

## PRESS RELEASE

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**JULY 1, 2002**

**Vornado swaps fixed interest rate for LIBOR Based Rate**

PARAMUS, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) announced today that Vornado Realty L.P., the operating partnership through which Vornado Realty Trust conducts its business, entered into interest rate swaps that will effectively convert the interest rate on the operating partnership's recent issuance of \$500 million Notes due 2007 from a fixed rate of 5.625% to a floating rate of LIBOR plus .7725, based upon the trailing 3 month LIBOR rate (2.633% if set today). Since the Company intends to repay variable rate debt with the \$500 million from the debt offering, after giving effect to the interest rate swaps there will be virtually no change in the Company's variable rate debt level.

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.