

## Vornado Completes \$300 Million Financing of 7 West 34th Street and Sells a 47% Interest

Company Release - 6/2/2016

NEW YORK, NY -- (Marketwired) -- 06/02/16 -- VORNADO REALTY TRUST(NYSE: VNO) announced today that it has sold to sovereign wealth fund, Korea Post, a 47% interest in 7 West 34th Street, a 477,000 square foot Manhattan office building leased to Amazon, at a value of \$561 million or \$1,176 per square foot. Vornado will continue to own a 53% interest and continue to manage and lease the property.

Also, Vornado recently completed a \$300 million recourse financing of the property. The 10 year interest only loan matures in June 2026 and has a fixed rate of 3.65%.

In conjunction with the sale, Vornado received proceeds of approximately \$127 million and retained all the net proceeds from the financing.

The financial statement gain will be approximately \$203 million, of which approximately \$160 million will be recognized in the second quarter and \$43 million will be deferred until the property level debt is repaid. The tax gain will be approximately \$90 million.

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

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

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