

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported):
February 16, 2021**

**VORNADO REALTY TRUST
(Exact Name of Registrant as Specified in Charter)**

Maryland

(State or Other
Jurisdiction of Incorporation)

No. 001-11954

(Commission
File Number)

No. 22-1657560

(IRS Employer
Identification No.)

**VORNADO REALTY L.P.
(Exact Name of Registrant as Specified in Charter)**

Delaware

(State or Other
Jurisdiction of Incorporation)

No. 001-34482

(Commission
File Number)

No. 13-3925979

(IRS Employer
Identification No.)

**888 Seventh Avenue
New York, New York**

(Address of Principal Executive offices)

10019

(Zip Code)

**Registrant's telephone number, including area code: (212) 894-7000
Former name or former address, if changed since last report: N/A**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

| Registrant | Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|----------------------|--|--------------------------|--|
| Vornado Realty Trust | Common Shares of beneficial interest, \$.04 par value per share | VNO | New York Stock Exchange |
| | Cumulative Redeemable Preferred Shares of beneficial interest, liquidation preference \$25.00 per share: | | |
| Vornado Realty Trust | 5.70% Series K | VNO/PK | New York Stock Exchange |
| Vornado Realty Trust | 5.40% Series L | VNO/PL | New York Stock Exchange |
| Vornado Realty Trust | 5.25% Series M | VNO/PM | New York Stock Exchange |
| Vornado Realty Trust | 5.25% Series N | VNO/PN | New York Stock Exchange |

Item 2.02. Results of Operations and Financial Condition.

On February 16, 2021, Vornado Realty Trust (the "Company"), the general partner of Vornado Realty L.P., issued a press release announcing its financial results for the fourth quarter of 2020. That press release referred to certain supplemental financial information that is available on the Company's website. That press release and the supplemental financial information are attached to this Current Report on Form 8-K as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein.

Exhibits 99.1 and 99.2 hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company or Vornado Realty L.P. under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are being furnished as part of this Current Report on Form 8-K:

[99.1](#) Vornado Realty Trust Press Release Dated February 16, 2021

[99.2](#) Vornado Realty Trust supplemental operating and financial data for the quarter ended December 31, 2020

PRESS RELEASE

EXHIBIT 99.1

Vornado Announces Fourth Quarter 2020 Financial Results

New York City | February 16, 2021

Vornado Realty Trust (NYSE: VNO) reported today:

Quarter Ended December 31, 2020 Financial Results

NET LOSS attributable to common shareholders for the quarter ended December 31, 2020 was \$209,127,000, or \$1.09 per diluted share, compared to net income attributable to common shareholders of \$193,217,000, or \$1.01 per diluted share, for the prior year's quarter. Adjusting for the items that impact period-to-period comparability listed in the table on the following page, net income attributable to common shareholders, as adjusted (non-GAAP) for the quarter ended December 31, 2020 and 2019 was \$957,000 and \$56,381,000, or \$0.01 and \$0.29 per diluted share, respectively.

FUNDS FROM OPERATIONS ("FFO") attributable to common shareholders plus assumed conversions (non-GAAP) for the quarter ended December 31, 2020 was \$138,399,000, or \$0.72 per diluted share, compared to \$311,876,000, or \$1.63 per diluted share, for the prior year's quarter. Adjusting for the items that impact period-to-period comparability listed in the table on page 3, FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the quarters ended December 31, 2020 and 2019 was \$127,217,000 and \$171,030,000, or \$0.66 and \$0.89 per diluted share, respectively.

Year Ended December 31, 2020 Financial Results

NET LOSS attributable to common shareholders for the year ended December 31, 2020 was \$348,744,000, or \$1.83 per diluted share, compared to net income attributable to common shareholders of \$3.098 billion, or \$16.21 per diluted share, for the year ended December 31, 2019. Adjusting for the items that impact period-to-period comparability listed in the table on the following page, net loss attributable to common shareholders, as adjusted (non-GAAP) for the year ended December 31, 2020 was \$6,907,000, or \$0.04 per diluted share, and net income attributable to common shareholders, as adjusted for the year ended December 31, 2019 was \$176,716,000, or \$0.92 per diluted share.

FFO attributable to common shareholders plus assumed conversions (non-GAAP) for the year ended December 31, 2020 was \$750,522,000, or \$3.93 per diluted share, compared to \$1.003 billion, or \$5.25 per diluted share, for the year ended December 31, 2019. Adjusting for the items that impact period-to-period comparability listed in the table on page 3, FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the years ended December 31, 2020 and 2019 was \$483,044,000 and \$666,207,000, or \$2.53 and \$3.49 per diluted share, respectively.

The following table reconciles our net (loss) income attributable to common shareholders to net income (loss) attributable to common shareholders, as adjusted (non-GAAP):

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | |
|--|--|--------------|------------------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| Net (loss) income attributable to common shareholders | \$ (209,127) | \$ 193,217 | \$ (348,744) | \$ 3,097,806 |
| Per diluted share | \$ (1.09) | \$ 1.01 | \$ (1.83) | \$ 16.21 |
| Certain expense (income) items that impact net (loss) income attributable to common shareholders: | | | | |
| Real estate impairment losses (primarily wholly owned retail assets in 2020) | \$ 236,286 | \$ 565 | \$ 236,286 | \$ 8,065 |
| After-tax net gain on sale of 220 Central Park South ("220 CPS") condominium units | (36,274) | (173,655) | (332,099) | (502,565) |
| Severance and other reduction-in-force related expenses | 23,368 | — | 23,368 | — |
| Transaction related costs | 5,456 | 2,658 | 7,150 | 4,613 |
| Our share of (income) loss from real estate fund investments | (1,657) | 26,600 | 63,114 | 48,808 |
| Mark-to-market decrease in Pennsylvania Real Estate Investment Trust ("PREIT") common shares (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) | — | 2,438 | 4,938 | 21,649 |
| Non-cash impairment loss on our investment in Fifth Avenue and Times Square JV, reversing a portion of the \$2.559 billion gain recognized on the April 2019 transfer to the Joint Venture attributable to the GAAP required write-up of the retained interest | — | — | 409,060 | — |
| 608 Fifth Avenue lease liability extinguishment gain in 2020 and impairment loss and related write-offs in 2019 | — | — | (70,260) | 101,092 |
| Credit losses on loans receivable resulting from a new GAAP accounting standard effective January 1, 2020 | — | — | 13,369 | — |
| Severance accrual related to Hotel Pennsylvania closure, net of \$3,145 of income tax benefit | — | — | 6,101 | — |
| Net gain on transfer to Fifth Avenue and Times Square retail JV, net of \$11,945 attributable to noncontrolling interests | — | — | — | (2,559,154) |
| Net gains on sale of real estate (primarily our 25% interest in 330 Madison Avenue in 2019) | — | — | — | (178,769) |
| Net gain from sale of Urban Edge Properties ("UE") common shares (sold on March 4, 2019) | — | — | — | (62,395) |
| Prepayment penalty in connection with redemption of \$400 million 5.00% senior unsecured notes due January 2022 | — | — | — | 22,540 |
| Mark-to-market increase in Lexington Realty Trust common shares (sold on March 1, 2019) | — | — | — | (16,068) |
| Other | (3,551) | (4,692) | 5,436 | (7,505) |
| | 223,628 | (146,086) | 366,463 | (3,119,689) |
| Noncontrolling interests' share of above adjustments | (13,544) | 9,250 | (24,626) | 198,599 |
| Total of certain expense (income) items that impact net (loss) income attributable to common shareholders | \$ 210,084 | \$ (136,836) | \$ 341,837 | \$ (2,921,090) |
| Net income (loss) attributable to common shareholders, as adjusted (non-GAAP) | \$ 957 | \$ 56,381 | \$ (6,907) | \$ 176,716 |
| Per diluted share (non-GAAP) | \$ 0.01 | \$ 0.29 | \$ (0.04) | \$ 0.92 |

The following table reconciles our FFO attributable to common shareholders plus assumed conversions (non-GAAP) to FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP):

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | |
|---|--|--------------|------------------------------------|--------------|
| | 2020 | 2019 | 2020 | 2019 |
| FFO attributable to common shareholders plus assumed conversions (non-GAAP) ⁽¹⁾ | \$ 138,399 | \$ 311,876 | \$ 750,522 | \$ 1,003,398 |
| Per diluted share (non-GAAP) | \$ 0.72 | \$ 1.63 | \$ 3.93 | \$ 5.25 |
| Certain (income) expense items that impact FFO attributable to common shareholders plus assumed conversions: | | | | |
| After-tax net gain on sale of 220 CPS condominium units | \$ (36,274) | \$ (173,655) | \$ (332,099) | \$ (502,565) |
| Severance and other reduction-in-force related expenses | 23,368 | — | 23,368 | — |
| Transaction related costs | 5,456 | 2,658 | 7,150 | 4,613 |
| Our share of (income) loss from real estate fund investments | (1,657) | 26,600 | 63,114 | 48,808 |
| 608 Fifth Avenue lease liability extinguishment gain in 2020 and impairment loss and related write-offs in 2019 | — | — | (70,260) | 77,156 |
| Credit losses on loans receivable resulting from a new GAAP accounting standard effective January 1, 2020 | — | — | 13,369 | — |
| Severance accrual related to Hotel Pennsylvania closure, net of \$3,145 of income tax benefit | — | — | 6,101 | — |
| Prepayment penalty in connection with redemption of \$400 million 5.00% senior unsecured notes due January 2022 | — | — | — | 22,540 |
| Other | (2,841) | (5,845) | 2,510 | (10,732) |
| | (11,948) | (150,242) | (286,747) | (360,180) |
| Noncontrolling interests' share of above adjustments | 766 | 9,396 | 19,269 | 22,989 |
| Total of certain (income) expense items that impact FFO attributable to common shareholders plus assumed conversions, net | \$ (11,182) | \$ (140,846) | \$ (267,478) | \$ (337,191) |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) | \$ 127,217 | \$ 171,030 | \$ 483,044 | \$ 666,207 |
| Per diluted share (non-GAAP) | \$ 0.66 | \$ 0.89 | \$ 2.53 | \$ 3.49 |

(1) See page 14 for a reconciliation of our net (loss) income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions (non-GAAP) for the three months and years ended December 31, 2020 and 2019.

COVID-19 Pandemic

Our business has been adversely affected as a result of the COVID-19 pandemic and the preventive measures taken to curb the spread of the virus. Some of the effects on us include the following:

- With the exception of grocery stores and other "essential" businesses, many of our retail tenants closed their stores in March 2020 and began reopening when New York City entered phase two of its reopening plan on June 22, 2020, however, there continue to be limitations on occupancy and other restrictions that affect their ability to resume full operations.
- While our buildings remain open, many of our office tenants are working remotely.
- We have closed the Hotel Pennsylvania. In connection with the closure, we accrued \$9,246,000 of severance for furloughed Hotel Pennsylvania union employees and recognized a corresponding \$3,145,000 income tax benefit for the year ended December 31, 2020.
- We cancelled trade shows at theMART from late March through the remainder of 2020 and expect to resume in 2021.
- Because certain of our development projects were deemed "non-essential," they were temporarily paused in March 2020 due to New York State executive orders and resumed once New York City entered phase one of its state mandated reopening plan on June 8, 2020.
- As of April 30, 2020, we placed 1,803 employees on furlough, which included 1,293 employees of Building Maintenance Services LLC ("BMS"), 414 employees at the Hotel Pennsylvania and 96 corporate staff employees. As of February 10, 2021, 50% of furloughed employees have returned to work. The remaining employees still on furlough are from BMS and the Hotel Pennsylvania.
- Effective April 1, 2020, our executive officers waived portions of their annual base salary for the remainder of 2020.
- Effective April 1, 2020, each non-management member of our Board of Trustees agreed to forgo their \$75,000 annual cash retainer for the remainder of 2020.

While we believe our tenants are required to pay rent under their leases and we have commenced legal proceedings against certain tenants that have failed to pay rent under their leases, in limited circumstances, we have agreed to and may continue to agree to rent deferrals and rent abatements for certain of our tenants. We have made a policy election in accordance with the Financial Accounting Standards Board ("FASB") Staff Q&A which provides relief in accounting for leases during the COVID-19 pandemic, allowing us to continue recognizing rental revenue on a straight-line basis for rent deferrals, with no impact to revenue recognition, and to recognize rent abatements as a reduction to rental revenue in the period granted.

For the quarter ended December 31, 2020, we collected 95% (97% including rent deferrals) of rent due from our tenants, comprised of 97% (99% including rent deferrals) from our office tenants and 88% (89% including rent deferrals) from our retail tenants. Rent deferrals generally require repayment in monthly installments over a period not to exceed twelve months.

Based on our assessment of the probability of rent collection of our lease receivables, we have written off \$1,401,000 and \$51,571,000 of receivables arising from the straight-lining of rents for the three and twelve months ended December 31, 2020, respectively, including the JCPenney retail lease at Manhattan Mall and the New York & Company, Inc. office lease at 330 West 34th Street. Both tenants have filed for Chapter 11 bankruptcy and rejected their leases during 2020. In addition, we have written off \$1,360,000 and \$22,546,000 of tenant receivables deemed uncollectible for the three and twelve months ended December 31, 2020, respectively. These write-offs resulted in a reduction of lease revenues and our share of income from partially owned entities. Prospectively, revenue recognition for tenant receivables deemed uncollectible will be based on actual amounts received.

In light of the evolving health, social, economic, and business environment, governmental regulation or mandates, and business disruptions that have occurred and may continue to occur, the impact of the COVID-19 pandemic on our financial condition and operating results remains highly uncertain but has been and may continue to be material. The impact on us includes lower rental income and potentially lower occupancy levels at our properties which will result in less cash flow available for operating costs, to pay our indebtedness and for distribution to our shareholders. During 2020, we experienced a decrease in cash flow from operations due to the COVID-19 pandemic, including reduced collections of rents billed to certain of our tenants, the closure of Hotel Pennsylvania, the cancellation of trade shows at theMART, and lower revenues from BMS and signage. In addition, we recognized \$409,060,000 of non-cash impairment losses, net of noncontrolling interests, related to our investment in Fifth Avenue and Times Square JV which are included in "(loss) income from partially owned entities" and \$236,286,000 of non-cash impairment losses primarily on wholly owned retail assets which are included in "impairment losses and transaction related costs, net" on our consolidated statements of income for the year ended December 31, 2020. The value of our real estate assets may continue to decline, which may result in additional non-cash impairment charges in future periods and that impact could be material.

FFO, as Adjusted Bridge - Q4 2020 vs. Q4 2019

The following table bridges our FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the three months ended December 31, 2019 to FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the three months ended December 31, 2020:

(Amounts in millions, except per share amounts)

| | FFO, as Adjusted | |
|---|------------------|----------------|
| | Amount | Per Share |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the three months ended December 31, 2019 | \$ 171.0 | \$ 0.89 |
| (Decrease) increase in FFO, as adjusted due to: | | |
| Variable businesses: | | |
| Hotel Pennsylvania closed since April 1, 2020 | (13.6) | |
| Signage | (6.1) | |
| Trade shows | (1.7) | |
| Garages | (1.6) | |
| BMS | (1.4) | |
| | (24.4) | |
| Tenant related items (inclusive of \$4.8 decrease from JCPenney, \$2.5 decrease from New York and Company, Inc. and \$3.6 Ballast Point lease termination income in 2019) | (18.9) | |
| PENN District out of service for redevelopment | (9.4) | |
| Interest expense decrease (partially offset by lower capitalized interest) and other, net | 6.2 | |
| | (46.5) | |
| Noncontrolling interests' share of above items | 2.7 | |
| Net decrease | (43.8) | (0.23) |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the three months ended December 31, 2020 | \$ 127.2 | \$ 0.66 |

See page 14 for reconciliations of our net (loss) income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions (non-GAAP) for the three months and years ended December 31, 2020 and 2019. Reconciliations of FFO attributable to common shareholders plus assumed conversions to FFO attributable to common shareholders plus assumed conversions, as adjusted are provided on page 3 of this press release.

Dispositions:**PREIT**

On January 23, 2020, we sold all of our 6,250,000 common shares of PREIT, realizing net proceeds of \$28,375,000. We recorded a \$4,938,000 loss (mark-to-market decrease) for the year ended December 31, 2020.

220 CPS

During the three months ended December 31, 2020, we closed on the sale of 5 condominium units at 220 CPS for net proceeds of \$110,068,000 resulting in a financial statement net gain of \$42,458,000 which is included in "net gains on disposition of wholly owned and partially owned assets" on our consolidated statements of income. In connection with these sales, \$6,184,000 of income tax expense was recognized on our consolidated statements of income. During the year ended December 31, 2020, we closed on the sale of 35 condominium units at 220 CPS for net proceeds of \$1,049,360,000 resulting in a financial statement net gain of \$381,320,000 which is included in "net gains on disposition of wholly owned and partially owned assets" on our consolidated statements of income. In connection with these sales, \$49,221,000 of income tax expense was recognized on our consolidated statements of income. From inception to December 31, 2020, we have closed on the sale of 100 units for net proceeds of \$2,869,492,000 resulting in financial statement net gains of \$1,066,937,000.

Financings:

On February 28, 2020, we increased our unsecured term loan balance to \$800,000,000 (from \$750,000,000) by exercising an accordion feature. Pursuant to an existing swap agreement, \$750,000,000 of the loan bears interest at a fixed rate of 3.87% through October 2023, and the balance of \$50,000,000 floats at a rate of LIBOR plus 1.00% (1.15% as of December 31, 2020). The entire \$800,000,000 will float thereafter for the duration of the loan through February 2024.

On August 12, 2020, we amended the \$700,000,000 mortgage loan on 770 Broadway, a 1.2 million square foot Manhattan office building, to extend the term one year through March 2022.

On September 14, 2020, Alexander's, Inc. (NYSE: ALX) ("Alexander's"), in which we have a 32.4% ownership interest, amended and extended the \$350,000,000 mortgage loan on the retail condominium of 731 Lexington Avenue. Under the terms of the amendment, Alexander's paid down the loan by \$50,000,000 to \$300,000,000, extended the maturity date to August 2025 and guaranteed the interest payments and certain leasing costs. The principal of the loan is non-recourse to Alexander's. The interest-only loan is at LIBOR plus 1.40% (1.55% as of December 31, 2020) which has been swapped to a fixed rate of 1.72%.

On October 15, 2020, we completed a \$500,000,000 refinancing of PENN11, a 1.2 million square foot Manhattan office building. The interest-only loan carries a rate of LIBOR plus 2.75% (2.90% as of December 31, 2020) and matures in October 2025, as fully extended. The loan replaces the previous \$450,000,000 loan that bore interest at a fixed rate of 3.95% and was scheduled to mature in December 2020.

On October 23, 2020, Alexander's completed a \$94,000,000 financing of The Alexander, a 312-unit residential building that is part of Alexander's residential and retail complex located in Rego Park, Queens, New York. The interest-only loan has a fixed rate of 2.63% and matures in November 2027.

On November 2, 2020, we repaid the \$52,476,000 mortgage loan on our land under a portion of the Borgata Hotel and Casino complex. The 10-year fixed rate amortizing loan bore interest at 5.14% and was scheduled to mature in February 2021.

On November 24, 2020, Vornado sold 12,000,000 5.25% Series N cumulative redeemable preferred shares at a price of \$25.00 per share, pursuant to an effective registration statement. Vornado received aggregate net proceeds of \$291,182,000, after underwriters' discount and issuance costs and contributed the net proceeds to the Operating Partnership in exchange for 12,000,000 5.25% Series N preferred units (with economic terms that mirror those of the Series N preferred shares). Dividends on the Series N preferred shares/units are cumulative and payable quarterly in arrears. The Series N preferred shares/units are not convertible into, or exchangeable for, any of our properties or securities. On or after five years from the date of issuance (or sooner under limited circumstances), Vornado may redeem the Series N preferred shares/units at a redemption price of \$25.00 per share, plus accrued and unpaid dividends through the date of redemption. The Series N preferred shares/units have no maturity date and will remain outstanding indefinitely unless redeemed by Vornado.

Leasing Activity For The Three Months Ended December 31, 2020:

- 163,000 square feet of New York Office space (144,000 square feet at share) at an initial rent of \$75.55 per square foot and a weighted average lease term of 8.5 years. The changes in the GAAP and cash mark-to-market rent on the 122,000 square feet of second generation space were positive 4.7% and 0.5%, respectively. Tenant improvements and leasing commissions were \$6.90 per square foot per annum, or 9.1% of initial rent.
- 175,000 square feet of New York Retail space (125,000 square feet at share) at an initial rent of \$75.82 per square foot and a weighted average lease term of 2.8 years. The changes in the GAAP and cash mark-to-market rent on the 117,000 square feet of second generation space were negative 19.1% and 21.6%, respectively. Tenant improvements and leasing commissions were \$8.63 per square foot per annum, or 11.4% of initial rent.
- 62,000 square feet at theMART (all at share) at an initial rent of \$47.80 per square foot and a weighted average lease term of 7.0 years. The changes in the GAAP and cash mark-to-market rent on the 62,000 square feet of second generation space were positive 1.5% and negative 3.5%, respectively. Tenant improvements and leasing commissions were \$1.61 per square foot per annum, or 3.4% of initial rent.
- 271,000 square feet at 555 California Street (190,000 square feet at share), at an initial rent of \$106.36 per square foot and a weighted average lease term of 9.2 years. The initial rent of \$106.36 excludes the rent on a ten-year renewal option for 247,000 square feet (173,000 square feet at share) as the starting rent for this space will be determined in 2024 based on fair market value. The changes in the GAAP and cash mark-to-market rent on the 17,000 square feet of second generation space were positive 6.8% and negative 0.7%, respectively. Tenant improvements and leasing commissions were \$2.95 per square foot per annum, or 2.8% of initial rent, excluding the ten-year renewal option for 247,000 square feet (173,000 square feet at share).

Leasing Activity For The Year Ended December 31, 2020:

- 2,231,000 square feet of New York Office space (1,853,000 square feet at share) at an initial rent of \$89.33 per square foot and a weighted average lease term of 14.4 years. Includes 730,000 square feet (694,000 at our share) for the new Facebook lease at Farley Office and 633,000 square feet (348,000 at our share) for the New York University long-term renewal at One Park Avenue. The initial rent of \$89.33 excludes the rent on 174,000 square feet (all at share) as the starting rent for this space will be determined later in 2021 based on fair market value. The changes in the GAAP and cash mark-to-market rent on the 899,000 square feet of second generation space were positive 11.0% and 4.6%, respectively. Tenant improvements and leasing commissions were \$8.75 per square foot per annum, or 9.8% of initial rent.
- 238,000 square feet of New York Retail space (184,000 square feet at share) at an initial rent of \$136.29 per square foot and a weighted average lease term of 4.0 years. The changes in the GAAP and cash mark-to-market rent on the 159,000 square feet of second generation space were positive 1.3% and negative 5.9%, respectively. Tenant improvements and leasing commissions were \$16.80 per square foot per annum, or 12.3% of initial rent.
- 379,000 square feet at theMART (all at share) at an initial rent of \$49.74 per square foot and a weighted average lease term of 8.5 years. The changes in the GAAP and cash mark-to-market rent on the 374,000 square feet of second generation space were positive 1.5% and negative 1.9%, respectively. Tenant improvements and leasing commissions were \$3.89 per square foot per annum, or 7.8% of initial rent.
- 371,000 square feet at 555 California Street (260,000 square feet at share) at an initial rent of \$108.92 per square foot and a weighted average lease term of 8.0 years. The initial rent of \$108.92 excludes the rent on a ten-year renewal option for 247,000 square feet (173,000 square feet at share) as the starting rent for this space will be determined in 2024 based on fair market value. The changes in the GAAP and cash mark-to-market rent on the 87,000 square feet of second generation space were positive 54.7% and 39.7%, respectively. Tenant improvements and leasing commissions were \$6.94 per square foot per annum, or 6.4% of initial rent, excluding the ten-year renewal option for 247,000 square feet (173,000 square feet at share).

Same Store Net Operating Income ("NOI") At Share:

The percentage (decrease) increase in same store NOI at share and same store NOI at share - cash basis of our New York segment, theMART and 555 California Street are summarized below.

| | Total | New York | theMART | 555 California Street |
|---|---------|----------|---------|-----------------------|
| Same store NOI at share % (decrease) increase ⁽¹⁾ : | | | | |
| Three months ended December 31, 2020 compared to December 31, 2019 | (11.3)% | (10.8)% | (24.2)% | 0.2 % |
| Year ended December 31, 2020 compared to December 31, 2019 | (13.8)% | (12.7)% | (32.5)% | 0.6 % |
| Three months ended December 31, 2020 compared to September 30, 2020 | 6.4 % | 5.9 % | 30.8 % | (6.6)% |
| Same store NOI at share - cash basis % (decrease) increase ⁽¹⁾ : | | | | |
| Three months ended December 31, 2020 compared to December 31, 2019 | (10.2)% | (9.4)% | (26.1)% | 3.1 % |
| Year ended December 31, 2020 compared to December 31, 2019 | (8.3)% | (6.3)% | (29.5)% | 0.9 % |
| Three months ended December 31, 2020 compared to September 30, 2020 | 1.4 % | 1.7 % | 2.8 % | (3.8)% |

(1) See pages 16 through 21 for same store NOI at share and same store NOI at share - cash basis reconciliations.

NOI At Share:

The elements of our New York and Other NOI at share for the three months and years ended December 31, 2020 and 2019 and the three months ended September 30, 2020 are summarized below.

(Amounts in thousands)

| | For the Three Months Ended | | | For the Year Ended | |
|-----------------------------------|----------------------------|-------------------|--------------------|--------------------|---------------------|
| | December 31, | | September 30, 2020 | December 31, | |
| | 2020 | 2019 | | 2020 | 2019 |
| New York: | | | | | |
| Office ⁽¹⁾⁽²⁾ | \$ 167,865 | \$ 183,925 | \$ 159,981 | \$ 672,495 | \$ 724,526 |
| Retail ⁽¹⁾⁽³⁾ | 38,146 | 59,728 | 35,294 | 147,299 | 273,217 |
| Residential | 4,083 | 5,835 | 4,536 | 20,687 | 23,363 |
| Alexander's ⁽⁴⁾ | 10,259 | 10,626 | 6,830 | 35,912 | 44,325 |
| Hotel Pennsylvania ⁽⁵⁾ | (7,809) | 6,170 | (16,821) | (42,502) | 7,397 |
| Total New York | 212,544 | 266,284 | 189,820 | 833,891 | 1,072,828 |
| Other: | | | | | |
| theMART ⁽⁶⁾ | 17,091 | 22,712 | 13,171 | 69,178 | 102,071 |
| 555 California Street | 14,638 | 14,533 | 15,618 | 60,324 | 59,657 |
| Other investments ⁽⁷⁾ | 4,220 | 2,037 | 1,924 | 9,186 | 25,221 |
| Total Other | 35,949 | 39,282 | 30,713 | 138,688 | 186,949 |
| NOI at share | \$ 248,493 | \$ 305,566 | \$ 220,533 | \$ 972,579 | \$ 1,259,777 |

(1) Reflects the transfer of 45.4% of common equity in the properties contributed to Fifth Avenue and Times Square JV on April 18, 2019.

(2) Includes the impact of non-cash write-offs of receivables arising from the straight-lining of rents, including the New York & Company, Inc. lease at 330 West 34th Street, of \$585, \$4,368 and \$18,173, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020. In addition, includes the impact of write-offs of tenant receivables deemed uncollectible of \$650, \$5,112 and \$6,702, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020.

(3) Includes the impact of non-cash write-offs of receivables arising from the straight-lining of rents, including the JCPenney lease at Manhattan Mall, of \$752, \$4,688 and \$25,876, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020. In addition, includes the impact of write-offs of tenant receivables deemed uncollectible of \$618, \$4,668 and \$12,017, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020. The year ended December 31, 2019 includes \$14,010 of non-cash write-offs of receivables arising from the straight-lining of rents.

(4) The year ended December 31, 2020 includes \$3,511 of non-cash write-offs of receivables arising from the straight-lining of rents and \$1,335 of write-offs of tenant receivables deemed uncollectible.

(5) The Hotel Pennsylvania has been closed since April 1, 2020 as a result of the COVID-19 pandemic. The three months ended September 30, 2020 and year ended December 31, 2020 include a \$9,246 severance accrual for furloughed union employees.

(6) The decrease in NOI at share is primarily due to the effects of the COVID-19 pandemic, causing trade shows to be cancelled from late March 2020 through the remainder of the year. Additionally, the year ended December 31, 2020 includes \$2,722 of non-cash write-offs of receivables arising from the straight-lining of rents and \$1,742 of write-offs of tenant receivables deemed uncollectible.

(7) 2019 includes our share of PREIT (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) and UE (sold on March 4, 2019).

NOI At Share - Cash Basis:

The elements of our New York and Other NOI at share - cash basis for the three months and years ended December 31, 2020 and 2019 and the three months ended September 30, 2020 are summarized below.

(Amounts in thousands)

| | For the Three Months Ended | | | For the Year Ended | |
|-----------------------------------|----------------------------|-------------------|--------------------|---------------------|---------------------|
| | December 31, | | September 30, 2020 | December 31, | |
| | 2020 | 2019 | | 2020 | 2019 |
| New York: | | | | | |
| Office ⁽¹⁾⁽²⁾ | \$ 166,925 | \$ 180,762 | \$ 162,357 | \$ 691,755 | \$ 718,734 |
| Retail ⁽³⁾ | 34,256 | 54,357 | 36,476 | 158,686 | 267,655 |
| Residential | 3,828 | 5,763 | 4,178 | 19,369 | 21,894 |
| Alexander's ⁽⁴⁾ | 11,163 | 10,773 | 9,899 | 42,737 | 45,093 |
| Hotel Pennsylvania ⁽⁵⁾ | (7,223) | 6,052 | (16,829) | (41,941) | 7,134 |
| Total New York | 208,949 | 257,707 | 196,081 | 870,606 | 1,060,510 |
| Other: | | | | | |
| theMART ⁽⁶⁾ | 18,075 | 24,646 | 17,706 | 76,251 | 108,130 |
| 555 California Street | 14,947 | 14,491 | 15,530 | 60,917 | 60,156 |
| Other investments ⁽⁷⁾ | 4,521 | 2,132 | 2,197 | 11,051 | 24,921 |
| Total Other | 37,543 | 41,269 | 35,433 | 148,219 | 193,207 |
| NOI at share - cash basis | \$ 246,492 | \$ 298,976 | \$ 231,514 | \$ 1,018,825 | \$ 1,253,717 |

(1) Reflects the transfer of 45.4% of common equity in the properties contributed to Fifth Avenue and Times Square JV on April 18, 2019.

(2) Includes the impact of write-offs of tenant receivables deemed uncollectible of \$650, \$5,112 and \$6,702, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020.

(3) Includes the impact of write-offs of tenant receivables deemed uncollectible of \$618, \$4,668 and \$12,017, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020.

(4) The year ended December 31, 2020 includes \$1,335 of write-offs of tenant receivables deemed uncollectible.

(5) The Hotel Pennsylvania has been closed since April 1, 2020 as a result of the COVID-19 pandemic. The three months ended September 30, 2020 and year ended December 31, 2020 include a \$9,246 severance accrual for furloughed union employees.

(6) The decrease in NOI at share - cash basis is primarily due to the effects of the COVID-19 pandemic, causing trade shows to be cancelled from late March 2020 through the remainder of the year. Additionally, the year ended December 31, 2020 includes \$1,742 of write-offs of tenant receivables deemed uncollectible.

(7) 2019 includes our share of PREIT (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) and UE (sold on March 4, 2019).

Penn District - Active Development/Redevelopment Summary as of December 31, 2020

(Amounts in thousands of dollars, except square feet)

| Active Penn District Projects | Segment | Property Rentable Sq. Ft. | Budget ⁽¹⁾ | Amount Expended | Remainder to be Expended | Stabilization Year | Projected Incremental Cash Yield |
|--|----------|---------------------------|-----------------------------|------------------------|--------------------------|--------------------|----------------------------------|
| Farley (95% interest) | New York | 844,000 | 1,120,000 ⁽²⁾⁽³⁾ | 791,994 ⁽²⁾ | 328,006 | 2022 | 6.4% |
| PENN2 - as expanded ⁽⁴⁾ | New York | 1,795,000 | 750,000 | 91,219 | 658,781 | 2025 | 9.0% |
| PENN1 (including LIRR Concourse Retail) ⁽⁵⁾ | New York | 2,545,000 | 450,000 ⁽⁶⁾ | 167,894 | 282,106 | N/A | 12.2% ⁽⁵⁾⁽⁷⁾ |
| Districtwide Improvements | New York | N/A | 100,000 | 19,618 | 80,382 | N/A | N/A |
| Total Active Penn District Projects | | | 2,420,000 | 1,070,725 | 1,349,275 | | 8.0% |

- (1) Excluding debt and equity carry.
 (2) Net of 154,000 of historic tax credit investor contributions, of which 88,000 has been funded to date (at our 95% share).
 (3) Increase in budget of 90,000 is primarily due to higher projected tenant improvement allowances for the office, restaurant and retail space.
 (4) PENN2 estimated impact on cash basis NOI and FFO of square feet taken out of service:

| | 2021 | 2022 |
|---|-----------|-----------|
| Square feet out of service at end of year | 1,190,000 | 1,210,000 |
| Year-over-year reduction in Cash Basis NOI ⁽ⁱ⁾ | (19,000) | — |
| Year-over-year reduction in FFO ⁽ⁱⁱ⁾ | (7,000) | — |

- (i) After capitalization of real estate taxes and operating expenses on space out of service.
 (ii) Net of capitalized interest on space out of service under redevelopment.

- (5) Property is ground leased through 2098, as fully extended. Fair market value resets occur in 2023, 2048 and 2073. The 12.2% projected return is before the ground rent reset in 2023, which may be material.
 (6) Increase in budget of 125,000 is primarily due to the addition of the LIRR Concourse Retail project and sustainability initiatives, including the installation of triple pane high energy performance windows and the implementation of an electrification program to allow the building to access more clean renewable electricity.
 (7) Achieved as existing leases roll; average remaining lease term 4.9 years.

There can be no assurance that the above projects will be completed, completed on schedule or within budget. In addition, there can be no assurance that the Company will be successful in leasing the properties on the expected schedule or at the assumed rental rates.

Conference Call and Audio Webcast

As previously announced, the Company will host a quarterly earnings conference call and an audio webcast on Wednesday, February 17, 2021 at 10:00 a.m. Eastern Time (ET). The conference call can be accessed by dialing 888-771-4371 (domestic) or 847-585-4405 (international) and indicating to the operator the passcode 50075822. A live webcast of the conference call will be available on Vornado's website at www.vno.com in the Investor Relations section and an online playback of the webcast will be available on the website following the conference call.

Contact

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 (212) 894-7000

Supplemental Financial Information

Further details regarding results of operations, properties and tenants can be accessed at the Company's website www.vno.com. 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. For a discussion of factors that could materially affect the outcome of our forward-looking statements and our future results and financial condition, see "Risk Factors" in Part I, Item 1A, of our Annual Report on Form 10-K for the year ended December 31, 2020. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors. Currently, one of the most significant factors is the ongoing adverse effect of the COVID-19 pandemic on our business, financial condition, results of operations, cash flows, operating performance and the effect it has had and may continue to have on our tenants, the global, national, regional and local economies and financial markets and the real estate market in general. The extent of the impact of the COVID-19 pandemic will depend on future developments, including the duration of the pandemic, which are highly uncertain at this time but that impact could be material. Moreover, you are cautioned that the COVID-19 pandemic will heighten many of the risks identified in "Item 1A. Risk Factors" in Part I of our Annual Report on Form 10-K for the year ended December 31, 2020.

VORNADO REALTY TRUST
CONSOLIDATED BALANCE SHEETS

(Amounts in thousands)

| ASSETS | As of | | Increase (Decrease) |
|--|-------------------|-------------------|------------------------|
| | December 31, 2020 | December 31, 2019 | |
| Real estate, at cost: | | | |
| Land | \$ 2,420,054 | \$ 2,591,261 | \$ (171,207) |
| Buildings and improvements | 7,933,030 | 7,953,163 | (20,133) |
| Development costs and construction in progress | 1,604,637 | 1,490,614 | 114,023 |
| Moynihan Train Hall development expenditures | — | 914,960 | (914,960) |
| Leasehold improvements and equipment | 130,222 | 124,014 | 6,208 |
| Total | 12,087,943 | 13,074,012 | (986,069) |
| Less accumulated depreciation and amortization | (3,169,446) | (3,015,958) | (153,488) |
| Real estate, net | 8,918,497 | 10,058,054 | (1,139,557) |
| Right-of-use assets | 367,365 | 379,546 | (12,181) |
| Cash and cash equivalents | 1,624,482 | 1,515,012 | 109,470 |
| Restricted cash | 105,887 | 92,119 | 13,768 |
| Marketable securities | — | 33,313 | (33,313) |
| Tenant and other receivables | 77,658 | 95,733 | (18,075) |
| Investments in partially owned entities | 3,491,107 | 3,999,165 | (508,058) |
| Real estate fund investments | 3,739 | 222,649 | (218,910) |
| 220 Central Park South condominium units ready for sale | 128,215 | 408,918 | (280,703) |
| Receivable arising from the straight-lining of rents | 674,075 | 742,206 | (68,131) |
| Deferred leasing costs, net | 372,919 | 353,986 | 18,933 |
| Identified intangible assets, net | 23,856 | 30,965 | (7,109) |
| Other assets | 434,022 | 355,347 | 78,675 |
| Total assets | \$ 16,221,822 | \$ 18,287,013 | \$ (2,065,191) |
| LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY | | | |
| Liabilities: | | | |
| Mortgages payable, net | \$ 5,580,549 | \$ 5,639,897 | \$ (59,348) |
| Senior unsecured notes, net | 446,685 | 445,872 | 813 |
| Unsecured term loan, net | 796,762 | 745,840 | 50,922 |
| Unsecured revolving credit facilities | 575,000 | 575,000 | — |
| Lease liabilities | 401,008 | 498,254 | (97,246) |
| Moynihan Train Hall obligation | — | 914,960 | (914,960) |
| Special dividend/distribution payable | — | 398,292 | (398,292) |
| Accounts payable and accrued expenses | 427,202 | 440,049 | (12,847) |
| Deferred revenue | 40,110 | 59,429 | (19,319) |
| Deferred compensation plan | 105,564 | 103,773 | 1,791 |
| Other liabilities | 294,520 | 265,754 | 28,766 |
| Total liabilities | 8,667,400 | 10,087,120 | (1,419,720) |
| Redeemable noncontrolling interests | 606,267 | 888,915 | (282,648) |
| Shareholders' equity | 6,533,198 | 6,732,030 | (198,832) |
| Noncontrolling interests in consolidated subsidiaries | 414,957 | 578,948 | (163,991) |
| Total liabilities, redeemable noncontrolling interests and equity | \$ 16,221,822 | \$ 18,287,013 | \$ (2,065,191) |

VORNADO REALTY TRUST
OPERATING RESULTS

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | |
|--|--|-------------------|------------------------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 |
| Revenues | \$ 376,431 | \$ 460,968 | \$ 1,527,951 | \$ 1,924,700 |
| (Loss) income from continuing operations | \$ (208,726) | \$ 160,621 | \$ (461,845) | \$ 3,334,292 |
| Income (loss) from discontinued operations | — | 55 | — | (30) |
| Net (loss) income | (208,726) | 160,676 | (461,845) | 3,334,262 |
| Less net (income) loss attributable to noncontrolling interests in: | | | | |
| Consolidated subsidiaries | (1,109) | 58,592 | 139,894 | 24,547 |
| Operating Partnership | 14,856 | (13,518) | 24,946 | (210,872) |
| Net (loss) income attributable to Vornado | (194,979) | 205,750 | (297,005) | 3,147,937 |
| Preferred share dividends | (14,148) | (12,533) | (51,739) | (50,131) |
| Net (loss) income attributable to common shareholders | \$ (209,127) | \$ 193,217 | \$ (348,744) | \$ 3,097,806 |
| (Loss) income per common share - basic: | | | | |
| Net (loss) income per common share | \$ (1.09) | \$ 1.01 | \$ (1.83) | \$ 16.23 |
| Weighted average shares outstanding | 191,279 | 190,916 | 191,146 | 190,801 |
| (Loss) income per common share - diluted: | | | | |
| Net (loss) income per common share | \$ (1.09) | \$ 1.01 | \$ (1.83) | \$ 16.21 |
| Weighted average shares outstanding | 191,279 | 191,140 | 191,146 | 191,053 |
| FFO attributable to common shareholders plus assumed conversions (non-GAAP) | \$ 138,399 | \$ 311,876 | \$ 750,522 | \$ 1,003,398 |
| Per diluted share (non-GAAP) | \$ 0.72 | \$ 1.63 | \$ 3.93 | \$ 5.25 |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) | \$ 127,217 | \$ 171,030 | \$ 483,044 | \$ 666,207 |
| Per diluted share (non-GAAP) | \$ 0.66 | \$ 0.89 | \$ 2.53 | \$ 3.49 |
| Weighted average shares used in determining FFO attributable to common shareholders plus assumed conversions per diluted share | 191,304 | 191,140 | 191,193 | 191,051 |

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 gains from sales of depreciable real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets and other specified items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures 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 flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. In addition to FFO attributable to common shareholders plus assumed conversions, we also disclose FFO attributable to common shareholders plus assumed conversions, as adjusted. Although this non-GAAP measure clearly differs from NAREIT's definition of FFO, we believe it provides a meaningful presentation of operating performance. Reconciliations of net (loss) income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions are provided on the following page. Reconciliations of FFO attributable to common shareholders plus assumed conversions to FFO attributable to common shareholders plus assumed conversions, as adjusted are provided on page 3 of this press release.

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS

The following table reconciles net (loss) income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions:

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended December 31, | | For the Year Ended December 31, | |
|--|--|------------|------------------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| Net (loss) income attributable to common shareholders | \$ (209,127) | \$ 193,217 | \$ (348,744) | \$ 3,097,806 |
| Per diluted share | \$ (1.09) | \$ 1.01 | \$ (1.83) | \$ 16.21 |
| FFO adjustments: | | | | |
| Depreciation and amortization of real property | \$ 99,196 | \$ 85,609 | \$ 368,556 | \$ 389,024 |
| Real estate impairment losses | 236,286 | 565 | 236,286 | 32,001 |
| Net gain on transfer to Fifth Avenue and Times Square JV on April 18, 2019, net of \$11,945 attributable to noncontrolling interests | — | — | — | (2,559,154) |
| Net losses (gains) on sale of real estate | — | 58 | — | (178,711) |
| Net gain from sale of UE common shares (sold on March 4, 2019) | — | — | — | (62,395) |
| Decrease (increase) in fair value of marketable securities: | | | | |
| PREIT (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) | — | 2,438 | 4,938 | 21,649 |
| Lexington (sold on March 1, 2019) | — | — | — | (16,068) |
| Other | — | — | — | (48) |
| Proportionate share of adjustments to equity in net income of partially owned entities to arrive at FFO: | | | | |
| Non-cash impairment loss on our investment in Fifth Avenue and Times Square JV, reversing a portion of the \$2.559 billion gain recognized on the April 2019 transfer to the Joint Venture attributable to the GAAP required write-up of the retained interest | — | — | 409,060 | — |
| Depreciation and amortization of real property | 37,500 | 37,389 | 156,646 | 134,706 |
| (Increase) decrease in fair value of marketable securities | (710) | 864 | 2,801 | 2,852 |
| | 372,272 | 126,923 | 1,178,287 | (2,236,144) |
| Noncontrolling interests' share of above adjustments | (24,757) | (8,278) | (79,068) | 141,679 |
| FFO adjustments, net | \$ 347,515 | \$ 118,645 | \$ 1,099,219 | \$ (2,094,465) |
| FFO attributable to common shareholders | 138,388 | 311,862 | 750,475 | 1,003,341 |
| Convertible preferred share dividends | 11 | 14 | 47 | 57 |
| FFO attributable to common shareholders plus assumed conversions | \$ 138,399 | \$ 311,876 | \$ 750,522 | \$ 1,003,398 |
| Per diluted share | \$ 0.72 | \$ 1.63 | \$ 3.93 | \$ 5.25 |
| Reconciliation of weighted average shares outstanding: | | | | |
| Weighted average common shares outstanding | 191,279 | 190,916 | 191,146 | 190,801 |
| Effect of dilutive securities: | | | | |
| Convertible preferred shares | 25 | 33 | 28 | 34 |
| Employee stock options and restricted share awards | — | 191 | 19 | 216 |
| Denominator for FFO per diluted share | 191,304 | 191,140 | 191,193 | 191,051 |

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS - CONTINUED

Below is a reconciliation of net (loss) income to NOI at share and NOI at share - cash basis for the three months and year ended December 31, 2020 and 2019 and the three months ended September 30, 2020.

| (Amounts in thousands) | For the Three Months Ended | | | For the Year Ended | |
|---|----------------------------|------------|--------------------|--------------------|--------------|
| | December 31, | | September 30, 2020 | December 31, | |
| | 2020 | 2019 | | 2020 | 2019 |
| Net (loss) income | \$ (208,726) | \$ 160,676 | \$ 68,736 | \$ (461,845) | \$ 3,334,262 |
| Depreciation and amortization expense | 107,084 | 92,926 | 107,013 | 399,695 | 419,107 |
| General and administrative expense | 61,254 | 39,791 | 32,407 | 181,509 | 169,920 |
| Impairment losses and transaction related costs, net | 242,593 | 3,223 | 584 | 174,027 | 106,538 |
| (Income) loss from partially owned entities | (24,567) | (22,726) | 80,909 | 329,112 | (78,865) |
| Loss from real estate fund investments | 999 | 90,302 | 13,823 | 226,327 | 104,082 |
| Interest and other investment (income) loss, net | (1,569) | (5,889) | (1,729) | 5,499 | (21,819) |
| Interest and debt expense | 54,633 | 59,683 | 57,371 | 229,251 | 286,623 |
| Net gain on transfer to Fifth Avenue and Times Square JV | — | — | — | — | (2,571,099) |
| Net gains on disposition of wholly owned and partially owned assets | (42,458) | (203,835) | (214,578) | (381,320) | (845,499) |
| Income tax (benefit) expense | (1,801) | 22,897 | 23,781 | 36,630 | 103,439 |
| (Income) loss from discontinued operations | — | (55) | — | — | 30 |
| NOI from partially owned entities | 76,952 | 85,990 | 78,175 | 306,495 | 322,390 |
| NOI attributable to noncontrolling interests in consolidated subsidiaries | (15,901) | (17,417) | (25,959) | (72,801) | (69,332) |
| NOI at share | 248,493 | 305,566 | 220,533 | 972,579 | 1,259,777 |
| Non cash adjustments for straight-line rents, amortization of acquired below-market leases, net and other | (2,001) | (6,590) | 10,981 | 46,246 | (6,060) |
| NOI at share - cash basis | \$ 246,492 | \$ 298,976 | \$ 231,514 | \$ 1,018,825 | \$ 1,253,717 |

NOI at share represents total revenues less operating expenses including our share of partially owned entities. NOI at share - cash basis represents NOI at share adjusted to exclude straight-line rental income and expense, amortization of acquired below and above market leases, net and other non-cash adjustments. We consider NOI at share - cash basis to be the primary non-GAAP financial measure for making decisions and assessing the unlevered performance of our 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 NOI at share - cash basis, we utilize this measure to make investment decisions as well as to compare the performance of our assets to that of our peers. NOI at share and NOI at share - cash basis should not be considered alternatives to net income or cash flow from operations and may not be comparable to similarly titled measures employed by other companies. NOI at share - cash basis includes rent that has been deferred as a result of the COVID-19 pandemic. Rent deferrals generally require repayment in monthly installments over a period of time not to exceed twelve months.

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS - CONTINUED

Below are reconciliations of NOI at share to same store NOI at share for our New York segment, theMART, 555 California Street and other investments for the three months ended December 31, 2020 compared to December 31, 2019.

(Amounts in thousands)

| | <u>Total</u> | <u>New York</u> | <u>theMART</u> | <u>555 California Street</u> | <u>Other</u> |
|---|--------------------|--------------------|-------------------|------------------------------|--------------|
| NOI at share for the three months ended December 31, 2020 | \$ 248,493 | \$ 212,544 | \$ 17,091 | \$ 14,638 | \$ 4,220 |
| Less NOI at share from: | | | | | |
| Development properties | (5,011) | (5,011) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,810 | 7,810 | — | — | — |
| Other non-same store income, net | (7,032) | (2,812) | — | — | (4,220) |
| Same store NOI at share for the three months ended December 31, 2020 | <u>\$ 244,260</u> | <u>\$ 212,531</u> | <u>\$ 17,091</u> | <u>\$ 14,638</u> | <u>\$ —</u> |
| NOI at share for the three months ended December 31, 2019 | \$ 305,566 | \$ 266,284 | \$ 22,712 | \$ 14,533 | \$ 2,037 |
| Less NOI at share from: | | | | | |
| Development properties | (14,626) | (14,626) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (6,168) | (6,168) | — | — | — |
| Other non-same store (income) expense, net | (9,376) | (7,237) | (173) | 71 | (2,037) |
| Same store NOI at share for the three months ended December 31, 2019 | <u>\$ 275,396</u> | <u>\$ 238,253</u> | <u>\$ 22,539</u> | <u>\$ 14,604</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share for the three months ended December 31, 2020 compared to December 31, 2019 | <u>\$ (31,136)</u> | <u>\$ (25,722)</u> | <u>\$ (5,448)</u> | <u>\$ 34</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share | <u>(11.3)%</u> | <u>(10.8)%</u> | <u>(24.2)%</u> | <u>0.2 %</u> | <u>— %</u> |

Same store NOI at share represents NOI at share from operations which are in service in both the current and prior year reporting periods. Same store NOI at share - cash basis is same store NOI at share adjusted to exclude straight-line rental income and expense, amortization of acquired below and above market leases, net and other non-cash adjustments. We present these non-GAAP measures to (i) facilitate meaningful comparisons of the operational performance of our properties and segments, (ii) make decisions on whether to buy, sell or refinance properties, and (iii) compare the performance of our properties and segments to those of our peers. Same store NOI at share and same store NOI at share - cash basis should not be considered alternatives to net income or cash flow from operations and may not be comparable to similarly titled measures employed by other companies.

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS - CONTINUED

Below are reconciliations of NOI at share - cash basis to same store NOI at share - cash basis for our New York segment, theMART, 555 California Street and other investments for the three months ended December 31, 2020 compared to December 31, 2019.

(Amounts in thousands)

| | <u>Total</u> | <u>New York</u> | <u>theMART</u> | <u>555 California Street</u> | <u>Other</u> |
|--|--------------------|--------------------|-------------------|------------------------------|--------------|
| NOI at share - cash basis for the three months ended December 31, 2020 | \$ 246,492 | \$ 208,949 | \$ 18,075 | \$ 14,947 | \$ 4,521 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (7,194) | (7,194) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,223 | 7,223 | — | — | — |
| Other non-same store income, net | (7,984) | (3,463) | — | — | (4,521) |
| Same store NOI at share - cash basis for the three months ended December 31, 2020 | <u>\$ 238,537</u> | <u>\$ 205,515</u> | <u>\$ 18,075</u> | <u>\$ 14,947</u> | <u>\$ —</u> |
| NOI at share - cash basis for the three months ended December 31, 2019 | \$ 298,976 | \$ 257,707 | \$ 24,646 | \$ 14,491 | \$ 2,132 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (16,308) | (16,308) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (6,050) | (6,050) | — | — | — |
| Other non-same store income, net | (10,882) | (8,577) | (173) | — | (2,132) |
| Same store NOI at share - cash basis for the three months ended December 31, 2019 | <u>\$ 265,736</u> | <u>\$ 226,772</u> | <u>\$ 24,473</u> | <u>\$ 14,491</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share - cash basis for the three months ended December 31, 2020 compared to December 31, 2019 | <u>\$ (27,199)</u> | <u>\$ (21,257)</u> | <u>\$ (6,398)</u> | <u>\$ 456</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share - cash basis | <u>(10.2)%</u> | <u>(9.4)%</u> | <u>(26.1)%</u> | <u>3.1 %</u> | <u>— %</u> |

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS - CONTINUED

Below are reconciliations of NOI at share to same store NOI at share for our New York segment, theMART, 555 California Street and other investments for the year ended December 31, 2020 compared to December 31, 2019.

(Amounts in thousands)

| | <u>Total</u> | <u>New York</u> | <u>theMART</u> | <u>555 California Street</u> | <u>Other</u> |
|---|---------------------|---------------------|--------------------|------------------------------|--------------|
| NOI at share for the year ended December 31, 2020 | \$ 972,579 | \$ 833,891 | \$ 69,178 | \$ 60,324 | \$ 9,186 |
| Less NOI at share from: | | | | | |
| Development properties | (30,946) | (30,946) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 33,146 | 33,146 | — | — | — |
| Other non-same store (income) expense, net | (27,898) | (18,361) | (524) | 173 | (9,186) |
| Same store NOI at share for the year ended December 31, 2020 | <u>\$ 946,881</u> | <u>\$ 817,730</u> | <u>\$ 68,654</u> | <u>\$ 60,497</u> | <u>\$ —</u> |
| NOI at share for the year ended December 31, 2019 | \$ 1,259,777 | \$ 1,072,828 | \$ 102,071 | \$ 59,657 | \$ 25,221 |
| Less NOI at share from: | | | | | |
| Change in ownership interests in properties contributed to Fifth Avenue and Times Square JV | (35,770) | (35,770) | — | — | — |
| Dispositions | (7,420) | (7,420) | — | — | — |
| Development properties | (68,063) | (68,063) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (13,212) | (13,212) | — | — | — |
| Other non-same store (income) expense, net | (36,827) | (11,722) | (354) | 470 | (25,221) |
| Same store NOI at share for the year ended December 31, 2019 | <u>\$ 1,098,485</u> | <u>\$ 936,641</u> | <u>\$ 101,717</u> | <u>\$ 60,127</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share for the year ended December 31, 2020 compared to December 31, 2019 | <u>\$ (151,604)</u> | <u>\$ (118,911)</u> | <u>\$ (33,063)</u> | <u>\$ 370</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share | <u>(13.8)%</u> | <u>(12.7)%</u> | <u>(32.5)%</u> | <u>0.6 %</u> | <u>— %</u> |

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS - CONTINUED

Below are reconciliations of NOI at share - cash basis to same store NOI at share - cash basis for our New York segment, theMART, 555 California Street and other investments for the year ended December 31, 2020 compared to December 31, 2019.

(Amounts in thousands)

| | <u>Total</u> | <u>New York</u> | <u>theMART</u> | <u>555 California Street</u> | <u>Other</u> |
|--|---------------------|--------------------|--------------------|------------------------------|--------------|
| NOI at share - cash basis for the year ended December 31, 2020 | \$ 1,018,825 | \$ 870,606 | \$ 76,251 | \$ 60,917 | \$ 11,051 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (42,531) | (42,531) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 32,576 | 32,576 | — | — | — |
| Other non-same store (income) expense, net | (39,271) | (27,672) | (553) | 5 | (11,051) |
| Same store NOI at share - cash basis for the year ended December 31, 2020 | <u>\$ 969,599</u> | <u>\$ 832,979</u> | <u>\$ 75,698</u> | <u>\$ 60,922</u> | <u>\$ —</u> |
| NOI at share - cash basis for the year ended December 31, 2019 | \$ 1,253,717 | \$ 1,060,510 | \$ 108,130 | \$ 60,156 | \$ 24,921 |
| Less NOI at share - cash basis from: | | | | | |
| Change in ownership interests in properties contributed to Fifth Avenue and Times Square JV | (32,905) | (32,905) | — | — | — |
| Dispositions | (8,219) | (8,219) | — | — | — |
| Development properties | (87,856) | (87,856) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (12,997) | (12,997) | — | — | — |
| Other non-same store (income) expense, net | (54,571) | (29,207) | (692) | 249 | (24,921) |
| Same store NOI at share - cash basis for the year ended December 31, 2019 | <u>\$ 1,057,169</u> | <u>\$ 889,326</u> | <u>\$ 107,438</u> | <u>\$ 60,405</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share - cash basis for the year ended December 31, 2020 compared to December 31, 2019 | <u>\$ (87,570)</u> | <u>\$ (56,347)</u> | <u>\$ (31,740)</u> | <u>\$ 517</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share - cash basis | <u>(8.3)%</u> | <u>(6.3)%</u> | <u>(29.5)%</u> | <u>0.9 %</u> | <u>— %</u> |

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS - CONTINUED

Below are reconciliations of NOI at share to same store NOI at share for our New York segment, theMART, 555 California Street and other investments for the three months ended December 31, 2020 compared to September 30, 2020.

(Amounts in thousands)

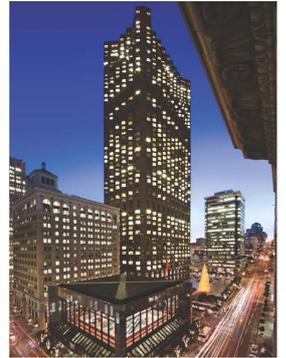
| | Total | New York | theMART | 555 California Street | Other |
|--|-------------------|-------------------|------------------|-----------------------|-------------|
| NOI at share for the three months ended December 31, 2020 | \$ 248,493 | \$ 212,544 | \$ 17,091 | \$ 14,638 | \$ 4,220 |
| Less NOI at share from: | | | | | |
| Development properties | (5,011) | (5,011) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,810 | 7,810 | — | — | — |
| Other non-same store income, net | (6,109) | (1,889) | — | — | (4,220) |
| Same store NOI at share for the three months ended December 31, 2020 | <u>\$ 245,183</u> | <u>\$ 213,454</u> | <u>\$ 17,091</u> | <u>\$ 14,638</u> | <u>\$ —</u> |
| NOI at share for the three months ended September 30, 2020 | \$ 220,533 | \$ 189,820 | \$ 13,171 | \$ 15,618 | \$ 1,924 |
| Less NOI at share from: | | | | | |
| Development properties | (4,288) | (4,288) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 16,822 | 16,822 | — | — | — |
| Other non-same store (income) expense, net | (2,714) | (737) | (101) | 48 | (1,924) |
| Same store NOI at share for the three months ended September 30, 2020 | <u>\$ 230,353</u> | <u>\$ 201,617</u> | <u>\$ 13,070</u> | <u>\$ 15,666</u> | <u>\$ —</u> |
| Increase (decrease) in same store NOI at share for the three months ended December 31, 2020 compared to September 30, 2020 | <u>\$ 14,830</u> | <u>\$ 11,837</u> | <u>\$ 4,021</u> | <u>\$ (1,028)</u> | <u>\$ —</u> |
| % increase (decrease) in same store NOI at share | <u>6.4 %</u> | <u>5.9 %</u> | <u>30.8 %</u> | <u>(6.6)%</u> | <u>— %</u> |

VORNADO REALTY TRUST
NON-GAAP RECONCILIATIONS - CONTINUED

Below are reconciliations of NOI at share - cash basis to same store NOI at share - cash basis for our New York segment, theMART, 555 California Street and other investments for the three months ended December 31, 2020 compared to September 30, 2020.

(Amounts in thousands)

| | Total | New York | theMART | 555 California Street | Other |
|---|-------------------|-------------------|------------------|-----------------------|-------------|
| NOI at share - cash basis for the three months ended December 31, 2020 | \$ 246,492 | \$ 208,949 | \$ 18,075 | \$ 14,947 | \$ 4,521 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (7,194) | (7,194) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,223 | 7,223 | — | — | — |
| Other non-same store income, net | (7,057) | (2,536) | — | — | (4,521) |
| Same store NOI at share - cash basis for the three months ended December 31, 2020 | <u>\$ 239,464</u> | <u>\$ 206,442</u> | <u>\$ 18,075</u> | <u>\$ 14,947</u> | <u>\$ —</u> |
| NOI at share - cash basis for the three months ended September 30, 2020 | \$ 231,514 | \$ 196,081 | \$ 17,706 | \$ 15,530 | \$ 2,197 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (7,733) | (7,733) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 16,830 | 16,830 | — | — | — |
| Other non-same store (income) expense, net | (4,518) | (2,196) | (130) | 5 | (2,197) |
| Same store NOI at share - cash basis for the three months ended September 30, 2020 | <u>\$ 236,093</u> | <u>\$ 202,982</u> | <u>\$ 17,576</u> | <u>\$ 15,535</u> | <u>\$ —</u> |
| Increase (decrease) in same store NOI at share - cash basis for the three months ended December 31, 2020 compared to September 30, 2020 | <u>\$ 3,371</u> | <u>\$ 3,460</u> | <u>\$ 499</u> | <u>\$ (588)</u> | <u>\$ —</u> |
| % increase (decrease) in same store NOI at share - cash basis | <u>1.4 %</u> | <u>1.7 %</u> | <u>2.8 %</u> | <u>(3.8)%</u> | <u>— %</u> |



VORNADO

REALTY TRUST

SUPPLEMENTAL OPERATING
AND FINANCIAL DATA
For the Quarter and Year Ended
December 31, 2020

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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, projected incremental cash yield, stabilization date 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. Currently, one of the most significant factors is the ongoing adverse effect of the COVID-19 pandemic on our business, financial condition, results of operations, cash flows, operating performance and the effect it will have on our tenants, the global, national, regional and local economies and financial markets and the real estate market in general. The extent of the impact of the COVID-19 pandemic will depend on future developments, including the duration of the pandemic, which are highly uncertain at this time but that impact could be material. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see "Item 1A. Risk Factors" in Part 1 of our Annual Report on Form 10-K for the year ended December 31, 2020. 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 this supplemental package. This supplemental package includes certain non-GAAP financial measures, which are accompanied by what Vornado Realty Trust and subsidiaries (the "Company") considers the most directly comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). These include Funds From Operations ("FFO"), Funds Available for Distribution ("FAD"), Net Operating Income ("NOI") and Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("EBITDare"). Quantitative reconciliations of the differences between the most directly comparable GAAP financial measures and the non-GAAP financial measures presented are provided within this Supplemental package. Definitions of these non-GAAP financial measures and statements of the reasons why management believes the non-GAAP measures provide useful information to investors about the Company's financial condition and results of operations, and, if applicable, the purposes for which management uses the measures, can be found in the Definitions section of this Supplemental package on page i in the Appendix.

COVID-19 PANDEMIC

Our business has been adversely affected as a result of the COVID-19 pandemic and the preventive measures taken to curb the spread of the virus. Some of the effects on us include the following:

- With the exception of grocery stores and other "essential" businesses, many of our retail tenants closed their stores in March 2020 and began reopening when New York City entered phase two of its reopening plan on June 22, 2020, however, there continue to be limitations on occupancy and other restrictions that affect their ability to resume full operations.
- While our buildings remain open, many of our office tenants are working remotely.
- We have closed the Hotel Pennsylvania. In connection with the closure, we accrued \$9,246,000 of severance for furloughed Hotel Pennsylvania union employees and recognized a corresponding \$3,145,000 income tax benefit for the year ended December 31, 2020.
- We cancelled trade shows at theMART from late March through the remainder of 2020 and expect to resume in 2021.
- Because certain of our development projects were deemed "non-essential," they were temporarily paused in March 2020 due to New York State executive orders and resumed once New York City entered phase one of its state mandated reopening plan on June 8, 2020.
- As of April 30, 2020, we placed 1,803 employees on furlough, which included 1,293 employees of Building Maintenance Services LLC ("BMS"), 414 employees at the Hotel Pennsylvania and 96 corporate staff employees. As of February 10, 2021, 50% of furloughed employees have returned to work. The remaining employees still on furlough are from BMS and the Hotel Pennsylvania.
- Effective April 1, 2020, our executive officers waived portions of their annual base salary for the remainder of 2020.
- Effective April 1, 2020, each non-management member of our Board of Trustees agreed to forgo their \$75,000 annual cash retainer for the remainder of 2020.

While we believe our tenants are required to pay rent under their leases and we have commenced legal proceedings against certain tenants that have failed to pay rent under their leases, in limited circumstances, we have agreed to and may continue to agree to rent deferrals and rent abatements for certain of our tenants. We have made a policy election in accordance with the Financial Accounting Standards Board ("FASB") Staff Q&A which provides relief in accounting for leases during the COVID-19 pandemic, allowing us to continue recognizing rental revenue on a straight-line basis for rent deferrals, with no impact to revenue recognition, and to recognize rent abatements as a reduction to rental revenue in the period granted.

For the quarter ended December 31, 2020, we collected 95% (97% including rent deferrals) of rent due from our tenants, comprised of 97% (99% including rent deferrals) from our office tenants and 88% (89% including rent deferrals) from our retail tenants. Rent deferrals generally require repayment in monthly installments over a period not to exceed twelve months.

Based on our assessment of the probability of rent collection of our lease receivables, we have written off \$1,401,000 and \$51,571,000 of receivables arising from the straight-lining of rents for the three and twelve months ended December 31, 2020, respectively, including the JCPenney retail lease at Manhattan Mall and the New York & Company, Inc. office lease at 330 West 34th Street. Both tenants have filed for Chapter 11 bankruptcy and rejected their leases during 2020. In addition, we have written off \$1,360,000 and \$22,546,000 of tenant receivables deemed uncollectible for the three and twelve months ended December 31, 2020, respectively. These write-offs resulted in a reduction of lease revenues and our share of income from partially owned entities. Prospectively, revenue recognition for tenant receivables deemed uncollectible will be based on actual amounts received.

In light of the evolving health, social, economic, and business environment, governmental regulation or mandates, and business disruptions that have occurred and may continue to occur, the impact of the COVID-19 pandemic on our financial condition and operating results remains highly uncertain but has been and may continue to be material. The impact on us includes lower rental income and potentially lower occupancy levels at our properties which will result in less cash flow available for operating costs, to pay our indebtedness and for distribution to our shareholders. During 2020, we experienced a decrease in cash flow from operations due to the COVID-19 pandemic, including reduced collections of rents billed to certain of our tenants, the closure of Hotel Pennsylvania, the cancellation of trade shows at theMART, and lower revenues from BMS and signage. In addition, we recognized \$409,060,000 of non-cash impairment losses, net of noncontrolling interests, related to our investment in Fifth Avenue and Times Square JV which are included in "(loss) income from partially owned entities" and \$236,286,000 of non-cash impairment losses primarily on wholly owned retail assets which are included in "impairment losses and transaction related costs, net" on our consolidated statements of income for the year ended December 31, 2020. The value of our real estate assets may continue to decline, which may result in additional non-cash impairment charges in future periods and that impact could be material.

BUSINESS DEVELOPMENTS

Disposition Activity

Pennsylvania Real Estate Investment Trust ("PREIT")

On January 23, 2020, we sold all of our 6,250,000 common shares of PREIT, realizing net proceeds of \$28,375,000. We recorded a \$4,938,000 loss (mark-to-market decrease) for the year ended December 31, 2020.

220 Central Park South ("220 CPS")

During the three months ended December 31, 2020, we closed on the sale of 5 condominium units at 220 CPS for net proceeds of \$110,068,000 resulting in a financial statement net gain of \$42,458,000 which is included in "net gains on disposition of wholly owned and partially owned assets" on our consolidated statements of income. In connection with these sales, \$6,184,000 of income tax expense was recognized on our consolidated statements of income. During the year ended December 31, 2020, we closed on the sale of 35 condominium units at 220 CPS for net proceeds of \$1,049,360,000 resulting in a financial statement net gain of \$381,320,000 which is included in "net gains on disposition of wholly owned and partially owned assets" on our consolidated statements of income. In connection with these sales, \$49,221,000 of income tax expense was recognized on our consolidated statements of income. From inception to December 31, 2020, we have closed on the sale of 100 units for net proceeds of \$2,869,492,000 resulting in financial statement net gains of \$1,066,937,000.

Financing Activity

On February 28, 2020, we increased our unsecured term loan balance to \$800,000,000 (from \$750,000,000) by exercising an accordion feature. Pursuant to an existing swap agreement, \$750,000,000 of the loan bears interest at a fixed rate of 3.87% through October 2023, and the balance of \$50,000,000 floats at a rate of LIBOR plus 1.00% (1.15% as of December 31, 2020). The entire \$800,000,000 will float thereafter for the duration of the loan through February 2024.

On August 12, 2020, we amended the \$700,000,000 mortgage loan on 770 Broadway, a 1.2 million square foot Manhattan office building, to extend the term one year through March 2022.

On September 14, 2020, Alexander's, Inc. (NYSE: ALX) ("Alexander's"), in which we have a 32.4% ownership interest, amended and extended the \$350,000,000 mortgage loan on the retail condominium of 731 Lexington Avenue. Under the terms of the amendment, Alexander's paid down the loan by \$50,000,000 to \$300,000,000, extended the maturity date to August 2025 and guaranteed the interest payments and certain leasing costs. The principal of the loan is non-recourse to Alexander's. The interest-only loan is at LIBOR plus 1.40% (1.55% as of December 31, 2020) which has been swapped to a fixed rate of 1.72%.

On October 15, 2020, we completed a \$500,000,000 refinancing of PENN11, a 1.2 million square foot Manhattan office building. The interest-only loan carries a rate of LIBOR plus 2.75% (2.90% as of December 31, 2020) and matures in October 2025, as fully extended. The loan replaces the previous \$450,000,000 loan that bore interest at a fixed rate of 3.95% and was scheduled to mature in December 2020.

On October 23, 2020, Alexander's completed a \$94,000,000 financing of The Alexander, a 312-unit residential building that is part of Alexander's residential and retail complex located in Rego Park, Queens, New York. The interest-only loan has a fixed rate of 2.63% and matures in November 2027.

On November 2, 2020, we repaid the \$52,476,000 mortgage loan on our land under a portion of the Borgata Hotel and Casino complex. The 10-year fixed rate amortizing loan bore interest at 5.14% and was scheduled to mature in February 2021.

On November 24, 2020, Vornado sold 12,000,000 5.25% Series N cumulative redeemable preferred shares at a price of \$25.00 per share, pursuant to an effective registration statement. Vornado received aggregate net proceeds of \$291,182,000, after underwriters' discount and issuance costs and contributed the net proceeds to the Operating Partnership in exchange for 12,000,000 5.25% Series N preferred units (with economic terms that mirror those of the Series N preferred shares). Dividends on the Series N preferred shares/units are cumulative and payable quarterly in arrears. The Series N preferred shares/units are not convertible into, or exchangeable for, any of our properties or securities. On or after five years from the date of issuance (or sooner under limited circumstances), Vornado may redeem the Series N preferred shares/units at a redemption price of \$25.00 per share, plus accrued and unpaid dividends through the date of redemption. The Series N preferred shares/units have no maturity date and will remain outstanding indefinitely unless redeemed by Vornado.

BUSINESS DEVELOPMENTS

Leasing Activity For The Three Months Ended December 31, 2020:

163,000 square feet of New York Office space (144,000 square feet at share) at an initial rent of \$75.55 per square foot and a weighted average lease term of 8.5 years. The changes in the GAAP and cash mark-to-market rent on the 122,000 square feet of second generation space were positive 4.7% and 0.5%, respectively. Tenant improvements and leasing commissions were \$6.90 per square foot per annum, or 9.1% of initial rent.

175,000 square feet of New York Retail space (125,000 square feet at share) at an initial rent of \$75.82 per square foot and a weighted average lease term of 2.8 years. The changes in the GAAP and cash mark-to-market rent on the 117,000 square feet of second generation space were negative 19.1% and 21.6%, respectively. Tenant improvements and leasing commissions were \$8.63 per square foot per annum, or 11.4% of initial rent.

62,000 square feet at theMART (all at share) at an initial rent of \$47.80 per square foot and a weighted average lease term of 7.0 years. The changes in the GAAP and cash mark-to-market rent on the 62,000 square feet of second generation space were positive 1.5% and negative 3.5%, respectively. Tenant improvements and leasing commissions were \$1.61 per square foot per annum, or 3.4% of initial rent.

271,000 square feet at 555 California Street (190,000 square feet at share), at an initial rent of \$106.36 per square foot and a weighted average lease term of 9.2 years. The initial rent of \$106.36 excludes the rent on a ten-year renewal option for 247,000 square feet (173,000 square feet at share) as the starting rent for this space will be determined in 2024 based on fair market value. The changes in the GAAP and cash mark-to-market rent on the 17,000 square feet of second generation space were positive 6.8% and negative 0.7%, respectively. Tenant improvements and leasing commissions were \$2.95 per square foot per annum, or 2.8% of initial rent, excluding the ten-year renewal option for 247,000 square feet (173,000 square feet at share).

Leasing Activity For The Year Ended December 31, 2020:

2,231,000 square feet of New York Office space (1,853,000 square feet at share) at an initial rent of \$89.33 per square foot and a weighted average lease term of 14.4 years. Includes 730,000 square feet (694,000 at our share) for the new Facebook lease at Farley Office and 633,000 square feet (348,000 at our share) for the New York University long-term renewal at One Park Avenue. The initial rent of \$89.33 excludes the rent on 174,000 square feet (all at share) as the starting rent for this space will be determined later in 2021 based on fair market value. The changes in the GAAP and cash mark-to-market rent on the 899,000 square feet of second generation space were positive 11.0% and 4.6%, respectively. Tenant improvements and leasing commissions were \$8.75 per square foot per annum, or 9.8% of initial rent.

238,000 square feet of New York Retail space (184,000 square feet at share) at an initial rent of \$136.29 per square foot and a weighted average lease term of 4.0 years. The changes in the GAAP and cash mark-to-market rent on the 159,000 square feet of second generation space were positive 1.3% and negative 5.9%, respectively. Tenant improvements and leasing commissions were \$16.80 per square foot per annum, or 12.3% of initial rent.

379,000 square feet at theMART (all at share) at an initial rent of \$49.74 per square foot and a weighted average lease term of 8.5 years. The changes in the GAAP and cash mark-to-market rent on the 374,000 square feet of second generation space were positive 1.5% and negative 1.9%, respectively. Tenant improvements and leasing commissions were \$3.89 per square foot per annum, or 7.8% of initial rent.

371,000 square feet at 555 California Street (260,000 square feet at share) at an initial rent of \$108.92 per square foot and a weighted average lease term of 8.0 years. The initial rent of \$108.92 excludes the rent on a ten-year renewal option for 247,000 square feet (173,000 square feet at share) as the starting rent for this space will be determined in 2024 based on fair market value. The changes in the GAAP and cash mark-to-market rent on the 87,000 square feet of second generation space were positive 54.7% and 39.7%, respectively. Tenant improvements and leasing commissions were \$6.94 per square foot per annum, or 6.4% of initial rent, excluding the ten-year renewal option for 247,000 square feet (173,000 square feet at share).

FINANCIAL HIGHLIGHTS (unaudited)

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended | | | For the Year Ended | |
|---|----------------------------|------------|-----------------------|-----------------------|--------------|
| | December 31, | | September 30, 2020 | December 31, | |
| | 2020 | 2019 | | 2020 | 2019 |
| Total revenues | \$ 376,431 | \$ 460,968 | \$ 363,962 | \$ 1,527,951 | \$ 1,924,700 |
| Net (loss) income attributable to common shareholders | \$ (209,127) | \$ 193,217 | \$ 53,170 | \$ (348,744) | \$ 3,097,806 |
| Per common share: | | | | | |
| Basic | \$ (1.09) | \$ 1.01 | \$ 0.28 | \$ (1.83) | \$ 16.23 |
| Diluted | \$ (1.09) | \$ 1.01 | \$ 0.28 | \$ (1.83) | \$ 16.21 |
| Net income (loss) attributable to common shareholders, as adjusted (non-GAAP) | \$ 957 | \$ 56,381 | \$ (16,613) | \$ (6,907) | \$ 176,716 |
| Per diluted share (non-GAAP) | \$ 0.01 | \$ 0.29 | \$ (0.09) | \$ (0.04) | \$ 0.92 |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) | \$ 127,217 | \$ 171,030 | \$ 112,595 | \$ 483,044 | \$ 666,207 |
| Per diluted share (non-GAAP) | \$ 0.66 | \$ 0.89 | \$ 0.59 | \$ 2.53 | \$ 3.49 |
| FFO attributable to common shareholders plus assumed conversions (non-GAAP) | \$ 138,399 | \$ 311,876 | \$ 278,507 | \$ 750,522 | \$ 1,003,398 |
| FFO - Operating Partnership Basis ("OP Basis") (non-GAAP) | \$ 147,486 | \$ 332,029 | \$ 296,559 | \$ 799,437 | \$ 1,067,457 |
| Per diluted share (non-GAAP) | \$ 0.72 | \$ 1.63 | \$ 1.46 | \$ 3.93 | \$ 5.25 |
| Dividends per common share: | | | | | |
| Regular dividends | \$ 0.53 | \$ 0.66 | \$ 0.53 | \$ 2.38 | \$ 2.64 |
| Special dividend | — | 1.95 | — | — | 1.95 |
| Total | \$ 0.53 | \$ 2.61 | \$ 0.53 | \$ 2.38 | \$ 4.59 |
| FFO payout ratio (based on FFO attributable to common shareholders plus assumed conversions, as adjusted) | 79.1 % ⁽¹⁾ | 74.2 % | 80.3 % ⁽¹⁾ | 85.6 % ⁽¹⁾ | 75.6 % |
| FAD payout ratio | 103.9 % | 93.0 % | 88.3 % | 101.3 % | 95.3 % |
| Weighted average common shares outstanding (REIT basis) | 191,279 | 190,916 | 191,162 | 191,146 | 190,801 |
| Convertible units: | | | | | |
| Class A | 12,297 | 12,162 | 12,392 | 12,357 | 12,146 |
| Equity awards - unit equivalents | 288 | 413 | 26 | 151 | 301 |
| Weighted average shares used in determining FFO attributable to Class A unitholders plus assumed conversions per diluted share (OP basis) | 203,864 | 203,491 | 203,580 | 203,654 | 203,248 |

(1) Excludes the impact of non-cash write-offs of receivables arising from the straight-lining of rents (including the JCPenney retail lease at Manhattan Mall and the New York & Company, Inc. office lease at 330 West 34th Street) of \$1,401, \$13,873 and \$51,571, respectively, for the three months ended December 31, 2020 and September 30, 2020, and the year ended December 31, 2020.

Please refer to the *Appendix* for reconciliations of GAAP to non-GAAP measures.

FFO, AS ADJUSTED BRIDGE - Q4 2020 VS. Q4 2019 (unaudited)

(Amounts in millions, except per share amounts)

| | FFO, as Adjusted | |
|---|------------------|----------------|
| | Amount | Per Share |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the three months ended December 31, 2019 | \$ 171.0 | \$ 0.89 |
| (Decrease) increase in FFO, as adjusted due to: | | |
| Variable businesses: | | |
| Hotel Pennsylvania closed since April 1, 2020 | (13.6) | |
| Signage | (6.1) | |
| Trade shows | (1.7) | |
| Garages | (1.6) | |
| BMS | (1.4) | |
| | (24.4) | |
| Tenant related items (inclusive of \$4.8 decrease from JCPenney, \$2.5 decrease from New York and Company, Inc. and \$3.6 Ballast Point lease termination income in 2019) | (18.9) | |
| PENN District out of service for redevelopment | (9.4) | |
| Interest expense decrease (partially offset by lower capitalized interest) and other, net | 6.2 | |
| | (46.5) | |
| Noncontrolling interests' share of above items | 2.7 | |
| Net decrease | (43.8) | (0.23) |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) for the three months ended December 31, 2020 | \$ 127.2 | \$ 0.66 |

Please refer to the *Appendix* for reconciliations of GAAP to non-GAAP measures.

CONSOLIDATED NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS (unaudited)

(Amounts in thousands)

| | For the Three Months Ended | | | |
|---|----------------------------|------------|--------------|--------------------|
| | December 31, | | | September 30, 2020 |
| | 2020 | 2019 | Variance | |
| Property rentals ⁽¹⁾⁽²⁾ | \$ 298,910 | \$ 360,139 | \$ (61,229) | \$ 281,068 |
| Tenant expense reimbursements ⁽¹⁾ | 40,563 | 55,233 | (14,670) | 41,702 |
| Amortization of acquired below-market leases, net | 3,824 | 4,269 | (445) | 3,648 |
| Straight-lining of rents | (4,383) | (1,233) | (3,150) | (4,165) |
| Total rental revenues | 338,914 | 418,408 | (79,494) | 322,253 |
| Fee and other income: | | | | |
| BMS cleaning fees | 27,901 | 31,642 | (3,741) | 24,054 |
| Management and leasing fees | 3,063 | 3,479 | (416) | 11,649 |
| Other income | 6,553 | 7,439 | (886) | 6,006 |
| Total revenues | 376,431 | 460,968 | (84,537) | 363,962 |
| Operating expenses | (188,989) | (223,975) | 34,986 | (195,645) |
| Depreciation and amortization | (107,084) | (92,926) | (14,158) | (107,013) |
| General and administrative | (61,254) | (39,791) | (21,463) | (32,407) |
| Expense from deferred compensation plan liability | (6,991) | (3,887) | (3,104) | (4,341) |
| Impairment losses and transaction related costs, net | (242,593) | (3,223) | (239,370) | (584) |
| Total expenses | (606,911) | (663,802) | (243,109) | (639,990) |
| Income (loss) from partially owned entities | 24,567 | 22,726 | 1,841 | (80,909) |
| Loss from real estate fund investments | (999) | (90,302) | 89,303 | (13,823) |
| Interest and other investment income, net | 1,569 | 5,889 | (4,320) | 1,729 |
| Income from deferred compensation plan assets | 6,991 | 3,887 | 3,104 | 4,341 |
| Interest and debt expense | (54,633) | (59,683) | 5,050 | (57,371) |
| Net gains on disposition of wholly owned and partially owned assets | 42,458 | 203,835 | (161,377) | 214,578 |
| (Loss) income before income taxes | (210,527) | 183,518 | (394,045) | 92,517 |
| Income tax benefit (expense) | 1,801 | (22,897) | 24,698 | (23,781) |
| (Loss) income from continuing operations | (208,726) | 160,621 | (369,347) | 68,736 |
| Income from discontinued operations | — | 55 | (55) | — |
| Net (loss) income | (208,726) | 160,676 | (369,402) | 68,736 |
| Less net (income) loss attributable to noncontrolling interests in: | | | | |
| Consolidated subsidiaries | (1,109) | 58,592 | (59,701) | 848 |
| Operating Partnership | 14,856 | (13,518) | 28,374 | (3,884) |
| Net (loss) income attributable to Vornado | (194,979) | 205,750 | (400,729) | 65,700 |
| Preferred share dividends | (14,148) | (12,533) | (1,615) | (12,530) |
| Net (loss) income attributable to common shareholders | \$ (209,127) | \$ 193,217 | \$ (402,344) | \$ 53,170 |
| Capitalized expenditures: | | | | |
| Development payroll | \$ 5,958 | \$ 3,341 | \$ 2,617 | \$ 2,820 |
| Interest and debt expense | 10,227 | 13,016 | (2,789) | 9,328 |

- (1) "Property rentals" and "tenant expense reimbursements" represent non-GAAP financial measures which are reconciled above to "rental revenues" the most directly comparable financial measure calculated in accordance with GAAP.
- (2) Reduced by \$2,438 and \$749 for the three months ended December 31, 2020 and 2019, respectively, and by \$22,135 for the three months ended September 30, 2020 for the write-off of lease receivables deemed uncollectible (primarily write-offs of receivables arising from the straight-lining of rents).

CONSOLIDATED NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS (unaudited)

(Amounts in thousands)

| | For the Year Ended December 31, | | |
|---|---------------------------------|--------------|----------------|
| | 2020 | 2019 | Variance |
| Property rentals ⁽¹⁾⁽²⁾ | \$ 1,217,698 | \$ 1,528,870 | \$ (311,172) |
| Tenant expense reimbursements ⁽¹⁾ | 167,463 | 228,201 | (60,738) |
| Amortization of acquired below-market leases, net | 16,878 | 19,830 | (2,952) |
| Straight-lining of rents | (24,404) | (9,679) | (14,725) |
| Total rental revenues | 1,377,635 | 1,767,222 | (389,587) |
| Fee and other income: | | | |
| BMS cleaning fees | 105,536 | 124,674 | (19,138) |
| Management and leasing fees | 19,416 | 13,542 | 5,874 |
| Other income | 25,364 | 19,262 | 6,102 |
| Total revenues | 1,527,951 | 1,924,700 | (396,749) |
| Operating expenses | (789,066) | (917,981) | 128,915 |
| Depreciation and amortization | (399,695) | (419,107) | 19,412 |
| General and administrative | (181,509) | (169,920) | (11,589) |
| Expense from deferred compensation plan liability | (6,443) | (11,609) | 5,166 |
| Impairment losses and transaction related costs, net | (174,027) | (106,538) | (67,489) |
| Total expenses | (1,550,740) | (1,625,155) | 74,415 |
| (Loss) income from partially owned entities ⁽³⁾ | (329,112) | 78,865 | (407,977) |
| Loss from real estate fund investments | (226,327) | (104,082) | (122,245) |
| Interest and other investment (loss) income, net | (5,499) | 21,819 | (27,318) |
| Income from deferred compensation plan assets | 6,443 | 11,609 | (5,166) |
| Interest and debt expense | (229,251) | (286,623) | 57,372 |
| Net gain on transfer to Fifth Avenue and Times Square JV | — | 2,571,099 | (2,571,099) |
| Net gains on disposition of wholly owned and partially owned assets | 381,320 | 845,499 | (464,179) |
| (Loss) income before income taxes | (425,215) | 3,437,731 | (3,862,946) |
| Income tax expense | (36,630) | (103,439) | 66,809 |
| (Loss) income from continuing operations | (461,845) | 3,334,292 | (3,796,137) |
| Loss from discontinued operations | — | (30) | 30 |
| Net (loss) income | (461,845) | 3,334,262 | (3,796,107) |
| Less net loss (income) attributable to noncontrolling interests in: | | | |
| Consolidated subsidiaries | 139,894 | 24,547 | 115,347 |
| Operating Partnership | 24,946 | (210,872) | 235,818 |
| Net (loss) income attributable to Vornado | (297,005) | 3,147,937 | (3,444,942) |
| Preferred share dividends | (51,739) | (50,131) | (1,608) |
| Net (loss) income attributable to common shareholders | \$ (348,744) | \$ 3,097,806 | \$ (3,446,550) |
| Capitalized expenditures: | | | |
| Development payroll | \$ 17,654 | \$ 16,014 | \$ 1,640 |
| Interest and debt expense | 41,056 | 72,200 | (31,144) |

(1) "Property rentals" and "tenant expense reimbursements" represent non-GAAP financial measures which are reconciled above to "rental revenues" the most directly comparable financial measure calculated in accordance with GAAP.

(2) Reduced by \$63,204 and \$17,237 for the years ended December 31, 2020 and 2019, respectively, for the write-off of lease receivables deemed uncollectible (primarily write-offs of receivables arising from the straight-lining of rents).

(3) Beginning April 18, 2019, "(loss) income from partially owned entities" includes the previously consolidated properties contributed to Fifth Avenue and Times Square JV.

NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS BY SEGMENT (unaudited)

(Amounts in thousands)

| | For the Three Months Ended December 31, 2020 | | |
|--|--|--------------|-------------|
| | Total | New York | Other |
| Property rentals ⁽¹⁾⁽²⁾ | \$ 298,910 | \$ 236,100 | \$ 62,810 |
| Tenant expense reimbursements ⁽¹⁾ | 40,563 | 31,485 | 9,078 |
| Amortization of acquired below-market leases, net | 3,824 | 3,623 | 201 |
| Straight-lining of rents | (4,383) | (3,007) | (1,376) |
| Total rental revenues | 338,914 | 268,201 | 70,713 |
| Fee and other income: | | | |
| BMS cleaning fees | 27,901 | 29,686 | (1,785) |
| Management and leasing fees | 3,063 | 3,201 | (138) |
| Other income | 6,553 | 1,272 | 5,281 |
| Total revenues | 376,431 | 302,360 | 74,071 |
| Operating expenses | (188,989) | (155,907) | (33,082) |
| Depreciation and amortization | (107,084) | (82,982) | (24,102) |
| General and administrative | (61,254) | (22,455) | (38,799) |
| Expense from deferred compensation plan liability | (6,991) | — | (6,991) |
| Impairment losses and transaction related costs, net | (242,593) | (236,286) | (6,307) |
| Total expenses | (606,911) | (497,630) | (109,281) |
| Income (loss) income from partially owned entities | 24,567 | 24,662 | (95) |
| Loss from real estate fund investments | (999) | — | (999) |
| Interest and other investment income, net | 1,569 | 908 | 661 |
| Income from deferred compensation plan assets | 6,991 | — | 6,991 |
| Interest and debt expense | (54,633) | (27,157) | (27,476) |
| Net gains on disposition of wholly owned and partially owned assets | 42,458 | — | 42,458 |
| Loss before income taxes | (210,527) | (196,857) | (13,670) |
| Income tax benefit (expense) | 1,801 | 3,242 | (1,441) |
| Net loss | (208,726) | (193,615) | (15,111) |
| Less net (income) loss attributable to noncontrolling interests in consolidated subsidiaries | (1,109) | (2,842) | 1,733 |
| Net loss attributable to Vornado Realty L.P. | (209,835) | \$ (196,457) | \$ (13,378) |
| Less net loss attributable to noncontrolling interests in the Operating Partnership | 14,897 | | |
| Preferred unit distributions | (14,189) | | |
| Net loss attributable to common shareholders | \$ (209,127) | | |
| For the three months ended December 31, 2019: | | | |
| Net income attributable to Vornado Realty L.P. | \$ 219,268 | \$ 95,686 | \$ 123,582 |
| Net income attributable to common shareholders | \$ 193,217 | | |

(1) "Property rentals" and "tenant expense reimbursements" represent non-GAAP financial measures which are reconciled above to "rental revenues" the most directly comparable financial measure calculated in accordance with GAAP.

(2) Reduced by \$2,438 and \$749 for the three months ended December 31, 2020 and 2019, respectively, for the write-off of lease receivables deemed uncollectible (primarily write-offs of receivables arising from the straight-lining of rents).

NET LOSS (INCOME) ATTRIBUTABLE TO COMMON SHAREHOLDERS BY SEGMENT (unaudited)

(Amounts in thousands)

| | For the Year Ended December 31, 2020 | | |
|--|--------------------------------------|--------------|------------|
| | Total | New York | Other |
| Property rentals ⁽¹⁾⁽²⁾ | \$ 1,217,698 | \$ 956,956 | \$ 260,742 |
| Tenant expense reimbursements ⁽¹⁾ | 167,463 | 131,284 | 36,179 |
| Amortization of acquired below-market leases, net | 16,878 | 16,095 | 783 |
| Straight-lining of rents | (24,404) | (20,835) | (3,569) |
| Total rental revenues | 1,377,635 | 1,083,500 | 294,135 |
| Fee and other income: | | | |
| BMS cleaning fees | 105,536 | 112,112 | (6,576) |
| Management and leasing fees | 19,416 | 19,508 | (92) |
| Other income | 25,364 | 6,628 | 18,736 |
| Total revenues | 1,527,951 | 1,221,748 | 306,203 |
| Operating expenses | (789,066) | (640,531) | (148,535) |
| Depreciation and amortization | (399,695) | (307,835) | (91,860) |
| General and administrative | (181,509) | (63,899) | (117,610) |
| Expense from deferred compensation plan liability | (6,443) | — | (6,443) |
| Impairment losses and transaction related costs, net | (174,027) | (166,026) | (8,001) |
| Total expenses | (1,550,740) | (1,178,291) | (372,449) |
| (Loss) income from partially owned entities | (329,112) | (331,738) | 2,626 |
| Loss from real estate fund investments | (226,327) | — | (226,327) |
| Interest and other investment (loss) income, net | (5,499) | 2,981 | (8,480) |
| Income from deferred compensation plan assets | 6,443 | — | 6,443 |
| Interest and debt expense | (229,251) | (116,014) | (113,237) |
| Net gains on disposition of wholly owned and partially owned assets | 381,320 | — | 381,320 |
| Loss before income taxes | (425,215) | (401,314) | (23,901) |
| Income tax (expense) benefit | (36,630) | 11,163 | (47,793) |
| Net loss | (461,845) | (390,151) | (71,694) |
| Less net loss (income) attributable to noncontrolling interests in consolidated subsidiaries | 139,894 | (14,599) | 154,493 |
| Net (loss) income attributable to Vornado Realty L.P. | (321,951) | \$ (404,750) | \$ 82,799 |
| Less net loss attributable to noncontrolling interests in the Operating Partnership | 25,111 | | |
| Preferred unit distributions | (51,904) | | |
| Net loss attributable to common shareholders | \$ (348,744) | | |
| For the year ended December 31, 2019: | | | |
| Net income attributable to Vornado Realty L.P. | \$ 3,358,809 | \$ 2,957,203 | \$ 401,606 |
| Net income attributable to common shareholders | \$ 3,097,806 | | |

- (1) "Property rentals" and "tenant expense reimbursements" represent non-GAAP financial measures which are reconciled above to "rental revenues" the most directly comparable financial measure calculated in accordance with GAAP.
(2) Reduced by \$63,204 and \$17,237 for the years ended December 31, 2020 and 2019, respectively, for the write-off of lease receivables deemed uncollectible (primarily write-offs of receivables arising from the straight-lining of rents).

NET OPERATING INCOME AT SHARE AND NET OPERATING INCOME AT SHARE - CASH BASIS BY SEGMENT (unaudited)

(Amounts in thousands)

| | For the Three Months Ended December 31, 2020 | | |
|--|--|------------|-----------|
| | Total | New York | Other |
| Total revenues | \$ 376,431 | \$ 302,360 | \$ 74,071 |
| Operating expenses | (188,989) | (155,907) | (33,082) |
| NOI - consolidated | 187,442 | 146,453 | 40,989 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (15,901) | (9,060) | (6,841) |
| Add: NOI from partially owned entities | 76,952 | 75,151 | 1,801 |
| NOI at share | 248,493 | 212,544 | 35,949 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | (2,001) | (3,595) | 1,594 |
| NOI at share - cash basis | \$ 246,492 | \$ 208,949 | \$ 37,543 |

| | For the Three Months Ended December 31, 2019 | | |
|--|--|------------|-----------|
| | Total | New York | Other |
| Total revenues | \$ 460,968 | \$ 377,626 | \$ 83,342 |
| Operating expenses | (223,975) | (184,231) | (39,744) |
| NOI - consolidated | 236,993 | 193,395 | 43,598 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (17,417) | (9,885) | (7,532) |
| Add: NOI from partially owned entities | 85,990 | 82,774 | 3,216 |
| NOI at share | 305,566 | 266,284 | 39,282 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | (6,590) | (8,577) | 1,987 |
| NOI at share - cash basis | \$ 298,976 | \$ 257,707 | \$ 41,269 |

| | For the Three Months Ended September 30, 2020 | | |
|--|---|------------|-----------|
| | Total | New York | Other |
| Total revenues | \$ 363,962 | \$ 293,145 | \$ 70,817 |
| Operating expenses | (195,645) | (161,386) | (34,259) |
| NOI - consolidated | 168,317 | 131,759 | 36,558 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (25,959) | (17,776) | (8,183) |
| Add: NOI from partially owned entities | 78,175 | 75,837 | 2,338 |
| NOI at share | 220,533 | 189,820 | 30,713 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net, and other | 10,981 | 6,261 | 4,720 |
| NOI at share - cash basis | \$ 231,514 | \$ 196,081 | \$ 35,433 |

See Appendix page vii for details of NOI at share components.

NET OPERATING INCOME AT SHARE AND NET OPERATING INCOME AT SHARE - CASH BASIS BY SEGMENT (unaudited)

(Amounts in thousands)

| | For the Year Ended December 31, 2020 | | |
|---|--------------------------------------|--------------|------------|
| | Total | New York | Other |
| Total revenues | \$ 1,527,951 | \$ 1,221,748 | \$ 306,203 |
| Operating expenses | (789,066) | (640,531) | (148,535) |
| NOI - consolidated | 738,885 | 581,217 | 157,668 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (72,801) | (43,773) | (29,028) |
| Add: NOI from partially owned entities | 306,495 | 296,447 | 10,048 |
| NOI at share | 972,579 | 833,891 | 138,688 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net and other | 46,246 | 36,715 | 9,531 |
| NOI at share - cash basis | \$ 1,018,825 | \$ 870,606 | \$ 148,219 |

| | For the Year Ended December 31, 2019 | | |
|---|--------------------------------------|--------------|------------|
| | Total | New York | Other |
| Total revenues | \$ 1,924,700 | \$ 1,577,860 | \$ 346,840 |
| Operating expenses | (917,981) | (758,304) | (159,677) |
| NOI - consolidated | 1,006,719 | 819,556 | 187,163 |
| Deduct: NOI attributable to noncontrolling interests in consolidated subsidiaries | (69,332) | (40,896) | (28,436) |
| Add: NOI from partially owned entities | 322,390 | 294,168 | 28,222 |
| NOI at share | 1,259,777 | 1,072,828 | 186,949 |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net and other | (6,060) | (12,318) | 6,258 |
| NOI at share - cash basis | \$ 1,253,717 | \$ 1,060,510 | \$ 193,207 |

See *Appendix* page vii for details of NOI at share components.

NET OPERATING INCOME AT SHARE BY SUBSEGMENT (unaudited)

(Amounts in thousands)

| | For the Three Months Ended | | | For the Year Ended | |
|---|----------------------------|-------------------|--------------------|--------------------|---------------------|
| | December 31, | | | December 31, | |
| | 2020 | 2019 | September 30, 2020 | 2020 | 2019 |
| NOI at share: | | | | | |
| New York: | | | | | |
| Office ⁽¹⁾⁽²⁾ | \$ 167,865 | \$ 183,925 | \$ 159,981 | \$ 672,495 | \$ 724,526 |
| Retail ⁽¹⁾⁽³⁾ | 38,146 | 59,728 | 35,294 | 147,299 | 273,217 |
| Residential | 4,083 | 5,835 | 4,536 | 20,687 | 23,363 |
| Alexander's Inc. ("Alexander's") ⁽⁴⁾ | 10,259 | 10,626 | 6,830 | 35,912 | 44,325 |
| Hotel Pennsylvania ⁽⁵⁾ | (7,809) | 6,170 | (16,821) | (42,502) | 7,397 |
| Total New York | 212,544 | 266,284 | 189,820 | 833,891 | 1,072,828 |
| Other: | | | | | |
| theMART ⁽⁶⁾ | 17,091 | 22,712 | 13,171 | 69,178 | 102,071 |
| 555 California Street | 14,638 | 14,533 | 15,618 | 60,324 | 59,657 |
| Other investments ⁽⁷⁾ | 4,220 | 2,037 | 1,924 | 9,186 | 25,221 |
| Total Other | 35,949 | 39,282 | 30,713 | 138,688 | 186,949 |
| NOI at share | \$ 248,493 | \$ 305,566 | \$ 220,533 | \$ 972,579 | \$ 1,259,777 |

(1) Reflects the transfer of 45.4% of common equity in the properties contributed to Fifth Avenue and Times Square JV on April 18, 2019.

(2) Includes the impact of non-cash write-offs of receivables arising from the straight-lining of rents, including the New York & Company, Inc. lease at 330 West 34th Street, of \$585, \$4,368 and \$18,173, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020. In addition, includes the impact of write-offs of tenant receivables deemed uncollectible of \$650, \$5,112 and \$6,702, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020.

(3) Includes the impact of non-cash write-offs of receivables arising from the straight-lining of rents, including the JCPenney lease at Manhattan Mall, of \$752, \$4,688 and \$25,876, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020. In addition, includes the impact of write-offs of tenant receivables deemed uncollectible of \$618, \$4,668 and \$12,017, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020. The year ended December 31, 2019 includes \$14,010 of non-cash write-offs of receivables arising from the straight-lining of rents.

(4) The year ended December 31, 2020 includes \$3,511 of non-cash write-offs of receivables arising from the straight-lining of rents and \$1,335 of write-offs of tenant receivables deemed uncollectible.

(5) The Hotel Pennsylvania has been closed since April 1, 2020 as a result of the COVID-19 pandemic. The three months ended September 30, 2020 and year ended December 31, 2020 include a \$9,246 severance accrual for furloughed union employees.

(6) The decrease in NOI at share is primarily due to the effects of the COVID-19 pandemic, causing trade shows to be cancelled from late March 2020 through the remainder of the year. Additionally, the year ended December 31, 2020 includes \$2,722 of non-cash write-offs of receivables arising from the straight-lining of rents and \$1,742 of write-offs of tenant receivables deemed uncollectible.

(7) 2019 includes our share of PREIT (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) and Urban Edge Properties ("UE") (sold on March 4, 2019).

NET OPERATING INCOME AT SHARE - CASH BASIS BY SUBSEGMENT (unaudited)

(Amounts in thousands)

| | For the Three Months Ended | | | For the Year Ended | |
|-----------------------------------|----------------------------|-------------------|--------------------|---------------------|---------------------|
| | December 31, | | | December 31, | |
| | 2020 | 2019 | September 30, 2020 | 2020 | 2019 |
| NOI at share - cash basis: | | | | | |
| New York: | | | | | |
| Office ⁽¹⁾⁽²⁾ | \$ 166,925 | \$ 180,762 | \$ 162,357 | \$ 691,755 | \$ 718,734 |
| Retail ⁽¹⁾⁽³⁾ | 34,256 | 54,357 | 36,476 | 158,686 | 267,655 |
| Residential | 3,828 | 5,763 | 4,178 | 19,369 | 21,894 |
| Alexander's ⁽⁴⁾ | 11,163 | 10,773 | 9,899 | 42,737 | 45,093 |
| Hotel Pennsylvania ⁽⁵⁾ | (7,223) | 6,052 | (16,829) | (41,941) | 7,134 |
| Total New York | 208,949 | 257,707 | 196,081 | 870,606 | 1,060,510 |
| Other: | | | | | |
| theMART ⁽⁶⁾ | 18,075 | 24,646 | 17,706 | 76,251 | 108,130 |
| 555 California Street | 14,947 | 14,491 | 15,530 | 60,917 | 60,156 |
| Other investments ⁽⁷⁾ | 4,521 | 2,132 | 2,197 | 11,051 | 24,921 |
| Total Other | 37,543 | 41,269 | 35,433 | 148,219 | 193,207 |
| NOI at share - cash basis | \$ 246,492 | \$ 298,976 | \$ 231,514 | \$ 1,018,825 | \$ 1,253,717 |

(1) Reflects the transfer of 45.4% of common equity in the properties contributed to Fifth Avenue and Times Square JV on April 18, 2019.

(2) Includes the impact of write-offs of tenant receivables deemed uncollectible of \$650, \$5,112 and \$6,702, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020.

(3) Includes the impact of write-offs of tenant receivables deemed uncollectible of \$618, \$4,668 and \$12,017, respectively, for the three months ended December 31, 2020 and September 30, 2020 and the year ended December 31, 2020.

(4) The year ended December 31, 2020 includes \$1,335 of write-offs of tenant receivables deemed uncollectible.

(5) The Hotel Pennsylvania has been closed since April 1, 2020 as a result of the COVID-19 pandemic. The three months ended September 30, 2020 and year ended December 31, 2020 include a \$9,246 severance accrual for furloughed union employees.

(6) The decrease in NOI at share - cash basis is primarily due to the effects of the COVID-19 pandemic, causing trade shows to be cancelled from late March 2020 through the remainder of the year. Additionally, the year ended December 31, 2020 includes \$1,742 of write-offs of tenant receivables deemed uncollectible.

(7) 2019 includes our share of PREIT (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) and UE (sold on March 4, 2019).

SAME STORE NOI AT SHARE AND SAME STORE NOI AT SHARE - CASH BASIS (NON-GAAP) (unaudited)

| | Total | New York | theMART | 555 California Street |
|---|---------|----------|---------|-----------------------|
| Same store NOI at share % (decrease) increase ⁽¹⁾ : | | | | |
| Three months ended December 31, 2020 compared to December 31, 2019 | (11.3)% | (10.8)% | (24.2)% | 0.2 % |
| Year ended December 31, 2020 compared to December 31, 2019 | (13.8)% | (12.7)% | (32.5)% | 0.6 % |
| Three months ended December 31, 2020 compared to September 30, 2020 | 6.4 % | 5.9 % | 30.8 % | (6.6)% |
| Same store NOI at share - cash basis % (decrease) increase ⁽¹⁾ : | | | | |
| Three months ended December 31, 2020 compared to December 31, 2019 | (10.2)% | (9.4)% | (26.1)% | 3.1 % |
| Year ended December 31, 2020 compared to December 31, 2019 | (8.3)% | (6.3)% | (29.5)% | 0.9 % |
| Three months ended December 31, 2020 compared to September 30, 2020 | 1.4 % | 1.7 % | 2.8 % | (3.8)% |

(1) See pages viii through xiii in the *Appendix* for same store NOI at share and same store NOI at share - cash basis reconciliations.

NOI AT SHARE BY REGION (unaudited)

| Region: | For the Three Months Ended December 31, | | For the Year Ended December 31, | |
|---------------------------------|---|-------|---------------------------------|-------|
| | 2020 | 2019 | 2020 | 2019 |
| New York City metropolitan area | 87 % | 88 % | 87 % | 87 % |
| Chicago, IL | 7 % | 7 % | 7 % | 8 % |
| San Francisco, CA | 6 % | 5 % | 6 % | 5 % |
| | 100 % | 100 % | 100 % | 100 % |

CONSOLIDATED BALANCE SHEETS (unaudited)

(Amounts in thousands)

| | As of | | Increase (Decrease) |
|--|----------------------|----------------------|------------------------|
| | December 31, 2020 | December 31, 2019 | |
| ASSETS | | | |
| Real estate, at cost: | | | |
| Land | \$ 2,420,054 | \$ 2,591,261 | \$ (171,207) |
| Buildings and improvements | 7,933,030 | 7,953,163 | (20,133) |
| Development costs and construction in progress | 1,604,637 | 1,490,614 | 114,023 |
| Moynihan Train Hall development expenditures | — | 914,960 | (914,960) |
| Leasehold improvements and equipment | 130,222 | 124,014 | 6,208 |
| Total | 12,087,943 | 13,074,012 | (986,069) |
| Less accumulated depreciation and amortization | (3,169,446) | (3,015,958) | (153,488) |
| Real estate, net | 8,918,497 | 10,058,054 | (1,139,557) |
| Right-of-use assets | 367,365 | 379,546 | (12,181) |
| Cash and cash equivalents | 1,624,482 | 1,515,012 | 109,470 |
| Restricted cash | 105,887 | 92,119 | 13,768 |
| Marketable securities | — | 33,313 | (33,313) |
| Tenant and other receivables | 77,658 | 95,733 | (18,075) |
| Investments in partially owned entities | 3,491,107 | 3,999,165 | (508,058) |
| Real estate fund investments | 3,739 | 222,649 | (218,910) |
| 220 Central Park South condominium units ready for sale | 128,215 | 408,918 | (280,703) |
| Receivable arising from the straight-lining of rents | 674,075 | 742,206 | (68,131) |
| Deferred leasing costs, net | 372,919 | 353,986 | 18,933 |
| Identified intangible assets, net | 23,856 | 30,965 | (7,109) |
| Other assets | 434,022 | 355,347 | 78,675 |
| Total Assets | <u>\$ 16,221,822</u> | <u>\$ 18,287,013</u> | <u>\$ (2,065,191)</u> |
| LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY | | | |
| Liabilities: | | | |
| Mortgages payable, net | \$ 5,580,549 | \$ 5,639,897 | \$ (59,348) |
| Senior unsecured notes, net | 446,685 | 445,872 | 813 |
| Unsecured term loan, net | 796,762 | 745,840 | 50,922 |
| Unsecured revolving credit facilities | 575,000 | 575,000 | — |
| Lease liabilities | 401,008 | 498,254 | (97,246) |
| Moynihan Train Hall obligation | — | 914,960 | (914,960) |
| Special dividend/distribution payable | — | 398,292 | (398,292) |
| Accounts payable and accrued expenses | 427,202 | 440,049 | (12,847) |
| Deferred revenue | 40,110 | 59,429 | (19,319) |
| Deferred compensation plan | 105,564 | 103,773 | 1,791 |
| Other liabilities | 294,520 | 265,754 | 28,766 |
| Total liabilities | 8,667,400 | 10,087,120 | (1,419,720) |
| Redeemable noncontrolling interests | 606,267 | 888,915 | (282,648) |
| Shareholders' equity | 6,533,198 | 6,732,030 | (198,832) |
| Noncontrolling interests in consolidated subsidiaries | 414,957 | 578,948 | (163,991) |
| Total liabilities, redeemable noncontrolling interests and equity | <u>\$ 16,221,822</u> | <u>\$ 18,287,013</u> | <u>\$ (2,065,191)</u> |

LEASING ACTIVITY (unaudited)

(Square feet in thousands)

The leasing activity and related statistics in the table below are based on leases signed during the period and are not intended to coincide with the commencement of rental revenue in accordance with GAAP. Second generation relet space represents square footage that has not been vacant for more than nine months and tenant improvements and leasing commissions are based on our share of square feet leased during the period.

| | New York | | | |
|--|----------|----------|----------|--------------------------|
| | Office | Retail | theMART | 555 California Street |
| Three Months Ended December 31, 2020 | | | | |
| Total square feet leased | 163 | 175 | 62 | 271 |
| Our share of square feet leased: | 144 | 125 | 62 | 190 |
| Initial rent ⁽⁴⁾ | \$ 75.55 | \$ 75.82 | \$ 47.80 | \$ 106.36 ⁽³⁾ |
| Weighted average lease term (years) | 8.5 | 2.8 | 7.0 | 9.2 |
| Second generation relet space: | | | | |
| Square feet | 122 | 117 | 62 | 17 |
| GAAP basis: | | | | |
| Straight-line rent ⁽²⁾ | \$ 75.68 | \$ 54.44 | \$ 44.76 | \$ 104.70 ⁽³⁾ |
| Prior straight-line rent | \$ 72.28 | \$ 67.31 | \$ 44.09 | \$ 98.03 |
| Percentage increase (decrease) | 4.7 % | (19.1)% | 1.5 % | 6.8 % |
| Cash basis (non-GAAP): | | | | |
| Initial rent ⁽⁴⁾ | \$ 75.15 | \$ 55.13 | \$ 47.80 | \$ 106.36 ⁽³⁾ |
| Prior escalated rent | \$ 74.78 | \$ 70.32 | \$ 49.55 | \$ 107.14 |
| Percentage increase (decrease) | 0.5 % | (21.6)% | (3.5)% | (0.7)% |
| Tenant improvements and leasing commissions: | | | | |
| Per square foot | \$ 58.65 | \$ 24.17 | \$ 11.25 | \$ 3.85 |
| Per square foot per annum | \$ 6.90 | \$ 8.63 | \$ 1.61 | \$ 2.95 |
| Percentage of initial rent | 9.1 % | 11.4 % | 3.4 % | 2.8 % |

See notes on following page.

LEASING ACTIVITY (unaudited)

(Square feet in thousands)

The leasing activity and related statistics in the table below are based on leases signed during the period and are not intended to coincide with the commencement of rental revenue in accordance with GAAP. Second generation relet space represents square footage that has not been vacant for more than nine months and tenant improvements and leasing commissions are based on our share of square feet leased during the period.

| Year Ended December 31, 2020 | New York | | theMART | 555 California Street |
|--|-------------------------|-----------|----------|--------------------------|
| | Office | Retail | | |
| Total square feet leased | 2,231 ⁽⁴⁾ | 238 | 379 | 371 |
| Our share of square feet leased: | 1,853 | 184 | 379 | 260 |
| Initial rent ⁽¹⁾ | \$ 89.33 ⁽⁵⁾ | \$ 136.29 | \$ 49.74 | \$ 108.92 ⁽³⁾ |
| Weighted average lease term (years) | 14.4 | 4.0 | 8.5 | 8.0 |
| Second generation relet space: | | | | |
| Square feet | 899 | 159 | 374 | 87 |
| GAAP basis: | | | | |
| Straight-line rent ⁽²⁾ | \$ 82.22 ⁽⁵⁾ | \$ 110.50 | \$ 46.88 | \$ 106.75 ⁽³⁾ |
| Prior straight-line rent | \$ 74.04 | \$ 109.06 | \$ 46.20 | \$ 69.02 |
| Percentage increase | 11.0 % | 1.3 % | 1.5 % | 54.7 % |
| Cash basis (non-GAAP): | | | | |
| Initial rent ⁽⁴⁾ | \$ 74.74 ⁽⁵⁾ | \$ 109.60 | \$ 49.60 | \$ 108.92 ⁽³⁾ |
| Prior escalated rent | \$ 71.47 | \$ 116.47 | \$ 50.55 | \$ 77.98 |
| Percentage increase (decrease) | 4.6 % | (5.9)% | (1.9)% | 39.7 % |
| Tenant improvements and leasing commissions: | | | | |
| Per square foot | \$ 126.06 | \$ 67.19 | \$ 33.10 | \$ 28.94 ⁽³⁾ |
| Per square foot per annum | \$ 8.75 | \$ 16.80 | \$ 3.89 | \$ 6.94 |
| Percentage of initial rent | 9.8 % | 12.3 % | 7.8 % | 6.4 % |

(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) Excludes 247 square feet (173 square feet at share) as the starting rent for this space will be determined in 2024 based on fair market value.

(4) Includes 730 square feet (694 at our share) for the new Facebook lease at Farley Office and 633 square feet (348 at our share) for the New York University long-term renewal at One Park Avenue.

(5) Excludes the rent on 174 square feet as the starting rent for this space will be determined later in 2021 based on fair market value.

LEASE EXPIRATIONS (unaudited)
NEW YORK SEGMENT

| | Period of Lease Expiration | Our Share of Square Feet of Expiring Leases ⁽¹⁾ | Weighted Average Annual Rent of Expiring Leases | | Percentage of Annualized Escalated Rent |
|----------------|----------------------------|--|---|-------------|---|
| | | | Total | Per Sq. Ft. | |
| Office: | Month to Month | 32,000 | \$ 2,407,000 | \$ 75.22 | 0.2 % |
| | First Quarter 2021 | 155,000 | 10,182,000 | 65.69 | 0.9 % |
| | Second Quarter 2021 | 290,000 | 29,182,000 | 100.63 | 2.7 % |
| | Third Quarter 2021 | 71,000 | 5,861,000 | 82.55 | 0.5 % |
| | Fourth Quarter 2021 | 226,000 | 15,038,000 | 66.54 | 1.4 % |
| | Total 2021 | 742,000 | 60,263,000 | 81.22 | 5.5 % |
| | 2022 | 726,000 | 49,817,000 | 68.62 | 4.6 % |
| | 2023 | 1,847,000 | 164,053,000 | 88.82 | 15.1 % |
| | 2024 | 1,430,000 | 118,402,000 | 82.80 | 10.9 % |
| | 2025 | 813,000 | 65,293,000 | 80.31 | 6.0 % |
| | 2026 | 1,425,000 | 106,625,000 | 74.82 | 9.8 % |
| | 2027 | 1,165,000 | 85,100,000 | 73.05 | 7.8 % |
| | 2028 | 907,000 | 63,221,000 | 69.70 | 5.8 % |
| | 2029 | 648,000 | 54,375,000 | 83.91 | 5.0 % |
| | 2030 | 594,000 | 45,412,000 | 76.45 | 4.2 % |
| | Thereafter | 3,798,000 ⁽²⁾ | 271,292,000 | 71.43 | 25.1 % |
| Retail: | Month to Month | 30,000 | \$ 4,405,000 | \$ 146.83 | 1.6 % |
| | First Quarter 2021 | 27,000 | 7,990,000 | 295.93 | 2.9 % |
| | Second Quarter 2021 | 20,000 | 1,930,000 | 96.50 | 0.7 % |
| | Third Quarter 2021 | 8,000 | 1,222,000 | 152.75 | 0.5 % |
| | Fourth Quarter 2021 | 15,000 | 2,409,000 | 160.60 | 0.9 % |
| | Total 2021 | 70,000 | 13,551,000 | 193.59 | 5.0 % |
| | 2022 | 116,000 | 8,524,000 | 73.48 | 3.1 % |
| | 2023 | 36,000 | 25,137,000 | 698.25 | 9.2 % |
| | 2024 | 202,000 | 45,730,000 | 226.39 | 16.8 % |
| | 2025 | 33,000 | 12,448,000 | 377.21 | 4.6 % |
| | 2026 | 70,000 | 25,350,000 | 362.14 | 9.3 % |
| | 2027 | 30,000 | 22,381,000 | 746.03 | 8.2 % |
| | 2028 | 23,000 | 12,835,000 | 558.04 | 4.7 % |
| | 2029 | 46,000 | 20,285,000 | 440.98 | 7.4 % |
| | 2030 | 159,000 | 20,262,000 | 127.43 | 7.4 % |
| | Thereafter | 310,000 | 61,752,000 | 199.20 | 22.7 % |

(1) Excludes storage, vacancy and other.

(2) Assumes U.S. Post Office exercises all lease renewal options through 2038 for 492,000 square feet at 909 Third Avenue given the below-market rent on their options.

LEASE EXPIRATIONS (unaudited)
theMART

| | Period of Lease Expiration | Our Share of Square Feet of Expiring Leases ⁽¹⁾ | Weighted Average Annual Rent of Expiring Leases | | Percentage of Annualized Escalated Rent |
|------------------------------------|----------------------------|--|---|-------------|---|
| | | | Total | Per Sq. Ft. | |
| Office / Showroom / Retail: | Month to Month | 4,000 | \$ 108,000 | \$ 27.00 | 0.1 % |
| | First Quarter 2021 | 17,000 | 1,124,000 | 66.12 | 0.7 % |
| | Second Quarter 2021 | 3,000 | 179,000 | 59.67 | 0.1 % |
| | Third Quarter 2021 | 41,000 | 2,247,000 | 54.80 | 1.4 % |
| | Fourth Quarter 2021 | 183,000 | 8,276,000 | 45.22 | 5.3 % |
| | Total 2021 | 244,000 | 11,826,000 | 48.47 | 7.5 % |
| | 2022 | 448,000 | 22,396,000 | 49.99 | 14.2 % |
| | 2023 | 309,000 | 15,907,000 | 51.48 | 10.1 % |
| | 2024 | 310,000 | 15,527,000 | 50.09 | 9.9 % |
| | 2025 | 341,000 | 18,638,000 | 54.66 | 11.8 % |
| | 2026 | 316,000 | 15,802,000 | 50.01 | 10.0 % |
| | 2027 | 171,000 | 8,662,000 | 50.65 | 5.5 % |
| | 2028 | 637,000 | 28,176,000 | 44.23 | 18.0 % |
| | 2029 | 73,000 | 3,483,000 | 47.71 | 2.2 % |
| | 2030 | 11,000 | 613,000 | 55.73 | 0.4 % |
| | Thereafter | 357,000 | 16,218,000 | 45.43 | 10.3 % |

(1) Excludes storage, vacancy and other.

LEASE EXPIRATIONS (unaudited)
555 California Street

| | Period of Lease Expiration | Our Share of Square Feet of Expiring Leases ⁽¹⁾ | Weighted Average Annual Rent of Expiring Leases | | Percentage of Annualized Escalated Rent |
|------------------|----------------------------|--|---|-------------|---|
| | | | Total | Per Sq. Ft. | |
| Office / Retail: | Month to Month | — | \$ — | \$ — | — % |
| | First Quarter 2021 | 1,000 | 95,000 | 95.00 | 0.1 % |
| | Second Quarter 2021 | — | — | — | — % |
| | Third Quarter 2021 | — | — | — | — % |
| | Fourth Quarter 2021 | — | — | — | — % |
| | Total 2021 | 1,000 | 95,000 | 95.00 | 0.1 % |
| | 2022 | 48,000 | 4,298,000 | 89.54 | 4.4 % |
| | 2023 | 133,000 | 10,377,000 | 78.02 | 10.6 % |
| | 2024 | 57,000 | 5,475,000 | 96.05 | 5.6 % |
| | 2025 | 282,000 | 24,035,000 | 85.23 | 24.6 % |
| | 2026 | 202,000 | 15,913,000 | 78.78 | 16.3 % |
| | 2027 | 65,000 | 5,780,000 | 88.92 | 5.9 % |
| | 2028 | 20,000 | 1,598,000 | 79.90 | 1.6 % |
| | 2029 | 78,000 | 7,299,000 | 93.58 | 7.5 % |
| | 2030 | 106,000 | 10,439,000 | 98.48 | 10.7 % |
| | Thereafter | 173,000 | 12,321,000 | 71.22 | 12.7 % |

(1) Excludes storage, vacancy and other.

TRAILING TWELVE MONTH PRO-FORMA CASH NET OPERATING INCOME AT SHARE (unaudited)

(Amounts in thousands)

| | For the Year Ended December 31, 2020 | | | For the Year Ended |
|------------------------|--------------------------------------|--------------------|--|---------------------|
| | NOI at Share - Cash Basis | BMS NOI | Pro Forma NOI at Share - Cash Basis | December 31, 2019 |
| Office: | | | | |
| New York | \$ 691,755 | \$ (20,351) | \$ 671,404 | \$ 678,184 |
| theMART | 76,251 | — | 76,251 | 108,130 |
| 555 California Street | 60,917 | — | 60,917 | 60,156 |
| Total Office | 828,923 | (20,351) | 808,572 | 846,470 |
| New York - Retail | 158,686 | — | 158,686 | 219,669 |
| New York - Residential | 19,369 | — | 19,369 | 21,894 |
| | <u>\$ 1,006,978</u> | <u>\$ (20,351)</u> | <u>\$ 986,627</u> | <u>\$ 1,088,033</u> |

CAPITAL STRUCTURE (unaudited)

(Amounts in thousands, except per share and per unit amounts)

| | As of December 31, 2020 | |
|---|-----------------------------|---|
| Debt (contractual balances) (non-GAAP): | | |
| Consolidated debt ⁽¹⁾ : | | |
| Mortgages payable | \$ | 5,608,458 |
| Senior unsecured notes | | 450,000 |
| \$800 Million unsecured term loan | | 800,000 |
| \$2.75 Billion unsecured revolving credit facilities | | 575,000 |
| | | <u>7,433,458</u> |
| Pro rata share of debt of non-consolidated entities ⁽²⁾ | | 2,873,174 |
| Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street) | | <u>(483,352)</u> |
| | | <u>9,823,280 (A)</u> |
| | Shares/Units | Liquidation Preference |
| Perpetual Preferred: | | |
| 5.00% preferred unit (D-16) (1 unit @ \$1,000,000 per unit) | | 1,000 |
| 3.25% preferred units (D-17) (141,400 units @ \$25 per unit) | | 3,535 |
| 5.70% Series K preferred shares | 12,000 | \$ 25.00 300,000 |
| 5.40% Series L preferred shares | 12,000 | 25.00 300,000 |
| 5.25% Series M preferred shares | 12,780 | 25.00 319,500 |
| 5.25% Series N preferred shares | 12,000 | 25.00 300,000 |
| | | <u>1,224,035 (B)</u> |
| | Converted Shares | December 31, 2020 Common Share Price |
| Equity: | | |
| Common shares | 191,355 | \$ 37.34 7,145,196 |
| Class A units | 12,431 | 37.34 464,174 |
| Convertible share equivalents: | | |
| Equity awards - unit equivalents | 1,152 | 37.34 43,016 |
| D-13 preferred units | 1,250 | 37.34 46,675 |
| G1-G4 units | 90 | 37.34 3,361 |
| Series A preferred shares | 26 | 37.34 971 |
| | | <u>7,703,393 (C)</u> |
| Total Market Capitalization (A+B+C) | | \$ <u>18,750,708</u> |

(1) See reconciliation of consolidated debt, net (GAAP) to contractual debt (non-GAAP) on page xiv in the *Appendix*.

(2) Our pro rata share of debt of non-consolidated entities is net of our \$16,200 share of Alexander's participation in its Rego Park II shopping center mortgage loan which is considered partially extinguished as the participation interest is a reacquisition of debt.

COMMON SHARES DATA (NYSE: VNO) (unaudited)

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

| | Fourth Quarter 2020 | Third Quarter 2020 | Second Quarter 2020 | First Quarter 2020 |
|--|----------------------------|---------------------------|----------------------------|---------------------------|
| High price | \$ 43.35 | \$ 39.98 | \$ 45.96 | \$ 68.68 |
| Low price | \$ 29.79 | \$ 31.36 | \$ 30.31 | \$ 27.64 |
| Closing price - end of quarter | \$ 37.34 | \$ 33.71 | \$ 38.21 | \$ 36.21 |
| Annualized quarterly dividend per share | \$ 2.12 | \$ 2.12 | \$ 2.64 | \$ 2.64 |
| Annualized dividend yield - on closing price | 5.7 % | 6.3 % | 6.9 % | 7.3 % |
| Outstanding shares, Class A units and convertible preferred units as converted (in thousands) | 206,304 | 206,438 | 206,260 | 206,280 |
| Closing market value of outstanding shares, Class A units and convertible preferred units as converted | \$ 7.7 Billion | \$ 7.0 Billion | \$ 7.9 Billion | \$ 7.5 Billion |

DEBT ANALYSIS (unaudited)

(Amounts in thousands)

| | As of December 31, 2020 | | | | | |
|--|-------------------------|--------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
| | Total | | Variable | | Fixed | |
| | Amount | Weighted Average Interest Rate | Amount | Weighted Average Interest Rate | Amount | Weighted Average Interest Rate |
| (Contractual debt balances) (non-GAAP) | | | | | | |
| Consolidated debt ⁽¹⁾ | \$ 7,433,458 | 2.89% | \$ 3,220,815 | 1.83% | \$ 4,212,643 | 3.70% |
| Pro rata share of debt of non-consolidated entities ⁽²⁾ | 2,873,174 | 2.81% | 1,384,710 | 1.80% | 1,488,464 | 3.76% |
| Total | 10,306,632 | 2.87% | 4,605,525 | 1.82% | 5,701,107 | 3.71% |
| Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street) | (483,352) | | (37,059) | | (446,293) | |
| Company's pro rata share of total debt | \$ 9,823,280 | 2.82% | \$ 4,568,466 | 1.82% | \$ 5,254,814 | 3.69% |

Debt Covenant Ratios:⁽³⁾

| | Senior Unsecured Notes due 2025 | | Unsecured Revolving Credit Facilities and Unsecured Term Loan | |
|---|---------------------------------|--------|---|--------|
| | Required | Actual | Required | Actual |
| Total outstanding debt/total assets ⁽⁴⁾ | Less than 65% | 44% | Less than 60% | 33% |
| Secured debt/total assets | Less than 50% | 32% | Less than 50% | 26% |
| Interest coverage ratio (annualized combined EBITDA to annualized interest expense) | Greater than 1.50 | 2.60 | | N/A |
| Fixed charge coverage | | N/A | Greater than 1.40 | 2.60 |
| Unencumbered assets/unsecured debt | Greater than 150% | 407% | | N/A |
| Unsecured debt/cap value of unencumbered assets | | N/A | Less than 60% | 13% |
| Unencumbered coverage ratio | | N/A | Greater than 1.50 | 5.01 |

Unencumbered EBITDA (non-GAAP)⁽⁴⁾:

| | Q4 2020 Annualized |
|--------------|--------------------|
| New York | \$ 184,168 |
| Other | 11,120 |
| Total | \$ 195,288 |

- (1) See reconciliation of consolidated debt, net (GAAP) to contractual debt (non-GAAP) on page xiv in the *Appendix*.
- (2) Our pro rata share of debt of non-consolidated entities is net of our \$16,200 share of Alexander's participation in its Rego Park II shopping center mortgage loan which is considered partially extinguished as the participation interest is a reacquisition of debt.
- (3) Our debt covenant ratios are computed in accordance with the terms of our senior unsecured notes, unsecured revolving credit facilities, and unsecured term loan, 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 revolving credit facilities, senior debt indentures and applicable prospectuses and prospectus supplements.
- (4) Total assets include EBITDA capped at 7.0% under the senior unsecured notes due 2025 and 6.0% under the unsecured revolving credit facilities and unsecured term loan.

CONSOLIDATED DEBT MATURITIES (CONTRACTUAL BALANCES) (NON-GAAP) (unaudited)

(Amounts in thousands)

| Property | Maturity Date ⁽¹⁾ | Spread over LIBOR | Interest Rate | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | Total |
|--|------------------------------|-------------------|----------------------|---------------------|---------------------|-------------|---------------------|---------------------|-------------------|---------------------|
| 909 Third Avenue | 05/21 | | 3.91% | \$ 350,000 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 350,000 |
| 555 California Street | 09/21 | | 5.10% | 537,643 | — | — | — | — | — | 537,643 |
| theMART | 09/21 | | 2.70% | 675,000 | — | — | — | — | — | 675,000 |
| 770 Broadway | 03/22 | L+175 | 1.90% | — | 700,000 | — | — | — | — | 700,000 |
| 1290 Avenue of the Americas | 11/22 | | 3.34% | — | 950,000 | — | — | — | — | 950,000 |
| \$1.25 Billion unsecured revolving credit facility | 01/23 | L+100 | —% | — | — | — | — | — | — | — |
| \$800 Million unsecured term loan | 02/24 | | 3.70% ⁽²⁾ | — | — | — | 800,000 | — | — | 800,000 |
| 435 Seventh Avenue - retail | 02/24 | L+130 | 1.45% | — | — | — | 95,696 | — | — | 95,696 |
| \$1.5 Billion unsecured revolving credit facility | 03/24 | L+90 | 1.05% | — | — | — | 575,000 | — | — | 575,000 |
| 150 West 34th Street | 05/24 | L+188 | 2.03% | — | — | — | 205,000 | — | — | 205,000 |
| 606 Broadway | 09/24 | L+180 | 1.95% | — | — | — | 74,119 | — | — | 74,119 |
| 33-00 Northern Boulevard | 01/25 | | 4.14% ⁽³⁾ | — | — | — | — | 100,000 | — | 100,000 |
| Senior unsecured notes due 2025 | 01/25 | | 3.50% | — | — | — | — | 450,000 | — | 450,000 |
| 4 Union Square South - retail | 08/25 | L+140 | 1.56% | — | — | — | — | 120,000 | — | 120,000 |
| PENN11 | 10/25 | L+275 | 2.90% | — | — | — | — | 500,000 | — | 500,000 |
| 888 Seventh Avenue | 12/25 | L+170 | 1.85% | — | — | — | — | 321,000 | — | 321,000 |
| 100 West 33rd Street - office and retail | 04/26 | L+155 | 1.70% | — | — | — | — | — | 580,000 | 580,000 |
| 350 Park Avenue | 01/27 | | 3.92% | — | — | — | — | — | 400,000 | 400,000 |
| | | | | <u>\$ 1,562,643</u> | <u>\$ 1,650,000</u> | <u>\$ —</u> | <u>\$ 1,749,815</u> | <u>\$ 1,491,000</u> | <u>\$ 980,000</u> | <u>\$ 7,433,458</u> |
| Weighted average rate | | | | <u>3.80%</u> | <u>2.73%</u> | <u>—%</u> | <u>2.44%</u> | <u>2.83%</u> | <u>2.61%</u> | <u>2.89%</u> |
| Fixed rate debt | | | | \$ 1,562,643 | \$ 950,000 | \$ — | \$ 750,000 | \$ 550,000 | \$ 400,000 | \$ 4,212,643 |
| Fixed weighted average rate expiring | | | | 3.80% | 3.34% | —% | 3.87% | 3.62% | 3.92% | 3.70% |
| Floating rate debt | | | | \$ — | \$ 700,000 | \$ — | \$ 999,815 | \$ 941,000 | \$ 580,000 | \$ 3,220,815 |
| Floating weighted average rate expiring | | | | —% | 1.90% | —% | 1.36% | 2.37% | 1.70% | 1.83% |

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

(2) Pursuant to an existing swap agreement, \$750,000 of the loan bears interest at a fixed rate of 3.87% through October 2023, and the balance of \$50,000 floats at a rate of LIBOR plus 1.00% (1.15% as of December 31, 2020). The entire \$800,000 will float thereafter for the duration of the loan.

(3) Pursuant to an existing swap agreement, the loan bears interest at 4.14% through January 2025. The rate was swapped from LIBOR plus 1.80% (1.95% as of December 31, 2020).

UNCONSOLIDATED JOINT VENTURES (unaudited)

(Amounts in thousands)

| Joint Venture Name | Asset Category | Percentage Ownership at December 31, 2020 | Company's Carrying Amount | Company's Pro rata Share of Debt ⁽¹⁾ | 100% of Joint Venture Debt ⁽¹⁾ | Maturity Date ⁽²⁾ | Spread over LIBOR | Interest Rate |
|--|--------------------|---|---------------------------|---|---|------------------------------|-------------------|---------------|
| Fifth Avenue and Times Square JV | Retail/Office | 51.5% | \$ 2,798,413 | \$ 461,461 | \$ 950,000 | Various | Various | Various |
| Alexander's | Office/Retail | 32.4% | 82,902 | 377,312 ⁽³⁾ | 1,164,544 | Various | Various | Various |
| Partially owned office buildings/land: | | | | | | | | |
| One Park Avenue | Office/Retail | 55.0% | 149,180 | 165,000 | 300,000 | 03/21 | L+175 | 1.90% |
| 280 Park Avenue | Office/Retail | 50.0% | 104,490 | 600,000 | 1,200,000 | 09/24 | L+173 | 1.88% |
| 650 Madison Avenue | Office/Retail | 20.1% | 98,482 | 161,024 | 800,000 | 12/29 | N/A | 3.49% |
| 512 West 22nd Street | Office/Retail | 55.0% | 58,802 | 65,524 | 119,134 | 06/24 | L+200 | 2.15% |
| West 57th Street properties | Office/Retail/Land | 50.0% | 43,079 | 10,000 | 20,000 | 12/22 | L+160 | 1.75% |
| 825 Seventh Avenue | Office | 50.0% | 9,855 | 20,394 | 40,788 | 07/23 | L+165 | 1.84% |
| 61 Ninth Avenue | Office/Retail | 45.1% | 5,296 | 75,543 | 167,500 | 01/26 | L+135 | 1.50% |
| Other | Office/Retail | Various | 4,101 | 17,465 | 50,150 | Various | Various | Various |
| Other equity method investments: | | | | | | | | |
| Independence Plaza | Residential/Retail | 50.1% | 60,984 | 338,175 | 675,000 | 07/25 | N/A | 4.25% |
| Rosslyn Plaza | Office/Residential | 43.7% to 50.4% | 32,068 | 19,089 | 37,866 | 06/22 | L+195 | 2.11% |
| Other | Various | Various | 43,455 | 91,312 | 575,399 | Various | Various | Various |
| | | | <u>\$ 3,491,107</u> | <u>\$ 2,402,299</u> | <u>\$ 6,100,381</u> | | | |
| 7 West 34th Street | Office/Retail | 53.0% | (55,340) ⁽⁴⁾ | 159,000 | 300,000 | 06/26 | N/A | 3.65% |
| 85 Tenth Avenue | Office/Retail | 49.9% | (13,080) ⁽⁴⁾ | 311,875 | 625,000 | 12/26 | N/A | 4.55% |
| | | | <u>\$ (68,420)</u> | <u>\$ 470,875</u> | <u>\$ 925,000</u> | | | |

(1) Represents the contractual debt obligations. All amounts are non-recourse to us except the \$300,000 mortgage loan on 7 West 34th Street and the \$500,000 mortgage loan on 640 Fifth Avenue, included in Fifth Avenue and Times Square JV.

(2) Represents the extended maturity for certain loans for which we have the unilateral right to extend.

(3) Net of our \$16,200 share of Alexander's participation in its Rego Park II shopping center mortgage loan which is considered partially extinguished as the participation interest is a reacquisition of debt.

(4) Our negative basis results from distributions in excess of our investment.

UNCONSOLIDATED JOINT VENTURES (unaudited)

(Amounts in thousands)

| Joint Venture Name | Percentage Ownership at December 31, 2020 | Our Share of Net Income (Loss) for the Three Months Ended December 31, | | Our Share of NOI (non-GAAP) for the Three Months Ended December 31, | |
|---|--|---|------------------|--|------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| New York: | | | | | |
| Fifth Avenue and Times Square JV: | | | | | |
| Return on preferred equity, net of our share of the expense | | \$ 9,431 | \$ 9,455 | \$ — | \$ — |
| Equity in net income | 51.5% | 7,432 | 10,022 | 30,902 | 36,364 |
| | | 16,863 | 19,477 | 30,902 | 36,364 |
| Alexander's | 32.4% | 5,906 | 4,497 | 10,259 | 10,626 |
| One Park Avenue | 55.0% | 4,525 | 1,967 | 6,818 | 5,414 |
| Independence Plaza | 50.1% | (2,260) | (331) | 3,743 | 6,631 |
| 85 Tenth Avenue | 49.9% | (1,793) | (372) | 3,585 | 4,887 |
| 7 West 34th Street | 53.0% | 1,176 | 1,168 | 3,685 | 3,640 |
| 280 Park Avenue | 50.0% | 895 | (1,576) | 9,251 | 8,671 |
| 61 Ninth Avenue | 45.1% | 624 | 462 | 1,687 | 1,716 |
| 650 Madison Avenue | 20.1% | (478) | (3,307) | 2,821 | 3,075 |
| 512 West 22nd Street | 55.0% | (417) | 38 | 1,240 | 829 |
| West 57th Street properties | 50.0% | (340) | (360) | (49) | (42) |
| Other, net | Various | (39) | (293) | 1,209 | 963 |
| | | 24,662 | 21,370 | 75,151 | 82,774 |
| Other: | | | | | |
| Alexander's corporate fee income | 32.4% | 1,531 | 1,097 | 382 | 516 |
| Rosslyn Plaza | 43.7% to 50.4% | (7) | 31 | 1,075 | 1,178 |
| Other, net | Various | (1,619) | 228 | 344 | 1,522 |
| | | (95) | 1,356 | 1,801 | 3,216 |
| Total | | \$ 24,567 | \$ 22,726 | \$ 76,952 | \$ 85,990 |

UNCONSOLIDATED JOINT VENTURES (unaudited)

(Amounts in thousands)

| Joint Venture Name | Percentage Ownership at December 31, 2020 | Our Share of Net (Loss) Income for the Year Ended December 31, | | Our Share of NOI (non-GAAP) for the Year Ended December 31, | |
|---|--|---|------------------|--|-------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| New York: | | | | | |
| Fifth Avenue and Times Square JV ⁽¹⁾ : | | | | | |
| Non-cash impairment loss | | \$ (413,349) | \$ — | \$ — | \$ — |
| Return on preferred equity, net of our share of the expense | | 37,357 | 27,586 | — | — |
| Equity in net income | 51.5% | 21,063 ⁽²⁾ | 31,130 | 122,847 | 103,134 |
| | | (354,929) | 58,716 | 122,847 | 103,134 |
| Alexander's | 32.4% | 13,326 ⁽³⁾ | 19,204 | 35,912 | 44,325 |
| One Park Avenue | 55.0% | 11,757 | 6,879 | 22,358 | 21,229 |
| 85 Tenth Avenue | 49.9% | (6,390) | (368) | 15,720 | 19,617 |
| 280 Park Avenue | 50.0% | 4,767 | (10,191) | 39,318 | 34,495 |
| Independence Plaza | 50.1% | (4,301) | (1,120) | 18,891 | 26,803 |
| 7 West 34th Street | 53.0% | 4,289 | 3,969 | 14,347 | 13,947 |
| 61 Ninth Avenue | 45.1% | 2,846 | 1,480 | 6,993 | 6,299 |
| 650 Madison Avenue | 20.1% | (1,783) | (6,068) | 11,255 | 11,314 |
| 512 West 22nd Street | 55.0% | (1,462) | 106 | 4,447 | 3,032 |
| West 57th Street properties | 50.0% | (1,295) | (654) | (124) | 727 |
| 330 Madison Avenue ⁽⁴⁾ | N/A | — | 1,333 | — | 5,669 |
| Other, net | Various | 1,437 | (1,664) | 4,483 | 3,577 |
| | | (331,738) | 71,622 | 296,447 | 294,168 |
| Other: | | | | | |
| Alexander's corporate fee income | 32.4% | 5,309 | 4,575 | 2,398 | 2,252 |
| Rosslyn Plaza | 43.7% to 50.4% | 295 | 501 | 4,697 | 5,201 |
| UE ⁽⁵⁾ | N/A | — | 773 | — | 4,902 |
| PREIT ⁽⁶⁾ | N/A | — | 51 | — | 9,824 |
| Other, net | Various | (2,978) | 1,343 | 2,953 | 6,043 |
| | | 2,626 | 7,243 | 10,048 | 28,222 |
| Total | | \$ (329,112) | \$ 78,865 | \$ 306,495 | \$ 322,390 |

(1) Entered into on April 18, 2019.

(2) Includes a \$13,971 reduction in income related to a Forever 21 lease modification at 1540 Broadway and \$3,125 of write-offs of lease receivables deemed uncollectible during 2020.

(3) Includes our \$4,846 share of write-offs of lease receivables deemed uncollectible.

(4) Sold on July 11, 2019.

(5) Sold on March 4, 2019.

(6) On March 12, 2019, we converted all of our PREIT operating partnership units into common shares and began accounting for our investment as a marketable security and on January 23, 2020, we sold all of our common shares.

PENN DISTRICT

ACTIVE DEVELOPMENT/REDEVELOPMENT SUMMARY - AS OF DECEMBER 31, 2020 (unaudited)

(Amounts in thousands of dollars, except square feet)

| Active Penn District Projects | Segment | Property Rentable Sq. Ft. | Budget ⁽¹⁾ | Amount Expended | Remainder to be Expended | Stabilization Year | Projected Incremental Cash Yield |
|--|----------|---------------------------|-----------------------------|------------------------|--------------------------|--------------------|----------------------------------|
| Farley (95% interest) | New York | 844,000 | 1,120,000 ⁽²⁾⁽³⁾ | 791,994 ⁽²⁾ | 328,006 | 2022 | 6.4% |
| PENN2 - as expanded ⁽⁴⁾ | New York | 1,795,000 | 750,000 | 91,219 | 658,781 | 2025 | 9.0% |
| PENN1 (including LIRR Concourse Retail) ⁽⁵⁾ | New York | 2,545,000 | 450,000 ⁽⁶⁾ | 167,894 | 282,106 | N/A | 12.2% ⁽⁵⁾⁽⁷⁾ |
| Districtwide Improvements | New York | N/A | 100,000 | 19,618 | 80,382 | N/A | N/A |
| Total Active Penn District Projects | | | 2,420,000 | 1,070,725 | 1,349,275 | | 8.0% |

(1) Excluding debt and equity carry.

(2) Net of 154,000 of historic tax credit investor contributions, of which 88,000 has been funded to date (at our 95% share).

(3) Increase in budget of 90,000 is primarily due to higher projected tenant improvement allowances for the office, restaurant and retail space.

(4) PENN2 estimated impact on cash basis NOI and FFO of square feet taken out of service:

| | 2021 | 2022 |
|---|-----------|-----------|
| Square feet out of service at end of year | 1,190,000 | 1,210,000 |
| Year-over-year reduction in Cash Basis NOI ⁽ⁱ⁾ | (19,000) | — |
| Year-over-year reduction in FFO ⁽ⁱⁱ⁾ | (7,000) | — |

(i) After capitalization of real estate taxes and operating expenses on space out of service.

(ii) Net of capitalized interest on space out of service under redevelopment.

(5) Property is ground leased through 2098, as fully extended. Fair market value resets occur in 2023, 2048 and 2073. The 12.2% projected return is before the ground rent reset in 2023, which may be material.

(6) Increase in budget of 125,000 is primarily due to the addition of the LIRR Concourse Retail project and sustainability initiatives, including the installation of triple pane high energy performance windows and the implementation of an electrification program to allow the building to access more clean renewable electricity.

(7) Achieved as existing leases roll; average remaining lease term 4.9 years.

There can be no assurance that the above projects will be completed, completed on schedule or within budget. In addition, there can be no assurance that the Company will be successful in leasing the properties on the expected schedule or at the assumed rental rates.

OTHER DEVELOPMENT/REDEVELOPMENT SUMMARY - AS OF DECEMBER 31, 2020 (unaudited)

(Amounts in thousands of dollars, except square feet)

| Other Active Projects | Segment | Property Rentable Sq. Ft. | Budget | Amount Expended | Remainder to be Expended | Stabilization Year |
|--|----------------|--|------------------|----------------------------|-------------------------------------|-------------------------------|
| 220 CPS - residential condominiums | Other | 397,000 | 1,480,000 | 1,455,000 ⁽¹⁾ | 25,000 | N/A |
| 345 Montgomery Street (555 California Street) (70% interest) | Other | 78,000 | 46,000 | 38,683 | 7,317 | 2022 |
| 825 Seventh Avenue - office (50% interest) | New York | 165,000 | 15,000 | 13,254 | 1,746 | 2022 |
| Total Other Projects | | | 1,541,000 | 1,506,937 | 34,063 | |

| Future Opportunities | Segment | Property Zoning Sq. Ft. |
|--|----------------|--|
| Penn District - multiple opportunities - office/residential/retail | New York | |
| Hotel Pennsylvania | New York | 2,052,000 |
| 260 Eleventh Avenue - office ⁽²⁾ | New York | 280,000 |

| Undeveloped Land | Segment | Property Zoning Sq. Ft. |
|--------------------------------|----------------|--|
| 57th Street (50% interest) | New York | 150,000 |
| Eighth Avenue and 34th Street | New York | 105,000 |
| 527 West Kinzie, Chicago | Other | 330,000 |
| Rego Park III (32.4% interest) | New York | |
| Total undeveloped land | | 585,000 |

(1) Excludes land and acquisition costs of 515,426.

(2) The building is subject to a ground lease which expires in 2114.

There can be no assurance that the above projects will be completed, completed on schedule or within budget.

CAPITAL EXPENDITURES, TENANT IMPROVEMENTS AND LEASING COMMISSIONS (unaudited)
CONSOLIDATED

(Amounts in thousands)

| | Year Ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| Amounts paid for capital expenditures: | | | |
| Expenditures to maintain assets | \$ 65,173 | \$ 93,226 | \$ 92,386 |
| Tenant improvements | 65,313 | 98,261 | 100,191 |
| Leasing commissions | 18,626 | 18,229 | 33,254 |
| Recurring tenant improvements, leasing commissions and other capital expenditures | 149,112 | 209,716 | 225,831 |
| Non-recurring capital expenditures ⁽¹⁾ | 64,624 | 30,374 | 43,135 |
| Total capital expenditures and leasing commissions | <u>\$ 213,736</u> | <u>\$ 240,090</u> | <u>\$ 268,966</u> |

| | Year Ended December 31, | | |
|---|-------------------------|-------------------|--------------------------|
| | 2020 | 2019 | 2018 |
| Amounts paid for development and redevelopment expenditures: | | | |
| Farley Office and Retail | \$ 239,427 | \$ 265,455 | \$ 18,995 ⁽²⁾ |
| 220 CPS | 119,763 | 181,177 | 295,827 |
| PENN1 | 105,392 | 51,168 | 8,856 |
| PENN2 | 76,883 | 28,719 | 16,288 |
| 345 Montgomery Street | 16,661 | 29,441 | 18,187 |
| Other | 43,794 | 93,096 | 60,033 |
| | <u>\$ 601,920</u> | <u>\$ 649,056</u> | <u>\$ 418,186</u> |

- (1) Primarily tenant improvements and leasing commissions on first generation space.
(2) Includes amounts paid for development from October 30, 2018, the date of consolidation of Farley Office and Retail.

CAPITAL EXPENDITURES, TENANT IMPROVEMENTS AND LEASING COMMISSIONS (unaudited)

NEW YORK SEGMENT

(Amounts in thousands)

| | Year Ended December 31, | | |
|---|-------------------------|-------------------|--------------------------|
| | 2020 | 2019 | 2018 |
| Amounts paid for capital expenditures: | | | |
| Expenditures to maintain assets | \$ 53,543 | \$ 80,416 | \$ 70,954 |
| Tenant improvements | 52,763 | 84,870 | 76,187 |
| Leasing commissions | 14,612 | 16,316 | 29,435 |
| Recurring tenant improvements, leasing commissions and other capital expenditures | 120,918 | 181,602 | 176,576 |
| Non-recurring capital expenditures ⁽¹⁾ | 64,414 | 28,269 | 31,381 |
| Total capital expenditures and leasing commissions | <u>\$ 185,332</u> | <u>\$ 209,871</u> | <u>\$ 207,957</u> |
| | | | |
| | Year Ended December 31, | | |
| | 2020 | 2019 | 2018 |
| Amounts paid for development and redevelopment expenditures: | | | |
| Farley Office and Retail | \$ 239,427 | \$ 265,455 | \$ 18,995 ⁽²⁾ |
| PENN1 | 105,392 | 51,168 | 8,856 |
| PENN2 | 76,883 | 28,719 | 16,288 |
| Other | 39,746 | 86,593 | 44,976 |
| | <u>\$ 461,448</u> | <u>\$ 431,935</u> | <u>\$ 89,115</u> |

⁽¹⁾ Primarily tenant improvements and leasing commissions on first generation space.

⁽²⁾ Includes amounts paid for development from October 30, 2018, the date of consolidation of Farley Office and Retail.

CAPITAL EXPENDITURES, TENANT IMPROVEMENTS AND LEASING COMMISSIONS (unaudited)

theMART

(Amounts in thousands)

| | Year Ended December 31, | | |
|---|-------------------------|------------------|------------------|
| | 2020 | 2019 | 2018 |
| Amounts paid for capital expenditures: | | | |
| Expenditures to maintain assets | \$ 7,627 | \$ 9,566 | \$ 13,282 |
| Tenant improvements | 5,859 | 9,244 | 15,106 |
| Leasing commissions | 3,173 | 827 | 459 |
| Recurring tenant improvements, leasing commissions and other capital expenditures | 16,659 | 19,637 | 28,847 |
| Non-recurring capital expenditures ⁽¹⁾ | 210 | 332 | 260 |
| Total capital expenditures and leasing commissions | \$ 16,869 | \$ 19,969 | \$ 29,107 |

| | Year Ended December 31, | | |
|---|-------------------------|-----------------|------------------|
| | 2020 | 2019 | 2018 |
| Amounts paid for development and redevelopment expenditures: | | | |
| Common area enhancements | \$ 3,063 | \$ 476 | \$ 51 |
| Other | 948 | 1,846 | 10,739 |
| Total | \$ 4,011 | \$ 2,322 | \$ 10,790 |

(1) Primarily tenant improvements and leasing commissions on first generation space.

CAPITAL EXPENDITURES, TENANT IMPROVEMENTS AND LEASING COMMISSIONS (unaudited)
555 CALIFORNIA STREET

(Amounts in thousands)

| | Year Ended December 31, | | |
|---|-------------------------|-----------|-----------|
| | 2020 | 2019 | 2018 |
| Amounts paid for capital expenditures: | | | |
| Expenditures to maintain assets | \$ 4,003 | \$ 3,244 | \$ 8,150 |
| Tenant improvements | 6,691 | 4,147 | 8,898 |
| Leasing commissions | 841 | 1,086 | 3,360 |
| Recurring tenant improvements, leasing commissions and other capital expenditures | 11,535 | 8,477 | 20,408 |
| Non-recurring capital expenditures ⁽¹⁾ | — | 1,773 | 11,494 |
| Total capital expenditures and leasing commissions | \$ 11,535 | \$ 10,250 | \$ 31,902 |

| | Year Ended December 31, | | |
|---|-------------------------|-----------|-----------|
| | 2020 | 2019 | 2018 |
| Amounts paid for development and redevelopment expenditures: | | | |
| 345 Montgomery Street | \$ 16,661 | \$ 29,441 | \$ 18,187 |
| Other | — | 3,896 | 445 |
| | \$ 16,661 | \$ 33,337 | \$ 18,632 |

(1) Primarily tenant improvements and leasing commissions on first generation space.

CAPITAL EXPENDITURES (unaudited)
OTHER

(Amounts in thousands)

| | Year Ended December 31, | | |
|---|-------------------------|------------|------------|
| | 2020 | 2019 | 2018 |
| Amounts paid for development and redevelopment expenditures: | | | |
| 220 CPS | \$ 119,763 | \$ 181,177 | \$ 295,827 |
| Other | 37 | 285 | 3,822 |
| | \$ 119,800 | \$ 181,462 | \$ 299,649 |

SQUARE FOOTAGE (unaudited)

(Square feet in thousands)

| Segment: | At Vornado's Share | | | | | | |
|---|--------------------|------------------------------|---|---------------|--------------|--------------|--------------|
| | At 100% | Total | Under Development or Not Available for Lease | In Service | | | |
| | | | | Office | Retail | Showroom | Other |
| New York: | | | | | | | |
| Office | 20,586 | 17,520 | 2,107 | 15,230 | — | 183 | — |
| Retail | 2,690 | 2,208 | 403 | — | 1,805 | — | — |
| Residential - 1,677 units | 1,526 | 793 | — | — | — | — | 793 |
| Alexander's (32.4% interest), including 312 residential units | 2,444 | 791 | 25 | 298 | 386 | — | 82 |
| Hotel Pennsylvania (closed since April 1, 2020) | 1,400 | 1,400 | 1,400 | — | — | — | — |
| | <u>28,646</u> | <u>22,712</u> | <u>3,935</u> | <u>15,528</u> | <u>2,191</u> | <u>183</u> | <u>875</u> |
| Other: | | | | | | | |
| theMART | 3,900 | 3,891 | 208 | 2,050 | 105 | 1,312 | 216 |
| 555 California Street (70% interest) | 1,819 | 1,273 | 55 | 1,185 | 33 | — | — |
| Other | 2,841 | 1,342 | 188 | 212 | 831 | — | 111 |
| | <u>8,560</u> | <u>6,506</u> | <u>451</u> | <u>3,447</u> | <u>969</u> | <u>1,312</u> | <u>327</u> |
| Total square feet at December 31, 2020 | <u>37,206</u> | <u>29,218</u> | <u>4,386</u> | <u>18,975</u> | <u>3,160</u> | <u>1,495</u> | <u>1,202</u> |
| Total square feet at September 30, 2020 | <u>37,198</u> | <u>29,208</u> | <u>4,093</u> | <u>19,166</u> | <u>3,115</u> | <u>1,498</u> | <u>1,336</u> |
| Parking Garages (not included above): | Square Feet | Number of Garages | Number of Spaces | | | | |
| New York | 1,669 | 10 | 4,875 | | | | |
| theMART | 558 | 4 | 1,637 | | | | |
| 555 California Street | 168 | 1 | 453 | | | | |
| Rosslyn Plaza | 411 | 4 | 1,094 | | | | |
| Total at December 31, 2020 | <u>2,806</u> | <u>19</u> | <u>8,059</u> | | | | |

TOP 30 TENANTS (unaudited)

(Amounts in thousands, except square feet)

| Tenants | Square Footage At Share | Annualized Revenues At Share (non-GAAP) | % of Annualized Revenues At Share (non-GAAP) ⁽¹⁾ |
|--|-------------------------|---|---|
| Facebook ⁽²⁾ | 757,653 | \$ 79,449 | 4.2 % |
| IPG and affiliates | 967,552 | 66,105 | 3.5 % |
| Bloomberg L.P. | 303,147 | 39,298 | 2.1 % |
| Google/Motorola Mobility (guaranteed by Google) | 728,483 | 36,797 | 2.0 % |
| Equitable Financial Life Insurance Company | 336,646 | 35,697 | 1.9 % |
| Verizon Media Group | 327,138 | 32,675 | 1.7 % |
| Swatch Group USA | 14,950 | 31,010 | 1.7 % |
| Amazon (including its Whole Foods subsidiary) | 310,272 | 29,688 | 1.6 % |
| LVMH Brands | 77,585 | 26,899 | 1.4 % |
| The City of New York | 582,545 | 26,043 | 1.4 % |
| Neuberger Berman Group LLC | 306,611 | 25,310 | 1.3 % |
| Madison Square Garden & Affiliates | 409,215 | 24,860 | 1.3 % |
| AMC Networks, Inc. | 326,061 | 24,005 | 1.3 % |
| Bank of America | 247,460 | 23,427 | 1.2 % |
| New York University | 347,948 | 22,680 | 1.2 % |
| Apple | 336,755 | 19,559 | 1.0 % |
| Macy's | 250,350 | 19,223 | 1.0 % |
| Victoria's Secret (guaranteed by L Brands, Inc.) | 33,164 | 18,410 | 1.0 % |
| PwC | 241,196 | 17,937 | 1.0 % |
| Ziff Brothers Investments, Inc. | 127,815 | 14,766 | 0.8 % |
| Fast Retailing (Uniqlo) | 47,181 | 13,557 | 0.7 % |
| Cushman & Wakefield | 127,314 | 13,082 | 0.7 % |
| Citadel | 119,421 | 11,942 | 0.6 % |
| Foot Locker | 149,987 | 11,633 | 0.6 % |
| Hollister | 11,306 | 11,201 | 0.6 % |
| Manufacturers & Traders Trust | 102,622 | 10,824 | 0.6 % |
| Forest Laboratories | 168,673 | 10,624 | 0.6 % |
| Kirkland & Ellis LLP | 106,752 | 10,595 | 0.6 % |
| Axon Capital | 93,127 | 10,376 | 0.6 % |
| Alston & Bird LLP | 126,872 | 10,174 | 0.5 % |
| | | | 38.7 % |

(1) See reconciliation of our annualized revenue at share on page xiv in the Appendix.

(2) Excludes Facebook lease at Farley Office for 730,000 square feet (694,000 at our share) not yet commenced.

OCCUPANCY (unaudited)

| Occupancy rate at: | New York | theMART | 555 California Street |
|--------------------|----------|---------|-----------------------|
| December 31, 2020 | 92.1 % | 89.5 % | 98.4 % |
| September 30, 2020 | 94.3 % | 89.8 % | 98.4 % |
| December 31, 2019 | 96.7 % | 94.6 % | 99.8 % |
| September 30, 2019 | 96.8 % | 95.0 % | 100.0 % |

RESIDENTIAL STATISTICS in service (unaudited)

| New York: | Vornado's Ownership Interest | | | |
|--------------------|------------------------------|-----------------|----------------|-------------------------------|
| | Number of Units | Number of Units | Occupancy Rate | Average Monthly Rent Per Unit |
| December 31, 2020 | 1,989 | 954 | 83.9% | \$3,719 |
| September 30, 2020 | 1,990 | 954 | 84.8% | \$3,758 |
| December 31, 2019 | 1,991 | 955 | 97.0% | \$3,889 |
| September 30, 2019 | 1,991 | 955 | 96.8% | \$3,879 |

GROUND LEASES (unaudited)

(Amounts in thousands, except square feet)

| Property | Current Annual Rent at Share | Next Option Renewal Date | Fully Extended Lease Expiration | Rent Increases and Other Information |
|---|------------------------------|--------------------------|---------------------------------|--|
| Consolidated: | | | | |
| New York: | | | | |
| Farley (95% interest) | \$ 4,750 | None | 2116 | None |
| PENNI: | | | | |
| Land | 2,500 | 2023 | 2098 | Three 25-year renewal options at fair market value ("FMV"). |
| Long Island Railroad Concourse Retail | — ⁽¹⁾ | 2023 | 2098 | Three 25-year renewal options. Rent increases at a rate based on the increase in gross income reduced by the increase in real estate taxes and operating expenses. The next rent increase occurs in 2028 and every ten years thereafter. |
| 260 Eleventh Avenue | 4,254 | None | 2114 | Rent increases annually by the lesser of CPI or 1.5% compounded. We have a purchase option exercisable at a future date for \$110,000 increased annually by the lesser of CPI or 1.5% compounded. |
| 888 Seventh Avenue | 3,350 | 2028 | 2067 | Two 20-year renewal options at FMV. |
| Piers 92 & 94 | 2,000 | 2060 | 2110 | Five 10-year renewal options. FMV resets upon exercise of first and fourth renewal options. Fixed rent increases every 5 years through initial term. |
| 330 West 34th Street - 65.2% ground leased | 1,906 | 2021 | 2149 | Three 30-year and one 39-year renewal option at FMV. |
| 909 Third Avenue | 1,600 | 2041 | 2063 | One 22-year renewal option at current annual rent. |
| 962 Third Avenue (the Annex building to 150 East 58th Street) - 50.0% ground leased | 666 | None | 2118 | Rent resets every ten years to FMV. |
| Other: | | | | |
| Wayne Town Center | 4,734 | 2035 | 2064 | Two 10-year renewal options and one 9-year renewal option. Rent increases annually by the greater of CPI or 6%. |
| Annapolis | 328 | None | 2042 | Fixed rent increases to \$650 per annum in 2022 and to \$750 per annum in 2032. |
| Unconsolidated: | | | | |
| 61 Ninth Avenue (45.1% interest) | 3,240 | None | 2115 | Rent increases in April 2021 and every three-years thereafter based on CPI, subject to a cap. In 2051, 2071 and 2096, rent resets based on the increase in the property's gross revenue net of real estate taxes, if greater than the CPI reset. |
| Flushing (Alexander's) (32.4% interest) | 259 | 2027 | 2037 | One 10-year renewal option at 90% of FMV. |

(1) In December 2020, we entered into an agreement with the Metropolitan Transportation Authority (the "MTA") to oversee the redevelopment of the Long Island Rail Road Concourse at Penn Station (the "Concourse"). In connection with the redevelopment, we entered into an agreement with the MTA which will result in the widening of the Concourse to relieve overcrowding and our trading of 15,000 square feet of back of house space for 22,000 square feet of retail frontage space.

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|--------------------------------------|-------------|-------------|---|----------------|------------|--|---|---|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK: | | | | | | | | |
| Penn District: | | | | | | | | |
| PENN1 | | | | | | | | |
| (ground leased through 2098)** | | | | | | | | |
| -Office | 100.0 % | 86.0 % | \$ 69.99 | 2,274,000 | 2,105,000 | 169,000 | | Cisco, WSP USA, Hartford Fire Insurance, United Healthcare Services, Inc., Siemens Mobility |
| -Retail | 100.0 % | 68.6 % | 308.22 | 271,000 | 97,000 | 174,000 | | Bank of America, Shake Shack, Starbucks |
| | 100.0 % | 85.4 % | 76.69 | 2,545,000 | 2,202,000 | 343,000 | \$ — | |
| PENN2 | | | | | | | | |
| -Office | 100.0 % | 100.0 % | 59.05 | 1,577,000 | 416,000 | 1,161,000 | | Madison Square Garden, EMC |
| -Retail | 100.0 % | 100.0 % | 208.90 | 43,000 | 17,000 | 26,000 | | Chase Manhattan Bank |
| | 100.0 % | 100.0 % | 65.06 | 1,620,000 | 433,000 | 1,187,000 | 575,000 ⁽³⁾ | |
| PENN11 | | | | | | | | |
| -Office | 100.0 % | 100.0 % | 68.19 | 1,113,000 | 1,113,000 | — | | Madison Square Garden, AMC Networks, Inc., Information Builders, Inc., Apple, Macy's |
| -Retail | 100.0 % | 85.1 % | 144.75 | 40,000 | 40,000 | — | | PNC Bank National Association, Starbucks |
| | 100.0 % | 99.4 % | 70.47 | 1,153,000 | 1,153,000 | — | 500,000 | |
| 100 West 33rd Street | | | | | | | | |
| -Office | 100.0 % | 100.0 % | 68.94 | 859,000 | 859,000 | — | 398,402 | IPG and affiliates |
| Manhattan Mall | | | | | | | | |
| -Retail | 100.0 % | 13.4% | 168.74 | 256,000 | 256,000 | — | 181,598 | Aeropostale, Express, Starbucks |
| 330 West 34th Street | | | | | | | | |
| (65.2% ground leased through 2149)** | | | | | | | | |
| -Office | 100.0 % | 73.8 % | 72.43 | 703,000 | 703,000 | — | | Structure Tone, Deutsch, Inc., Web.com, Footlocker, Home Advisor, Inc. |
| -Retail | 100.0 % | 34.5 % | 113.38 | 21,000 | 21,000 | — | | Starbucks |
| | 100.0 % | 73.0 % | 72.83 | 724,000 | 724,000 | — | 50,150 ⁽⁴⁾ | |
| 435 Seventh Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 35.22 | 43,000 | 43,000 | — | 95,696 | Forever 21 |
| 7 West 34th Street | | | | | | | | |
| -Office | 53.0 % | 100.0 % | 79.24 | 458,000 | 458,000 | — | | Amazon |
| -Retail | 53.0 % | 89.3 % | 371.03 | 19,000 | 19,000 | — | | Amazon, Lindt, Naturalizer (guaranteed by Caleres) |
| | 53.0 % | 99.6 % | 89.90 | 477,000 | 477,000 | — | 300,000 | |
| 431 Seventh Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 292.15 | 10,000 | 10,000 | — | — | |
| 138-142 West 32nd Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 117.81 | 8,000 | 8,000 | — | — | |
| 150 West 34th Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 112.53 | 78,000 | 78,000 | — | 205,000 | Old Navy |

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|-------------------------------------|-------------|-------------|---|------------------|------------------|--|---|---|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK (Continued): | | | | | | | | |
| Penn District (Continued): | | | | | | | | |
| 137 West 33rd Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | \$ 105.14 | 3,000 | 3,000 | — | \$ — | |
| 131-135 West 33rd Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 57.56 | 23,000 | 23,000 | — | — | |
| Other (3 buildings) | | | | | | | | |
| -Retail | 100.0 % | 84.8 % | 189.15 | 16,000 | 16,000 | — | — | |
| Total Penn District | | | | 7,815,000 | 6,285,000 | 1,530,000 | 2,305,846 | |
| Midtown East: | | | | | | | | |
| 909 Third Avenue | | | | | | | | |
| (ground leased through 2063)** | | | | | | | | |
| -Office | 100.0 % | 98.6 % | 64.39 ⁽³⁾ | 1,350,000 | 1,350,000 | — | 350,000 | IPG and affiliates, Forest Laboratories, Geller & Company, Morrison Cohen LLP, United States Post Office, Thomson Reuters LLC, Sard Verbinnen |
| 150 East 58th Street ⁽⁴⁾ | | | | | | | | |
| -Office | 100.0 % | 89.8 % | 79.83 | 541,000 | 541,000 | — | — | Castle Harlan, Tournesol Realty LLC (Peter Marino) |
| -Retail | 100.0 % | 13.1 % | 17.86 | 3,000 | 3,000 | — | — | |
| | 100.0 % | 89.4 % | 79.79 | 544,000 | 544,000 | — | — | |
| 715 Lexington Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 258.04 | 22,000 | 10,000 | 12,000 | — | Orangetheory Fitness, Casper, Santander Bank |
| 966 Third Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 109.85 | 7,000 | 7,000 | — | — | McDonald's |
| 968 Third Avenue | | | | | | | | |
| -Retail | 50.0 % | 100.0 % | 174.07 | 7,000 | 7,000 | — | — | Wells Fargo |
| Total Midtown East | | | | 1,930,000 | 1,918,000 | 12,000 | 350,000 | |
| Midtown West: | | | | | | | | |
| 888 Seventh Avenue | | | | | | | | |
| (ground leased through 2067)** | | | | | | | | |
| -Office | 100.0 % | 90.5 % | 93.96 | 870,000 | 870,000 | — | — | Axon Capital LP, Lone Star US Acquisitions LLC, Vornado Executive Headquarters, United Talent Agency |
| -Retail | 100.0 % | 100.0 % | 320.46 | 15,000 | 15,000 | — | — | Redeye Grill L.P. |
| | 100.0 % | 90.6 % | 96.19 | 885,000 | 885,000 | — | 321,000 | |
| 57th Street - 2 buildings | | | | | | | | |
| -Office | 50.0 % | 85.4 % | 59.51 | 81,000 | 81,000 | — | — | |
| -Retail | 50.0 % | 100.0 % | 151.01 | 22,000 | 22,000 | — | — | |
| | 50.0 % | 87.8 % | 76.86 | 103,000 | 103,000 | — | 20,000 | |
| Total Midtown West | | | | 988,000 | 988,000 | — | 341,000 | |

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|------------------------------|-------------|-------------|---|------------------------|------------|--|---|--|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK (Continued): | | | | | | | | |
| Park Avenue: | | | | | | | | |
| 280 Park Avenue | | | | | | | | |
| -Office | 50.0 % | 97.2 % | \$ 104.54 | 1,234,000 | 1,234,000 | — | | Cohen & Steers Inc., Franklin Templeton Co. LLC, PJT Partners, Investcorp International Inc., GIC Inc., Wells Fargo |
| -Retail | 50.0 % | 100.0 % | 81.31 | 28,000 | 28,000 | — | | Scottrade Inc., Starbucks, Fasano Restaurant |
| | 50.0 % | 97.3 % | 104.01 | 1,262,000 | 1,262,000 | — | \$ 1,200,000 | |
| 350 Park Avenue | | | | | | | | |
| -Office | 100.0 % | 98.1 % | 111.56 | 556,000 | 556,000 | — | | Citadel, Kissinger Associates Inc., Ziff Brothers Investment Inc., MFA Financial Inc., M&T Bank, Square Mile Capital Management* |
| -Retail | 100.0 % | 91.5 % | 266.21 | 18,000 | 18,000 | — | | Fidelity Investments, AT&T Wireless, Valley National Bank |
| | 100.0 % | 97.9 % | 115.98 | 574,000 | 574,000 | — | 400,000 | |
| Total Park Avenue | | | | 1,836,000 | 1,836,000 | — | 1,600,000 | |
| Grand Central: | | | | | | | | |
| 90 Park Avenue | | | | | | | | |
| -Office | 100.0 % | 99.3 % | 79.60 | 938,000 | 938,000 | — | | Alston & Bird, Capital One, PwC, MassMutual, Factset Research Systems Inc., Foley & Lardner |
| -Retail | 100.0 % | 72.8 % | 163.46 | 18,000 | 18,000 | — | | Citibank, Starbucks |
| | 100.0 % | 98.8 % | 80.73 | 956,000 | 956,000 | — | — | |
| 510 Fifth Avenue | | | | | | | | |
| -Retail | 100.0 % | 51.5 % | 222.34 | 66,000 | 66,000 | — | — | The North Face |
| Total Grand Central | | | | 1,022,000 | 1,022,000 | — | — | |
| Madison/Fifth: | | | | | | | | |
| 640 Fifth Avenue | | | | | | | | |
| -Office | 52.0 % | 95.6 % | 102.97 | 246,000 | 246,000 | — | | Fidelity Investments, Owl Creek Asset Management LP, Avolon Aerospace, GCA Savvian Inc. |
| -Retail | 52.0 % | 96.1 % | 1,002.58 | 69,000 | 69,000 | — | | Victoria's Secret (guaranteed by L Brands, Inc.), Dyson |
| | 52.0 % | 95.7 % | 240.24 | 315,000 | 315,000 | — | 500,000 | |
| 666 Fifth Avenue | | | | | | | | |
| -Retail | 52.0 % | 100.0 % | 501.13 | 114,000 ⁽³⁾ | 114,000 | — | — | Fast Retailing (Uniqlo), Hollister, Tissot |
| 595 Madison Avenue | | | | | | | | |
| -Office | 100.0 % | 76.9 % | 82.73 | 298,000 | 298,000 | — | | Beauvais Carpets, Levin Capital Strategies LP, Albea Beauty Solutions, Aerin LLC |
| -Retail | 100.0 % | 89.1 % | 757.17 | 35,000 | 35,000 | — | | Fendi*, Berluti*, Christofle Silver Inc* |
| | 100.0 % | 77.7 % | 132.17 | 333,000 | 333,000 | — | — | |
| 650 Madison Avenue | | | | | | | | |
| -Office | 20.1 % | 96.5 % | 117.09 | 564,000 | 564,000 | — | | Memorial Sloan Kettering Cancer Center, Sotheby's International Realty, Inc., Polo Ralph Lauren, Willett Advisors LLC (Bloomberg Philanthropies) |
| -Retail | 20.1 % | 100.0 % | 1,002.42 | 37,000 | 37,000 | — | | Moncler USA Inc., Tod's, Celine, Domenico Vacca, Balmain |
| | 20.1 % | 96.7 % | 153.11 | 601,000 | 601,000 | — | 800,000 | |
| 689 Fifth Avenue | | | | | | | | |
| -Office | 52.0 % | 100.0 % | 100.80 | 81,000 | 81,000 | — | | Yamaha Artist Services Inc., Brunello Cucinelli USA Inc. |
| -Retail | 52.0 % | 9.3 % | 3,641.32 | 17,000 | 17,000 | — | | MAC Cosmetics |
| | 52.0 % | 85.3 % | 163.53 | 98,000 | 98,000 | — | — | |
| 655 Fifth Avenue | | | | | | | | |
| -Retail | 50.0 % | 100.0 % | 274.86 | 57,000 | 57,000 | — | — | Ferragamo |
| 697-703 Fifth Avenue | | | | | | | | |
| -Retail | 44.8 % | 100.0 % | 3,213.75 | 26,000 | 26,000 | — | 450,000 | Swatch Group USA, Harry Winston |
| Total Madison/Fifth | | | | 1,544,000 | 1,544,000 | — | 1,750,000 | |

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) ⁽²⁾ | Major Tenants |
|---------------------------------------|-------------|-------------|---|----------------|------------|--|--|---|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK (Continued): | | | | | | | | |
| Midtown South: | | | | | | | | |
| 770 Broadway | | | | | | | | |
| -Office | 100.0 % | 100.0 % | \$ 102.45 | 1,077,000 | 1,077,000 | — | | Facebook, Verizon Media Group |
| -Retail | 100.0 % | 92.0 % | 69.96 | 105,000 | 105,000 | — | | Bank of America N.A., Kmart Corporation |
| | 100.0 % | 99.3 % | 99.95 | 1,182,000 | 1,182,000 | — | \$ 700,000 | |
| One Park Avenue | | | | | | | | |
| -Office | 55.0 % | 100.0 % | 64.65 | 865,000 | 865,000 | — | | New York University, Clarins USA Inc., BMG Rights Management LLC, Robert A.M. Stern Architect, automotiveMastermind |
| -Retail | 55.0 % | 90.6 % | 89.12 | 78,000 | 78,000 | — | | Bank of Baroda, Citibank, Equinox |
| | 55.0 % | 99.2 % | 66.47 | 943,000 | 943,000 | — | 300,000 | |
| 4 Union Square South | | | | | | | | |
| -Retail | 100.0 % | 94.5 % | 134.61 | 204,000 | 204,000 | — | 120,000 | Burlington, Whole Foods Market, DSW, Sephora* |
| 692 Broadway | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 92.12 | 36,000 | 36,000 | — | — | Equinox, Verizon Media Group |
| Total Midtown South | | | | 2,365,000 | 2,365,000 | — | 1,120,000 | |
| Rockefeller Center: | | | | | | | | |
| 1290 Avenue of the Americas | | | | | | | | |
| -Office | 70.0 % | 98.7 % | 89.00 | 2,043,000 | 2,043,000 | — | | Equitable Financial Life Insurance Company, Hachette Book Group Inc., Bryan Cave LLP, Neuberger Berman Group LLC, SSB Realty LLC, Cushman & Wakefield, Columbia University, LinkLaters, Venable LLP |
| -Retail | 70.0 % | 97.7 % | 196.50 | 75,000 | 75,000 | — | | Duane Reade, JPMorgan Chase Bank, Sovereign Bank, Starbucks |
| | 70.0 % | 98.7 % | 91.86 | 2,118,000 | 2,118,000 | — | 950,000 | |
| Wall Street/Downtown: | | | | | | | | |
| 40 Fulton Street | | | | | | | | |
| -Office | 100.0 % | 75.3 % | 54.16 | 246,000 | 246,000 | — | | Safety National Casualty Corp*, Fortune Media Corp. |
| -Retail | 100.0 % | 100.0 % | 121.02 | 5,000 | 5,000 | — | | TD Bank |
| | 100.0 % | 75.7 % | 55.81 | 251,000 | 251,000 | — | — | |
| Soho: | | | | | | | | |
| 478-486 Broadway - 2 buildings | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 310.50 | 68,000 | 15,000 | 53,000 | | Madewell, J. Crew |
| -Residential (10 units) | 100.0 % | 100.0 % | | 20,000 | 20,000 | — | | |
| | 100.0 % | | | 88,000 | 35,000 | 53,000 | — | |
| 606 Broadway (19 East Houston Street) | | | | | | | | |
| -Office | 50.0 % | 100.0 % | 115.99 | 30,000 | 30,000 | — | | WeWork |
| -Retail | 50.0 % | 100.0 % | 641.54 | 6,000 | 6,000 | — | | HSBC, Harman International |
| | 50.0 % | 100.0 % | 185.12 | 36,000 | 36,000 | — | 74,119 | |

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|------------------------------|-------------|-------------|---|----------------|------------|--|---|--|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK (Continued): | | | | | | | | |
| Soho (Continued): | | | | | | | | |
| 443 Broadway | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | \$ 109.21 | 16,000 | 16,000 | — | \$ — | |
| 304 Canal Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 46.80 | 4,000 | 4,000 | — | — | Stellar Works* |
| -Residential (4 units) | 100.0 % | 75.0 % | | 9,000 | 9,000 | — | — | |
| | 100.0 % | | | 13,000 | 13,000 | — | — | |
| 334 Canal Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 30.36 | 4,000 | 4,000 | — | — | |
| -Residential (4 units) | 100.0 % | 50.0 % | | 11,000 | 11,000 | — | — | |
| | 100.0 % | | | 15,000 | 15,000 | — | — | |
| 155 Spring Street | | | | | | | | |
| -Retail | 100.0 % | 97.3 % | 126.45 | 50,000 | 50,000 | — | — | Vera Bradley |
| 148 Spring Street | | | | | | | | |
| -Retail | 100.0 % | 72.7 % | 254.68 | 8,000 | 8,000 | — | — | Dr. Martens |
| 150 Spring Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 317.31 | 6,000 | 6,000 | — | — | Sandro |
| -Residential (1 unit) | 100.0 % | — % | | 1,000 | 1,000 | — | — | |
| | 100.0 % | | | 7,000 | 7,000 | — | — | |
| Total Soho | | | | 233,000 | 180,000 | 53,000 | 74,119 | |
| Times Square: | | | | | | | | |
| 1540 Broadway | | | | | | | | |
| -Retail | 52.0 % | 100.0 % | 182.70 | 161,000 | 161,000 | — | — | Forever 21, Planet Hollywood, Disney, Sunglass Hut, MAC Cosmetics, U.S. Polo |
| 1535 Broadway | | | | | | | | |
| -Retail | 52.0 % | 95.3 % | 1,107.60 | 45,000 | 45,000 | — | — | T-Mobile, Invicta, Swatch Group USA, Levi's, Sephora |
| -Theatre | 52.0 % | 100.0 % | 14.25 | 62,000 | 62,000 | — | — | Nederlander-Marquis Theatre |
| | 52.0 % | 98.2 % | 412.79 | 107,000 | 107,000 | — | — | |
| Total Times Square | | | | 268,000 | 268,000 | — | — | |
| Upper East Side: | | | | | | | | |
| 828-850 Madison Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 186.53 | 18,000 | 13,000 | 5,000 | — | Christoffe Silver Inc. |
| 677-679 Madison Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 534.70 | 8,000 | 8,000 | — | — | Berluti |
| -Residential (8 units) | 100.0 % | 75.0 % | | 5,000 | 5,000 | — | — | |
| | 100.0 % | | | 13,000 | 13,000 | — | — | |
| 1131 Third Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 185.75 | 23,000 | 23,000 | — | — | Nike, Crunch LLC, J.Jill |

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|--|-------------|-------------|---|------------------|------------------|--|---|--|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK (Continued): | | | | | | | | |
| Upper East Side (Continued): | | | | | | | | |
| 759-771 Madison Avenue (40 East 66th) | | | | | | | | |
| -Retail | 100.0 % | 76.1 % | \$ 631.89 | 14,000 | 14,000 | — | | Armani |
| -Residential (5 units) | 100.0 % | 100.0 % | | 12,000 | 12,000 | — | | |
| | 100.0 % | | | 26,000 | 26,000 | — | \$ — | |
| Total Upper East Side | | | | 80,000 | 75,000 | 5,000 | — | |
| Long Island City: | | | | | | | | |
| 33-00 Northern Boulevard (Center Building) | | | | | | | | |
| -Office | 100.0 % | 99.6 % | 36.39 | 471,000 | 471,000 | — | 100,000 | The City of New York, NYC Transit Authority |
| Chelsea/Meatpacking District: | | | | | | | | |
| 260 Eleventh Avenue | | | | | | | | |
| (ground leased through 2114)** | | | | | | | | |
| -Office | 100.0 % | 100.0 % | 54.84 | 184,000 | 184,000 | — | — | The City of New York |
| 85 Tenth Avenue | | | | | | | | |
| -Office | 49.9 % | 71.1 % | 92.79 | 584,000 | 584,000 | — | | Google, Telehouse International Corp., Moet Hennessy USA, Inc., L-3 Communications |
| -Retail | 49.9 % | 75.6 % | 92.65 | 43,000 | 43,000 | — | | IL Posto LLC, L'Atelier |
| | 49.9 % | 71.4 % | 92.78 | 627,000 | 627,000 | — | 625,000 | |
| 537 West 26th Street | | | | | | | | |
| -Other (event space) | 100 % | — | — | 14,000 | — | 14,000 | — | |
| 61 Ninth Avenue (2 buildings) | | | | | | | | |
| (ground leased through 2115)** | | | | | | | | |
| -Office | 45.1 % | 100.0 % | 130.28 | 155,000 | 155,000 | — | | Aetna Life Insurance Company |
| -Retail | 45.1 % | 55.1 % | 356.78 | 37,000 | 37,000 | — | | Starbucks |
| | 45.1 % | 94.5 % | 146.57 | 192,000 | 192,000 | — | 167,500 | |
| 512 West 22nd Street | | | | | | | | |
| -Office | 55.0 % | 41.7 % | 130.32 | 164,000 | 164,000 | — | | Warner Media, Next Jump |
| -Retail | 55.0 % | 46.7 % | 108.02 | 9,000 | 9,000 | — | | Galeria Nara Roesler |
| | | 42.0 % | 129.07 | 173,000 | 173,000 | — | 119,134 | |
| Total Chelsea/Meatpacking District | | | | 1,190,000 | 1,176,000 | 14,000 | 911,634 | |
| Upper West Side: | | | | | | | | |
| 50-70 W 93rd Street | | | | | | | | |
| -Residential (325 units) | 49.9 % | 84.6 % | — | 283,000 | 283,000 | — | 82,500 | |
| Tribeca: | | | | | | | | |
| Independence Plaza | | | | | | | | |
| -Residential (1,327 units) | 50.1 % | 84.1 % | | 1,185,000 | 1,185,000 | — | | |
| -Retail | 50.1 % | 100.0 % | 66.01 | 73,000 | 60,000 | 13,000 | 675,000 | Duane Reade |
| | 50.1 % | | | 1,258,000 | 1,245,000 | 13,000 | 675,000 | |
| 339 Greenwich Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 68.57 | 8,000 | 8,000 | — | — | Sarabeth's |
| Total Tribeca | | | | 1,266,000 | 1,253,000 | 13,000 | 675,000 | |
| New Jersey: | | | | | | | | |
| Paramus | | | | | | | | |
| -Office | 100.0 % | 85.2 % | 24.87 | 129,000 | 129,000 | — | — | Vornado's Administrative Headquarters |

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|--|-------------|-------------|---|----------------|------------|--|---|---------------|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK (Continued): | | | | | | | | |
| Properties under Development: | | | | | | | | |
| Farley Office and Retail (ground and building leased through 2116)** | | | | | | | | |
| -Office | 95.0 % | — | \$ — | 730,000 | — | 730,000 | | Facebook* |
| -Retail | 95.0 % | — | — | 114,000 | — | 114,000 | | |
| | 95.0 % | — | — | 844,000 | — | 844,000 | \$ — | |
| 825 Seventh Avenue | | | | | | | | |
| -Office | 50.0 % | — | — | 165,000 | — | 165,000 | 40,788 | |
| -Retail | 100.0 % | — | — | 4,000 | — | 4,000 | — | |
| | 51.2 % | — | — | 169,000 | — | 169,000 | 40,788 | |
| Total Properties under Development | | | | 1,013,000 | — | 1,013,000 | 40,788 | |
| Properties to be Developed: | | | | | | | | |
| 57th Street | | | | | | | | |
| -Land | 50.0 % | — | — | — | — | — | — | |
| Eighth Avenue and 34th Street | | | | | | | | |
| -Land | 100.0 % | — | — | — | — | — | — | |
| New York Office: | | | | | | | | |
| Total | 93.4 % | \$ | 81.74 | 20,586,000 | 18,361,000 | 2,225,000 | \$ 8,416,974 | |
| Vornado's Ownership Interest | 93.4 % | \$ | 79.05 | 17,520,000 | 15,413,000 | 2,107,000 | \$ 5,855,152 | |
| New York Retail: | | | | | | | | |
| Total | 81.8 % | \$ | 266.92 | 2,690,000 | 2,275,000 | 415,000 | \$ 1,126,413 | |
| Vornado's Ownership Interest | 78.8 % | \$ | 226.38 | 2,208,000 | 1,805,000 | 403,000 | \$ 840,890 | |
| New York Residential: | | | | | | | | |
| Total | 83.9 % | | | 1,526,000 | 1,526,000 | — | \$ 757,500 | |
| Vornado's Ownership Interest | 83.9 % | | | 793,000 | 793,000 | — | \$ 379,342 | |

NEW YORK SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|--|---------------|-----------------|---|-------------------|------------------|--|---|---|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| NEW YORK (Continued): | | | | | | | | |
| ALEXANDER'S, INC.: | | | | | | | | |
| New York: | | | | | | | | |
| 731 Lexington Avenue, Manhattan | | | | | | | | |
| -Office | 32.4 % | 100.0 % | \$ 130.00 | 920,000 | 920,000 | — | \$ 500,000 | Bloomberg |
| -Retail | 32.4 % | 93.4 % | 278.46 | 155,000 | 155,000 | — | 300,000 | The Home Depot, The Container Store, Hutong |
| | 32.4 % | 99.0 % | 148.35 | 1,075,000 | 1,075,000 | — | 800,000 | |
| Rego Park I, Queens (4.8 acres) | 32.4 % | 100.0 % | 53.58 | 338,000 | 260,000 | 78,000 | — | Burlington, Bed Bath & Beyond, Marshalls, IKEA |
| Rego Park II (adjacent to Rego Park I), Queens (6.6 acres) | 32.4 % | 96.3 % | 59.73 | 609,000 | 609,000 | — | 202,544 ⁽⁹⁾ | Century 21 ⁽⁹⁾ , Costco, Kohl's, TJ Maxx |
| Flushing, Queens (1.0 acre ground leased through 2037)** | 32.4 % | 100.0 % | 32.09 | 167,000 | 167,000 | — | — | New World Mall LLC |
| The Alexander Apartment Tower, Rego Park, Queens, NY Residential (312 units) | 32.4 % | 82.4 % | — | 255,000 | 255,000 | — | 94,000 | |
| New Jersey: | | | | | | | | |
| Paramus, New Jersey (30.3 acres ground leased to IKEA through 2041)** | 32.4 % | 100.0 % | — | — | — | — | 68,000 | IKEA (ground lessee) |
| Property to be Developed: | | | | | | | | |
| Rego Park III (adjacent to Rego Park II), Queens, NY (3.4 acres) | 32.4 % | — | — | — | — | — | — | |
| Total Alexander's | 32.4 % | 96.7 % | 97.33 | 2,444,000 | 2,366,000 | 78,000 | 1,164,544 | |
| Hotel Pennsylvania⁽¹⁰⁾ : | | | | | | | | |
| -Hotel (1,700 Rooms) | 100.0 % | | | 1,400,000 | — | 1,400,000 | — | |
| Total New York | 92.7 % | \$ 98.44 | 28,646,000 | 24,528,000 | 4,118,000 | \$ 11,465,431 | | |
| Vornado's Ownership Interest | 92.1 % | \$ 91.74 | 22,712,000 | 18,777,000 | 3,935,000 | \$ 7,452,696 | | |

* Lease not yet commenced.

** Term assumes all renewal options exercised, if applicable.

- (1) Weighted average escalated annual rent per square foot and average occupancy percentage for office properties excludes garages and de minimis amounts of storage space. Weighted average escalated annual rent per square foot for retail excludes non-selling space.
- (2) Represents contractual debt obligations.
- (3) Secured amount outstanding on revolving credit facilities.
- (4) Amount represents debt on land which is owned 34.8% by Vornado.
- (5) Excludes US Post Office lease for 497,000 square feet.
- (6) Includes 962 Third Avenue (the Annex building to 150 East 58th Street) 50.0% ground leased through 2118**.
- (7) 75,000 square feet is leased from 666 Fifth Avenue Office Condominium.
- (8) Net of \$50,000 of Alexander's participation in its Rego Park II shopping center mortgage loan which is considered partially extinguished as the participation interest is a reacquisition of debt.
- (9) On September 10, 2020, Century 21 filed for Chapter 11 bankruptcy and closed its 135,000 square foot store on December 7, 2020.
- (10) Closed beginning April 1, 2020 and therefore square footage was taken out of service.

OTHER

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|--|---------------|-----------------|---|------------------|------------------|--|---|---|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| theMART: | | | | | | | | |
| theMART, Chicago | | | | | | | | |
| -Office | 100.0 % | 88.6 % | \$ 44.60 | 2,050,000 | 2,050,000 | — | — | Motorola Mobility (guaranteed by Google), CCC Information Services, Publicis Groupe (Razorfish), 1871, ANGI Home Services, Inc, Yelp Inc., Paypal, Inc., Allscripts Healthcare, Kellogg Company, Chicago School of Professional Psychology, Innovation Development Institute, Inc., Chicago Teachers Union, ConAgra Foods Inc., Allstate Insurance Company Steelcase, Baker, Knapp & Tubbs, Holly Hunt Ltd., Allsteel Inc., Teknion LLC |
| -Showroom/Trade show | 100.0 % | 91.0 % | 54.30 | 1,528,000 | 1,528,000 | — | — | |
| -Retail | 100.0 % | 83.8 % | 52.69 | 95,000 | 95,000 | — | — | |
| | 100.0 % | 89.5 % | 48.88 | 3,673,000 | 3,673,000 | — | \$ 675,000 | |
| Other (2 properties) | 50.0 % | 100.0 % | 45.92 | 19,000 | 19,000 | — | 30,777 | |
| Total theMART, Chicago | | | | 3,692,000 | 3,692,000 | — | 705,777 | |
| Piers 92 and 94 (New York) (ground and building leased through 2110)** | 100.0 % | — | — | 208,000 | — | 208,000 | — | |
| Total theMART | 89.5 % | \$ 48.86 | 3,900,000 | 3,692,000 | 208,000 | \$ 705,777 | | |
| Vornado's Ownership Interest | 89.5 % | \$ 48.87 | 3,891,000 | 3,683,000 | 208,000 | \$ 690,389 | | |
| 555 California Street: | | | | | | | | |
| 555 California Street | 70.0 % | 98.1 % | \$ 84.41 | 1,506,000 | 1,506,000 | — | \$ 537,643 | Bank of America, N.A., Dodge & Cox, Goldman Sachs & Co., Jones Day, Kirkland & Ellis LLP, Morgan Stanley & Co. Inc., McKinsey & Company Inc., UBS Financial Services, KKR Financial, Microsoft Corporation, Fenwick & West LLP, Sidley Austin |
| 315 Montgomery Street | 70.0 % | 100.0 % | 80.15 | 235,000 | 235,000 | — | — | Bank of America, N.A., Regus, Ripple Labs Inc., Blue Shield, Lending Home Corporation |
| 345 Montgomery Street | 70.0 % | — | — | 78,000 | — | 78,000 | — | |
| Total 555 California Street | 98.4 % | \$ 83.83 | 1,819,000 | 1,741,000 | 78,000 | \$ 537,643 | | |
| Vornado's Ownership Interest | 98.4 % | \$ 83.83 | 1,273,000 | 1,218,000 | 55,000 | \$ 376,350 | | |

* Lease not yet commenced.

** Term assumes all renewal options exercised, if applicable.

- (1) Weighted average escalated annual rent per square foot excludes ground rent, storage rent and garages.
(2) Represents the contractual debt obligations.

REAL ESTATE FUND

PROPERTY TABLE

| Property | Fund % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | Encumbrances (non-GAAP) (in thousands) ⁽²⁾ | Major Tenants |
|---|------------------|---------------|---|----------------|----------------|--|---|--|
| | | | | Total Property | In Service | Under Development or Not Available for Lease | | |
| VORNADO CAPITAL PARTNERS | | | | | | | | |
| REAL ESTATE FUND: | | | | | | | | |
| New York, NY: | | | | | | | | |
| Lucida, 86th Street and Lexington Avenue (ground leased through 2082)** | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | \$ 251.75 | 98,000 | 98,000 | — | | Target*, Hennes & Mauritz, |
| -Residential (39 units) | 100.0 % | 84.6 % | | 59,000 | 59,000 | — | | Sephora, Bank of America |
| | 100.0 % | 94.2 % | | 157,000 | 157,000 | — | \$ 145,075 | |
| Crowne Plaza Times Square (0.64 acres owned in fee; 0.18 acres ground leased through 2187 and 0.05 acres ground leased through 2035)** ⁽³⁾ | | | | | | | | |
| -Hotel (795 Rooms) | | | | | | | | |
| -Retail | 75.3 % | 27.9 % | 327.01 | 50,000 | 50,000 | — | | Krispy Kreme, BHT Broadway |
| -Office | 75.3 % | 100.0 % | 52.65 | 196,000 | 196,000 | — | | American Management Association, Open Jar, Association for Computing Machinery |
| | 75.3 % | 86.7 % | 68.97 | 246,000 | 246,000 | — | 288,671 | |
| 501 Broadway | 100.0 % | 100.0 % | 292.58 | 9,000 | 9,000 | — | 22,872 | Capital One Financial Corporation |
| Miami, FL: | | | | | | | | |
| 1100 Lincoln Road | | | | | | | | |
| -Retail | 100.0 % | 61.4 % | 182.98 | 51,000 | 51,000 | — | | Banana Republic |
| -Theatre | 100.0 % | 100.0 % | 44.17 | 79,000 | 79,000 | — | | Regal Cinema |
| | 100.0 % | 85.0 % | 83.12 | 130,000 | 130,000 | — | 82,750 | |
| Total Real Estate Fund | 88.8 % | 88.9 % | | 542,000 | 542,000 | — | \$ 539,368 | |
| Vornado's Ownership Interest | 28.6 % | 88.0 % | | 155,000 | 155,000 | — | \$ 157,936 | |

* Lease not yet commenced.

** Term assumes all renewal options exercised, if applicable.

- (1) Weighted average escalated annual rent per square foot excludes ground rent, storage rent and garages.
(2) Represents the contractual debt obligations.
(3) We own a 32.9% economic interest through the Fund and the Crowne Plaza Joint Venture.

OTHER

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Escalated Annual Rent PSF ⁽¹⁾ | Square Feet | | | | Encumbrances (non-GAAP) (in thousands) ⁽³⁾ | Major Tenants |
|--|-------------|---------------|---|------------------|------------------|--------------------------------|--|---|---|
| | | | | Total Property | In Service | | Under Development or Not Available for Lease | | |
| | | | | | Owned by Company | Owned by Tenant ⁽²⁾ | | | |
| OTHER: | | | | | | | | | |
| Virginia: | | | | | | | | | |
| Rosslyn Plaza | | | | | | | | | |
| -Office - 4 buildings | 46.2 % | 68.1 % | \$ 47.51 | 736,000 | 432,000 | — | 304,000 | | Corporate Executive Board, Nathan Associates, Inc. |
| -Residential - 2 buildings (197 units) | 43.7 % | 77.7 % | | 253,000 | 253,000 | — | — | | |
| | | | | 989,000 | 685,000 | — | 304,000 | \$ 37,866 | |
| Fashion Centre Mall | 7.5 % | 87.4 % | 40.33 | 868,000 | 868,000 | — | — | 410,000 | Macy's, Nordstrom |
| Washington Tower | 7.5 % | 75.0 % | 54.20 | 170,000 | 170,000 | — | — | 40,000 | The Rand Corporation |
| New Jersey: | | | | | | | | | |
| Wayne Town Center, Wayne (ground leased through 2064)** | 100.0 % | 100.0 % | 34.33 | 686,000 | 195,000 | 443,000 | 48,000 | — | JCPenney, Costco, Dick's Sporting Goods, Nordstrom Rack |
| Atlantic City (11.3 acres ground leased through 2070 to MGM Growth Properties for a portion of the Borgata Hotel and Casino complex) | 100.0 % | 100.0 % | — | — | — | — | — | — | MGM Growth Properties (ground lessee) |
| Maryland: | | | | | | | | | |
| Annapolis (ground and building leased through 2042)** | 100.0 % | 100.0 % | 8.99 | 128,000 | 128,000 | — | — | — | The Home Depot |
| Total Other | | 87.0 % | \$ 38.30 | 2,841,000 | 2,046,000 | 443,000 | 352,000 | \$ 487,866 | |
| Vornado's Ownership Interest | | 92.8 % | \$ 33.38 | 1,342,000 | 711,000 | 443,000 | 188,000 | \$ 52,839 | |

** Term assumes all renewal options exercised, if applicable.

- (1) Weighted average escalated annual rent per square foot excludes ground rent, storage rent, garages and residential.
- (2) Owned by tenant on land leased from the company.
- (3) Represents the contractual debt obligations.

INVESTOR INFORMATION

Executive Officers:

| | |
|-------------------|---|
| Steven Roth | Chairman of the Board and Chief Executive Officer |
| Michael J. Franco | President and Chief Financial Officer |
| Glen J. Weiss | Executive Vice President - Office Leasing - Co-Head of Real Estate |
| Barry S. Langer | Executive Vice President - Development - Co-Head of Real Estate |
| Haim Chera | Executive Vice President - Head of Retail |
| Thomas J. Sanelli | Executive Vice President - Finance and Chief Administrative Officer |
| Matthew Iocco | Executive Vice President - Chief Accounting Officer |

RESEARCH COVERAGE

| | | |
|--|---|---|
| James Feldman/Elvis Rodriguez <u>Bank of America/BofA Securities</u> 646-855-5808/646-855-1589 | Richard Skidmore/Kira Baird/Paul Stoddard <u>Goldman Sachs</u> 801-741-5459/801-578-2497/801-744-3761 | Alexander Goldfarb/Daniel Santos <u>Piper Sandler</u> 212-466-7937/212-466-7927 |
| John P. Kim/Frank Lee <u>BMO Capital Markets</u> 212-885-4115/415-591-2129 | Daniel Ismail/Dylan Burzinski <u>Green Street Advisors</u> 949-640-8780 | Nicholas Yulico/Joshua Burr <u>Scotia Capital (USA) Inc</u> 212-225-6904/212-225-5415 |
| Michael Bilerman/Emmanuel Korchman <u>Citi</u> 212-816-1383/212-816-1382 | Anthony Paolone/Ray Zhong <u>JP Morgan</u> 212-622-6682/212-622-5411 | Michael Lewis/Joab Dempsey <u>Truist Securities</u> 212-319-5659/443-545-4245 |
| Derek Johnston/Tom Hennessy <u>Deutsche Bank</u> 212-250-5683/212-250-4063 | Mark Streeter/Ian Snyder <u>JP Morgan Fixed Income</u> 212-834-5086/212-834-3798 | |
| Steve Sakwa/Brian Spahn <u>Evercore ISI</u> 212-446-9462/212-446-9459 | Vikram Malhotra/Alina Pappas <u>Morgan Stanley</u> 212-761-7064/212-761-2528 | |

Research Coverage - 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.

APPENDIX

DEFINITIONS AND NON-GAAP RECONCILIATIONS

FINANCIAL SUPPLEMENT DEFINITIONS

The financial supplement includes various non-GAAP financial measures. Descriptions of these non-GAAP measures are provided below. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are provided on the following pages.

Net Operating Income ("NOI") at Share and NOI at Share - Cash Basis - NOI at share represents total revenues less operating expenses including our share of partially owned entities. NOI at share - cash basis represents NOI at share adjusted to exclude straight-line rental income and expense, amortization of acquired below and above market leases, net and other non-cash adjustments. We consider NOI at share - cash basis to be the primary non-GAAP financial measure for making decisions and assessing the unlevered performance of our 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 NOI at share - cash basis, we utilize this measure to make investment decisions as well as to compare the performance of our assets to that of our peers. NOI at share and NOI at share - cash basis should not be considered alternatives to net income or cash flow from operations and may not be comparable to similarly titled measures employed by other companies. NOI at share - cash basis includes rent that has been deferred as a result of the COVID-19 pandemic. Rent deferrals generally require repayment in monthly installments over a period of time not to exceed twelve months.

Same Store NOI at Share and Same Store NOI at Share - Cash Basis - Same store NOI at share represents NOI at share from operations which are in service in both the current and prior year reporting periods. Same store NOI at share - cash basis is same store NOI at share adjusted to exclude straight-line rental income and expense, amortization of acquired below and above market leases, net and other non-cash adjustments. We present these non-GAAP measures to (i) facilitate meaningful comparisons of the operational performance of our properties and segments, (ii) make decisions on whether to buy, sell or refinance properties, and (iii) compare the performance of our properties and segments to those of our peers. Same store NOI at share and same store NOI at share - cash basis should not be considered alternatives to net income or cash flow from operations and may not be comparable to similarly titled measures employed by other companies.

Funds From Operations ("FFO") - 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 gains from sales of depreciable real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets and other specified items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures 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 flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies.

Funds Available For Distribution ("FAD") - FAD is defined as FFO less (i) cash basis 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.

Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("EBITDAre") - EBITDAre (i.e., EBITDA for real estate companies) is a non-GAAP financial measure established by NAREIT, which may not be comparable to EBITDA reported by other REITs that do not compute EBITDA in accordance with the NAREIT definition. The White Paper on EBITDAre approved by the Board of Governors of NAREIT in September 2017 defines EBITDAre as GAAP net income (loss), plus interest expense, plus income tax expense, plus depreciation and amortization, plus (minus) losses and gains on the disposition of depreciated property including losses and gains on change of control, plus impairment write-downs of depreciated property and of investments in unconsolidated joint ventures caused by a decrease in value of depreciated property in the joint venture, plus adjustments to reflect the entity's share of EBITDA of unconsolidated joint ventures. The Company has included EBITDAre because it is a performance measure used by other REITs and therefore may provide useful information to investors in comparing Vornado's performance to that of other REITs.

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS TO NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS, AS ADJUSTED (unaudited)

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended | | | For the Year Ended | |
|--|----------------------------|--------------|---------------|--------------------|----------------|
| | December 31, | | September 30, | December 31, | |
| | 2020 | 2019 | 2020 | 2020 | 2019 |
| Net (loss) income attributable to common shareholders | (A) \$ (209,127) | \$ 193,217 | \$ 53,170 | \$ (348,744) | \$ 3,097,806 |
| Per diluted share | \$ (1.09) | \$ 1.01 | \$ 0.28 | \$ (1.83) | \$ 16.21 |
| Certain expense (income) items that impact net (loss) income attributable to common shareholders: | | | | | |
| Real estate impairment losses (primarily wholly owned retail assets in 2020) | \$ 236,286 | \$ 565 | \$ — | \$ 236,286 | \$ 8,065 |
| After-tax net gain on sale of 220 CPS condominium units | (36,274) | (173,655) | (186,909) | (332,099) | (502,565) |
| Severance and other reduction-in-force related expenses | 23,368 | — | — | 23,368 | — |
| Transaction related costs | 5,456 | 2,658 | 584 | 7,150 | 4,613 |
| Our share of (income) loss from real estate fund investments | (1,657) | 26,600 | 2,524 | 63,114 | 48,808 |
| Mark-to-market decrease in PREIT common shares (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) | — | 2,438 | — | 4,938 | 21,649 |
| Non-cash impairment loss on our investment in Fifth Avenue and Times Square JV, reversing a portion of the \$2.559 billion gain recognized on the April 2019 transfer to the Joint Venture attributable to the GAAP required write-up of the retained interest | — | — | 103,201 | 409,060 | — |
| Severance accrual related to Hotel Pennsylvania closure, net of \$3,145 of income tax benefit | — | — | 6,101 | 6,101 | — |
| 608 Fifth Avenue lease liability extinguishment gain in 2020 and impairment loss and related write-offs in 2019 | — | — | — | (70,260) | 101,092 |
| Credit losses on loans receivable resulting from a new GAAP accounting standard effective January 1, 2020 | — | — | — | 13,369 | — |
| Net gain on transfer to Fifth Avenue and Times Square retail JV, net of \$11,945 attributable to noncontrolling interests | — | — | — | — | (2,559,154) |
| Net gains on sale of real estate (primarily our 25% interest in 330 Madison Avenue in 2019) | — | — | — | — | (178,769) |
| Net gain from sale of UE common shares (sold on March 4, 2019) | — | — | — | — | (62,395) |
| Prepayment penalty in connection with redemption of \$400 million 5.00% senior unsecured notes due January 2022 | — | — | — | — | 22,540 |
| Mark-to-market increase in Lexington Realty Trust common shares (sold on March 1, 2019) | — | — | — | — | (16,068) |
| Other | (3,551) | (4,692) | 182 | 5,436 | (7,505) |
| | 223,628 | (146,086) | (74,317) | 366,463 | (3,119,689) |
| Noncontrolling interests' share of above adjustments | (13,544) | 9,250 | 4,534 | (24,626) | 198,599 |
| Total of certain expense (income) items that impact net (loss) income attributable to common shareholders | (B) \$ 210,084 | \$ (136,836) | \$ (69,783) | \$ 341,837 | \$ (2,921,090) |
| Per diluted share (non-GAAP) | \$ 1.10 | \$ (0.72) | \$ (0.37) | \$ 1.79 | \$ (15.29) |
| Net income (loss) attributable to common shareholders, as adjusted (non-GAAP) | (A+B) \$ 957 | \$ 56,381 | \$ (16,613) | \$ (6,907) | \$ 176,716 |
| Per diluted share (non-GAAP) | \$ 0.01 | \$ 0.29 | \$ (0.09) | \$ (0.04) | \$ 0.92 |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS TO FFO ATTRIBUTABLE TO COMMON SHAREHOLDERS PLUS ASSUMED CONVERSIONS (unaudited)

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended | | | For the Year Ended | |
|--|----------------------------|------------|---------------|--------------------|----------------|
| | December 31, | | September 30, | December 31, | |
| | 2020 | 2019 | 2020 | 2020 | 2019 |
| Reconciliation of our net (loss) income attributable to common shareholders to FFO attributable to common shareholders plus assumed conversions (non-GAAP): | | | | | |
| Net (loss) income attributable to common shareholders | (A) \$ (209,127) | \$ 193,217 | \$ 53,170 | \$ (348,744) | \$ 3,097,806 |
| Per diluted share | \$ (1.09) | \$ 1.01 | \$ 0.28 | \$ (1.83) | \$ 16.21 |
| FFO adjustments: | | | | | |
| Depreciation and amortization of real property | \$ 99,196 | \$ 85,609 | \$ 99,045 | \$ 368,556 | \$ 389,024 |
| Real estate impairment losses | 236,286 | 565 | — | 236,286 | 32,001 |
| Net gain on transfer to Fifth Avenue and Times Square JV on April 18, 2019, net of \$11,945 attributable to noncontrolling interests | — | — | — | — | (2,559,154) |
| Net losses (gains) on sale of real estate | — | 58 | — | — | (178,711) |
| Net gain from sale of UE common shares (sold on March 4, 2019) | — | — | — | — | (62,395) |
| Decrease (increase) in fair value of marketable securities: | | | | | |
| PREIT (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) | — | 2,438 | — | 4,938 | 21,649 |
| Lexington (sold on March 1, 2019) | — | — | — | — | (16,068) |
| Other | — | — | — | — | (48) |
| Proportionate share of adjustments to equity in net income of partially owned entities to arrive at FFO: | | | | | |
| Non-cash impairment loss on our investment in Fifth Avenue and Times Square JV, reversing a portion of the \$2.559 billion gain recognized on the April 2019 transfer to the Joint Venture attributable to the GAAP required write-up of the retained interest | — | — | 103,201 | 409,060 | — |
| Depreciation and amortization of real property | 37,500 | 37,389 | 38,987 | 156,646 | 134,706 |
| (Increase) decrease in fair value of marketable securities | (710) | 864 | 385 | 2,801 | 2,852 |
| Noncontrolling interests' share of above adjustments | 372,272 | 126,923 | 241,618 | 1,178,287 | (2,236,144) |
| FFO adjustments, net | (B) \$ 347,515 | \$ 118,645 | \$ 225,326 | \$ 1,099,219 | \$ (2,094,465) |
| FFO attributable to common shareholders (non-GAAP) | (A+B) \$ 138,388 | \$ 311,862 | \$ 278,496 | \$ 750,475 | \$ 1,003,341 |
| Convertible preferred share dividends | 11 | 14 | 11 | 47 | 57 |
| FFO attributable to common shareholders plus assumed conversions (non-GAAP) | 138,399 | 311,876 | 278,507 | 750,522 | 1,003,398 |
| Add back of FFO allocated to noncontrolling interests of the Operating Partnership | 9,087 | 20,153 | 18,052 | 48,915 | 64,059 |
| FFO - OP Basis (non-GAAP) | \$ 147,486 | \$ 332,029 | \$ 296,559 | \$ 799,437 | \$ 1,067,457 |
| FFO per diluted share (non-GAAP) | \$ 0.72 | \$ 1.63 | \$ 1.46 | \$ 3.93 | \$ 5.25 |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF FFO ATTRIBUTABLE TO COMMON SHAREHOLDERS PLUS ASSUMED CONVERSIONS TO FFO ATTRIBUTABLE TO COMMON SHAREHOLDERS PLUS ASSUMED CONVERSIONS, AS ADJUSTED (unaudited)

(Amounts in thousands, except per share amounts)

| | For the Three Months Ended | | | For the Year Ended | |
|---|----------------------------|--------------|---------------|--------------------|--------------|
| | December 31, | | September 30, | December 31, | |
| | 2020 | 2019 | 2020 | 2020 | 2019 |
| FFO attributable to common shareholders plus assumed conversions (non-GAAP) | (A) \$ 138,399 | \$ 311,876 | \$ 278,507 | \$ 750,522 | \$ 1,003,398 |
| Per diluted share (non-GAAP) | \$ 0.72 | \$ 1.63 | \$ 1.46 | \$ 3.93 | \$ 5.25 |
| Certain (income) expense items that impact FFO attributable to common shareholders plus assumed conversions: | | | | | |
| After-tax net gain on sale of 220 CPS condominium units | \$ (36,274) | \$ (173,655) | \$ (186,909) | \$ (332,099) | \$ (502,565) |
| Severance and other reduction-in-force related expenses | 23,368 | — | — | 23,368 | — |
| Transaction related costs | 5,456 | 2,658 | 584 | 7,150 | 4,613 |
| Our share of (income) loss from real estate fund investments | (1,657) | 26,600 | 2,524 | 63,114 | 48,808 |
| Severance accrual related to Hotel Pennsylvania closure, net of \$3,145 of income tax benefit | — | — | 6,101 | 6,101 | — |
| 608 Fifth Avenue lease liability extinguishment gain in 2020 and impairment loss and related write-offs in 2019 | — | — | — | (70,260) | 77,156 |
| Credit losses on loans receivable resulting from a new GAAP accounting standard effective January 1, 2020 | — | — | — | 13,369 | — |
| Prepayment penalty in connection with redemption of \$400 million 5.00% senior unsecured notes due January 2022 | — | — | — | — | 22,540 |
| Other | (2,841) | (5,845) | (203) | 2,510 | (10,732) |
| Noncontrolling interests' share of above adjustments | (11,948) | (150,242) | (177,903) | (286,747) | (360,180) |
| Total of certain (income) expense items that impact FFO attributable to common shareholders plus assumed conversions, net | (B) \$ 766 | \$ 9,396 | \$ 11,991 | \$ 19,269 | \$ 22,989 |
| Per diluted share (non-GAAP) | \$ (0.06) | \$ (0.74) | \$ (0.87) | \$ (1.40) | \$ (1.76) |
| FFO attributable to common shareholders plus assumed conversions, as adjusted (non-GAAP) | (A+B) \$ 127,217 | \$ 171,030 | \$ 112,595 | \$ 483,044 | \$ 666,207 |
| Per diluted share (non-GAAP) | \$ 0.66 | \$ 0.89 | \$ 0.59 | \$ 2.53 | \$ 3.49 |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF FFO ATTRIBUTABLE TO COMMON SHAREHOLDERS PLUS ASSUMED CONVERSIONS TO FAD (unaudited)

(Amounts in thousands)

| | For the Three Months Ended | | | For the Year Ended | | |
|---|----------------------------|----------|-----------------------|--------------------|------------|--------------|
| | December 31, | | September 30, 2020 | December 31, | | |
| | 2020 | 2019 | | 2020 | 2019 | |
| FFO attributable to common shareholders plus assumed conversions (non-GAAP) | (A) \$ | 138,399 | \$ 311,876 | \$ 278,507 | \$ 750,522 | \$ 1,003,398 |
| Adjustments to arrive at FAD (non-GAAP): | | | | | | |
| Certain items that impact FAD | | (11,948) | (149,907) | (177,903) | (289,449) | (369,977) |
| Recurring tenant improvements, leasing commissions and other capital expenditures | | (46,611) | (45,937) | (24,057) | (159,177) | (222,565) |
| Non-cash adjustments for straight-line rents, amortization of acquired below-market leases, net and other | | (2,001) | (6,590) | 10,981 | 46,246 | (6,060) |
| Amortization of debt issuance costs | | 6,680 | 6,767 | 6,370 | 24,358 | 32,354 |
| Stock-based compensation expense | | 9,039 | 5,863 | 6,170 | 48,677 | 53,908 |
| Personal property depreciation | | 1,697 | 1,986 | 1,825 | 7,096 | 6,743 |
| Noncontrolling interests in the Operating Partnership's share of above adjustments | | 2,869 | 12,246 | 11,904 | 21,110 | 32,207 |
| FAD adjustments, net ⁽¹⁾ | (B) | (40,275) | (175,572) | (164,710) | (301,139) | (473,390) |
| FAD (non-GAAP) | (A+B) \$ | 98,124 | \$ 136,304 | \$ 113,797 | \$ 449,383 | \$ 530,008 |
| FAD payout ratio ⁽²⁾ | | 103.9 % | 93.0 % | 88.3 % | 101.3 % | 95.3 % |

(1) Certain prior year adjustments have been restated in order to conform to the current period presentation which includes our share of partially owned entities.

(2) 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.

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NET (LOSS) INCOME TO NET OPERATING INCOME AT SHARE AND NET OPERATING INCOME AT SHARE - CASH BASIS (unaudited)

(Amounts in thousands)

| | For the Three Months Ended | | | For the Year Ended | |
|---|----------------------------|------------|-----------------------|--------------------|--------------|
| | December 31, | | September 30, 2020 | December 31, | |
| | 2020 | 2019 | | 2020 | 2019 |
| Net (loss) income | \$ (208,726) | \$ 160,676 | \$ 68,736 | \$ (461,845) | \$ 3,334,262 |
| Depreciation and amortization expense | 107,084 | 92,926 | 107,013 | 399,695 | 419,107 |
| General and administrative expense | 61,254 | 39,791 | 32,407 | 181,509 | 169,920 |
| Impairment losses and transaction related costs, net | 242,593 | 3,223 | 584 | 174,027 | 106,538 |
| (Income) loss from partially owned entities | (24,567) | (22,726) | 80,909 | 329,112 | (78,865) |
| Loss from real estate fund investments | 999 | 90,302 | 13,823 | 226,327 | 104,082 |
| Interest and other investment (income) loss, net | (1,569) | (5,889) | (1,729) | 5,499 | (21,819) |
| Interest and debt expense | 54,633 | 59,683 | 57,371 | 229,251 | 286,623 |
| Net gain on transfer to Fifth Avenue and Times Square JV | — | — | — | — | (2,571,099) |
| Net gains on disposition of wholly owned and partially owned assets | (42,458) | (203,835) | (214,578) | (381,320) | (845,499) |
| Income tax (benefit) expense | (1,801) | 22,897 | 23,781 | 36,630 | 103,439 |
| (Income) loss from discontinued operations | — | (55) | — | — | 30 |
| NOI from partially owned entities | 76,952 | 85,990 | 78,175 | 306,495 | 322,390 |
| NOI attributable to noncontrolling interests in consolidated subsidiaries | (15,901) | (17,417) | (25,959) | (72,801) | (69,332) |
| NOI at share | 248,493 | 305,566 | 220,533 | 972,579 | 1,259,777 |
| Non cash adjustments for straight-line rents, amortization of acquired below-market leases, net and other | (2,001) | (6,590) | 10,981 | 46,246 | (6,060) |
| NOI at share - cash basis | \$ 246,492 | \$ 298,976 | \$ 231,514 | \$ 1,018,825 | \$ 1,253,717 |

NON-GAAP RECONCILIATIONS

COMPONENTS OF NET OPERATING INCOME AT SHARE AND NET OPERATING INCOME AT SHARE - CASH BASIS (unaudited)

(Amounts in thousands)

| | For the Three Months Ended December 31, | | | | | | | | | |
|--|---|------------|--------------------|--------------|------------|------------|-------------------------------------|------------|------------------|------------|
| | Total Revenues | | Operating Expenses | | NOI | | Non-cash Adjustments ⁽¹⁾ | | NOI - cash basis | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| New York | \$ 302,360 | \$ 377,626 | \$ (155,907) | \$ (184,231) | \$ 146,453 | \$ 193,395 | \$ 1,323 | \$ (3,667) | \$ 147,776 | \$ 189,728 |
| Other | 74,071 | 83,342 | (33,082) | (39,744) | 40,989 | 43,598 | 1,569 | 1,949 | 42,558 | 45,547 |
| Consolidated total | 376,431 | 460,968 | (188,989) | (223,975) | 187,442 | 236,993 | 2,892 | (1,718) | 190,334 | 235,275 |
| Noncontrolling interests' share in consolidated subsidiaries | (28,862) | (29,910) | 12,961 | 12,493 | (15,901) | (17,417) | (179) | 605 | (16,080) | (16,812) |
| Our share of partially owned entities | 121,255 | 131,036 | (44,303) | (45,046) | 76,952 | 85,990 | (4,714) | (5,477) | 72,238 | 80,513 |
| Vornado's share | \$ 468,824 | \$ 562,094 | \$ (220,331) | \$ (256,528) | \$ 248,493 | \$ 305,566 | \$ (2,001) | \$ (6,590) | \$ 246,492 | \$ 298,976 |

| | For the Three Months Ended September 30, 2020 | | | | | | | | | |
|--|---|--------------|--------------------|-----------|------------|------|-------------------------------------|------|------------------|------|
| | Total Revenues | | Operating Expenses | | NOI | | Non-cash Adjustments ⁽¹⁾ | | NOI - cash basis | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| New York | \$ 293,145 | \$ (161,386) | \$ 131,759 | \$ 8,216 | \$ 139,975 | | | | | |
| Other | 70,817 | (34,259) | 36,558 | 4,562 | 41,120 | | | | | |
| Consolidated total | 363,962 | (195,645) | 168,317 | 12,778 | 181,095 | | | | | |
| Noncontrolling interests' share in consolidated subsidiaries | (38,339) | 12,380 | (25,959) | (108) | (26,067) | | | | | |
| Our share of partially owned entities | 118,890 | (40,715) | 78,175 | (1,689) | 76,486 | | | | | |
| Vornado's share | \$ 444,513 | \$ (223,980) | \$ 220,533 | \$ 10,981 | \$ 231,514 | | | | | |

| | For the Year Ended December 31, | | | | | | | | | |
|--|---------------------------------|--------------|--------------------|----------------|------------|--------------|-------------------------------------|------------|------------------|--------------|
| | Total Revenues | | Operating Expenses | | NOI | | Non-cash Adjustments ⁽¹⁾ | | NOI - cash basis | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| New York | \$ 1,221,748 | \$ 1,577,860 | \$ (640,531) | \$ (758,304) | \$ 581,217 | \$ 819,556 | \$ 49,178 | \$ 4,244 | \$ 630,395 | \$ 823,800 |
| Other | 306,203 | 346,840 | (148,535) | (159,677) | 157,668 | 187,163 | 9,261 | 6,934 | 166,929 | 194,097 |
| Consolidated total | 1,527,951 | 1,924,700 | (789,066) | (917,981) | 738,885 | 1,006,719 | 58,439 | 11,178 | 797,324 | 1,017,897 |
| Noncontrolling interests' share in consolidated subsidiaries | (120,290) | (114,145) | 47,489 | 44,813 | (72,801) | (69,332) | (618) | 1,315 | (73,419) | (68,017) |
| Our share of partially owned entities | 473,212 | 492,638 | (166,717) | (170,248) | 306,495 | 322,390 | (11,575) | (18,553) | 294,920 | 303,837 |
| Vornado's share | \$ 1,880,873 | \$ 2,303,193 | \$ (908,294) | \$ (1,043,416) | \$ 972,579 | \$ 1,259,777 | \$ 46,246 | \$ (6,060) | \$ 1,018,825 | \$ 1,253,717 |

(1) Includes adjustments for straight-line rents, amortization of acquired below-market leases, net and other.

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NOI AT SHARE TO SAME STORE NOI AT SHARE FOR THE THREE MONTHS ENDED DECEMBER 31, 2020 COMPARED TO DECEMBER 31, 2019 (unaudited)

(Amounts in thousands)

| | Total | New York | theMART | 555 California Street | Other |
|---|--------------------|--------------------|-------------------|-----------------------|-------------|
| NOI at share for the three months ended December 31, 2020 | \$ 248,493 | \$ 212,544 | \$ 17,091 | \$ 14,638 | \$ 4,220 |
| Less NOI at share from: | | | | | |
| Development properties | (5,011) | (5,011) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,810 | 7,810 | — | — | — |
| Other non-same store income, net | (7,032) | (2,812) | — | — | (4,220) |
| Same store NOI at share for the three months ended December 31, 2020 | <u>\$ 244,260</u> | <u>\$ 212,531</u> | <u>\$ 17,091</u> | <u>\$ 14,638</u> | <u>\$ —</u> |
| NOI at share for the three months ended December 31, 2019 | \$ 305,566 | \$ 266,284 | \$ 22,712 | \$ 14,533 | \$ 2,037 |
| Less NOI at share from: | | | | | |
| Development properties | (14,626) | (14,626) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (6,168) | (6,168) | — | — | — |
| Other non-same store (income) expense, net | (9,376) | (7,237) | (173) | 71 | (2,037) |
| Same store NOI at share for the three months ended December 31, 2019 | <u>\$ 275,396</u> | <u>\$ 238,253</u> | <u>\$ 22,539</u> | <u>\$ 14,604</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share for the three months ended December 31, 2020 compared to December 31, 2019 | <u>\$ (31,136)</u> | <u>\$ (25,722)</u> | <u>\$ (5,448)</u> | <u>\$ 34</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share | <u>(11.3)%</u> | <u>(10.8)%</u> | <u>(24.2)%</u> | <u>0.2 %</u> | <u>— %</u> |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NOI AT SHARE - CASH BASIS TO SAME STORE NOI AT SHARE - CASH BASIS FOR THE THREE MONTHS ENDED DECEMBER 31, 2020 COMPARED TO DECEMBER 31, 2019 (unaudited)

(Amounts in thousands)

| | Total | New York | theMART | 555 California Street | Other |
|--|--------------------|--------------------|-------------------|------------------------------|--------------|
| NOI at share - cash basis for the three months ended December 31, 2020 | \$ 246,492 | \$ 208,949 | \$ 18,075 | \$ 14,947 | \$ 4,521 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (7,194) | (7,194) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,223 | 7,223 | — | — | — |
| Other non-same store income, net | (7,984) | (3,463) | — | — | (4,521) |
| Same store NOI at share - cash basis for the three months ended December 31, 2020 | <u>\$ 238,537</u> | <u>\$ 205,515</u> | <u>\$ 18,075</u> | <u>\$ 14,947</u> | <u>\$ —</u> |
| NOI at share - cash basis for the three months ended December 31, 2019 | \$ 298,976 | \$ 257,707 | \$ 24,646 | \$ 14,491 | \$ 2,132 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (16,308) | (16,308) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (6,050) | (6,050) | — | — | — |
| Other non-same store income, net | (10,882) | (8,577) | (173) | — | (2,132) |
| Same store NOI at share - cash basis for the three months ended December 31, 2019 | <u>\$ 265,736</u> | <u>\$ 226,772</u> | <u>\$ 24,473</u> | <u>\$ 14,491</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share - cash basis for the three months ended December 31, 2020 compared to December 31, 2019 | <u>\$ (27,199)</u> | <u>\$ (21,257)</u> | <u>\$ (6,398)</u> | <u>\$ 456</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share - cash basis | <u>(10.2)%</u> | <u>(9.4)%</u> | <u>(26.1)%</u> | <u>3.1%</u> | <u>—%</u> |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NOI AT SHARE TO SAME STORE NOI AT SHARE FOR THE YEAR ENDED DECEMBER 31, 2020 COMPARED TO DECEMBER 31, 2019 (unaudited)

(Amounts in thousands)

| | Total | New York | theMART | 555 California Street | Other |
|---|---------------------|---------------------|--------------------|-----------------------|-------------|
| NOI at share for the year ended December 31, 2020 | \$ 972,579 | \$ 833,891 | \$ 69,178 | \$ 60,324 | \$ 9,186 |
| Less NOI at share from: | | | | | |
| Development properties | (30,946) | (30,946) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 33,146 | 33,146 | — | — | — |
| Other non-same store (income) expense, net | (27,898) | (18,361) | (524) | 173 | (9,186) |
| Same store NOI at share for the year ended December 31, 2020 | <u>\$ 946,881</u> | <u>\$ 817,730</u> | <u>\$ 68,654</u> | <u>\$ 60,497</u> | <u>\$ —</u> |
| NOI at share for the year ended December 31, 2019 | \$ 1,259,777 | \$ 1,072,828 | \$ 102,071 | \$ 59,657 | \$ 25,221 |
| Less NOI at share from: | | | | | |
| Change in ownership interests in properties contributed to Fifth Avenue and Times Square JV | (35,770) | (35,770) | — | — | — |
| Dispositions | (7,420) | (7,420) | — | — | — |
| Development properties | (68,063) | (68,063) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (13,212) | (13,212) | — | — | — |
| Other non-same store (income) expense, net | (36,827) | (11,722) | (354) | 470 | (25,221) |
| Same store NOI at share for the year ended December 31, 2019 | <u>\$ 1,098,485</u> | <u>\$ 936,641</u> | <u>\$ 101,717</u> | <u>\$ 60,127</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share for the year ended December 31, 2020 compared to December 31, 2019 | <u>\$ (151,604)</u> | <u>\$ (118,911)</u> | <u>\$ (33,063)</u> | <u>\$ 370</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share | <u>(13.8)%</u> | <u>(12.7)%</u> | <u>(32.5)%</u> | <u>0.6 %</u> | <u>— %</u> |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NOI AT SHARE - CASH BASIS TO SAME STORE NOI AT SHARE - CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2020 COMPARED TO DECEMBER 31, 2019 (unaudited)

(Amounts in thousands)

| | Total | New York | theMART | 555 California Street | Other |
|--|---------------------|--------------------|--------------------|-----------------------|-------------|
| NOI at share - cash basis for the year ended December 31, 2020 | \$ 1,018,825 | \$ 870,606 | \$ 76,251 | \$ 60,917 | \$ 11,051 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (42,531) | (42,531) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 32,576 | 32,576 | — | — | — |
| Other non-same store (income) expense, net | (39,271) | (27,672) | (553) | 5 | (11,051) |
| Same store NOI at share - cash basis for the year ended December 31, 2020 | <u>\$ 969,599</u> | <u>\$ 832,979</u> | <u>\$ 75,698</u> | <u>\$ 60,922</u> | <u>\$ —</u> |
| NOI at share - cash basis for the year ended December 31, 2019 | \$ 1,253,717 | \$ 1,060,510 | \$ 108,130 | \$ 60,156 | \$ 24,921 |
| Less NOI at share - cash basis from: | | | | | |
| Change in ownership interests in properties contributed to Fifth Avenue and Times Square JV | (32,905) | (32,905) | — | — | — |
| Dispositions | (8,219) | (8,219) | — | — | — |
| Development properties | (87,856) | (87,856) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | (12,997) | (12,997) | — | — | — |
| Other non-same store (income) expense, net | (54,571) | (29,207) | (692) | 249 | (24,921) |
| Same store NOI at share - cash basis for the year ended December 31, 2019 | <u>\$ 1,057,169</u> | <u>\$ 889,326</u> | <u>\$ 107,438</u> | <u>\$ 60,405</u> | <u>\$ —</u> |
| (Decrease) increase in same store NOI at share - cash basis for the year ended December 31, 2020 compared to December 31, 2019 | <u>\$ (87,570)</u> | <u>\$ (56,347)</u> | <u>\$ (31,740)</u> | <u>\$ 517</u> | <u>\$ —</u> |
| % (decrease) increase in same store NOI at share - cash basis | <u>(8.3)%</u> | <u>(6.3)%</u> | <u>(29.5)%</u> | <u>0.9 %</u> | <u>— %</u> |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NOI AT SHARE TO SAME STORE NOI AT SHARE FOR THE THREE MONTHS ENDED DECEMBER 31, 2020 COMPARED TO SEPTEMBER 30, 2020 (unaudited)

(Amounts in thousands)

| | Total | New York | theMART | 555 California Street | Other |
|--|-------------------|-------------------|------------------|-----------------------|-------------|
| NOI at share for the three months ended December 31, 2020 | \$ 248,493 | \$ 212,544 | \$ 17,091 | \$ 14,638 | \$ 4,220 |
| Less NOI at share from: | | | | | |
| Development properties | (5,011) | (5,011) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,810 | 7,810 | — | — | — |
| Other non-same store income, net | (6,109) | (1,889) | — | — | (4,220) |
| Same store NOI at share for the three months ended December 31, 2020 | <u>\$ 245,183</u> | <u>\$ 213,454</u> | <u>\$ 17,091</u> | <u>\$ 14,638</u> | <u>\$ —</u> |
| NOI at share for the three months ended September 30, 2020 | \$ 220,533 | \$ 189,820 | \$ 13,171 | \$ 15,618 | \$ 1,924 |
| Less NOI at share from: | | | | | |
| Development properties | (4,288) | (4,288) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 16,822 | 16,822 | — | — | — |
| Other non-same store (income) expense, net | (2,714) | (737) | (101) | 48 | (1,924) |
| Same store NOI at share for the three months ended September 30, 2020 | <u>\$ 230,353</u> | <u>\$ 201,617</u> | <u>\$ 13,070</u> | <u>\$ 15,666</u> | <u>\$ —</u> |
| Increase (decrease) in same store NOI at share for the three months ended December 31, 2020 compared to September 30, 2020 | <u>\$ 14,830</u> | <u>\$ 11,837</u> | <u>\$ 4,021</u> | <u>\$ (1,028)</u> | <u>\$ —</u> |
| % increase (decrease) in same store NOI at share | <u>6.4 %</u> | <u>5.9 %</u> | <u>30.8 %</u> | <u>(6.6)%</u> | <u>— %</u> |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF NOI AT SHARE - CASH BASIS TO SAME STORE NOI AT SHARE - CASH BASIS FOR THE THREE MONTHS ENDED DECEMBER 31, 2020 COMPARED TO SEPTEMBER 30, 2020 (unaudited)

(Amounts in thousands)

| | Total | New York | theMART | 555 California Street | Other |
|---|-------------------|-------------------|------------------|------------------------------|--------------|
| NOI at share - cash basis for the three months ended December 31, 2020 | \$ 246,492 | \$ 208,949 | \$ 18,075 | \$ 14,947 | \$ 4,521 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (7,194) | (7,194) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 7,223 | 7,223 | — | — | — |
| Other non-same store income, net | (7,057) | (2,536) | — | — | (4,521) |
| Same store NOI at share - cash basis for the three months ended December 31, 2020 | <u>\$ 239,464</u> | <u>\$ 206,442</u> | <u>\$ 18,075</u> | <u>\$ 14,947</u> | <u>\$ —</u> |
| NOI at share - cash basis for the three months ended September 30, 2020 | \$ 231,514 | \$ 196,081 | \$ 17,706 | \$ 15,530 | \$ 2,197 |
| Less NOI at share - cash basis from: | | | | | |
| Development properties | (7,733) | (7,733) | — | — | — |
| Hotel Pennsylvania (closed beginning April 1, 2020) | 16,830 | 16,830 | — | — | — |
| Other non-same store (income) expense, net | (4,518) | (2,196) | (130) | 5 | (2,197) |
| Same store NOI at share - cash basis for the three months ended September 30, 2020 | <u>\$ 236,093</u> | <u>\$ 202,982</u> | <u>\$ 17,576</u> | <u>\$ 15,535</u> | <u>\$ —</u> |
| Increase (decrease) in same store NOI at share - cash basis for the three months ended December 31, 2020 compared to September 30, 2020 | <u>\$ 3,371</u> | <u>\$ 3,460</u> | <u>\$ 499</u> | <u>\$ (588)</u> | <u>\$ —</u> |
| % increase (decrease) in same store NOI at share - cash basis | <u>1.4 %</u> | <u>1.7 %</u> | <u>2.8 %</u> | <u>(3.8)%</u> | <u>— %</u> |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF CONSOLIDATED REVENUES TO OUR PRO RATA SHARE OF REVENUES (ANNUALIZED) (unaudited)

(Amounts in thousands)

| | For the Three Months Ended December 31, 2020 |
|--|---|
| Consolidated revenues | \$ 376,431 |
| Noncontrolling interest adjustments | (28,862) |
| Consolidated revenues at our share (non-GAAP) | 347,569 |
| Unconsolidated revenues at our share (non-GAAP) | 121,255 |
| Our pro rata share of revenues (non-GAAP) | \$ 468,824 |
| Our pro rata share of revenues (annualized) (non-GAAP) | \$ 1,875,296 |

RECONCILIATION OF CONSOLIDATED DEBT, NET TO CONTRACTUAL DEBT (NON-GAAP) (unaudited)

(Amounts in thousands)

| | As of December 31, 2020 | | |
|--|---------------------------|--|--------------------------------|
| | Consolidated Debt, net | Deferred Financing Costs, Net and Other | Contractual Debt (non-GAAP) |
| Mortgages payable | \$ 5,580,549 | \$ 27,909 | \$ 5,608,458 |
| Senior unsecured notes | 446,685 | 3,315 | 450,000 |
| \$800 Million unsecured term loan | 796,762 | 3,238 | 800,000 |
| \$2.75 Billion unsecured revolving credit facilities | 575,000 | — | 575,000 |
| | \$ 7,398,996 | \$ 34,462 | \$ 7,433,458 |

NON-GAAP RECONCILIATIONS
RECONCILIATION OF NET INCOME (LOSS) TO EBITDAre (unaudited)

(Amounts in thousands)

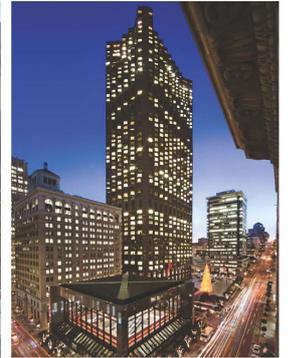
| | For the Three Months Ended | | | For the Year Ended December 31, | |
|--|----------------------------|------------|---------------|---------------------------------|--------------|
| | December 31, | | September 30, | 2020 | |
| | 2020 | 2019 | 2020 | 2020 | 2019 |
| Reconciliation of net (loss) income to EBITDAre (non-GAAP): | | | | | |
| Net (loss) income | \$ (208,726) | \$ 160,676 | \$ 68,736 | \$ (461,845) | \$ 3,334,262 |
| Less net (income) loss attributable to noncontrolling interests in consolidated subsidiaries | (1,109) | 58,592 | 848 | 139,894 | 24,547 |
| Net (loss) income attributable to the Operating Partnership | (209,835) | 219,268 | 69,584 | (321,951) | 3,358,809 |
| EBITDAre adjustments at share: | | | | | |
| Real estate impairment losses | 236,286 | 565 | — | 236,286 | 32,001 |
| Depreciation and amortization expense | 138,393 | 124,984 | 139,857 | 532,298 | 530,473 |
| Interest and debt expense | 73,343 | 86,832 | 75,815 | 309,003 | 390,139 |
| Income tax (benefit) expense | (1,840) | 22,975 | 23,449 | 36,253 | 103,917 |
| Net gains on sales of depreciable real estate | — | 58 | — | — | (178,711) |
| Non-cash impairment loss on our investment in Fifth Avenue and Times Square JV, reversing a portion of the \$2.559 billion gain recognized on the April 2019 transfer to the Joint Venture attributable to the GAAP required write-up of the retained interest | — | — | 103,201 | 409,060 | — |
| Net gain on transfer to Fifth Avenue and Times Square JV on April 18, 2019, net of \$11,945 attributable to noncontrolling interests | — | — | — | — | (2,559,154) |
| EBITDAre at share | 236,347 | 454,682 | 411,906 | 1,200,949 | 1,677,474 |
| EBITDAre attributable to noncontrolling interests in consolidated subsidiaries | 12,400 | (52,531) | 14,666 | (91,155) | 8,150 |
| EBITDAre (non-GAAP) | \$ 248,747 | \$ 402,151 | \$ 426,572 | \$ 1,109,794 | \$ 1,685,624 |

NON-GAAP RECONCILIATIONS

RECONCILIATION OF EBITDAre TO EBITDAre, AS ADJUSTED (unaudited)

(Amounts in thousands)

| | For the Three Months Ended | | | For the Year Ended December 31, | |
|--|----------------------------|------------|-----------------------|---------------------------------|--------------|
| | December 31, | | September 30, 2020 | 2020 | 2019 |
| | 2020 | 2019 | | | |
| EBITDAre (non-GAAP) | \$ 248,747 | \$ 402,151 | \$ 426,572 | \$ 1,109,794 | \$ 1,685,624 |
| EBITDAre attributable to noncontrolling interests in consolidated subsidiaries | (12,400) | 52,531 | (14,666) | 91,155 | (8,150) |
| Certain (income) expense items that impact EBITDAre: | | | | | |
| Gain on sale of 220 CPS condominium units | (42,458) | (203,893) | (214,578) | (381,320) | (604,393) |
| Severance and other reduction-in-force related expenses | 23,368 | — | — | 23,368 | — |
| Acquisition and transaction costs | 5,456 | 2,658 | 584 | 7,150 | 4,613 |
| Our share of (income) loss from real estate fund investments | (1,657) | 26,600 | 2,524 | 63,114 | 48,808 |
| Mark-to-market decrease in PREIT common shares (accounted for as a marketable security from March 12, 2019 and sold on January 23, 2020) | — | 2,438 | — | 4,938 | 21,649 |
| Healthcare and severance pay accruals related to Hotel Pennsylvania closure | — | — | 9,246 | 9,246 | — |
| 608 Fifth Avenue lease liability extinguishment gain in 2020 and impairment loss and related write-offs in 2019 | — | — | — | (70,260) | 77,156 |
| Credit losses on loans receivable resulting from a new GAAP accounting standard effective January 1, 2020 | — | — | — | 13,369 | — |
| Net gain from sale of UE common shares (sold on March 4, 2019) | — | — | — | — | (62,395) |
| Mark-to-market increase in Lexington common shares (sold on March 1, 2019) | — | — | — | — | (16,068) |
| Other | 344 | 1,488 | (499) | 8,600 | (2,963) |
| Total of certain income items that impact EBITDAre | (14,947) | (170,709) | (202,723) | (321,795) | (533,593) |
| EBITDAre, as adjusted (non-GAAP) | \$ 221,400 | \$ 283,973 | \$ 209,183 | \$ 879,154 | \$ 1,143,881 |



VORNADO

REALTY TRUST

SUPPLEMENTAL OPERATING
AND FINANCIAL DATA
For the Quarter and Year Ended
December 31, 2020
