

Vornado to Acquire Boston Filene's Property

Company Release - 7/10/2006

PARAMUS, N.J.--(BUSINESS WIRE)--July 10, 2006--

VORNADO REALTY TRUST (NYSE:VNO) announced today that it has finalized an agreement with Federated Department Stores, Inc., to purchase the 656,000 square foot Filene's property located in the Downtown Crossing district of Boston. The purchase price is approximately \$100 million. The purchase is expected to close in the fourth quarter of 2006, and is subject to customary closing conditions. The Company plans to redevelop and expand the property for office and retail use, 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.

Source: Vornado Realty Trust