

Vornado Makes Mezzanine Loan for \$108 Million

Company Release - 4/7/2005

PARAMUS, N.J.--(BUSINESS WIRE)--April 7, 2005--Vornado Realty Trust (NYSE: VNO) today announced that it has made a \$108 million mezzanine loan secured by The Sheffield, a mixed-use residential property located at 322 West 57th Street in Manhattan. This property contains 845 apartments, 109,000 square feet of office space, 6,900 square feet of retail space, and a 327 space parking garage. The loan is subordinate to \$378.5 million of other debt. It matures in April 2007 with a one-year extension, provides for a 1% placement fee, and bears interest at LIBOR plus 7.75%.

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

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

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