

## Vornado Acquires a 46% Interest (and now owns 100%) in the Retail and Signage at the Marriott Marquis Times Square Hotel

Company Release - 9/24/2018

NEW YORK, Sept. 24, 2018 (GLOBE NEWSWIRE) -- VORNADO REALTY TRUST (NYSE:VNO) announced today that it has acquired from Host Hotels & Resorts ("Host") an approximate 46% interest in the retail condominium located at the base of the New York Marriott Marquis Times Square hotel for \$442 million.

Vornado had previously acquired a 54% interest and redeveloped the property. The original transaction provided that Vornado would become the 100% owner through a put/call arrangement, based on a pre-negotiated formula. This transaction satisfies the put/call arrangement.

Vornado now owns 100% of the fee in 45,000 square feet of retail which is 100% leased to T-Mobile, Invicta, Swatch, Levi's and Sephora, the 1,611 seat Marquis Theater leased to the Nederlander Organization, as well as the largest digital sign in New York with a 330 linear foot, 25,000 square foot display. The property is located at 1535 Broadway in the heart of the bow-tie of Times Square and spans the entire block front from 45th Street to 46th Street on Broadway. It is directly across from Vornado's 1540 Broadway iconic block front retail property.

Vornado had previously accounted for its interest in the property as a capital lease. Vornado's basis in the property now totals approximately \$663 million, inclusive of all capital previously invested and pro forma for approximately \$17 million of tenant improvements to be paid through 2019. The property will generate an 8.5% stabilized Cash NOI yield on Vornado's \$663 million investment beginning in the first quarter of 2019.

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.

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Source: Vornado Realty Trust