

PRESS RELEASE

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Vornado entered into an agreement to acquire the 1.05 million sq. ft. Market Square Complex of showrooms in the nation's "furniture capital", High Point, N.C.

SADDLE BROOK, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today announced that it has entered into a definitive agreement to acquire the 1.05 million square foot Market Square Complex of showrooms in the nation's "furniture capital", High Point, NC, for approximately \$100 million consisting of \$45 million in debt and \$55 million in Operating Partnership Units and Convertible Preferred Operating Partnership Units.

The acquired real estate assets include the Market Square, Hamilton Market and Furniture Plaza showroom buildings and the High Point Holiday Inn hotel. The properties will be managed by Merchandise Mart Properties, Inc. which Vornado acquired as part of the Kennedy Family portfolio in April 1998.

The closing, which is expected at the end of the third quarter, is subject to customary closing conditions.

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