



SUPPLEMENTAL OPERATING  
AND FINANCIAL DATA  
For the Year Ended December 31, 2012

**VORNADO**  
REALTY TRUST

## INDEX

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	<b>Page</b>
Investor Information	2
2012 Business Developments	3 - 6
Common Shares Data	7
Financial Highlights	8
Funds From Operations	9 - 10
Funds Available for Distribution	11
Net Income / EBITDA (Consolidated and by Segment)	12 - 17
EBITDA by Segment and Region	18
Consolidated Balance Sheets	19
Capital Structure	20
Debt Analysis	21 - 23
Unconsolidated Joint Ventures	24 - 26
Square Footage	27
Top 30 Tenants	28
Lease Expirations	29 - 32
Leasing Activity	33 - 34
Occupancy and Same Store EBITDA	35
Capital Expenditures	36 - 41
Property Table	42 - 61

Certain statements contained herein 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 supplemental package. 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; and estimates of future capital expenditures, dividends to common and preferred shareholders and operating partnership distributions. 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 our Annual Report on Form 10-K for the year ended December 31, 2012.

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 supplemental package. 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 our Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as applicable, and this supplemental package.

## INVESTOR INFORMATION

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### Key Employees:

Steven Roth	Chairman of the Board
Michael D. Fascitelli	President and Chief Executive Officer
Michael J. Franco	Executive Vice President - Co-Head of Acquisitions and Capital Markets
David R. Greenbaum	President - New York Division
Joseph Macnow	Executive Vice President - Finance and Administration and Chief Financial Officer
Mitchell N. Schear	President - Vornado / Charles E. Smith Washington, DC Division
Wendy Silverstein	Executive Vice President - Co-Head of Acquisitions and Capital Markets

### RESEARCH COVERAGE - EQUITY

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James Feldman / Stephen Sihelnik  
Bank of America / Merrill Lynch  
646-855-5808 / 646-855-1829

David Harris  
Imperial Capital  
212-351-9429

John W. Guinee / Erin T. Aslakson  
Stifel Nicolaus Weisel  
443-224-1307 / 443-224-1350

Ross Smotrich / Ryan Bennett  
Barclays Capital  
212-526-2306 / 212-526-5309

Steve Sakwa / George Auerbach  
ISI Group  
212-446-9462 / 212-446-9459

Ross T. Nussbaum / Gabriel Hilmoe  
UBS  
212-713-2484 / 212-713-3876

Michael Bilerman / Joshua Attie  
Citigroup Global Markets  
212-816-1383 / 212-816-1685

Anthony Paolone / Joseph Dazio  
JP Morgan  
212-622-6682 / 212-622-6416

John Perry / Vincent Chao  
Deutsche Bank  
212-250-4912 / 212-250-6799

Paul Morgan / Vance H. Edelson  
Morgan Stanley  
415-576-2627 / 212-761-0078

Michael Knott / John Bejjani  
Green Street Advisors, Inc.  
949-640-8780 / 949-640-8780

Alexander Goldfarb / Andrew Schaffer  
Sandler O'Neill & Partners  
212-466-7937 / 212-466-8062

### RESEARCH COVERAGE - DEBT

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Thomas C. Truxillo  
Bank of America / Merrill Lynch  
646-855-6090

Thomas Cook  
Citigroup Global Markets  
212-723-1112

Mark Streeter  
JP Morgan  
212-834-5086

Danish Agboatwala  
Barclays Capital  
212-412-2573

Robert Haines / Craig Guttenplan  
Credit Sights  
212-340-3835 / 212-340-3859

Thierry Perrein  
Wells Fargo Securities  
704-715-8455

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This information is provided as a service to interested parties and not as an endorsement of any report, or representation as to the accuracy of any information contained therein. Opinions, forecasts and other forward-looking statements expressed in analysts' reports are subject to change without notice.

## 2012 BUSINESS DEVELOPMENTS

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The following is a summary of our 2012 business developments. For additional information regarding these transactions, see “Overview” of Management’s Discussion and Analysis of Financial Condition on page 69 of our Annual Report on Form 10-K for the year ended December 31, 2012.

### Acquisitions and Investments

#### *Vornado*

- On July 30, 2012, we entered into a lease with Host Hotels & Resorts, Inc. (NYSE: HST), under which we will redevelop the retail and signage components of the Marriott Marquis Times Square Hotel. We are accounting for the lease as a “capital lease” and have recorded a \$240,000,000 capital lease asset and liability on our consolidated balance sheet.
- On December 6, 2012, we acquired a retail condominium located at 666 Fifth Avenue at 53rd Street for \$707,000,000. The property has 126 feet of frontage on Fifth Avenue and contains 114,000 square feet.
- In 2011, we acquired a 51% interest in the subordinated debt of Independence Plaza, a three-building 1,328 unit residential complex in the Tribeca submarket of Manhattan which has 54,500 square feet of retail space and 550 parking spaces, for \$45,000,000 and a warrant to purchase 25% of the equity for \$1,000,000. On December 21, 2012, we acquired a 58.75% interest in the property as follows: (i) buying one of the equity partners’ 33.75% interest for \$160,000,000, (ii) exercising our warrant for 25% of the equity and (iii) contributing the appreciated value of our interest in the subordinated debt as preferred equity.

#### *Real Estate Fund, 25% owned by us*

- On April 26, 2012, our Fund acquired 520 Broadway, a 112,000 square foot office building in Santa Monica, California for \$61,000,000.
- On July 2, 2012, our Fund acquired 1100 Lincoln Road, a 167,000 square foot retail property, the western anchor of the Lincoln Road Shopping District in Miami Beach, Florida, for \$132,000,000.
- On August 20, 2012, our Fund acquired 501 Broadway, a 9,000 square foot retail property in New York for \$31,000,000.
- On November 30, 2012, our Fund acquired 800 Corporate Pointe, a 243,000 square foot office building and the accompanying six-level parking structure (1,964 spaces) located in Culver City, Los Angeles, California for \$95,700,000.

## 2012 BUSINESS DEVELOPMENTS

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### Dispositions

#### *Merchandise Mart Properties*

- On January 6, 2012, we sold 350 West Mart Center, an office building in Chicago, Illinois, for \$228,000,000, which resulted in a net gain of \$54,911,000.
- On June 22, 2012, we sold the L.A. Mart, a showroom building in Los Angeles, California for \$53,000,000, of which \$18,000,000 was cash and \$35,000,000 was nine-month seller financing at 6.0%, which was paid on December 28, 2012.
- On July 26, 2012, we sold the Washington Design Center and the Canadian Trade Shows, for an aggregate of \$103,000,000. The sale of the Canadian Trade Shows resulted in an after-tax net gain of \$19,657,000.
- On December 31, 2012, we sold the Boston Design Center, a showroom building in Boston, Massachusetts, for \$72,400,000, which resulted in a net gain of \$5,252,000.

#### *Washington, DC*

- On July 26, 2012, we sold 409 Third Street S.W., an office building in Washington, DC, for \$200,000,000, which resulted in a net gain of \$126,621,000.
- On November 7, 2012, we sold three office buildings (“Reston Executive”) located in suburban Fairfax County, Virginia, for \$126,250,000, which resulted in a net gain of \$36,746,000.

#### *Retail Properties*

- We sold 12 non-core retail properties in separate transactions, for an aggregate of \$157,000,000, which resulted in a net gain of \$22,266,000. In addition, we agreed to sell a building on Market Street, Philadelphia for \$60,000,000, which will result in a net gain of approximately \$35,000,000.
- On January 24, 2013, we sold the Green Acres Mall located in Valley Stream, New York, for \$500,000,000, which resulted in net proceeds of \$185,000,000, after repaying the existing loan and closing costs. The financial statement gain of \$205,000,000 will be recognized in the first quarter of 2013.
- On February 13, 2013, we agreed to sell the Plant, a power strip shopping center in San Jose, California, for \$203,000,000. The sale will result in net proceeds of approximately \$93,000,000 after repaying the existing loan and closing costs, and a financial statement gain of approximately \$33,000,000.

#### *Other*

- On January 24, 2013, LNR Property LLC (“LNR”) entered into a definitive agreement to be sold. We own 26.2% of LNR and expect to receive net proceeds of approximately \$241,000,000.

## 2012 BUSINESS DEVELOPMENTS

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### Financing Activities

#### *Secured Debt*

- On January 9, 2012, we completed a \$300,000,000 refinancing of 350 Park Avenue, a 559,000 square foot Manhattan office building. The five-year fixed rate loan bears interest at 3.75%.
- On March 5, 2012, we completed a \$325,000,000 refinancing of 100 West 33rd Street, a 1.1 million square foot property located on the entire Sixth Avenue block front between 32nd and 33rd Streets in Manhattan. The three-year loan bears interest at LIBOR plus 2.50% (2.71% at December 31, 2012) and has two one-year extension options.
- On July 26, 2012, we completed a \$150,000,000 refinancing of 2101 L Street, a 380,000 square foot office building located in Washington, DC. The 12-year fixed rate loan bears interest at 3.97%.
- On August 17, 2012, we completed a \$98,000,000 refinancing of 435 Seventh Avenue, a 43,000 square foot retail property in Manhattan. The seven-year loan bears interest at LIBOR plus 2.25% (2.46% at December 31, 2012).
- On November 8, 2012, we completed a \$950,000,000 refinancing of 1290 Avenue of the Americas (70% owned), a 2.1 million square foot Manhattan office building. The 10-year fixed rate interest-only loan bears interest at 3.34%.
- On November 16, 2012, we completed a \$120,000,000 refinancing of 4 Union Square South, a 206,000 square foot Manhattan retail property. The seven-year loan bears interest at LIBOR plus 2.15% (2.36% at December 31, 2012).

#### *Senior Unsecured Debt*

- In April 2012, we redeemed all of the outstanding exchangeable and convertible senior debentures at par, for an aggregate of \$510,215,000.

## 2012 BUSINESS DEVELOPMENTS

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### Financing Activities – continued

#### *Preferred Securities*

In July 2012 and January 2013, we sold an aggregate of \$600,000,000 of cumulative redeemable preferred securities with a weighted average cost of 5.55%. The net proceeds aggregating \$581,824,000 were used primarily to redeem outstanding cumulative redeemable preferred securities with an aggregate face amount of \$517,500,000 and a weighted average cost of 6.82%. The details of these transactions are described below.

- On July 11, 2012, we sold \$300,000,000 of 5.70% Series K Cumulative Redeemable Preferred Shares.
- On July 19, 2012, we redeemed all of the outstanding 7.0% Series D-10 and 6.75% Series D-14 Cumulative Redeemable Preferred units of the Operating Partnership with an aggregate face amount of \$180,000,000 for \$168,300,000.
- On August 16, 2012, we redeemed all of the outstanding 7.0% Series E Cumulative Redeemable Preferred Shares at par, for an aggregate of \$75,000,000.
- On January 25, 2013, we sold \$300,000,000 of 5.40% Series L Cumulative Redeemable Preferred Shares.
- On February 19, 2013, we redeemed all of the outstanding 6.75% Series F Cumulative Redeemable Preferred Shares and 6.75% Series H Cumulative Redeemable Preferred Shares at par, for an aggregate of \$262,500,000.

## COMMON SHARES DATA (NYSE: VNO)

Vornado Realty Trust common shares are traded on the New York Stock Exchange ("NYSE") under the symbol VNO. Below is a summary of VNO common shares performance and dividends (based on NYSE prices):

	<u>Fourth Quarter 2012</u>	<u>Third Quarter 2012</u>	<u>Second Quarter 2012</u>	<u>First Quarter 2012</u>
High Price	\$ 82.50	\$ 86.56	\$ 88.50	\$ 86.21
Low Price	\$ 72.64	\$ 79.50	\$ 78.56	\$ 75.17
Closing Price - end of quarter	\$ 80.08	\$ 81.05	\$ 83.98	\$ 84.20
Annualized Dividend per share:				
Regular	\$ 2.76	\$ 2.76	\$ 2.76	\$ 2.76
Special long-term capital gain	1.00	-	-	-
Total	<u>\$ 3.76</u>	<u>\$ 2.76</u>	<u>\$ 2.76</u>	<u>\$ 2.76</u>
Annualized Dividend Yield - on Closing Price:				
Regular	3.4%	3.4%	3.3%	3.3%
Total	4.7%	3.4%	3.3%	3.3%
Outstanding shares, Class A units and convertible preferred units as converted, excluding stock options (in thousands)	198,689	198,586	198,561	198,518
Closing market value of outstanding shares, Class A units and convertible preferred units as converted, excluding stock options	\$ 15.9 Billion	\$ 16.1 Billion	\$ 16.7 Billion	\$ 16.7 Billion

## Timing

Quarterly financial results and related earnings conference calls for the next three quarters are expected to occur as follows:

	<u>Filing Date</u>	<u>Earnings Call</u>
First Quarter 2013	May 6, 2013	May 7, 2013 10AM ET
Second Quarter 2013	August 5, 2013	August 6, 2013 10AM ET
Third Quarter 2013	November 4, 2013	November 5, 2013 10AM ET



## FINANCIAL HIGHLIGHTS

(unaudited and in thousands, except per share amounts)

This section includes non-GAAP financial measures, including Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA"), Funds From Operations attributable to common shares plus assumed conversions ("FFO"), FFO as adjusted for comparability, and Funds Available for Distribution ("FAD"). A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measures are provided on the pages that follow.

	Three Months Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2012	2011	2012	2012	2011
Total revenues	\$ 697,654	\$ 689,959	\$ 710,538	\$ 2,766,457	\$ 2,732,836
Net income attributable to common shareholders	\$ 62,633	\$ 69,508	\$ 232,393	\$ 549,271	\$ 601,771
Per common share:					
Basic	\$ 0.34	\$ 0.38	\$ 1.25	\$ 2.95	\$ 3.26
Diluted	\$ 0.33	\$ 0.37	\$ 1.24	\$ 2.94	\$ 3.23
<b>FFO as adjusted for comparability</b>	<b>\$ 228,560</b>	<b>\$ 197,876</b>	<b>\$ 211,831</b>	<b>\$ 964,125</b>	<b>\$ 939,273</b>
<b>Per diluted share</b>	<b>\$ 1.22</b>	<b>\$ 1.03</b>	<b>\$ 1.14</b>	<b>\$ 5.17</b>	<b>\$ 4.90</b>
FFO	\$ 55,890	\$ 280,369	\$ 251,019	\$ 818,565	\$ 1,230,973
FFO - Operating Partnership Basis ("OP Basis")	\$ 59,485	\$ 299,172	\$ 267,515	\$ 872,560	\$ 1,313,662
Per diluted share	\$ 0.30	\$ 1.46	\$ 1.34	\$ 4.39	\$ 6.42
FAD	\$ 129,137	\$ 165,528	\$ 142,543	\$ 567,266	\$ 688,892
Per diluted share	\$ 0.69	\$ 0.86	\$ 0.76	\$ 3.04	\$ 3.59
Dividends per common share:					
Regular	\$ 0.69	\$ 0.69	\$ 0.69	\$ 2.76	\$ 2.76
Special long-term capital gain	1.00	-	-	1.00	-
Total	\$ 1.69	\$ 0.69	\$ 0.69	\$ 3.76	\$ 2.76
FFO payout ratio (based on regular quarterly dividends and FFO as adjusted for comparability)	56.6%	67.0%	60.5%	53.4%	56.3%
FAD payout ratio (based on regular quarterly dividends and FFO as adjusted for comparability)	100.0%	80.2%	90.8%	90.8%	76.9%
Weighted average shares used in determining FFO per diluted share - REIT basis	186,866	191,751	186,655	186,530	191,757
Convertible units:					
Class A	10,908	11,715	11,231	11,272	11,831
D-13	602	619	567	589	562
G1-G4	106	109	103	110	113
Equity awards - unit equivalents	405	417	365	333	375
Weighted average shares used in determining FFO per diluted share - OP Basis	198,887	204,611	198,921	198,834	204,638

## RECONCILIATION OF NET INCOME TO FFO <sup>(1)</sup>

(unaudited and in thousands, except per share amounts)

	Three Months Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2012	2011	2012	2012	2011
Reconciliation of our net income to FFO:					
Net income attributable to Vornado	\$ 86,135	\$ 87,296	\$ 241,306	\$ 617,260	\$ 662,302
Depreciation and amortization of real property	125,069	152,655	118,717	504,407	530,113
Net gains on sale of real estate	(41,998)	-	(131,088)	(245,799)	(51,623)
Real estate impairment losses	116,453	28,799	-	129,964	28,799
Proportionate share of adjustments to equity in net income of Toys, to arrive at FFO:					
Depreciation and amortization of real property	17,777	18,039	16,905	68,483	70,883
Net gains on sale of real estate	-	-	-	-	(491)
Real estate impairment losses	1,430	-	-	9,824	-
Income tax effect of above adjustments	(6,728)	(6,314)	(5,917)	(27,493)	(24,634)
Proportionate share of adjustments to equity in net income of partially owned entities, excluding Toys, to arrive at FFO:					
Depreciation and amortization of real property	20,387	26,699	22,750	86,197	99,992
Net gains on sale of real estate	(239,551)	(1,916)	(1,156)	(241,602)	(9,276)
Real estate impairment losses	-	-	-	1,849	-
Noncontrolling interests' share of above adjustments	418	(13,733)	(1,613)	(16,649)	(40,957)
FFO	79,392	291,525	259,904	886,441	1,265,108
Preferred share dividends	(20,750)	(17,788)	(20,613)	(76,937)	(65,531)
Discount on preferred share and unit redemptions	(2,752)	-	11,700	8,948	5,000
FFO attributable to common shareholders	55,890	273,737	250,991	818,452	1,204,577
Interest on 3.88% exchangeable senior debentures	-	6,602	-	-	26,272
Convertible preferred share dividends	-	30	28	113	124
FFO attributable to common shareholders plus assumed conversions	55,890	280,369	251,019	818,565	1,230,973
Add back of income allocated to noncontrolling interests of the Operating Partnership	3,595	18,803	16,496	53,995	82,689
<b>FFO - OP Basis <sup>(1)</sup></b>	<b>\$ 59,485</b>	<b>\$ 299,172</b>	<b>\$ 267,515</b>	<b>\$ 872,560</b>	<b>\$ 1,313,662</b>
<b>FFO per diluted share <sup>(1)</sup></b>	<b>\$ 0.30</b>	<b>\$ 1.46</b>	<b>\$ 1.34</b>	<b>\$ 4.39</b>	<b>\$ 6.42</b>

(1) 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 gain from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets, extraordinary items and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are 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. 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 flows as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies.

## RECONCILIATION OF FFO TO FFO AS ADJUSTED FOR COMPARABILITY

(unaudited and in thousands, except per share amounts)

	Three Months Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2012	2011	2012	2012	2011
FFO attributable to common shareholders plus assumed conversions	(A)\$ 55,890	\$ 280,369	\$ 251,019	\$ 818,565	\$ 1,230,973
Per diluted share	\$ 0.30	\$ 1.46	\$ 1.34	\$ 4.39	\$ 6.42
<i>Items that affect comparability (expense) income:</i>					
Non-cash impairment loss on J.C. Penney owned shares	(224,937)	-	-	(224,937)	-
(Loss) income from the mark-to-market of J.C. Penney derivative position	(22,472)	40,120	4,344	(75,815)	12,984
Non-cash impairment loss on investment in Toys	(40,000)	-	-	(40,000)	-
FFO attributable to discontinued operations, including our share of discontinued operations of Alexander's	12,736	25,398	12,766	68,501	91,938
Accelerated amortization of discount on investment in subordinated debt of Independence Plaza	60,396	-	-	60,396	-
1290 Avenue of the Americas and 555 California Street priority return and income tax benefit	25,260	-	-	25,260	-
After-tax net gain on sale of Canadian Trade Shows	-	-	19,657	19,657	-
Net gain resulting from Lexington's stock issuance	14,116	-	-	14,116	9,760
Net gain on extinguishment of debt	-	-	-	-	83,907
Mezzanine loan loss reversal and gain on disposition	-	-	-	-	82,744
Recognition of disputed receivable from Stop & Shop	-	23,521	-	-	23,521
Other, net	(8,825)	(1,014)	4,996	(2,339)	6,440
	(183,726)	88,025	41,763	(155,161)	311,294
Noncontrolling interests' share of above adjustments	11,056	(5,532)	(2,575)	9,601	(19,594)
Items that affect comparability, net	(B)\$ (172,670)	\$ 82,493	\$ 39,188	\$ (145,560)	\$ 291,700
Per diluted share	\$ (0.92)	\$ 0.43	\$ 0.20	\$ (0.78)	\$ 1.52
<b>FFO attributable to common shareholders plus assumed conversions, as adjusted for comparability</b>	<b>(A-B)\$ 228,560</b>	<b>\$ 197,876</b>	<b>\$ 211,831</b>	<b>\$ 964,125</b>	<b>\$ 939,273</b>
<b>Per diluted share</b>	<b>\$ 1.22</b>	<b>\$ 1.03</b>	<b>\$ 1.14</b>	<b>\$ 5.17</b>	<b>\$ 4.90</b>

## RECONCILIATION OF FFO TO FAD <sup>(1)</sup>

(unaudited and in thousands, except per share amounts)

	Three Months Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2012	2011	2012	2012	2011
FFO attributable to common shareholders plus assumed conversions	(A)\$ 55,890	\$ 280,369	\$ 251,019	\$ 818,565	\$ 1,230,973
<b>Adjustments to arrive at FAD:</b>					
Items that affect comparability per page 10, excluding FFO attributable to discontinued operations	(196,462)	62,627	28,997	(223,662)	219,356
Recurring tenant improvements, leasing commissions and other capital expenditures	87,448	76,075	58,289	244,493	199,916
Our share of Toys recurring (negative FFO) FFO	(17,858)	(20,529)	2,403	109,173	94,298
26.2% share of LNR's recurring FFO	31,501	6,725	16,831	71,514	32,335
Straight-line rentals	13,858	4,970	10,812	67,923	37,195
Amortization of acquired below-market leases, net	14,260	12,711	12,834	52,603	61,065
Stock-based compensation expense	(7,767)	(7,469)	(7,774)	(30,588)	(28,853)
Amortization of debt issuance costs	(6,891)	(6,033)	(5,725)	(24,095)	(20,729)
Our share of net unrealized gains (losses) from Real Estate Fund	5,456	(1,803)	1,389	13,840	2,999
Non real estate depreciation	(1,524)	(3,074)	(2,451)	(9,383)	(11,749)
Amortization of discount on convertible and exchangeable senior debentures	-	(1,657)	-	(1,646)	(7,338)
Noncontrolling interests' share of above adjustments	4,732	(7,702)	(7,129)	(18,873)	(36,414)
	(B) (73,247)	114,841	108,476	251,299	542,081
<b>FAD<sup>(1) (2)</sup></b>	<b>(A-B)\$ 129,137</b>	<b>\$ 165,528</b>	<b>\$ 142,543</b>	<b>\$ 567,266</b>	<b>\$ 688,892</b>
<b>FAD per diluted share</b>	<b>\$ 0.69</b>	<b>\$ 0.86</b>	<b>\$ 0.76</b>	<b>\$ 3.04</b>	<b>\$ 3.59</b>
<b>FAD payout ratio (based on regular quarterly dividend)<sup>(3)</sup></b>	<b>100.0%</b>	<b>80.2%</b>	<b>90.8%</b>	<b>90.8%</b>	<b>76.9%</b>

(1) FAD is defined as FFO less (i) recurring tenant improvements, leasing commissions and capital expenditures, (ii) straight-line rents and amortization of acquired below-market leases, net, and (iii) other non-cash income, plus (iv) other non-cash charges. FAD is a non-GAAP financial measure that is not intended to represent cash flow and is not indicative of cash flow provided by operating activities as determined in accordance with GAAP. FAD is presented solely as a supplemental disclosure that management believes provides useful information regarding the Company's ability to fund its dividends.

(2) The three months ended December 31, 2012 and 2011 includes tenant improvements, leasing commissions and capital expenditures aggregating \$15,300 and \$31,400, respectively, related to the 572,000 square foot Motorola Mobility / Google lease which has not yet commenced.

(3) FAD payout ratios on a quarterly basis are not necessarily indicative of amounts for the full year due to fluctuation in timing of cash based expenditures, the commencement of new leases and the seasonality of our operations.

## CONSOLIDATED NET INCOME / EBITDA <sup>(1)</sup>

(unaudited and in thousands)

	Three Months Ended			September 30, 2012
	December 31, 2012	December 31, 2011	Inc (Dec)	
Property rentals	\$ 503,820	\$ 503,824	\$ (4)	\$ 492,309
Straight-line rent adjustments	13,681	13,598	83	11,913
Amortization of acquired below-market leases, net	14,668	12,979	1,689	13,242
Total rentals	532,169	530,401	1,768	517,464
Tenant expense reimbursements	75,734	75,745	(11)	80,735
Cleveland Medical Mart development project	51,220	45,877	5,343	72,651
Fee and other income:				
BMS cleaning fees	18,147	15,275	2,872	16,945
Signage revenue	6,640	5,077	1,563	4,783
Management and leasing fees	5,333	5,141	192	7,234
Lease termination fees	1,189	3,856	(2,667)	282
Other income	7,222	8,587	(1,365)	10,444
Total revenues	697,654	689,959	7,695	710,538
Operating expenses	263,160	226,885	36,275	264,702
Depreciation and amortization	131,128	150,903	(19,775)	124,084
General and administrative	51,316	53,940	(2,624)	48,456
Cleveland Medical Mart development project	49,492	44,187	5,305	70,431
Impairment losses, acquisition related costs and tenant buy-outs	116,472	12,844	103,628	1,070
Total expenses	611,568	488,759	122,809	508,743
Operating income	86,086	201,200	(115,114)	201,795
(Loss) applicable to Toys	(73,837)	(32,254)	(41,583)	(8,585)
Income from partially owned entities	354,776	15,037	339,739	21,268
Income (loss) from Real Estate Fund	26,364	(2,605)	28,969	5,509
Interest and other investment (loss) income, net	(237,961)	53,698	(291,659)	10,523
Interest and debt expense	(122,674)	(131,583)	8,909	(120,770)
Net gain on disposition of wholly owned and partially owned assets	8,491	7,159	1,332	-
Income before income taxes	41,245	110,652	(69,407)	109,740
Income tax benefit (expense)	9,187	(5,377)	14,564	(3,015)
Income from continuing operations	50,432	105,275	(54,843)	106,725
Income (loss) from discontinued operations	41,461	(8,288)	49,749	157,431
Net income	91,893	96,987	(5,094)	264,156
Less net income attributable to noncontrolling interests in:				
Consolidated subsidiaries	(1,090)	(1,143)	53	(6,610)
Operating Partnership	(3,882)	(4,674)	792	(14,837)
Preferred unit distributions of the Operating Partnership	(786)	(3,874)	3,088	(1,403)
Net income attributable to Vornado	86,135	87,296	(1,161)	241,306
Interest and debt expense	193,258	198,252	(4,994)	183,241
Depreciation and amortization	182,499	215,683	(33,184)	177,593
Income tax (benefit) expense	(43,050)	(37,323)	(5,727)	3,850
<b>EBITDA</b>	<b>\$ 418,842</b>	<b>\$ 463,908</b>	<b>\$ (45,066)</b>	<b>\$ 605,990</b>
Capitalized leasing and development payroll	\$ 3,386	\$ 3,618	\$ (232)	\$ 4,339
Capitalized interest	\$ 8,917	\$ 1,197	\$ 7,720	\$ 7,523

(1) EBITDA represents "Earnings Before Interest, Taxes, Depreciation and Amortization." Management considers EBITDA a supplemental measure for making decisions and assessing the unlevered performance of its 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 a multiple of EBITDA, management utilizes this measure to make investment decisions as well as to compare the performance of its assets to that of its peers. EBITDA should not be considered a substitute for net income. EBITDA may not be comparable to similarly titled measures employed by other companies.

## CONSOLIDATED NET INCOME / EBITDA

(unaudited and in thousands)

	Year Ended December 31,		
	2012	2011	Inc (Dec)
Property rentals	\$ 1,962,545	\$ 2,012,292	\$ (49,747)
Straight-line rent adjustments	68,844	39,858	28,986
Amortization of acquired below-market leases, net	54,193	62,105	(7,912)
Total rentals	2,085,582	2,114,255	(28,673)
Tenant expense reimbursements	301,092	314,752	(13,660)
Cleveland Medical Mart development project	235,234	154,080	81,154
Fee and other income:			
BMS cleaning fees	67,584	61,754	5,830
Signage revenue	20,892	19,823	1,069
Management and leasing fees	21,867	21,801	66
Lease termination fees	2,361	16,334	(13,973)
Other income	31,845	30,037	1,808
Total revenues	2,766,457	2,732,836	33,621
Operating expenses	1,021,719	995,586	26,133
Depreciation and amortization	517,811	524,550	(6,739)
General and administrative	201,894	208,008	(6,114)
Cleveland Medical Mart development project	226,619	145,824	80,795
Impairment losses, acquisition related costs and tenant buy-outs	120,786	35,299	85,487
Total expenses	2,088,829	1,909,267	179,562
Operating income	677,628	823,569	(145,941)
Income applicable to Toys	14,859	48,540	(33,681)
Income from partially owned entities	408,267	70,072	338,195
Income from Real Estate Fund	63,936	22,886	41,050
Interest and other investment (loss) income, net	(260,945)	148,784	(409,729)
Interest and debt expense	(500,361)	(526,175)	25,814
Net gain on disposition of wholly owned and partially owned assets	13,347	15,134	(1,787)
Income before income taxes	416,731	602,810	(186,079)
Income tax expense	(8,132)	(23,925)	15,793
Income from continuing operations	408,599	578,885	(170,286)
Income from discontinued operations	285,942	161,115	124,827
Net income	694,541	740,000	(45,459)
Less net income attributable to noncontrolling interests in:			
Consolidated subsidiaries	(32,018)	(21,786)	(10,232)
Operating Partnership	(35,327)	(41,059)	5,732
Preferred unit distributions of the Operating Partnership	(9,936)	(14,853)	4,917
Net income attributable to Vornado	617,260	662,302	(45,042)
Interest and debt expense	760,523	797,920	(37,397)
Depreciation and amortization	735,293	777,421	(42,128)
Income tax expense	7,026	4,812	2,214
<b>EBITDA</b>	<b>\$ 2,120,102</b>	<b>\$ 2,242,455</b>	<b>\$ (122,353)</b>
Capitalized leasing and development payroll	\$ 13,896	\$ 11,739	\$ 2,157
Capitalized interest	\$ 16,801	\$ 1,197	\$ 15,604

## EBITDA BY SEGMENT

(unaudited and in thousands)

Effective January 1, 2012, as a result of certain organizational and operational changes, we redefined the New York business segment to encompass all of our Manhattan assets by including the 1.0 million square feet in 21 freestanding Manhattan street retail assets (formerly in our Retail segment), and the Hotel Pennsylvania and our interest in Alexander's, Inc. (formerly in our Other segment). Accordingly, we have reclassified the prior period segment financial results to conform to the current year presentation.

### Three Months Ended December 31, 2012

	Total	New York	Washington, DC	Retail Properties	Merchandise Mart	Toys	Other
Property rentals	\$ 503,820	\$ 268,491	\$ 111,513	\$ 70,272	\$ 31,038	\$ -	\$ 22,506
Straight-line rent adjustments	13,681	9,783	1,345	2,120	183	-	250
Amortization of acquired below-market leases, net	14,668	7,776	506	4,957	-	-	1,429
Total rentals	532,169	286,050	113,364	77,349	31,221	-	24,185
Tenant expense reimbursements	75,734	41,272	10,271	22,559	641	-	991
Cleveland Medical Mart development project	51,220	-	-	-	51,220	-	-
Fee and other income:							
BMS cleaning fees	18,147	24,489	-	-	-	-	(6,342)
Signage revenue	6,640	6,640	-	-	-	-	-
Management and leasing fees	5,333	1,602	2,993	491	43	-	204
Lease termination fees	1,189	802	387	-	-	-	-
Other income	7,222	1,023	5,280	417	353	-	149
Total revenues	697,654	361,878	132,295	100,816	83,478	-	19,187
Operating expenses	263,160	154,973	50,600	35,232	16,219	-	6,136
Depreciation and amortization	131,128	58,262	30,901	19,545	12,205	-	10,215
General and administrative	51,316	8,073	7,388	4,851	4,586	-	26,418
Cleveland Medical Mart development project	49,492	-	-	-	49,492	-	-
Impairment losses, acquisition related costs and tenant buy-outs	116,472	-	-	103,400	-	-	13,072
Total expenses	611,568	221,308	88,889	163,028	82,502	-	55,841
Operating income (loss)	86,086	140,570	43,406	(62,212)	976	-	(36,654)
(Loss) applicable to Toys	(73,837)	-	-	-	-	(73,837)	-
Income (loss) from partially owned entities	354,776	187,428	(1,041)	418	169	-	167,802
Income from Real Estate Fund	26,364	-	-	-	-	-	26,364
Interest and other investment (loss) income, net	(237,961)	1,064	29	3	-	-	(239,057)
Interest and debt expense	(122,674)	(37,767)	(30,166)	(13,131)	(7,926)	-	(33,684)
Net gain on disposition of wholly owned and partially owned assets	8,491	-	-	8,491	-	-	-
Income (loss) before income taxes	41,245	291,295	12,228	(66,431)	(6,781)	(73,837)	(115,229)
Income tax benefit (expense)	9,187	(1,011)	(373)	-	(845)	-	11,416
Income (loss) from continuing operations	50,432	290,284	11,855	(66,431)	(7,626)	(73,837)	(103,813)
Income (loss) from discontinued operations	41,461	(1)	36,787	8,286	6,272	-	(9,883)
Net income (loss)	91,893	290,283	48,642	(58,145)	(1,354)	(73,837)	(113,696)
Less net (income) loss attributable to noncontrolling interests in:							
Consolidated subsidiaries	(1,090)	5,128	-	1,504	-	-	(7,722)
Operating Partnership	(3,882)	-	-	-	-	-	(3,882)
Preferred unit distributions of the Operating Partnership	(786)	-	-	-	-	-	(786)
Net income (loss) attributable to Vornado	86,135	295,411	48,642	(56,641)	(1,354)	(73,837)	(126,086)
Interest and debt expense	193,258	47,561	34,139	15,789	8,931	44,492	42,346
Depreciation and amortization	182,499	63,777	34,829	20,778	12,630	34,808	15,677
Income tax (benefit) expense	(43,050)	1,074	411	-	845	(34,611)	(10,769)
<b>EBITDA for the three months ended December 31, 2012</b>	<b>\$ 418,842</b>	<b>\$ 407,823<sup>(1)</sup></b>	<b>\$ 118,021</b>	<b>\$ (20,074)<sup>(2)</sup></b>	<b>\$ 21,052</b>	<b>\$ (29,148)</b>	<b>\$ (78,832)<sup>(3)</sup></b>
<b>EBITDA for the three months ended December 31, 2011</b>	<b>\$ 463,908</b>	<b>\$ 207,123<sup>(1)</sup></b>	<b>\$ 106,140</b>	<b>\$ 94,706<sup>(2)</sup></b>	<b>\$ (1,678)</b>	<b>\$ 5,394</b>	<b>\$ 52,223<sup>(3)</sup></b>
<b>EBITDA as adjusted for comparability:</b>							
<b>For the three months ended December 31, 2012</b>	<b>\$ 443,950</b>	<b>\$ 218,252</b>	<b>\$ 80,673</b>	<b>\$ 62,893</b>	<b>\$ 13,620</b>	<b>\$ 15,782</b>	<b>\$ 52,730</b>
<b>For the three months ended December 31, 2011</b>	<b>\$ 410,376</b>	<b>\$ 210,847</b>	<b>\$ 100,614</b>	<b>\$ 61,669</b>	<b>\$ 13,541</b>	<b>\$ 5,394</b>	<b>\$ 18,311</b>

See notes on page 16.

**EBITDA BY SEGMENT**

(unaudited and in thousands)

	Year Ended December 31, 2012						
	Total	New York	Washington, DC	Retail Properties	Merchandise Mart	Toys	Other
Property rentals	\$ 1,962,545	\$ 1,004,078	\$ 467,972	\$ 276,190	\$ 125,018	\$ -	\$ 89,287
Straight-line rent adjustments	68,844	52,117	5,727	9,379	763	-	858
Amortization of acquired below-market leases, net	54,193	31,552	2,043	14,902	-	-	5,696
Total rentals	2,085,582	1,087,747	475,742	300,471	125,781	-	95,841
Tenant expense reimbursements	301,092	160,133	40,742	88,545	4,343	-	7,329
Cleveland Medical Mart development project	235,234	-	-	-	235,234	-	-
Fee and other income:							
BMS cleaning fees	67,584	94,965	-	-	-	-	(27,381)
Signage revenue	20,892	20,892	-	-	-	-	-
Management and leasing fees	21,867	5,639	12,775	3,131	231	-	91
Lease termination fees	2,361	1,136	643	74	508	-	-
Other income	31,845	4,472	24,126	1,778	1,574	-	(105)
Total revenues	2,766,457	1,374,984	554,028	393,999	367,671	-	75,775
Operating expenses	1,021,719	602,883	194,523	141,732	65,337	-	17,244
Depreciation and amortization	517,811	226,653	138,296	76,835	33,778	-	42,249
General and administrative	201,894	30,053	27,237	23,654	18,899	-	102,051
Cleveland Medical Mart development project	226,619	-	-	-	226,619	-	-
Impairment losses, acquisition related costs and tenant buy-outs	120,786	-	-	103,400	-	-	17,386
Total expenses	2,088,829	859,589	360,056	345,621	344,633	-	178,930
Operating income (loss)	677,628	515,395	193,972	48,378	23,038	-	(103,155)
Income applicable to Toys	14,859	-	-	-	-	14,859	-
Income (loss) from partially owned entities	408,267	207,773	(5,612)	1,458	729	-	203,919
Income from Real Estate Fund	63,936	-	-	-	-	-	63,936
Interest and other investment (loss) income, net	(260,945)	4,230	126	27	-	-	(265,328)
Interest and debt expense	(500,361)	(147,132)	(115,574)	(62,923)	(31,393)	-	(143,339)
Net gain on disposition of wholly owned and partially owned assets	13,347	-	-	8,491	-	-	4,856
Income (loss) before income taxes	416,731	580,266	72,912	(4,569)	(7,626)	14,859	(239,111)
Income tax expense	(8,132)	(3,491)	(1,650)	-	(502)	-	(2,489)
Income (loss) from continuing operations	408,599	576,775	71,262	(4,569)	(8,128)	14,859	(241,600)
Income (loss) from discontinued operations	285,942	(641)	167,766	42,926	75,144	-	747
Net income (loss)	694,541	576,134	239,028	38,357	67,016	14,859	(240,853)
Less net (income) loss attributable to noncontrolling interests in:							
Consolidated subsidiaries	(32,018)	(2,138)	-	1,812	-	-	(31,692)
Operating Partnership	(35,327)	-	-	-	-	-	(35,327)
Preferred unit distributions of the Operating Partnership	(9,936)	-	-	-	-	-	(9,936)
Net income (loss) attributable to Vornado	617,260	573,996	239,028	40,169	67,016	14,859	(317,808)
Interest and debt expense	760,523	187,855	133,625	73,828	35,423	147,880	181,912
Depreciation and amortization	735,293	252,257	157,816	86,529	39,596	135,179	63,916
Income tax expense (benefit)	7,026	3,751	1,943	-	12,503	(16,629)	5,458
<b>EBITDA for the year ended December 31, 2012</b>	<b>\$ 2,120,102</b>	<b>\$ 1,017,859<sup>(1)</sup></b>	<b>\$ 532,412</b>	<b>\$ 200,526<sup>(2)</sup></b>	<b>\$ 154,538</b>	<b>\$ 281,289</b>	<b>\$ (66,522)<sup>(3)</sup></b>
<b>EBITDA for the year ended December 31, 2011</b>	<b>\$ 2,242,455</b>	<b>\$ 786,565<sup>(1)</sup></b>	<b>\$ 481,077</b>	<b>\$ 303,202<sup>(2)</sup></b>	<b>\$ 143,452</b>	<b>\$ 339,510</b>	<b>\$ 188,649<sup>(3)</sup></b>
<b>EBITDA as adjusted for comparability:</b>							
For the year ended December 31, 2012	<b>\$ 1,918,887</b>	<b>\$ 819,861</b>	<b>\$ 355,477</b>	<b>\$ 236,401</b>	<b>\$ 60,138</b>	<b>\$ 334,613</b>	<b>\$ 112,397</b>
For the year ended December 31, 2011	<b>\$ 1,896,721</b>	<b>\$ 795,263</b>	<b>\$ 410,334</b>	<b>\$ 229,927</b>	<b>\$ 52,723</b>	<b>\$ 339,019</b>	<b>\$ 69,455</b>

See notes on the following page.



## NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

(1) The elements of "New York" EBITDA are summarized below.

	Three Months Ended December 31,		Year Ended December 31,	
	2012	2011	2012	2011
Office <sup>(a)</sup>	\$ 151,613	\$ 141,325	\$ 568,518	\$ 539,734
Retail <sup>(b)</sup>	52,576	40,414	189,484	163,033
Alexander's <sup>(c)</sup>	191,925	13,631	231,402	53,663
Hotel Pennsylvania	11,709	11,753	28,455	30,135
<b>Total New York</b>	<b>\$ 407,823</b>	<b>\$ 207,123</b>	<b>\$ 1,017,859</b>	<b>\$ 786,565</b>

(a) The three months and year ended December 31, 2012, includes income of \$7,599 and \$6,958, respectively, primarily from a priority return on our investment in 1290 Avenue of the Americas.

(b) The three months and year ended December 31, 2011, includes \$7,219 and \$23,777, respectively, of expense for tenant buy-out costs.

(c) The three months and year ended December 31, 2012, includes income of \$179,934 for our share of a net gain on sale of real estate.

(2) The elements of "Retail Properties" EBITDA are summarized below.

	Three Months Ended December 31,		Year Ended December 31,	
	2012	2011	2012	2011
Strip Shopping centers <sup>(a)</sup>	\$ 24,154	\$ 68,269	\$ 172,708	\$ 210,022
Regional malls <sup>(b)</sup>	(44,228)	26,437	27,818	93,180
<b>Total Retail Properties</b>	<b>\$ (20,074)</b>	<b>\$ 94,706</b>	<b>\$ 200,526</b>	<b>\$ 303,202</b>

(a) The three months ended December 31, 2012 and 2011, includes income from discontinued operations and other gains and losses that affect comparability, aggregating \$(21,520) and \$25,281, respectively. Excluding these items, EBITDA was \$45,674 and \$42,988, respectively. The year ended December 31, 2012 and 2011, includes income from discontinued operations and other gains and losses that affect comparability, aggregating \$515 and \$44,990, respectively. Excluding these items, EBITDA was \$172,193 and \$165,032, respectively.

(b) The three months ended December 31, 2012 and 2011, includes income from discontinued operations and other gains and losses that affect comparability, aggregating \$(61,447) and \$7,756, respectively. Excluding these items, EBITDA was \$17,219 and \$18,681, respectively. The year ended December 31, 2012 and 2011, includes income from discontinued operations and other gains and losses that affect comparability, aggregating \$(36,390) and \$28,285, respectively. Excluding these items, EBITDA was \$64,208 and \$64,895, respectively.

## NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

(3) The elements of "Other" EBITDA from continuing operations are summarized below.

	Three Months Ended December 31,		Year Ended December 31,	
	2012	2011	2012	2011
Our share of Real Estate Fund:				
Income before net realized/unrealized gains	\$ 764	\$ 1,655	\$ 4,926	\$ 4,205
Net unrealized gains (loss)	5,456	(1,803)	13,840	2,999
Net realized gains	-	577	-	1,348
Carried interest	5,838	(929)	5,838	736
<b>Total</b>	<b>12,058</b>	<b>(500)</b>	<b>24,604</b>	<b>9,288</b>
LNR	33,514	9,045	79,520	47,614
555 California Street	14,761	12,116	46,167	44,724
Lexington	7,815	6,809	32,595	34,779
Other investments	(2,678)	3,518	29,266	33,529
	65,470	30,988	212,152	169,934
Corporate general and administrative expenses <sup>(a)</sup>	(23,627)	(22,958)	(90,567)	(85,922)
Investment income and other, net <sup>(a)</sup>	6,532	15,121	35,397	52,405
Fee income from Alexander's (including a \$6,423 sales commission in 2012)	8,131	1,872	13,748	7,417
Non-cash impairment loss on J.C. Penney owned shares	(224,937)	-	(224,937)	-
(Loss) income from the mark-to-market of J.C. Penney derivative position	(22,472)	40,120	(75,815)	12,984
Purchase price fair value adjustment and accelerated amortization of discount on investment in subordinated debt of Independence Plaza	105,366	-	105,366	-
Net gain resulting from Lexington's stock issuance and asset acquisition	28,763	-	28,763	9,760
Impairment losses and acquisition related costs	(13,072)	(3,103)	(17,386)	(5,925)
Verde Realty impairment loss	-	-	(4,936)	-
Our share of impairment losses of partially owned entities	(4,318)	(13,794)	(4,318)	(13,794)
Net gain on sale of residential condominiums	-	-	1,274	5,884
Mezzanine loans loss reversal and net gain on disposition	-	-	-	82,744
Net gain from Suffolk Downs' sale of a partial interest	-	12,525	-	12,525
Real Estate Fund placement fees	-	-	-	(3,451)
Net income attributable to noncontrolling interests in the Operating Partnership	(3,882)	(4,674)	(35,327)	(41,059)
Preferred unit distributions of the Operating Partnership	(786)	(3,874)	(9,936)	(14,853)
<b>Total Other</b>	<b>\$ (78,832)</b>	<b>\$ 52,223</b>	<b>\$ (66,522)</b>	<b>\$ 188,649</b>

(a) The amounts in these captions (for this table only) exclude the mark-to-market of our deferred compensation plan assets and offsetting liability.

## EBITDA BY SEGMENT AND REGION

(unaudited)

The following tables set forth the percentages of EBITDA, by operating segment and by geographic region (excluding discontinued operations, and other gains or losses that affect comparability) from our New York, Washington, DC, Retail Properties and Merchandise Mart segments.

	Excluding Toys		Including Toys	
	Year Ended December 31,		Year Ended December 31,	
	2012	2011	2012	2011
<b>Segment</b>				
New York	56%	53%	45%	43%
Washington, DC	24%	28%	20%	22%
Retail Properties	16%	15%	13%	13%
Merchandise Mart	4%	4%	3%	3%
Toys	N/A	N/A	19%	19%
	100%	100%	100%	100%
<b>Region</b>				
New York City metropolitan area	66%	64%	54%	52%
Washington, DC / Northern Virginia metropolitan area	25%	28%	20%	23%
Chicago	4%	3%	3%	3%
California	2%	2%	2%	1%
Puerto Rico	1%	2%	1%	1%
Other geographies	2%	1%	20%	20%
	100%	100%	100%	100%

## CONSOLIDATED BALANCE SHEETS

(unaudited and in thousands)

	December 31,		Increase (Decrease)
	2012	2011	
<b>ASSETS</b>			
Real estate, at cost:			
Land	\$ 4,553,978	\$ 4,399,419	\$ 154,559
Buildings and improvements	12,895,355	12,062,001	833,354
Development costs and construction in progress	920,662	116,126	804,536
Leasehold improvements and equipment	125,364	126,211	(847)
Total	18,495,359	16,703,757	1,791,602
Less accumulated depreciation and amortization	(3,097,074)	(2,894,374)	(202,700)
Real estate, net	15,398,285	13,809,383	1,588,902
Cash and cash equivalents	960,319	606,553	353,766
Restricted cash	183,256	98,068	85,188
Marketable securities	398,188	741,321	(343,133)
Tenant and other receivables, net	195,718	171,798	23,920
Investments in partially owned entities	1,226,256	1,233,650	(7,394)
Investment in Toys	478,041	506,809	(28,768)
Real Estate Fund investments	600,786	346,650	254,136
Mortgage and mezzanine loans receivable	225,359	133,948	91,411
Receivable arising from the straight-lining of rents, net	765,518	702,360	63,158
Deferred leasing and financing costs, net	408,092	364,753	43,339
Identified intangible assets, net	370,602	287,844	82,758
Assets related to discontinued operations	374,476	1,049,643	(675,167)
Due from officers	-	13,127	(13,127)
Other assets	381,079	380,580	499
<b>Total assets</b>	<b>\$ 21,965,975</b>	<b>\$ 20,446,487</b>	<b>\$ 1,519,488</b>
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY</b>			
Liabilities:			
Mortgages payable	\$ 8,768,182	\$ 8,072,880	\$ 695,302
Senior unsecured notes	1,358,008	1,357,661	347
Revolving credit facility debt	1,170,000	138,000	1,032,000
Exchangeable senior debentures	-	497,898	(497,898)
Convertible senior debentures	-	10,168	(10,168)
Accounts payable and accrued expenses	484,746	423,512	61,234
Deferred revenue	498,510	515,816	(17,306)
Deferred compensation plan	105,200	95,457	9,743
Deferred tax liabilities	15,305	13,315	1,990
Liabilities related to discontinued operations	315,448	506,960	(191,512)
Other liabilities	402,280	145,696	256,584
Total liabilities	13,117,679	11,777,363	1,340,316
Redeemable noncontrolling interests	944,152	1,160,677	(216,525)
Vornado shareholders' equity	6,850,935	6,828,316	22,619
Noncontrolling interests in consolidated subsidiaries	1,053,209	680,131	373,078
<b>Total liabilities, redeemable noncontrolling interests and equity</b>	<b>\$ 21,965,975</b>	<b>\$ 20,446,487</b>	<b>\$ 1,519,488</b>

## CAPITAL STRUCTURE

(unaudited and in thousands, except per share amounts)

	<b>December 31, 2012</b>
<b>Debt:</b>	
Consolidated debt:	
Mortgages payable	\$ 8,768,182
Senior unsecured notes	1,358,008
\$2.5 billion revolving credit facilities	1,170,000
	<u>11,296,190</u>
Pro rata share of non-consolidated debt:	
Toys	1,852,329
All other partially owned entities <sup>(1)</sup>	2,146,600
Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas, 555 California Street and Independence Plaza)	(608,216)
<b>Total debt</b>	<u><b>14,686,903</b></u>

<b>Perpetual Preferred:</b>	<b>Shares/Units</b>	<b>Par Value</b>	
6.875% Preferred Units (D-15)	1,800	25.00	45,000
5.00% Preferred Unit (D-16) (1 unit @ \$1,000)			1,000
6.75% Series F Preferred Shares	6,000	25.00	150,000
6.625% Series G Preferred Shares	8,000	25.00	200,000
6.75% Series H Preferred Shares	4,500	25.00	112,500
6.625% Series I Preferred Shares	10,800	25.00	270,000
6.875% Series J Preferred Shares	9,850	25.00	246,250
5.70% Series K Preferred Shares	12,000	25.00	300,000
			<u>1,324,750</u>

<b>Equity:</b>	<b>Converted Shares</b>	<b>December 31, 2012 Common Share Price</b>	
Common shares	186,735	\$ 80.08	14,953,739
Class A units	10,575	80.08	846,846
Convertible share equivalents:			
Equity awards - unit equivalents	641	80.08	51,331
D-13 preferred units	583	80.08	46,687
G1-G4 units	105	80.08	8,408
Series A preferred shares	50	80.08	4,004
			<u>15,911,015</u>
<b>Total Market Capitalization</b>			<u><b>\$ 31,922,668</b></u>

(1) Excludes \$25.4 billion for our 26.2% pro rata share of LNR's liabilities related to consolidated CMBS and CDO trusts which are non-recourse to LNR and its equity holders, including us.

## DEBT ANALYSIS

(unaudited and in thousands)

	Total		Variable		Fixed	
	December 31, 2012	Weighted Average Interest Rate	December 31, 2012	Weighted Average Interest Rate	December 31, 2012	Weighted Average Interest Rate
Consolidated debt	\$ 11,296,190	4.27%	\$ 3,167,181	1.93%	\$ 8,129,009	5.18%
Pro rata share of non-consolidated debt:						
Toys	1,852,329	7.34%	703,922	5.69%	1,148,407	8.35%
All other <sup>(1)</sup>	2,146,600	5.83%	264,531	2.88%	1,882,069	6.24%
Total	15,295,119	4.86%	4,135,634	2.63%	11,159,485	5.68%
Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas, 555 California Street and Independence Plaza)	(608,216)		(143,216)		(465,000)	
Company's pro rata share of total debt	\$ 14,686,903	4.92%	\$ 3,992,418	2.68%	\$ 10,694,485	5.76%

### Debt Covenant Ratios: <sup>(2)</sup>

	Senior Unsecured Notes				Revolving Credit Facilities		Unencumbered EBITDA	
	Required	Actual			Required	Actual	4Q 2012 Annualized	
		Due 2015	Due 2022	Due 2039				
Total Outstanding Debt / Total Assets <sup>(3)</sup>	Less than 65%	45%	45%	50%	Less than 60%	37%	New York	\$ 333,192
Secured Debt / Total Assets	Less than 50%	34%	34%	38%	Less than 50%	31%	Washington, DC	115,996
Interest Coverage Ratio (Annualized Combined EBITDA to Annualized Interest Expense)	Greater than 1.50	2.52	2.52	2.52		N/A	Retail Properties	68,768
Fixed Charge Coverage		N/A	N/A	N/A	Greater than 1.40	2.33	Merchandise Mart	12,244
Unencumbered Assets / Unsecured Debt	Greater than 150%	398%	398%	364%		N/A	Other	100,588
Unsecured Debt / Cap Value of Unencumbered Assets		N/A	N/A	N/A	Less than 60%	14%	Total	\$ 630,788 <sup>(4)</sup>
Unencumbered Coverage Ratio		N/A	N/A	N/A	Greater than 1.50	5.55		

	Senior Unsecured Notes		
	Due 2015	Due 2022	Due 2039
Settlement Date	3/26/2010	12/7/2011	9/30/2009
Principal Amount	\$ 500,000	\$ 400,000	\$ 460,000
Issue Price	99.834%	99.546%	100.000%
Coupon	4.250%	5.000%	7.875%
Effective economic interest rate	4.287%	5.057%	7.875%
Ratings:			
Moody's	Baa2	Baa2	Baa2
S&P	BBB	BBB	BBB
Fitch	BBB	BBB	BBB
Maturity Date / Put Date	4/1/2015	1/15/2022	10/1/2039 <sup>(5)</sup>

(1) Excludes \$25.4 billion for our 26.2% pro rata share of LNR's liabilities related to consolidated CMBS and CDO trusts which are non-recourse to LNR and its equity holders, including us.

(2) Our debt covenant ratios are computed in accordance with the terms of our senior unsecured notes and credit facilities, as applicable. The methodology used for these computations may differ significantly from similarly titled ratios of other companies. For additional information regarding the methodology used to compute these ratios, please see our filings with the SEC of our credit facilities, senior debt indentures and applicable prospectuses and prospectus supplements.

(3) Total assets includes EBITDA capped at 7.5% under the senior unsecured notes and 6.5% under the revolving credit facilities.

(4) Includes \$18,048 of EBITDA from assets classified as "held for sale".

(5) These notes may be redeemed at our option in whole or in part beginning October 1, 2014, at a price equal to the principal amount plus accrued interest.

## DEBT MATURITIES

(unaudited and in thousands)

Property	Maturity Date <sup>(1)</sup>	2013	2014	2015	2016	2017	Thereafter	Total
Bergen Town Center	03/13	\$ 282,312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 282,312
San Jose Strip Center	03/13	104,856	-	-	-	-	-	104,856
Broadway Mall	07/13	84,759	-	-	-	-	-	84,759
Independence Plaza	08/13	334,225	-	-	-	-	-	334,225
2231 Crystal Drive	08/13	41,311	-	-	-	-	-	41,311
1225 Clark Street	08/13	24,842	-	-	-	-	-	24,842
220 Central Park South	10/13	123,750	-	-	-	-	-	123,750
Las Catalinas Mall	11/13	54,101	-	-	-	-	-	54,101
Universal Buildings	04/14	-	90,100	-	-	-	-	90,100
1730 M and 1150 17th Street	06/14	-	43,581	-	-	-	-	43,581
1550 and 1750 Crystal Drive	11/14	-	73,574	-	-	-	-	73,574
2200 / 2300 Clarendon Boulevard	01/15	-	-	47,353	-	-	-	47,353
Senior Unsecured Notes due 2015	04/15	-	-	499,627	-	-	-	499,627
River House Apartments	04/15	-	-	195,546	-	-	-	195,546
909 Third Avenue	04/15	-	-	199,198	-	-	-	199,198
888 Seventh Avenue	01/16	-	-	-	318,554	-	-	318,554
510 5th Avenue	01/16	-	-	-	31,253	-	-	31,253
770 Broadway	03/16	-	-	-	353,000	-	-	353,000
866 UN Plaza	05/16	-	-	-	44,978	-	-	44,978
Bowen Building	06/16	-	-	-	115,022	-	-	115,022
\$1.25 Billion Unsecured Revolving Credit Facility	06/16	-	-	-	20,000	-	-	20,000
Montehiedra Town Center	07/16	-	-	-	120,000	-	-	120,000
\$1.25 Billion Unsecured Revolving Credit Facility	11/16	-	-	-	1,150,000	-	-	1,150,000
Merchandise Mart	12/16	-	-	-	550,000	-	-	550,000
350 Park Avenue	01/17	-	-	-	-	300,000	-	300,000
Skyline Properties	02/17	-	-	-	-	704,957	-	704,957
100 West 33rd Street	03/17	-	-	-	-	325,000	-	325,000
2011 Crystal Drive	08/17	-	-	-	-	79,624	-	79,624
North Bergen (Tonnelle Avenue)	01/18	-	-	-	-	-	75,000	75,000
220 20th Street	02/18	-	-	-	-	-	73,939	73,939
Two Penn Plaza	03/18	-	-	-	-	-	425,000	425,000
River House Apartments	04/18	-	-	-	-	-	64,000	64,000
828-850 Madison Avenue Condominium	06/18	-	-	-	-	-	80,000	80,000
Eleven Penn Plaza	01/19	-	-	-	-	-	330,000	330,000
435 Seventh Avenue	08/19	-	-	-	-	-	98,000	98,000
4 Union Square South	11/19	-	-	-	-	-	120,000	120,000
Cross-collateralized mortgages on 40 strip shopping centers	09/20	-	-	-	-	-	633,180	633,180
Borgata Land	02/21	-	-	-	-	-	60,000	60,000
West End 25	06/21	-	-	-	-	-	101,671	101,671
555 California Street	09/21	-	-	-	-	-	600,000	600,000
Senior Unsecured Notes due 2022	01/22	-	-	-	-	-	398,381	398,381
1290 Avenue of the Americas	11/22	-	-	-	-	-	950,000	950,000
2121 Crystal Drive	03/23	-	-	-	-	-	150,000	150,000
2101 L Street	08/24	-	-	-	-	-	150,000	150,000

See notes on the following page.

## DEBT MATURITIES

(unaudited and in thousands)

Property	Maturity Date <sup>(1)</sup>	2013	2014	2015	2016	2017	Thereafter	Total
1215 Clark Street, 200 12th Street & 251 18th Street	01/25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,192	\$ 103,192
Senior Unsecured Notes due 2039	10/39	-	-	-	-	-	460,000	460,000
Other shopping center properties	Various	-	29,144	12,690	-	-	46,515	88,349
Other	03/13	19,126	-	-	-	-	-	19,126
Purchase accounting valuation adjustments	Various	400	3,602	(377)	-	-	1,204	4,829
<b>Total</b>		<b>\$ 1,069,682</b>	<b>\$ 240,001</b>	<b>\$ 954,037</b>	<b>\$ 2,702,807</b>	<b>\$ 1,409,581</b>	<b>\$ 4,920,082</b>	<b>\$ 11,296,190</b>
<b>Weighted average rate</b>		<b>2.85%</b>	<b>5.77%</b>	<b>4.66%</b>	<b>3.78%</b>	<b>4.71%</b>	<b>4.56%</b>	<b>4.27%</b>
Fixed rate debt		\$ 205,413	\$ 196,420	\$ 906,684	\$ 1,487,829	\$ 1,084,581	\$ 4,248,082	\$ 8,129,009
Fixed weighted average rate expiring		6.31%	6.70%	4.85%	5.70%	5.30%	4.91%	5.18%
Floating rate debt		\$ 864,269	\$ 43,581	\$ 47,353	\$ 1,214,978	\$ 325,000	\$ 672,000	\$ 3,167,181
Floating weighted average rate expiring		2.03%	1.61%	0.96%	1.43%	2.71%	2.40%	1.93%

(1) Represents the extended maturity for certain loans in which we have the unilateral right, ability and intent to extend.



## UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

Joint Venture Name	Asset Category	Percentage Ownership at December 31, 2012	As of December 31, 2012		
			Company's Carrying Amount	Debt	
				Company's Pro rata Share	100% of Joint Venture
Toys	Retailer	32.6%	\$ 478,041	\$ 1,852,329	\$ 5,683,733
Alexander's, Inc.	Office/Retail	32.4%	\$ 171,013	\$ 345,357	\$ 1,065,916
Lexington	Office/Retail	10.5%	75,542	208,563	1,994,179
LNR: Mortgage notes payable	Other	26.2%	224,724	81,084	309,787
Liabilities of consolidated CMBS and CDO trusts			-	25,444,199	97,211,734
			<u>224,724</u>	<u>25,525,283</u>	<u>97,521,521</u>
India real estate ventures	Office/Land	4.0% to 36.5%	95,516	59,145	236,579
Partially Owned Office Buildings:					
280 Park Avenue	Office	49.5%	197,516	365,300	738,228
Rosslyn Plaza	Office/Residential	43.7% to 50.4%	62,627	-	-
West 57th Street Properties	Office	50.0%	57,033	10,217	20,434
One Park Avenue	Office	30.3%	50,509	75,740	250,000
666 Fifth Avenue Office Condominium	Office	49.5%	35,527	548,874	1,109,700
330 Madison Avenue	Office	25.0%	30,277	37,500	150,000
Warner Building	Office	55.0%	8,775	160,985	292,700
Fairfax Square	Office	20.0%	5,368	14,025	70,127
1101 17th Street	Office	55.0%	-	17,050	31,000
Other Partially Owned Office Buildings	Office	Various	9,315	27,242	69,704
Other Investments:					
Downtown Crossing, Boston	Mixed-use	50.0%	48,122	-	-
Monmouth Mall	Retail	50.0%	7,205	79,948	159,896
Other Investments	Various	Various	147,187	115,570	990,647
			<u>\$ 1,226,256</u>	<u>\$ 27,590,799</u> <sup>(1)</sup>	<u>\$ 104,700,631</u>

(1) Our pro rata share of debt of partially owned entities is \$3,998,929, excluding \$25,444,199 for our pro rata share of LNR's liabilities related to consolidated CMBS and CDO trusts which are non-recourse to LNR and its equity holders, including us.

## UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

Joint Venture Name	Percentage Ownership at December 31, 2012	Our Share of Net Income (Loss) for the Three Months Ended December 31,		Our Share of EBITDA for the Three Months Ended December 31,	
		2012	2011	2012	2011
Toys <sup>(1)</sup>	32.6%	\$ (73,837)	\$ (32,254)	\$ (29,148)	\$ 5,394
New York:					
Alexander's, Inc.	32.4%	\$ 185,433	\$ 6,506	\$ 191,908	\$ 13,630
280 Park Avenue	49.5%	(2,243)	(9,434)	4,905	5,611
666 Fifth Avenue Office Condominium (acquired in December 2011)	49.5%	1,765	198	4,689	198
330 Madison Avenue	25.0%	1,573	686	2,439	1,381
West 57th Street properties	50.0%	282	242	801	782
One Park Avenue	30.3%	233	205	1,908	1,965
Other	Various	385	338	1,165	942
		187,428	(1,259)	207,815	24,509
Washington, DC:					
Warner Building	55.0%	(2,748)	(3,545)	976	213
Rosslyn Plaza	43.7% to 50.4%	723	33	2,763	2,140
1101 17th Street	55.0%	656	646	840	908
Fairfax Square	20.0%	(47)	(49)	462	510
Other	Various	375	2,572	1,295	3,585
		(1,041)	(343)	6,336	7,356
Retail Properties:					
Monmouth Mall	50.0%	422	968	2,293	2,827
Other	Various	(4)	512	111	662
		418	1,480	2,404	3,489
Merchandise Mart					
	50.0%	169	163	436	434
Other:					
Independence Plaza Partnership <sup>(2)</sup>	n/a	106,622	646	106,622	581
Lexington	10.5%	28,369	(1,858)	36,578	6,808
LNR	26.2%	26,951	18,873	27,418	9,045
Alexander's corporate fee income	32.4%	8,131	1,872	8,131	1,872
India real estate ventures	4.0% to 36.5%	(482)	(14,189)	1,936	(12,281)
Downtown Crossing, Boston	50.0%	(437)	(305)	(437)	(305)
Verde Realty Operating Partnership <sup>(3)</sup>	n/a	297	457	297	1,261
Other <sup>(4)</sup>	Various	(1,649)	9,500	5,023	20,056
		167,802	14,996	185,568	27,037
		\$ 354,776	\$ 15,037	\$ 402,559	\$ 62,825

(1) 2012 includes a \$40,000 non-cash impairment loss on our investment.

(2) On December 21, 2012, we acquired a 58.75% interest in Independence Plaza and began to consolidate the accounts of the property into our consolidated financial statements from the date of acquisition. 2012 includes \$105,366 of income comprised of (i) \$60,396 from the accelerated amortization of discount on investment in subordinated debt of the property and (ii) a \$44,970 purchase price fair value adjustment from the exercise of a warrant to acquire 25% of the equity interest in the property.

(3) In 2012, we converted our 2,015,151 units in Verde Realty Operating Partnership into 2,015,151 common shares of Verde Realty ("Verde"), which we sold for \$13.85 per share, or \$27,910 in the aggregate. Accordingly, we recognized a \$4,936 impairment loss in the third quarter, based on the difference between the carrying amount of the investment and the cash received. We have reclassified the \$25,000 of convertible senior debentures that we continue to own to "other assets" on our consolidated balance sheets.

(4) 2011 includes a \$12,525 net gain from Suffolk Downs' sale of a partial interest.

## UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

Joint Venture Name	Percentage Ownership at December 31, 2012	Our Share of Net Income (Loss) for the Year Ended December 31,		Our Share of EBITDA for the Year Ended December 31,	
		2012	2011	2012	2011
Toys <sup>(1)</sup>	32.6%	\$ 14,859	\$ 48,540	\$ 281,289	\$ 339,510
New York:					
Alexander's, Inc.	32.4%	\$ 204,643	\$ 25,013	\$ 231,385	\$ 53,662
280 Park Avenue (acquired in May 2011)	49.5%	(11,510)	(18,079)	20,752	14,337
666 Fifth Avenue Office Condominium (acquired in December 2011)	49.5%	7,009	198	17,927	198
330 Madison Avenue	25.0%	3,609	2,126	7,432	4,507
One Park Avenue (acquired in March 2011)	30.3%	1,123	434	8,136	6,589
West 57th Street properties	50.0%	1,014	876	3,092	3,072
Other	Various	1,885	1,494	4,473	3,975
		207,773	12,062	293,197	86,340
Washington, DC:					
Warner Building	55.0%	(10,186)	(18,875)	4,176	2,100
1101 17th Street	55.0%	2,576	2,740	3,358	3,600
Rosslyn Plaza	43.7% to 50.4%	822	2,193	9,402	8,651
Fairfax Square	20.0%	(132)	(42)	2,059	2,181
Other	Various	1,308	7,603	4,968	11,561
		(5,612)	(6,381)	23,963	28,093
Retail Properties:					
Monmouth Mall	50.0%	1,429	2,556	8,924	9,937
Other	Various	29	144	487	512
		1,458	2,700	9,411	10,449
Merchandise Mart	50.0%	729	455	1,802	1,539
Other:					
Independence Plaza Partnership (acquired in June 2011) <sup>(2)</sup>	n/a	111,865	2,457	111,865	2,457
LNR	26.2%	66,270	58,786	73,424	47,614
Lexington	10.5%	28,740	8,351	61,358	44,538
Alexander's corporate fee income <sup>(3)</sup>	32.4%	13,748	7,417	13,748	7,417
Verde Realty Operating Partnership <sup>(4)</sup>	n/a	(5,703)	1,661	(1,834)	6,844
India real estate ventures	4.0% to 36.5%	(5,008)	(14,881)	3,654	(6,756)
Downtown Crossing, Boston	50.0%	(1,309)	(1,461)	(1,309)	(1,461)
Other <sup>(5)</sup>	Various	(4,684)	(1,094)	23,524	41,139
		203,919	61,236	284,430	141,792
		\$ 408,267	\$ 70,072	\$ 612,803	\$ 268,213

(1) 2012 includes a \$40,000 non-cash impairment loss on our investment.

(2) On December 21, 2012, we acquired a 58.75% interest in Independence Plaza and began to consolidate the accounts of the property into our consolidated financial statements from the date of acquisition. 2012 includes \$105,366 of income comprised of (i) \$60,396 from the accelerated amortization of discount on investment in subordinated debt of the property and (ii) a \$44,970 purchase price fair value adjustment from the exercise of a warrant to acquire 25% of the equity interest in the property.

(3) 2012 includes \$6,423 of commissions in connection with the sale of real estate.

(4) 2012 includes a \$4,936 impairment loss.

(5) 2011 includes a \$12,525 net gain from Suffolk Downs' sale of a partial interest.

**SQUARE FOOTAGE** in service

(unaudited and square feet in thousands)

Segment:	Total Portfolio	Owned by Company				
		Total	Office	Retail	Showroom	Other
<b>New York:</b>						
Office	19,729	16,751	16,568	-	183	-
Retail	2,217	2,057	-	2,057	-	-
Alexander's (32.4% interest)	2,179	706	287	419	-	-
Hotel Pennsylvania	1,400	1,400	-	-	-	1,400
Residential (1,655 units)	1,528	873	-	-	-	873
	<u>27,053</u>	<u>21,787</u>	<u>16,855</u>	<u>2,476</u>	<u>183</u>	<u>2,273</u>
<b>Washington, DC:</b>						
Office	16,106	13,637	12,780	857	-	-
Residential (2,414 units)	2,599	2,457	-	-	-	2,457
Hotel and Warehouses	435	435	-	9	-	426
	<u>19,140</u>	<u>16,529</u>	<u>12,780</u>	<u>866</u>	<u>-</u>	<u>2,883</u>
<b>Retail Properties:</b>						
Strip Shopping Centers	15,566	14,984	-	14,984	-	-
Regional Malls	5,244	3,608	-	3,608	-	-
	<u>20,810</u>	<u>18,592</u>	<u>-</u>	<u>18,592</u>	<u>-</u>	<u>-</u>
<b>Merchandise Mart</b>	<u>3,991</u>	<u>3,982</u>	<u>1,667</u>	<u>95</u>	<u>2,220</u>	<u>-</u>
<b>Other:</b>						
555 California Street (70% interest)	1,795	1,257	1,164	93	-	-
Primarily Warehouses	971	971	-	-	-	971
	<u>2,766</u>	<u>2,228</u>	<u>1,164</u>	<u>93</u>	<u>-</u>	<u>971</u>
<b>Total square feet at December 31, 2012</b>	<u>73,760</u>	<u>63,118</u>	<u>32,466</u>	<u>22,122</u>	<u>2,403</u>	<u>6,127</u>
<b>Total square feet at September 30, 2012</b>	<u>72,265</u>	<u>62,135</u>	<u>32,290</u>	<u>22,004</u>	<u>2,446</u>	<u>5,395</u>
<b>Parking Garages (not included above):</b>		<b>Square Feet</b>	<b>Number of Garages</b>	<b>Number of Spaces</b>		
New York		1,711	11	5,159		
Washington, DC		8,935	56	29,611		
Merchandise Mart		558	4	1,681		
555 California Street		168	1	453		
<b>Total at December 31, 2012</b>		<u>11,372</u>	<u>72</u>	<u>36,904</u>		
<b>Number of Toys stores (not included above):</b>		<b>Total</b>	<b>Owned</b>	<b>Building Owned on Leased Ground</b>	<b>Leased</b>	
Domestic		875	288	224	363	
International		651	78	26	547	
<b>Total Owned and Leased</b>		<u>1,526</u>	<u>366</u>	<u>250</u>	<u>910</u>	
Franchised Stores		155				
<b>Total at December 31, 2012</b>		<u>1,681</u>				

## TOP 30 TENANTS

(unaudited)

Tenants	Square Footage	2012 Annualized Revenues (in thousands)	% of 2012 Annualized Revenues
U.S. Government	4,409,780	\$ 155,551	5.6%
Bank of America	800,692	41,946	1.5%
AXA Equitable Life Insurance	423,174	37,210	1.3%
Macy's	1,188,483	36,536	1.3%
Limited Brands	488,560	33,575	1.2%
Ziff Brothers Investments Inc.	287,405	24,787	0.9%
McGraw-Hill Companies, Inc.	479,557	24,433	0.9%
Madison Square Garden	407,627	24,365	0.9%
The Home Depot	1,134,562	23,139	0.8%
Hennes & Mauritz	105,997	22,392	0.8%
New York Stock Exchange	381,425	22,100	0.8%
Draftfcb	415,438	22,003	0.8%
J. Crew	316,480	20,168	0.7%
Sears Holding Company (Kmart Corporation and Sears Corporation)	923,560	19,663	0.7%
Family Health International	434,926	18,585	0.7%
Forever 21	151,185	18,332	0.7%
AOL	230,365	17,705	0.6%
Wal-Mart	1,426,434	16,405	0.6%
JCPenney	530,370	16,282	0.6%
Rainbow Media Holdings	251,121	16,156	0.6%
Stop & Shop / Koninklijke Ahold NV	633,151	15,765	0.6%
Bryan Cave LLP	213,946	15,235	0.5%
Best Buy	574,980	14,325	0.5%
Lockheed Martin	324,552	13,795	0.5%
Morrison & Foerster LLP	158,912	13,719	0.5%
Cushman Wakefield	166,287	13,441	0.5%
Lowe's	976,415	12,841	0.5%
Nielson Company (US) Inc	227,535	12,655	0.5%
The TJX Companies, Inc.	588,199	11,895	0.4%
Boeing	265,659	11,300	0.4%

## LEASE EXPIRATIONS NEW YORK SEGMENT

(unaudited)

NEW YORK	Year of Lease Expiration	Our share of Square Feet of Expiring Leases	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
<b>Office:</b>	Month to Month	55,000	\$ 2,759,000	\$ 50.16	0.3%
	First Quarter 2013	50,000	3,117,000	62.34	0.4%
	Second Quarter 2013	369,000	15,283,000	41.42	1.7%
	Third Quarter 2013	118,000	8,552,000	72.47	1.0%
	Fourth Quarter 2013	109,000	6,459,000	59.26	0.7%
	Total 2013	646,000	33,411,000	51.72	3.7%
	2014	1,203,000	75,086,000	62.42	8.2%
	2015	2,105,000	115,079,000	54.67	12.8%
	2016	1,214,000	71,848,000	59.18	7.8%
	2017	1,239,000	71,850,000	57.99	7.9%
	2018	1,067,000	71,529,000	67.04	7.8%
	2019	910,000	56,035,000	61.58	6.2%
	2020	1,522,000	85,580,000	56.23	9.7%
	2021	1,060,000	64,268,000	60.63	7.0%
	2022	1,177,000	72,365,000	61.48	8.2%
<b>Retail:</b>	Month to Month	14,000	\$ 684,000	\$ 48.86	0.5%
	First Quarter 2013	44,000	3,764,000	85.55	2.7%
	Second Quarter 2013	17,000	2,508,000	147.53	1.8%
	Third Quarter 2013	55,000	7,073,000	128.60	5.0%
	Fourth Quarter 2013	12,000	658,000	54.83	0.5%
	Total 2013	128,000	14,003,000	109.40	9.9%
	2014	71,000	14,196,000	199.94	10.0%
	2015	104,000	22,887,000	220.07	16.2%
	2016	210,000	19,427,000	92.51	13.7%
	2017	169,000	9,211,000	54.50	6.5%
	2018	206,000	37,389,000	181.50	26.4%
	2019	95,000	20,448,000	215.24	14.5%
	2020	79,000	8,355,000	105.76	5.9%
	2021	34,000	6,595,000	193.97	4.7%
	2022	54,000	6,387,000	118.28	4.5%

**LEASE EXPIRATIONS  
WASHINGTON, DC SEGMENT**

(unaudited)

WASHINGTON, DC	Year of Lease Expiration	Our share of Square Feet of Expiring Leases	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
	Month to Month	180,000	\$ 6,073,000	\$ 33.74	1.4%
	First Quarter 2013	240,000	9,086,000	37.92	2.1%
	Second Quarter 2013	165,000	6,432,000	39.09	1.5%
	Third Quarter 2013	141,000	6,028,000	42.83	1.4%
	Fourth Quarter 2013	293,000	12,434,000	42.25	2.9%
	Total 2013	839,000	33,980,000	40.49	7.9%
	2014	1,425,000	55,149,000	38.70	12.8%
	2015	1,488,000	60,412,000	40.60	14.0%
	2016	1,103,000	47,025,000	42.64	10.9%
	2017	625,000	24,260,000	38.83	5.6%
	2018	950,000	39,928,000	42.01	9.2%
	2019	1,073,000	44,566,000	41.54	10.3%
	2020	586,000	29,496,000	50.35	6.8%
	2021	816,000	35,268,000	43.24	8.2%
	2022	931,000	40,834,000	43.87	9.5%

## LEASE EXPIRATIONS RETAIL PROPERTIES SEGMENT

(unaudited)

RETAIL PROPERTIES	Year of Lease Expiration	Our share of Square Feet of Expiring Leases	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
<b>Strip Shopping Centers:</b>	Month to Month	67,000	\$ 1,295,000	\$ 19.37	0.6%
	First Quarter 2013	89,000	1,698,000	19.14	0.8%
	Second Quarter 2013	134,000	1,691,000	12.65	0.8%
	Third Quarter 2013	84,000	1,908,000	22.60	0.9%
	Fourth Quarter 2013	301,000	4,537,000	15.06	2.2%
	Total 2013	608,000	9,834,000	16.17	4.8%
	2014	1,279,000	15,590,000	12.19	7.6%
	2015	588,000	12,473,000	21.20	6.1%
	2016	771,000	11,516,000	14.94	5.6%
	2017	549,000	9,252,000	16.86	4.5%
	2018	1,613,000	24,907,000	15.44	12.1%
	2019	999,000	18,518,000	18.54	9.0%
	2020	787,000	10,095,000	12.82	4.9%
	2021	653,000	11,271,000	17.25	5.5%
	2022	961,000	12,071,000	12.57	5.9%
<b>Regional Malls:</b>	Month to Month	58,000	\$ 1,981,000	\$ 34.33	3.2%
	First Quarter 2013	14,000	906,000	66.19	1.5%
	Second Quarter 2013	11,000	498,000	43.62	0.8%
	Third Quarter 2013	30,000	1,918,000	63.54	3.1%
	Fourth Quarter 2013	29,000	637,000	22.28	1.0%
	Total 2013	84,000	3,959,000	47.20	6.4%
	2014	180,000	4,807,000	26.73	7.8%
	2015	186,000	5,582,000	29.95	9.0%
	2016	117,000	4,820,000	41.10	7.8%
	2017	348,000	2,879,000	8.28	4.6%
	2018	67,000	3,599,000	53.72	5.8%
	2019	89,000	4,480,000	50.52	7.2%
	2020	94,000	4,025,000	42.92	6.5%
	2021	414,000	5,492,000	13.27	8.9%
	2022	48,000	1,845,000	38.75	3.0%



## LEASE EXPIRATIONS MERCHANDISE MART SEGMENT

(unaudited)

MERCHANDISE MART	Year of Lease Expiration	Our share of Square Feet of Expiring Leases	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
<b>Office:</b>	Month to Month	2,000	\$ 40,000	\$ 20.86	0.2%
	First Quarter 2013	5,000	117,000	24.24	0.5%
	Second Quarter 2013	9,000	226,000	24.38	1.0%
	Third Quarter 2013	4,000	103,000	24.21	0.5%
	Fourth Quarter 2013	1,000	16,000	29.00	0.1%
	Total 2013	19,000	462,000	24.44	2.0%
	2014	2,000	53,000	27.05	0.2%
	2015	46,000	1,457,000	31.88	6.4%
	2016	96,000	2,717,000	28.35	11.9%
	2017	-	-	-	0.0%
	2018	134,000	3,873,000	28.81	17.0%
	2019	-	-	-	0.0%
	2020	128,000	4,145,000	32.39	18.2%
	2021	192,000	5,430,000	28.24	23.8%
	2022	121,000	3,315,000	27.48	14.5%
<b>Showroom:</b>	Month to Month	39,000	\$ 1,591,000	\$ 40.86	2.4%
	First Quarter 2013	60,000	2,509,000	41.81	3.8%
	Second Quarter 2013	29,000	1,477,000	50.62	2.3%
	Third Quarter 2013	38,000	1,634,000	43.38	2.5%
	Fourth Quarter 2013	90,000	3,614,000	39.89	5.5%
	Total 2013	217,000	9,234,000	42.47	14.1%
	2014	181,000	7,392,000	40.81	11.3%
	2015	198,000	7,534,000	38.02	11.5%
	2016	200,000	7,591,000	38.00	11.6%
	2017	316,000	12,088,000	38.31	18.4%
	2018	180,000	6,785,000	37.66	10.4%
	2019	87,000	3,706,000	42.83	5.7%
	2020	57,000	2,531,000	44.78	3.9%
	2021	95,000	3,535,000	37.10	5.4%
	2022	52,000	1,959,000	37.86	3.0%

## LEASING ACTIVITY

(unaudited)

The leasing activity presented below is based on leases signed during the period and is not intended to coincide with the commencement of rental revenue in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Tenant improvements and leasing commissions presented below are based on square feet leased during the period. Second generation relet space represents square footage that has not been vacant for more than nine months. The leasing activity for the New York segment excludes Alexander's, the Hotel Pennsylvania and residential.

	New York		Washington, DC	Retail Properties		Merchandise Mart	
	Office	Retail	Office	Strips	Malls	Office	Showroom
<i>(square feet in thousands)</i>							
<b>Quarter Ended December 31, 2012</b>							
Total square feet leased	457	6	482	322	75	-	58
Our share of square feet leased:	437	5	404	322	51	-	58
Initial rent <sup>(1)</sup>	\$ 53.98	\$ 308.52	\$ 41.46	\$ 20.46	\$ 33.11	\$ -	\$ 41.19
Weighted average lease term (years)	8.6	9.2	7.2	7.4	5.8	-	6.5
Second generation relet space:							
Square feet	373	3	246	220	5	-	58
Cash basis:							
Initial rent <sup>(1)</sup>	\$ 52.61	\$ 459.69	\$ 39.34	\$ 17.03	\$ 69.44	\$ -	\$ 41.19
Prior escalated rent	\$ 50.86	\$ 295.56	\$ 40.38	\$ 16.04	\$ 67.89	\$ -	\$ 39.42
Percentage increase (decrease)	3.4%	55.5%	(2.6%)	6.2%	2.3%	-%	4.5%
GAAP basis:							
Straight-line rent <sup>(2)</sup>	\$ 51.46	\$ 513.29	\$ 37.94	\$ 17.16	\$ 71.83	\$ -	\$ 43.00
Prior straight-line rent	\$ 48.62	\$ 283.01	\$ 38.86	\$ 15.79	\$ 65.06	\$ -	\$ 33.41
Percentage increase (decrease)	5.8%	81.4%	(2.4%)	8.7%	10.4%	-%	28.7%
Tenant improvements and leasing commissions:							
Per square foot	\$ 48.15	\$ 188.84	\$ 26.90	\$ 4.28	\$ 27.38	\$ -	\$ 7.55
Per square foot per annum:	\$ 5.60	\$ 20.60	\$ 3.74	\$ 0.58	\$ 4.72	\$ -	\$ 1.16
Percentage of initial rent	10.4%	6.7%	9.0%	2.8%	14.3%	-	2.8%
<b>Year Ended December 31, 2012</b>							
Total square feet leased	1,950	192	2,111	1,276	146	593	380
Our share of square feet leased:	1,754	185	1,901	1,276	101	593	380
Initial rent <sup>(1)</sup>	\$ 57.15	\$ 110.71	\$ 40.55	\$ 18.65	\$ 38.45	\$ 32.97	\$ 38.67
Weighted average lease term (years)	9.3	11.9	7.3	8.2	5.3	14.7	6.0
Second generation relet space:							
Square feet	1,405	154	1,613	941	17	20	380
Cash basis:							
Initial rent <sup>(1)</sup>	\$ 57.88	\$ 110.21	\$ 39.27	\$ 15.98	\$ 64.85	\$ 32.24	\$ 38.67
Prior escalated rent	\$ 55.31	\$ 88.47	\$ 39.13	\$ 14.58	\$ 60.78	\$ 24.88	\$ 39.04
Percentage increase (decrease)	4.6%	24.6%	0.4%	9.6%	6.7%	29.6%	(0.9%)
GAAP basis:							
Straight-line rent <sup>(2)</sup>	\$ 57.34	\$ 115.97	\$ 38.96	\$ 16.49	\$ 66.24	\$ 32.38	\$ 39.15
Prior straight-line rent	\$ 54.64	\$ 89.52	\$ 37.67	\$ 13.69	\$ 58.61	\$ 23.15	\$ 35.28
Percentage increase	4.9%	29.5%	3.4%	20.5%	13.0%	39.9%	11.0%
Tenant improvements and leasing commissions:							
Per square foot	\$ 54.45	\$ 32.52	\$ 35.49	\$ 7.48	\$ 18.66	\$ 96.41	\$ 10.49
Per square foot per annum:	\$ 5.85	\$ 2.73	\$ 4.86	\$ 0.91	\$ 3.52	\$ 6.56 <sup>(3)</sup>	\$ 1.75
Percentage of initial rent	10.2%	2.5%	12.0%	4.9%	9.2%	19.9%	4.5%

## LEASING ACTIVITY

(unaudited)

	New York		Washington, DC	Retail Properties		Merchandise Mart	
	Office	Retail	Office	Strips	Malls	Office	Showroom
<i>(square feet in thousands)</i>							
<b>Year Ended December 31, 2011</b>							
Total square feet leased	3,211	61	1,735	1,109	239	241	306
Our share of square feet leased:	2,432	61	1,557	1,109	207	241	306
Initial rent <sup>(1)</sup>	\$ 55.37	\$ 133.02	\$ 41.35	\$ 18.03	\$ 33.82	\$ 26.43	\$ 36.67
Weighted average lease term (years)	9.2	10.1	5.6	9.1	6.0	8.4	5.6
Second generation relet space:							
Square feet	2,089	52	1,396	470	48	241	306
Cash basis:							
Initial rent <sup>(1)</sup>	\$ 56.21	\$ 145.98	\$ 41.01	\$ 16.25	\$ 30.65	\$ 26.43	\$ 36.67
Prior escalated rent	\$ 47.66	\$ 134.95	\$ 38.77	\$ 14.94	\$ 27.79	\$ 26.51	\$ 38.60
Percentage increase (decrease)	18.0%	8.2%	5.8%	8.8%	10.3%	(0.3%)	(5.0%)
GAAP basis:							
Straight-line rent <sup>(2)</sup>	\$ 56.19	\$ 150.78	\$ 40.54	\$ 16.46	\$ 32.15	\$ 26.90	\$ 35.58
Prior straight-line rent	\$ 47.47	\$ 133.55	\$ 37.47	\$ 14.34	\$ 27.26	\$ 23.25	\$ 35.04
Percentage increase	18.4%	12.9%	8.2%	14.8%	17.9%	15.7%	1.5%
Tenant improvements and leasing commissions:							
Per square foot	\$ 48.28	\$ 40.00	\$ 25.01	\$ 5.67	\$ 9.00	\$ 64.78	\$ 6.20
Per square foot per annum:	\$ 5.25	\$ 3.96	\$ 4.47	\$ 0.62	\$ 1.50	\$ 7.71	\$ 1.11
Percentage of initial rent	9.5%	3.0%	10.8%	3.4%	4.4%	29.2%	3.0%

(1) Represents the cash basis weighted average starting rent per square foot, which is generally indicative of market rents. Most leases include free rent and periodic step-ups in rent which are not included in the initial cash basis rent per square foot but are included in the GAAP basis straight-line rent per square foot.

(2) Represents the GAAP basis weighted average rent per square foot that is recognized over the term of the respective leases, and includes the effect of free rent and periodic step-ups in rent.

(3) Includes \$6.50 per square foot per annum of tenant improvements and leasing commissions in connection with the 572,000 square foot Motorola Mobility / Google lease.

## OCCUPANCY AND SAME STORE EBITDA

(unaudited)

	<u>New York</u>	<u>Washington, DC</u>	<u>Retail Properties</u>	<u>Merchandise Mart</u>
<b>Occupancy rate at:</b>				
December 31, 2012	96.2% <sup>(1)</sup>	84.1% <sup>(2)</sup>	93.4%	92.6%
September 30, 2012	95.9% <sup>(1)</sup>	84.0% <sup>(2)</sup>	93.4%	94.2%
December 31, 2011	96.2% <sup>(1)</sup>	90.6% <sup>(2)</sup>	93.2%	89.9%
<b>GAAP basis same store EBITDA % increase (decrease):</b>				
Three months ended December 31, 2012 vs. December 31, 2011	0.2% <sup>(3)</sup>	(14.3%)	(0.1%)	0.2%
Year Ended December 31, 2012 vs. December 31, 2011	2.0% <sup>(4)</sup>	(8.6%)	1.2%	4.5%
Three months ended December 31, 2012 vs. September 30, 2012	4.3% <sup>(5)</sup>	(8.8%)	1.8%	14.0% <sup>(6)</sup>
<b>Cash basis same store EBITDA % increase (decrease):</b>				
Three months ended December 31, 2012 vs. December 31, 2011	4.0% <sup>(3)</sup>	(14.9%)	(0.8%)	(5.7%)
Year Ended December 31, 2012 vs. December 31, 2011	2.0% <sup>(4)</sup>	(9.8%)	1.3%	0.7%
Three months ended December 31, 2012 vs. September 30, 2012	6.8% <sup>(5)</sup>	(7.7%)	1.4%	6.6% <sup>(6)</sup>

(1) Occupancy rate for New York Office and Retail are as follows:

	<u>Office</u>	<u>Retail</u>
December 31, 2012	95.9%	96.8%
September 30, 2012	95.8%	95.9%
December 31, 2011	96.2%	95.6%

(2) Excluding residential and other properties, occupancy rates for Washington, DC office properties were as follows:

December 31, 2012	81.2%
September 30, 2012	81.1%
December 31, 2011	89.3%

(3) Excluding the Hotel Pennsylvania, same store increased by 0.2% and 4.4% on a GAAP and Cash basis, respectively.

(4) Excluding the Hotel Pennsylvania, same store increased by 2.2% and 2.3% on a GAAP and Cash basis, respectively.

(5) Excluding the Hotel Pennsylvania, same store increased by 2.5% and 4.8% on a GAAP and Cash basis, respectively.

(6) Primarily from the timing of trade shows.

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**CONSOLIDATED**

(unaudited and in thousands)

	Year Ended		
	2012	2011	2010
<b>Capital expenditures (accrual basis):</b>			
Expenditures to maintain assets	\$ 69,912	\$ 58,463	\$ 53,051
Tenant improvements	177,743	138,076	116,939
Leasing commissions	57,961	43,613	30,351
Non-recurring capital expenditures	6,902	19,442	5,381
Total capital expenditures and leasing commissions (accrual basis)	312,518	259,594	205,722
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	105,350	90,799	64,216
Expenditures to be made in future periods for the current period	(170,744)	(146,062)	(87,289)
Total capital expenditures and leasing commissions (cash basis)	\$ 247,124	\$ 204,331	\$ 182,649
Our share of square feet leased	6,190	6,263	4,950
Tenant improvements and leasing commissions per square foot per annum	\$ 4.44	\$ 3.81	\$ 3.73
Percentage of initial rent	10.6%	9.1%	10.0%
<b>Development and redevelopment expenditures:</b>			
Springfield Mall	\$ 18,278	\$ 511	\$ 1,524
1290 Avenue of the Americas	16,778	795	250
Crystal Square 5	15,039	493	-
220 Central Park South	12,191	1,248	46,769
Bergen Town Center	11,404	23,748	18,783
510 Fifth Avenue	10,206	8,833	375
Marriott Marquis Times Square - retail and signage	9,092	-	-
1851 South Bell Street (1900 Crystal Drive)	6,243	-	-
Amherst, New York	5,585	176	12
Other	52,057	45,680	89,062
	\$ 156,873	\$ 81,484	\$ 156,775

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**NEW YORK SEGMENT**

(unaudited and in thousands)

	Year Ended		
	2012	2011	2010
<b>Capital expenditures (accrual basis):</b>			
Expenditures to maintain assets	\$ 27,434	\$ 22,698	\$ 21,511
Tenant improvements	71,572	76,493	51,137
Leasing commissions	27,573	28,072	16,070
Non-recurring capital expenditures	5,822	17,157	3,192
Total capital expenditures and leasing commissions (accrual basis)	<u>132,401</u>	<u>144,420</u>	<u>91,910</u>
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	41,975	43,392	37,161
Expenditures to be made in future periods for the current period	(76,283)	(79,941)	(36,332)
Total capital expenditures and leasing commissions (cash basis)	<u>\$ 98,093</u>	<u>\$ 107,871</u>	<u>\$ 92,739</u>
Our share of square feet leased	<u>1,939</u>	<u>2,493</u>	<u>1,319</u>
Tenant improvements and leasing commissions per square foot per annum	<u>\$ 5.48</u>	<u>\$ 5.21</u>	<u>\$ 6.60</u>
Percentage of initial rent	<u>8.8%</u>	<u>9.1%</u>	<u>12.7%</u>
<b>Development and redevelopment expenditures:</b>			
1290 Avenue of the Americas	\$ 16,778	\$ 795	\$ 250
510 Fifth Avenue	10,206	8,833	375
Marriott Marquis Times Square - retail and signage	9,092	-	-
Other	15,484	5,832	19,520
	<u>\$ 51,560</u>	<u>\$ 15,460</u>	<u>\$ 20,145</u>

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**WASHINGTON, DC SEGMENT**

(unaudited and in thousands)

	Year Ended		
	2012	2011	2010
<b>Capital expenditures (accrual basis):</b>			
Expenditures to maintain assets	\$ 20,582	\$ 18,939	\$ 17,532
Tenant improvements	50,384	33,803	17,464
Leasing commissions	13,151	9,114	6,044
Non-recurring capital expenditures	-	-	-
Total capital expenditures and leasing commissions (accrual basis)	84,117	61,856	41,040
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	24,370	13,517	13,296
Expenditures to be made in future periods for the current period	(43,600)	(33,530)	(13,989)
Total capital expenditures and leasing commissions (cash basis)	\$ 64,887	\$ 41,843	\$ 40,347
Our share of square feet leased	1,901	1,606	1,697
Tenant improvements and leasing commissions per square foot per annum	\$ 4.86	\$ 4.47	\$ 2.92
Percentage of initial rent	12.0%	10.8%	7.6%
<b>Development and redevelopment expenditures:</b>			
Crystal Square 5	\$ 15,039	\$ 493	\$ -
1851 South Bell Street (1900 Crystal Drive)	6,243	-	-
Other	18,052	20,003	26,589
	\$ 39,334	\$ 20,496	\$ 26,589

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**RETAIL PROPERTIES SEGMENT**

(unaudited and in thousands)

	Year Ended		
	2012	2011	2010
<b>Capital expenditures (accrual basis):</b>			
Expenditures to maintain assets	\$ 4,676	\$ 6,448	\$ 3,799
Tenant improvements	9,052	6,515	9,077
Leasing commissions	2,368	2,114	1,470
Non-recurring capital expenditures	-	-	795
Total capital expenditures and leasing commissions (accrual basis)	<u>16,096</u>	<u>15,077</u>	<u>15,141</u>
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	10,353	9,705	4,617
Expenditures to be made in future periods for the current period	(7,754)	(7,058)	(10,077)
Total capital expenditures and leasing commissions (cash basis)	<u>\$ 18,695</u>	<u>\$ 17,724</u>	<u>\$ 9,681</u>
Our share of square feet leased	<u>1,377</u>	<u>1,469</u>	<u>1,171</u>
Tenant improvements and leasing commissions per square foot per annum	<u>\$ 1.04</u>	<u>\$ 0.71</u>	<u>\$ 1.28</u>
Percentage of initial rent	<u>5.2%</u>	<u>3.3%</u>	<u>5.7%</u>

**Development and redevelopment expenditures:**

Springfield Mall	\$ 18,278	\$ 511	\$ 1,524
Bergen Town Center	11,404	23,748	18,783
Amherst, New York	5,585	176	12
Other	18,279	17,893	24,042
	<u>\$ 53,546</u>	<u>\$ 42,328</u>	<u>\$ 44,361</u>



**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**MERCHANDISE MART SEGMENT**

(unaudited and in thousands)

	Year Ended		
	2012	2011	2010
<b>Capital expenditures (accrual basis):</b>			
Expenditures to maintain assets	\$ 10,635	\$ 5,918	\$ 6,099
Tenant improvements	46,316	15,221	31,742
Leasing commissions	14,774	2,794	4,761
Non-recurring capital expenditures	-	-	-
Total capital expenditures and leasing commissions (accrual basis)	<u>71,725</u>	<u>23,933</u>	<u>42,602</u>
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	21,867	15,256	4,825
Expenditures to be made in future periods for the current period	(42,688)	(14,185)	(20,580)
Total capital expenditures and leasing commissions (cash basis)	<u>\$ 50,904</u>	<u>\$ 25,004</u>	<u>\$ 26,847</u>
Our share of square feet leased	<u>973</u>	<u>695</u>	<u>767</u>
Tenant improvements and leasing commissions per square foot per annum	<u>\$ 5.56 <sup>(1)</sup></u>	<u>\$ 3.95</u>	<u>\$ 4.01</u>
Percentage of initial rent	<u>15.8%</u>	<u>12.3%</u>	<u>11.5%</u>
<b>Development and redevelopment expenditures:</b>			
Other	<u>\$ 167</u>	<u>\$ 898</u>	<u>\$ 2,667</u>

(1) Includes \$6.50 per square foot per annum of tenant improvements and leasing commissions in connection with the 572,000 square foot Motorola Mobility / Google lease.

**CAPITAL EXPENDITURES,  
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

**OTHER**

(unaudited and in thousands)

	Year Ended		
	2012	2011	2010
<b>Capital expenditures (accrual basis):</b>			
Expenditures to maintain assets	\$ 6,585	\$ 4,460	\$ 4,110
Tenant improvements	419	6,044	7,519
Leasing commissions	95	1,519	2,006
Non-recurring capital expenditures	1,080	2,285	1,394
Total capital expenditures and leasing commissions (accrual basis)	8,179	14,308	15,029
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	6,785	8,929	4,317
Expenditures to be made in future periods for the current period	(419)	(11,348)	(6,311)
Total capital expenditures and leasing commissions (cash basis)	\$ 14,545	\$ 11,889	\$ 13,035
<b>Development and redevelopment expenditures:</b>			
220 Central Park South	\$ 12,191	\$ 1,248	\$ 46,769
Other	75	1,054	16,244
	\$ 12,266	\$ 2,302	\$ 63,013

**NEW YORK SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
<b>NEW YORK:</b>								
<b>Penn Plaza:</b>								
One Penn Plaza (ground leased through 2098)								BMG Columbia House, Cisco, MWB Leasing, Parsons Brinkerhoff, United Health Care, United States Customs Department, URS Corporation Group Consulting, Bank of America, Footaction, Kmart Corporation
-Office	100.0 %	93.8 %	\$ 55.30	2,233,000	2,233,000	-		
-Retail	100.0 %	99.6 %	120.38	269,000	269,000	-		
	100.0 %	94.4 %	62.29	2,502,000	2,502,000	-	\$ -	
Two Penn Plaza								LMW Associates, EMC, Forest Electric, IBI, Madison Square Garden, McGraw-Hill Companies, Inc. Chase Manhattan Bank
-Office	100.0 %	98.4 %	49.88	1,560,000	1,560,000	-		
-Retail	100.0 %	53.1 %	172.76	50,000	50,000	-		
	100.0 %	97.0 %	53.70	1,610,000	1,610,000	-	425,000	
Eleven Penn Plaza								Macy's, Madison Square Garden, Rainbow Media Holdings, PNC Bank National Association
-Office	100.0 %	100.0 %	55.84	1,082,000	1,082,000	-		
-Retail	100.0 %	96.1 %	152.94	17,000	17,000	-		
	100.0 %	99.9 %	57.35	1,099,000	1,099,000	-	330,000	
100 West 33rd Street								Draftfcb
-Office	100.0 %	88.4 %	49.90	836,000	836,000	-	223,242	
Manhattan Mall								JCPenney, Aeropostale, Express, Victoria's Secret
-Retail	100.0 %	96.1 %	115.09	256,000	256,000	-	101,758	
330 West 34th Street (ground leased through 2148 - 34.8% ownership interest in the land)								City of New York
-Office	100.0 %	100.0 %	33.11	622,000	377,000	245,000		
-Retail	100.0 %	-	-	13,000	-	13,000		
	100.0 %	100.0 %	33.11	635,000	377,000	258,000	50,150	
435 Seventh Avenue								Hennes & Mauritz
-Retail	100.0 %	100.0 %	240.18	43,000	43,000	-	98,000	
7 West 34th Street								Express
-Retail	100.0 %	100.0 %	203.75	21,000	21,000	-	-	
484 Eighth Avenue								T.G.I. Friday's
-Retail	100.0 %	80.6 %	69.09	16,000	16,000	-	-	
431 Seventh Avenue								
-Retail	100.0 %	100.0 %	54.33	10,000	10,000	-	-	
488 Eighth Avenue								
-Retail	100.0 %	100.0 %	63.93	6,000	6,000	-	-	
<b>Total Penn Plaza</b>				<b>7,034,000</b>	<b>6,776,000</b>	<b>258,000</b>	<b>1,228,150</b>	

**NEW YORK SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
<b>NEW YORK (Continued):</b>								
<b>Midtown East:</b>								
909 Third Avenue (ground leased through 2063)								J.P. Morgan Securities Inc., CMGRP Inc., Forest Laboratories, Geller & Company, Morrison Cohen LLP, Robeco USA Inc., United States Post Office, The Procter & Gamble Distributing LLC.
-Office	100.0 %	98.5 %	\$ 55.59 <sup>(2)</sup>	1,343,000	1,343,000	-	\$ 199,198	
150 East 58th Street								Castle Harlan, Tournesol Realty LLC. (Peter Marino), Various showroom tenants
-Office	100.0 %	96.7 %	62.51	535,000	535,000	-		
-Retail	100.0 %	100.0 %	168.76	2,000	2,000	-		
	100.0 %	96.8 %	62.90	537,000	537,000	-		
715 Lexington (ground leased through 2041)								New York & Company, Zales
-Retail	100.0 %	100.0 %	221.85	23,000	23,000	-	-	
968 Third Avenue								Capital One Financial Corporation
-Retail	50.0 %	100.0 %	209.66	6,000	6,000	-	-	
Total Midtown East				1,909,000	1,909,000	-	199,198	
<b>Midtown West:</b>								
888 Seventh Avenue (ground leased through 2067)								New Line Realty, Soros Fund, TPG-Axon Capital, Vornado Executive Headquarters, Redeye Grill L.P.
-Office	100.0 %	96.3 %	81.58	860,000	860,000	-		
-Retail	100.0 %	100.0 %	100.37	15,000	15,000	-		
	100.0 %	96.4 %	81.90	875,000	875,000	-	318,554	
1740 Broadway								Davis & Gilbert, Limited Brands, Brasserie Cognac, Citibank
-Office	100.0 %	100.0 %	64.01	583,000	583,000	-		
-Retail	100.0 %	100.0 %	31.50	19,000	19,000	-		
	100.0 %	100.0 %	62.98	602,000	602,000	-		
57th Street								Various
-Office	50.0 %	100.0 %	55.78	135,000	135,000	-		
-Retail	50.0 %	79.8 %	52.88	53,000	53,000	-		
	50.0 %	94.3 %	54.96	188,000	188,000	-	20,434	
825 Seventh Avenue								Young & Rubicam, Lindy's
-Office	50.0 %	100.0 %	45.44	165,000	165,000	-		
-Retail	100.0 %	100.0 %	234.47	4,000	4,000	-		
		100.0 %	49.91	169,000	169,000	-	19,554	
Total Midtown West				1,834,000	1,834,000	-	358,542	
<b>Park Avenue:</b>								
280 Park Avenue								Cohen & Steers Inc., Credit Suisse (USA) Inc., General Electric Capital Corp., Investcorp International Inc., Scottrade Inc.
-Office	49.5 %	100.0 %	86.59	1,198,000	668,000	530,000		
-Retail	49.5 %	100.0 %	127.11	18,000	12,000	6,000		
	49.5 %	100.0 %	87.19	1,216,000	680,000	536,000	738,228	
350 Park Avenue								Kissinger Associates Inc., Ziff Brothers Investment Inc., MFA Financial Inc., M&T Bank, Fidelity Investment, AT&T Wireless, Valley National Bank
-Office	100.0 %	96.0 %	83.59	550,000	550,000	-		
-Retail	100.0 %	100.0 %	183.90	17,000	17,000	-		
	100.0 %	96.1 %	86.59	567,000	567,000	-	300,000	
Total Park Avenue				1,783,000	1,247,000	536,000	1,038,228	

**NEW YORK SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
<b>NEW YORK (Continued):</b>								
<b>Grand Central:</b>								
90 Park Avenue								
-Office	100.0 %	96.6 %	\$ 62.71	891,000	891,000	-		Alston & Bird, Amster, Rothstein & Ebenstein, Capital One, First Manhattan Consulting
-Retail	100.0 %	100.0 %	85.48	26,000	26,000	-		Citibank
		96.7 %	63.35	917,000	917,000	-	\$ -	
330 Madison Avenue								
-Office	25.0 %	92.9 %	62.04	790,000	790,000	-		Acordia Northeast Inc., Artio Global Management, Dean Witter Reynolds Inc., GPFT Holdco LLC, HSBC Bank AFS, Jones Lang LaSalle Inc.
-Retail	25.0 %	98.4 %	141.09	33,000	33,000	-		Ann Taylor Retail Inc., Citibank
	25.0 %	93.2 %	65.21	823,000	823,000	-	150,000	
510 Fifth Avenue								
-Retail	100.0 %	91.0 %	128.57	64,000	64,000	-	31,253	Joe Fresh
<b>Total Grand Central</b>				<b>1,804,000</b>	<b>1,804,000</b>	<b>-</b>	<b>181,253</b>	
<b>Madison/Fifth:</b>								
640 Fifth Avenue								
-Office	100.0 %	100.0 %	77.49	262,000	262,000	-		ROC Capital Management LP, Citibank, Fidelity Investments, Janus Capital Group Inc., GSL Enterprises Inc., Scout Capital Management, Legg Mason Investment Counsel
-Retail	100.0 %	100.0 %	238.12	62,000	62,000	-		Citibank, Hennes & Mauritz
	100.0 %	100.0 %	108.23	324,000	324,000	-	-	
666 Fifth Avenue								
-Office (Office Condo)	49.5 %	85.3 %	73.76	1,362,000	1,362,000	-		Citibank, Fulbright & Jaworski, Integrated Holding Group, Vinson & Elkins LLP
-Retail (Office Condo)	49.5 %	88.2 %	164.45	52,000	52,000	-		HSBC Bank USA
-Retail (Retail Condo)	100.0 %	100.0 %	344.36	113,000 <sup>(a)</sup>	113,000	-		Uniqlo, Hollister, Swatch
		86.5 %	96.87	1,527,000	1,527,000	-	1,109,700	
595 Madison Avenue								
-Office	100.0 %	93.4 %	67.97	292,000	292,000	-		Beauvais Carpets, Levin Capital Strategies LP, Cosmetech Mably Int'l LLC.
-Retail	100.0 %	100.0 %	441.53	30,000	30,000	-		Coach, Prada
	100.0 %	94.0 %	102.77	322,000	322,000	-	-	
689 Fifth Avenue								
-Office	100.0 %	75.5 %	73.68	75,000	75,000	-		Yamaha Artist Services Inc.
-Retail	100.0 %	100.0 %	594.07	17,000	17,000	-		MAC Cosmetics, Massimo Dutti
	100.0 %	80.0 %	169.84	92,000	92,000	-	-	
<b>Total Madison/Fifth</b>				<b>2,265,000</b>	<b>2,265,000</b>	<b>-</b>	<b>1,109,700</b>	
<b>United Nations:</b>								
866 United Nations Plaza								
-Office	100.0 %	98.5 %	53.29	354,000	354,000	-		Fross Zelnick, Mission of Japan, The United Nations, Mission of Finland
-Retail	100.0 %	96.9 %	79.85	6,000	6,000	-		Citibank
	100.0 %	98.5 %	53.73	360,000	360,000	-	44,978	

**NEW YORK SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
<b>NEW YORK (Continued):</b>								
<b>Midtown South:</b>								
770 Broadway								
-Office	100.0 %	100.0 %	\$ 58.24	943,000	943,000	-		AOL, J. Crew, Structure Tone, Nielsen Company (US) Inc.
-Retail	100.0 %	100.0 %	56.04	166,000	166,000	-		Anne Taylor Retail Inc., Bank of America, Kmart Corporation
	100.0 %	100.0 %	57.91	1,109,000	1,109,000	-	\$ 353,000	
One Park Avenue								
-Office	30.3 %	94.9 %	43.51	861,000	861,000	-		Coty Inc., New York University, Public Service Mutual Insurance
-Retail	30.3 %	90.3 %	57.69	79,000	79,000	-		Bank of Baroda, Citibank, Equinox One Park Avenue Inc.
	30.3 %	94.5 %	44.70	940,000	940,000	-	250,000	
4 Union Square South								
-Retail	100.0 %	100.0 %	79.35	206,000	206,000	-	120,000	Burlington Coat Factory, Whole Foods Market, DSW, Forever 21
692 Broadway								
-Retail	100.0 %	100.0 %	46.50	35,000	35,000	-	-	Equinox
Total Midtown South				2,290,000	2,290,000	-	723,000	
<b>Rockefeller Center:</b>								
1290 Avenue of the Americas								
-Office	70.0 %	95.0 %	71.34	2,037,000	2,037,000	-		AXA Equitable Life Insurance, Bank of New York Mellon, Broadpoint Gleacher Securities Group, Bryan Cave LLP, Microsoft Corporation, Morrison & Foerster LLP, Warner Music Group, Cushman & Wakefield, Fitzpatrick, Cella, Harper & Scinto, Columbia University
-Retail	70.0 %	88.2 %	111.72	65,000	65,000	-		Duane Reade, JPMorgan Chase Bank, Sovereign Bank
	70.0 %	94.8 %	72.59	2,102,000	2,102,000	-	950,000	
608 Fifth Avenue (ground leased through 2026)								
-Office	100.0 %	80.5 %	52.50	91,000	91,000	-		
-Retail	100.0 %	94.0 %	178.08	30,000	30,000	-		Lacoste
	100.0 %	85.4 %	83.64	121,000	121,000	-	-	
Total Rockefeller Center				2,223,000	2,223,000	-	950,000	
<b>Wall Street/Downtown:</b>								
20 Broad Street (ground leased through 2081)								
-Office	100.0 %	99.3 %	52.12	472,000	472,000	-	-	New York Stock Exchange
40 Fulton Street								
-Office	100.0 %	96.3 %	36.06	244,000	244,000	-		Graphnet Inc., Market News International Inc., Sapien Corp.
-Retail	100.0 %	100.0 %	28.46	8,000	8,000	-		Duane Reade
	100.0 %	96.5 %	35.82	252,000	252,000	-	-	
Total Wall Street/Downtown				724,000	724,000	-	-	
<b>Times Square:</b>								
1540 Broadway								
-Retail	100.0 %	98.1 %	147.46	160,000	160,000	-	-	Forever 21, Planet Hollywood, Disney, MAC Cosmetics
1535 Broadway (Marriott Marquis - retail and signage)								
-Retail	100.0 %	-	-	64,000	-	64,000	-	
Total Times Square				224,000	160,000	64,000	-	

**NEW YORK SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
<b>NEW YORK (Continued):</b>								
<b>Soho:</b>								
478-486 Broadway								
-Retail	100.0 %	100.0 %	\$ 126.93	85,000	85,000	-	\$ -	Top Shop, Madewell, J. Crew
155 Spring Street								
-Retail	100.0 %	93.8 %	89.60	48,000	48,000	-	-	Sigrid Olsen
148 Spring Street								
-Retail	100.0 %	100.0 %	99.02	7,000	7,000	-	-	
150 Spring Street								
-Retail	100.0 %	100.0 %	155.34	7,000	7,000	-	-	Sandro
Total Soho				<u>147,000</u>	<u>147,000</u>	<u>-</u>	<u>-</u>	
<b>Upper East Side:</b>								
828-850 Madison Avenue								
-Retail	100.0 %	100.0 %	492.12	18,000	18,000	-	80,000	Gucci, Chloe, Cartier
677-679 Madison Avenue								
-Retail	100.0 %	100.0 %	416.52	8,000	8,000	-	-	Anne Fontaine
40 East 66th Street								
-Retail	100.0 %	100.0 %	492.68	11,000	11,000	-	-	Dennis Basso, Nespresso USA, J. Crew
1131 Third Avenue								
-Retail	100.0 %	-	-	25,000	-	25,000	-	
Total Upper East Side				<u>62,000</u>	<u>37,000</u>	<u>25,000</u>	<u>80,000</u>	
<b>New Jersey:</b>								
Paramus								
-Office	100.0 %	85.7 %	23.35	<u>128,000</u>	<u>128,000</u>	<u>-</u>	<u>-</u>	Vornado's Administrative Headquarters
<b>Washington D.C.:</b>								
3040M Street								
-Retail	100.0 %	100.0 %	53.05	<u>42,000</u>	<u>42,000</u>	<u>-</u>	<u>-</u>	Nike, Barneys
<b>New York Office:</b>								
<b>Total</b>	<b>94.6%</b>	<b>\$ 60.29</b>	<b>20,504,000</b>	<b>19,729,000</b>	<b>775,000</b>	<b>\$ 5,482,038</b>		
<b>Vornado's Ownership Interest</b>	<b>95.9%</b>	<b>\$ 60.17</b>	<b>17,259,000</b>	<b>16,751,000</b>	<b>508,000</b>	<b>\$ 4,143,072</b>		
<b>New York Retail:</b>								
<b>Total</b>	<b>96.7%</b>	<b>\$ 182.92</b>	<b>2,325,000</b>	<b>2,217,000</b>	<b>108,000</b>	<b>\$ 431,011</b>		
<b>Vornado's Ownership Interest</b>	<b>96.8%</b>	<b>\$ 147.28</b>	<b>2,162,000</b>	<b>2,057,000</b>	<b>105,000</b>	<b>\$ 431,011</b>		

**NEW YORK SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
<b>NEW YORK (Continued):</b>								
<b>ALEXANDER'S, INC.:</b>								
<b>New York:</b>								
731 Lexington Avenue, Manhattan								
-Office	32.4 %	100.0 %	\$ 93.02	885,000	885,000	-	\$ 327,425	Bloomberg
-Retail	32.4 %	100.0 %	164.35	174,000	174,000	-	320,000	Hennes & Mauritz, The Home Depot, The Container Store
		100.0 %	104.74	1,059,000	1,059,000	-	647,425	
Rego Park I, Queens (4.8 acres)	32.4 %	100.0 %	36.36	343,000	343,000	-	78,246	Sears, Burlington Coat Factory, Bed Bath & Beyond, Marshalls
Rego Park II (adjacent to Rego Park I), Queens (6.6 acres)	32.4 %	96.8 %	40.02	610,000	610,000	-	272,245	Century 21, Costco, Kohl's, TJ Maxx, Toys "R" Us
Flushing, Queens (4) (1.0 acre)	32.4 %	100.0 %	15.74	167,000	167,000	-	-	New World Mall LLC
<b>New Jersey:</b>								
Paramus, New Jersey (30.3 acres ground leased to IKEA through 2041)	32.4 %	100.0 %	-	-	-	-	68,000	IKEA (ground lessee)
<b>Property to be Developed:</b>								
Rego Park III (adjacent to Rego Park II), Queens, NY (3.4 acres)	32.4 %	-	-	-	-	-	-	
Total Alexander's		99.1 %	68.66	2,179,000	2,179,000	-	1,065,916	
<b>Hotel Pennsylvania:</b>								
-Hotel (1700 Keys)	100.0 %	-	-	1,400,000	1,400,000	-	-	
<b>Residential:</b>								
50/70W 93rd Street (327 units)	49.9 %	95.1 %	-	284,000	284,000	-	45,825	
Independence Plaza, Tribeca (1,328 units)								
-Residential	58.8 %	97.3 %	-	1,190,000	1,190,000	-	-	
-Retail	58.8 %	100.0 %	70.21	54,000	54,000	-	-	
				1,244,000	1,244,000	-	334,225	
Total Residential				1,528,000	1,528,000	-	380,050	
<b>New York Segment:</b>								
<b>Total</b>	<b>95.3%</b>	<b>\$ 68.73</b>	<b>27,936,000</b>	<b>27,053,000</b>	<b>883,000</b>	<b>\$ 7,359,015</b>		
<b>Vornado's Ownership Interest</b>	<b>96.2%</b>	<b>\$ 69.70</b>	<b>22,400,000</b>	<b>21,787,000</b>	<b>613,000</b>	<b>\$ 4,804,438</b>		

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

(2) Excludes US Post Office leased through 2038 (including five five-year renewal options) for which the annual escalated rent is \$9.90 PSF.

(3) 75,000 square feet is leased from the office condo.

(4) Leased by Alexander's through January 2037.



**WASHINGTON, DC SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
<b>WASHINGTON, DC:</b>								
<b>Crystal City:</b>								
2011-2451 Crystal Drive - 5 buildings	100.0 %	85.0 %	\$ 42.65	2,313,000	2,313,000	-	\$ 270,922	General Services Administration, Lockheed Martin, Conservation International, Smithsonian Institution, Natl. Consumer Coop. Bank, Council on Foundations, Vornado / Charles E. Smith Headquarters, KBR, General Dynamics, Scitor Corp., Food Marketing Institute, DRS Technologies
S. Clark Street / 12th Street - 5 buildings	100.0 %	74.9 %	42.40	1,527,000	1,527,000	-	87,221	General Services Administration, SAIC, Inc., Boeing, L-3 Communications, The Int'l Justice Mission
1550-1750 Crystal Drive / 241-251 18th Street - 4 buildings	100.0 %	91.5 %	41.18	1,484,000	1,259,000	225,000	117,390	General Services Administration, Alion Science & Technologies, Booz Allen, Arete Associates, Battelle Memorial Institute
1800, 1851 and 1901 South Bell Street - 3 buildings	100.0 %	95.5 %	39.30	870,000	507,000	363,000	-	General Services Administration, Lockheed Martin
2100 / 2200 Crystal Drive - 2 buildings	100.0 %	98.6 %	33.16	529,000	529,000	-	-	General Services Administration, Public Broadcasting Service
223 23rd Street / 2221 South Clark Street - 2 buildings	100.0 %	100.0 %	39.57	309,000	84,000	225,000	-	General Services Administration
2001 Jefferson Davis Highway	100.0 %	72.0 %	35.94	162,000	162,000	-	-	National Crime Prevention, Institute for Psychology
Crystal City Shops at 2100	100.0 %	60.8 %	31.52	81,000	81,000	-	-	Various
Crystal Drive Retail	100.0 %	94.5 %	45.74	57,000	57,000	-	-	Various
<b>Total Crystal City</b>	<b>100.0 %</b>	<b>85.5 %</b>	<b>40.81</b>	<b>7,332,000</b>	<b>6,519,000</b>	<b>813,000</b>	<b>475,533</b>	
<b>Central Business District:</b>								
Universal Buildings 1825-1875 Connecticut Avenue, NW - 2 buildings	100.0 %	90.8 %	43.39	682,000	682,000	-	93,226	Family Health International
Warner Building - 1299 Pennsylvania Avenue, NW	55.0 %	64.5 %	61.25	612,000	612,000	-	292,700	Baker Botts LLP, General Electric, Cooley LLP
2101 L Street, NW	100.0 %	97.7 %	61.71	380,000	380,000	-	150,000	Greenberg Traurig, LLP, US Green Building Council, American Insurance Association, RTKL Associates, Cassidy & Turley
1750 Pennsylvania Avenue, NW	100.0 %	85.4 %	46.89	277,000	277,000	-	-	General Services Administration, UN Foundation, AOL
1150 17th Street, NW	100.0 %	85.9 %	46.06	240,000	240,000	-	28,728	American Enterprise Institute
Bowen Building - 875 15th Street, NW	100.0 %	96.7 %	64.83	231,000	231,000	-	115,022	Paul, Hastings, Janofsky & Walker LLP, Millennium Challenge Corporation
1101 17th Street, NW	55.0 %	86.5 %	45.85	215,000	215,000	-	31,000	AFSCME
1730 M Street, NW	100.0 %	86.0 %	44.84	203,000	203,000	-	14,853	General Services Administration

**WASHINGTON, DC SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
<b>WASHINGTON, DC (Continued):</b>								
1726 M Street, NW	100.0 %	97.5 %	\$ 40.78	91,000	91,000	-	\$ -	Aptima, Inc., Nelnet Corporation
Waterfront Station	2.5 %	-	-	1,058,000	-	1,058,000 *	-	
1501 K Street, NW	5.0 %	98.4 %	59.60	380,000	380,000	-	-	Sidley Austin LLP, UBS
1399 New York Avenue, NW	100.0 %	76.4 %	79.21	128,000	128,000	-	-	Bloomberg
Total Central Business District		87.0 %	52.61	<u>4,497,000</u>	<u>3,439,000</u>	<u>1,058,000</u>	<u>725,529</u>	
<b>I-395 Corridor:</b>								
Skyline Place - 7 buildings	100.0 %	50.2 %	34.13	2,125,000	2,125,000	-	564,901	General Services Administration, SAIC, Inc., Analytic Services Northrop Grumman, Axiom Resource Management, Booz Allen, Jacer Corporation, Intellidyne, Inc.
One Skyline Tower	100.0 %	100.0 %	32.80	518,000	518,000	-	140,056	General Services Administration
Total I-395 Corridor	100.0 %	60.0 %	33.69	<u>2,643,000</u>	<u>2,643,000</u>	<u>-</u>	<u>704,957</u>	
<b>Rosslyn / Ballston:</b>								
2200 / 2300 Clarendon Blvd (Courtthouse Plaza) - 2 buildings (ground leased through 2062)	100.0 %	90.8 %	41.93	635,000	635,000	-	47,353	Arlington County, General Services Administration, AMC Theaters
Rosslyn Plaza - Office - 4 buildings	46.2 %	79.0 %	36.93	733,000	733,000	-	-	General Services Administration, Corporate Executive Board
Total Rosslyn / Ballston		86.7 %	40.24	<u>1,368,000</u>	<u>1,368,000</u>	<u>-</u>	<u>47,353</u>	
<b>Reston:</b>								
Commerce Executive - 3 buildings	100.0 %	90.7 %	29.96	418,000	399,000	19,000 *	-	L-3 Communications, Allworld Language Consultants, BT North America
<b>Rockville/Bethesda:</b>								
Democracy Plaza One (ground leased through 2084)	100.0 %	86.8 %	31.36	216,000	216,000	-	-	National Institutes of Health
<b>Tysons Corner:</b>								
Fairfax Square - 3 buildings	20.0 %	82.2 %	38.68	533,000	533,000	-	70,127	Dean & Company, Womble Carlyle
<b>Pentagon City:</b>								
Fashion Centre Mall	7.5 %	99.2 %	40.21	819,000	819,000	-	410,000	Macy's, Nordstrom
Washington Tower	7.5 %	100.0 %	45.18	170,000	170,000	-	40,000	The Rand Corporation
Total Pentagon City		99.3 %	41.06	<u>989,000</u>	<u>989,000</u>	<u>-</u>	<u>450,000</u>	
<b>Total Washington, DC office properties</b>	<b>82.2 %</b>	<b>\$ 42.13</b>	<b>17,996,000</b>	<b>16,106,000</b>	<b>1,890,000</b>	<b>\$ 2,473,499</b>		
<b>Vornado's Ownership Interest</b>	<b>81.2 %</b>	<b>\$ 41.57</b>	<b>14,495,000</b>	<b>13,637,000</b>	<b>858,000</b>	<b>\$ 1,855,482</b>		

**WASHINGTON, DC SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
<b>WASHINGTON, DC (Continued):</b>								
<b>Residential:</b>								
<b>For rent residential:</b>								
Riverhouse - 3 buildings (1,670 units)	100.0 %	98.0 %	\$ -	1,802,000	1,802,000	-	\$ 259,546	
West End 25 (283 units)	100.0 %	97.5 %	-	271,000	271,000	-	101,671	
220 20th Street (265 units)	100.0 %	97.4 %	-	273,000	273,000	-	73,939	
Rosslyn Plaza - 2 buildings (196 units)	43.7 %	97.8 %	-	253,000	253,000	-	-	
<b>Total Residential</b>		97.9 %	-	<b>2,599,000</b>	<b>2,599,000</b>	<b>-</b>	<b>435,156</b>	
<b>Other:</b>								
Crystal City Hotel	100.0 %	100.0 %	-	266,000	266,000	-	-	
Warehouses - 3 buildings	100.0 %	100.0 %	-	214,000	160,000	54,000 *	-	
Other - 3 buildings	100.0 %	100.0 %	-	11,000	9,000	2,000 *	-	
<b>Total Other</b>		100.0 %		<b>491,000</b>	<b>435,000</b>	<b>56,000</b>	<b>-</b>	
<b>Total Washington, DC Properties</b>		<b>84.8 %</b>	<b>\$ 42.13</b>	<b>21,086,000</b>	<b>19,140,000</b>	<b>1,946,000</b>	<b>\$ 2,908,655</b>	
<b>Vornado's Ownership Interest</b>		<b>84.1 %</b>	<b>\$ 41.57</b>	<b>17,444,000</b>	<b>16,529,000</b>	<b>915,000</b>	<b>\$ 2,290,639</b>	

\* We do not capitalize interest or real estate taxes on this space.

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

**RETAIL PROPERTIES SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned By Company	Owned By Tenant			
<b>RETAIL PROPERTIES:</b>									
<b>STRIP SHOPPING CENTERS:</b>									
<b>New Jersey:</b>									
Wayne Town Center, Wayne (ground leased through 2064)	100.0 %	100.0 %	\$ 29.60	717,000	29,000	287,000	401,000	\$ -	J. C. Penney, Dick's Sporting Goods (lease not commenced)
North Bergen (Tonnel Avenue)	100.0 %	100.0 %	24.20	410,000	204,000	206,000	-	75,000	Wal-Mart, BJ's Wholesale Club
Totowa	100.0 %	100.0 %	19.01	271,000	177,000	94,000	-	25,217 <sup>(2)</sup>	The Home Depot, Bed Bath & Beyond, Marshalls
Garfield	100.0 %	100.0 %	26.80	305,000	21,000	149,000	135,000	-	Wal-Mart
Bricktown	100.0 %	94.2 %	17.74	279,000	276,000	3,000	-	32,525 <sup>(2)</sup>	Kohl's, ShopRite, Marshalls
Union (Route 22 and Morris Avenue)	100.0 %	99.4 %	24.97	276,000	113,000	163,000	-	32,916 <sup>(2)</sup>	Lowe's, Toys "R" Us
Hackensack	100.0 %	72.5 %	22.61	275,000	269,000	6,000	-	41,283 <sup>(2)</sup>	The Home Depot
Bergen Town Center - East, Paramus	100.0 %	100.0 %	34.15	269,000	26,000	167,000	76,000	-	Lowe's, REI
East Hanover (240 Route 10 West)	100.0 %	96.8 %	17.83	267,000	261,000	6,000	-	29,010 <sup>(2)</sup>	The Home Depot, Dick's Sporting Goods, Marshalls
Cherry Hill	100.0 %	96.3 %	13.72	263,000	64,000	199,000	-	14,115 <sup>(2)</sup>	Wal-Mart, Toys "R" Us
Jersey City	100.0 %	100.0 %	21.79	236,000	66,000	170,000	-	20,642 <sup>(2)</sup>	Lowe's, P.C. Richard & Son
East Brunswick (325 - 333 Route 18 South)	100.0 %	100.0 %	16.15	232,000	222,000	10,000	-	25,328 <sup>(2)</sup>	Kohl's, Dick's Sporting Goods, P.C. Richard & Son, T.J. Maxx
Union (2445 Springfield Avenue)	100.0 %	100.0 %	17.85	232,000	232,000	-	-	29,010 <sup>(2)</sup>	The Home Depot
Middletown	100.0 %	95.9 %	13.93	231,000	179,000	52,000	-	17,685 <sup>(2)</sup>	Kohl's, Stop & Shop
Woodbridge	100.0 %	83.9 %	22.29	227,000	87,000	140,000	-	21,033 <sup>(2)</sup>	Wal-Mart
North Plainfield (ground leased through 2060)	100.0 %	100.0 %	17.72	219,000	7,000	-	212,000	-	
Marlton	100.0 %	100.0 %	13.33	213,000	209,000	4,000	-	17,574 <sup>(2)</sup>	Kohl's (3), ShopRite, PetSmart
Manalapan	100.0 %	100.0 %	15.98	208,000	206,000	2,000	-	21,423 <sup>(2)</sup>	Best Buy, Bed Bath & Beyond, Babies "R" Us
East Rutherford	100.0 %	100.0 %	34.22	197,000	42,000	155,000	-	13,836 <sup>(2)</sup>	Lowe's
East Brunswick (339-341 Route 18 South)	100.0 %	100.0 %	-	196,000	33,000	163,000	-	11,995 <sup>(2)</sup>	Lowe's, LA Fitness (lease not commenced)
Bordentown	100.0 %	80.4 %	7.25	179,000	83,000	-	96,000 *	-	ShopRite
Morris Plains	100.0 %	97.2 %	20.59	177,000	176,000	1,000	-	21,758 <sup>(2)</sup>	Kohl's, ShopRite
Dover	100.0 %	88.1 %	11.96	173,000	167,000	6,000	-	13,389 <sup>(2)</sup>	ShopRite, T.J. Maxx
Delran	100.0 %	7.2 %	-	171,000	40,000	3,000	128,000 *	-	
Lodi (Route 17 North)	100.0 %	100.0 %	11.24	171,000	171,000	-	-	11,548 <sup>(2)</sup>	National Wholesale Liquidators
Watchung	100.0 %	93.9 %	23.74	170,000	54,000	116,000	-	15,342 <sup>(2)</sup>	BJ's Wholesale Club
Lawnside	100.0 %	100.0 %	14.11	145,000	142,000	3,000	-	10,879 <sup>(2)</sup>	The Home Depot, PetSmart

**RETAIL PROPERTIES SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant			
<b>RETAIL PROPERTIES (Continued):</b>									
Hazlet	100.0 %	100.0 %	\$ 2.64	123,000	123,000	-	-	\$ -	Stop & Shop
Kearny	100.0 %	43.5 %	16.11	104,000	91,000	13,000	-	-	Marshalls
Lodi (Washington Street)	100.0 %	64.2 %	23.99	85,000	85,000	-	-	8,940	Rite Aid
Carlstadt (ground leased through 2050)	100.0 %	90.7 %	22.42	78,000	78,000	-	-	-	Stop & Shop
East Hanover (200 Route 10 West)	100.0 %	86.0 %	23.27	76,000	76,000	-	-	9,930 <sup>(2)</sup>	Loehmann's
Paramus (ground leased through 2033)	100.0 %	100.0 %	42.23	63,000	63,000	-	-	-	24 Hour Fitness
North Bergen (Kennedy Boulevard)	100.0 %	100.0 %	31.20	62,000	6,000	56,000	-	5,188 <sup>(2)</sup>	Waldbaum's
South Plainfield (ground leased through 2039)	100.0 %	85.9 %	21.45	56,000	56,000	-	-	5,216 <sup>(2)</sup>	Staples
Englewood	100.0 %	79.7 %	26.09	41,000	41,000	-	-	11,924	New York Sports Club
East Hanover (280 Route 10 West)	100.0 %	94.0 %	32.00	26,000	26,000	-	-	4,631 <sup>(2)</sup>	REI
Montclair	100.0 %	100.0 %	23.34	18,000	18,000	-	-	2,678 <sup>(2)</sup>	Whole Foods Market
Total New Jersey				<u>7,441,000</u>	<u>4,219,000</u>	<u>2,174,000</u>	<u>1,048,000</u>	<u>550,015</u>	
<b>New York:</b>									
Poughkeepsie	100.0 %	85.6 %	8.62	517,000	517,000	-	-	-	Kmart, Burlington Coat Factory, ShopRite, Hobby Lobby, Christmas Tree Shops, Bob's Discount Furniture
Bronx (Bruckner Boulevard)	100.0 %	93.0 %	21.30	501,000	387,000	114,000	-	-	Kmart, Toys "R" Us, Key Food
Buffalo (Amherst)	100.0 %	85.6 %	8.23	296,000	227,000	69,000	-	-	BJ's Wholesale Club (lease not commenced), T.J. Maxx, Toys "R" Us
Huntington	100.0 %	97.9 %	14.09	209,000	209,000	-	-	16,960 <sup>(2)</sup>	Kmart, Marshalls, Old Navy
Rochester	100.0 %	100.0 %	-	205,000	-	205,000	-	4,463 <sup>(2)</sup>	Wal-Mart
Mt. Kisco	100.0 %	100.0 %	22.08	189,000	72,000	117,000	-	28,637	Target, A&P
Freeport (437 East Sunrise Highway)	100.0 %	100.0 %	18.61	173,000	173,000	-	-	21,758 <sup>(2)</sup>	The Home Depot, Staples
Staten Island	100.0 %	94.2 %	21.47	165,000	165,000	-	-	16,939	Western Beef
Albany (Menands)	100.0 %	74.0 %	9.00	140,000	140,000	-	-	-	Bank of America
New Hyde Park (ground and building leased through 2029)	100.0 %	100.0 %	18.73	101,000	101,000	-	-	-	Stop & Shop
Inwood	100.0 %	97.9 %	21.00	100,000	100,000	-	-	-	Stop & Shop

**RETAIL PROPERTIES SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
			Average Annual Rent PSF (1)	Total Property	In Service				
				Owned by Company	Owned By Tenant				
<b>RETAIL PROPERTIES (Continued):</b>									
North Syracuse (ground and building leased through 2014)	100.0 %	100.0 %	\$ -	98,000	-	98,000	-	\$ -	Wal-Mart
West Babylon	100.0 %	83.9 %	17.19	79,000	79,000	-	-	-	Best Market
Bronx (1750-1780 Gun Hill Road)	100.0 %	78.7 %	34.77	77,000	77,000	-	-	-	ALDI, Planet Fitness, T.G.I. Friday's
Queens	100.0 %	100.0 %	37.24	56,000	56,000	-	-	-	New York Sports Club, Devry
Commack (ground and building leased through 2021)	100.0 %	100.0 %	21.45	47,000	47,000	-	-	-	PetSmart
Dewitt (ground leased through 2041)	100.0 %	100.0 %	20.46	46,000	46,000	-	-	-	Best Buy
Freeport (240 West Sunrise Highway) (ground and building leased through 2040)	100.0 %	100.0 %	20.28	44,000	44,000	-	-	-	Bob's Discount Furniture
Oceanside	100.0 %	100.0 %	27.83	16,000	16,000	-	-	-	Party City
<b>Total New York</b>				<b>3,059,000</b>	<b>2,456,000</b>	<b>603,000</b>	<b>-</b>	<b>88,757</b>	
<b>Pennsylvania:</b>									
Allentown	100.0 %	93.1 %	14.76	627,000 <sup>(3)</sup>	270,000	357,000 <sup>(3)</sup>	-	30,517 <sup>(2)</sup>	Wal-Mart (3), ShopRite, Burlington Coat Factory, T.J. Maxx, Dick's Sporting Goods
Wilkes-Barre	100.0 %	83.3 %	13.33	329,000 <sup>(3)</sup>	204,000	125,000 <sup>(3)</sup>	-	20,201	Target (3), Babies "R" Us, Ross Dress for Less
Lancaster	100.0 %	100.0 %	4.70	228,000	58,000	170,000	-	5,495 <sup>(2)</sup>	Lowe's, Weis Markets
Bensalem	100.0 %	98.9 %	11.49	185,000	177,000	8,000	-	15,147 <sup>(2)</sup>	Kohl's, Ross Dress for Less, Staples
Broomall	100.0 %	100.0 %	11.09	169,000	147,000	22,000	-	10,879 <sup>(2)</sup>	Giant Food (3), A.C. Moore, PetSmart
Bethlehem	100.0 %	95.3 %	7.07	167,000	164,000	3,000	-	5,691 <sup>(2)</sup>	Giant Food, Petco
York	100.0 %	100.0 %	8.69	110,000	110,000	-	-	5,300 <sup>(2)</sup>	Ashley Furniture
Glenolden	100.0 %	100.0 %	25.75	102,000	10,000	92,000	-	6,974 <sup>(2)</sup>	Wal-Mart
Wilkes-Barre (ground and building leased through 2014)	100.0 %	100.0 %	6.53	81,000	41,000	-	40,000 *	-	Ollie's Bargain Outlet
Springfield (ground and building leased through 2025)	100.0 %	100.0 %	18.26	47,000	47,000	-	-	-	PetSmart
<b>Total Pennsylvania</b>				<b>2,045,000</b>	<b>1,228,000</b>	<b>777,000</b>	<b>40,000</b>	<b>100,204</b>	

**RETAIL PROPERTIES SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned By Company	Owned By Tenant			
<b>RETAIL PROPERTIES (Continued):</b>									
<b>California:</b>									
San Jose	100.0 %	94.5 %	\$ 29.71	647,000 <sup>(B)</sup>	492,000	155,000 <sup>(B)</sup>	-	\$ 104,856	Target (3), The Home Depot, Toys "R" Us, Best Buy
Beverly Connection, Los Angeles	100.0 %	90.1 %	35.45	335,000	335,000	-	-	-	Target, Marshalls, Old Navy, Nordstrom Rack, Ross Dress for Less
Pasadena (ground leased through 2077)	100.0 %	86.5 %	27.32	131,000	131,000	-	-	-	T.J. Maxx, Trader Joe's
San Francisco (2675 Geary Street) (ground and building leased through 2053)	100.0 %	100.0 %	50.34	55,000	55,000	-	-	-	Best Buy
Signal Hill	100.0 %	100.0 %	24.08	45,000	45,000	-	-	-	Best Buy
Vallejo (ground leased through 2043)	100.0 %	100.0 %	17.51	45,000	45,000	-	-	-	Best Buy
Walnut Creek (1149 South Main Street)	100.0 %	100.0 %	45.11	29,000	29,000	-	-	-	Barnes & Noble
Walnut Creek (Mt. Diablo)	95.0 %	100.0 %	70.00	7,000	7,000	-	-	-	Anthropologie
Total California				<u>1,294,000</u>	<u>1,139,000</u>	<u>155,000</u>	<u>-</u>	<u>104,856</u>	
<b>Massachusetts:</b>									
Chicopee	100.0 %	100.0 %	-	224,000	-	224,000	-	8,452 <sup>(2)</sup>	Wal-Mart
Springfield	100.0 %	97.8 %	16.39	182,000	33,000	149,000	-	5,830 <sup>(2)</sup>	Wal-Mart
Milford (ground and building leased through 2019)	100.0 %	100.0 %	8.01	83,000	83,000	-	-	-	Kohl's
Cambridge (ground and building leased through 2033)	100.0 %	100.0 %	21.31	48,000	48,000	-	-	-	PetSmart
Total Massachusetts				<u>537,000</u>	<u>164,000</u>	<u>373,000</u>	<u>-</u>	<u>14,282</u>	
<b>Maryland:</b>									
Baltimore (Towson)	100.0 %	97.8 %	15.57	155,000	155,000	-	-	15,900 <sup>(2)</sup>	Shoppers Food Warehouse, h.h.gregg, Staples, Home Goods, Golf Galaxy
Annapolis (ground and building leased through 2042)	100.0 %	100.0 %	8.99	128,000	128,000	-	-	-	The Home Depot
Rockville	100.0 %	84.4 %	23.13	94,000	94,000	-	-	-	Regal Cinemas
Wheaton (ground leased through 2060)	100.0 %	100.0 %	14.94	66,000	66,000	-	-	-	Best Buy
Total Maryland				<u>443,000</u>	<u>443,000</u>	<u>-</u>	<u>-</u>	<u>15,900</u>	

**RETAIL PROPERTIES SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant			
<b>RETAIL PROPERTIES (Continued):</b>									
<b>Connecticut:</b>									
Newington	100.0 %	100.0 %	\$ 14.45	188,000	43,000	145,000	-	\$ 11,437 <sup>(2)</sup>	Wal-Mart, Staples
Waterbury	100.0 %	100.0 %	15.02	148,000	143,000	5,000	-	14,226 <sup>(2)</sup>	ShopRite
Total Connecticut				336,000	186,000	150,000	-	25,663	
<b>Florida</b>									
Tampa (Hyde Park Village)	75.0 %	75.9 %	20.28	264,000	264,000	-	-	19,126	Pottery Barn, CineBistro, Brooks Brothers, Williams Sonoma, Lifestyle Family Fitness
<b>Michigan:</b>									
Roseville	100.0 %	100.0 %	5.43	119,000	119,000	-	-	-	JCPenney
Battle Creek	100.0 %	-	-	47,000	47,000	-	-	-	
Midland (ground leased through 2043)	100.0 %	83.6 %	8.97	31,000	31,000	-	-	-	PetSmart
Total Michigan				197,000	197,000	-	-	-	
<b>Virginia:</b>									
Norfolk (ground and building leased through 2069)	100.0 %	100.0 %	6.44	114,000	114,000	-	-	-	BJ's Wholesale Club
Tyson's Corner (ground and building leased through 2035)	100.0 %	100.0 %	39.13	38,000	38,000	-	-	-	Best Buy
Total Virginia				152,000	152,000	-	-	-	
<b>Illinois:</b>									
Lansing	100.0 %	100.0 %	10.00	47,000	47,000	-	-	-	Forman Mills
Arlington Heights (ground and building leased through 2043)	100.0 %	100.0 %	9.00	46,000	46,000	-	-	-	RVI
Chicago (ground and building leased through 2051)	100.0 %	100.0 %	12.03	41,000	41,000	-	-	-	Best Buy
Total Illinois				134,000	134,000	-	-	-	
<b>Texas:</b>									
San Antonio (ground and building leased through 2041)	100.0 %	100.0 %	10.63	43,000	43,000	-	-	-	Best Buy
Texarkana (ground leased through 2013)	100.0 %	100.0 %	4.39	31,000	31,000	-	-	-	Home Zone
Total Texas				74,000	74,000	-	-	-	
<b>Ohio:</b>									
Springdale (ground and building leased through 2046)	100.0 %	-	-	47,000	47,000	-	-	-	
<b>Tennessee:</b>									
Antioch	100.0 %	100.0 %	7.66	45,000	45,000	-	-	-	Best Buy



**RETAIL PROPERTIES SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant			
<b>RETAIL PROPERTIES (Continued):</b>									
<b>South Carolina:</b>									
Charleston (ground leased through 2063)	100.0 %	100.0 %	\$ 15.42	45,000	45,000	-	-	\$ -	Best Buy
<b>Wisconsin:</b>									
Fond Du Lac (ground leased through 2073)	100.0 %	100.0 %	7.83	43,000	43,000	-	-	-	PetSmart
<b>New Hampshire:</b>									
Salem (ground leased through 2102)	100.0 %	100.0 %	-	37,000	-	37,000	-	-	Babies "R" Us
<b>Kentucky:</b>									
Owensboro (ground and building leased through 2046)	100.0 %	100.0 %	7.66	32,000	32,000	-	-	-	Best Buy
<b>Iowa:</b>									
Dubuque (ground leased through 2043)	100.0 %	100.0 %	9.90	31,000	31,000	-	-	-	PetSmart
<b>CALIFORNIA SUPERMARKETS</b>									
Colton (1904 North Rancho Avenue)	100.0 %	100.0 %	4.44	73,000	73,000	-	-	-	Stater Brothers
San Bernardino (1522 East Highland Avenue)	100.0 %	100.0 %	7.23	40,000	40,000	-	-	-	Stater Brothers
Riverside (5571 Mission Boulevard)	100.0 %	100.0 %	4.97	39,000	39,000	-	-	-	Stater Brothers
Mojave (ground leased through 2079)	100.0 %	100.0 %	6.55	34,000	34,000	-	-	-	Stater Brothers
Corona (ground leased through 2079)	100.0 %	100.0 %	7.76	33,000	33,000	-	-	-	Stater Brothers
Yucaipa	100.0 %	100.0 %	4.13	31,000	31,000	-	-	-	Stater Brothers
Barstow	100.0 %	100.0 %	7.15	30,000	30,000	-	-	-	Stater Brothers
Moreno Valley	100.0 %	-	-	30,000	30,000	-	-	-	-
San Bernardino (648 West 4th Street)	100.0 %	100.0 %	6.74	30,000	30,000	-	-	-	Stater Brothers
Desert Hot Springs	100.0 %	100.0 %	5.61	29,000	29,000	-	-	-	Stater Brothers
Rialto	100.0 %	100.0 %	5.74	29,000	29,000	-	-	-	Stater Brothers
Total California Supermarkets				398,000	398,000	-	-	-	
<b>Total Strip Shopping Centers</b>	<b>93.5 %</b>		<b>\$ 17.40</b>	<b>16,654,000</b>	<b>11,297,000</b>	<b>4,269,000</b>	<b>1,088,000</b>	<b>\$ 918,803</b>	
<b>Vornado's Ownership Interest</b>	<b>93.6 %</b>		<b>\$ 17.39</b>	<b>16,072,000</b>	<b>11,231,000</b>	<b>3,753,000</b>	<b>1,088,000</b>	<b>\$ 914,022</b>	

**RETAIL PROPERTIES SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant			
<b>RETAIL PROPERTIES (Continued):</b>									
<b>REGIONAL MALLS:</b>									
Monmouth Mall, Eatontown, NJ	50.0 %	92.9 %	\$ 36.01 <sup>(5)</sup>	1,462,000 <sup>(4)</sup>	850,000	612,000 <sup>(4)</sup>	-	\$ 171,796	Macy's (4), JCPenney (4), Lord & Taylor, Boscov's, Loews Theatre, Barnes & Noble
Springfield Mall, Springfield, VA	97.5 %	100.0 %	15.73 <sup>(5)</sup>	1,408,000 <sup>(4)</sup>	294,000	390,000 <sup>(4)</sup>	724,000	-	Macy's, JCPenney (4), Target (4)
Broadway Mall, Hicksville, NY	100.0 %	88.6 %	31.38 <sup>(5)</sup>	1,136,000 <sup>(4)</sup>	760,000	376,000 <sup>(4)</sup>	-	85,180	Macy's, IKEA, Target (4), National Amusement
Bergen Town Center - West, Paramus, NJ	100.0 %	98.9 %	47.53 <sup>(5)</sup>	948,000	897,000	31,000	20,000	282,312	Target, Century 21, Whole Foods Market, Marshalls, Nordstrom Rack, Saks Off 5th, Bloomingdale's Outlet, Nike Factory Store, Old Navy, Neiman Marcus Last Call Studio, Blink Fitness
Montehiedra, Puerto Rico	100.0 %	89.1 %	41.27 <sup>(5)</sup>	540,000	540,000	-	-	120,000	The Home Depot, Kmart, Marshalls, Caribbean Theatres, Tiendas Capri
Las Catalinas, Puerto Rico	100.0 %	87.6 %	58.54 <sup>(5)</sup>	494,000 <sup>(4)</sup>	355,000	139,000 <sup>(4)</sup>	-	54,101	Kmart, Sears (4)
<b>Total Regional Malls</b>		<b>92.8 %</b>	<b>\$ 40.94</b>	<b>5,988,000</b>	<b>3,696,000</b>	<b>1,548,000</b>	<b>744,000</b>	<b>\$ 713,389</b>	
<b>Vornado's Ownership Interest</b>		<b>92.7 %</b>	<b>\$ 41.86</b>	<b>4,334,000</b>	<b>3,264,000</b>	<b>344,000</b>	<b>726,000</b>	<b>\$ 627,491</b>	
<b>Total Retail Space</b>		<b>93.4 %</b>		<b>22,642,000</b>	<b>14,993,000</b>	<b>5,817,000</b>	<b>1,832,000</b>	<b>\$ 1,632,192</b>	
<b>Vornado's Ownership Interest</b>		<b>93.4 %</b>		<b>20,406,000</b>	<b>14,495,000</b>	<b>4,097,000</b>	<b>1,814,000</b>	<b>\$ 1,541,513</b>	

\* We do not capitalize interest or real estate taxes on this space.

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

(2) These encumbrances are cross-collateralized under a blanket mortgage in the amount of \$633,180 as of December 31, 2012.

(3) The lease for these former Bradlees locations is guaranteed by Stop & Shop.

(4) Includes square footage of anchors who own the land and building.

(5) Weighted Average Annual Rent PSF shown is for mall tenants only.

**MERCHANDISE MART SEGMENT**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
<b>MERCHANDISE MART:</b>								
<b>Illinois:</b>								
Merchandise Mart, Chicago	100.0 %	95.2 %	\$ 30.45	3,553,000	3,553,000	-	\$ 550,000	Motorola Mobility / Google (lease not commenced), American Intercontinental University (AIU), Baker, Knapp & Tubbs, Royal Bank of Canada, CCC Information Services, Ogilvy Group (WPP), Chicago Teachers Union, Publicis Groupe, Office of the Special Deputy Receiver, Holly Hunt Ltd., Razorfish, TNDP, Merchandise Mart Headquarters, Steelcase, Chicago School of Professional Psychology
Other	50.0 %	100.0 %	33.01	19,000	19,000	-	23,730	
Total Illinois		95.2 %	30.47	<u>3,572,000</u>	<u>3,572,000</u>	-	<u>573,730</u>	
<b>New York</b>								
7 West 34th Street	100.0 %	70.4 %	37.70	<u>419,000</u>	<u>419,000</u>	-	-	Kurt Adler
<b>Total Merchandise Mart</b>		<b>92.6 %</b>	<b>\$ 31.22</b>	<b>3,991,000</b>	<b>3,991,000</b>	<b>-</b>	<b>\$ 573,730</b>	
<b>Vornado's Ownership Interest</b>		<b>92.6 %</b>	<b>\$ 31.22</b>	<b>3,982,000</b>	<b>3,982,000</b>	<b>-</b>	<b>\$ 561,865</b>	

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

**OTHER - CALIFORNIA**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
<b>555 CALIFORNIA STREET:</b>								
555 California Street	70.0 %	91.7 %	\$ 54.89	1,503,000	1,503,000	-	\$ 600,000	Bank of America, Dodge & Cox, Goldman Sachs & Co., Jones Day, Kirkland & Ellis LLP, Morgan Stanley & Co. Inc., McKinsey & Company Inc., UBS Financial Services
315 Montgomery Street	70.0 %	100.0 %	41.49	228,000	228,000	-	-	Bank of America
345 Montgomery Street	70.0 %	100.0 %	90.46	64,000	64,000	-	-	Bank of America
<b>Total 555 California Street</b>		<b>93.1 %</b>	<b>\$ 54.53</b>	<b>1,795,000</b>	<b>1,795,000</b>	<b>-</b>	<b>\$ 600,000</b>	
<b>Vornado's Ownership Interest</b>		<b>93.1 %</b>	<b>\$ 54.53</b>	<b>1,257,000</b>	<b>1,257,000</b>	<b>-</b>	<b>\$ 420,000</b>	

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

**OTHER - WAREHOUSES**

**PROPERTY TABLE**

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
<b>WAREHOUSES:</b>								
<b>NEW JERSEY</b>								
East Hanover - Five Buildings	100.0 %	55.9 %	\$ 4.34	942,000	942,000	-	\$ -	Foremost Groups Inc., Fidelity Paper & Supply Inc., Consolidated Simon Distributors Inc., Givaudan Flavors Corp., Meyer Distributing Inc., Gardner Industries Inc.
<b>Total Warehouses</b>		<b>55.9 %</b>	<b>\$ 4.34</b>	<b>942,000</b>	<b>942,000</b>	<b>-</b>	<b>\$ -</b>	
<b>Vornado's Ownership Interest</b>		<b>55.9 %</b>	<b>\$ 4.34</b>	<b>942,000</b>	<b>942,000</b>	<b>-</b>	<b>\$ -</b>	

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

**REAL ESTATE FUND**

**PROPERTY TABLE**

Property	Fund Ownership %	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
<b>VORNADO CAPITAL PARTNERS</b>								
<b>REAL ESTATE FUND:</b>								
<b>New York, NY:</b>								
One Park Avenue								
- Office	64.7 %	94.9 %	\$ 43.51	861,000	861,000	-		Coty Inc., New York University, Public Service Mutual Insurance
- Retail	64.7 %	90.3 %	57.69	79,000	79,000	-		Bank of Baroda, Citibank, Equinox One Park Avenue Inc.
	64.7 %	94.5 %	44.70	940,000	940,000	-	\$ 250,000	
Lucida, 86th Street and Lexington Avenue (ground leased through 2082)								
- Retail	100.0 %	100.0 %	124.85	95,000	95,000	-		Barnes & Noble, Hennes & Mauritz, Sephora, Bank of America
- Residential	100.0 %	100.0 %	-	51,000	51,000	-		
				146,000	146,000	-	100,000	
11 East 68th Street Retail	100.0 %	100.0 %	518.49	9,000	9,000	-	27,790	Belstaff, Joseph Inc.
Crowne Plaza Times Square								
- Hotel (795 Keys)								
- Retail	38.2 %	100.0 %	337.28	14,000	14,000	-		
- Office	38.2 %	100.0 %	32.88	212,000	212,000	-		American Management Association
			51.74	226,000	226,000	-	255,750	
501 Broadway	100.0 %	-	-	9,000	9,000	-	20,000	
<b>Washington, DC:</b>								
Georgetown Park Retail Shopping Center	50.0 %	100.0 %	33.06	313,000	113,000	200,000	50,000	Washington Sports, Dean & DeLuca, Anthropologie, Hennes & Mauritz, J. Crew
<b>Santa Monica, CA:</b>								
520 Broadway	100.0 %	67.2 %	47.31	112,000	112,000	-	30,000	Premier Office Centers LLC, Diversified Mercury Comm, Four Media Company
<b>Culver City, CA:</b>								
800 Corporate Pointe	100.0 %	44.0 %	30.59	243,000	243,000	-	-	Meredith Corp., West Publishing Corp., Symantec Corp., Syska Hennessy Group
<b>Miami, FL:</b>								
1100 Lincoln Road	100.0 %	97.6 %	62.65	127,000	127,000	-	66,000	Regal Cinema, Anthropologie, Banana Republic
<b>Total Real Estate Fund</b>	<b>72.6 %</b>	<b>84.6 %</b>		<b>2,125,000</b>	<b>1,925,000</b>	<b>200,000</b>	<b>\$ 799,546</b>	
<b>Vornado's Ownership Interest</b>	<b>18.1 %</b>	<b>84.6 %</b>		<b>374,000</b>	<b>349,000</b>	<b>25,000</b>	<b>\$ 132,060</b>	

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.