

PRESS RELEASE

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Vornado entered into an agreement to acquire a portion of the real estate portfolio of the Kennedy Family, including the Merchandise Mart.

SADDLE BROOK, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today announced that it has entered into a definitive agreement to acquire a substantial portion of the real estate portfolio of the Kennedy Family for approximately \$625 million, consisting of \$465 million in cash, \$50 million in indebtedness and \$110 million in Operating Partnership Units and Convertible Preferred Operating Partnership Units. The properties to be acquired include the famed Merchandise Mart in Chicago.

The acquired real estate assets include a mixed-use portfolio of office, retail and showroom properties which aggregate approximately 5.3 million net rentable square feet. In addition to the Merchandise Mart, Vornado will acquire the Apparel Center in Chicago, the Washington Design Center and the Washington Office Center in Washington, D.C. The transaction also includes the acquisition of Merchandise Mart Properties, Inc. which manages the properties and trade shows.

The closing, which is expected in the second quarter, is subject to customary closing conditions.

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