

PRESS RELEASE

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Vornado announced that its Settlement Agreement with the partners of Mendik Real Estate L.P. was approved by the Supreme Court of the State of New York.

SADDLE BROOK, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today announced that its previously disclosed Settlement Agreement with the partners of Mendik Real Estate Limited Partnership ('Mendik RELP'), a publicly traded limited partnership, has been approved by the Supreme Court of the State of New York.

Under the terms of the Agreement, Vornado will purchase from the Mendik RELP (i) the Saxon Woods Corporate Center located in Harrison, New York, (ii) a 60% interest in an office building located at Two Park Avenue, in Manhattan (Vornado already owns the other 40%) and (iii) an office building located at 330 West 34th Street, also in Manhattan. The aggregate purchase price is approximately \$104 million, including assumed debt of \$39 million on the Two Park Avenue property.

The Agreement is subject to appeal and will not become final until November 6, 1998, accordingly, there can be no assurance that this transaction will be completed.

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