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, 2023**

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,” "non-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, 2023, 191,880,615 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, 2023 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 91.4% 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 quarterly distribution to a Class A unitholder is equal to the quarterly 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 10. Redeemable Noncontrolling Interests
  - Note 11. Shareholders' Equity/Partners' Capital
  - Note 17. Income Per Share/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, 2023	December 31, 2022
ASSETS		
Real estate, at cost:		
Land	$ 2,451,828	$ 2,451,828
Buildings and improvements	9,838,757	9,804,204
Development costs and construction in progress	1,058,518	933,334
Leasehold improvements and equipment	125,982	125,389
Total	13,475,085	13,314,755
Less accumulated depreciation and amortization	(3,546,942)	(3,470,991)
Real estate, net	9,928,143	9,843,764
Right-of-use assets	685,152	684,380
Cash and cash equivalents	890,957	889,689
Restricted cash	142,882	131,468
Investments in U.S. Treasury bills	276,645	471,962
Tenant and other receivables	95,034	81,170
Investments in partially owned entities	2,633,558	2,665,073
220 Central Park South condominium units ready for sale	37,644	43,599
Receivable arising from the straight-lining of rents	691,271	694,972
Deferred leasing costs, net of accumulated amortization of $239,454 and $237,395	366,960	373,555
Identified intangible assets, net of accumulated amortization of $100,616 and $98,139	137,161	139,638
Other assets	387,011	474,105
	$ 16,272,418	$ 16,493,375
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY		
Mortgages payable, net	$ 5,717,338	$ 5,829,018
Senior unsecured notes, net	1,192,342	1,191,832
Unsecured term loan, net	793,517	793,193
Unsecured revolving credit facilities	575,000	575,000
Lease liabilities	740,301	735,969
Accounts payable and accrued expenses	441,741	450,881
Deferred revenue	37,879	39,882
Deferred compensation plan	98,996	96,322
Other liabilities	312,107	268,166
Total liabilities	9,909,221	9,980,263
Commitments and contingencies		
Redeemable noncontrolling interests:		
Class A units - 14,817,410 and 14,416,891 units outstanding	348,208	345,157
Series D cumulative redeemable preferred units - 141,400 units outstanding	3,535	3,535
Total redeemable noncontrolling partnership units	351,743	348,692
Redeemable noncontrolling interest in a consolidated subsidiary	78,796	88,040
Total redeemable noncontrolling interests	430,539	436,732
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 191,880,615 and 191,866,880 shares	7,654	7,654
Additional capital	8,367,349	8,369,228
Earnings less than distributions	(3,961,392)	(3,894,580)
Accumulated other comprehensive income	95,562	174,967
Total shareholders' equity	5,691,632	5,839,728
Noncontrolling interests in consolidated subsidiaries	241,026	236,652
Total equity	5,932,658	6,076,380
	$ 16,272,418	$ 16,493,375

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,	
	2023	**2022**
REVENUES:		
Rental revenues	$ 396,793	$ 397,283
Fee and other income	49,130	44,847
Total revenues	445,923	442,130
EXPENSES:		
Operating	(228,773)	(216,529)
Depreciation and amortization	(106,565)	(117,443)
General and administrative	(41,595)	(41,216)
(Expense) benefit from deferred compensation plan liability	(3,728)	1,944
Transaction related costs and other	(658)	(1,005)
Total expenses	(381,319)	(374,249)
Income from partially owned entities	16,666	33,714
(Loss) income from real estate fund investments	(19)	5,674
Interest and other investment income, net	9,603	1,018
Income (loss) from deferred compensation plan assets	3,728	(1,944)
Interest and debt expense	(86,237)	(52,109)
Net gains on disposition of wholly owned and partially owned assets	7,520	6,552
Income before income taxes	15,865	60,786
Income tax expense	(4,667)	(7,411)
Net income	11,198	53,375
Less net loss (income) attributable to noncontrolling interests in:		
Consolidated subsidiaries	9,928	(9,374)
Operating Partnership	(429)	(1,994)
Net income attributable to Vornado	20,697	42,007
Preferred share dividends	(15,529)	(15,529)
NET INCOME attributable to common shareholders	$ 5,168	$ 26,478
INCOME PER COMMON SHARE - BASIC:		
Net income per common share	$ 0.03	$ 0.14
Weighted average shares outstanding	191,869	191,724
INCOME PER COMMON SHARE - DILUTED:		
Net income per common share	$ 0.03	$ 0.14
Weighted average shares outstanding	191,881	192,038

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,	
	2023	**2022**
Net income	$ 11,198	$ 53,375
Other comprehensive (loss) income:		
Change in fair value of consolidated interest rate swaps and other	(81,536)	65,239
Other comprehensive (loss) income of nonconsolidated subsidiaries	(3,329)	9,205
Comprehensive (loss) income	(73,667)	127,819
Less comprehensive loss (income) attributable to noncontrolling interests	15,838	(16,502)
Comprehensive (loss) income attributable to Vornado	$ (57,829)	$ 111,317

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, 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 11 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 swaps and other	—	—	—	—	—	—	(81,536)	—	(81,536)
Unearned 2020 Out-Performance Plan and 2019 Performance AO LTIP awards	—	—	—	—	20,668	—	—	—	20,668
Redeemable Class A unit measurement adjustment	—	—	—	—	(22,964)	—	(879)	—	(23,843)
Noncontrolling interests' share of other comprehensive loss	—	—	—	—	—	—	6,339	(259)	6,080
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 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 (Loss) Income	Non-controlling Interests in Consolidated Subsidiaries	Total Equity
	Shares	Amount	Shares	Amount					
For the Three Months Ended March 31, 2022:									
Balance as of December 31, 2021	48,793	$ 1,182,459	191,724	$ 7,648	$ 8,143,093	$ (3,079,320)	$ (17,534)	$ 278,892	$ 6,515,238
Net income attributable to Vornado	—	—	—	—	—	42,007	—	—	42,007
Net income attributable to nonredeemable noncontrolling interests in consolidated subsidiaries	—	—	—	—	—	—	—	9,679	9,679
Dividends on common shares ($0.53 per share)	—	—	—	—	—	(101,616)	—	—	(101,616)
Dividends on preferred shares (see Note 11 for dividends per share amounts)	—	—	—	—	—	(15,529)	—	—	(15,529)
Common shares issued:									
Upon redemption of Class A units, at redemption value	—	—	16	1	716	—	—	—	717
Under employees' share option plan	—	—	—	—	7	—	—	—	7
Under dividend reinvestment plan	—	—	5	—	212	—	—	—	212
Contributions	—	—	—	—	—	—	—	481	481
Distributions	—	—	—	—	—	—	—	(35,961)	(35,961)
Deferred compensation shares and options	—	—	(2)	—	146	(85)	—	—	61
Other comprehensive income of nonconsolidated subsidiaries	—	—	—	—	—	—	9,205	—	9,205
Change in fair value of consolidated interest rate swaps and other	—	—	—	—	—	—	65,239	—	65,239
Redeemable Class A unit measurement adjustment	—	—	—	—	(46,651)	—	—	—	(46,651)
Noncontrolling interests' share of other comprehensive income	—	—	—	—	—	—	(5,134)	—	(5,134)
Other	—	—	—	—	—	(6)	—	21	15
Balance as of March 31, 2022	48,793	$ 1,182,459	191,743	$ 7,649	$ 8,097,523	$ (3,154,549)	$ 51,776	$ 253,112	$ 6,437,970

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,	
	2023	**2022**
Cash Flows from Operating Activities:		
Net income	$ 11,198	$ 53,375
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization (including amortization of deferred financing costs)	112,578	122,271
Distributions of income from partially owned entities	38,706	37,778
Equity in net income of partially owned entities	(16,666)	(33,714)
Stock-based compensation expense	11,714	13,155
Net gains on disposition of wholly owned and partially owned assets	(7,520)	(6,552)
Straight-lining of rents	3,821	(21,335)
Change in deferred tax liability	2,591	3,173
Amortization of below-market leases, net	(1,367)	(917)
Net realized and unrealized income on real estate fund investments	—	(5,672)
Other non-cash adjustments	2,072	2,035
Changes in operating assets and liabilities:		
Tenant and other receivables	(13,862)	(3,499)
Prepaid assets	(72,347)	29,451
Other assets	(6,746)	(9,807)
Accounts payable and accrued expenses	(1,411)	(7,421)
Other liabilities	29,111	(1,307)
Net cash provided by operating activities	91,872	171,014
Cash Flows from Investing Activities:		
Proceeds from maturities of U.S. Treasury bills	197,294	—
Development costs and construction in progress	(135,550)	(209,738)
Proceeds from repayment of participation in 150 West 34th Street mortgage loan	105,000	—
Additions to real estate	(57,032)	(30,900)
Proceeds from sale of condominium units at 220 Central Park South	14,216	15,095
Distributions of capital from partially owned entities	11,559	—
Investments in partially owned entities	(8,833)	(4,571)
Acquisitions of real estate and other	(1,000)	—
Purchase of U.S. Treasury bills	—	(645,920)
Proceeds from sales of real estate	—	81,399
Net cash provided by (used in) investing activities	125,654	(794,635)

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,	
	2023	2022
Cash Flows from Financing Activities:		
Repayments of borrowings	$ (110,400)	$ (5,400)
Dividends paid on common shares	(71,950)	(101,616)
Dividends paid on preferred shares	(15,529)	(15,529)
Distributions to noncontrolling interests	(6,412)	(43,545)
Deferred financing costs	(2,798)	—
Contributions from noncontrolling interests	2,129	481
Proceeds received from exercise of employee share options and other	146	219
Repurchase of shares related to stock compensation agreements and related tax withholdings and other	(30)	(85)
Net cash used in financing activities	(204,844)	(165,475)
Net increase (decrease) in cash and cash equivalents and restricted cash	12,682	(789,096)
Cash and cash equivalents and restricted cash at beginning of period	1,021,157	1,930,351
Cash and cash equivalents and restricted cash at end of period	$ 1,033,839	$ 1,141,255
Reconciliation of Cash and Cash Equivalents and Restricted Cash:		
Cash and cash equivalents at beginning of period	$ 889,689	$ 1,760,225
Restricted cash at beginning of period	131,468	170,126
Cash and cash equivalents and restricted cash at beginning of period	$ 1,021,157	$ 1,930,351
Cash and cash equivalents at end of period	$ 890,957	$ 973,858
Restricted cash at end of period	142,882	167,397
Cash and cash equivalents and restricted cash at end of period	$ 1,033,839	$ 1,141,255
Supplemental Disclosure of Cash Flow Information:		
Cash payments for interest (excluding capitalized interest) and interest rate cap premiums	$ 85,429	$ 46,868
Cash payments for income taxes	$ 2,175	$ 2,159
Non-Cash Information:		
Change in fair value of consolidated interest rate swaps and other	$ (81,536)	$ 65,239
Accrued capital expenditures included in accounts payable and accrued expenses	70,132	86,667
Redeemable Class A unit measurement adjustment	(23,843)	(46,651)
Write-off of fully depreciated assets	(17,776)	(23,735)
Additional estimated lease liability arising from the recognition of right-of-use asset	—	350,000
Reclassification of condominium units from "development costs and construction in progress" to "220 Central Park South condominium units ready for sale"	—	3,024

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, 2023	December 31, 2022
ASSETS		
Real estate, at cost:		
Land	$ 2,451,828	$ 2,451,828
Buildings and improvements	9,838,757	9,804,204
Development costs and construction in progress	1,058,518	933,334
Leasehold improvements and equipment	125,982	125,389
Total	13,475,085	13,314,755
Less accumulated depreciation and amortization	(3,546,942)	(3,470,991)
Real estate, net	9,928,143	9,843,764
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Other assets	387,011	474,105
	$ 16,272,418	$ 16,493,375
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY		
Mortgages payable, net	$ 5,717,338	$ 5,829,018
Senior unsecured notes, net	1,192,342	1,191,832
Unsecured term loan, net	793,517	793,193
Unsecured revolving credit facilities	575,000	575,000
Lease liabilities	740,301	735,969
Accounts payable and accrued expenses	441,741	450,881
Deferred revenue	37,879	39,882
Deferred compensation plan	98,996	96,322
Other liabilities	312,107	268,166
Total liabilities	9,909,221	9,980,263
Commitments and contingencies		
Redeemable noncontrolling interests:		
Class A units - 14,817,410 and 14,416,891 units outstanding	348,208	345,157
Series D cumulative redeemable preferred units - 141,400 units outstanding	3,535	3,535
Total redeemable noncontrolling partnership units	351,743	348,692
Redeemable noncontrolling interest in a consolidated subsidiary	78,796	88,040
Total redeemable noncontrolling interests	430,539	436,732
Partners' equity:		
Partners' capital	9,557,462	9,559,341
Earnings less than distributions	(3,961,392)	(3,894,580)
Accumulated other comprehensive income	95,562	174,967
Total partners' equity	5,691,632	5,839,728
Noncontrolling interests in consolidated subsidiaries	241,026	236,652
Total equity	5,932,658	6,076,380
	$ 16,272,418	$ 16,493,375

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,	
	2023	2022
REVENUES:		
Rental revenues	$ 396,793	$ 397,283
Fee and other income	49,130	44,847
Total revenues	445,923	442,130
EXPENSES:		
Operating	(228,773)	(216,529)
Depreciation and amortization	(106,565)	(117,443)
General and administrative	(41,595)	(41,216)
(Expense) benefit from deferred compensation plan liability	(3,728)	1,944
Transaction related costs and other	(658)	(1,005)
Total expenses	(381,319)	(374,249)
Income from partially owned entities	16,666	33,714
(Loss) income from real estate fund investments	(19)	5,674
Interest and other investment income, net	9,603	1,018
Income (loss) from deferred compensation plan assets	3,728	(1,944)
Interest and debt expense	(86,237)	(52,109)
Net gains on disposition of wholly owned and partially owned assets	7,520	6,552
Income before income taxes	15,865	60,786
Income tax expense	(4,667)	(7,411)
Net income	11,198	53,375
Less net loss (income) attributable to noncontrolling interests in consolidated subsidiaries	9,928	(9,374)
Net income attributable to Vornado Realty L.P.	21,126	44,001
Preferred unit distributions	(15,558)	(15,558)
NET INCOME attributable to Class A unitholders	$ 5,568	$ 28,443
INCOME PER CLASS A UNIT - BASIC:		
Net income per Class A unit	$ 0.03	$ 0.14
Weighted average units outstanding	205,802	205,141
INCOME PER CLASS A UNIT - DILUTED:		
Net income per Class A unit	$ 0.03	$ 0.14
Weighted average units outstanding	205,814	205,896

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,	
	2023	**2022**
Net income	$ 11,198	$ 53,375
Other comprehensive (loss) income:		
Change in fair value of consolidated interest rate swaps and other	(81,536)	65,239
Other comprehensive (loss) income of nonconsolidated subsidiaries	(3,329)	9,205
Comprehensive (loss) income	(73,667)	127,819
Less comprehensive loss (income) attributable to noncontrolling interests in consolidated subsidiaries	10,187	(9,374)
Comprehensive (loss) income attributable to Vornado Realty L.P.	$ (63,480)	$ 118,445

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, 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 11 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 swaps and other	—	—	—	—	—	(81,536)	—	(81,536)
Unearned 2020 Out-Performance Plan and 2019 Performance AO LTIP awards	—	—	—	20,668	—	—	—	20,668
Redeemable Class A unit measurement adjustment	—	—	—	(22,964)	—	(879)	—	(23,843)
Noncontrolling interests' share of other comprehensive loss	—	—	—	—	—	6,339	(259)	6,080
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 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 (Loss) Income	Non-controlling Interests in Consolidated Subsidiaries	Total Equity
	Units	Amount	Units	Amount				
For the Three Months Ended March 31, 2022:								
Balance as of December 31, 2021	48,793	$ 1,182,459	191,724	$ 8,150,741	$ (3,079,320)	$ (17,534)	$ 278,892	$ 6,515,238
Net income attributable to Vornado Realty L.P.	—	—	—	—	44,001	—	—	44,001
Net income attributable to redeemable partnership units	—	—	—	—	(1,994)	—	—	(1,994)
Net income attributable to nonredeemable noncontrolling interests in consolidated subsidiaries	—	—	—	—	—	—	9,679	9,679
Distributions to Vornado ($0.53 per unit)	—	—	—	—	(101,616)	—	—	(101,616)
Distributions to preferred unitholders (see Note 11 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	—	—	16	717	—	—	—	717
Under Vornado's employees' share option plan	—	—	—	7	—	—	—	7
Under Vornado's dividend reinvestment plan	—	—	5	212	—	—	—	212
Contributions	—	—	—	—	—	—	481	481
Distributions	—	—	—	—	—	—	(35,961)	(35,961)
Deferred compensation units and options	—	—	(2)	146	(85)	—	—	61
Other comprehensive income of nonconsolidated subsidiaries	—	—	—	—	—	9,205	—	9,205
Change in fair value of consolidated interest rate swaps and other	—	—	—	—	—	65,239	—	65,239
Redeemable Class A unit measurement adjustment	—	—	—	(46,651)	—	—	—	(46,651)
Noncontrolling interests' share of other comprehensive income	—	—	—	—	—	(5,134)	—	(5,134)
Other	—	—	—	—	(6)	—	21	15
Balance as of March 31, 2022	48,793	$ 1,182,459	191,743	$ 8,105,172	$ (3,154,549)	$ 51,776	$ 253,112	$ 6,437,970

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,	
	2023	2022
Cash Flows from Operating Activities:		
Net income	$ 11,198	$ 53,375
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization (including amortization of deferred financing costs)	112,578	122,271
Distributions of income from partially owned entities	38,706	37,778
Equity in net income of partially owned entities	(16,666)	(33,714)
Stock-based compensation expense	11,714	13,155
Net gains on disposition of wholly owned and partially owned assets	(7,520)	(6,552)
Straight-lining of rents	3,821	(21,335)
Change in deferred tax liability	2,591	3,173
Amortization of below-market leases, net	(1,367)	(917)
Net realized and unrealized income on real estate fund investments	—	(5,672)
Other non-cash adjustments	2,072	2,035
Changes in operating assets and liabilities:		
Tenant and other receivables	(13,862)	(3,499)
Prepaid assets	(72,347)	29,451
Other assets	(6,746)	(9,807)
Accounts payable and accrued expenses	(1,411)	(7,421)
Other liabilities	29,111	(1,307)
Net cash provided by operating activities	91,872	171,014
Cash Flows from Investing Activities:		
Proceeds from maturities of U.S. Treasury bills	197,294	—
Development costs and construction in progress	(135,550)	(209,738)
Proceeds from repayment of participation in 150 West 34th Street mortgage loan	105,000	—
Additions to real estate	(57,032)	(30,900)
Proceeds from sale of condominium units at 220 Central Park South	14,216	15,095
Distributions of capital from partially owned entities	11,559	—
Investments in partially owned entities	(8,833)	(4,571)
Acquisitions of real estate and other	(1,000)	—
Purchase of U.S. Treasury bills	—	(645,920)
Proceeds from sales of real estate	—	81,399
Net cash provided by (used in) investing activities	125,654	(794,635)

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,	
	2023	2022
Cash Flows from Financing Activities:		
Repayments of borrowings	$ (110,400)	$ (5,400)
Distributions to Vornado	(71,950)	(101,616)
Distributions to preferred unitholders	(15,529)	(15,529)
Distributions to redeemable security holders and noncontrolling interests in consolidated subsidiaries	(6,412)	(43,545)
Deferred financing costs	(2,798)	—
Contributions from noncontrolling interests in consolidated subsidiaries	2,129	481
Proceeds received from exercise of Vornado stock options and other	146	219
Repurchase of Class A units related to stock compensation agreements and related tax withholdings and other	(30)	(85)
Net cash used in financing activities	(204,844)	(165,475)
Net increase (decrease) in cash and cash equivalents and restricted cash	12,682	(789,096)
Cash and cash equivalents and restricted cash at beginning of period	1,021,157	1,930,351
Cash and cash equivalents and restricted cash at end of period	$ 1,033,839	$ 1,141,255
Reconciliation of Cash and Cash Equivalents and Restricted Cash:		
Cash and cash equivalents at beginning of period	$ 889,689	$ 1,760,225
Restricted cash at beginning of period	131,468	170,126
Cash and cash equivalents and restricted cash at beginning of period	$ 1,021,157	$ 1,930,351
Cash and cash equivalents at end of period	$ 890,957	$ 973,858
Restricted cash at end of period	142,882	167,397
Cash and cash equivalents and restricted cash at end of period	$ 1,033,839	$ 1,141,255
Supplemental Disclosure of Cash Flow Information:		
Cash payments for interest (excluding capitalized interest) and interest rate cap premiums	$ 85,429	$ 46,868
Cash payments for income taxes	$ 2,175	$ 2,159
Non-Cash Information:		
Change in fair value of consolidated interest rate swaps and other	$ (81,536)	$ 65,239
Accrued capital expenditures included in accounts payable and accrued expenses	70,132	86,667
Redeemable Class A unit measurement adjustment	(23,843)	(46,651)
Write-off of fully depreciated assets	(17,776)	(23,735)
Additional estimated lease liability arising from the recognition of right-of-use asset	—	350,000
Reclassification of condominium units from "development costs and construction in progress" to "220 Central Park South condominium units ready for sale"	—	3,024

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 91.4% of the common limited partnership interest in the Operating Partnership as of March 31, 2023. 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, 2022, 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, 2023 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 March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-04 establishing Accounting Standards Codification ("ASC") Topic 848, *Reference Rate Reform*, and in January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope* (collectively, "ASC 848"). ASC 848 contains practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts. The guidance in ASC 848 is optional and may be elected over time as reference rate reform activities occur. We have elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. Application of these expedients preserves the presentation of derivatives consistent with past presentation. In December 2022, the FASB issued ASU 2022-06, *Deferral of the Sunset Date of Topic 848* (“ASU 2022-06”) which was issued to defer the sunset date of ASC 848 to December 31, 2024. ASU 2022-06 is effective immediately for all companies. We continue to evaluate the impact of ASC 848 and may apply other elections as applicable as additional changes in the market occur.

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, 2023 and 2022 is set forth in Note 19 - *Segment Information.*

(Amounts in thousands)	For the Three Months Ended March 31, 2023		
	Total	New York	Other
Property rentals	$ 376,829	$ 307,722	$ 69,107
Trade shows	5,048	—	5,048
Lease revenues[1]	381,877	307,722	74,155
Tenant services	9,769	7,582	2,187
Parking revenues	5,147	4,212	935
Rental revenues	396,793	319,516	77,277
BMS cleaning fees	35,328	37,678	(2,350) [2]
Management and leasing fees	3,049	3,173	(124)
Other income	10,753	3,447	7,306
Fee and other income	49,130	44,298	4,832
Total revenues	$ 445,923	$ 363,814	$ 82,109

See notes below.

(Amounts in thousands)	For the Three Months Ended March 31, 2022		
	Total	New York	Other
Property rentals	$ 377,887	$ 307,723	$ 70,164
Trade shows	5,144	—	5,144
Lease revenues[1]	383,031	307,723	75,308
Tenant services	9,889	7,411	2,478
Parking revenues	4,363	3,711	652
Rental revenues	397,283	318,845	78,438
BMS cleaning fees	32,691	34,711	(2,020) [2]
Management and leasing fees	2,769	2,967	(198)
Other income	9,387	2,025	7,362
Fee and other income	44,847	39,703	5,144
Total revenues	$ 442,130	$ 358,548	$ 83,582

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

	For the Three Months Ended March 31,	
	2023	2022
Fixed billings	$ 347,914	$ 329,251
Variable billings	37,939	32,974
Total contractual operating lease billings	385,853	362,225
Adjustment for straight-line rents and amortization of acquired below-market leases and other, net	(3,976)	20,806
Lease revenues	$ 381,877	$ 383,031

(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. Real Estate Fund Investments

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. The Fund had an initial eight-year term ending February 2019, which has been extended to December 2023, by which time the Fund intends to dispose of its remaining investments and wind down its business. The Fund's three-year investment period ended in July 2013. The Fund is accounted for under ASC Topic 946, *Financial Services – Investment Companies* (“ASC 946”) and its investments are reported on its balance sheet at fair value, with changes in value each period recognized in earnings. We consolidate the accounts of the Fund into our consolidated financial statements, retaining the fair value basis of accounting.

We are the general partner and investment manager of the Crowne Plaza Times Square Hotel Joint Venture (the “Crowne Plaza Joint Venture”) and own a 57.1% interest in the joint venture which, prior to the transaction described below, owned the 24.3% interest in the Crowne Plaza Times Square Hotel not owned by the Fund. Through our interests in the Fund and the Crowne Plaza Joint Venture, in total we owned an indirect, minority 32.8% interest in the Crowne Plaza Times Square Hotel. The Crowne Plaza Joint Venture is also accounted for under ASC 946 and we consolidate the accounts of the joint venture into our consolidated financial statements retaining the fair value basis of accounting.

In June 2020, the Fund and the Crowne Plaza Joint Venture (collectively, the "Crowne Plaza Co-Investors") defaulted on the $274,355,000 non-recourse loan on the Crowne Plaza Times Square Hotel. In 2021, the mezzanine lender to the Crowne Plaza Co-Investors exercised its right under the loan documents and appointed an independent director to certain subsidiaries of the Crowne Plaza Co-Investors. Since then, neither we nor the Fund controlled Crowne Plaza Times Square Hotel nor have we or the Fund been involved in making any operating decisions relating to Crowne Plaza Times Square Hotel. In December 2022, the Fund entered into a Restructuring Support Agreement with certain of its subsidiaries and the lender of the loan on the Crowne Plaza Times Square Hotel, pursuant to which the independent director caused the subsidiaries to enter into a Chapter 11 bankruptcy restructuring process and the Fund agreed to work consensually with such subsidiaries and the lender to effectuate a transfer of ownership of the hotel property through a court supervised auction process, or an equitization of the secured loans held by the lender. On March 21, 2023, the bankruptcy court confirmed the subsidiaries' Chapter 11 plan of reorganization, which became effective on March 31, 2023. Following the Chapter 11 reorganization, neither we nor the Fund have any continuing ownership or other interest in the hotel property. As we have no carrying value or contingent liabilities related to Crowne Plaza, there is no impact to our consolidated financial statements for the three months ended March 31, 2023.

As of March 31, 2023, we had one real estate fund investment carried at zero on our consolidated balance sheet, $28,815,000 below cost, and had remaining unfunded commitments of $28,465,000, of which our share was $8,849,000.

Below is a summary of (loss) income from the Fund and the Crowne Plaza Joint Venture.

(Amounts in thousands)	For the Three Months Ended March 31,	
	2023	**2022**
Previously recorded unrealized loss on exited investments	$ 247,575	$ —
Realized loss on exited investments	(247,575)	—
Net investment (loss) income	(19)	2
Net unrealized income on held investments	—	5,672
(Loss) income from real estate fund investments	(19)	5,674
Less loss (income) attributable to noncontrolling interests in consolidated subsidiaries	239	(3,964)
Income from real estate fund investments net of noncontrolling interests in consolidated subsidiaries	$ 220	$ 1,710

The table below summarizes the changes in the fair value of the Fund and the Crowne Plaza Joint Venture.

(Amounts in thousands)	For the Three Months Ended March 31,	
	2023	**2022**
Beginning balance	$ —	$ 7,730
Previously recorded unrealized loss on exited investments	247,575	—
Realized loss on exited investments	(247,575)	—
Net unrealized income on held investments	—	5,672
Ending balance	$ —	$ 13,402

6. Investments in Partially Owned Entities

Fifth Avenue and Times Square JV

As of March 31, 2023, 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, commencing April 19, 2024, either party may transfer more than 50% or control of their respective interests in Fifth Avenue and Times Square JV or exercise the buy-sell on a Property-by-Property basis. 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, 2023, 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 $859,004,000, 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.

On December 21, 2022, the 697-703 Fifth Avenue $450,000,000 non-recourse mortgage loan matured and was not repaid, at which time the lenders declared an event of default and $29,000,000 of property-level funds were applied by the lenders against the principal balance, resulting in a $421,000,000 loan balance. The loan bears default interest at the Prime Rate plus 1.00% (9.00% as of March 31, 2023). The Fifth Avenue and Times Square JV is in negotiations with the lenders regarding a restructuring but there can be no assurance as to the timing and ultimate resolution of these negotiations.

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

As of March 31, 2023, 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.

On March 8, 2023, Alexander's entered into an agreement to sell the Rego Park III land parcel, located in Queens, New York, for $71,060,000, inclusive of consideration for Brownfield tax benefits and reimbursement of costs for plans, specifications and improvements to date. Alexander's anticipates the closing of the sale in the second quarter of 2023 and will recognize a financial statement gain of approximately $54,000,000. Upon completion of the sale, we will recognize our approximate $16,000,000 share of the net gain.

6. Investments in Partially Owned Entities - continued

Alexander's, Inc. - continued

As of March 31, 2023, 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, 2023 closing share price of $193.75, was $320,476,000, or $237,752,000 in excess of the carrying amount on our consolidated balance sheets. As of March 31, 2023, 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 $29,758,000. 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.

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

(Amounts in thousands)

	Percentage Ownership at March 31, 2023	Balance as of March 31, 2023	Balance as of December 31, 2022
Investments:			
Fifth Avenue and Times Square JV (see page 23 for details)	51.5%	$ 2,262,393	$ 2,272,320
Partially owned office buildings/land[1]	Various	177,971	182,180
Alexander's (see page 23 and above for details)	32.4%	82,724	87,796
Other investments[2]	Various	110,470	122,777
		$ 2,633,558	$ 2,665,073
Investments in partially owned entities included in other liabilities[3]:			
7 West 34th Street	53.0%	$ (65,513)	$ (65,522)
85 Tenth Avenue	49.9%	(13,544)	(16,006)
		$ (79,057)	$ (81,528)

(1) Includes interests in 280 Park Avenue, 650 Madison Avenue, 512 West 22nd Street, 61 Ninth Avenue and others.
(2) Includes interests in Independence Plaza, 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 at March 31, 2023	For the Three Months Ended March 31, 2023	2022
Our share of net income (loss):			
Fifth Avenue and Times Square JV (see page 23 for details):			
Equity in net income	51.5%	$ 10,199	$ 16,309
Return on preferred equity, net of our share of the expense		9,226	9,226
		19,425	25,535
Alexander's (see page 23 and above for details):			
Equity in net income	32.4%	3,571	4,671
Management, leasing and development fees		1,173	1,020
		4,744	5,691
Partially owned office buildings[1]	Various	(8,963)	1,292
Other investments[2]	Various	1,460	1,196
		$ 16,666	$ 33,714

(1) Includes interests in 280 Park Avenue, 650 Madison 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.

7. 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.

Pursuant to the agreements, Citadel master leases 350 Park Avenue, a 585,000 square foot Manhattan office building, on an "as is" basis for ten years, with an initial annual net rent of $36,000,000. Per the terms of the lease, no tenant allowance or free rent was provided. In the first quarter of 2023, we commenced revenue recognition of the master lease. Citadel will also master lease Rudin's adjacent property at 40 East 52nd Street (390,000 square feet).

In addition, we have entered into a joint venture with Rudin ("Vornado/Rudin") to purchase 39 East 51st Street for $40,000,000 and, upon formation of the KG joint venture described below, will combine that property with 350 Park Avenue and 40 East 52nd Street to create a premier development site (collectively, the "Site"). The purchase is expected to close in the second quarter of 2023.

From October 2024 to June 2030, KG will have the option to either:

- acquire a 60% interest in a joint venture with Vornado/Rudin that would value the Site at $1.2 billion ($900,000,000 to Vornado and $300,000,000 to Rudin) and build a new 1,700,000 square foot office tower (the "Project") pursuant to East Midtown Subdistrict zoning with Vornado/Rudin as developer. KG would own 60% of the joint venture and Vornado/Rudin would own 40% (with Vornado owning 36% and Rudin owning 4% of the joint venture along with a $250,000,000 preferred equity interest in the Vornado/Rudin joint venture).
    - at the joint venture formation, Citadel or its affiliates will execute a pre-negotiated 15-year anchor lease with renewal options for approximately 850,000 square feet (with expansion and contraction rights) at the Project for its primary office in New York City;
    - the rent for Citadel's space will be determined by a formula based on a percentage return (that adjusts based on the actual cost of capital) on the total Project cost;
    - the master leases will terminate at the scheduled commencement of demolition;
- or, exercise an option to purchase the Site for $1.4 billion ($1.085 billion to Vornado and $315,000,000 to Rudin), in which case Vornado/Rudin would not participate in the new development.

Further, Vornado/Rudin will have the option from October 2024 to September 2030 to put the Site to KG for $1.2 billion ($900,000,000 to Vornado and $300,000,000 to Rudin). For ten years following any put option closing, unless the put option is exercised in response to KG's request to form the joint venture or KG makes a $200,000,000 termination payment, Vornado/Rudin will have the right to invest in a joint venture with KG on the terms described above if KG proceeds with development of the Site.

8. Identified Intangible Assets and Liabilities

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

(Amounts in thousands)	Balance as of	
	March 31, 2023	December 31, 2022
Identified intangible assets:		
Gross amount	$ 237,777	$ 237,777
Accumulated amortization	(100,616)	(98,139)
Total, net	$ 137,161	$ 139,638
Identified intangible liabilities (included in deferred revenue):		
Gross amount	$ 244,396	$ 244,396
Accumulated amortization	(210,450)	(208,592)
Total, net	$ 33,946	$ 35,804

Amortization of acquired below-market leases, net of acquired above-market leases, resulted in an increase to rental revenues of $1,367,000 and $917,000 for the three months ended March 31, 2023 and 2022, respectively. Estimated annual amortization for each of the five succeeding years commencing January 1, 2024 is below:

(Amounts in thousands)	
2024	$ 2,352
2025	941
2026	299
2027	(148)
2028	(43)

Amortization of all other identified intangible assets (a component of depreciation and amortization expense) was $1,987,000 and $4,125,000 for the three months ended March 31, 2023 and 2022, respectively. Estimated annual amortization for each of the five succeeding years commencing January 1, 2024 is below:

(Amounts in thousands)	
2024	$ 7,128
2025	6,078
2026	5,884
2027	5,449
2028	4,290

9. Debt

Secured Debt

150 West 34th Street Loan Participation

On January 9, 2023, our $105,000,000 participation in the $205,000,000 mortgage loan on 150 West 34th Street was repaid, which reduced “other assets” and “mortgages payable, net” on our consolidated balance sheets by $105,000,000. The remaining $100,000,000 mortgage loan balance bears interest at SOFR plus 1.86%, subject to an interest rate cap arrangement with a SOFR strike rate of 4.10%, and matures in May 2024.

The following is a summary of our debt:

(Amounts in thousands)	Weighted Average Interest Rate at March 31, 2023(1)	Balance as of March 31, 2023	Balance as of December 31, 2022
Mortgages Payable:			
Fixed rate	3.63%	$ 3,569,550	$ 3,570,000
Variable rate(2)	5.57%	2,197,665	2,307,615
Total	4.37%	5,767,215	5,877,615
Deferred financing costs, net and other		(49,877)	(48,597)
Total, net		$ 5,717,338	$ 5,829,018
Unsecured Debt:			
Senior unsecured notes	3.02%	$ 1,200,000	$ 1,200,000
Deferred financing costs, net and other		(7,658)	(8,168)
Senior unsecured notes, net		1,192,342	1,191,832
Unsecured term loan	4.05%	800,000	800,000
Deferred financing costs, net and other		(6,483)	(6,807)
Unsecured term loan, net		793,517	793,193
Unsecured revolving credit facilities	3.88%	575,000	575,000
Total, net		$ 2,560,859	$ 2,560,025

(1) Represents the interest rate in effect as of March 31, 2023 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) As of March 31, 2023, $2,009,119 of our variable rate debt is subject to interest rate cap arrangements. The interest rate cap arrangements have a weighted average strike rate of 3.98% and a weighted average remaining term of 11 months.

10. 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.

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

(Amounts in thousands)	For the Three Months Ended March 31,	
	2023	2022
Beginning balance	$ 348,692	$ 590,975
Net income	429	1,994
Other comprehensive (loss) income	(6,080)	5,134
Distributions	(5,601)	(7,584)
Redemption of Class A units for Vornado common shares, at redemption value	(187)	(717)
Redeemable Class A unit measurement adjustment	23,843	46,651
Other, net	(9,353)	13,305
Ending balance	$ 351,743	$ 649,758

As of March 31, 2023 and December 31, 2022, the aggregate redemption value of redeemable Class A units of the Operating Partnership, which are those units held by third parties, was $348,208,000 and $345,157,000, respectively, based on the aggregate carrying amount of such units.

On April 26, 2023, Vornado announced that it will postpone dividends on its common shares until the end of 2023, at which time, upon finalization of its 2023 taxable income, including the impact of asset sales, it will pay the 2023 dividend in either (i) cash, or (ii) a combination of cash and securities, as determined by its Board of Trustees. Distributions to redeemable Class A unitholders will correspondingly be postponed with the postponement of dividends to Vornado common shareholders.

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 as of March 31, 2023 and December 31, 2022, 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"). During 2020, a historic tax credit investor (the "Tax Credit Investor") funded $92,400,000 of capital contributions to the Farley Project and is expected to make additional capital contributions in future periods.

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, 2023 and 2022.

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,	
	2023	2022
Beginning balance	$ 88,040	$ 97,708
Net loss	(9,244)	(305)
Ending balance	$ 78,796	$ 97,403

11. 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,	
	2023	2022
Common shares/Class A units held by Vornado: authorized 250,000,000 shares/units	$ 0.375	$ 0.53
Preferred shares/units[1]		
Convertible Preferred:		
6.5% Series A: authorized 12,902 shares/units[2]	0.8125	0.8125
Cumulative Redeemable Preferred[1][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) Dividends on preferred shares and distributions on preferred units 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.

On April 26, 2023, Vornado announced that it will postpone dividends on its common shares until the end of 2023, at which time, upon finalization of its 2023 taxable income, including the impact of asset sales, it will pay the 2023 dividend in either (i) cash, or (ii) a combination of cash and securities, as determined by its Board of Trustees. Distributions to Class A unitholders of the Operating Partnership will correspondingly be postponed with the postponement of dividends to Vornado common shareholders.

Vornado also announced that its Board of Trustees has authorized the repurchase of up to $200,000,000 of its outstanding common shares under a newly established share repurchase program. Cash retained from dividends or from asset sales will be used to reduce debt and/or fund share repurchases. 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.

12. Variable Interest Entities ("VIEs")

Unconsolidated VIEs

As of March 31, 2023 and December 31, 2022, 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 6 – *Investments in Partially Owned Entities*). As of March 31, 2023 and December 31, 2022, the net carrying amount of our investments in these entities was $56,019,000 and $68,223,000, respectively, and our maximum exposure to loss in these entities is limited to the carrying amount of our investments.

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, 2023, the total assets and liabilities of our consolidated VIEs, excluding the Operating Partnership, were $5,001,249,000 and $2,764,740,000, respectively. As of December 31, 2022, the total assets and liabilities of our consolidated VIEs, excluding the Operating Partnership, were $4,423,995,000 and $2,345,726,000, 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.

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) investments in U.S. Treasury bills (classified as available-for-sale), (ii) the assets in our deferred compensation plan (for which there is a corresponding liability on our consolidated balance sheets), (iii) loans receivable (for which we have elected the fair value option under ASC Subtopic 825-10, *Financial Instruments* ("ASC 825-10")), (iv) interest rate swaps and caps and (v) 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, 2023			
	Total	Level 1	Level 2	Level 3
Investments in U.S. Treasury bills [(1)]	$ 276,645	$ 276,645	$ —	$ —
Deferred compensation plan assets ($11,209 included in restricted cash and $87,787 in other assets)	98,996	58,369	—	40,627
Loans receivable ($51,092 included in investments in partially owned entities and $4,177 in other assets)	55,269	—	—	55,269
Interest rate swaps and caps (included in other assets)	129,208	—	129,208	—
Total assets	$ 560,118	$ 335,014	$ 129,208	$ 95,896
Mandatorily redeemable instruments (included in other liabilities)	$ 49,383	$ 49,383	$ —	$ —
Interest rate swaps (included in other liabilities)	15,009	—	15,009	—
Total liabilities	$ 64,392	$ 49,383	$ 15,009	$ —

(Amounts in thousands)	As of December 31, 2022			
	Total	Level 1	Level 2	Level 3
Investments in U.S. Treasury bills	$ 471,962	$ 471,962	$ —	$ —
Deferred compensation plan assets ($7,763 included in restricted cash and $88,559 in other assets)	96,322	57,406	—	38,916
Loans receivable ($50,091 included in investments in partially owned entities and $4,306 in other assets)	54,397	—	—	54,397
Interest rate swaps and caps (included in other assets)	183,804	—	183,804	—
Total assets	$ 806,485	$ 529,368	$ 183,804	$ 93,313
Mandatorily redeemable instruments (included in other liabilities)	$ 49,383	$ 49,383	$ —	$ —

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(1) During the three months ended March 31, 2023, we realized proceeds of $200,000 from maturing U.S. Treasury bills. As of March 31, 2023, our investments in U.S. Treasury bills had an aggregate accreted cost of $276,615 and have remaining maturities of less than one year. As of December 31, 2022, our investments in U.S. Treasury bills had an aggregate accreted cost of $473,171.

13. Fair Value Measurements - continued

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

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,	
	2023	2022
Beginning balance	$ 38,916	$ 45,016
Purchases	643	843
Sales	(506)	(907)
Realized and unrealized gains (losses)	1,113	(1,240)
Other, net	461	814
Ending balance	$ 40,627	$ 44,526

Loans Receivable

Loans receivable consist of loan investments in real estate related assets for which we have elected the fair value option under ASC 825-10. These investments are classified as Level 3.

Significant unobservable quantitative inputs used in determining the fair value of each investment include capitalization rates and discount rates. These rates are based on the location, type and nature of each property, current and anticipated market conditions, industry publications and from the experience of our Acquisitions and Capital Markets departments. Significant unobservable quantitative inputs in the table below were utilized in determining the fair value of these loans receivable.

Unobservable Quantitative Input	As of March 31, 2023	As of December 31, 2022
Discount rates	7.5%	7.5%
Terminal capitalization rates	5.5%	5.5%

The table below summarizes the changes in fair value of loans receivable that are classified as Level 3.

(Amounts in thousands)	For the Three Months Ended March 31,	
	2023	2022
Beginning balance	$ 54,397	$ 50,182
Interest accrual	1,283	1,199
Paydowns	(411)	(533)
Ending balance	$ 55,269	$ 50,848

13. Fair Value Measurements - continued

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

Derivatives and Hedging

We recognize the fair values of all derivatives in "other assets" or "other liabilities" on our consolidated balance sheets. Derivatives that are not hedges are adjusted to fair value through earnings. If a derivative is a hedge, depending on the nature of the hedge, changes in the fair value of the derivative will either be offset against the change in fair value of the hedged asset, liability, or firm commitment through earnings, or 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.

The following table summarizes our consolidated hedging instruments, all of which hedge variable rate debt, as of March 31, 2023 and December 31, 2022.

(Amounts in thousands)

	As of March 31, 2023					As of December 31, 2022
	Notional Amount	**All-In Swapped Rate**	**Swap Expiration Date**	**Fair Value Asset**	**Fair Value Liability**	**Fair Value Asset**
Interest rate swaps:						
555 California Street mortgage loan:						
In-place swap	$ 840,000 (1)	2.26%	05/24	$ 39,859	$ —	$ 49,888
Forward swap (effective 05/24)	840,000 (1)	5.92%	05/26	—	14,239	—
770 Broadway mortgage loan	700,000	4.98%	07/27	18,448	—	29,226
PENN 11 mortgage loan	500,000	2.22%	03/24	20,640	—	26,587
Unsecured revolving credit facility	575,000	3.88%	08/27	15,354	—	24,457
Unsecured term loan(2)	800,000	4.05%	**(2)**	12,408	770	21,024
100 West 33rd Street mortgage loan	480,000	5.06%	06/27	283	—	6,886
888 Seventh Avenue mortgage loan	200,000 (3)	4.76%	09/27	3,458	—	6,544
4 Union Square South mortgage loan	99,550 (4)	3.74%	01/25	3,153	—	4,050
Interest rate caps:						
1290 Avenue of the Americas mortgage loan	950,000	**(5)**	11/23	5,765	—	7,590
One Park Avenue mortgage loan(6)	525,000	**(6)**	03/25	7,718	—	5,472
Various mortgage loans				2,122	—	2,080
				$ 129,208	$ 15,009	$ 183,804

(1) Represents our 70.0% share of the $1.2 billion mortgage loan. In March 2023, we entered into the forward swap arrangement detailed above.

(2) Represents the aggregate fair value of various interest rate swap arrangements to hedge interest payments on our unsecured term loan. In February 2023, we entered into a forward interest rate swap arrangement for $150,000 of the $800,000 unsecured term loan. The unsecured term loan, which matures in December 2027, is subject to various interest rate swap arrangements through August 2027, which are detailed below:

	Swapped Balance	**All-In Swapped Rate**	**Unswapped Balance (bears interest at S+130)**
Through 10/23	$ 800,000	4.05%	$ —
10/23 through 07/25	700,000	4.53%	100,000
07/25 through 10/26	550,000	4.36%	250,000
10/26 through 08/27	50,000	4.04%	750,000

(3) The remaining $72,400 amortizing mortgage loan balance bears interest at a floating rate of SOFR plus 1.80% (6.47% as of March 31, 2023).

(4) The remaining $20,450 mortgage loan balance bears interest at a floating rate of SOFR plus 1.50% (6.17% as of March 31, 2023).

(5) LIBOR cap strike rate of 4.00%.

(6) SOFR strike rate of 3.89%. In March 2023, we entered into a forward cap arrangement which expires in March 2025 and is effective upon the March 2024 expiration of the currently in-place cap. The forward cap has a SOFR 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, 2023. As of December 31, 2022, we had assets measured at fair value on a nonrecurring basis on our consolidated balance sheets with an aggregate fair value of $2,352,328,000, representing real estate investments, including our investment in Fifth Avenue and Times Square JV as well as wholly owned street retail assets, that were written down to estimated fair value for impairment purposes and were classified as Level 3 investments. Our estimate of the fair value of these assets was measured using discounted cash flow analyses based upon market conditions and expectations of growth and utilized unobservable quantitative inputs including capitalization rates and discount rates. Significant unobservable quantitative inputs in the table below were utilized in determining the fair value of these real estate assets.

	As of December 31, 2022	
Unobservable Quantitative Input	**Range**	**Weighted Average (based on fair value of investments)**
Discount rates	7.50% - 8.00%	7.52%
Terminal capitalization rates	4.75% - 5.50%	4.78%

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. Estimates of the fair value of these instruments are determined by the standard practice of modeling the contractual cash flows required under the instrument and discounting them back to their present value at the appropriate current risk adjusted interest rate, which is 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, 2023		As of December 31, 2022	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Cash equivalents	$ 578,088	$ 578,000	$ 402,903	$ 403,000
Debt:				
Mortgages payable	$ 5,767,215	$ 5,577,000	$ 5,877,615	$ 5,697,000
Senior unsecured notes	1,200,000	972,000	1,200,000	1,021,000
Unsecured term loan	800,000	800,000	800,000	800,000
Unsecured revolving credit facilities	575,000	575,000	575,000	575,000
Total	$ 8,342,215 (1)	$ 7,924,000	$ 8,452,615 (1)	$ 8,093,000

(1) Excludes $64,018 and $63,572 of deferred financing costs, net and other as of March 31, 2023 and December 31, 2022, respectively.

14. Stock-based Compensation

We account for all equity-based compensation in accordance with ASC Topic 718, *Compensation - Stock Compensation*. Stock-based compensation expense, a component of "general and administrative" expense on our consolidated statements of income, was $11,714,000 and $13,155,000 for the three months ended March 31, 2023 and 2022, respectively.

2023 Long-Term Performance Award

On January 11, 2023, the Compensation Committee of Vornado's Board of Trustees approved the 2023 Long-Term Performance Plan (“LTPP"), a multi-year, restricted operating partnership ("LTIP") units-based performance equity compensation plan. Awards under the 2023 LTPP are bifurcated between operational performance (50%) and relative performance (50%) measurements and may be earned at specified threshold, target and maximum levels.

The operational component awards may be earned based on Vornado’s 2023 operational performance in the following categories:

- FFO, as adjusted per share (75% weighting); and
- ESG performance metrics consisting of greenhouse emissions reductions, GRESB score and Green Building Certification (LEED) achievements (aggregate 25% weighting).

Any LTPP award units tentatively earned based on Vornado’s 2023 operational performance are subject to an absolute return modifier pursuant to which such award units are subject to a potential reduction (but not increase) of up to 30% if Vornado’s aggregate total three-year total shareholder return ("TSR") is below specified levels.

Awards under relative components may be earned based on Vornado’s three-year TSR, measured against the Dow Jones U.S. Real Estate Office Index (50% weighting) and a Northeast peer group custom index (50% weighting). Awards earned under the relative component of the 2023 LTPP are subject to reductions of up to 30% if Vornado’s three-year TSR is below specified levels.

If the designated performance objectives are achieved, awards earned under 2023 LTPP will vest 50% in January 2026 and 50% in January 2027. In addition, the Chief Executive Officer is required to hold any earned and vested awards for three years following each such vesting date and all other award recipients are required to hold such awards for one year following each such vesting date. Dividends on awards granted under the 2023 LTPP accrue during the applicable performance period and are paid to participants if awards are ultimately earned based on the achievement of the designated performance objectives.

15. 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, 2023	2022
Interest on cash and cash equivalents and restricted cash	$ 5,674	$ 64
Amortization of discount on investments in U.S. Treasury bills	3,445	129
Interest on loans receivable	484	825
	$ 9,603	$ 1,018

16. 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, 2023	2022
Interest expense	$ 89,081	$ 50,801
Capitalized interest and debt expense	(8,857)	(3,520)
Amortization of deferred financing costs	6,013	4,828
	$ 86,237	$ 52,109

17. Income Per Share/Income Per Class A Unit

Vornado Realty Trust

The following table presents the calculations of (i) basic income per common share which includes the weighted average number of common shares outstanding without regard to dilutive potential common shares and (ii) diluted income per common share which includes weighted average common shares outstanding and dilutive share equivalents. Unvested share-based payment awards that contain nonforfeitable rights to dividends, whether paid or unpaid, are accounted for as participating securities. Earnings are allocated to participating securities, which include restricted stock awards, based on the two-class method. Our share-based payment awards, including employee stock options, restricted Operating Partnership units ("OP Units"), out-performance plan awards ("OPPs"), Appreciation-Only Long-Term Incentive Plan Units ("AO LTIP Units"), and LTPP Units, are included in the calculation of diluted income per share using the treasury stock method if dilutive. Our convertible securities, including our Series A convertible preferred shares, Series G-1 through G-4 convertible preferred units and Series D-13 redeemable preferred units, are reflected in diluted income per share by application of the if-converted method if dilutive.

(Amounts in thousands, except per share amounts)	For the Three Months Ended March 31,	
	2023	2022
Numerator:		
Net income attributable to Vornado	$ 20,697	$ 42,007
Preferred share dividends	(15,529)	(15,529)
Net income attributable to common shareholders	5,168	26,478
Earnings allocated to unvested participating securities	(1)	(5)
Numerator for basic and diluted income per share	$ 5,167	$ 26,473
Denominator:		
Denominator for basic income per share - weighted average shares	191,869	191,724
Effect of dilutive securities[(1)]:		
Share-based payment awards	12	314
Denominator for diluted income per share - weighted average shares and assumed conversions	191,881	192,038
INCOME PER COMMON SHARE - BASIC:		
Net income per common share	$ 0.03	$ 0.14
INCOME PER COMMON SHARE - DILUTED:		
Net income per common share	$ 0.03	$ 0.14

(1) The effect of dilutive securities excluded an aggregate of 17,147 and 15,185 weighted average common share equivalents for the three months ended March 31, 2023 and 2022, respectively, as their effect was anti-dilutive.

17. Income Per Share/Income Per Class A Unit - continued

Vornado Realty L.P.

The following table presents the calculations of (i) basic income per Class A unit which includes the weighted average number of Class A units outstanding without regard to dilutive potential Class A units and (ii) diluted income per Class A unit which includes the weighted average Class A units outstanding and dilutive Class A unit equivalents. Unvested share-based payment awards that contain non-forfeitable rights to dividends, whether paid or unpaid, are accounted for as participating securities. Earnings are allocated to participating securities, which include Vornado restricted stock awards and our OP Units, based on the two-class method. Our other share-based payment awards, including Vornado stock options, OPPs, AO LTIP Units, and LTPP Units, are included in the calculation of diluted income per Class A unit using the treasury stock method if dilutive. Our convertible securities, including our Series A convertible preferred units, Series G-1 through G-4 convertible preferred units and Series D-13 redeemable preferred units, are reflected in diluted income per Class A unit by application of the if-converted method if dilutive.

(Amounts in thousands, except per unit amounts)	For the Three Months Ended March 31,	
	2023	2022
Numerator:		
Net income attributable to Vornado Realty L.P.	$ 21,126	$ 44,001
Preferred unit distributions	(15,558)	(15,558)
Net income attributable to Class A unitholders	5,568	28,443
Earnings allocated to unvested participating securities	(340)	(639)
Numerator for basic and diluted income per Class A unit	$ 5,228	$ 27,804
Denominator:		
Denominator for basic income per Class A unit – weighted average units	205,802	205,141
Effect of dilutive securities[(1)]:		
Share-based payment awards	12	755
Denominator for diluted income per Class A unit – weighted average units and assumed conversions	205,814	205,896
INCOME PER CLASS A UNIT - BASIC:		
Net income per Class A unit	$ 0.03	$ 0.14
INCOME PER CLASS A UNIT - DILUTED:		
Net income per Class A unit	$ 0.03	$ 0.14

(1) The effect of dilutive securities excluded an aggregate of 3,214 and 1,327 weighted average Class A unit equivalents for the three months ended March 31, 2023 and 2022, respectively, as their effect was anti-dilutive.

18. 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 $250,000,000 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 $1,774,525 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 a 25-year renewal option on our PENN 1 ground lease extending the term through June 2073. As a result of the exercise, we remeasured the related ground lease liability to include the 25-year extension option and recorded an estimated incremental right-of-use asset and lease liability of approximately $350,000,000 within "right-of-use assets" and "lease liabilities", respectively, on our consolidated balance sheets. The ground lease is subject to fair market value resets every 25 years over the lease term, with the next reset occurring in June 2023.

In July 2018, we leased 78,000 square feet at 345 Montgomery Street in San Francisco, CA, to a subsidiary of Regus PLC, for an initial term of 15 years. The obligations under the lease were guaranteed by Regus PLC in an amount of up to $90,000,000. The tenant purported to terminate the lease prior to space delivery. We commenced a suit on October 23, 2019 seeking to enforce the lease and the guaranty. On May 11, 2021, the court issued a final statement of decision in our favor and on January 31, 2023, the Court of Appeal affirmed the lower court's decision. On October 9, 2020, the successor to Regus PLC filed for bankruptcy in Luxembourg. In April 2023, we entered into a settlement with affiliates of the successor to Regus PLC, pursuant to which we agreed to discontinue all legal proceedings against the Regus PLC successor and its affiliates in exchange for a payment to us of $21,350,000, which will be recognized in our consolidated statements of income in the second quarter of 2023.

18. Commitments and Contingencies - continued

Other Commitments and Contingencies - continued

Our mortgage loans are non-recourse to us, except for the mortgage loans secured by 640 Fifth Avenue, 7 West 34th Street and 435 Seventh Avenue, which we guaranteed and therefore are part of our tax basis. In certain cases, we have provided guarantees or master leased tenant space. These guarantees and master leases terminate either upon the satisfaction of specified circumstances or repayment of the underlying loans. As of March 31, 2023, the aggregate dollar amount of these guarantees and master leases is approximately $1,026,000,000. In addition, we have guaranteed the rent and payments in lieu of real estate taxes due to Empire State Development (“ESD”), an entity of New York State, for the Farley Building. The aggregate dollar amount of the guarantee is $510,000,000 but the guarantee will be terminated if we surrender possession of the property to ESD or if we no longer hold a direct or indirect interest in the property.

As of March 31, 2023, $15,273,000 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 our ratings below Baa3/BBB- (our current ratings). 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. 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, 2023, the Tax Credit Investor has made $92,400,000 in capital contributions. Vornado and Related have guaranteed certain of the joint venture’s obligations to the Tax Credit Investor.

As investment manager of the Fund we are entitled to an incentive allocation after the limited partners have received a preferred return on their invested capital. The incentive allocation is subject to catch-up and clawback provisions. Accordingly, based on the March 31, 2023 fair value of the Fund assets, at liquidation we would be required to make a $26,200,000 payment to the limited partners, net of amounts owed to us, representing a clawback of previously paid incentive allocations, which would have no income statement impact as it was previously accrued.

As of March 31, 2023, we expect to fund additional capital to certain of our partially owned entities aggregating approximately $10,300,000.

As of March 31, 2023, we have construction commitments aggregating approximately $351,000,000.

19. 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, net 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.

19. Segment Information - continued

Below is a summary of NOI at share and NOI at share - cash basis by segment for the three months ended March 31, 2023 and 2022.

(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

(Amounts in thousands)	For the Three Months Ended March 31, 2022		
	Total	New York	Other
Total revenues	$ 442,130	$ 358,548	$ 83,582
Operating expenses	(216,529)	(177,535)	(38,994)
NOI - consolidated	225,601	181,013	44,588
Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries	(20,035)	(13,310)	(6,725)
Add: NOI from partially owned entities	78,692	75,964	2,728
NOI at share	284,258	243,667	40,591
Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other	(3,130)	(3,975)	845
NOI at share - cash basis	$ 281,128	$ 239,692	$ 41,436

Below is a reconciliation of net income to NOI at share and NOI at share - cash basis for the three months ended March 31, 2023 and 2022.

(Amounts in thousands)	For the Three Months Ended March 31,	
	2023	2022
Net income	$ 11,198	$ 53,375
Depreciation and amortization expense	106,565	117,443
General and administrative expense	41,595	41,216
Transaction related costs and other	658	1,005
Income from partially owned entities	(16,666)	(33,714)
Loss (income) from real estate fund investments	19	(5,674)
Interest and other investment income, net	(9,603)	(1,018)
Interest and debt expense	86,237	52,109
Net gains on disposition of wholly owned and partially owned assets	(7,520)	(6,552)
Income tax expense	4,667	7,411
NOI from partially owned entities	68,097	78,692
NOI attributable to noncontrolling interests in consolidated subsidiaries	(11,764)	(20,035)
NOI at share	273,483	284,258
Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net and other	5,052	(3,130)
NOI at share - cash basis	$ 278,535	$ 281,128

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, 2023, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the three-month periods ended March 31, 2023 and 2022, 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, 2022, 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 13, 2023, 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, 2022, 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 1, 2023

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, 2023, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the three-month periods ended March 31, 2023 and 2022, 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, 2022, 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 13, 2023, 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, 2022, 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 1, 2023

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, including the form of any 2023 dividend payments, and the amount and form of potential share repurchases and/or asset sales. 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, 2022.

Currently, some of the factors are the increase in interest rates and inflation and the continuing effects of the COVID-19 pandemic 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, 2023. 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, 2023 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 91.4% of the common limited partnership interest in the Operating Partnership as of March 31, 2023. 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, 2022 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 the continuing effect of the COVID-19 pandemic 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, 2023 Financial Results Summary

Net income attributable to common shareholders for the quarter ended March 31, 2023 was $5,168,000, or $0.03 per diluted share, compared to $26,478,000, or $0.14 per diluted share, for the prior year’s quarter. The quarters ended March 31, 2023 and 2022 include certain items that impact the comparability of period-to-period net income attributable to common shareholders, which are listed in the table below. The aggregate of these items, net of amounts attributable to noncontrolling interests, increased net income attributable to common shareholders for the quarter ended March 31, 2023 by $2,795,000, or $0.02 per diluted share, and decreased net income attributable to common shareholders by $5,204,000, or $0.02 per diluted share, for the quarter ended March 31, 2022.

Funds from operations (“FFO”) attributable to common shareholders plus assumed conversions for the quarter ended March 31, 2023 was $119,083,000, or $0.61 per diluted share, compared to $154,908,000, or $0.80 per diluted share, for the prior year’s quarter. FFO attributable to common shareholders plus assumed conversions for the quarters ended March 31, 2023 and 2022 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, increased FFO attributable to common shareholders plus assumed conversions for the quarter ended March 31, 2023 by $2,795,000, or $0.01 per diluted share, and increased FFO attributable to common shareholders plus assumed conversions by $2,595,000, or $0.01 per diluted share, for the quarter ended March 31, 2022.

The following table reconciles the difference between our net income attributable to common shareholders and our net income attributable to common shareholders, as adjusted:

(Amounts in thousands)	For the Three Months Ended March 31,	
	2023	2022
Certain (income) expense items that impact net income attributable to common shareholders:		
After-tax net gain on sale of 220 Central Park South ("220 CPS") condominium units	$ (6,173)	$ (5,412)
Deferred tax liability on our investment in The Farley Building (held through a taxable REIT subsidiary)	2,875	3,173
Other	288	7,829
	(3,010)	5,590
Noncontrolling interests' share of above adjustments	215	(386)
Total of certain (income) expense items that impact net income attributable to common shareholders	$ (2,795)	$ 5,204

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,	
	2023	2022
Certain (income) expense items that impact FFO attributable to common shareholders plus assumed conversions:		
After-tax net gain on sale of 220 CPS condominium units	$ (6,173)	$ (5,412)
Deferred tax liability on our investment in The Farley Building (held through a taxable REIT subsidiary)	2,875	3,173
Other	288	(549)
	(3,010)	(2,788)
Noncontrolling interests' share of above adjustments	215	193
Total of certain (income) expense items that impact FFO attributable to common shareholders plus assumed conversions, net	$ (2,795)	$ (2,595)

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

The percentage increase (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, 2023 compared to March 31, 2022	Total	New York	THE MART	555 California Street
Same store NOI at share % increase (decrease)	0.0 %	1.6 %	(22.6)%	4.3 %
Same store NOI at share - cash basis % increase (decrease)	1.5 %	3.8 %	(28.2)%	8.3 %

Calculations of same store NOI at share, reconciliations of our net 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.

Dividends/Share Repurchase Program

On April 26, 2023, Vornado announced that it will postpone dividends on its common shares until the end of 2023, at which time, upon finalization of its 2023 taxable income, including the impact of asset sales, it will pay the 2023 dividend in either (i) cash, or (ii) a combination of cash and securities, as determined by its Board of Trustees.

Vornado also announced that its Board of Trustees has authorized the repurchase of up to $200,000,000 of its outstanding common shares under a newly established share repurchase program. Cash retained from dividends or from asset sales will be used to reduce debt and/or fund share repurchases.

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.

Pursuant to the agreements, Citadel master leases 350 Park Avenue, a 585,000 square foot Manhattan office building, on an "as is" basis for ten years, with an initial annual net rent of $36,000,000. Per the terms of the lease, no tenant allowance or free rent was provided. Citadel will also master lease Rudin's adjacent property at 40 East 52nd Street (390,000 square feet).

In addition, we have entered into a joint venture with Rudin ("Vornado/Rudin") to purchase 39 East 51st Street for $40,000,000 and, upon formation of the KG joint venture described below, will combine that property with 350 Park Avenue and 40 East 52nd Street to create a premier development site (collectively, the "Site"). The purchase is expected to close in the second quarter of 2023.

From October 2024 to June 2030, KG will have the option to either:

- acquire a 60% interest in a joint venture with Vornado/Rudin that would value the Site at $1.2 billion ($900,000,000 to Vornado and $300,000,000 to Rudin) and build a new 1,700,000 square foot office tower (the "Project") pursuant to East Midtown Subdistrict zoning with Vornado/Rudin as developer. KG would own 60% of the joint venture and Vornado/Rudin would own 40% (with Vornado owning 36% and Rudin owning 4% of the joint venture along with a $250,000,000 preferred equity interest in the Vornado/Rudin joint venture).
  - at the joint venture formation, Citadel or its affiliates will execute a pre-negotiated 15-year anchor lease with renewal options for approximately 850,000 square feet (with expansion and contraction rights) at the Project for its primary office in New York City;
  - the rent for Citadel's space will be determined by a formula based on a percentage return (that adjusts based on the actual cost of capital) on the total Project cost;
  - the master leases will terminate at the scheduled commencement of demolition;
- or, exercise an option to purchase the Site for $1.4 billion ($1.085 billion to Vornado and $315,000,000 to Rudin), in which case Vornado/Rudin would not participate in the new development.

Further, Vornado/Rudin will have the option from October 2024 to September 2030 to put the Site to KG for $1.2 billion ($900,000,000 to Vornado and $300,000,000 to Rudin). For ten years following any put option closing, unless the put option is exercised in response to KG's request to form the joint venture or KG makes a $200,000,000 termination payment, Vornado/Rudin will have the right to invest in a joint venture with KG on the terms described above if KG proceeds with development of the Site.

Dispositions

Alexander's, Inc. ("Alexanders")

On March 8, 2023, Alexander's entered into an agreement to sell the Rego Park III land parcel, located in Queens, New York, for $71,060,000, inclusive of consideration for Brownfield tax benefits and reimbursement of costs for plans, specifications and improvements to date. Alexander's anticipates the closing of the sale in the second quarter of 2023 and will recognize a financial statement gain of approximately $54,000,000. Upon completion of the sale, we will recognize our approximate $16,000,000 share of the net gain.

Financings

150 West 34th Street Loan Participation

On January 9, 2023, our $105,000,000 participation in the $205,000,000 mortgage loan on 150 West 34th Street was repaid, which reduced “other assets” and “mortgages payable, net” on our consolidated balance sheets by $105,000,000. The remaining $100,000,000 mortgage loan balance bears interest at SOFR plus 1.86%, subject to an interest rate cap arrangement with a SOFR strike rate of 4.10%, and matures in May 2024.

Interest Rate Hedging Activities

We entered into the following interest rate swap agreements during the three months ended March 31, 2023. 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	All-In Swapped Rate	Swap Expiration Date	Variable Rate Spread
555 California Street (effective 05/24)	$ 840,000	5.92%	05/26	L+193
Unsecured term loan[(1)] (effective 10/23)	150,000	5.13%	07/25	S+130

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(1) The unsecured term loan, which matures in December 2027, is subject to various interest rate swap arrangements through August 2027, see below for details:

	Swapped Balance	All-In Swapped Rate	Unswapped Balance (bears interest at S+130)
Through 10/23	$ 800,000	4.05%	$ —
10/23 through 07/25	700,000	4.53%	100,000
07/25 through 10/26	550,000	4.36%	250,000
10/26 through 08/27	50,000	4.04%	750,000

Leasing Activity for the Three Months Ended March 31, 2023

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.

- 777,000 square feet of New York Office space (771,000 square feet at share) at an initial rent of $101.02 per square foot and a weighted average lease term of 9.5 years. The changes in the GAAP and cash mark-to-market rent on the 677,000 square feet of second generation space were positive 8.5% and positive 1.7%, respectively. Tenant improvements and leasing commissions were $2.48 per square foot per annum, or 2.5% of initial rent.
- 25,000 square feet of New York Retail space (20,000 square feet at share) at an initial rent of $373.07 per square foot and a weighted average lease term of 6.8 years. The changes in the GAAP and cash mark-to-market rent on the 7,000 square feet of second generation space were positive 2.9% and positive 2.4%, respectively. Tenant improvements and leasing commissions were $26.54 per square foot per annum, or 7.1% of initial rent.
- 79,000 square feet at THE MART (all at share) at an initial rent of $56.44 per square foot and a weighted average lease term of 6.8 years. The changes in the GAAP and cash mark-to-market rent on the 51,000 square feet of second generation space were negative 1.5% and negative 7.9%, respectively. Tenant improvements and leasing commissions were $8.04 per square foot per annum, or 14.2% of initial rent.
- 4,000 square feet at 555 California Street (3,000 square feet at share) at an initial rent of $156.96 per square foot and a weighted average lease term of 7.0 years. The 4,000 square feet was first generation space. Tenant improvements and leasing commissions were $39.07 per square foot per annum, or 24.9% of initial rent.

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

(Square feet in thousands)	Number of Properties		Square Feet (in service) Total Portfolio	Our Share	Occupancy %
New York:					
Office	30	(1)	18,748	16,050	91.8 %
Retail (includes retail properties that are in the base of our office properties)	56	(1)	2,260	1,822	74.2 %
Residential - 1,976 units[(2)]	6	(1)	1,499	766	96.8 % (2)
Alexander's	6		2,454	795	86.9 % (2)
			24,961	19,433	89.9 %
Other:					
THE MART	4		3,634	3,625	80.3 %
555 California Street	3		1,819	1,274	94.9 %
Other	11		2,537	1,202	92.4 %
			7,990	6,101	
Total square feet as of March 31, 2023			32,951	25,534	

See notes below.

Square Footage (in service) and Occupancy as of December 31, 2022

(Square feet in thousands)	Number of properties		Square Feet (in service) Total Portfolio	Our Share	Occupancy %
New York:					
Office	30	(1)	18,724	16,028	91.9 %
Retail (includes retail properties that are in the base of our office properties)	56	(1)	2,289	1,851	74.4 %
Residential - 1,976 units[(2)]	6	(1)	1,499	766	96.7 % (2)
Alexander's	6		2,241	726	96.4 % (2)
			24,753	19,371	90.4 %
Other:					
THE MART	4		3,635	3,626	81.6 %
555 California Street	3		1,819	1,273	94.7 %
Other	11		2,532	1,197	92.6 %
			7,986	6,096	
Total square feet as of December 31, 2022			32,739	25,467	

(1) Reflects the Office, Retail and Residential space within our 71 total New York properties as of March 31, 2023 and December 31, 2022.
(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, 2022. For the three months ended March 31, 2023, 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, 2023 and 2022

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, net 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, 2023 and 2022.

(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

(Amounts in thousands)	For the Three Months Ended March 31, 2022		
	Total	New York	Other
Total revenues	$ 442,130	$ 358,548	$ 83,582
Operating expenses	(216,529)	(177,535)	(38,994)
NOI - consolidated	225,601	181,013	44,588
Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries	(20,035)	(13,310)	(6,725)
Add: NOI from partially owned entities	78,692	75,964	2,728
NOI at share	284,258	243,667	40,591
Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other	(3,130)	(3,975)	845
NOI at share - cash basis	$ 281,128	$ 239,692	$ 41,436

The elements of our New York and Other NOI at share for the three months ended March 31, 2023 and 2022 are summarized below.

(Amounts in thousands)	For the Three Months Ended March 31,	
	2023	2022
New York:		
Office	$ 174,270	$ 177,809
Retail	47,196	52,105
Residential	5,458	4,774
Alexander's	9,070	8,979
Total New York	235,994	243,667
Other:		
THE MART	15,409	19,914
555 California Street	16,929	16,235
Other investments	5,151	4,442
Total Other	37,489	40,591
NOI at share	$ 273,483	$ 284,258

NOI At Share by Segment for the Three Months Ended March 31, 2023 and 2022 - continued

The elements of our New York and Other NOI at share - cash basis for the three months ended March 31, 2023 and 2022 are summarized below.

(Amounts in thousands)	For the Three Months Ended March 31, 2023	2022
New York:		
Office	$ 182,081	$ 177,827
Retail	44,034	47,393
Residential	5,051	4,689
Alexander's	9,861	9,783
Total New York	241,027	239,692
Other:		
THE MART	14,675	20,436
555 California Street	17,718	16,360
Other investments	5,115	4,640
Total Other	37,508	41,436
NOI at share - cash basis	$ 278,535	$ 281,128

Reconciliation of Net Income to NOI At Share and NOI At Share - Cash Basis for the Three Months Ended March 31, 2023 and 2022

Below is a reconciliation of net income to NOI at share and NOI at share - cash basis for the three months ended March 31, 2023 and 2022.

(Amounts in thousands)	For the Three Months Ended March 31, 2023	2022
Net income	$ 11,198	$ 53,375
Depreciation and amortization expense	106,565	117,443
General and administrative expense	41,595	41,216
Transaction related costs and other	658	1,005
Income from partially owned entities	(16,666)	(33,714)
Loss (income) from real estate fund investments	19	(5,674)
Interest and other investment income, net	(9,603)	(1,018)
Interest and debt expense	86,237	52,109
Net gains on disposition of wholly owned and partially owned assets	(7,520)	(6,552)
Income tax expense	4,667	7,411
NOI from partially owned entities	68,097	78,692
NOI attributable to noncontrolling interests in consolidated subsidiaries	(11,764)	(20,035)
NOI at share	273,483	284,258
Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net and other	5,052	(3,130)
NOI at share - cash basis	$ 278,535	$ 281,128

NOI At Share by Region

	For the Three Months Ended March 31, 2023	2022
Region:		
New York City metropolitan area	88 %	87 %
Chicago, IL	6 %	7 %
San Francisco, CA	6 %	6 %
	100 %	100 %

Results of Operations – Three Months Ended March 31, 2023 Compared to March 31, 2022

Revenues

Our revenues were $445,923,000 for the three months ended March 31, 2023 compared to $442,130,000 for the prior year's quarter, an increase of $3,793,000. Below are the details of the increase (decrease) by segment:

(Amounts in thousands)	Total	New York	Other
(Decrease) increase due to:			
Rental revenues:			
Acquisitions, dispositions and other	$ (11,983)	$ (11,983)	$ —
Development and redevelopment	314	314	—
Trade shows	(96)	—	(96)
Same store operations	11,275	12,340	(1,065)
	(490)	671	(1,161)
Fee and other income:			
BMS cleaning fees	2,637	2,967	(330)
Management and leasing fees	280	206	74
Other income	1,366	1,422	(56)
	4,283	4,595	(312)
Total increase (decrease) in revenues	$ 3,793	$ 5,266	$ (1,473)

Expenses

Our expenses were $381,319,000 for the three months ended March 31, 2023, compared to $374,249,000 for the prior year's quarter, an increase of $7,070,000. Below are the details of the increase by segment:

(Amounts in thousands)	Total	New York	Other
(Decrease) increase due to:			
Operating:			
Acquisitions, dispositions and other	$ (4,253)	$ (4,253)	$ —
Development and redevelopment	3,197	3,197	—
Non-reimbursable expenses	4,176	3,282	894
Trade shows	411	—	411
BMS expenses	2,395	2,725	(330)
Same store operations	6,318	5,835	483
	12,244	10,786	1,458
Depreciation and amortization:			
Acquisitions, dispositions and other	(11,328)	(11,328)	—
Development and redevelopment	36	36	—
Same store operations	414	1,036	(622)
	(10,878)	(10,256)	(622)
General and administrative	379	964	(585)
Expense from deferred compensation plan liability	5,672	—	5,672
Transaction related costs and other	(347)	(565)	218
Total increase in expenses	$ 7,070	$ 929	$ 6,141

Income from Partially Owned Entities

Below are the components of income from partially owned entities.

(Amounts in thousands)	Percentage Ownership at March 31, 2023	For the Three Months Ended March 31, 2023	2022
Our share of net income (loss):			
Fifth Avenue and Times Square JV:			
Equity in net income	51.5%	$ 10,199	$ 16,309
Return on preferred equity, net of our share of the expense		9,226	9,226
		19,425	25,535
Partially owned office buildings[1]	Various	(8,963)	1,292
Alexander's Inc.	32.4%	4,744	5,691
Other investments[2]	Various	1,460	1,196
		$ 16,666	$ 33,714

(1) Includes interests in 280 Park Avenue, 650 Madison 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.

(Loss) Income from Real Estate Fund Investments

Below is a summary of (loss) income from the Vornado Capital Partners Real Estate Fund ("the Fund") and the Crowne Plaza Times Square Hotel Joint Venture.

(Amounts in thousands)	For the Three Months Ended March 31, 2023	2022
Previously recorded unrealized loss on exited investments	$ 247,575	$ —
Realized loss on exited investments	(247,575)	—
Net investment (loss) income	(19)	2
Net unrealized income on held investments	—	5,672
(Loss) income from real estate fund investments	(19)	5,674
Less loss (income) attributable to noncontrolling interests in consolidated subsidiaries	239	(3,964)
Income from real estate fund investments net of noncontrolling interests in consolidated subsidiaries	$ 220	$ 1,710

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, 2023	2022
Interest on cash and cash equivalents and restricted cash	$ 5,674	$ 64
Amortization of discount on investments in U.S. Treasury bills	3,445	129
Interest on loans receivable	484	825
	$ 9,603	$ 1,018

Interest and Debt Expense

Interest and debt expense for the three months ended March 31, 2023 was $86,237,000 compared to $52,109,000 for the prior year's quarter, an increase of $34,128,000. This was primarily due to (i) $40,138,000 of higher interest expense resulting from higher average interest rates on our debt partially offset by (ii) $5,337,000 of higher capitalized interest and debt expense.

Net Gains on Disposition of Wholly Owned and Partially Owned Assets

Net gains on disposition of wholly owned and partially owned assets for the three months ended March 31, 2023 were $7,520,000 resulting from the sale of a condominium unit at 220 CPS. Net gains on disposition of wholly owned and partially owned assets for the three months ended March 31, 2022 were $6,552,000, comprised of $6,001,000 from the sale of one 220 CPS condominium unit and $551,000 from the sale of two Manhattan retail properties located at 478-482 Broadway and 155 Spring Street.

Income Tax Expense

Income tax expense for the three months ended March 31, 2023 was $4,667,000 compared to $7,411,000 for the prior year's quarter, a decrease of $2,744,000. This was primarily due to lower income tax expense incurred by our taxable REIT subsidiaries.

Net Loss (Income) Attributable to Noncontrolling Interests in Consolidated Subsidiaries

Net loss attributable to noncontrolling interests in consolidated subsidiaries was $9,928,000 for the three months ended March 31, 2023, compared to net income of $9,374,000 for the prior year's quarter, a decrease in income of $19,302,000. This resulted primarily from a net loss in the first quarter of 2023 subject to allocation to the noncontrolling interests of our non-wholly owned consolidated subsidiaries compared to net income in the first quarter of 2022.

Net Income Attributable to Noncontrolling Interests in the Operating Partnership (Vornado Realty Trust)

Net income attributable to noncontrolling interests in the Operating Partnership was $429,000 for the three months ended March 31, 2023, compared to $1,994,000 for the prior year's quarter, a decrease of $1,565,000. This resulted primarily from lower net income subject to allocation to unitholders.

Preferred Share Dividends of Vornado Realty Trust

Preferred share dividends were $15,529,000 for the three months ended March 31, 2023 and 2022.

Preferred Unit Distributions of Vornado Realty L.P.

Preferred unit distributions were $15,558,000 for the three months ended March 31, 2023 and 2022.

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, net 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 for our New York segment, THE MART, 555 California Street and other investments for the three months ended March 31, 2023 compared to March 31, 2022.

(Amounts in thousands)	Total	New York	THE MART	555 California Street	Other
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	134	134	—	—	—
Development properties	(7,545)	(7,545)	—	—	—
Other non-same store (income) expense, net	(1,487)	3,664	—	—	(5,151)
Same store NOI at share for the three months ended March 31, 2023	$ 264,585	$ 232,247	$ 15,409	$ 16,929	$ —
NOI at share for the three months ended March 31, 2022	$ 284,258	$ 243,667	$ 19,914	$ 16,235	$ 4,442
Less NOI at share from:					
Dispositions	(3,232)	(3,232)	—	—	—
Development properties	(7,440)	(7,440)	—	—	—
Other non-same store income, net	(8,918)	(4,476)	—	—	(4,442)
Same store NOI at share for the three months ended March 31, 2022	$ 264,668	$ 228,519	$ 19,914	$ 16,235	$ —
(Decrease) increase in same store NOI at share	$ (83)	$ 3,728	$ (4,505)	$ 694	$ —
% (decrease) increase in same store NOI at share	0.0 %	1.6 %	(22.6)%	4.3 %	0.0 %

Same Store Net Operating Income At Share - continued

Below are reconciliations of 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, 2023 compared to March 31, 2022.

(Amounts in thousands)	Total	New York	THE MART	555 California Street	Other
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	134	134	—	—	—
Development properties	(6,770)	(6,770)	—	—	—
Other non-same store income, net	(6,070)	(955)	—	—	(5,115)
Same store NOI at share - cash basis for the three months ended March 31, 2023	$ 265,829	$ 233,436	$ 14,675	$ 17,718	$ —
NOI at share - cash basis for the three months ended March 31, 2022	$ 281,128	$ 239,692	$ 20,436	$ 16,360	$ 4,640
Less NOI at share - cash basis from:					
Dispositions	(3,252)	(3,252)	—	—	—
Development properties	(6,756)	(6,756)	—	—	—
Other non-same store income, net	(9,332)	(4,692)	—	—	(4,640)
Same store NOI at share - cash basis for the three months ended March 31, 2022	$ 261,788	$ 224,992	$ 20,436	$ 16,360	$ —
Increase (decrease) in same store NOI at share - cash basis	$ 4,041	$ 8,444	$ (5,761)	$ 1,358	$ —
% increase (decrease) in same store NOI at share - cash basis	1.5 %	3.8 %	(28.2)%	8.3 %	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, 2023, we have $3.2 billion of liquidity comprised of $1.0 billion of cash and cash equivalents and restricted cash, $277 million of investments in U.S. Treasury bills and $1.9 billion available on our $2.5 billion revolving credit facilities. The ongoing challenges posed by the increase in interest rates and inflation and the continuing effect of the COVID-19 pandemic 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. 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, the Board of Trustees of Vornado authorized the repurchase of up to $200,000,000 of its outstanding common shares.

Summary of Cash Flows

Cash and cash equivalents and restricted cash was $1,033,839,000 as of March 31, 2023, a $12,682,000 increase from the balance as of December 31, 2022.

Our cash flow activities are summarized as follows:

(Amounts in thousands)	For the Three Months Ended March 31,		(Decrease) Increase in Cash Flow
	2023	2022	
Net cash provided by operating activities	$ 91,872	$ 171,014	$ (79,142)
Net cash provided by (used in) investing activities	125,654	(794,635)	920,289
Net cash used in financing activities	(204,844)	(165,475)	(39,369)

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, 2023, net cash provided by operating activities of $91,872,000 was comprised of $157,127,000 of cash from operations, including distributions of income from partially owned entities of $38,706,000, and a net decrease of $65,255,000 in cash due to the timing of cash receipts and payments related to changes in operating assets and liabilities.

Investing Activities

Net cash flow provided by (used in) 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 provided by (used in) investing activities:

(Amounts in thousands)	For the Three Months Ended March 31,		Increase (Decrease) in Cash Flow
	2023	2022	
Proceeds from maturities of U.S. Treasury bills	$ 197,294	$ —	$ 197,294
Development costs and construction in progress	(135,550)	(209,738)	74,188
Proceeds from repayment of participation in 150 West 34th Street mortgage loan	105,000	—	105,000
Additions to real estate	(57,032)	(30,900)	(26,132)
Proceeds from sale of condominium units at 220 Central Park South	14,216	15,095	(879)
Distributions of capital from partially owned entities	11,559	—	11,559
Investments in partially owned entities	(8,833)	(4,571)	(4,262)
Acquisitions of real estate and other	(1,000)	—	(1,000)
Purchase of U.S. Treasury bills	—	(645,920)	645,920
Proceeds from sales of real estate	—	81,399	(81,399)
Net cash provided by (used in) investing activities	$ 125,654	$ (794,635)	$ 920,289

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,		(Decrease) Increase in Cash Flow
	2023	2022	
Repayments of borrowings	$ (110,400)	$ (5,400)	$ (105,000)
Dividends paid on common shares/Distributions to Vornado	(71,950)	(101,616)	29,666
Dividends paid on preferred shares/Distributions to preferred unitholders	(15,529)	(15,529)	—
Distributions to redeemable security holders and noncontrolling interests in consolidated subsidiaries	(6,412)	(43,545)	37,133
Deferred financing costs	(2,798)	—	(2,798)
Contributions from noncontrolling interests in consolidated subsidiaries	2,129	481	1,648
Proceeds received from exercise of Vornado stock options and other	146	219	(73)
Repurchase of shares/Class A units related to stock compensation agreements and related tax withholdings and other	(30)	(85)	55
Net cash used in financing activities	$ (204,844)	$ (165,475)	$ (39,369)

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 1

We are redeveloping PENN 1, a 2,547,000 square foot office building located on 34th Street between Seventh and Eighth Avenue. In December 2020, we entered into an agreement with the Metropolitan Transportation Authority (the “MTA”) to oversee the redevelopment of the Long Island Rail Road Concourse at Penn Station (the "Concourse"). Skanska USA Civil Northeast, Inc. is performing the redevelopment under a fixed price contract for $396,000,000 which is being funded by the MTA. In connection with the redevelopment, we entered into an agreement with the MTA which will result in the widening of the Concourse to relieve overcrowding and our trading of 15,000 square feet of back of house space for 22,000 square feet of retail frontage space. Vornado's total development cost of our PENN 1 project is estimated to be $450,000,000, of which $384,843,000 of cash has been expended as of March 31, 2023.

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 $452,509,000 of cash has been expended as of March 31, 2023.

Hotel Pennsylvania Site

We have permanently closed the Hotel Pennsylvania and plan to develop an office tower on the site. Demolition of the existing building structure commenced in the fourth quarter of 2021.

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 $42,098,000 of cash has been expended as of March 31, 2023.

We are also evaluating other development and redevelopment opportunities at certain of our properties in Manhattan including, in particular, the PENN District and 350 Park Avenue.

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 $250,000,000 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 $1,774,525 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 a 25-year renewal option on our PENN 1 ground lease extending the term through June 2073. As a result of the exercise, we remeasured the related ground lease liability to include the 25-year extension option and recorded an estimated incremental right-of-use asset and lease liability of approximately $350,000,000 within "right-of-use assets" and "lease liabilities", respectively, on our consolidated balance sheets. The ground lease is subject to fair market value resets every 25 years over the lease term, with the next reset occurring in June 2023.

In July 2018, we leased 78,000 square feet at 345 Montgomery Street in San Francisco, CA, to a subsidiary of Regus PLC, for an initial term of 15 years. The obligations under the lease were guaranteed by Regus PLC in an amount of up to $90,000,000. The tenant purported to terminate the lease prior to space delivery. We commenced a suit on October 23, 2019 seeking to enforce the lease and the guaranty. On May 11, 2021, the court issued a final statement of decision in our favor and on January 31, 2023, the Court of Appeal affirmed the lower court's decision. On October 9, 2020, the successor to Regus PLC filed for bankruptcy in Luxembourg. In April 2023, we entered into a settlement with affiliates of the successor to Regus PLC, pursuant to which we agreed to discontinue all legal proceedings against the Regus PLC successor and its affiliates in exchange for a payment to us of $21,350,000, which will be recognized in our consolidated statements of income in the second quarter of 2023.

Our mortgage loans are non-recourse to us, except for the mortgage loans secured by 640 Fifth Avenue, 7 West 34th Street and 435 Seventh Avenue, which we guaranteed and therefore are part of our tax basis. In certain cases, we have provided guarantees or master leased tenant space. These guarantees and master leases terminate either upon the satisfaction of specified circumstances or repayment of the underlying loans. As of March 31, 2023, the aggregate dollar amount of these guarantees and master leases is approximately $1,026,000,000. In addition, we have guaranteed the rent and payments in lieu of real estate taxes due to Empire State Development (“ESD”), an entity of New York State, for the Farley Building. The aggregate dollar amount of the guarantee is $510,000,000 but the guarantee will be terminated if we surrender possession of the property to ESD or if we no longer hold a direct or indirect interest in the property.

Other Commitments and Contingencies - continued

As of March 31, 2023, $15,273,000 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 our ratings below Baa3/BBB- (our current ratings). 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, 2023, the Tax Credit Investor has made $92,400,000 in capital contributions. Vornado and Related have guaranteed certain of the joint venture’s obligations to the Tax Credit Investor.

As investment manager of the Fund we are entitled to an incentive allocation after the limited partners have received a preferred return on their invested capital. The incentive allocation is subject to catch-up and clawback provisions. Accordingly, based on the March 31, 2023 fair value of the Fund assets, at liquidation we would be required to make a $26,200,000 payment to the limited partners, net of amounts owed to us, representing a clawback of previously paid incentive allocations, which would have no income statement impact as it was previously accrued.

As of March 31, 2023, we expect to fund additional capital to certain of our partially owned entities aggregating approximately $10,300,000.

As of March 31, 2023, we have construction commitments aggregating approximately $351,000,000.

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, real estate impairment losses, 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. The Company also uses FFO attributable to common shareholders plus assumed conversions, as adjusted for certain items that impact the comparability of period-to-period FFO, as one of several criteria to determine performance-based compensation for senior management. 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 17 – *Income Per Share/Income Per Class A Unit*, in our consolidated financial statements on page 35 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 income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions for the three months ended March 31, 2023 and 2022.

(Amounts in thousands, except per share amounts)	For the Three Months Ended March 31,	
	2023	**2022**
Reconciliation of net income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions:		
Net income attributable to common shareholders	$ 5,168	$ 26,478
Per diluted share	$ 0.03	$ 0.14
FFO adjustments:		
Depreciation and amortization of real property	$ 94,792	$ 105,962
Net gain on sale of real estate	—	(551)
Proportionate share of adjustments to equity in net income of partially owned entities to arrive at FFO:		
Depreciation and amortization of real property	27,469	32,139
	122,261	137,550
Noncontrolling interests' share of above adjustments	(8,746)	(9,506)
FFO adjustments, net	$ 113,515	$ 128,044
FFO attributable to common shareholders	$ 118,683	$ 154,522
Impact of assumed conversion of dilutive convertible securities	400	386
FFO attributable to common shareholders plus assumed conversions	$ 119,083	$ 154,908
Per diluted share	$ 0.61	$ 0.80
Reconciliation of weighted average shares outstanding:		
Weighted average common shares outstanding	191,869	191,724
Effect of dilutive securities:		
Convertible securities	2,470	1,136
Share-based payment awards	70	314
Denominator for FFO per diluted share	194,409	193,174

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)	2023		
	March 31, Balance	Weighted Average Interest Rate[1]	Effect of 1% Change in Base Rates
Consolidated debt:			
Fixed rate[2]	$ 6,144,550	3.59%	$ —
Variable rate[3]	2,197,665	5.57%	21,977
	$ 8,342,215	4.11%	$ 21,977
Pro rata share of debt of non-consolidated entities:			
Fixed rate[2]	$ 1,447,457	3.72%	$ —
Variable rate[4]	1,247,201	6.33%	12,472
	$ 2,694,658	4.93%	$ 12,472
Noncontrolling interests' share of consolidated subsidiaries			(6,821)
Total change in annual net income attributable to the Operating Partnership			27,628
Noncontrolling interests’ share of the Operating Partnership			(1,986)
Total change in annual net income attributable to Vornado			$ 25,642
Total change in annual net income attributable to the Operating Partnership per diluted Class A unit			$ 0.13
Total change in annual net income attributable to Vornado per diluted share			$ 0.13

(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) Includes variable rate debt subject to interest rate swap arrangements as of period end.

(3) Includes variable rate debt subject to interest rate cap arrangements with a total notional amount of $2,009,119, of which $682,060 is attributable to noncontrolling interests. The interest rate cap arrangements have a weighted average strike rate of 3.98% and a weighted average remaining term of 11 months.

(4) Includes variable rate debt subject to interest rate cap arrangements with a total notional amount of $850,710 at our pro rata share. The interest rate cap arrangements have a weighted average strike rate of 4.11% and a weighted average remaining term of seven 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, 2023, the estimated fair value of our consolidated debt was $7,924,000,000.

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, 2023 and December 31, 2022.

(Amounts in thousands)	As of March 31, 2023					As of December 31, 2022
	Notional Amount	All-In Swapped Rate	Swap Expiration Date	Fair Value Asset	Fair Value Liability	Fair Value Asset
Interest rate swaps:						
555 California Street mortgage loan:						
In-place swap	$ 840,000 (1)	2.26%	05/24	$ 39,859	$ —	$ 49,888
Forward swap (effective 05/24)	840,000 (1)	5.92%	05/26	—	14,239	—
770 Broadway mortgage loan	700,000	4.98%	07/27	18,448	—	29,226
PENN 11 mortgage loan	500,000	2.22%	03/24	20,640	—	26,587
Unsecured revolving credit facility	575,000	3.88%	08/27	15,354	—	24,457
Unsecured term loan[(2)]	800,000	4.05%	**(2)**	12,408	770	21,024
100 West 33rd Street mortgage loan	480,000	5.06%	06/27	283	—	6,886
888 Seventh Avenue mortgage loan	200,000 (3)	4.76%	09/27	3,458	—	6,544
4 Union Square South mortgage loan	99,550 (4)	3.74%	01/25	3,153	—	4,050
Interest rate caps:						
1290 Avenue of the Americas mortgage loan	950,000	**(5)**	11/23	5,765	—	7,590
One Park Avenue mortgage loan[(6)]	525,000	**(6)**	03/25	7,718	—	5,472
Various mortgage loans				2,122	—	2,080
				$ 129,208	$ 15,009	$ 183,804

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(1) Represents our 70.0% share of the $1.2 billion mortgage loan. In March 2023, we entered into the forward swap arrangement detailed above.

(2) Represents the aggregate fair value of various interest rate swap arrangements to hedge interest payments on our unsecured term loan. In February 2023, we entered into a forward interest rate swap arrangement for $150,000 of the $800,000 unsecured term loan. The unsecured term loan, which matures in December 2027, is subject to various interest rate swap arrangements through August 2027, which are detailed below:

	Swapped Balance	All-In Swapped Rate	Unswapped Balance (bears interest at S+130)
Through 10/23	$ 800,000	4.05%	$ —
10/23 through 07/25	700,000	4.53%	100,000
07/25 through 10/26	550,000	4.36%	250,000
10/26 through 08/27	50,000	4.04%	750,000

(3) The remaining $72,400 amortizing mortgage loan balance bears interest at a floating rate of SOFR plus 1.80% (6.47% as of March 31, 2023).

(4) The remaining $20,450 mortgage loan balance bears interest at a floating rate of SOFR plus 1.50% (6.17% as of March 31, 2023).

(5) LIBOR cap strike rate of 4.00%.

(6) SOFR strike rate of 3.89%. In March 2023, we entered into a forward cap arrangement which expires in March 2025 and is effective upon the March 2024 expiration of the currently in-place cap. The forward cap has a SOFR strike rate of 3.89%.

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, 2023, 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, 2023, 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, 2022.

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

Vornado Realty Trust

None.

Vornado Realty L.P.

During the quarter ended March 31, 2023, we issued 463,314 Class A units in connection with (i) the issuance of Vornado common shares and (ii) the exercise of awards pursuant to Vornado's omnibus share plan, including grants of restricted Vornado common shares and restricted units of the Operating Partnership and upon conversion, surrender or exchange of the Operating Partnership's units or Vornado stock options. The consideration received included $146,382 in cash proceeds. Such units were issued in reliance on an exemption from registration under Section 4(a)(2) of the Securities Act of 1933, as amended.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibits required by Item 601 of Regulation S-K are filed herewith or incorporated herein by reference and are listed in the attached Exhibit Index.

EXHIBIT INDEX

Exhibit No.	
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, 2023 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, 2023, 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 1, 2023

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 1, 2023

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)

EXHIBIT 15.1

May 1, 2023

The Board of Trustees and Shareholders of Vornado Realty Trust
New York, New York

We are aware that our report dated May 1, 2023, on our review of the interim financial information of Vornado Realty Trust and subsidiaries appearing in this Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, is incorporated by reference in the following Registration Statements of Vornado Realty Trust:

Amendment No.1 to Registration Statement No. 333-36080 on Form S-3
Amendment No.1 to Registration Statement No. 333-50095 on Form S-3
Amendment No.1 to Registration Statement No. 333-89667 on Form S-3
Amendment No.1 to Registration Statement No. 333-102215 on Form S-3
Amendment No.1 to Registration Statement No. 333-102217 on Form S-3
Registration Statement No. 333-105838 on Form S-3
Registration Statement No. 333-107024 on Form S-3
Registration Statement No. 333-114146 on Form S-3
Registration Statement No. 333-121929 on Form S-3
Amendment No.1 to Registration Statement No. 333-120384 on Form S-3
Registration Statement No. 333-126963 on Form S-3
Registration Statement No. 333-139646 on Form S-3
Registration Statement No. 333-141162 on Form S-3
Registration Statement No. 333-150592 on Form S-3
Registration Statement No. 333-172880 on Form S-8
Registration Statement No. 333-191865 on Form S-4
Registration Statement No. 333-232056 on Form S-8
Registration Statement No. 333-258409 on Form S-3

and in the following joint registration statement of Vornado Realty Trust and Vornado Realty L. P.:

Registration Statement No. 333-254965 on Form S-3

/s/ DELOITTE & TOUCHE LLP

New York, New York

EXHIBIT 15.2

May 1, 2023

The Partners of Vornado Realty L.P.
New York, New York

We are aware that our report dated May 1, 2023, on our review of the interim financial information of Vornado Realty L.P. and subsidiaries appearing in this Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, is incorporated by reference in the joint Registration Statement No. 333-254965 on Form S-3 of Vornado Realty Trust and Vornado Realty L.P.

/s/ DELOITTE & TOUCHE LLP

New York, New York

EXHIBIT 31.1

CERTIFICATION

I, Steven Roth, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Vornado Realty Trust;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure control and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 1, 2023

/s/ Steven Roth

Steven Roth
Chairman of the Board and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Michael J. Franco, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Vornado Realty Trust;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure control and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 1, 2023

/s/ Michael J. Franco

Michael J. Franco

President and Chief Financial Officer

EXHIBIT 31.3

CERTIFICATION

I, Steven Roth, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Vornado Realty L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure control and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

May 1, 2023

/s/ Steven Roth

Steven Roth
Chairman of the Board and Chief Executive Officer
of Vornado Realty Trust, sole General Partner of Vornado Realty L.P.

EXHIBIT 31.4

CERTIFICATION

I, Michael J. Franco, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Vornado Realty L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure control and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 1, 2023

/s/ Michael J. Franco

Michael J. Franco

President and Chief Financial Officer of Vornado Realty Trust, sole General Partner of Vornado Realty L.P.

EXHIBIT 32.1

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsection (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Vornado Realty Trust (the “Company”), hereby certifies, to such officer’s knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (the “Report”) of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 1, 2023		/s/ Steven Roth
	Name:	Steven Roth
	Title:	Chairman of the Board and Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsection (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Vornado Realty Trust (the “Company”), hereby certifies, to such officer’s knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (the “Report”) of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 1, 2023		/s/ Michael J. Franco
	Name:	Michael J. Franco
	Title:	President and Chief Financial Officer

EXHIBIT 32.3

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsection (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Vornado Realty L.P. (the "Company"), hereby certifies, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (the "Report") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 1, 2023		/s/ Steven Roth
	Name:	Steven Roth
	Title:	Chairman of the Board and Chief Executive Officer of Vornado Realty Trust, sole General Partner of Vornado Realty L.P.

EXHIBIT 32.4

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsection (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Vornado Realty L.P. (the "Company"), hereby certifies, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 (the "Report") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 1, 2023		/s/ Michael J. Franco
	Name:	Michael J. Franco
	Title:	President and Chief Financial Officer of Vornado Realty Trust, sole General Partner of Vornado Realty L.P.