

## Vornado Acquires \$150 Million Portion of Bridge Loan Made to Toys 'R' Us

Company Release - 8/30/2005

PARAMUS, N.J.--(BUSINESS WIRE)--Aug. 30, 2005--Vornado Realty Trust (NYSE:VNO) today announced that it has acquired \$150 million of the \$1.9 billion one-year senior unsecured bridge loan financing provided to Toys "R" Us, an entity in which the Company acquired a one-third interest on July 21, 2005.

The loan is senior to the recently provided acquisition equity of \$1.3 billion and \$1.6 billion of existing debt. The loan bears interest at LIBOR plus 5.25%, not to exceed 11%, and provides for an initial .375% placement fee and additional fees of .375% at the end of three and six months if the loan has not been repaid. The loan is prepayable at any time without premium or penalty.

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

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

CONTACT: Vornado Realty Trust  
Joseph Macnow, 201-587-1000

SOURCE: Vornado Realty Trust