

PRESS RELEASE

Contact:

Joseph Macnow
(201) 587-1000



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Vornado's Board of Trustees declares an increased quarterly dividend on Common Shares of \$.59 per share, (a new indicated annual rate of \$2.36).

PARAMUS, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today announced that its Board of Trustees has declared an increased quarterly cash dividend of \$.59 per share, (a new indicated annual rate of \$2.36). The former quarterly rate was \$.53 per share. The increased dividend will be payable on August 14, 2001 to shareholders of record on August 6, 2001. In addition, the Board declared a special dividend of \$.009 per share payable to all common shareholders and to all unit holders except for holders of the D units in accordance with the 'catch-up' provisions under which the D units were issued.

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