

## Vornado Acquires Interest in Beverly Connection

Company Release - 3/8/2005

PARAMUS, N.J.--(BUSINESS WIRE)--March 8, 2005--Vornado Realty Trust (NYSE:VNO) today announced that it has purchased a 50% interest in a venture that owns Beverly Connection, a two-level urban shopping center located across the street from Beverly Center regional mall, in Los Angeles, California for \$10,700,000. In addition, Vornado provided the venture with \$35,000,000 of preferred equity yielding 13.5% for up to a three-year term and a \$59,500,000 first mortgage loan due February 2006, bearing interest at 8.1%. Vornado will provide up to an additional \$35,000,000 of preferred equity if requested by the venture.

The shopping center contains approximately 322,000 square feet and a parking structure containing 1,538 spaces and is anchored by a Ralph's Supermarket, Old Navy and Sports Chalet. The venture intends to redevelop the property and add retail, residential condominiums and assisted living facilities. The redevelopment is subject to governmental approvals.

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

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

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SOURCE: Vornado Realty Trust