

Vornado Joint Venture Selected as Developer of the Farley Post Office

Company Release - 7/19/2005

PARAMUS, N.J.--(BUSINESS WIRE)--July 19, 2005--Vornado Realty Trust (New York Stock Exchange: VNO) today announced that a 50/50 joint venture of Vornado Realty Trust and The Related Companies has entered into a Memorandum of Understanding and has been conditionally designated as the developer to convert the Farley Post Office in Manhattan into the new Moynihan Train Station.

The Moynihan Station project involves 300,000 square feet for a new transportation facility to be financed with public funding, as well as 850,000 square feet of commercial space and up to 1,000,000 square feet of air rights intended to be transferred to an adjacent site.

The commercial space is currently anticipated to include a wide variety of retail uses, restaurants, a boutique hotel and merchandise mart space.

The new Moynihan Station will enhance the Penn Plaza District as New York City's westside transportation hub.

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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