278,535 |

## NOI At Share by Segment for the Three Months Ended March 31, 2024 and 2023 - continued

### Reconciliation of Net (Loss) Income to NOI At Share and NOI At Share - Cash Basis for the Three Months Ended March 31, 2024 and 2023

Below is a reconciliation of net (loss) income to NOI at share and NOI at share - cash basis for the three months ended March 31, 2024 and 2023.

| (Amounts in thousands) | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Net (loss) income | $ (6,273) | $ 11,198 |
| Depreciation and amortization expense | 108,659 | 106,565 |
| General and administrative expense | 37,897 | 41,595 |
| Transaction related costs and other | 653 | 658 |
| Income from partially owned entities | (16,279) | (16,666) |
| Interest and other investment income, net | (11,724) | (9,584) |
| Interest and debt expense | 90,478 | 86,237 |
| Net gains on disposition of wholly owned and partially owned assets | — | (7,520) |
| Income tax expense | 6,740 | 4,667 |
| NOI from partially owned entities | 70,369 | 68,097 |
| NOI attributable to noncontrolling interests in consolidated subsidiaries | (11,396) | (11,764) |
| NOI at share | 269,124 | 273,483 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | (1,511) | 5,052 |
| NOI at share - cash basis | $ 267,613 | $ 278,535 |

## NOI At Share by Region

| | For the Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| **Region:** | | |
| New York City metropolitan area | 88% | 88% |
| Chicago, IL | 6% | 6% |
| San Francisco, CA | 6% | 6% |
| | 100% | 100% |

**Results of Operations – Three Months Ended March 31, 2024 Compared to March 31, 2023**

Revenues

Our revenues were $436,375,000 for the three months ended March 31, 2024 compared to $445,923,000 for the prior year's quarter, a decrease of $9,548,000. Below are the details of the decrease by segment:

| (Amounts in thousands) | Total | New York | Other |
|---|---|---|---|
| Increase (decrease) due to: | | | |
| **Rental revenues:** | | | |
| Acquisitions, dispositions and other | $ 2,212 | $ 2,216 | $ (4) |
| Development and redevelopment | 3,307 | 3,307 | — |
| Trade shows | 668 | — | 668 |
| Same store operations | (13,702) | (13,304) | (398) |
| | (7,515) | (7,781) | 266 |
| **Fee and other income:** | | | |
| BMS cleaning fees | 452 | 962 | (510) |
| Management and leasing fees | (438) | (461) | 23 |
| Other income | (2,047) | 1,700 | (3,747) |
| | (2,033) | 2,201 | (4,234) |
| Total decrease in revenues | $ (9,548) | $ (5,580) | $ (3,968) |

Expenses

Our expenses were $377,953,000 for the three months ended March 31, 2024, compared to $381,319,000 for the prior year's quarter, a decrease of $3,366,000. Below are the details of the (decrease) increase by segment:

| (Amounts in thousands) | Total | New York | Other |
|---|---|---|---|
| (Decrease) increase due to: | | | |
| **Operating:** | | | |
| Acquisitions, dispositions and other | $ (1,104) | $ (408) | $ (696) |
| Development and redevelopment | 148 | 148 | — |
| Non-reimbursable expenses | (579) | (579) | — |
| Trade shows | 480 | — | 480 |
| BMS expenses | (670) | (160) | (510) |
| Same store operations | (824) | 956 | (1,780) |
| | (2,549) | (43) | (2,506) |
| **Depreciation and amortization:** | | | |
| Acquisitions, dispositions and other | (1,254) | (1,254) | — |
| Development and redevelopment | 152 | 152 | — |
| Same store operations | 3,196 | 2,637 | 559 |
| | 2,094 | 1,535 | 559 |
| **General and administrative** | (3,698) | 41 | (3,739) |
| **Expense from deferred compensation plan liability** | 792 | — | 792 |
| **Transaction related costs and other** | (5) | (10) | 5 |
| Total (decrease) increase in expenses | $ (3,366) | $ 1,523 | $ (4,889) |

Income from Partially Owned Entities

Below are the components of income from partially owned entities.

| (Amounts in thousands) | Percentage Ownership as of March 31, 2024 | For the Three Months Ended March 31, 2024 | 2023 |
|---|---|---|---|
| **Our share of net income (loss):** | | | |
| Fifth Avenue and Times Square JV: | | | |
| Equity in net income | 51.5% | $ 9,291 | $ 10,199 |
| Return on preferred equity, net of our share of the expense | | 9,328 | 9,226 |
| | | 18,619 | 19,425 |
| Partially owned office buildings[(1)] | Various | (10,403) | (8,963) |
| Alexander's | 32.4% | 6,334 | 4,744 |
| Other investments[(2)] | Various | 1,729 | 1,460 |
| | | $ 16,279 | $ 16,666 |

**(1)** Includes interests in 280 Park Avenue, 7 West 34th Street, 512 West 22nd Street, 61 Ninth Avenue, 85 Tenth Avenue and others.
**(2)** Includes interests in Independence Plaza, Rosslyn Plaza and others.

Interest and Other Investment Income, Net

The following table sets forth the details of interest and other investment income, net.

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | 2023 |
|---|---|---|
| Interest on cash and cash equivalents and restricted cash | $ 11,689 | $ 5,674 |
| Income (loss) from real estate fund investments | 35 | (19) |
| Amortization of discount on investments in U.S. Treasury bills | — | 3,445 |
| Interest on loans receivable | — | 484 |
| | $ 11,724 | $ 9,584 |

Interest and Debt Expense

Interest and debt expense for the three months ended March 31, 2024 was $90,478,000 compared to $86,237,000 for the prior year's quarter, an increase of $4,241,000. This was primarily due to higher interest expense resulting from higher average interest rates, inclusive of the impact of our interest rate hedging instruments, partially offset by higher capitalized interest and debt expense.

Net Gains on Disposition of Wholly Owned and Partially Owned Assets

During the three months ended March 31, 2023, we recognized a net gain of $7,520,000 resulting from the sale of a condominium unit at 220 CPS.

Income Tax Expense

Income tax expense for the three months ended March 31, 2024 was $6,740,000 compared to $4,667,000 for the prior year's quarter, an increase of $2,073,000. This was primarily due to higher income tax expense incurred by our taxable REIT subsidiaries.

Net Loss Attributable to Noncontrolling Interests in Consolidated Subsidiaries

Net loss attributable to noncontrolling interests in consolidated subsidiaries was $11,982,000 for the three months ended March 31, 2024, compared to $9,928,000 for the prior year's quarter, an increase of $2,054,000. This was primarily due to higher average interest rates on mortgage loans of our non-wholly owned consolidated subsidiaries.

**Results of Operations – Three Months Ended March 31, 2024 Compared to March 31, 2023**

Same Store Net Operating Income At Share

Same store NOI at share represents NOI at share from operations which are in service in both the current and prior year reporting periods. Same store NOI at share - cash basis is same store NOI at share adjusted to exclude straight-line rental income and expense, amortization of acquired below and above market leases, accruals for ground rent resets yet to be determined, and other non-cash adjustments. We present these non-GAAP measures to (i) facilitate meaningful comparisons of the operational performance of our properties and segments, (ii) make decisions on whether to buy, sell or refinance properties, and (iii) compare the performance of our properties and segments to those of our peers. Same store NOI at share and same store NOI at share - cash basis should not be considered alternatives to net income or cash flow from operations and may not be comparable to similarly titled measures employed by other companies.

Below are reconciliations of NOI at share to same store NOI at share and NOI at share - cash basis to same store NOI at share - cash basis for our New York segment, THE MART, 555 California Street and other investments for the three months ended March 31, 2024 compared to March 31, 2023.

| (Amounts in thousands) | Total | New York | THE MART | 555 California Street | Other |
|---|---|---|---|---|---|
| NOI at share for the three months ended March 31, 2024 | $ 269,124 | $ 233,129 | $ 14,486 | $ 16,529 | $ 4,980 |
| Less NOI at share from: | | | | | |
| Development properties | (7,958) | (7,958) | — | — | — |
| Other non-same store income, net | (6,045) | (1,058) | (7) | — | (4,980) |
| Same store NOI at share for the three months ended March 31, 2024 | $ 255,121 | $ 224,113 | $ 14,479 | $ 16,529 | $ — |
| NOI at share for the three months ended March 31, 2023 | $ 273,483 | $ 235,994 | $ 15,409 | $ 16,929 | $ 5,151 |
| Less NOI at share from: | | | | | |
| Dispositions | 114 | (570) | 684 | — | — |
| Development properties | (4,331) | (4,331) | — | — | — |
| Other non-same store (income) expense, net | (1,414) | 3,737 | — | — | (5,151) |
| Same store NOI at share for the three months ended March 31, 2023 | $ 267,852 | $ 234,830 | $ 16,093 | $ 16,929 | $ — |
| Decrease in same store NOI at share | $ (12,731) | $ (10,717) | $ (1,614) | $ (400) | $ — |
| % decrease in same store NOI at share | (4.8)% | (4.6)% | (10.0)% | (2.4)% | 0.0 % |

| (Amounts in thousands) | Total | New York | THE MART | 555 California Street | Other |
|---|---|---|---|---|---|
| NOI at share - cash basis for the three months ended March 31, 2024 | $ 267,613 | $ 230,794 | $ 14,949 | $ 16,938 | $ 4,932 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (5,970) | (5,970) | — | — | — |
| Other non-same store income, net | (6,602) | (1,663) | (7) | — | (4,932) |
| Same store NOI at share - cash basis for the three months ended March 31, 2024 | $ 255,041 | $ 223,161 | $ 14,942 | $ 16,938 | $ — |
| NOI at share - cash basis for the three months ended March 31, 2023 | $ 278,535 | $ 241,027 | $ 14,675 | $ 17,718 | $ 5,115 |
| Less NOI at share - cash basis from: | | | | | |
| Dispositions | 47 | (728) | 775 | — | — |
| Development properties | (4,146) | (4,146) | — | — | — |
| Other non-same store income, net | (6,069) | (954) | — | — | (5,115) |
| Same store NOI at share - cash basis for the three months ended March 31, 2023 | $ 268,367 | $ 235,199 | $ 15,450 | $ 17,718 | $ — |
| Decrease in same store NOI at share - cash basis | $ (13,326) | $ (12,038) | $ (508) | $ (780) | $ — |
| % decrease in same store NOI at share - cash basis | (5.0)% | (5.1)% | (3.3)% | (4.4)% | 0.0 % |

**Liquidity and Capital Resources**

Our cash requirements include property operating expenses, capital improvements, tenant improvements, debt service, leasing commissions, dividends to our shareholders, distributions to unitholders of the Operating Partnership, as well as acquisition and development and redevelopment costs. The sources of liquidity to fund these cash requirements include rental revenue, which is our primary source of cash flow and is dependent upon the occupancy and rental rates of our properties, proceeds from debt financings, including mortgage loans, senior unsecured borrowings, unsecured term loans and unsecured revolving credit facilities; proceeds from the issuance of common and preferred equity; and asset sales.

As of March 31, 2024, we had \$3.0 billion of liquidity comprised of \$1.1 billion of cash and cash equivalents and restricted cash and \$1.9 billion available on our \$2.5 billion revolving credit facilities. Following the May 2024 amendment and extension of one of our two revolving credit facilities, we had \$2.7 billion of liquidity. The ongoing challenges posed by the increase in interest rates and inflation could adversely impact our cash flow from continuing operations but we anticipate that cash flow from continuing operations over the next twelve months together with cash balances on hand will be adequate to fund our business operations, cash distributions to unitholders of the Operating Partnership, cash dividends to our shareholders, debt amortization and recurring capital expenditures. We anticipate that we will pay a common share dividend for 2024 in the fourth quarter, subject to approval by our Board of Trustees. Capital requirements for development and redevelopment expenditures and acquisitions may require funding from borrowings, equity offerings and/or asset sales.

We may from time to time repurchase or retire our outstanding debt securities or repurchase or redeem our equity securities. Such purchases, if any, will depend on prevailing market conditions, liquidity requirements and other factors. The amounts involved in connection with these transactions could be material to our consolidated financial statements.

In April 2023, our Board of Trustees authorized the repurchase of up to \$200,000,000 of our outstanding common shares under a share repurchase program. As of March 31, 2024, \$170,857,000 remained available and authorized for repurchases.

Summary of Cash Flows

Cash and cash equivalents and restricted cash was \$1,148,920,000 as of March 31, 2024, a \$112,664,000 decrease from the balance as of December 31, 2023.

Our cash flow activities are summarized as follows:

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | For the Three Months Ended March 31, 2023 | (Decrease) Increase in Cash Flow |
|---|---|---|---|
| Net cash provided by operating activities | \$ 31,485 | \$ 91,872 | \$ (60,387) |
| Net cash (used in) provided by investing activities | (128,625) | 125,654 | (254,279) |
| Net cash used in financing activities | (15,524) | (204,844) | 189,320 |

*Operating Activities*

Net cash provided by operating activities primarily consists of cash inflows from rental revenues and operating distributions from our unconsolidated partially owned entities less cash outflows for property expenses, general and administrative expenses and interest expense. For the three months ended March 31, 2024, net cash provided by operating activities of \$31,485,000 was comprised of \$140,859,000 of cash from operations, including distributions of income from partially owned entities of \$30,438,000, and a net decrease of \$109,374,000 in cash due to the timing of cash receipts and payments related to changes in operating assets and liabilities.

*Investing Activities*

Net cash flow (used in) provided by investing activities is impacted by the timing and extent of our development, capital improvement, acquisition and disposition activities during the year.

The following table details the net cash (used in) provided by investing activities:

| (Amounts in thousands) | For the Three Months Ended March 31, 2024 | For the Three Months Ended March 31, 2023 | Increase (Decrease) in Cash Flow |
|---|---|---|---|
| Development costs and construction in progress | \$ (75,292) | \$ (135,550) | \$ 60,258 |
| Additions to real estate | (51,307) | (57,032) | 5,725 |
| Investments in partially owned entities | (2,026) | (8,833) | 6,807 |
| Proceeds from maturities of U.S. Treasury bills | — | 197,294 | (197,294) |
| Proceeds from repayment of participation in 150 West 34th Street mortgage loan | — | 105,000 | (105,000) |
| Proceeds from sale of condominium units at 220 Central Park South | — | 14,216 | (14,216) |
| Distributions of capital from partially owned entities | — | 11,559 | (11,559) |
| Acquisitions of real estate and other | — | (1,000) | 1,000 |
| Net cash (used in) provided by investing activities | \$ (128,625) | \$ 125,654 | \$ (254,279) |

**Liquidity and Capital Resources - continued**

Summary of Cash Flows - continued

*Financing Activities*

Net cash flow used in financing activities is impacted by the timing and extent of issuances of debt and equity securities, distributions paid to common shareholders and unitholders of the Operating Partnership as well as principal and other repayments associated with our outstanding debt.

The following table details the net cash used in financing activities:

| (Amounts in thousands) | For the Three Months Ended March 31, | | Increase (Decrease) in Cash Flow |
|---|---|---|---|
| | 2024 | 2023 | |
| Dividends paid on preferred shares/Distributions to preferred unitholders | $ (15,529) | $ (15,529) | $ — |
| Deferred financing costs | (279) | (2,798) | 2,519 |
| Contributions from noncontrolling interests in consolidated subsidiaries | 270 | 2,129 | (1,859) |
| Distributions to redeemable security holders and noncontrolling interests in consolidated subsidiaries | (106) | (6,412) | 6,306 |
| Repayments of borrowings | — | (110,400) | 110,400 |
| Dividends paid on common shares/Distributions to Vornado | — | (71,950) | 71,950 |
| Other financing activity, net | 120 | 116 | 4 |
| Net cash used in financing activities | $ (15,524) | $ (204,844) | $ 189,320 |

Development and Redevelopment Expenditures

Development and redevelopment expenditures consist of all hard and soft costs associated with the development and redevelopment of a property. We plan to fund these development and redevelopment expenditures from operating cash flow, existing liquidity, and/or borrowings. See the detailed discussion below for our current development and redevelopment projects.

*PENN District*

*PENN 2*

We are redeveloping PENN 2, a 1,795,000 square foot (as expanded) office building located on the west side of Seventh Avenue between 31st and 33rd Street. The development cost of this project is estimated to be $750,000,000, of which $659,108,000 of cash has been expended as of March 31, 2024.

We are also making districtwide improvements within the PENN District. The development cost of these improvements is estimated to be $100,000,000, of which $52,785,000 of cash has been expended as of March 31, 2024.

*Sunset Pier 94 Studios*

On August 28, 2023, we, together with Hudson Pacific Properties ("HPP") and Blackstone Inc. (together, "HPP/BX"), formed a joint venture to develop Sunset Pier 94 Studios ("Pier 94 JV"), a 266,000 square foot purpose-built studio campus in Manhattan. We own a 49.9% equity interest in the joint venture. The development cost of the project is estimated to be $350,000,000, which will be funded with $183,200,000 of construction financing and $166,800,000 of equity contributions. Our share of equity contributions will be funded by (i) our $40,000,000 Pier 94 leasehold interest contribution and (ii) $34,000,000 of cash contributions, which are net of an estimated $9,000,000 for our share of development fees and reimbursement for overhead costs incurred by us. To date, HPP/BX has funded cash contributions equal to Vornado's cash contributions. Future equity will be funded by HPP/BX and Vornado in accordance with each partner's respective ownership interest. We have funded $7,994,000 of cash contributions as of March 31, 2024.

Development and Redevelopment Expenditures - continued

*350 Park Avenue*

On January 24, 2023, we and the Rudin family (“Rudin”) completed agreements with Citadel Enterprise Americas LLC (“Citadel”) and with an affiliate of Kenneth C. Griffin, Citadel’s Founder and CEO (“KG”), for a series of transactions relating to 350 Park Avenue and 40 East 52nd Street. In connection therewith, we entered into a joint venture with Rudin (the “Vornado/Rudin JV”) that purchased 39 East 51st Street for $40,000,000, funded on a 50/50 basis by Vornado and Rudin. 39 East 51st Street will be combined with 350 Park Avenue and 40 East 52nd Street to create a premier development site (the “350 Park Site”). From October 2024 to June 2030, an affiliate of KG will have the option to either (i) acquire a 60% interest in a joint venture with the Vornado/Rudin JV (with Vornado having an effective 36% interest in the entity) to build a new 1,700,000 square foot office tower, valuing the 350 Park Site at $1.2 billion or (ii) purchase the 350 Park Site for $1.4 billion ($1.085 billion to Vornado). From October 2024 to September 2030, the Vornado/Rudin JV will have the option to put the 350 Park Site to KG for $1.2 billion ($900,000,000 to Vornado).

We are also evaluating other development and redevelopment opportunities at certain of our properties in Manhattan including, in particular, the PENN District.

There can be no assurance that the above projects will be completed, completed on schedule or within budget.

Insurance

For our properties, we maintain general liability insurance with limits of $300,000,000 per occurrence and per property, of which $275,000,000 includes communicable disease coverage and we maintain all risk property and rental value insurance with limits of $2.0 billion per occurrence, with sub-limits for certain perils such as flood and earthquake, excluding communicable disease coverage. Our California properties have earthquake insurance with coverage of $350,000,000 per occurrence and in the aggregate, subject to a deductible in the amount of 5% of the value of the affected property. We maintain coverage for certified terrorism acts with limits of $6.0 billion per occurrence and in the aggregate (as listed below), $1.2 billion for non-certified acts of terrorism, and $5.0 billion per occurrence and in the aggregate for terrorism involving nuclear, biological, chemical and radiological (“NBCR”) terrorism events, as defined by the Terrorism Risk Insurance Act of 2002, as amended to date and which has been extended through December 2027.

Penn Plaza Insurance Company, LLC (“PPIC”), our wholly owned consolidated subsidiary, acts as a re-insurer with respect to a portion of all risk property and rental value insurance and a portion of our earthquake insurance coverage, and as a direct insurer for coverage for acts of terrorism including NBCR acts. Coverage for acts of terrorism (excluding NBCR acts) is fully reinsured by third-party insurance companies and the Federal government with no exposure to PPIC. For NBCR acts, PPIC is responsible for a deductible of $2,112,753 and 20% of the balance of a covered loss and the Federal government is responsible for the remaining portion of a covered loss. We are ultimately responsible for any loss incurred by PPIC.

Certain condominiums in which we own an interest (including the Farley Condominiums) maintain insurance policies with different per occurrence and aggregate limits than our policies described above.

We continue to monitor the state of the insurance market and the scope and costs of coverage for acts of terrorism and other events. However, we cannot anticipate what coverage will be available on commercially reasonable terms in the future. We are responsible for uninsured losses and for deductibles and losses in excess of our insurance coverage, which could be material.

Our debt instruments, consisting of mortgage loans secured by our properties, senior unsecured notes and revolving credit agreements contain customary covenants requiring us to maintain insurance. Although we believe that we have adequate insurance coverage for purposes of these agreements, we may not be able to obtain an equivalent amount of coverage at reasonable costs in the future. Further, if lenders insist on greater coverage than we are able to obtain it could adversely affect our ability to finance or refinance our properties and expand our portfolio.

Other Commitments and Contingencies

We are from time to time involved in legal actions arising in the ordinary course of business. In our opinion, after consultation with legal counsel, the outcome of such matters is not currently expected to have a material adverse effect on our financial position, results of operations or cash flows.

Each of our 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 us.

<u>Other Commitments and Contingencies - continued</u>

In January 2022, we exercised the second of three 25-year renewal options on our PENN 1 ground lease. The first renewal option period commenced June 2023 and, together with the second option exercise, extends the lease term through June 2073. The ground lease is subject to fair market value resets at each 25-year renewal period. The rent reset process for the June 2023 renewal period is currently ongoing and the timing is uncertain. The final fair market value determination may be materially higher or lower than our January 2022 estimate.

We may, from time to time, enter into guarantees including, but not limited to, payment guarantees to lenders of unconsolidated joint ventures for tax purposes, completion guarantees for development and redevelopment projects, and guarantees to fund leasing costs. These agreements terminate either upon the satisfaction of specified obligations or repayment of the underlying loans. As of March 31, 2024, the aggregate dollar amount of these guarantees was approximately $1,177,000,000, primarily comprised of payment guarantees for the mortgage loans secured by 640 Fifth Avenue, 7 West 34th Street, and 435 Seventh Avenue and the completion guarantee provided to the lender of the Pier 94 JV. Other than these loans, our mortgage loans are non-recourse to us.

As of March 31, 2024, $30,233,000 of letters of credit were outstanding under one of our unsecured revolving credit facilities. Our unsecured revolving credit facilities contain financial covenants that require us to maintain minimum interest coverage and maximum debt to market capitalization ratios and provide for higher interest rates in the event of a decline in the credit rating assigned to our senior unsecured notes. Our unsecured revolving credit facilities also contain customary conditions precedent to borrowing, including representations and warranties, and also contain customary events of default that could give rise to accelerated repayment, including such items as failure to pay interest or principal.

Our 95% consolidated joint venture (5% is owned by Related Companies ("Related")) developed and owns the Farley Building. In connection with the development of the property, the joint venture admitted a historic tax credit investor partner (the "Tax Credit Investor"). Under the terms of the historic tax credit arrangement, the joint venture is required to comply with various laws, regulations, and contractual provisions. Non-compliance with applicable requirements could result in projected tax benefits not being realized and, therefore, may require a refund or reduction of the Tax Credit Investor’s capital contributions. As of March 31, 2024, the Tax Credit Investor has made $205,068,000 in capital contributions. Vornado and Related have guaranteed certain of the joint venture’s obligations to the Tax Credit Investor.

We are the general partner and investment manager of Vornado Capital Partners Real Estate Fund (the “Fund”) and own a 25.0% interest in the Fund. As of March 31, 2024, our share of unfunded commitments to the Fund was $5,769,000.

As of March 31, 2024, we had construction commitments aggregating approximately $70,625,000.

**Funds From Operations ("FFO")**

***Vornado Realty Trust***

FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gains from sales of certain real estate assets, impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity, depreciation and amortization expense from real estate assets and other specified items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. The calculations of both the numerator and denominator used in the computation of income per share are disclosed in Note 11 – *(Loss) Income Per Share/(Loss) Income Per Class A Unit* in Part I, Item 1 of this Quarterly Report on Form 10-Q. Details of certain adjustments to FFO are discussed in the financial results summary of our "Overview".

Below is a reconciliation of net (loss) income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions for the three months ended March 31, 2024 and 2023.

| (Amounts in thousands, except per share amounts) | For the Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| **Reconciliation of net (loss) income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions:** | | |
| Net (loss) income attributable to common shareholders | $ (9,034) | $ 5,168 |
| Per diluted share | $ (0.05) | $ 0.03 |
| FFO adjustments: | | |
| Depreciation and amortization of real property | $ 96,783 | $ 94,792 |
| Our share of partially owned entities: | | |
| Depreciation and amortization of real property | 26,163 | 27,469 |
| | 122,946 | 122,261 |
| Noncontrolling interests' share of above adjustments | (10,171) | (8,746) |
| FFO adjustments, net | $ 112,775 | $ 113,515 |
| | | |
| FFO attributable to common shareholders | $ 103,741 | $ 118,683 |
| Impact of assumed conversion of dilutive convertible securities | 388 | 400 |
| FFO attributable to common shareholders plus assumed conversions | $ 104,129 | $ 119,083 |
| Per diluted share | $ 0.53 | $ 0.61 |
| **Reconciliation of weighted average shares outstanding:** | | |
| Weighted average common shares outstanding | 190,429 | 191,869 |
| Effect of dilutive securities: | | |
| Share-based payment awards | 4,204 | 70 |
| Convertible securities | 1,848 | 2,470 |
| Denominator for FFO per diluted share | 196,481 | 194,409 |

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

We have exposure to fluctuations in market interest rates. Market interest rates are sensitive to many factors that are beyond our control. Our exposure to a change in interest rates on our consolidated and non-consolidated debt (all of which arises out of non-trading activity) is as follows:

| (Amounts in thousands, except per share and per unit amounts) | As of March 31, 2024 | | |
|---|---|---|---|
| | Balance | Weighted Average Interest Rate[1] | Effect of 1% Change in Base Rates[2] |
| Consolidated debt: | | | |
| Fixed rate[3] | $ 6,992,750 | 3.79% | $ — |
| Variable rate[4] | 1,311,865 | 6.25% | 3,065 |
| | $ 8,304,615 | 4.18% | $ 3,065 |
| Pro rata share of debt of non-consolidated entities: | | | |
| Fixed rate[2] | $ 1,201,219 | 3.87% | $ — |
| Variable rate[5] | 1,452,826 | 6.60% | 7,857 |
| | $ 2,654,045 | 5.36% | $ 7,857 |
| Noncontrolling interests' share of consolidated subsidiaries | | | (288) |
| Total change in annual net income attributable to the Operating Partnership | | | 10,634 |
| Noncontrolling interests’ share of the Operating Partnership | | | (879) |
| Total change in annual net income attributable to Vornado | | | $ 9,755 |
| Total change in annual net income attributable to the Operating Partnership per diluted Class A unit | | | $ 0.05 |
| Total change in annual net income attributable to Vornado per diluted share | | | $ 0.05 |

**(1)** Represents the interest rate in effect as of period end based on the appropriate reference rate as of the contractual reset date plus contractual spread, adjusted for hedging instruments, as applicable.

**(2)** The impact of the interest rate cap arrangements discussed on the following page is reflected in our calculation of the effect of 1% change in base rates.

**(3)** Includes variable rate debt with interest rates fixed by interest rate swap arrangements and the $950,000 1290 Avenue of the Americas mortgage loan which is subject to a 1.00% SOFR interest rate cap arrangement.

**(4)** Includes variable rate debt subject to interest rate cap arrangements with a total notional amount of $1,034,119, of which $397,059 is attributable to noncontrolling interests. The interest rate cap arrangements have a weighted average SOFR strike rate of 4.50% and a weighted average remaining term of eight months.

**(5)** Includes variable rate debt subject to interest rate cap arrangements with a total notional amount of $667,169 at our pro rata share. The interest rate cap arrangements have a weighted average SOFR strike rate of 4.59% and a weighted average remaining term of six months.

*Fair Value of Debt*

The estimated fair value of our consolidated debt is calculated based on current market prices and discounted cash flows at the current rate at which similar loans would be made to borrowers with similar credit ratings for the remaining term of such debt. As of March 31, 2024, the estimated fair value of our consolidated debt was $8,025,000,000.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk - continued**

Derivatives and Hedging

We utilize various financial instruments to mitigate the impact of interest rate fluctuations on our cash flows and earnings, including hedging strategies, depending on our analysis of the interest rate environment and the costs and risks of such strategies. The following table summarizes our consolidated hedging instruments, all of which hedge variable rate debt, as of March 31, 2024.

| (Amounts in thousands) | Debt Balance | Variable Rate Spread | Notional Amount | All-In Swapped Rate | Swap/Cap Expiration Date |
|---|---|---|---|---|---|
| Interest rate swaps: | | | | | |
| 555 California Street mortgage loan | $ 1,200,000 | S+205 | $ 840,000 (1) | 2.29% | 05/24 |
| Forward swap (effective 05/24) | | | 840,000 (1) | 6.03% | 05/26 |
| 770 Broadway mortgage loan | 700,000 | S+225 | 700,000 | 4.98% | 07/27 |
| PENN 11 mortgage loan | 500,000 | S+206 | 500,000 | 6.28% | 10/25 |
| Unsecured revolving credit facility | 575,000 | S+114 | 575,000 | 3.87% | 08/27 |
| Unsecured term loan: | 800,000 | S+129 | | | |
| In-place swap through 7/25 | | | 700,000 | 4.52% | 07/25 |
| In-place swap through 10/26 | | | 550,000 | 4.35% | 10/26 |
| In-place swap through 8/27 | | | 50,000 | 4.03% | 08/27 |
| 100 West 33rd Street mortgage loan | 480,000 | S+165 | 480,000 | 5.06% | 06/27 |
| 888 Seventh Avenue mortgage loan | 259,800 | S+180 | 200,000 | 4.76% | 09/27 |
| 4 Union Square South mortgage loan | 120,000 | S+150 | 97,750 | 3.74% | 01/25 |
| | | | | Index Strike Rate | |
| Interest rate caps: | | | | | |
| 1290 Avenue of the Americas mortgage loan(2) | 950,000 | S+162 | 950,000 | 1.00% | 11/25 |
| One Park Avenue mortgage loan | 525,000 | S+122 | 525,000 | 3.89% | 03/25 |
| Various mortgage loans | 149,119 | | 149,119 | | |

**(1)** Represents our 70.0% share of the $1.2 billion mortgage loan.
**(2)** In connection with the arrangement, we made a $63,100 up-front payment in November 2023, of which $18,930 was attributable to noncontrolling interests.

The following table summarizes our hedging instruments of our unconsolidated subsidiaries (shown at our pro rata ownership interest) as of March 31, 2024.

| (Amounts in thousands and at share) | Debt Balance | Variable Rate Spread | Notional Amount | All-In Swapped Rate | Swap/Cap Expiration Date |
|---|---|---|---|---|---|
| Interest rate swaps: | | | | | |
| 731 Lexington Avenue retail condominium (32.4% interest) | $ 97,200 | S+151 | $ 97,200 | 1.76% | 05/25 |
| 50-70 West 93rd Street (49.9% interest) | 41,667 | S+164 | 41,168 | 3.13% | 06/24 |
| | | | | Index Strike Rate | |
| Interest rate caps: | | | | | |
| 640 Fifth Avenue (52.0% interest) | 259,925 | S+111 | 259,925 | 4.00% | 05/24 |
| 731 Lexington Avenue office condominium (32.4% interest) | 162,000 | Prime+0 | 162,000 | 6.00% | 06/24 |
| 61 Ninth Avenue (45.1% interest) | 75,543 | S+146 | 75,543 | 4.39% | 01/26 |
| 512 West 22nd Street (55.0% interest) | 69,952 | S+200 | 69,952 | 4.50% | 06/25 |
| Rego Park II (32.4% interest) | 65,624 | S+145 | 65,624 | 4.15% | 11/24 |
| Fashion Centre/Washington Tower (7.5% interest) | 34,125 | S+305 | 34,125 | 3.89% | 05/24 |

## Item 4. Controls and Procedures

***Evaluation of Disclosure Controls and Procedures (Vornado Realty Trust)***

Disclosure Controls and Procedures: Our management, with the participation of Vornado's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on such evaluation, Vornado's Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2024, such disclosure controls and procedures were effective.

Internal Control Over Financial Reporting: There have not been any changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

***Evaluation of Disclosure Controls and Procedures (Vornado Realty L.P.)***

Disclosure Controls and Procedures: Vornado Realty L.P.'s management, with the participation of Vornado's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on such evaluation, Vornado's Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2024, such disclosure controls and procedures were effective.

Internal Control Over Financial Reporting: There have not been any changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

We are from time to time involved in legal actions arising in the ordinary course of business. In our opinion, after consultation with legal counsel, the outcome of such matters is not currently expected to have a material adverse effect on our financial position, results of operations or cash flows.

### Item 1A. Risk Factors

There were no material changes to the Risk Factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

***Vornado Realty Trust***

(a) Recent sales of unregistered securities:

During the quarter ended March 31, 2024, Vornado issued 93,468 of its common shares for the redemption of Class A units by certain limited partners of Vornado Realty L.P. Such shares were issued in reliance on an exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended. There were no cash proceeds associated with these issuances.

(b) Use of Proceeds from Sales of Registered Securities: Not applicable.

(c) Issuer Purchases of Equity Securities: None

Share repurchases may be made from time to time in the open market, through privately negotiated transactions or through other means as permitted by federal securities laws, including through block trades, accelerated share repurchase transactions and/or trading plans intended to qualify under Rule 10b5-1. The timing, manner, price and amount of any repurchases will be determined in Vornado's discretion depending on business, economic and market conditions, corporate and regulatory requirements, prevailing prices for Vornado's common shares, alternative uses for capital and other considerations. The program does not have an expiration date and may be suspended or discontinued at any time and does not obligate Vornado to make any repurchases of its common shares.

***Vornado Realty L.P.***

(a) Recent sales of unregistered securities:

During the quarter ended March 31, 2024, Vornado Realty L.P. issued 37,932 Class A units to satisfy conversions of restricted Operating Partnership units ("LTIP Units"). There were no cash proceeds associated with the issuances. These securities were issued in reliance on an exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended.

(b) Use of Proceeds from Sales of Registered Securities: Not applicable.

(c) Issuer Purchases of Equity Securities: None.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not applicable.

## Item 5. Other Information

### *Rule 10b5-1 Trading Arrangement*

During the three months ended March 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act) adopted, terminated, or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in item 408 of Regulation S-K of the Securities Act of 1933, as amended).

### *Unsecured Revolving Credit Facility*

On May 3, 2024, Vornado Realty L.P. ("VRLP"), the operating partnership through which Vornado Realty Trust conducts its business, extended the maturity of one of its two revolving credit facilities (the "2024 Revolving Credit Facility"), from April 2026 (as fully extended) to April 2029 (as fully extended). The available borrowing amount under the facility was reduced from $1.25 billion to $915 million. The current interest rate on the facility is Term SOFR plus 120 basis points per annum. The current facility fee is 25 basis points per annum. The interest rate may be reduced or increased by up to four basis points and the facility fee may be reduced or increased by one basis point based on certain sustainability thresholds for each fiscal year.

VRLP's other unsecured revolving facility, in the amount of $1.25 billion, matures in December 2027 (as fully extended) and has a current interest rate of Term SOFR plus 114 basis points and has a current facility fee of 25 basis points per annum.

The joint lead arrangers and joint bookrunners for the 2024 Revolving Credit Facility are JPMorgan Chase Bank, N.A., BofA Securities, Inc., PNC Capital Markets LLC, U.S. Bank National Association, and Wells Fargo Securities LLC. JPMorgan Chase Bank, N.A. serves as Administrative Agent and J.P. Morgan Securities LLC serves as Sustainability Structuring Agent. Bank of America, N.A., PNC Bank, National Association, U.S. Bank National Association and Wells Fargo Bank, N.A., serve as Co-Syndication Agents. BMO Capital Markets Corp., Deutsche Bank Securities, Inc., Goldman Sachs Bank USA, and Morgan Stanley Senior Funding, Inc. serve as joint lead arrangers.

Under the terms of the 2024 Revolving Credit Facility, "Total Outstanding Indebtedness" may not exceed sixty percent (60%) of "Capitalization Value," which is based on a "Capitalization Rate" of (i) 5.75% per annum for any multifamily "Real Property Asset", (ii) 6.5% per annum for any office "Real Property Asset", (iii) 6.0% per annum for any retail "Real Property Asset", (iv) 7.25% per annum for any hotel "Real Property Asset" (including those owned by "Real Property UJVs"), (v) 8.0% per annum for any trade show space "Real Property Asset" (including those owned by "Real Property UJVs"), and (vi) 6.5% per annum for all other "Real Property Assets"; the ratio of "Combined EBITDA" to "Fixed Charges," each measured as of the most recently ended calendar quarter, may not be less than 1.40 to 1.00; the ratio of "Unencumbered Combined EBITDA" to "Unsecured Interest Expense," each measured as of the most recently ended calendar quarter, may not be less than 1.75 to 1.00; "Unsecured Indebtedness" may not exceed sixty percent (60%) of "Capitalization Value of Unencumbered Assets," each measured as of the most recently ended calendar quarter; and the ratio of "Secured Indebtedness" to "Capitalization Value," each measured as of the most recently ended calendar quarter, may not exceed fifty percent (50%). The 2024 Revolving Credit Facility also contains standard representations and warranties and other covenants.

The 2024 Revolving Credit Facility includes usual and customary events of default for similar facilities (with applicable customary grace periods) and provides that, upon the occurrence and continuation of an event of default, payment of all amounts outstanding under the credit facility may be accelerated and the lenders' commitments may be terminated.

## Item 6. Exhibits

The documents listed below are filed herewith or incorporated herein by reference and numbered in accordance with Item 601 of Regulation S-K.

| Exhibit Number | | Exhibit Description |
|---|---|---|
| 15.1 | — | Letter regarding Unaudited Interim Financial Information of Vornado Realty Trust |
| 15.2 | — | Letter regarding Unaudited Interim Financial Information of Vornado Realty L.P. |
| 31.1 | — | Rule 13a-14 (a) Certification of the Chief Executive Officer of Vornado Realty Trust |
| 31.2 | — | Rule 13a-14 (a) Certification of the Chief Financial Officer of Vornado Realty Trust |
| 31.3 | — | Rule 13a-14 (a) Certification of the Chief Executive Officer of Vornado Realty L.P. |
| 31.4 | — | Rule 13a-14 (a) Certification of the Chief Financial Officer of Vornado Realty L.P. |
| 32.1 | — | Section 1350 Certification of the Chief Executive Officer of Vornado Realty Trust |
| 32.2 | — | Section 1350 Certification of the Chief Financial Officer of Vornado Realty Trust |
| 32.3 | — | Section 1350 Certification of the Chief Executive Officer of Vornado Realty L.P. |
| 32.4 | — | Section 1350 Certification of the Chief Financial Officer of Vornado Realty L.P. |
| 101 | — | The following financial information from Vornado Realty Trust and Vornado Realty L.P. Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 formatted in Inline Extensible Business Reporting Language (iXBRL) includes: (i) consolidated balance sheets, (ii) consolidated statements of income, (iii) consolidated statements of comprehensive income, (iv) consolidated statements of changes in equity, (v) consolidated statements of cash flows, and (vi) the notes to consolidated financial statements. |
| 104 | — | The cover page from the Vornado Realty Trust and Vornado Realty L.P. Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, formatted as iXBRL and contained in Exhibit 101. |

## 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: May 6, 2024

By: /s/ Deirdre Maddock
Deirdre Maddock, Chief Accounting Officer
(duly authorized officer and principal accounting officer)

## 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 L.P.**

(Registrant)

Date: May 6, 2024

By: /s/ Deirdre Maddock

Deirdre Maddock, Chief Accounting Officer of Vornado Realty Trust, sole General Partner of Vornado Realty L.P. (duly authorized officer and principal accounting officer)