

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>SCHEAR MITCHELL N</u>  (Last) (First) (Middle) 2345 CRYSTAL DRIVE  (Street) ARLINGTON VA 22202  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>VORNADO REALTY TRUST [ vno ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>President - Smith Division</u>
	3. Date of Earliest Transaction (Month/Day/Year) 07/08/2004	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Shares	07/08/2004		M		38,924	A	\$36.46	70,352 <sup>(1)(2)</sup>	D	
Common Shares	07/08/2004		S		324	D	\$59.08	70,028 <sup>(1)(2)</sup>	D	
Common Shares	07/08/2004		S		38,600	D	\$59	31,428 <sup>(1)(2)</sup>	D	

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Amount or Number of Shares
Options (Right to Buy)	\$36.46	07/08/2004		M			38,924	04/09/2004	04/09/2013	Common Shares	38,924	\$36.46	77,848 <sup>(3)</sup>	D	

**Explanation of Responses:**

- 31,428 of these Common Shares are "restricted stock" under the terms of the Vornado Realty Trust 2002 Omnibus Share Plan. Of these 31,428 Common Shares (i) 27,428 Common Shares of restricted stock were granted to Mr. Schear on April 9, 2003, with the shares vesting in equal portions over a four-year period beginning April 2004 and (ii) 4,000 Common Shares of restricted stock were granted to Mr. Schear on February 6, 2004, with the shares vesting in equal portions over a five-year period beginning January 2005.
- Number of Common Shares beneficially owned as of July 8, 2004.
- This tranche of options, which were originally granted on April 9, 2003, have two equal portions remaining to vest. One portion vests in 2005 and the other portion vests in 2006.

/s/ Mitchell Schear 07/09/2004  
 \*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.