Section 1: 8-K (8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):
March 30, 2012

VORNADO REALTY TRUST
(Exact Name of Registrant as Specified in Charter)

Maryland	**No. 001-11954**	**No. 22-1657560**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

VORNADO REALTY L.P.
(Exact Name of Registrant as Specified in Charter)

Delaware	**No. 001-34482**	**No. 13-3925979**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

888 Seventh Avenue **New York, New York**	**10019**
(Address of Principal Executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(212) 894-7000**

Former name or former address, if changed since last report: **N/A**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2.):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) On March 30, 2012, the Compensation Committee (the "Committee") of the Board of Trustees of Vornado Realty Trust ("Vornado") approved the establishment for fiscal 2012 of an annual incentive program for Vornado's senior executive management team that formulaically ties annual incentive award payouts to achieving a comparable funds from operations ("Comparable FFO") performance threshold and provides for a maximum aggregate award pool based on performance. Under the annual incentive program, members of Vornado's senior executive management team, including Vornado's Chairman as well as its President and Chief Executive Officer, will have the ability to earn annual cash incentive payments and/or equity awards if and only if Vornado achieves Comparable FFO of at least 80% or more of the prior year Comparable FFO. In the event that Vornado fails to achieve Comparable FFO of 80% or more of the prior year Comparable FFO, no incentive payments would be earned or paid under the program. Moreover, even if Vornado achieves the stipulated Comparable FFO performance requirement under the annual incentive program, the Compensation Committee retains the right, consistent with best practices, to elect to make no payments under the program. Comparable FFO excludes the impact of certain non-recurring items such as income or loss from discontinued operations, the sale or mark-to-market of marketable securities or derivatives and early extinguishment of debt, restructuring costs and non-cash impairment losses, among others, and thus the Compensation Committee believes provides a better metric than total FFO for assessing management's performance for the year. A discussion of Vornado's FFO as adjusted for comparability may be found in Vornado's Annual Report on Form 10-K for the year ended December 31, 2011 in Part II, Item 7, under "Funds From Operations".

Aggregate incentive awards earned under the annual incentive program by our senior executive management team are subject to a cap of 1.25% of Comparable FFO earned by Vornado for the year, with individual award allocations under the program determined by the Compensation Committee based on an assessment of individual and overall performance.

On March 30, 2012, Vornado's Compensation Committee approved Vornado's 2012 Out-Performance Plan, a multi-year, performance-based equity compensation plan and related form of award agreement, the 2012 Outperformance Plan (the "2012 OPP"). Under the 2012 OPP, participants, including Vornado's Chairman as well as its President and Chief Executive Officer, have the opportunity to earn compensation payable in the form of equity awards if and only if Vornado outperforms a predetermined total shareholder return ("TSR") and/or outperforms the market with respect to relative total TSR in any year during a three-year performance period. Specifically, awards under our 2012 OPP may potentially be earned if Vornado (i) achieves a TSR above that of the SNL US REIT Index (the "Index") over a one-year, two-year or three-year performance period (the "Relative Component"), and/or (ii) achieves a TSR level greater than 7% per annum, or 21% over the three-year performance period (the "Absolute Component"). To the extent awards would be earned under the Absolute Component of the 2012 OPP but Vornado underperforms the Index, such awards earned under the Absolute Component would be reduced (and potentially fully negated) based on the degree to which Vornado underperforms the Index. In certain circumstances, in the event Vornado outperforms the Index but awards would not otherwise be earned under the Absolute Component, awards may still be earned under the Relative Component. Moreover, to the extent awards would otherwise be earned under the Relative Component but Vornado fails to achieve at least a 6% per annum absolute TSR level, such awards earned under the Relative Component would be reduced based on Vornado's absolute TSR performance, with no awards being earned in the event Vornado's TSR during the applicable measurement period is 0% or negative, irrespective of the degree to which it may outperform the Index. If the designated performance objectives are achieved, OPP Units are also subject to time-based vesting requirements. Share dividend payments on awards issued accrue during the performance period and are paid to participants if and only if awards are ultimately earned based on the achievement of the designated performance objectives. A form of Vornado's 2012 OPP Award Agreement is filed as Exhibit 99.1 hereto and incorporated herein by reference. In connection with approval of the 2012 OPP, on March 30, 2012, Vornado, as the managing general partner of Vornado Realty L.P., the operating partnership through which Vornado conducts its business, approved the Forty-Fourth Amendment to Second Amended and Restated Agreement of Limited Partnership of Vornado Realty L.P.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Form of Vornado Realty Trust 2010 Omnibus Share Plan Incentive/Non-Qualified Stock Option Agreement.

99.2 Form of Vornado Realty Trust 2010 Omnibus Share Plan Restricted Stock Agreement.

99.3 Form of Vornado Realty Trust 2010 Omnibus Share Plan Restricted LTIP Unit Agreement.

99.4 Form of Vornado Realty Trust 2012 Outperformance Plan Award Agreement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VORNADO REALTY TRUST
(Registrant)

By: /s/ Joseph Macnow
Name: Joseph Macnow

Title: Executive Vice President -
Finance and Administration and
Chief Financial Officer (duly authorized officer
and principal financial and accounting officer)

Date: April 5, 2012

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VORNADO REALTY L.P.
(Registrant)

By: VORNADO REALTY TRUST,
Sole General Partner

By: /s/ Joseph Macnow
Name: Joseph Macnow
Title: Executive Vice President -
Finance and Administration and
Chief Financial Officer of Vornado Realty Trust,
sole general partner of Vornado Realty L.P.
(duly authorized officer and principal financial
and accounting officer)

Date: April 5, 2012

Exhibit Index

99.1 Form of Vornado Realty Trust 2010 Omnibus Share Plan Incentive/Non-Qualified Stock Option Agreement.

99.2 Form of Vornado Realty Trust 2010 Omnibus Share Plan Restricted Stock Agreement.

99.3 Form of Vornado Realty Trust 2010 Omnibus Share Plan Restricted LTIP Unit Agreement.

99.4 Form of Vornado Realty Trust 2012 Outperformance Plan Award Agreement.

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Section 2: EX-99.1 (EX-99.1)

Exhibit 99.1

FORM OF VORNADO REALTY TRUST 2010 OMNIBUS SHARE PLAN
[INCENTIVE/NON-QUALIFIED] STOCK OPTION AGREEMENT

STOCK OPTION AGREEMENT made as of date set forth on Schedule A hereto between Vornado Realty Trust, a Maryland real estate investment trust (the "Company"), and the employee of the Company or one of its affiliates listed on Schedule A (the "Employee").

RECITALS

A. In accordance with the Vornado Realty Trust 2010 Omnibus Share Plan, as it may be amended or modified from time to time (the "Plan"), the Company desires in connection with the employment of the Employee, to provide the Employee with an opportunity to acquire shares of the Company's common shares of beneficial interest, par value $.04 per share (the "Common Shares"), and thereby provide additional incentive for the Employee to promote the progress and success of the business of the Company and its subsidiaries.

B. Schedule A hereto sets forth certain significant details of the option grant herein and is incorporated herein by reference. Capitalized terms used herein and not otherwise defined have the meanings provided on Schedule A.

NOW, THEREFORE, the Company and the Employee hereby agree as follows:

AGREEMENT

1. GRANT OF OPTIONS: On the terms and conditions set forth below, as well as the terms and conditions of the Plan and subject to adjustment as provided in Section 8 hereof, the Company hereby grants to the Employee the right to purchase (the "Option") an aggregate of such number of Common Shares as is set forth on Schedule A at a purchase price per Common Share equal to the Exercise Price set forth on Schedule A. The Option [is/is not] intended to be an "incentive stock option" within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") to the extent set forth on Schedule A.

2. TERM OF OPTION: The term of the Option shall be the time period indicated on Schedule A from the date of grant referred to on Schedule A, subject to earlier termination or cancellation as provided in this Agreement.

Except as otherwise permitted under Section 7 hereof, the Option shall not be exercisable unless the Employee shall, at the time of exercise, be an employee of the Company or its affiliates.

3. NON-TRANSFERABILITY OF OPTION: The Option shall not be transferable otherwise than by will or by the laws of descent and distribution, and the

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Option may be exercised during the Employee's lifetime only by the Employee. More particularly, but without limiting the generality of the foregoing, the Option may not be assigned, transferred (except as provided in the preceding sentence), pledged, or hypothecated in any way (whether by operation of law or otherwise), and shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the Option contrary to the provisions of the Plan or this Agreement, and any levy of any attachment or similar process upon the Option, shall be null and void and without effect, and the Compensation Committee of the Company (the "Committee") may, in its discretion, upon the happening of any such event, terminate the Option forthwith.

4. EXERCISE OF OPTION: Unless terminated pursuant to Section 7 hereof, the Option may be exercised as to not more than the Annual Option Vesting Amount (as defined on Schedule A) of the aggregate number of Common Shares originally subject thereto commencing on the first Annual Vesting Date (as defined on Schedule A) following the date of grant. Thereafter, on each Annual Vesting Date and until the expiration of the term of this Agreement (unless earlier terminated or canceled as provided in this Agreement), the Option may be exercised for an additional Annual Option Vesting Amount. To the extent that Schedule A provides for amounts or schedules of vesting that conflict with the provisions of this paragraph, the provisions of Schedule A will govern.

The right to purchase Common Shares pursuant to the Option shall be cumulative. If the full number of Common Shares available for purchase under the Option, to the extent the Option is vested, has not been purchased, the balance may be purchased at any time or from time to time thereafter, but prior to the termination of such Option. The Option shall not, however, be exercisable after the expiration thereof; and except as provided in Section 7 hereof, the Option shall not be exercisable unless the Employee is an employee of the Company or its affiliates at the time of exercise.

The holder of the Option shall not have any rights to dividends or any other rights of a shareholder with respect to the Common Shares subject to the Option until such Common Shares shall have been issued to him (as evidenced by the appropriate entry on the books of a duly authorized transfer agent of the Company), upon the purchase of such Common Shares through exercise of the Option.

Notwithstanding the foregoing or anything to the contrary set forth herein, upon (a) the occurrence of a Change in Control of the Company and (b) the termination of employment of the Employee with the Company or its affiliates within 24 months of such Change of Control either (i) by the Company (or its successor) without Cause (as defined below) or (ii) by the Employee for Good Reason (as defined below), then the Option shall become vested and immediately exercisable in full. For purposes of this Agreement, a "Change in Control" of the Company means the occurrence of one of the following events:

(i) individuals who, on the date hereof, constitute the Board of Trustees of the Company (the "Incumbent Trustees") cease for any reason to constitute at least a majority of the Board of Trustees (the "Board"), provided that any person becoming a trustee subsequent to the date hereof whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Trustees then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for trustee, without objection to such nomination) shall be an Incumbent Trustee; provided, however, that no individual initially elected or nominated as a trustee of the Company as a result of an actual or threatened election contest with respect to trustees or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be an Incumbent Trustee;

(ii) any "person" (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "Exchange Act") and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes, after the date hereof, a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities"); provided, however, that an event described in this paragraph (ii) shall not be deemed to be a Change in Control if any of following becomes such a beneficial owner: (A) the Company or any majority-owned subsidiary of the Company (provided that this exclusion

applies solely to the ownership levels of the Company or the majority-owned subsidiary), (B) any tax-qualified, broad-based employee benefit plan sponsored or maintained by the Company or any such majority-owned subsidiary, (C) any underwriter temporarily holding securities pursuant to an offering of such securities, (D) any person pursuant to a Non-Qualifying Transaction (as defined in paragraph (iii)), (E) (a) any of the partners (as of the date hereof) in Interstate Properties ("Interstate") including immediate family members and family trusts or family-only partnerships and any charitable foundations of such partners (the "Interstate Partners"), (b) any entities the majority of the voting interests of which are beneficially owned by the Interstate Partners, or (c) any "group" (as described in Rule 13d-5 (b)(1) under the Exchange Act) including the Interstate Partners, provided that the Interstate Partners beneficially own a majority of the Company Voting Securities beneficially owned by such group (the persons in (a), (b) and (c) shall be individually and collectively referred to herein as, "Interstate Holders");

(iii) the consummation of a merger, consolidation, share exchange or similar form of transaction involving the Company or any of its subsidiaries, or the sale of all or substantially all of the Company's assets (a "Business Transaction"), unless immediately following such Business Transaction (a) more than 50% of the total voting power of the entity resulting from such Business Transaction or the entity acquiring the Company's assets in such Business Transaction (the "Surviving Corporation") is beneficially owned, directly or indirectly, by the Interstate Holders or the Company's shareholders immediately

prior to any such Business Transaction, and (b) no person (other than the persons set forth in clauses (A), (B), (C), or (E) of paragraph (ii) above or any tax-qualified, broad-based employee benefit plan of the Surviving Corporation or its affiliates) beneficially owns, directly or indirectly, 30% or more of the total voting power of the Surviving Corporation (a "Non-Qualifying Transaction"); or

(iv) Board approval of a liquidation or dissolution of the Company, unless the voting common equity interests of an ongoing entity (other than a liquidating trust) are beneficially owned, directly or indirectly, by the Company's shareholders in substantially the same proportions as such shareholders owned the Company's Voting Securities immediately prior to such liquidation and such ongoing entity assumes all existing obligations of the Company to Employee under this Agreement.

For the purposes of this Section and Section 7, "Cause" will mean with respect to the Employee, the Employee's: (a) conviction of, or plea of guilty or *nolo contendre* to, a felony pertaining or otherwise relating to his or her employment with the Company or an affiliate; or (b) willful misconduct that is materially economically injurious to the Company or any of its affiliates, in each case as determined in the Company's sole discretion. For the purposes of this Section, "Good Reason" will mean (a) the assignment to the Employee of duties materially and adversely inconsistent with the Employee's status prior to the Change in Control or a material and adverse alteration in the nature of the Employee's duties, responsibilities or authority; (b) a reduction in the Employee's base salary; or (c) a relocation of the Employee's own office location to a location more than 30 miles from its location prior to the Change in Control. In the event the Employee is a party to an employment agreement with the Company or an affiliate thereof, and the definitions of Cause or Good Reason contained herein conflict with terms provided therefor in such employment agreement (or similar terms or provisions intended to cover substantially similar circumstances) the definitions contained in such employment agreement will govern.

5. METHOD OF EXERCISE: The Option shall be exercisable by written notice specifying the number of Common Shares purchased and accompanied by payment in full in cash or by certified or bank cashier's check payable to the order of the Company, by tender of Common Shares owned by the employee valued at fair market value as of the date of exercise or by a combination of cash and Common Shares. Upon delivery, by hand or by registered mail directed to the Company at its executive offices (currently at 888 Seventh Avenue, New York, NY 10019 Attn: Stock Option Administrator) the Company shall issue the number of Common Shares purchased, which issuance shall, in the event of a hand delivery of the exercise price, occur immediately upon such delivery, provided the holder of the Option shall have given two business days' advance notice of such delivery. In no case may a fraction of a Common Share be purchased or issued pursuant to the exercise of an Option. The Option shall be deemed to have been exercised with respect to any particular Common Shares, if, and only if, the provisions of this Agreement shall have been complied with, in which event the Option shall be deemed to have been exercised on the date on which the notice described above

shall have been delivered to the Company. The certificate or certificates of Common Shares as to which the Options shall be exercised shall be registered in the name of the person or persons exercising the Option.

6. RESTRICTIONS ON COMMON SHARES: Common Shares issued upon the exercise of the Option shall be issued only to the holder of the Option. Any restrictions upon transfer of Common Shares issued upon the exercise of the Option, which in the opinion of the Company's counsel are required by the Securities Act of 1933, as amended, shall be noted on the certificate thereof by appropriate legend.

7. TERMINATION OF EMPLOYMENT: Any Options held by the Employee upon termination of employment shall remain exercisable as follows:

(I) If the Employee's termination of employment is due to death, all unvested Options shall become immediately exercisable in full and shall be exercisable by the Employee's designated beneficiary, or, if none, the person(s) to whom such Employee's rights under the Option are transferred by will or the laws of descent and distribution for the Applicable Option Exercise Period (as defined on Schedule A) following the date of death (but in no event beyond the term of the Option), and shall thereafter terminate;

(II) If the Employee's termination of employment is due to disability (as defined in Section 22(e)(3) of the Code, or Section 422(c)(6) of the Code if this Option is intended to be an incentive stock option), all unvested Options shall become immediately exercisable in

full and shall be exercisable for the Applicable Option Exercise Period following such termination of employment (but in no event beyond the term of the Option), and shall thereafter terminate;

(III) If the Employee's termination of employment is due to retirement on or after the attainment of age 65, all unvested Options shall become immediately exercisable in full and shall be exercisable for the Applicable Option Exercise Period following such retirement (but in no event beyond the term of the Option), and shall thereafter terminate;

(IV) If the Employee's termination of employment is for Cause, all Options, to the extent not vested, shall terminate on the date of termination and, all other Options, to the extent exercisable as of the date of termination, shall be exercisable for the Applicable Option Exercise Period, if any, following such termination of employment (but in no event beyond the term of the Option), and shall thereafter terminate; and

(V) If the Employee's termination of employment is for any reason (other than as set forth in clause in (I), (II), (III) or (IV) of this Section 7), all unvested Options shall terminate on the date of termination and, all other Options, to the extent exercisable as of the date of termination, shall be exercisable for the Applicable Option Exercise Period following such termination of employment

(but in no event beyond the term of the Option), and shall thereafter terminate. An Employee's status as an employee shall not be considered terminated in the case of a leave of absence agreed to in writing by the Company (including, but not limited to, military and sick leave); provided, that, such leave is for a period of not more than one year or re-employment upon expiration of such leave is guaranteed by contract or statute.

8. RECLASSIFICATION, CONSOLIDATION OR MERGER: In the event of any change in the outstanding Common Shares by reason of any share dividend or split, recapitalization, merger, consolidation, spin-off combination or exchange of Common Shares or other corporate change, or any distributions to common shareholders other than regular dividends, the Committee shall make such substitution or adjustment, if any, as it deems to be equitable, as to the Exercise Price and the number or kind of Common Shares issued or reserved for issuance pursuant to the Plan and to outstanding awards or make such other cash or other distribution as is equitable. If the Company is reorganized or consolidated or merged with another corporation, the Employee shall be entitled to receive options covering shares of such reorganized, consolidated or merged company in the same proportion, at an equivalent price, and subject to the same conditions. For purposes of the preceding sentence the excess of the aggregate fair market value of the shares subject to the Option immediately after the reorganization, consolidation or merger over the aggregate option price of such shares shall not be more than the excess of the aggregate fair market value of all shares subject to the Option immediately before the reorganization, consolidation or merger over the aggregate option price of the shares, and the new Option or assumption of the old Option shall not give the Employee additional benefits which he did not have under the old Option.

9. APPROVAL OF COUNSEL: The issuance and delivery of Common Shares pursuant to the Option shall be subject to the reasonable approval by the Company's counsel with respect to compliance with the requirements of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, and the requirements of any national securities exchange upon which the Common Shares may then be listed as in compliance with any other law or regulation, including, but not limited to, Section 856 of the Code.

10. NO RIGHT TO EMPLOYMENT: Nothing herein contained shall affect the right of the Company or any affiliate to terminate the Employee's services, responsibilities and duties at any time for any reason whatsoever.

11. GOVERNING LAW: This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Maryland, without references to principles of conflict of laws.

12. SEVERABILITY: If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not so held invalid, and each such other provision shall to the full extent

consistent with law continue in full force and effect. If any provision of this Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Agreement, shall to the full extent consistent with law continue in full force and effect.

13. HEADINGS: The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

14. COUNTERPARTS: This Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

15. BENEFITS OF AGREEMENT: This Agreement shall inure to the benefit of and be binding upon each successor of the Company. All obligations imposed upon the Employee and all rights granted to the Company under this Agreement shall be binding upon the Employee's heirs, legal representatives and successors. The Agreement shall be the sole and exclusive source of any and all rights which the Employee, his heirs, legal representatives or successors may have in respect to the Plan or any Option or Common Shares granted or issued thereunder whether to himself or any other person and may not be amended except in writing signed by the Company and the Employee.

16. CONFLICT WITH EMPLOYMENT AGREEMENT. If (and only if) the Employee and the Company or its affiliates have entered into an employment agreement, in the event of any conflict between any of the provisions of this Agreement and any such employment agreement (in particular, but without limitation, with respect to the definition of "Cause") the provisions of such employment agreement will govern. As further provided in Section 10, nothing herein shall imply that any employment agreement exists between the Employee and the Company or its affiliates.

17. TAX WITHHOLDING. The Company or its applicable affiliate has the right to withhold from other compensation payable to the Employee any and all applicable income and employment taxes due and owing with respect to the Options to the extent such amount is required to be paid by the Company or its applicable affiliate (the "Withholding Amount"), and/or to delay delivery of Common Shares until appropriate arrangements have been made for payment of such withholding. In the alternative, the Company has the right to retain and cancel, or sell or otherwise dispose of such number of Common Shares underlying Options as have a market value (determined at date the Withholding Amount becomes payable) approximately equal to the Withholding Amount with any excess proceeds being paid to Employee.

[signature page follows]

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the date and year first above written.

VORNADO REALTY TRUST

By: _____
Joseph Macnow, Executive Vice
President — Finance & Administration

_____
[EMPLOYEE]

SCHEDULE A TO OPTION AGREEMENT

(Terms being defined are in quotation marks.)

Date of Option Agreement:	As of
Name of Employee:	
Number of Common Shares Subject to Grant:	
"Exercise Price":	
Date of Grant:	
Incentive and/or Non-Qualified Options	Number of: Incentive Stock Options (ISO) Non-Qualified Stock Options (NQ)
Term of Option from Date of Grant:	*(Check the applicable box to indicate term of Option)* ☐ Ten years — expires on , 20 ☐ Five years — expires on , 20 ☐
Vesting Period:	

"Annual Option Vesting Amount"			
Insert the number of Options that vest each year or other applicable vesting schedule.	20 -	(NQ) and	(ISO)
	20 -	(NQ) and	(ISO)
	20 -	(NQ) and	(ISO)
	20 -	(NQ) and	(ISO)
	20 -	(NQ) and	(ISO)

"Annual Vesting Date" (or if such date is not a business day, on the next succeeding business day):

Insert the calendar date of each year on which Options will vest or other appropriate vesting schedule.

"Applicable Option Exercise Period":
Insert the period following termination for which an Option may still be exercised for each event referenced and as cross-referenced to the applicable Section of the Agreement.

Death (Section 7(I)):

Disability (Section 7(II)):

Retirement (Section 7(III)):

Cause (Section 7(IV)):

Other Termination (Section 7(V)):

Initials of Company representative:

Initials of Employee:

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Section 3: EX-99.2 (EX-99.2)

Exhibit 99.2

FORM OF VORNADO REALTY TRUST 2010 OMNIBUS SHARE PLAN
RESTRICTED STOCK AGREEMENT

RESTRICTED STOCK AGREEMENT made as of date set forth on Schedule A hereto between VORNADO REALTY TRUST, a Maryland real estate investment trust (the "Company"), and the employee of the Company or one of its affiliates listed on Schedule A (the "Employee").

RECITALS

A. In accordance with the Vornado Realty Trust 2010 Omnibus Share Plan, as it may be amended from time to time (the "Plan"), the Company desires in connection with the employment of the Employee, to provide the Employee with an opportunity to acquire shares of the Company's common shares of beneficial interest, par value $0.04 per share (the "Common Shares"), and thereby provide additional incentive for the Employee to promote the progress and success of the business of the Company and its subsidiaries.

B. Schedule A hereto sets forth certain significant details of the share grant herein and is incorporated herein by reference. Capitalized terms used herein and not otherwise defined have the meanings provided on Schedule A.

NOW, THEREFORE, the Company and the Employee hereby agree as follows:

AGREEMENT

1. Grant of Restricted Stock. On the terms and conditions set forth below, as well as the terms and conditions of the Plan, the Company hereby grants to the Employee such number of Common Shares as is set forth on Schedule A (the "Restricted Stock").

2. Vesting Period. The vesting period of the Restricted Stock (the "Vesting Period") begins on the Grant Date and continues until such date as is set forth on Schedule A as the date on which the Restricted Stock is fully vested. On the first Annual Vesting Date following the date of this Agreement and each Annual Vesting Date thereafter the number of shares of Restricted Stock equal to the Annual Vesting Amount shall become vested, subject to earlier forfeiture as provided in this Agreement. To the extent that Schedule A provides for amounts or schedules of vesting that conflict with the provisions of this paragraph, the provisions of Schedule A will govern. Except as permitted under Section 10, the shares of Restricted Stock for which the applicable Vesting Period has not expired may not be sold, assigned, transferred, pledged or otherwise disposed of or encumbered (whether voluntary or involuntary or by judgment, levy, attachment, garnishment or other legal or equitable proceeding).

The Employee shall not have the right to receive dividends paid on shares of Restricted Stock for which the applicable Vesting Period has not expired. In lieu thereof, the Employee shall have the right to receive from the Company an amount, in cash, equal to the dividends payable on shares of Restricted Stock for which the applicable Vesting Period has not expired, provided the Employee is employed by the Company or its affiliates on the payroll date coinciding with or immediately following the date any such dividends are paid on the Restricted

Shares.

The Employee shall have the right to vote the Restricted Stock, regardless of whether the applicable Vesting Period has expired.

3. Forfeiture of Restricted Stock. If the employment of the Employee by the Company or its affiliates terminates for any reason except death or following a Change in Control as described below, the shares of Restricted Stock for which the applicable Vesting Period has not expired as of the date of such termination, shall be forfeited and returned to the Company. Upon the Employee's death, all of the shares of Restricted Stock (whether or not vested) shall become fully vested and shall not be forfeitable. Upon the occurrence of (a) a Change in Control of the Company, and (b) the termination of employment of the Employee with the Company or its affiliates within 24 months of such Change in Control either (i) by the Company (or its successor) without Cause (as defined below) or (ii) by the Employee for Good Reason (as defined below), then any shares of Restricted Stock for which the applicable Vesting Period has not expired, shall become fully vested and shall not be forfeitable. For purposes of this Restricted Stock Agreement, a "Change in Control" of the Company means the occurrence of one of the following events:

(i) individuals who, on the Grant Date, constitute the Board of Trustees of the Company (the "Incumbent Trustees") cease for any reason to constitute at least a majority of the Board of Trustees (the "Board"), provided that any person becoming a trustee subsequent to the Grant Date whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Trustees then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for trustee, without objection to such nomination) shall be an Incumbent Trustee; provided, however, that no individual initially elected or nominated as a trustee of the Company as a result of an actual or threatened election contest with respect to trustees or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be an Incumbent Trustee;

(ii) any "person" (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "Exchange Act") and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes, after the Grant Date, a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 30% or

more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities"); provided, however, that an event described in this paragraph (ii) shall not be deemed to be a Change in Control if any of following becomes such a beneficial owner: (A) the Company or any majority-owned subsidiary of the Company (provided that this exclusion applies solely to the ownership levels of the Company or the majority-owned subsidiary), (B) any tax-qualified, broad-based employee benefit plan sponsored or maintained by the Company or any such majority-owned subsidiary, (C) any underwriter temporarily holding securities pursuant to an offering of such securities, (D) any person pursuant to a Non-Qualifying Transaction (as defined in paragraph (iii)), (E) (a) any of the partners (as of the Grant Date) in Interstate Properties ("Interstate") including immediate family members and family trusts or family-only partnerships and any charitable foundations of such partners (the "Interstate Partners"), (b) any entities the majority of the voting interests of which are beneficially owned by the Interstate Partners, or (c) any "group" (as described in Rule 13d-5(b)(i) under the Exchange Act) including the Interstate Partners (the persons in (a), (b) and (c) shall be individually and collectively referred to herein as, "Interstate Holders");

(iii) the consummation of a merger, consolidation, share exchange or similar form of transaction involving the Company or any of its subsidiaries, or the sale of all or substantially all of the Company's assets (a "Business Transaction"), unless immediately following such Business Transaction (a) more than 50% of the total voting power of the entity resulting from such Business Transaction or the entity acquiring the Company's assets in such Business Transaction (the "Surviving Corporation") is beneficially owned, directly or indirectly, by the Interstate Holders or the Company's shareholders immediately prior to any such Business Transaction, and (b) no person (other than the persons set forth in clauses (A), (B), (C), or (F) of paragraph (ii) above or any tax-qualified, broad-based employee benefit plan of the Surviving Corporation or its affiliates) beneficially owns, directly or indirectly, 30% or more of the total voting power of the Surviving Corporation (a "Non-Qualifying Transaction"); or

(iv) Board approval of a liquidation or dissolution of the Company, unless the voting common equity interests of an ongoing entity (other than a liquidating trust) are beneficially owned, directly or indirectly, by the Company's shareholders in substantially the same proportions as such shareholders owned the Company's Voting Securities immediately prior to such liquidation and such ongoing entity assumes all existing obligations of the Company to Employee under this Restricted Stock Agreement.

For the purposes of this Section, "Cause" will mean with respect to the Employee, the Employee's: (a) conviction of, or plea of guilty or *nolo contendre* to, a felony pertaining or otherwise relating to his or her employment with the Company or an affiliate; or (b) willful misconduct that is materially economically injurious to the Company or any of its affiliates, in each case as determined in the Company's sole

discretion. For the purposes of this Section, "Good Reason" will mean (a) the assignment to the Employee of duties materially and adversely inconsistent with the Employee's status prior to the Change in Control or a material and adverse alteration in the nature of the Employee's duties, responsibilities or authority; (b) a reduction in the Employee's base salary; or (c) a relocation of the Employee's own office location to a location more than 30 miles from its location prior to the Change in Control. In the event the Employee is a party to an employment agreement with the Company or an affiliate thereof, and the definitions of Cause or Good Reason contained herein conflict with terms provided therefor in such employment agreement (or similar terms or provisions intended to cover substantially similar circumstances) the definitions contained in such employment agreement will govern.

4. Certificates. Each certificate issued in respect of the Restricted Stock awarded under this Restricted Stock Agreement shall be registered in the Employee's name and held by the Company until the expiration of the applicable Vesting Period. At the expiration of each Vesting Period, the Company shall deliver to the Employee (or, if applicable, to the Employee's legal representatives, beneficiaries or heirs) certificates representing the number of Common Shares that vested upon the expiration of such Vesting Period. The Employee agrees that any resale of the Common Shares received upon the expiration of the applicable Vesting Period shall not occur during the "blackout periods" forbidding sales of Company securities, as set forth in the then applicable Company employee manual or insider trading policy. In addition, any resale shall be made in compliance with the registration requirements of the Securities Act of 1933, as amended, or an applicable exemption therefrom, including, without limitation, the exemption provided by Rule 144 promulgated thereunder (or any successor rule).

5. Tax Withholding. The Company or its applicable affiliate has the right to withhold from cash compensation payable to the Employee all applicable income and employment taxes due and owing at the time the applicable portion of the Restricted Stock becomes includible in the Employee's income (the "Withholding Amount"), and/or to delay delivery of Restricted Stock until appropriate arrangements have been made for payment of such withholding. In the alternative, the Company has the right to retain and cancel, or sell or otherwise dispose of such number of shares of Restricted Stock as have a market value determined at date the applicable shares vest, approximately equal to the Withholding Amount with any excess proceeds being paid to Employee.

6. Certain Adjustments. In the event of any change in the outstanding Common Shares by reason of any share dividend or split, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other corporate change, or any distribution to common shareholders other than regular dividends, any shares or other securities received by the Employee with respect to the applicable Restricted Stock for which the Vesting Period shall not have expired will be subject to the same restrictions as the Restricted Stock with respect to an equivalent number of shares and shall be deposited with the Company.

7. No Right to Employment. Nothing herein contained shall affect the right of the Company or any affiliate to terminate the Employee's services, responsibilities and duties at any time for any reason whatsoever.

8. Notice. Any notice to be given to the Company shall be addressed to the Secretary of the Company at 888 Seventh Avenue, New York, New York 10019 and any notice to be given the Employee shall be addressed to the Employee at the Employee's address as it appears on the employment records of the Company, or at such other address as the Company or the Employee may hereafter designate in writing to the other.

9. Governing Law. This Restricted Stock Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Maryland, without references to principles of conflict of laws.

10. Successors and Assigns. This Restricted Stock Agreement shall be binding upon and inure to the benefit of the parties hereto and any successors to the Company and any successors to the Employee by will or the laws of descent and distribution, but this Restricted Stock Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Employee.

11. Severability. If, for any reason, any provision of this Restricted Stock Agreement is held invalid, such invalidity shall not affect any other provision of this Restricted Stock Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Restricted Stock Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Restricted Stock Agreement, shall to the full extent consistent with law continue in full force and effect.

12. Headings. The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Restricted Stock Agreement.

13. Counterparts. This Restricted Stock Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

14. Miscellaneous. This Restricted Stock Agreement may not be amended except in writing signed by the Company and the Employee. Notwithstanding the foregoing, this Restricted Stock Agreement may be amended in writing signed only by the Company to: (a) correct any errors or ambiguities in this Restricted Stock Agreement; and/or (b) to make such changes that do not materially adversely affect the Employee's rights hereunder. This grant shall in no way affect the Employee's participation or benefits under any other plan or benefit program maintained or provided

by the Company. In the event of a conflict between this Restricted Stock Agreement and the Plan, the Plan shall govern.

15. CONFLICT WITH EMPLOYMENT AGREEMENT. If (and only if) the Employee and the Company or its affiliates have entered into an employment agreement, in the event of any conflict between any of the provisions of this Agreement and any such employment agreement the provisions of such employment agreement will govern. As further provided in Section 7, nothing herein shall imply that any employment agreement exists between the Employee and the Company or its affiliates.

[signature page follows]

IN WITNESS WHEREOF, this Restricted Stock Agreement has been executed by the parties hereto as of the date and year first above written.

VORNADO REALTY TRUST

By: _____
Name: Joseph Macnow
Title: Executive Vice President — Finance and Administration, Chief Financial Officer

_____
Employee

SCHEDULE A TO RESTRICTED STOCK AGREEMENT

(Terms being defined are in quotation marks.)

Date of Restricted Stock Agreement: As of:

Name of Employee:

Number of Common Shares Subject to Grant:

Date of Grant:

Date on Which Restricted Stock is Fully Vested:

Vesting Period:

"Annual Vesting Amount"
Insert the number of Restricted Shares that vest each year or other applicable vesting schedule.

"Annual Vesting Date"
(or if such date is not a business day, on the next succeeding business day): *Insert the calendar date of each year on which Restricted Shares will vest or other appropriate vesting schedule.*

Initials of Company representative:

Initials of Employee:

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Section 4: EX-99.3 (EX-99.3)

Exhibit 99.3

FORM OF VORNADO REALTY TRUST 2010 OMNIBUS SHARE PLAN
RESTRICTED LTIP UNIT AGREEMENT

RESTRICTED LTIP UNIT AGREEMENT made as of date set forth on Schedule A hereto between VORNADO REALTY TRUST, a Maryland real estate investment trust (the "Company"), its subsidiary Vornado Realty L.P., a Delaware limited partnership (the "Partnership"),

and the employee of the Company or one of its affiliates listed on Schedule A (the "Employee").

RECITALS

A. In accordance with the Vornado Realty Trust 2010 Omnibus Share Plan, as it may be amended from time to time (the "Plan"), the Company desires in connection with the employment of the Employee, to provide the Employee with an opportunity to acquire LTIP Units (as defined in the agreement of limited partnership of the Partnership, as amended (the "Partnership Agreement")) having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion set forth herein, in the Plan and in the Partnership Agreement, and thereby provide additional incentive for the Employee to promote the progress and success of the business of the Company, the Partnership and its subsidiaries.

B. Schedule A hereto sets forth certain significant details of the LTIP Unit grant herein and is incorporated herein by reference. Capitalized terms used herein and not otherwise defined have the meanings provided on Schedule A.

NOW, THEREFORE, the Company, the Partnership and the Employee hereby agree as follows:

AGREEMENT

1. Grant of Restricted LTIP Units. On the terms and conditions set forth below, as well as the terms and conditions of the Plan, the Company hereby grants to the Employee such number of LTIP Units as is set forth on Schedule A (the "Restricted LTIP Units").

2. Vesting Period. The vesting period of the Restricted LTIP Units (the "Vesting Period") begins on the Grant Date and continues until such date as is set forth on Schedule A as the date on which the Restricted LTIP Units are fully vested. On the first Annual Vesting Date following the date of this Agreement and each Annual Vesting Date thereafter, the number of LTIP Units equal to the Annual Vesting Amount shall become vested, subject to earlier forfeiture as provided in this Agreement. To the extent that Schedule A provides for amounts or schedules of vesting that conflict with the provisions of this paragraph, the provisions of Schedule A will govern. Except as permitted under Section 10, the Restricted LTIP Units for which the applicable Vesting Period has not expired may not be sold, assigned, transferred, pledged or otherwise

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disposed of or encumbered (whether voluntary or involuntary or by judgment, levy, attachment, garnishment or other legal or equitable proceeding).

The Employee shall be entitled to receive distributions with respect to Restricted LTIP Units to the extent provided for in the Partnership Agreement, as modified hereby, if applicable. The Distribution Participation Date (as defined in the Partnership Agreement) for the Restricted LTIP Units shall be the Grant Date. Notwithstanding the foregoing, the Employee shall not have the right to receive cash distributions paid on Restricted LTIP Units for which the applicable Vesting Period has not expired unless the Employee is employed by the Company or an affiliate on the payroll date coinciding with or immediately following the date any such distributions are payable.

The Employee shall have the right to vote the Restricted LTIP Units if and when voting is allowed under the Partnership Agreement, regardless of whether the applicable Vesting Period has expired.

3. Forfeiture of Restricted LTIP Units. If the employment of the Employee by the Company or an affiliate terminates for any reason except death or following a Change in Control as described below, the Restricted LTIP Units for which the applicable Vesting Period has not expired as of the date of such termination shall be forfeited and returned to the Company for delivery to the Partnership and cancellation. Upon the Employee's death, all of the Restricted LTIP Units (whether or not vested) shall become fully vested and shall not be forfeitable. Upon the occurrence of (a) a Change in Control of the Company, and (b) the termination of employment of the Employee with the Company or its affiliates within 24 months of such Change in Control either (i) by the Company (or its successor) without Cause (as defined below) or (ii) by the Employee for Good Reason (as defined below), then any Restricted LTIP Units for which the applicable Vesting Period has not expired, shall become fully vested and shall not be forfeitable. For purposes of this Restricted LTIP Unit Agreement, a "Change in Control" of the Company means the occurrence of one of the following events:

(i) individuals who, on the Grant Date, constitute the Board of Trustees of the Company (the "Incumbent Trustees") cease for any reason to constitute at least a majority of the Board of Trustees (the "Board"), provided that any person becoming a trustee subsequent to the Grant Date whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Trustees then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for trustee, without objection to such nomination) shall be an Incumbent Trustee; provided, however, that no individual initially elected or nominated as a trustee of the Company as a result of an actual or threatened election contest with respect to trustees or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be an Incumbent Trustee;

(ii) any "person" (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934 (the "Exchange Act") and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes, after the Grant Date, a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities");

provided, however, that an event described in this paragraph (ii) shall not be deemed to be a Change in Control if any of following becomes such a beneficial owner: (A) the Company or any majority-owned subsidiary of the Company (provided that this exclusion applies solely to the ownership levels of the Company or the majority-owned subsidiary), (B) any tax-qualified, broad-based employee benefit plan sponsored or maintained by the Company or any such majority-owned subsidiary, (C) any underwriter temporarily holding securities pursuant to an offering of such securities, (D) any person pursuant to a Non-Qualifying Transaction (as defined in paragraph (iii)), (E) (a) any of the partners (as of the Grant Date) in Interstate Properties ("Interstate") including immediate family members and family trusts or family-only partnerships and any charitable foundations of such partners (the "Interstate Partners"), (b) any entities the majority of the voting interests of which are beneficially owned by the Interstate Partners, or (c) any "group" (as described in Rule 13d-5(b) (i) under the Exchange Act) including the Interstate Partners (the persons in (a), (b) and (c) shall be individually and collectively referred to herein as, "Interstate Holders");

(iii) the consummation of a merger, consolidation, share exchange or similar form of transaction involving the Company or any of its subsidiaries, or the sale of all or substantially all of the Company's assets (a "Business Transaction"), unless immediately following such Business Transaction (a) more than 50% of the total voting power of the entity resulting from such Business Transaction or the entity acquiring the Company's assets in such Business Transaction (the "Surviving Corporation") is beneficially owned, directly or indirectly, by the Interstate Holders or the Company's shareholders immediately prior to any such Business Transaction, and (b) no person (other than the persons set forth in clauses (A), (B), (C), or (F) of paragraph (ii) above or any tax-qualified, broad-based employee benefit plan of the Surviving Corporation or its affiliates) beneficially owns, directly or indirectly, 30% or more of the total voting power of the Surviving Corporation (a "Non-Qualifying Transaction"); or

(iv) Board approval of a liquidation or dissolution of the Company, unless the voting common equity interests of an ongoing entity (other than a liquidating trust) are beneficially owned, directly or indirectly, by the Company's shareholders in substantially the same proportions as such shareholders owned the Company's Voting Securities immediately prior to such liquidation and such ongoing entity assumes all existing obligations of the Company to Employee under this Restricted LTIP Unit Agreement.

For the purposes of this Section, "Cause" will mean with respect to the Employee, the Employee's: (a) conviction of, or plea of guilty or *nolo contendre* to, a felony pertaining or otherwise relating to his or her employment with the Company or an affiliate; or (b) willful misconduct that is materially economically injurious to the Company or any of its affiliates, in each case as determined in the Company's sole discretion. For the purposes of this Section, "Good Reason" will mean (a) the assignment to the Employee of duties materially and adversely inconsistent with the Employee's status prior to the Change in Control or a material and adverse alteration in the nature of the Employee's duties, responsibilities or authority; (b) a reduction in the Employee's base salary; or (c) a relocation of the Employee's own office location to a location more than 30 miles from its location prior to the Change in Control. In the event the Employee is a party to an employment agreement with the Company or an affiliate thereof, and the definitions of Cause or Good Reason contained herein conflict with terms provided therefor in such employment agreement (or similar terms or provisions intended to cover substantially similar circumstances) the definitions contained in such employment agreement will govern.

4. Certificates. Each certificate, if any, issued in respect of the Restricted LTIP Units awarded under this Restricted LTIP Unit Agreement shall be registered in the Employee's name and held by the Company until the expiration of the applicable Vesting Period. If certificates representing the LTIP Units are issued by the Partnership at the time, at the expiration of each Vesting Period, the Company shall deliver to the Employee (or, if applicable, to the Employee's legal representatives, beneficiaries or heirs) certificates representing the number of LTIP Units that vested upon the expiration of such Vesting Period. The Employee agrees that any resale of the LTIP Units received upon the expiration of the applicable Vesting Period (or shares of Company's common shares of beneficial interest, par value $0.04 per share (the "Common Shares") received upon redemption of or in exchange for LTIP Units or Class A Units of the Partnership into which LTIP Units may have been converted) shall not occur during the "blackout periods" forbidding sales of Company securities, as set forth in the then applicable Company employee manual or insider trading policy. In addition, any resale shall be made in compliance with the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), or an applicable exemption therefrom, including, without limitation, the exemption provided by Rule 144 promulgated thereunder (or any successor rule).

5. Tax Withholding. The Company or its applicable affiliate has the right to withhold from cash compensation payable to the Employee all applicable income and employment taxes due and owing at the time the applicable portion of the Restricted LTIP Units becomes includible in the Employee's income (the "Withholding Amount"), and/or to delay delivery of Restricted LTIP Units until appropriate arrangements have been made for payment of such withholding. In the alternative, the Company has the right to retain and cancel, or sell or otherwise dispose of such number of Restricted LTIP Units as have a market value determined at date the applicable LTIP Units vest, approximately equal to the Withholding Amount with any excess proceeds being paid to Employee.

6. Certain Adjustments. If (i) the Company shall at any time be involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of shares, sale of all or substantially all of the assets or stock of the Company or other transaction similar thereto, (ii) any stock dividend, stock split, reverse stock split, stock combination, reclassification, recapitalization, significant repurchases of stock, or other similar change in the capital structure of the Company, or any extraordinary dividend or other distribution to holders of Common Shares or Class A Units other than regular dividends shall occur, or (iii) any other event shall occur that in each case in the good faith judgment of the Committee necessitates action by way of appropriate equitable adjustment in the terms of this Restricted LTIP Unit Agreement, the Plan or the LTIP Units, then the Committee shall take such action as it deems necessary to maintain the Employee's rights hereunder so that they are substantially proportionate to the rights existing under this Agreement and the terms of the LTIP Units prior to such event, including, without limitation:

(A) adjustments in the LTIP Units; and (B) substitution of other awards under the Plan or otherwise. In the event of any change in the outstanding Common Shares (or corresponding change in the Conversion Factor applicable to Class A Units of the Partnership) by reason of any share dividend or split, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other corporate change, or any distribution to common shareholders of the Company other than regular dividends, any Class A Units, shares or other securities received by the Employee with respect to the applicable Restricted LTIP Units for which the Vesting Period shall not have expired will be subject to the same restrictions as the Restricted LTIP Units with respect to an equivalent number of shares or securities and shall be deposited with the Company.

7. No Right to Employment. Nothing herein contained shall affect the right of the Company or any affiliate to terminate the Employee's services, responsibilities and duties at any time for any reason whatsoever.

8. Notice. Any notice to be given to the Company shall be addressed to the Executive Vice President of the Company at 888 Seventh Avenue, New York, New York 10019 and any notice to be given the Employee shall be addressed to the Employee at the Employee's address as it appears on the employment records of the Company, or at such other address as the Company or the Employee may hereafter designate in writing to the other.

9. Governing Law. This Restricted LTIP Unit Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Maryland, without references to principles of conflict of laws.

10. Successors and Assigns. This Restricted LTIP Unit Agreement shall be binding upon and inure to the benefit of the parties hereto and any successors to the Company and any successors to the Employee by will or the laws of descent and distribution, but this Restricted LTIP Unit Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Employee. None of the LTIP Units shall be sold, assigned, transferred, pledged or otherwise disposed of or encumbered (whether

voluntarily or involuntarily or by judgment, levy, attachment, garnishment or other legal or equitable proceeding) (each such action a "Transfer"), or redeemed in accordance with the Partnership Agreement (a) prior to vesting and (b) unless such Transfer is in compliance with all applicable securities laws (including, without limitation, the Securities Act, and such Transfer is in accordance with the applicable terms and conditions of the Partnership Agreement. Any attempted Transfer of LTIP Units not in accordance with the terms and conditions of this Section 10 shall be null and void, and the Partnership shall not reflect on its records any change in record ownership of any LTIP Units as a result of any such Transfer, and shall otherwise refuse to recognize any such Transfer.

11. Severability. If, for any reason, any provision of this Restricted LTIP Unit Agreement is held invalid, such invalidity shall not affect any other provision of this Restricted LTIP Unit Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Restricted LTIP Unit Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Restricted LTIP Unit Agreement, shall to the full extent consistent with law continue in full force and effect.

12. Headings. The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Restricted LTIP Unit Agreement.

13. Counterparts. This Restricted LTIP Unit Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

14. Miscellaneous. This Restricted LTIP Unit Agreement may not be amended except in writing signed by the Company and the Employee. Notwithstanding the foregoing, this Restricted LTIP Unit Agreement may be amended in writing signed only by the Company to: (a) correct any errors or ambiguities in this Restricted LTIP Unit Agreement; and/or (b) to make such changes that do not materially adversely affect the Employee's rights hereunder. This grant shall in no way affect the Employee's participation or benefits under any other plan or benefit program maintained or provided by the Company. In the event of a conflict between this Restricted LTIP Unit Agreement and the Plan, the Plan shall govern.

15. Conflict With Employment Agreement. If (and only if) the Employee and the Company or its affiliates have entered into an employment agreement, in the event of any conflict between any of the provisions of this Agreement and any such employment agreement the provisions of such employment agreement will govern. As further provided in Section 7, nothing herein shall imply that any employment agreement exists between the Employee and the Company or its affiliates.

16. Status as a Partner. As of the Grant Date, the Employee shall be admitted as a partner of the Partnership with beneficial ownership of the number of LTIP Units issued to the Employee as of such date pursuant to this Restricted LTIP Unit Agreement by: (A) signing and delivering to the Partnership a copy of this Agreement; and (B) signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit A).

17. Status of LTIP Units under the Plan. The LTIP Units are both issued as equity securities of the Partnership and granted as awards under the Plan. The Company will have the right at its option, as set forth in the Partnership Agreement, to issue Common Shares in exchange for Class A Units into which LTIP Units may have been converted pursuant to the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such Common Shares, if issued, will be issued under the Plan. The Employee must be eligible to

receive the LTIP Units in compliance with applicable federal and state securities laws and to that effect is required to complete, execute and deliver certain covenants, representations and warranties (attached as Exhibit B). The Employee acknowledges that the Employee will have no right to approve or disapprove such determination by the Company.

18. Investment Representations; Registration. The Employee hereby makes the covenants, representations and warranties and set forth on Exhibit B attached hereto. All of such covenants, warranties and representations shall survive the execution and delivery of this Restricted LTIP Unit Agreement by the Employee. The Partnership will have no obligation to register under the Securities Act any LTIP Units or any other securities issued pursuant to this Restricted LTIP Unit Agreement or upon conversion or exchange of LTIP Units.

19. Section 83(b) Election. In connection with this Restricted LTIP Unit Agreement the Employee hereby agrees to make an election to include in gross income in the year of transfer the applicable LTIP Units pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, substantially in the form attached hereto as Exhibit C and to supply the necessary information in accordance with the regulations promulgated thereunder.

[signature page follows]

IN WITNESS WHEREOF, this Restricted LTIP Unit Agreement has been executed by the parties hereto as of the date and year first above written.

VORNADO REALTY TRUST

By: _____
Name: Joseph Macnow
Title: Executive Vice President — Finance & Administration, Chief Financial Officer

VORNADO REALTY L.P.

By: Vornado Realty Trust, its general partner

By: _____
Name: Joseph Macnow
Title: Executive Vice President — Finance & Administration, Chief Financial Officer

EMPLOYEE

_____
Name:

EXHIBIT A

FORM OF LIMITED PARTNER SIGNATURE PAGE

The Employee, desiring to become one of the within named Limited Partners of Vornado Realty L.P., hereby accepts all of the terms and conditions of (including, without limitation, the provisions related to powers of attorney), and becomes a party to, the Agreement of Limited Partnership, dated as of October 20, 1997, of Vornado Realty L.P., as amended (the "Partnership Agreement"). The Employee agrees that this signature page may be attached to any counterpart of the Partnership Agreement and further agrees as follows (where the term "Limited Partner" refers to the Employee: Capitalized terms used but not defined herein have the meaning ascribed thereto in the Partnership Agreement

1. The Limited Partner hereby confirms that it has reviewed the terms of the Partnership Agreement and affirms and agrees that it is bound by each of the terms and conditions of the Partnership Agreement, including, without limitation, the provisions thereof relating to limitations and restrictions on the transfer of Partnership Units.

2. The Limited Partner hereby confirms that it is acquiring the Partnership Units for its own account as principal, for investment and not with a view to resale or distribution, and that the Partnership Units may not be transferred or otherwise disposed of by the Limited Partner otherwise than in a transaction pursuant to a registration statement filed by the Partnership (which it has no obligation to file) or that is exempt from the

registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), and all applicable state and foreign securities laws, and the General Partner may refuse to transfer any Partnership Units as to which evidence of such registration or exemption from registration satisfactory to the General Partner is not provided to it, which evidence may include the requirement of a legal opinion regarding the exemption from such registration. If the General Partner delivers to the Limited Partner Common Shares of Beneficial Interest of the General Partner ("Common Shares") upon redemption of any Partnership Units, the Common Shares will be acquired for the Limited Partner's own account as principal, for investment and not with a view to resale or distribution, and the Common Shares may not be transferred or otherwise disposed of by the Limited Partner otherwise than in a transaction pursuant to a registration statement filed by the General Partner with respect to such Common Shares (which it has no obligation under the Partnership Agreement to file) or that is exempt from the registration requirements of the Securities Act and all applicable state and foreign securities laws, and the General Partner may refuse to transfer any Common Shares as to which evidence of such registration or exemption from such registration satisfactory to the General Partner is not provided to it, which evidence may include the requirement of a legal opinion regarding the exemption from such registration.

3. The Limited Partner hereby affirms that it has appointed the General Partner, any Liquidator and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and

attorney-in-fact, with full power and authority in its name, place and stead, in accordance with Section 15.11 of the Partnership Agreement, which section is hereby incorporated by reference. The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and not be affected by the death, incompetency, dissolution, disability, incapacity, bankruptcy or termination of the Limited Partner and shall extend to the Limited Partner's heirs, executors, administrators, legal representatives, successors and assigns.

4. The Limited Partner hereby confirms that, notwithstanding any provisions of the Partnership Agreement to the contrary, the LTIP Units shall not be redeemable by the Limited Partner pursuant to Section 8.6 of the Partnership Agreement.

5. a. The Limited Partner hereby irrevocably consents in advance to any amendment to the Partnership Agreement, as may be recommended by the General Partner, intended to avoid the Partnership being treated as a publicly-traded partnership within the meaning of Section 7704 of the Internal Revenue Code, including, without limitation, (x) any amendment to the provisions of Section 8.6 of the Partnership Agreement intended to increase the waiting period between the delivery of a Notice of Redemption and the Specified Redemption Date and/or the Valuation Date to up to sixty (60) days or (y) any other amendment to the Partnership Agreement intended to make the redemption and transfer provisions, with respect to certain redemptions and transfers, more similar to the provisions described in Treasury Regulations Section 1.7704-1(f).

b. The Limited Partner hereby appoints the General Partner, any Liquidator and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to execute and deliver any amendment referred to in the foregoing paragraph 5(a) on the Limited Partner's behalf. The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and not be affected by the death, incompetency, dissolution, disability, incapacity, bankruptcy or termination of the Limited Partner and shall extend to the Limited Partner's heirs, executors, administrators, legal representatives, successors and assigns.

6. The Limited Partner agrees that it will not transfer any interest in the Partnership Units (x) through (i) a national, non-U.S., regional, local or other securities exchange, (ii) PORTAL or (iii) an over-the-counter market (including an interdealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers by electronic means or otherwise) or (y) to or through (a) a person, such as a broker or dealer, that makes a market in, or regularly quotes prices for, interests in the Partnership or (b) a person that regularly makes available to the public (including customers or subscribers) bid or offer quotes with respect to any interests in the Partnership and stands ready to effect transactions at the quoted prices for itself or on behalf of others.

7. The Limited Partner acknowledges that the General Partner shall be a third party beneficiary of the representations, covenants and agreements set forth in Sections 4 and 6 hereof. The Limited Partner agrees that it will transfer, whether by assignment or otherwise, Partnership Units only to the General Partner or to transferees that provide the Partnership and the General Partner with the representations and covenants set forth in Sections 4 and 6 hereof.

8. This Acceptance shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

Signature Line for Limited Partner:

Name: _____

Date: , 20

Address of Limited Partner:

EXHIBIT B

EMPLOYEE'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Employee hereby represents, warrants and covenants as follows:

(a) The Employee has received and had an opportunity to review the following documents (the "Background Documents"):

(i) Vornado Realty Trust's latest Annual Report to Shareholders;

(ii) Vornado Realty Trust's Proxy Statement for its most recent Annual Meeting of Shareholders;

(iii) Vornado Realty Trust's and Vornado Realty L.P.'s Report on Form 10-K for the fiscal year most recently ended;

(iv) Vornado Realty Trust's and Vornado Realty L.P.'s Form 10-Q, if any, for the most recently ended quarter filed by Vornado Realty Trust and Vornado Realty L.P. with the Securities and Exchange Commission since the filing of the Form 10-K described in clause (iii) above;

(v) Each of the Current Report(s) on Form 8-K of Vornado Realty Trust and Vornado Realty L.P., if any, filed since the end of the fiscal year most recently ended for which a Form 10-K has been filed by Vornado Realty Trust and Vornado Realty L.P.;

(vi) The Partnership Agreement;

(vii) Vornado Realty Trust's 2010 Omnibus Share Plan; and

(viii) Vornado Realty L.P.'s Second Amended and Restated Agreement of Limited Partnership, as amended.

The Employee also acknowledges that any delivery of the Background Documents and other information relating to Vornado Realty Trust and Vornado Realty L.P. prior to the determination by Vornado Realty L.P. of the suitability of the Employee as a holder of LTIP Units shall not constitute an offer of LTIP Units until such determination of suitability shall be made.

(b) The Employee hereby represents and warrants that

(i) The Employee either (A) is an "accredited investor" as defined in Rule 501(a) under the Securities Act of 1933, as amended (the "Securities Act"), or (B) by reason of the business and financial experience of the Employee,

together with the business and financial experience of those persons, if any, retained by the Employee to represent or advise him with respect to the grant to him of LTIP Units, the potential conversion of LTIP Units into Class A Units of the Partnership ("Common Units") and the potential redemption of such Common Units for Vornado Realty Trust's Common Shares ("REIT Shares"), has such knowledge, sophistication and experience in financial and business matters and in making investment decisions of this type that the Employee (I) is capable of evaluating the merits and risks of an investment in the Partnership and potential investment in Vornado Realty Trust and of making an informed investment decision, (II) is capable of protecting his own interest or has engaged representatives or advisors to assist him in protecting his interests, and (III) is capable of bearing the economic risk of such investment.

(ii) The Employee understands that (A) the Employee is responsible for consulting his own tax advisors with respect to the application of the U.S. federal income tax laws, and the tax laws of any state, local or other taxing jurisdiction to which the Employee is or by reason of the award of LTIP Units may become subject, to his particular situation; (B) the Employee has not received or relied upon business or tax advice from Vornado Realty Trust, the Partnership or any of their respective employees, agents, consultants or advisors, in their capacity as such; (C) the Employee provides services to the Partnership on a regular basis and in such capacity has access to such information, and has such experience of and involvement in the business and operations of the Partnership, as the Employee believes to be necessary and appropriate to make an informed decision to accept this award of LTIP Units; and (D) an investment in the Partnership and/or Vornado Realty Trust involves substantial risks. The Employee has been given the opportunity to make a thorough investigation of matters relevant to the LTIP Units and has been furnished with, and has reviewed and understands, materials relating to the Partnership and Vornado Realty Trust and their respective activities (including, but not limited to, the Background Documents). The Employee has been afforded the opportunity to obtain any additional information (including any exhibits to the Background Documents) deemed necessary by the Employee to verify the accuracy of information conveyed to the Employee. The Employee confirms that all documents, records, and books pertaining to his receipt of LTIP Units which were requested by the Employee have been made available or delivered to the Employee. The Employee has had an opportunity to ask questions of and receive answers from the Partnership and Vornado Realty Trust, or from a person or persons acting on their behalf, concerning the terms and conditions of the LTIP Units. **The Employee has relied upon, and is making its decision solely upon, the Background Documents and other written information provided to**

the Employee by the Partnership or Vornado Realty Trust.

(iii) The LTIP Units to be issued, the Common Units issuable upon conversion of the LTIP Units and any REIT Shares issued in connection with the redemption of any such Common Units will be acquired for the account of the

Employee for investment only and not with a current view to, or with any intention of, a distribution or resale thereof, in whole or in part, or the grant of any participation therein, without prejudice, however, to the Employee's right (subject to the terms of the LTIP Units, the Stock Plan and this Agreement) at all times to sell or otherwise dispose of all or any part of his LTIP Units, Common Units or REIT Shares in compliance with the Securities Act, and applicable state securities laws, and subject, nevertheless, to the disposition of his assets being at all times within his control.

(iv) The Employee acknowledges that (A) neither the LTIP Units to be issued, nor the Common Units issuable upon conversion of the LTIP Units, have been registered under the Securities Act or state securities laws by reason of a specific exemption or exemptions from registration under the Securities Act and applicable state securities laws and, if such LTIP Units or Common Units are represented by certificates, such certificates will bear a legend to such effect, (B) the reliance by the Partnership and Vornado Realty Trust on such exemptions is predicated in part on the accuracy and completeness of the representations and warranties of the Employee contained herein, (C) such LTIP Units or Common Units, therefore, cannot be resold unless registered under the Securities Act and applicable state securities laws, or unless an exemption from registration is available, (D) there is no public market for such LTIP Units and Common Units and (E) neither the Partnership nor Vornado Realty Trust has any obligation or intention to register such LTIP Units or the Common Units issuable upon conversion of the LTIP Units under the Securities Act or any state securities laws or to take any action that would make available any exemption from the registration requirements of such laws, except, that, upon the redemption of the Common Units for REIT Shares, Vornado Realty Trust may issue such REIT Shares under the 2010 Omnibus Share Plan (the "Stock Plan") and pursuant to a Registration Statement on Form S-8 under the Securities Act, to the extent that (I) the Employee is eligible to receive such REIT Shares under the Stock Plan at the time of such issuance, (II) Vornado Realty Trust has filed a Form S-8 Registration Statement with the Securities and Exchange Commission registering the issuance of such REIT Shares and (III) such Form S-8 is effective at the time of the issuance of such REIT Shares. The Employee hereby acknowledges that because of the restrictions on transfer or assignment of such LTIP Units acquired hereby and the Common Units issuable upon conversion of the LTIP Units which are set forth in the Partnership Agreement or this Agreement, the Employee may have to bear the economic risk of his ownership of the LTIP Units acquired hereby and the Common Units issuable upon conversion of the LTIP Units for an indefinite period of time.

(v) The Employee has determined that the LTIP Units are a suitable investment for the Employee.

(vi) No representations or warranties have been made to the Employee by the Partnership or Vornado Realty Trust, or any officer, director,

shareholder, agent, or affiliate of any of them, and the Employee has received no information relating to an investment in the Partnership or the LTIP Units except the information specified in paragraph (b) above.

(c) So long as the Employee holds any LTIP Units, the Employee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of LTIP Units as the Partnership may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code, applicable to the Partnership or to comply with requirements of any other appropriate taxing authority.

(d) The Employee hereby agrees to make an election under Section 83(b) of the Code with respect to the LTIP Units awarded hereunder, and has delivered with this Agreement a completed, executed copy of the election form attached hereto as Exhibit C. The Employee agrees to file the election (or to permit the Partnership to file such election on the Employee's behalf) within thirty (30) days after the award of the LTIP Units hereunder with the IRS Service Center at which such Employee files his personal income tax returns, and to file a copy of such election with the Employee's U.S. federal income tax return for the taxable year in which the LTIP Units are awarded to the Employee.

(e) The address set forth on the signature page of this Agreement is the address of the Employee's principal residence, and the Employee has no present intention of becoming a resident of any country, state or jurisdiction other than the country and state in which such residence is sited.

EXHIBIT C

ELECTION TO INCLUDE IN GROSS INCOME IN YEAR OF TRANSFER OF PROPERTY PURSUANT TO SECTION 83(B) OF THE INTERNAL REVENUE CODE

The undersigned hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code with respect to the property described below

and supplies the following information in accordance with the regulations promulgated thereunder:

1. The name, address and taxpayer identification number of the undersigned are:

   Name: (the "Taxpayer")

   Address:

   Social Security No./Taxpayer Identification No.:

2. Description of property with respect to which the election is being made:

The election is being made with respect to LTIP Units in Vornado Realty L.P. (the "Partnership").

3. The date on which the LTIP Units were transferred is , 20 . The taxable year to which this election relates is calendar year 20 .

4. Nature of restrictions to which the LTIP Units are subject:

   (a) With limited exceptions, until the LTIP Units vest, the Taxpayer may not transfer in any manner any portion of the LTIP Units without the consent of the Partnership.

   (b) The Taxpayer's LTIP Units vest in accordance with the vesting provisions described in the Schedule attached hereto. Unvested LTIP Units are forfeited in accordance with the vesting provisions described in the Schedule attached hereto.

5. The fair market value at time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the LTIP Units with respect to which this election is being made was $0 per LTIP Unit.

6. The amount paid by the Taxpayer for the LTIP Units was $0 per LTIP Unit.

7. A copy of this statement has been furnished to the Partnership and Vornado Realty Trust.

   Dated: _____

   Name:

SCHEDULE TO EXHIBIT C

Vesting Provisions of LTIP Units

The LTIP Units are subject to time-based vesting with % vesting on each of , 20 , , 20 , , 20 and , 20 provided that the Taxpayer remains an employee of Vornado Realty Trust or its affiliates through such dates, subject to acceleration in the event of certain extraordinary transactions or termination of the Taxpayer's service relationship with Vornado Realty Trust (or its affiliate) under specified circumstances. Unvested LTIP Units are subject to forfeiture in the event of failure to vest based on the passage of time and continued employment.

VORNADO REALTY TRUST

By: _____
Name:
Title:

_____
Employee

SCHEDULE A TO RESTRICTED LTIP UNIT AGREEMENT

(Terms being defined are in quotation marks.)

Date of Restricted LTIP Unit Agreement: As of:

Name of Employee:

Number of LTIP Units Subject to Grant:

Date of Grant:

Date on Which Restricted LTIP Units are Fully Vested:
Vesting Period:

"Annual Vesting Amount"
Insert the number of LTIP Units that vest each year or other applicable vesting schedule.

"Annual Vesting Date" (or if such date is not a business day, on the next succeeding business day):
Insert the calendar date of each year on which LTIP Units will vest or other appropriate vesting schedule.

Additional Matters:

Initials of Vornado Realty Trust representative:

Initials of Employee:

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Section 5: EX-99.4 (EX-99.4)

Exhibit 99.4

FORM OF VORNADO REALTY TRUST
2012 OUTPERFORMANCE PLAN
AWARD AGREEMENT

2012 OUTPERFORMANCE PLAN AWARD AGREEMENT made as of the date set forth on Schedule A hereto between VORNADO REALTY TRUST, a Maryland real estate investment trust (the "**Company**"), its subsidiary VORNADO REALTY L.P., a Delaware limited partnership and the entity through which the Company conducts substantially all of its operations (the "**Partnership**"), and the party listed on Schedule A (the "**Grantee**").

RECITALS

A. The Grantee is an employee or trustee of, or a consultant or advisor to, the Company or one of its Affiliates and provides services to the Partnership.

B. The Compensation Committee (the "**Committee**") of the Board of Trustees of the Company (the "**Board**") approved this and other 2012 outperformance plan ("**2012 OPP**") awards pursuant to the Company's 2010 Omnibus Share Plan, as amended (as amended, restated and supplemented from time to time, the "**2010 Plan**") to provide certain trustees, consultants, advisors, officers and key employees of the Company or its Affiliates, including the Grantee, in connection with their employment or other service relationship with the incentive compensation described in this Award Agreement (this "**Agreement**") and thereby provide additional incentive for them to promote the progress and success of the business of the Company and its Affiliates, including the Partnership. 2012 OPP awards were approved by the Committee pursuant to authority delegated to it by the Board, including authority to make grants of equity interests in the Partnership which may, under certain circumstances, become exchangeable for the Company's Common Shares reserved for issuance under the 2010 Plan, or in the event the 2010 Plan has been replaced by a successor equity plan prior to the date of issuance of such Common Shares, under such successor equity plan (the 2010 Plan and any such successor plan, as each may be amended, modified or supplemented from time to time, are collectively referred to herein as the "**Share Plan**"). This Agreement evidences one award (this "**Award**") in a series of substantially identical 2012 OPP awards and is subject to the terms and conditions set forth herein and in the Partnership Agreement (as defined herein).

C. The Committee, effective as of the grant date specified in Schedule A hereto, awarded to the Grantee the 2012 OPP participation percentage in the various outperformance pools provided herein set forth in Schedule A.

NOW, THEREFORE, the Company, the Partnership and the Grantee agree as follows:

1. Administration. This Award and all other 2012 OPP awards shall be administered by the Committee, which in the administration of the 2012 OPP awards and this Award shall have all the powers and authority it has in the administration of the Share Plan as set forth in the Share Plan; provided that all powers of the Committee hereunder can be exercised by the full Board if the Board so elects. The Committee, in its sole and absolute discretion, may make at any time any provision for lapse of forfeiture restrictions and/or accelerated vesting under this

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Agreement of some or all of the Grantee's unvested Award OPP Units that have not previously been forfeited.

2. Definitions. Capitalized terms used herein without definitions shall have the meanings given to those terms in the Share Plan. In addition, as used herein: "2002 Plan" means the Company's 2002 Omnibus Share Plan, as amended, "2006 OPP" means the Company's 2006 Outperformance Plan under the 2002 Plan as approved by the Board on March 17, 2006 and "2008 OPP" means the Company's 2008 Outperformance Plan under the 2002 Plan as approved by the Board on March 31, 2008.

"**2006 OPP Units**" means those Partnership Units issued pursuant to the 2006 OPP.

"**2008 OPP Units**" means those Partnership Units issued pursuant to the 2008 OPP.

"**2012 OPP Units**" means those Partnership Units issued pursuant to this and all other 2012 OPP.

"**Additional Share Baseline Value**" means, with respect to each Additional Share, the gross proceeds received by the Company or the Partnership upon the issuance of such Additional Share, which amount shall be deemed to equal, as applicable: (A) if such Additional Share is issued for cash in a public offering or private placement, the gross price to the public or to the purchaser(s); (B) if such Additional Share is issued in exchange for assets or securities of another Person or upon the acquisition of another Person, the cash value imputed to such Additional Share for purposes of such transaction by the parties thereto, as determined by the Committee, or, if no such value was imputed, the mean between the high and low sale prices of a Common Share on the national securities exchange or established securities market on which the Common Shares are listed on the date of issuance of such Additional Share, or, if no sale of Common Shares is reported on such date, on the next preceding day on which any sale shall have been reported; and (C) if such Additional Share is issued upon conversion or exchange of equity or debt securities of the Company, the Partnership or any other Subsidiary, which securities were not previously counted as either Initial Shares or Additional Shares, the conversion or exchange price in effect as of the date of conversion or exchange pursuant to the terms of the security being exchanged or converted.

"**Additional Shares**" means (without double-counting), as of a particular date of determination, the sum of: (A) the number of Common Shares; plus (B) the Shares Amount for all of the Units (assuming that such Units were converted, exercised, exchanged or redeemed for Partnership Units as of such date of determination at the applicable conversion, exercise, exchange or redemption rate (or rate deemed applicable by the Committee if there is no such stated rate) and such Partnership Units were then tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date), other than those held by the Company, but only, in the case of each (A) and (B), to the extent such Common Shares or Units are issued after the Effective Date, and on or before such date of determination: (i) in a capital raising transaction; (ii) in exchange for assets or securities or upon the acquisition of another Person; (iii) upon conversion or exchange of equity or debt securities of the Company, the Partnership or any other Subsidiary of the Company, which securities were not previously counted as either Initial Shares or Additional Shares; or (iv) through the reinvestment of

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dividends or other distributions. For the avoidance of doubt, "Additional Shares" shall exclude, without limitation: (w) Common Shares issued after the Effective Date upon exercise of stock options or upon the exchange (directly or indirectly) of LTIP Units, OPP Units or other Units issued to employees, non-employee trustees, consultants, advisors or other persons or entities as incentive or other compensation; (x) Common Shares awarded after the Effective Date to employees, non-employee trustees, consultants, advisors or other persons or entities as incentive or other compensation for services provided or to be provided to the Company or any of its Affiliates; (y) LTIP Units, OPP Units or other Units awarded after the Effective Date to employees, non-employee trustees, consultants, advisors or other persons or entities as incentive or other compensation; and (z) any securities included in "Initial Shares."

"**Affiliate**" means, with respect to the Company, any company or other trade or business that controls, is controlled by or is under common control with the Company within the meaning of Rule 405 of Regulation C under the Securities Act, including, without limitation, any Subsidiary.

"**Award OPP Units**" has the meaning set forth in Section 3.

"**Award Partnership Units**" has the meaning set forth in Section 7.

"**Baseline Value**" means $84.20.

"**Buyback Shares**" means (without double-counting), as of a particular date of determination: (A) Common Shares; and (B) the Shares

Amount for Units (assuming that such Units were converted, exercised, exchanged or redeemed for Partnership Units as of such date at the applicable conversion, exercise, exchange or redemption rate (or rate deemed applicable by the Committee if there is no such stated rate) and such Partnership Units were then tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date), other than those held by the Company, but only, in the case of each (A) and (B), to the extent repurchased or redeemed by the Company after the Effective Date and on or before such date of determination in a stock buyback transaction or in a redemption of Units for cash pursuant to Section 8.6 of the Partnership Agreement.

"**Cause**" for termination of the Grantee's Continuous Service for purposes of Section 3 and Section 4 means: (A) if the Grantee is a party to a Service Agreement immediately prior to such termination, and "cause" is defined therein, then "cause" shall have the meaning set forth in such Service Agreement; or (B) if the Grantee is not party to a Service Agreement immediately prior to such termination or the Grantee's Service Agreement does not define "cause" or a substantially equivalent term, then "cause" shall mean: (i) conviction of, or plea of guilty or *nolo contendre* to, a felony pertaining or otherwise relating to his or her employment with the Company or an Affiliate; or (ii) willful misconduct that is materially economically injurious to the Company or any of its Affiliates, in each case as determined in the Company's sole discretion.

"**Change in Control**" means:

(i) individuals who, on the Effective Date, constitute the Board (the "**Incumbent Trustees**") cease for any reason to constitute at least a majority of the Board,

provided that any person becoming a trustee subsequent to the Effective Date whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Trustees then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for trustee, without objection to such nomination) shall be an Incumbent Trustee; provided, however, that no individual initially elected or nominated as a trustee of the Company as a result of an actual or threatened election contest with respect to trustees or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be an Incumbent Trustee; or

(ii) any "person" (as such term is defined in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes, after the Effective Date, a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of the Board (the "**Company Voting Securities**"); provided, however, that an event described in this paragraph (ii) shall not be deemed to be a Change in Control if any of following becomes such a beneficial owner: (A) the Company or any majority-owned subsidiary of the Company (provided that this exclusion applies solely to the ownership levels of the Company or the majority-owned subsidiary), (B) any tax-qualified, broad-based employee benefit plan sponsored or maintained by the Company or any such majority-owned subsidiary, (C) any underwriter temporarily holding securities pursuant to an offering of such securities, (D) any person pursuant to a Non-Qualifying Transaction (as defined in paragraph (iii)), (E) (I) any of the partners (as of the Effective Date) in Interstate Properties ("**Interstate**") including immediate family members and family trusts or family-only partnerships and any charitable foundations of such partners (the "**Interstate Partners**"), (II) any entities the majority of the voting interests of which are beneficially owned by the Interstate Partners, or (III) any "group" (as described in Rule 13d-5(b)(i) under the Exchange Act) including the Interstate Partners (the persons in (I), (II) and (III) shall be individually and collectively referred to herein as, "**Interstate Holders**"); or

(iii) the consummation of a merger, consolidation, share exchange or similar form of transaction involving the Company or any of its subsidiaries, or the sale of all or substantially all of the Company's assets (a "**Business Transaction**"), unless immediately following such Business Transaction (A) more than 50% of the total voting power of the entity resulting from such Business Transaction or the entity acquiring the Company's assets in such Business Transaction (the "**Surviving Corporation**") is beneficially owned, directly or indirectly, by the Interstate Holders or the Company's shareholders immediately prior to any such Business Transaction, and (B) no person (other than the persons set forth in clauses (A), (B), (C), or (F) of paragraph (ii) above or any tax-qualified, broad-based employee benefit plan of the Surviving Corporation or its affiliates) beneficially owns, directly or indirectly, 30% or more of the total voting power of the Surviving Corporation (a "**Non-Qualifying Transaction**"); or

(iv) Board approval of a liquidation or dissolution of the Company, unless the common equity interests of an ongoing entity (other than a liquidating trust) are beneficially owned, directly or indirectly, by the Company's shareholders in substantially the same proportions as such shareholders owned the Company's Company Voting Securities immediately

prior to such liquidation and such ongoing entity assumes all existing obligations of the Company to the Grantee under this Agreement.

"**Class A Units**" has the meaning set forth in the Partnership Agreement.

"**CoC Fraction**" means: (A) for application pursuant to the *proviso* clauses in the definitions of "Stage One Absolute Baseline" and "Stage One Hurdle Rate," the number of calendar days that have elapsed since the Effective Date to and including the date as of which a Change in Control is consummated (or, with respect to a Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control), divided by 365; (B) for application pursuant to the *proviso* clauses in the definitions of "Stage Two Absolute Baseline" and "Stage Two Hurdle Rate," the number of calendar days that have elapsed since the Effective Date to and including the date as of which a Change in Control is consummated (or, with respect to a Transactional Change in Control, the date of the Public Announcement of such Transactional

Change in Control), divided by 730; and (C) for application pursuant to the *proviso* clauses in the definitions of "Final Absolute Baseline" and "Final Hurdle Rate," the number of calendar days that have elapsed since the Effective Date to and including the date as of which a Change in Control is consummated (or, with respect to a Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control), divided by 1,095.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Common Shares**" means the Company's common shares of beneficial interest, par value $0.04 per share.

"**Common Share Price**" means, as of a particular date, the average of the Fair Market Value of one Common Share over the one hundred and twenty (120) days consecutive trading days ending on, and including, such date (or, if such date is not a trading day, the most recent trading day immediately preceding such date); provided, however, that if such date is the date of the Public Announcement of a Transactional Change in Control, the Common Share Price as of such date shall be equal to the fair market value, as determined by the Committee, of the total consideration payable in the transaction that ultimately results in the Transactional Change in Control for one Common Share.

"**Continuous Service**" means the continuous service, without interruption or termination, as an employee, director, trustee, manager or member of, or with the approval of the Committee, consultant or advisor to the Company or an Affiliate. Continuous Service shall not be considered interrupted in the case of: (A) any approved leave of absence; (B) transfers among the Company and any Affiliate, or any successor, in any capacity of trustee, director, employee, manager, member, or with the approval of the Committee, consultant or advisor; or (C) any change in status as long as the individual remains in the service of the Company or any Affiliate of the Company in any capacity of employee, director, trustee, manager, member or similar function of, or (if the Committee specifically agrees that the Continuous Service is not uninterrupted) a consultant or advisor. An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave. Subject to the preceding sentence, whether a termination of

Continuous Service shall have occurred for purposes of this Agreement shall be determined by the Committee, which determination shall be final, binding and conclusive.

"**Disability**" means: (A) if the Grantee is a party to a Service Agreement immediately prior to the applicable event, and "disability" is defined therein, then "disability" shall have the meaning set forth in such definition; or (B) if the Grantee is not party to a Service Agreement immediately prior to such event or the Grantee's Service Agreement does not define "disability" or a substantially equivalent term, then "disability" shall mean a disability which renders the Grantee incapable of performing all of his or her material duties for a period of at least 180 consecutive or non-consecutive days during any consecutive twelve-month period.

"**Dividend Payment**" means, as of a particular date, for each distribution declared and paid on one Class A Unit between the Effective Date and such date (excluding dividends and distributions paid in the form of additional Common Shares and Class A Units unless adjustment is otherwise made pursuant to Section 8 hereof) the amount of such distribution.

"**Effective Date**" means March 30, 2012.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Ex-Dividend Common Share Price**" means, as of an "ex-dividend" date with respect to a Common Share, (A) the average of the high and low price of the Common Shares as reported by New York Stock Exchange, The NASDAQ Stock Market, Inc. or another national securities exchange or an established securities market, on which the Common Shares are listed, as applicable (if there is more than one such exchange or market, the Committee shall determine the appropriate exchange or market), on such "ex-dividend" date (or if there is no such reported high and low price, the Ex-Dividend Common Share Price shall be the average of the highest bid and lowest asked prices on such "ex-dividend" date) or, if no sale of Common Shares is reported for such trading day, on the next preceding day on which any sale shall have been reported; or (B) if the Common Shares are not listed on such an exchange, quoted on such system or traded on such a market, Ex-Dividend Common Share Price of the Common Share shall be the value of the Common Shares as determined by the Committee in good faith in a manner consistent with Code Section 409A.

"**Fair Market Value**" means, as of any given date, the fair market value of a security determined by the Committee using any reasonable method and in good faith (such determination will be made in a manner that satisfies Section 409A of the Code and in good-faith as required by Section 422(c)(1) of the Code); provided that with respect to a Common Share "Fair Market Value" means the value of such Common Share determined as follows: (A) if on the determination date the Common Shares are listed on the New York Stock Exchange, The NASDAQ Stock Market, Inc. or another national securities exchange or is publicly traded on an established securities market, the Fair Market Value of a Common Share shall be the closing price of the Common Shares on such exchange or in such market (if there is more than one such exchange or market, the Committee shall determine the appropriate exchange or market) on the determination date (or if there is no such reported closing price, the Fair Market Value shall be the mean between the highest bid and lowest asked prices or between the high and low sale prices on such trading day) or, if no sale of Common Shares is reported for such trading day, on

the next preceding day on which any sale shall have been reported; or (B) if the Common Shares are not listed on such an exchange, quoted on such system or traded on such a market, Fair Market Value of the Common Share shall be the value of the Common Shares as determined by the

Committee in good faith in a manner consistent with Code Section 409A.

"**Family Member**" means a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of the Grantee, any person sharing the Grantee's household (other than a tenant or employee), a trust in which any one or more of these persons have more than fifty percent (50%) of the beneficial interest, a foundation in which any one or more of these persons (or the Grantee) control the management of assets, and any other entity in which one or more of these persons (or the Grantee) own more than fifty percent (50%) of the voting interests.

"**Final Absolute Baseline**" means, as of the Final Valuation Date, an amount representing (without double-counting) the sum of:

(A) the Baseline Value multiplied by:

(i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Final Valuation Date; and then multiplied by

(ii) the sum of (x) one hundred percent (100%) plus (y) the Target Final Absolute Return Percentage; plus

(B) with respect to each Additional Share issued after the Effective Date, the Additional Share Baseline Value of such Additional Share, multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the product of the Target Final Absolute Return Percentage multiplied by a fraction (x) the numerator of which is the number of days from the issuance of such Additional Share to and including the Final Valuation Date and (y) the denominator of which is the number of days from and including the Effective Date to and including the Final Valuation Date; plus

(C) with respect to each Buyback Share repurchased or redeemed after the Effective Date, the Baseline Value, multiplied by the sum of:

(i) one hundred percent (100%); plus

(ii) the product of the Target Final Absolute Return Percentage multiplied by a fraction (x) the numerator of which is the number of days from the Effective Date to and including the date such Buyback Share was repurchased or redeemed and (y) the denominator of which is the number of days from and including the Effective Date to and including the Final Valuation Date;

provided that if the Final Valuation Date occurs prior to March 30, 2015 as a result of a Change in Control, then for purposes of this definition in connection with the calculation of the Final Absolute TRS Pool as of the Final Valuation Date, then the Target Final Absolute Return Percentage to be used in such calculation shall be reduced to twenty-one percent (21%), multiplied by the CoC Fraction calculated pursuant to clause (C) of the definition thereof. If the Company consummates multiple issuances of Additional Shares and/or repurchases of Buyback Shares during any one monthly or quarterly period, such that it would be impractical to track the precise issuance date and issuance price of each individual Additional Share and/or repurchase or redemption date of each individual Buyback Share, the Compensation Committee may in its discretion approve timing and calculation conventions (such as net-at-end-of-period or average-during-the-period) reasonably designed to simplify the administration of this Award.

"**Final Absolute TRS Pool**" means, as of the Final Valuation Date, a dollar amount calculated as follows (or, if the resulting amount is a negative number, zero (0)): (A) subtract the Final Absolute Baseline from the Final Total Return, in each case as of the Final Valuation Date; and (B) multiply the resulting amount by two percent (2%); provided that in no event shall the Final Absolute TRS Pool exceed the difference between (i) the Maximum Final Outperformance Pool Amount and (ii) the sum of (x) the Stage One Total Outperformance Pool and (y) the Stage Two Total Outperformance Pool.

"**Final Adjustment Factor**" means a factor carried out to the sixth decimal determined by a straight-line interpolation between: (A) zero (0) if the Final Hurdle Rate is zero percent (0%) or a negative factor; and (B) one (1) if the Final Hurdle Rate is eighteen percent (18%) or more.

"**Final Hurdle Rate**" means a percentage consisting of the Company's TRS Percentage over the period starting on the Effective Date and ending on the Final Valuation Date; provided that if the Final Valuation Date occurs prior to March 30, 2015 as a result of a Change in Control, then for purposes of determining the Final Adjustment Factor to be used in calculating the Final Relative TRS Pool as of the Final Valuation Date, the Final Hurdle Rate shall instead be: (A) the Company's TRS Percentage over the period starting on the Effective Date and ending on the date of the Change in Control (or, with respect to a Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control); divided by (B) the CoC Fraction.

"**Final OPP Unit Equivalent**" has the meaning set forth in Section 3.

"**Final Relative Adjusted Return**" a dollar amount, calculated as of the Final Valuation Date, using the same definition as for the "Final Relative Baseline," except that in clauses (A)(ii), (B)(ii) and (C)(ii) thereof instead of the Index Return Percentage for the applicable period, the Threshold Return Percentage shall be used.

"**Final Relative Baseline**" means, as of the Final Valuation Date, an amount representing (without double-counting) the sum of:

(A) the Baseline Value multiplied by:

(i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Final Valuation Date, and then multiplied by

(ii) the sum of one hundred percent (100%) plus the Index Return Percentage for the period beginning on the Effective Date and ending on the Final Valuation Date; plus

(B) with respect to each Additional Share issued after the Effective Date, the Additional Share Baseline Value of such Additional Share multiplied by the sum of (i) one hundred percent (100%) plus (ii) the Index Return Percentage for the period beginning on the date of issuance of such Additional Share and ending on the Final Valuation Date; plus

(C) with respect to each Buyback Share repurchased or redeemed after the Effective Date, the Baseline Value multiplied by the sum of (i) one hundred percent (100%) plus (ii) the Index Return Percentage for the period beginning on the Effective Date and ending on the date such Buyback Share was repurchased or redeemed.

If the Company consummates multiple issuances of Additional Shares and/or repurchases of Buyback Shares during any one monthly or quarterly period, such that it would be impractical to track the precise issuance date and issuance price of each individual Additional Share and/or repurchase or redemption date of each individual Buyback Share, the Compensation Committee may in its discretion approve timing and calculation conventions (such as net-at-end-of-period or average-during-the-period) reasonably designed to simplify the administration of this Award.

"**Final Relative Offset Amount**" means, if the Final Total Return as of the Final Valuation Date is less than the Final Relative Adjusted Return, an amount equal to two percent (2%) of the difference between the Final Total Return and the Final Relative Adjusted Return as of the Final Valuation Date. For the avoidance of doubt, the Final Relative Offset Amount will always be a negative amount.

"**Final Relative TRS Pool**" means, as of the Final Valuation Date, a dollar amount (or, if the resulting amount is a negative number, zero (0)) calculated as follows: (A) subtract the Final Relative Baseline from the Final Total Return, in each case as of the Final Valuation Date; (B) multiply the resulting amount by two percent (2%); and (C) multiply the lesser of (i) the resulting amount or (ii) $40,000,000 by the Final Adjustment Factor; provided that in no event shall the Final Relative TRS Pool exceed the difference between (x) the Maximum Final Outperformance Pool Amount and (y) the sum of (I) the Stage One Total Outperformance Pool and (II) the Stage Two Total Outperformance Pool.

"**Final Total Outperformance Pool**" means, as of the Final Valuation Date, a dollar amount calculated as follows: (A) take the algebraic sum of (i) the Final Absolute TRS Pool (either zero or a positive amount), (ii) the Final Relative TRS Pool (either zero or a positive amount), and (iii) the Final Relative Offset Amount (either zero or a negative amount); and (B) subtract from the resulting amount the sum of (i) the Stage One Total Outperformance Pool and (ii) the Stage Two Total Outperformance Pool, if any; provided that if the resulting amount is a negative number, then the Final Total Outperformance Pool shall be zero; and provided, further,

that in no event shall the Final Total Outperformance Pool exceed the difference between (x) the Maximum Final Outperformance Pool Amount and (y) the sum of (I) the Stage One Total Outperformance Pool and (II) the Stage Two Total Outperformance Pool. It being understood that Final Total Outperformance Pool excludes the amounts which are calculated pursuant to Section 3(e) which are not subject to a cap.

"**Final Total Return**" means (without double-counting), as of the Final Valuation Date, an amount equal to the sum of: (A) the Final Total Shares multiplied by the highest Common Share Price among those calculated as of every day within the period of one hundred and twenty (120) consecutive days immediately preceding the Final Valuation Date; plus (B) an amount equal to the sum of the total dividends and other distributions actually declared between the Effective Date and the Final Valuation Date (excluding dividends and distributions paid in the form of additional Common Shares or Units) so long as the "ex-dividend" date with respect thereto falls prior to the Final Valuation Date, in respect of Common Shares and Class A Units (it being understood, for the avoidance of doubt, that such total dividends and distributions shall be calculated by multiplying the amount of each per share dividend or distribution declared by the actual number of securities outstanding as of each record date with respect to the applicable dividend or distribution payment date, and not by multiplying the aggregate amount of distributions paid on one Partnership Unit that was outstanding as of the Effective Date between the Effective Date and the Final Valuation Date by the number of Final Total Shares).

"**Final Total Shares**" means (without double-counting), as of the Final Valuation Date, the algebraic sum of: (A) the Initial Shares, minus (B) all Buyback Shares repurchased or redeemed between the Effective Date and the Final Valuation Date, plus (C) all Additional Shares issued between the Effective Date and the Final Valuation Date.

"**Final Valuation Date**" means the earliest of: (A) March 30, 2015; or (B) in the event of a Change in Control that is not a Transactional Change in Control, the date on which such Change in Control shall occur; or (C) in the event of a Transactional Change in Control and subject to the consummation of such Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control.

"**Good Reason**" for termination of the Grantee's employment for purposes of Section 3 and Section 4 means: (A) if the Grantee is a party to a Service Agreement immediately prior to such termination, and "good reason" is defined therein, then "good reason" shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such termination or the Grantee's Service Agreement does not define "good reason" or a substantially equivalent term, then "good reason" shall mean: (i) the assignment to the Grantee of duties materially and adversely inconsistent with the Grantee's status as of the Effective Date or a material and adverse alteration in the nature of the Grantee's duties, responsibilities or authority; (ii) a reduction in the Grantee's base salary; or (iii) a relocation of the Grantee's own office location to a location more than thirty (30) miles from its location as of the Effective Date.

"**Index Return Percentage**" means, for any period, the total percentage return for the SNL Equity REIT Index from the start of such period to the end of such period, as calculated by a consultant engaged by the Committee and as approved by the Committee in its reasonable

discretion for purposes of calculating the Stage One Relative Baseline, Stage Two Relative Baseline or Final Relative Baseline, as applicable.

"**Initial Shares**" means 197,102,697 Common Shares, which includes: (A) 185,584,022 Common Shares outstanding as of the Effective Date (other than currently unvested restricted Common Shares previously granted to employees or other persons or entities in exchange for services provided to the Company); plus (B) 11,342,128 Common Shares representing the Shares Amount for all of the Partnership Units (other than LTIP Units or OPP Units and excluding Partnership Units held by the Company) outstanding as of the Effective Date assuming that all of such Partnership Units were tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date; plus (C) 176,547 Common Shares representing the Shares Amount for all of the Partnership Units into which all LTIP Units, 2006 OPP Units and 2008 OPP Units outstanding as of the Effective Date could be converted without regard to the book capital account associated with them (but only to the extent such LTIP Units, 2006 OPP Units or 2008 OPP Units are currently vested, and excluding all 2012 OPP Units), assuming that all of such Partnership Units were tendered to the Partnership for redemption pursuant to Section 8.6 of the Partnership Agreement as of such date. For the avoidance of doubt, Initial Shares (i) includes (x) currently vested Common Shares and (y) currently vested LTIP Units, 2006 OPP Units and 2008 OPP Units previously granted to employees or other persons or entities in exchange for services provided to the Company, and (ii) excludes (x) all Common Shares issuable upon exercise of stock options or upon the exchange (directly or indirectly) of unvested LTIP Units, 2006 OPP Units, 2008 OPP Units and 2012 OPP Units or other unvested Units issued to employees, non-employee trustees, consultants, advisors or other persons or entities as incentive compensation, and (y) currently unvested restricted Common Shares previously granted to employees, non-employee trustees, consultants, advisors or other persons or entities in exchange for services provided to the Company.

"**LTIP Units**" means LTIP Units, as such term is defined in the Partnership Agreement.

"**Maximum Final Outperformance Pool Amount**" means $40,000,000 minus the sum of (i) the Stage One Total Outperformance Pool, if any, and (ii) the Stage Two Total Outperformance Pool, if any.

"**Maximum Stage One Outperformance Pool Amount**" means $8,000,000.

"**Maximum Stage Two Outperformance Pool Amount**" means $16,000,000 minus the Stage One Total Outperformance Pool, if any.

"**OPP Units**" means collectively all 2006 OPP Units, all 2008 OPP Units and all 2012 OPP Units.

"**Partial Service Factor**" means a factor carried out to the sixth decimal to be used in calculating the Grantee's adjusted Stage One OPP Unit Equivalent, Stage Two OPP Unit Equivalent and Total OPP Unit Equivalent pursuant to Section 4(b)(ii) hereof in the event of a Qualified Termination of the Grantee's Continuous Service prior to the Final Valuation Date or pursuant to Section 4(e) in the event of a termination of the Grantee's Continuous Service by reason of death or Disability prior to the Final Valuation Date, determined as follows:

(A) for application pursuant to Section 4(b)(ii)(I) or Section 4(e)(ii)(I) hereof, the number of calendar days that have elapsed since the Effective Date to and including the effective date of such Qualified Termination or the date of death or Disability, divided by 365 (it being understood that if such Qualified Termination or death or Disability occurs after the Stage One Valuation Date, then the Partial Service Factor to be used for purposes of Section 4(b)(ii)(I) or Section 4(e)(ii)(I) shall be one (1)); provided, however, that if, after the effective date of such Qualified Termination or the date of death or Disability and before March 30, 2013, a Change in Control occurs, then there shall be subtracted from the foregoing denominator (*i.e.* 365) a number of days equal to the days that would elapse between the date as of which the Change in Control is consummated (or, with respect to a Transactional Change in Control, the date of the Public Announcement of the Transactional Change in Control) and March 30, 2013;

(B) for application pursuant to Section 4(b)(ii)(II) or Section 4(e)(ii)(II) hereof, the number of calendar days that have elapsed since the Effective Date to and including the effective date of such Qualified Termination or the date of death or Disability, divided by 730 (it being understood that if such Qualified Termination or death or Disability occurs after the Stage Two Valuation Date, then the Partial Service Factor to be used for purposes of Section 4(b)(ii)(II) or Section 4(e)(ii)(II) shall be one (1)); provided, however, that if, after the effective date of such Qualified Termination or the date of death or Disability and before March 30, 2014, a Change in Control occurs, then there shall be subtracted from the foregoing denominator (*i.e.* 730) a number of days equal to the days that would elapse between the date as of which the Change in Control is consummated (or, with respect to a Transactional Change in Control, the date of the Public Announcement of the Transactional Change

in Control) and March 30, 2014; and

(C) for application pursuant to Section 4(b)(ii)(III) or Section 4(e)(ii)(III) hereof, the number of calendar days that have elapsed since the Effective Date to and including the effective date of such Qualified Termination or the date of death or Disability, divided by 1,095; provided, however, that if, after the effective date of such Qualified Termination or the date of death or Disability and before March 30, 2015, a Change in Control occurs, then there shall be subtracted from the foregoing denominator (*i.e.* 1,095) a number of days equal to the days that would elapse between the date as of which the Change in Control is consummated (or, with respect to a Transactional Change in Control, the date of the Public Announcement of the Transactional Change in Control) and March 30, 2015.

"**Participation Percentage**" means the percentage set forth opposite such term on Schedule A hereto.

"**Partnership Agreement**" means the Second Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of October 20, 1997, among the Company, as general partner, and the limited partners who are parties thereto, as amended from time to time.

"**Partnership Units**" has the meaning set forth in the Partnership Agreement.

"**Person**" means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, other entity or "group" (as defined in the Exchange Act).

"**Public Announcement**" means, with respect to a Transactional Change in Control, the earliest press release, filing with the SEC or other publicly available or widely disseminated communication issued by the Company or another Person who is a party to such transaction which discloses the consideration payable in and other material terms of the transaction that ultimately results in the Transactional Change in Control; provided, however, that if such consideration is subsequently increased or decreased, then the term "Public Announcement" shall be deemed to refer to the most recent such press release, filing or communication disclosing a change in consideration whereby the final consideration and material terms of the transaction that ultimately results in the Transactional Change in Control are announced. For the avoidance of doubt, the foregoing definition is intended to provide the Committee in the application of the *proviso* clause in the definition of "Common Share Price" with the information required to determine the fair market value of the consideration payable in the transaction that ultimately results in the Transactional Change in Control as of the earliest time when such information is publicly disseminated, particularly if the transaction consists of an unsolicited tender offer or a contested business combination where the terms of the transaction change over time.

"**Qualified Termination**" has the meaning set forth in Section 4.

"**Retirement**" means: (A) if the Grantee is a party to a Service Agreement immediately prior to such event, and "Retirement" is defined therein, then "Retirement" shall have the meaning set forth in such Service Agreement, or (B) if the Grantee is not party to a Service Agreement immediately prior to such event and/or the Grantee's Service Agreement does not define "Retirement" or a substantially equivalent term, then "Retirement" shall mean the Grantee's termination of his or her Continuous Service with the Company and its Subsidiaries after attainment of age 65.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Service Agreement**" means, as of a particular date, any employment, consulting or similar service agreement (including without limitation a separation, severance or similar agreement if any) then in effect between the Grantee, on the one hand, and the Company or one of its Affiliates, on the other hand, as amended or supplemented through such date.

"**Shares Amount**" has the meaning set forth in the Partnership Agreement.

"**SNL Equity REIT Index**" means the SNL Equity REIT Index as published from time to time (or a successor index including a comparable universe of publicly traded U.S. real estate investment trusts), provided that if (A) the SNL Equity REIT Index ceases to exist or be published prior to the Stage One Valuation Date, Stage Two Valuation Date, or Final Valuation Date, as applicable, and the Committee determines that there is no successor to such index or (B) the Committee reasonably determines that the SNL Equity REIT Index is no longer suitable for the purposes of this Agreement, then the Committee in its good faith reasonable discretion shall select for subsequent periods, or if the Committee in its reasonable good faith discretion so determines, for any portion of or the entire period from the Effective Date to the Final Valuation

Date, a substitute comparable index for purposes of calculating the Stage One Relative Baseline, Stage Two Relative Baseline or Final Relative Baseline, as applicable.

"**Stage One Absolute Baseline**" means, as of the Stage One Valuation Date, an amount representing (without double-counting) the sum of:

(A) the Baseline Value multiplied by:

(i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Stage One Valuation Date; and then multiplied by

(ii) the sum of (x) one hundred percent (100%) plus (y) the Target Stage One Absolute Return Percentage; plus

(B) with respect to each Additional Share issued between the Effective Date and the Stage One Valuation Date, the Additional Share Baseline Value of such Additional Share, multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the product of the Target Stage One Absolute Return Percentage multiplied by a fraction (x) the numerator of which is the number of days from the issuance of such Additional Share to and including the Stage One Valuation Date and (y) the denominator of which is the number of days from and including the Effective Date to and including the Stage One Valuation Date; plus

(C) with respect to each Buyback Share repurchased or redeemed between the Effective Date and the Stage One Valuation Date, the Baseline Value, multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the product of the Target Stage One Absolute Return Percentage multiplied by a fraction (x) the numerator of which is the number of days from the Effective Date to and including the date such Buyback Share was repurchased or redeemed and (y) the denominator of which is the number of days from and including the Effective Date to and including the Stage One Valuation Date;

provided that if the Stage One Valuation Date occurs prior to March 30, 2013 as a result of a Change in Control, then for purposes of this definition in connection with the calculation of the Stage One Absolute TRS Pool as of the Stage One Valuation Date, then the Target Stage One Absolute Return Percentage to be used in such calculation shall be reduced to seven percent (7%) multiplied by the CoC Fraction calculated pursuant to clause (A) of the definition thereof. If the Company consummates multiple issuances of Additional Shares and/or repurchases of Buyback Shares during any one monthly or quarterly period, such that it would be impractical to track the precise issuance date and issuance price of each individual Additional Share and/or repurchase or redemption date of each individual Buyback Share, the Compensation Committee

may in its discretion approve timing and calculation conventions (such as net-at-end-of-period or average-during-the-period) reasonably designed to simplify the administration of this Award.

"**Stage One Absolute TRS Pool**" means, as of the Stage One Valuation Date, a dollar amount calculated as follows (or, if the resulting amount is a negative number, zero): (A) subtract the Stage One Absolute Baseline from the Stage One Total Return, in each case as of the Stage One Valuation Date; and (B) multiply the resulting amount by two percent (2%); provided that in no event shall the Stage One Absolute TRS Pool exceed the Maximum Stage One Outperformance Pool Amount.

"Stage One Adjusted Return" means a dollar amount, calculated as of the Stage One Valuation Date, using the same definition as for the "Stage One Relative Baseline," except that in clauses (A)(ii), (B)(ii) and (C)(ii) thereof instead of the Index Return Percentage for the applicable period, the Threshold Return Percentage shall be used.

"**Stage One Adjustment Factor**" means a factor carried out to the sixth decimal determined by a straight-line interpolation between: (A) zero (0) if the Stage One Hurdle Rate is zero percent (0%) or a negative factor; and (B) one (1) if the Stage One Hurdle Rate is six percent (6%) or more.

"**Stage One Hurdle Rate**" means a percentage consisting of the Company's TRS Percentage over the period starting on the Effective Date and ending on the Stage One Valuation Date; provided that if the Stage One Valuation Date occurs prior to March 30, 2013 as a result of a Change in Control, then for purposes of determining the Stage One Adjustment Factor to be used in calculating the Stage One Relative TRS Pool as of the Stage One Valuation Date, the Stage One Hurdle Rate shall instead be: (A) the Company's TRS Percentage over the period starting on the Effective Date and ending on the date of the Change in Control (or, with respect to a Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control); divided by (B) the CoC Fraction.

"**Stage One OPP Unit Equivalent**" has the meaning set forth in Section 3.

"**Stage One Relative Baseline**" means, as of the Stage One Valuation Date, an amount representing (without double-counting) the sum of:

(A) the Baseline Value multiplied by:

(i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Stage One Valuation Date, and then multiplied by

(ii) the sum of one hundred percent (100%) plus the Index Return Percentage for the period beginning on the Effective Date and ending on the Stage One Valuation Date; plus

(B) with respect to each Additional Share issued after the Effective Date, the Additional Share Baseline Value of such Additional Share, multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the Index Return Percentage for the period beginning on the date of issuance of such Additional Share and ending on the Stage One Valuation Date; plus

(C) with respect to each Buyback Share repurchased or redeemed after the Effective Date, the Baseline Value multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the Index Return Percentage for the period beginning on the Effective Date and ending on the date such Buyback Share was repurchased or redeemed.

If the Company consummates multiple issuances of Additional Shares and/or repurchases of Buyback Shares during any one monthly or quarterly period, such that it would be impractical to track the precise issuance date and issuance price of each individual Additional Share and/or repurchase or redemption date of each individual Buyback Share, the Compensation Committee may in its discretion approve timing and calculation conventions (such as net-at-end-of-period or average-during-the-period) reasonably designed to simplify the administration of this Award.

"**Stage One Relative Offset Amount**" means, if the Stage One Total Return as of the Stage One Valuation Date is less than the Stage One Adjusted Return, an amount equal to two percent (2%) of the difference between the Stage One Total Return and the Stage One Adjusted Return as of the Stage One Valuation Date. For the avoidance of doubt, the Stage One Offset Amount will always be a negative amount.

"**Stage One Relative TRS Pool**" means, as of the Stage One Valuation Date, a dollar amount (or, if the resulting amount is a negative number, zero (0)) calculated as follows: (A) subtract the Stage One Relative Baseline from the Stage One Total Return, in each case as of the Stage One Valuation Date; (B) multiply the difference by two percent (2%); and (C) multiply the lesser of (i) the product of (B) or (ii) the Maximum Stage One Outperformance Pool Amount by the Stage One Adjustment Factor.

"**Stage One Total Outperformance Pool**" means, as of the Stage One Valuation Date, a dollar amount equal to the sum of: (A) the Stage One Absolute TRS Pool (if a positive amount); (B) the Stage One Relative TRS Pool (if a positive amount); and (C) the Stage One Relative Offset Amount (if a negative amount); provided that if the resulting amount is a negative number, then the Stage One Total Outperformance Pool shall be zero; and provided, further, that in no event shall the Stage One Total Outperformance Pool exceed the Maximum Stage One Outperformance Pool Amount. It being understood that Stage One Total Outperformance Pool excludes the amounts which are calculated pursuant to Section 3 (e) which are not subject to a cap.

"**Stage One Total Return**" means (without double-counting), as of the Stage One Valuation Date, an amount equal to the sum of: (A) the Stage One Total Shares multiplied by the highest Common Share Price among those calculated as of every day within the period of one hundred and twenty (120) consecutive days immediately preceding the Stage One Valuation Date; plus (B) an amount equal to the sum of the total dividends and other distributions actually

declared between the Effective Date and the Stage One Valuation Date (excluding dividends and distributions paid in the form of additional Common Shares or Units) so long as the "ex-dividend" date with respect thereto falls prior to the Stage One Valuation Date, with respect to Common Shares and Class A Units (it being understood, for the avoidance of doubt, that such total dividends and distributions shall be calculated by multiplying the amount of each per share dividend or per Class A Unit distribution declared by the actual number of securities outstanding as of each record date with respect to the applicable dividend or distribution payment date, and not by multiplying the aggregate amount of distributions paid on one Partnership Unit that was outstanding as of the Effective Date between the Effective Date and the Stage One Valuation Date by the number of Stage One Total Shares).

"**Stage One Total Shares**" means (without double-counting), as of the Stage One Valuation Date, the algebraic sum of: (A) the Initial Shares, minus (B) all Buyback Shares repurchased or redeemed between the Effective Date and the Stage One Valuation Date, plus (C) all Additional Shares issued between the Effective Date and the Stage One Valuation Date.

"**Stage One Valuation Date**" means the earliest of: (A) March 30, 2013; or (B) in the event of a Change in Control that is not a Transactional Change in Control, the date on which such Change in Control shall occur; or (C) in the event of a Transactional Change in Control and subject to the consummation of such Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control.

"**Stage Two Absolute Baseline**" means, as of the Stage Two Valuation Date, an amount representing (without double-counting) the sum of:

(A) the Baseline Value multiplied by:

(i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Stage Two Valuation Date; and then multiplied by

(ii) the sum of (x) one hundred percent (100%) plus (y) the Target Stage Two Absolute Return Percentage; plus

(B) with respect to each Additional Share issued between the Effective Date and the Stage Two Valuation Date, the Additional Share Baseline Value of such Additional Share, multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the product of the Target Stage Two Absolute Return Percentage multiplied by: a fraction (x) the numerator of which is the number of days from the issuance of such Additional Share to and including the Stage Two Valuation Date and (y) the denominator of which is the number of days from and including the Effective Date to and including the Stage Two Valuation Date; plus

(C) with respect to each Buyback Share repurchased or redeemed between the Effective Date and the Stage Two Valuation Date, the Baseline Value, multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the product of the Target Stage Two Absolute Return Percentage multiplied by a fraction (x) the numerator of which is the number of days from the Effective Date to and including the date such Buyback Share was repurchased or redeemed and (y) the denominator of which is the number of days from and including the Effective Date to and including the Stage Two Valuation Date;

provided that if the Stage Two Valuation Date occurs prior to March 30, 2014 as a result of a Change in Control, then for purposes of this definition in connection with the calculation of the Stage Two Absolute TRS Pool as of the Stage Two Valuation Date, then the Target Stage Two Absolute Return Percentage to be used in such calculation shall be reduced to fourteen percent (14%) multiplied by the CoC Fraction calculated pursuant to clause (B) of the definition thereof. If the Company consummates multiple issuances of Additional Shares and/or repurchases of Buyback Shares during any one monthly or quarterly period, such that it would be impractical to track the precise issuance date and issuance price of each individual Additional Share and/or repurchase or redemption date of each individual Buyback Share, the Compensation Committee may in its discretion approve timing and calculation conventions (such as net-at-end-of-period or average-during-the-period) reasonably designed to simplify the administration of this Award.

"**Stage Two Absolute TRS Pool**" means, as of the Stage Two Valuation Date, a dollar amount calculated as follows (or, if the resulting amount is a negative number, zero): (A) subtract the Stage Two Absolute Baseline from the Stage Two Total Return, in each case as of the Stage Two Valuation Date; and (B) multiply the resulting amount by two percent (2%); provided that in no event shall the Stage Two Absolute TRS Pool exceed the Maximum Stage Two Outperformance Pool Amount.

"Stage Two Adjusted Return" a dollar amount, calculated as of the Stage Two Valuation Date, using the same definition as for the "Stage Two Relative Baseline," except that in clauses (A)(ii), (B)(ii) and (C)(ii) thereof instead of the Index Return Percentage for the applicable period, the Threshold Return Percentage shall be used.

"**Stage Two Adjustment Factor**" means a factor carried out to the sixth decimal determined by a straight-line interpolation between: (A) zero (0) if the Stage Two Hurdle Rate is zero percent (0%) or a negative factor; and (B) one (1) if the Stage Two Hurdle Rate is twelve percent (12%) or more.

"**Stage Two Hurdle Rate**" means a percentage consisting of the Company's TRS Percentage over the period starting on the Effective Date and ending on the Stage Two Valuation Date; provided that if the Stage Two Valuation Date occurs prior to March 30, 2014 as a result of a Change in Control, then for purposes of determining the Stage Two Adjustment Factor to be used in calculating the Stage Two Relative TRS Pool as of the Stage Two Valuation Date, the Stage Two Hurdle Rate shall instead be: (A) the Company's TRS Percentage over the period starting on the Effective Date and ending on the date of the Change in Control (or, with respect to a Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control); divided by (B) the CoC Fraction.

"**Stage Two OPP Unit Equivalent**" has the meaning set forth in Section 3.

"**Stage Two Relative Baseline**" means, as of the Stage Two Valuation Date, an amount representing (without double-counting) the sum of:

(A) the Baseline Value multiplied by:

(i) the difference between (x) the Initial Shares and (y) all Buyback Shares repurchased or redeemed between the Effective Date and the Stage Two Valuation Date, and then multiplied by

(ii) the sum of one hundred percent (100%) plus the Index Return Percentage for the period beginning on the Effective Date and ending on the Stage Two Valuation Date; plus

(B) with respect to each Additional Share issued after the Effective Date, the Additional Share Baseline Value of such Additional Share, multiplied by: the sum of:

(i) one hundred percent (100%); plus

(ii) the Index Return Percentage for the period beginning on the date of issuance of such Additional Share and ending on the Stage Two Valuation Date; plus

(C) with respect to each Buyback Share repurchased or redeemed after the Effective Date, the Baseline Value multiplied by the sum of:

(i) one hundred percent (100%); plus

(ii) the Index Return Percentage for the period beginning on the Effective Date and ending on the date such Buyback Share was repurchased or redeemed.

If the Company consummates multiple issuances of Additional Shares and/or repurchases of Buyback Shares during any one monthly or quarterly period, such that it would be impractical to track the precise issuance date and issuance price of each individual Additional Share and/or repurchase or redemption date of each individual Buyback Share, the Compensation Committee may in its discretion approve timing and calculation conventions (such as net-at-end-of-period or average-during-the-period) reasonably designed to simplify the administration of this Award.

"**Stage Two Relative Offset Amount**" means, if the Stage Two Total Return as of the Stage Two Valuation Date is less than the Stage Two Adjusted Return, an amount equal to two percent (2%) of the difference between the Stage Two Total Return and the Stage Two Adjusted Return as of the Stage Two Valuation Date. For the avoidance of doubt, the Stage Two Offset Amount will always be a negative amount.

"**Stage Two Relative TRS Pool**" means, as of the Stage Two Valuation Date, a dollar amount (or, if the resulting amount is a negative number, zero (0)) calculated as follows: (A) subtract the Stage Two Relative Baseline from the Stage Two Total Return, in each case as of the Stage Two Valuation Date; (B) multiply the resulting difference by two percent (2%); and

(C) multiply the lesser of (i) the product of (B) or (ii) the Maximum Stage Two Outperformance Pool Amount by the Stage Two Adjustment Factor.

"**Stage Two Total Outperformance Pool**" means, as of the Stage Two Valuation Date, a dollar amount equal to (A) take the algebraic sum of (i) the Stage Two Absolute TRS Pool (if a positive amount), (ii) the Stage Two Relative TRS Pool (if a positive amount), and (iii) the Stage Two Relative Offset Amount (if a negative amount); and (B) subtract from the resulting amount the Stage One Outperformance Pool, if any; provided that if the resulting sum is a negative number, then the Stage Two Total Outperformance Pool shall be zero; and provided, further, that in no event shall the Stage Two Total Outperformance Pool exceed the Maximum Stage Two Outperformance Pool Amount. It being understood that Stage Two Total Outperformance Pool excludes the amounts which are calculated pursuant to Section 3(e) which are not subject to a cap.

"**Stage Two Total Return**" means (without double-counting), as of the Stage Two Valuation Date, an amount equal to the sum of: (A) the Stage Two Total Shares multiplied by the highest Common Share Price among those calculated as of every day within the period of one hundred and twenty (120) consecutive days immediately preceding the Stage Two Valuation Date; plus (B) an amount equal to the sum of the total dividends and other distributions actually declared between the Effective Date and the Stage Two Valuation Date (excluding dividends and distributions paid in the form of additional Common Shares or Units) so long as the "ex-dividend" date with respect thereto falls prior to the Stage Two Valuation Date, with respect to Common Shares and Class A Units (it being understood, for the avoidance of doubt, that such total dividends and distributions shall be calculated by multiplying the amount of each per share dividend or per Class A Unit distribution declared by the actual number of securities outstanding as of each record date with respect to the applicable dividend or distribution payment date, and not by multiplying the aggregate amount of distributions paid on one Partnership Unit that was outstanding as of the Effective Date between the Effective Date and the Stage Two Valuation Date by the number of Stage Two Total Shares).

"**Stage Two Total Shares**" means (without double-counting), as of the Stage Two Valuation Date, the algebraic sum of: (A) the Initial Shares, minus (B) all Buyback Shares repurchased or redeemed between the Effective Date and the Stage Two Valuation Date, plus (C) all Additional Shares issued between the Effective Date and the Stage Two Valuation Date.

"**Stage Two Valuation Date**" means the earliest of: (A) March 30, 2014; or (B) in the event of a Change in Control that is not a Transactional Change in Control, the date on which such Change in Control shall occur; or (C) in the event of a Transactional Change in Control and subject to the consummation of such Transactional Change in Control, the date of the Public Announcement of such Transactional Change in Control; provided that the Stage Two Valuation Date cannot be after the Final Valuation Date.

"**Subsidiary**" means any "subsidiary corporation" of the Company within the meaning of Section 424(f) of the Code.

"**Target Final Absolute Return Percentage**" means twenty-one percent (21%), except as otherwise defined for purposes of the definition of Final Absolute Baseline in certain circumstances, as described in the *proviso* clause of such definition.

"**Target Stage One Absolute Return Percentage**" means seven percent (7%), except as otherwise defined for purposes of the definition of Stage One Absolute Baseline in certain circumstances, as described in the *proviso* clause in such definition.

"**Target Stage Two Absolute Return Percentage**" means fourteen percent (14%), except as otherwise defined for purposes of the definition of Stage Two Absolute Baseline in certain circumstances, as described in the *proviso* clause in such definition.

"**Threshold Return Percentage**" means, for any period, the applicable Index Return Percentage reduced by an annualized 200 basis points from the start of such period to the end of such period, as calculated by a consultant engaged by the Committee and as approved by the Committee in its reasonable discretion for purposes of calculating the Stage One Relative Offset Amount, Stage Two Relative Offset Amount and Final Relative Offset Amount, as applicable. For the avoidance of doubt, if the calculation period were three years, the reduction in the Index Return Percentage to arrive at the Threshold Return Percentage would be 600 basis points, whereas if the calculation period were 219 days, the reduction would be 120 basis points.

"**Total OPP Unit Equivalent**" means the sum of: (A) Stage One OPP Unit Equivalent, if any, plus (B) the Stage Two OPP Unit Equivalent, if any; plus (C) the Final OPP Unit Equivalent, if any.

"**Transactional Change in Control**" means (A) a Change in Control described in clause (ii) of the definition thereof where the "person" or "group" makes a tender offer for Common Shares, or (B) a Change in Control described in clause (iii) of the definition thereof where the Company is not the Surviving Corporation; provided that if the applicable definition of "Change in Control" (or similar term) in the applicable Service Agreement does not track such clauses (ii) or (iii), then the term "Transactional Change in Control" shall mean a Change in Control meeting the substantive criteria set forth in such clauses, as reasonably determined in good faith by the Committee.

"**Transfer**" has the meaning set forth in Section 7.

"**TRS Percentage**" means, with respect to the Company, for any period, the total percentage return per share achieved by one Common Share from the start of such period to the end of such period, as calculated by a consultant engaged by the Committee and as approved by the Committee in its reasonable discretion using the data for the Company included in the SNL Equity REIT Index for such period.

"**Units**" means all Partnership Units (as defined in the Partnership Agreement), including LTIP Units, with economic attributes substantially similar to Partnership Units as determined by the Committee that are outstanding or are issuable upon the conversion, exercise, exchange or redemption of any securities of any kind convertible, exercisable, exchangeable or redeemable for Partnership Units; provided that all Units that are not convertible into or exchangeable for Class A Units shall be excluded from the definition of "Units."

3. Outperformance Award; Vesting; Change in Control.

(a) The Grantee is hereby granted this Award consisting of the number of 2012 OPP Units set forth on Schedule A hereto (the "Award OPP Units"), which (A) will be subject to forfeiture to the extent provided in this Section 3 and (B) will be subject to vesting as provided in Sections 3(f) hereof. At any time prior to the Final Valuation Date, the Committee may grant additional 2012 OPP awards to the extent that the sum of all the 2012 OPP grantees' Participation Percentages is less than one hundred percent (100%) as a result of either reservation of a portion of the 2012 OPP Participation Percentage for future awards or forfeiture of granted 2012 OPP awards. At any time prior to or in connection with the calculation of the Final OPP Unit Equivalent, the Partnership may issue additional LTIP Units to the Grantee as provided in this Section 3 that shall also be considered Award OPP Units and subject to all of the terms and conditions of this Agreement; provided that such issuance will be subject to the Grantee executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership may reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws. The Award OPP Units shall be eligible for vesting over a five-year period, except as otherwise provided in Section 4 hereof, based on a combination of (i) the Company's performance over a three-year period (or a shorter period in certain circumstances as provided herein) as indicated by the calculations required by this Section 3 and (ii) the passage of time (five years or a shorter period in certain circumstances as provided herein) as provided in Section 3(f). Vesting will occur at the times, in the amounts and upon the conditions set forth in this Section 3 and in Section 4, provided that, except as otherwise expressly set forth in this Agreement, the Continuous Service of the Grantee continues through and on the each applicable vesting date.

(b) As soon as practicable following the Stage One Valuation Date, but as of the Stage One Valuation Date, the Committee will:

(i) determine the Stage One Absolute TRS Pool (if any);

(ii) determine the Stage One Relative TRS Pool (if any);

(iii) determine the Stage One Relative Offset Amount (if any);

(iv) determine the Stage One Total Outperformance Pool (if any);

(v) multiply (x) the Stage One Total Outperformance Pool calculated as of the Stage One Valuation Date by (y) the Grantee's Participation Percentage as of the Stage One Valuation Date; and

(vi) divide the resulting amount by the highest Common Share Price among those calculated as of every day within the period of one hundred and twenty (120) days immediately preceding the Stage One Valuation Date (appropriately adjusted to the extent that the Shares Amount for one Partnership Unit is greater or less than one Common Share).

The resulting number is hereafter referred to as the "Stage One OPP Unit Equivalent". A number of Award OPP Units equal to the Stage One OPP Unit Equivalent shall thereafter no longer be subject to forfeiture pursuant to this Section 3, but shall still be subject to vesting pursuant to Section 3(f) hereof. If the Stage One OPP Unit Equivalent is smaller than the number of Award OPP Units previously issued to the Grantee pursuant to Section 3(a) hereof, then the balance of the Award OPP Units shall continue to be subject to forfeiture pursuant to this Section 3. If the Stage One OPP Unit Equivalent is greater than the number of Award OPP Units previously issued to the Grantee, then, upon the performance of the calculations set forth in this Section 3(b): (A) the Company shall cause the Partnership to issue to the Grantee, as of the Stage One Valuation Date, a number of additional LTIP Units equal to the difference; (B) such additional LTIP Units shall be added to the Award OPP Units previously issued, if any, and thereby become part of this Award; (C) the Company and the Partnership shall take such corporate and Partnership action as is necessary to accomplish the grant of such additional LTIP Units; and (D) thereafter the term Award OPP Units will refer collectively to the Award OPP Units, if any, issued prior to such additional grant plus such additional LTIP Units; provided that such issuance will be subject to the Grantee executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership may reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws.

(c) As soon as practicable following the Stage Two Valuation Date, but as of the Stage Two Valuation Date, the Committee will:

(i) determine the Stage Two Absolute TRS Pool (if any);

(ii) determine the Stage Two Relative TRS Pool (if any);

(iii) determine the Stage Two Relative Offset Amount (if any);

(iv) determine the Stage Two Total Outperformance Pool (if any);

(v) multiply (x) the Stage Two Total Outperformance Pool calculated as of the Stage Two Valuation Date by (y) the Grantee's Participation Percentage as of the Stage Two Valuation Date; and

(vi) divide the resulting amount by the highest Common Share Price among those calculated as of every day within the period of one hundred and twenty (120) days immediately preceding the Stage Two Valuation Date (appropriately adjusted to the extent that the Shares Amount for one Partnership Unit is greater or less than one Common Share).

The resulting number is hereafter referred to as the "Stage Two OPP Unit Equivalent". A number of Award OPP Units equal to the Stage Two OPP Unit Equivalent (plus the Stage One OPP Unit Equivalent, if any) shall thereafter no longer be subject to forfeiture pursuant to this Section 3, but shall still be subject to vesting pursuant to Section 3(f) hereof. If the Stage Two OPP Unit Equivalent (plus the Stage One OPP Unit Equivalent, if any) is smaller than the number of Award OPP Units previously issued to the Grantee, (including any additional LTIP Units added to the Award OPP Units under Section 3(b) above) then the balance of the Award

OPP Units shall continue to be subject to forfeiture pursuant to this Section 3. If the Stage Two OPP Unit Equivalent (plus the Stage One OPP Unit Equivalent, if any) is greater than the number of Award OPP Units previously issued to the Grantee, then, upon the performance of the calculations set forth in this Section 3(c): (A) the Company shall cause the Partnership to issue to the Grantee, as of the Second Valuation Date, a number of additional LTIP Units equal to the difference; (B) such additional LTIP Units shall be added to the Award OPP Units previously issued, if any, and thereby become part of this Award; (C) the Company and the Partnership shall take such corporate and Partnership action as is necessary to accomplish the grant of such additional LTIP Units; and (D) thereafter the term Award OPP Units will refer collectively to the Award OPP Units, if any, issued prior to such additional grant plus such additional LTIP Units; provided that such issuance will be subject to the Grantee executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws.

(d) As soon as practicable following the Final Valuation Date, but as of the Final Valuation Date, the Committee will:

(i) determine the Final Absolute TRS Pool (if any);

(ii) determine the Final Relative TRS Pool (if any);

(iii) determine the Final Relative Offset Amount (if any);

(iv) determine the Final Total Outperformance Pool (if any);

(v) multiply (x) the Final Total Outperformance Pool calculated as of the Final Valuation Date by (y) the Grantee's Participation Percentage as of the Final Valuation Date; and

(vi) divide the resulting amount by the highest Common Share Price among those calculated as of every day within the period of one hundred and twenty (120) days immediately preceding the Final Valuation Date (appropriately adjusted to the extent that the Shares Amount for one Partnership Unit is greater or less than one Common Share).

The resulting number is hereafter referred to as the "Final OPP Unit Equivalent". If the Final OPP Unit Equivalent (plus the Stage One OPP Unit Equivalent and Stage Two OPP Unit Equivalent, if any) is smaller than the number of Award OPP Units previously issued to the Grantee, then the Grantee, as of the Final Valuation Date, shall forfeit a number of Award OPP Units equal to the difference, and thereafter the term Award OPP Units will refer only to the remaining Award OPP Units that were not so forfeited. If the Final OPP Unit Equivalent (plus the Stage One OPP Unit Equivalent and Stage Two OPP Unit Equivalent, if any) is greater than the number of Award OPP Units previously issued to the Grantee (including any additional LTIP Units added to the Award OPP Units under Section 3(b) or (3)(c) above), then, upon the performance of the calculations set forth in this Section 3(d): (A) the Company shall cause the Partnership to issue to the Grantee, as of the Final Valuation Date, a number of additional LTIP Units equal to the difference; (B) such additional LTIP Units shall be added to the Award OPP

Units previously issued, if any, and thereby become part of this Award; (C) the Company and the Partnership shall take such corporate and Partnership action as is necessary to accomplish the grant of such additional LTIP Units; and (D) thereafter the term Award OPP Units will refer collectively to the Award OPP Units, if any, issued prior to such additional grant plus such additional LTIP Units; provided that such issuance will be subject to the Grantee executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws. If the Final OPP Unit Equivalent (plus the Stage One OPP Unit Equivalent and Stage Two OPP Unit Equivalent, if any) is the same as the number of Award OPP Units previously issued to the Grantee, then there will be no change to the number of Award OPP Units under this Award pursuant to this Section 3.

(e) If the Grantee earns any Award OPP Units as of the Stage One Valuation Date, the Stage Two Valuation Date or the Final Valuation Date pursuant to the calculations set forth in Section 3(b), 3(c) or 3(d) hereof, respectively, then, as of the date on which such Award OPP Units are earned, the Grantee will also earn an additional number of Award OPP Units equal to the sum of the following calculations, which will be performed by the Committee:

I. For each Dividend Payment between the Effective Date and the date as of which such Award OPP units are earned, calculate the following numbers of additional Award OPP Units:

$$\frac{(W*X)}{Z}$$

Where:

W = the number of Award OPP Units earned as of such date pursuant to Section 3(b), 3(c) or 3(d) hereof, as applicable (appropriately adjusted to the extent that the Shares Amount for one partnership Unit is greater or less than one Common Share);

X = 90% of the Dividend Payment; and

Z = The Ex-Dividend Common Share Price on the "ex-dividend" date for such Dividend Payment.

II. Add all the amounts calculated pursuant to I. above together.

The resulting number of Award OPP Units earned pursuant to the calculation set forth in this Section 3(e) shall be added to the Stage One OPP Unit Equivalent, Stage Two OPP Unit Equivalent or Final OPP Unit Equivalent, as applicable, and be subject to vesting pursuant to Section 3 (f) hereof and all the provisions of Section 4 hereof applicable to such other 2012 OPP Units. If the total number of Award OPP Units so earned is greater than the number of Award OPP Units previously issued to the Grantee, then, upon the performance of the calculations set forth in this Section 3(e): (A) the Company shall cause the Partnership to issue to the Grantee,

as of the Stage One Valuation Date, Stage Two OPP Unit Date or Final OPP Unit Date, as applicable, a number of additional LTIP Units equal to the difference; (B) such additional LTIP Units shall be added to the Award OPP Units previously issued, if any, and thereby become part of this Award; (C) the Company and the Partnership shall take such corporate and Partnership action as is necessary to accomplish the grant of such additional LTIP Units; and (D) thereafter the term Award OPP Units will refer collectively to the Award OPP Units, if any, issued prior to such

additional grant plus such additional LTIP Units; provided that such issuance will be subject to the Grantee executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership may reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws.

(f) If any of the Award OPP Units have been earned based on performance as provided in Section 3(b), 3(c) or 3(d), subject to Section 4 hereof, the Total OPP Unit Equivalent shall become vested in the following amounts and at the following times, provided that the Continuous Service of the Grantee continues through and on the applicable vesting date or the accelerated vesting date provided in Section 4 hereof, as applicable:

(i) thirty-three and one-third percent (33.33%) of the Total OPP Unit Equivalent shall become vested on March 30, 2015;

(ii) thirty-three and one-third percent (33.33%) of the Total OPP Unit Equivalent shall become vested on March 30, 2016; and

(iii) thirty-three and one-third percent (33.33%) of the Total OPP Unit Equivalent shall become vested on March 30, 2017.

To the extent that Schedule A provides for amounts or schedules of vesting that conflict with the provisions of this Section 3(f), the provisions of Schedule A will govern. For the avoidance of doubt, vesting pursuant to this Section 3(f) shall not distinguish between Award OPP Units that have ceased to be subject to forfeiture as part of the Stage One OPP Unit Equivalent, Stage Two OPP Unit Equivalent or Final OPP Unit Equivalent.

(g) Any Award OPP Units that do not become vested pursuant to Section 3(f) or Section 4 hereof shall, without payment of any consideration by the Partnership, automatically and without notice be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Award OPP Units.

(h) Upon the occurrence of (a) a Change in Control, and (b) the termination of employment of the Grantee with the Company or its Affiliates within 24 months of such Change in Control (i) by the Company (or its successor) without Cause or (ii) by the Grantee with Good Reason, then any Award OPP Units that have not been previously forfeited (after giving effect to any forfeiture of Award OPP Units pursuant to the calculations set forth in this Section 3 hereof occurring in connection with such Change in Control) shall vest immediately.

(i) In the event of a Change in Control, the Committee will make any determinations and certifications required by this Agreement and any provisions necessary with

respect to the lapse of forfeiture restrictions and/or acceleration of vesting of this Award within a period of time that enables (i) the Grantee to exercise election, voting or other rights in connection with such Change in Control on the same basis as a Class A Unit holder and (ii) the Company to take any action or make any deliveries or payments it is obligated to make hereunder or under the Partnership Agreement not later than the date of consummation of the Change in Control. For avoidance of doubt, in the event of a Change in Control, the performance of all calculations and actions pursuant to Section 3(b), 3(c) and 3(d) hereof and the exercise of any election, voting or other rights pursuant to this Section 3(i) shall be conditioned upon the final consummation of such Change in Control.

4. Termination of Grantee's Continuous Service; Death and Disability.

(a) If the Grantee is a party to a Service Agreement and his or her Continuous Service terminates, the provisions of Sections 4(b), 4(c), 4(d), 4(e), 4(f) and 4(g) hereof shall govern the treatment of the Grantee's Award OPP Units exclusively, unless the Service Agreement contains provisions that expressly refer to this Section 4(a) and provides that those provisions of the Service Agreement shall instead govern the treatment of the Grantee's Award OPP Units upon such termination. The foregoing sentence will be deemed an amendment to any applicable Service Agreement to the extent required to apply its terms consistently with this Section 4, such that, by way of illustration, any provisions of the Service Agreement with respect to accelerated vesting or payout or the lapse of forfeiture restrictions relating to the Grantee's incentive or other compensation awards in the event of certain types of termination of the Grantee's Continuous Service with the Company (such as, for example, termination at the end of the term, termination without Cause by the employer or termination for Good Reason by the employee) shall not be interpreted as requiring that any calculations set forth in Section 3 hereof be performed, or vesting occur with respect to this Award other than as specifically provided in this Section 4. In the event that an entity to which the Grantee provides services ceases to be an Affiliate of the Company, such action shall be deemed to be a termination of the Grantee's Continuous Service for purposes of this Agreement, provided that the Committee, in its sole and absolute discretion, may make provision in such circumstances for the lapse of forfeiture restrictions and/or accelerated vesting of some or all of the Grantee's unvested Award OPP Units that have not previously been forfeited, effective immediately prior to such event, or determine that the Grantee's Continuous Service to the Company or any other of its Affiliates has not been terminated. Notwithstanding any of the foregoing, in the event of any conflict between the provisions of the Grantee's Service Agreement, if any, and the provisions of this Section 4 with respect to death or Disability, the provisions of such Service Agreement shall govern the treatment of the Grantee's Award OPP Units in the event of death or Disability.

(b) In the event of termination of the Grantee's Continuous Service by (A) the Company without Cause, (B) the Grantee for Good Reason, or (C) the Grantee upon Retirement (each a "Qualified Termination") prior to the Final Valuation Date, then the Grantee will not forfeit the Award OPP Units upon such termination, but the following provisions of this Section 4(b) shall modify the calculations required to determine the Total OPP Unit Equivalent and/or the vesting of the Total OPP Unit Equivalent, as applicable, with respect to the Grantee only:

(i) the calculations provided in Section 3(b), Section 3(c) and Section 3(d) hereof shall be performed as of the Stage One Valuation Date, Stage Two Valuation Date and Final Valuation Date, respectively, as if the Qualified Termination had not occurred;

(ii) each of (I) the Stage One OPP Unit Equivalent calculated pursuant to Section 3(b), (II) the Stage Two OPP Unit Equivalent calculated pursuant to Section 3(c) and (III) the Final OPP Unit Equivalent calculated pursuant to Section 3(d) shall be multiplied by the applicable Partial Service Factor (with the resulting numbers being rounded to the nearest whole LTIP Unit or, in the case of 0.5 of a unit, up to the next whole unit), and such adjusted number of LTIP Units shall be deemed the Grantee's Stage One OPP Unit Equivalent, Stage Two OPP Unit Equivalent and Final OPP Unit Equivalent, respectively, for all purposes under this Agreement; and

(iii) the Grantee's Stage One OPP Unit Equivalent, Stage Two OPP Unit Equivalent and Total OPP Unit Equivalent as adjusted pursuant to Section 4(b)(ii) above shall no longer be subject to forfeiture pursuant to Section 3(f) hereof; provided that, notwithstanding that no Continuous Service requirement pursuant to Section 3(f) hereof will apply to the Grantee after the effective date of a Qualified Termination, the Grantee will not have the right to Transfer (as defined in Section 7 hereof) his or her Award OPP Units or request redemption of his or her Award Partnership Units under the Partnership Agreement until such dates as of which his or her Total OPP Unit Equivalent, as adjusted pursuant to Section 4(b)(ii) above, would have become vested pursuant to Section 3(f) hereof absent a Qualified Termination. For the avoidance of doubt, the purpose of this Section 4(b)(iii) is to prevent a situation where grantees of 2012 OPP awards who have had a Qualified Termination would be able to realize the value of their Award OPP Units or Award Partnership Units (through Transfer or redemption) before other grantees of 2012 OPP awards whose Continuous Service continues through the applicable vesting dates set forth in Section 3(f) hereof.

(c) In the event of Qualified Termination on or after the Final Valuation Date, then all of the Grantee's unvested Award OPP Units that have not previously been forfeited pursuant to the calculations set forth in Section 3(b), Section 3(c) or Section 3(d) hereof, but remain subject to time-based vesting pursuant to Section 3(f) hereof as of the time of such Qualified Termination shall no longer be subject to forfeiture pursuant to Section 3(f) hereof; provided that, notwithstanding that no Continuous Service requirement pursuant to Section 3(f) hereof will apply to the Grantee after the effective date of a Qualified Termination, the Grantee will not have the right to Transfer (as defined in Section 7 hereof) his or her Award OPP Units or request redemption of his or her Award Partnership Units under the Partnership Agreement until such dates as of which his or her Total OPP Unit Equivalent would have become vested pursuant to Section 3(f) absent a Qualified Termination. For the avoidance of doubt, the purpose of this Section 4(c) is to prevent a situation where grantees of 2012 OPP awards who have had a Qualified Termination would be able to realize the value of their Award OPP Units or Award Partnership Units (through Transfer or redemption) before other grantees of OPP awards whose Continuous Service continues through the applicable vesting dates set forth in Section 3(f) hereof.

(d) Notwithstanding the foregoing, in the event any payment to be made hereunder after giving effect to this Section 4 is determined to constitute "nonqualified deferred compensation" subject to Section 409A of the Code, then, to the extent the Grantee is a "specified employee" under Section 409A of the Code subject to the six-month delay thereunder, any such payments to be made during the six-month period commencing on the Grantee's "separation from service" (as defined in Section 409A of the Code) shall be delayed until the expiration of such six-month period.

(e) In the event of a termination of the Grantee's Continuous Service as a result of his or her death or Disability prior to the Final Valuation Date, the Grantee will not forfeit the Award OPP Units, but the following provisions of this Section 4(e) shall apply:

(i) the calculations provided in Section 3(b), Section 3(c) and Section 3(d) hereof shall be performed as of the Stage One Valuation Date, Stage Two Valuation Date and Final Valuation Date, respectively, as if the Grantee's death or Disability had not occurred; and

(ii) each of (I) the Stage One OPP Unit Equivalent calculated pursuant to Section 3(b), (II) the Stage Two OPP Unit Equivalent calculated pursuant to Section 3(c) and (III) the Final OPP Unit Equivalent calculated pursuant to Section 3(d) shall be multiplied by the applicable Partial Service Factor (with the resulting numbers being rounded to the nearest whole LTIP Unit or, in the case of 0.5 of a unit, up to the next whole unit), and such adjusted number of LTIP Units shall be deemed the Grantee's Stage One OPP Unit Equivalent, Stage Two OPP Unit Equivalent and Final OPP Unit Equivalent, respectively, for all purposes under this Agreement;

(iii) 100% of the Grantee's Stage One OPP Unit Equivalent as adjusted pursuant to Section 4(e)(ii) above shall no longer be subject to forfeiture pursuant to Section 3(f) hereof and shall automatically and immediately vest as of the Stage One Valuation Date;

(iv) 100% of the Grantee's Stage Two OPP Unit Equivalent as adjusted pursuant to Section 4(e)(ii) above shall no longer be subject to forfeiture pursuant to Section 3(f) hereof and shall automatically and immediately vest as of the Stage Two Valuation Date; and

(v) 100% of the Grantee's Total OPP Unit Equivalent as adjusted pursuant to Section 4(e)(ii) above shall no longer be subject to forfeiture pursuant to Section 3(f) hereof and shall automatically and immediately vest as of the Final Valuation Date.

(f) In the event of a termination of the Grantee's Continuous Service as a result of his or her death or Disability after the Final Valuation Date, 100% of the Grantee's Total OPP Unit Equivalent shall no longer be subject to forfeiture pursuant to Section 3(f) hereof and shall automatically and immediately vest as of such termination date.

(g) In the event of a termination of the Grantee's Continuous Service other than a Qualified Termination or by reason of death or Disability, all Award OPP Units except for

those that, as of the date at such termination, both (i) have ceased to be subject to forfeiture pursuant to Sections 3(b), 3(c) and/or 3(d) hereof, as applicable, and (ii) have vested pursuant to Section 3(f) hereof shall, without payment of any consideration by the Partnership, automatically and without notice terminate, be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such Award OPP Units.

5. Payments by Award Recipients; Status as Partner. No amount shall be payable to the Company or the Partnership by the Grantee at any time in respect of this Agreement. The Grantee shall have no rights with respect to this Agreement (and the Award evidenced hereby) unless he or she shall have accepted this Agreement by (i) signing and delivering to the Partnership a copy of this Agreement and (ii) unless the Grantee is already a Partner (as defined in the Partnership Agreement), signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit A). Upon acceptance of this Agreement by the Grantee, the Partnership Agreement shall be amended to reflect the issuance to the Grantee of the LTIP Units so accepted. Thereupon, the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to the number of 2012 OPP Units specified on Schedule A hereto, as set forth in the Partnership Agreement, subject, however, to the restrictions and conditions specified herein. Award OPP Units constitute and shall be treated for all purposes as the property of the Grantee, subject to the terms of this Agreement and the Partnership Agreement.

6. Distributions.

(a) The holder of the Award OPP Units shall be entitled to receive distributions with respect to such Award OPP Units to the extent provided for in the Partnership Agreement as modified hereby.

(b) The Distribution Participation Date (as defined in the Partnership Agreement) for the Stage One OPP Unit Equivalent, the Stage Two OPP Unit Equivalent and the Final OPP Unit Equivalent (to the extent provided in Section 6(c) below) shall be the Stage One Valuation Date, the Stage Two Valuation Date or the Final Valuation Date, respectively, except that if the provisions of Section 4(b) hereof become applicable to the Grantee, the Distribution Participation Date for the Grantee shall be accelerated to the date the calculations provided in Section 3 hereof are performed with respect to the Award OPP Units that are no longer subject to forfeiture pursuant to Section 4(b) hereof.

(c) Following each applicable Distribution Participation Date, the Grantee shall be entitled to receive one hundred percent (100%) of the same distributions payable with respect to Class A Units on the number of Award OPP Units which equals:

(i) if the Distribution Participation Date is the Stage One Valuation Date, the Stage One OPP Unit Equivalent;

(ii) if the Distribution Participation Date is the Stage Two Valuation Date, the Stage Two OPP Unit Equivalent; and

(iii) if the Distribution Participation Date is the Final Valuation Date (or an earlier date if the Distribution Participation Date is accelerated pursuant to Section 6(b)), the Total OPP Unit Equivalent.

(d) Each Award OPP Unit shall be considered a Special LTIP Unit (as defined in the Partnership Agreement) and as such: (i) the LTIP Unit Initial Sharing Percentage (as defined in the Partnership Agreement) shall be ten percent (10%) and (ii) the Award OPP Units shall not be entitled to receive distributions prior to the applicable Distribution Participation Date. On the applicable Distribution Participation Date, Award OPP Units shall be entitled to a Special LTIP Unit Distribution (as defined in the Partnership Agreement) to the extent provided in the Partnership Agreement. The Distribution Measurement Date (as defined in the Partnership Agreement) with respect to the Award OPP Units shall be the Effective Date and all of the Award OPP Units granted pursuant to this Agreement shall be deemed to have been issued as part of the Same Award (as defined in the Partnership Agreement).

(e) For the avoidance of doubt, after the applicable Distribution Participation Date, Award OPP Units, both vested and (until and unless forfeited pursuant to Section 3(g) and 4(g) hereof) unvested, shall be entitled to receive the same distributions payable with respect to Class A Units if the payment date for such distributions is after the applicable Distribution Participation Date, even though the record date for such distributions is before the applicable Distribution Participation Date.

(f) All distributions paid with respect to Award OPP Units, whether at the rate provided in Sections 6(d) hereof prior to the applicable Distribution Participation Date or at the rate provided in Sections 6(c) hereof after the applicable Distribution Participation Date, shall be fully vested and non-forfeitable when paid, regardless of the fact that the underlying 2012 OPP Units may be subject to forfeiture or have not yet become, or never become, vested pursuant to Sections 3 and 4 hereof.

7. Restrictions on Transfer. Except as otherwise permitted by the Committee, none of the Award OPP Units granted hereunder nor any of the Partnership Units of the Partnership into which such Award OPP Units may be converted (the "**Award Partnership Units**") shall be

sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of, encumbered, whether voluntarily or by operation of law (each such action a "**Transfer**"), and the Redemption Right (as defined in the Partnership Agreement) may not be exercised with respect to the Award Partnership Units, provided that, at any time after the date that (a) the Award OPP Units vest and (b) is at least two (2) years after the Effective Date, (i) Award OPP Units or Award Partnership Units may be Transferred to the Grantee's Family Members by gift or pursuant to domestic relations order in settlement of marital property rights; (ii) Award OPP Units or Award Partnership Units may be Transferred to an entity in which fifty percent (50%) of the voting interests are owned by Family Members (or the Grantee) in exchange for an interest in such entity; and (iii) the Redemption Right may be exercised with respect to Award Partnership Units, and Award Partnership Units may be Transferred to the Partnership or the Company in connection with the exercise of the Redemption Right, in accordance with and to the extent otherwise permitted by the terms of the Partnership Agreement. Additionally, the transferee must agree in writing with the Company and the Partnership to be bound by all the terms and conditions of this Agreement and that subsequent transfers shall be prohibited except those in

accordance with this Section 7 and all Transfers of Award OPP Units or Award Partnership Units must be in compliance with all applicable securities laws (including, without limitation, the Securities Act) and the applicable terms and conditions of the Partnership Agreement. In connection with any Transfer of Award OPP Units or Award Partnership Units, the Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Partnership, that such Transfer is in compliance with all federal and state securities laws (including, without limitation, the Securities Act). Any attempted Transfer of Award OPP Units or Award Partnership Units not in accordance with the terms and conditions of this Section 7 shall be null and void, and the Partnership shall not reflect on its records any change in record ownership of any Award OPP Units or Award Partnership Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any Award OPP Units or Award Partnership Units. Except as provided expressly in this Section 7, this Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

8. Changes in Capital Structure. If (i) the Company shall at any time be involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of shares, sale of all or substantially all of the assets or stock of the Company or other transaction similar thereto, (ii) any stock dividend, stock split, reverse stock split, stock combination, reclassification, recapitalization, significant repurchases of stock, or other similar change in the capital stock of the Company or any other event that constitutes a change in stock under the terms of the Share Plan shall occur, (iii) any extraordinary dividend or other distribution to holders of Common Shares or Class A Units shall be declared and paid other than in the ordinary course, or (iv) any other event shall occur that in each case in the good faith judgment of the Committee necessitates action by way of appropriate equitable or proportionate adjustment in the terms of this Award, this Agreement or the 2012 OPP Units to avoid distortion in the value of this Award, then the Committee shall take such action as it deems necessary to maintain the Grantee's rights hereunder so that they are substantially proportionate to the rights existing under this Award and the terms of the 2012 OPP Units prior to such event, including, without limitation: (A) interpretations of or modifications to any defined term in this Agreement; (B) adjustments in any calculations provided for in this Agreement, and (C) substitution of other awards under the Share Plan or otherwise.

9. Miscellaneous.

(a) Amendment. This Agreement may be amended or modified only with the consent of the Company and the Partnership acting through the Committee; provided that any such amendment or modification materially and adversely affecting the rights of the Grantee hereunder must be consented to by the Grantee to be effective as against him. Notwithstanding the foregoing, this Agreement may be amended in writing signed only by the Company and the Partnership to correct any errors or ambiguities in this Agreement and/or to make such changes that do not materially adversely affect the Grantee's rights hereunder. This grant shall in no way affect the Grantee's participation or benefits under any other plan or benefit program maintained or provided by the Company or the Partnership.

(b) Incorporation of Share Plan; Committee Determinations. The provisions of the Share Plan are hereby incorporated by reference as if set forth herein. In the event of a conflict between this Agreement and the Share Plan, the Share Plan shall govern. The Committee will make the determinations and certifications required by this Award as promptly as reasonably practicable following the occurrence of the event or events necessitating such determinations or certifications.

(c) Status of 2012 OPP Units under the Share Plan. This Award and the other 2012 OPP awards constitute awards of OP Units (as defined in the 2010 Plan) by the Company under the 2010 Plan. The Award OPP Units are interests in the Partnership. The number of Common Shares reserved for issuance under the Share Plan underlying outstanding Award OPP Units will be determined by the Committee in light of all applicable circumstances, including calculations made or to be made under Section 3 hereof, vesting, capital account allocations and/or balances under the Partnership Agreement, the conversion ratio in effect between LTIP Units and Class A Units and the exchange ratio in effect between Class A Units and Common Shares. The Company will have the right at its option, as set forth in the Partnership Agreement, to issue Common Shares in exchange for Award Partnership Units in accordance with the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such Common Shares, if issued, will be issued under the Share Plan. The Grantee must be eligible to receive the Award OPP Units in compliance with applicable federal and state securities laws and to that effect is required to complete, execute and deliver certain covenants, representations and warranties (attached as Exhibit B). The Grantee acknowledges that the Grantee will have no right to approve or disapprove such determination by the Committee.

(d) Legend. The records of the Partnership evidencing the Award OPP Units shall bear an appropriate legend, as determined by the Partnership in its sole discretion, to the effect that such 2012 OPP Units are subject to restrictions as set forth herein, in the Share Plan, and in the Partnership Agreement.

(e) Compliance With Law. The Partnership and the Grantee will make reasonable efforts to comply with all applicable securities laws. In addition, notwithstanding any provision of this Agreement to the contrary, no 2012 OPP Units will become vested or be paid at a time that such vesting or payment would result in a violation of any such law.

(f) Investment Representations; Registration. The Grantee hereby makes the covenants, representations and warranties set forth on Exhibit B attached hereto. All of such covenants, warranties and representations shall survive the execution and delivery of this Agreement by the Grantee. The Partnership will have no obligation to register under the Securities Act any 2012 OPP Units or any other securities issued pursuant to this Agreement or upon conversion or exchange of 2012 OPP Units. The Grantee agrees that any resale of the shares of Common Shares received upon the exchange of Units into which 2012 OPP Units may be converted shall not occur during the "blackout periods" forbidding sales of Company securities, as set forth in the then applicable Company employee manual or insider trading policy. In addition, any resale shall be made in compliance with the registration requirements of the Securities Act or an applicable exemption therefrom, including, without limitation, the exemption provided by Rule 144 promulgated thereunder (or any successor rule).

(g) Section 83(b) Election. In connection with each separate issuance of LTIP Units under this Award pursuant to Section 3 hereof the Grantee hereby agrees to make an election to include in gross income in the year of transfer the applicable Award OPP Units pursuant to Section 83(b) of the Code substantially in the form attached hereto as Exhibit C and to supply the necessary information in accordance with the regulations promulgated thereunder. The Grantee agrees to file the election (or to permit the Partnership to file such election on the Grantee's behalf) within thirty (30) days after the award of the 2012 OPP Units hereunder with the IRS Service Center at which such Grantee files his personal income tax returns, and to file a copy of such election with the Grantee's U.S. federal income tax return for the taxable year in which the 2012 OPP Units are awarded to the Grantee.

(h) Severability. If, for any reason, any provision of this Agreement is held invalid, such invalidity shall not affect any other provision of this Agreement not so held invalid, and each such other provision shall to the full extent consistent with law continue in full force and effect. If any provision of this Agreement shall be held invalid in part, such invalidity shall in no way affect the rest of such provision not held so invalid, and the rest of such provision, together with all other provisions of this Agreement, shall to the full extent consistent with law continue in full force and effect.

(i) Governing Law. This Agreement is made under, and will be construed in accordance with, the laws of State of New York, without giving effect to the principles of conflict of laws of such State.

(j) No Obligation to Continue Position as an Employee, Consultant or Advisor. Neither the Company nor any Affiliate is obligated by or as a result of this Agreement to continue to have the Grantee as an employee, consultant or advisor and this Agreement shall not interfere in any way with the right of the Company or any Affiliate to terminate the Grantee's Continuous Service at any time.

(k) Notices. Any notice to be given to the Company shall be addressed to the Secretary of the Company at 888 Seventh Avenue, New York, New York 10019 and any notice to be given the Grantee shall be addressed to the Grantee at the Grantee's address as it appears on the employment records of the Company, or at such other address as the Company or the Grantee may hereafter designate in writing to the other.

(l) Withholding and Taxes. No later than the date as of which an amount first becomes includible in the gross income of the Grantee for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to this Award, the Grantee will pay to the Company or, if appropriate, any of its Affiliates, or make arrangements satisfactory to the Committee regarding the payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount; provided, however, that if any Award OPP Units or Award Partnership Units are withheld (or returned), the number of Award OPP Units or Award Partnership Units so withheld (or returned) shall be limited to a number which has a fair market value on the date of withholding equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The obligations of the Company under this Agreement will be conditional on such

payment or arrangements, and the Company and its Affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

(m) Headings. The headings of paragraphs hereof are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

(n) Counterparts. This Agreement may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

(o) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and any successors to the Company and the Partnership, on the one hand, and any successors to the Grantee, on the other hand, by will or the laws of descent and distribution, but this Agreement shall not otherwise be assignable or otherwise subject to hypothecation by the Grantee.

(p) Section 409A. This Agreement shall be construed, administered and interpreted in accordance with a good faith

interpretation of Section 409A of the Code. Any provision of this Agreement that is inconsistent with Section 409A of the Code, or that may result in penalties under Section 409A of the Code, shall be amended, with the reasonable cooperation of the Grantee, the Company and the Partnership, to the extent necessary to exempt it from, or bring it into compliance with Section 409A of the Code.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have caused this Award Agreement to be executed as of the 30th day of March, 2012.

VORNADO REALTY TRUST

By: _____
Name: Joseph Macnow
Title: Executive Vice President and Chief Financial Officer

VORNADO REALTY L.P.

By: Vornado Realty Trust, its sole general partner:

By: _____
Name: Joseph Macnow
Title: Executive Vice President and Chief Financial Officer

GRANTEE

Name:

EXHIBIT A

FORM OF LIMITED PARTNER SIGNATURE PAGE

The Grantee, desiring to become one of the within named Limited Partners of Vornado Realty L.P., hereby accepts all of the terms and conditions of (including, without limitation, the Section 15.11 "Power of Attorney" thereof), and becomes a party to, the Agreement of Limited Partnership, dated as of October 20, 1997, of Vornado Realty L.P., as amended (the "**Partnership Agreement**"). The Grantee agrees that this signature page may be attached to any counterpart of the Partnership Agreement and further agrees as follows (where the term "**Limited Partner**" refers to the Grantee):

1. The Limited Partner hereby confirms that it has reviewed the terms of the Partnership Agreement and affirms and agrees that it is bound by each of the terms and conditions of the Partnership Agreement, including, without limitation, the provisions thereof relating to limitations and restrictions on the transfer of Partnership Units (as defined in the Partnership Agreement).

2. The Limited Partner hereby confirms that it is acquiring the Partnership Units for its own account as principal, for investment and not with a view to resale or distribution, and that the Partnership Units may not be transferred or otherwise disposed of by the Limited Partner otherwise than in a transaction pursuant to a registration statement filed by the Partnership (which it has no obligation to file) or that is exempt from the registration requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and all applicable state and foreign securities laws, and the General Partner (as defined in the Partnership Agreement) may refuse to transfer any Partnership Units as to which evidence of such registration or exemption from registration satisfactory to the General Partner is not provided to it, which evidence may include the requirement of a legal opinion regarding the exemption from such registration. If the General Partner delivers to the Limited Partner Common Shares of Beneficial Interest of the General Partner ("**Common Shares**") upon redemption of any Partnership Units, the Common Shares will be acquired for the Limited Partner's own account as principal, for investment and not with a view to resale or distribution, and the Common Shares may not be transferred or otherwise disposed of by the Limited Partner otherwise than in a transaction pursuant to a registration statement filed by the General Partner with respect to such Common Shares (which it has no obligation under the Partnership Agreement to file) or that is exempt from the registration requirements of the Securities Act and all applicable state and foreign securities laws, and the General Partner may refuse to transfer any Common Shares as to which evidence of such registration or exemption from such registration satisfactory to the General Partner is not provided to it, which evidence may include the requirement of a legal opinion regarding the exemption from such registration.

3. The Limited Partner hereby affirms that it has appointed the General Partner, any Liquidator (as defined in the Partnership Agreement) and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, in accordance with Section 15.11 of the

Partnership Agreement, which section is hereby incorporated by reference. The foregoing power of attorney is hereby declared to be irrevocable

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and a power coupled with an interest, and it shall survive and not be affected by the death, incompetency, dissolution, disability, incapacity, bankruptcy or termination of the Limited Partner and shall extend to the Limited Partner's heirs, executors, administrators, legal representatives, successors and assigns.

4. The Limited Partner hereby confirms that, notwithstanding any provisions of the Partnership Agreement to the contrary, the Award OPP Units shall not be redeemable by the Limited Partner pursuant to Section 8.6 of the Partnership Agreement.

5. (a) The Limited Partner hereby irrevocably consents in advance to any amendment to the Partnership Agreement, as may be recommended by the General Partner, intended to avoid the Partnership being treated as a publicly-traded partnership within the meaning of Section 7704 of the Internal Revenue Code, including, without limitation, (x) any amendment to the provisions of Section 8.6 of the Partnership Agreement intended to increase the waiting period between the delivery of a Notice of Redemption (as defined in the Partnership Agreement) and the Specified Redemption Date (as defined in the Partnership Agreement) and/or the Valuation Date (as defined in the Partnership Agreement) to up to sixty (60) days or (y) any other amendment to the Partnership Agreement intended to make the redemption and transfer provisions, with respect to certain redemptions and transfers, more similar to the provisions described in Treasury Regulations Section 1.7704-1(f).

(b) The Limited Partner hereby appoints the General Partner, any Liquidator and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to execute and deliver any amendment referred to in the foregoing paragraph 5(a) on the Limited Partner's behalf. The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and not be affected by the death, incompetency, dissolution, disability, incapacity, bankruptcy or termination of the Limited Partner and shall extend to the Limited Partner's heirs, executors, administrators, legal representatives, successors and assigns.

6. The Limited Partner agrees that it will not transfer any interest in the Partnership Units (x) through (i) a national, non-U.S., regional, local or other securities exchange, (ii) PORTAL or (iii) an over-the-counter market (including an interdealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers by electronic means or otherwise) or (y) to or through (a) a person, such as a broker or dealer, that makes a market in, or regularly quotes prices for, interests in the Partnership or (b) a person that regularly makes available to the public (including customers or subscribers) bid or offer quotes with respect to any interests in the Partnership and stands ready to effect transactions at the quoted prices for itself or on behalf of others.

7. The Limited Partner acknowledges that the General Partner shall be a third party beneficiary of the representations, covenants and agreements set forth in Sections 4 and 6 hereof. The Limited Partner agrees that it will transfer, whether by assignment or otherwise, Partnership Units only to the General Partner or to transferees that provide the Partnership and the General Partner with the representations and covenants set forth in Sections 4 and 6 hereof.

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8. This Acceptance shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

Signature Line for Limited Partner:

Name: _____
Date: , 2012

Address of Limited Partner:

EXHIBIT B

GRANTEE'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Grantee hereby represents, warrants and covenants as follows:

(a) The Grantee has received and had an opportunity to review the following documents (the "**Background Documents**"):

(i) The Company's latest Annual Report to Stockholders;

(ii) The Company's Proxy Statement for its most recent Annual Meeting of Stockholders;

(iii) The Company's Report on Form 10-K for the fiscal year most recently ended;

(iv) The Company's Form 10-Q, if any, for the most recently ended quarter if one has been filed by the Company with the Securities and Exchange Commission since the filing of the Form 10-K described in clause (iii) above;

(v) Each of the Company's Current Report(s) on Form 8-K, if any, filed since the end of the fiscal year most recently ended for which a Form 10-K has been filed by the Company;

(vi) The Partnership Agreement;

(vii) The Share Plan; and

(viii) The Company's Declaration of Trust, as amended.

The Grantee also acknowledges that any delivery of the Background Documents and other information relating to the Company and the Partnership prior to the determination by the Partnership of the suitability of the Grantee as a holder of LTIP Units shall not constitute an offer of LTIP Units until such determination of suitability shall be made.

(b) The Grantee hereby represents and warrants that

(i) The Grantee either (A) is an "accredited investor" as defined in Rule 501(a) under the Securities Act of 1933, as amended (the "**Securities Act**"), or (B) by reason of the business and financial experience of the Grantee, together with the business and financial experience of those persons, if any, retained by the Grantee to represent or advise him with respect to the grant to him of LTIP Units, the potential conversion of LTIP Units into Class A Units of the Partnership ("**Common Units**") and the potential redemption of such Common Units for the Company's Common Shares ("**REIT Shares**"), has such knowledge, sophistication and experience in financial and business matters and in making investment decisions of this type that the Grantee (I) is capable of evaluating the merits and risks of an investment in the Partnership and potential investment in the Company and of making an informed investment

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decision, (II) is capable of protecting his own interest or has engaged representatives or advisors to assist him in protecting his interests, and (III) is capable of bearing the economic risk of such investment.

(ii) The Grantee understands that (A) the Grantee is responsible for consulting his own tax advisors with respect to the application of the U.S. federal income tax laws, and the tax laws of any state, local or other taxing jurisdiction to which the Grantee is or by reason of the award of LTIP Units may become subject, to his particular situation; (B) the Grantee has not received or relied upon business or tax advice from the Company, the Partnership or any of their respective employees, agents, consultants or advisors, in their capacity as such; (C) the Grantee provides or will provide services to the Partnership on a regular basis and in such capacity has access to such information, and has such experience of and involvement in the business and operations of the Partnership, as the Grantee believes to be necessary and appropriate to make an informed decision to accept this Award of LTIP Units; and (D) an investment in the Partnership and/or the Company involves substantial risks. The Grantee has been given the opportunity to make a thorough investigation of matters relevant to the LTIP Units and has been furnished with, and has reviewed and understands, materials relating to the Partnership and the Company and their respective activities (including, but not limited to, the Background Documents). The Grantee has been afforded the opportunity to obtain any additional information (including any exhibits to the Background Documents) deemed necessary by the Grantee to verify the accuracy of information conveyed to the Grantee. The Grantee confirms that all documents, records, and books pertaining to his receipt of LTIP Units which were requested by the Grantee have been made available or delivered to the Grantee. The Grantee has had an opportunity to ask questions of and receive answers from the Partnership and the Company, or from a person or persons acting on their behalf, concerning the terms and conditions of the LTIP Units. **The Grantee has relied upon, and is making its decision solely upon, the Background Documents and other written information provided to the Grantee by the Partnership or the Company.**

(iii) The LTIP Units to be issued, the Common Units issuable upon conversion of the LTIP Units and any REIT Shares issued in connection with the redemption of any such Common Units will be acquired for the account of the Grantee for investment only and not with a current view to, or with any intention of, a distribution or resale thereof, in whole or in part, or the grant of any participation therein, without prejudice, however, to the Grantee's right (subject to the terms of the LTIP Units, the Share Plan and this Agreement) at all times to sell or otherwise dispose of all or any part of his LTIP Units, Common Units or REIT Shares in compliance with the Securities Act, and applicable state securities laws, and subject, nevertheless, to the disposition of his assets being at all times within his control.

(iv) The Grantee acknowledges that (A) neither the LTIP Units to be issued, nor the Common Units issuable upon conversion of the LTIP Units, have been registered under the Securities Act or state securities laws by reason of a specific exemption or exemptions from registration under the Securities Act and applicable state securities laws and, if such LTIP Units or Common Units are represented by certificates, such certificates will bear a legend to such effect, (B) the reliance by the Partnership and the Company on such exemptions is predicated in part on the accuracy and completeness of the representations and warranties of the Grantee contained herein, (C) such LTIP Units or Common Units, therefore, cannot be resold unless registered under the Securities Act and applicable state securities laws, or unless an exemption

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from registration is available, (D) there is no public market for such LTIP Units and Common Units and (E) neither the Partnership nor the Company has any obligation or intention to register such LTIP Units or the Common Units issuable upon conversion of the LTIP Units under the Securities Act or any state securities laws or to take any action that would make available any exemption from the registration requirements of such laws, except, that, upon the redemption of the Common Units for REIT Shares, the Company may issue such REIT Shares under the Share Plan and

pursuant to a Registration Statement on Form S-8 under the Securities Act, to the extent that (I) the Grantee is eligible to receive such REIT Shares under the Share Plan at the time of such issuance, (II) the Company has filed a Form S-8 Registration Statement with the Securities and Exchange Commission registering the issuance of such REIT Shares and (III) such Form S-8 is effective at the time of the issuance of such REIT Shares. The Grantee hereby acknowledges that because of the restrictions on transfer or assignment of such LTIP Units acquired hereby and the Common Units issuable upon conversion of the LTIP Units which are set forth in the Partnership Agreement or this Agreement, the Grantee may have to bear the economic risk of his ownership of the LTIP Units acquired hereby and the Common Units issuable upon conversion of the LTIP Units for an indefinite period of time.

(v) The Grantee has determined that the LTIP Units are a suitable investment for the Grantee.

(vi) No representations or warranties have been made to the Grantee by the Partnership or the Company, or any officer, trustee, shareholder, agent, or Affiliate of any of them, and the Grantee has received no information relating to an investment in the Partnership or the LTIP Units except the information specified in paragraph (b) above.

(c) So long as the Grantee holds any LTIP Units, the Grantee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of LTIP Units as the Partnership may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code, applicable to the Partnership or to comply with requirements of any other appropriate taxing authority.

(d) The address set forth on the signature page of this Agreement is the address of the Grantee's principal residence, and the Grantee has no present intention of becoming a resident of any country, state or jurisdiction other than the country and state in which such residence is sited.

EXHIBIT C

ELECTION TO INCLUDE IN GROSS INCOME IN YEAR OF TRANSFER OF PROPERTY PURSUANT TO SECTION 83(b) OF THE INTERNAL REVENUE CODE

The undersigned hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code with respect to the property described below and supplies the following information in accordance with the regulations promulgated thereunder:

1. The name, address and taxpayer identification number of the undersigned are:

   Name: (the "**Taxpayer**")

   Address:

   Social Security No./Taxpayer Identification No.:

2. Description of property with respect to which the election is being made:

   The election is being made with respect to LTIP Units in Vornado Realty, L.P. (the "**Partnership**").

3. The date on which the LTIP Units were transferred is , 2012. The taxable year to which this election relates is calendar year 2012.

4. Nature of restrictions to which the LTIP Units are subject:

   (a) With limited exceptions, until the LTIP Units vest, the Taxpayer may not transfer in any manner any portion of the LTIP Units without the consent of the Partnership.

   (b) The Taxpayer's LTIP Units vest in accordance with the vesting provisions described in the Schedule attached hereto. Unvested LTIP Units are forfeited in accordance with the vesting provisions described in the Schedule attached hereto.

5. The fair market value at time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the LTIP Units with respect to which this election is being made was $0 per LTIP Unit.

6. The amount paid by the Taxpayer for the LTIP Units was $0 per LTIP Unit.

7. A copy of this statement has been furnished to the Partnership and Vornado Realty Trust.

Dated: _____ Name: _____

SCHEDULE TO EXHIBIT C

Vesting Provisions of LTIP Units

The LTIP Units are subject to time-based and performance-based vesting with the final vesting percentage equaling the product of the time-based vesting percentage and the performance-based vesting percentage. Performance-based vesting will be from zero percent (0%) to one hundred percent (100%) based on Vornado Realty Trust's (the "**Company's**") per-share total return to shareholders for the period from March 30, 2012 to March 30, 2015 (or earlier under certain circumstances). Under the time-based vesting hurdles, thirty-three and one-third percent (33.33%) of the LTIP Units will vest on each of March 30, 2015, March 30, 2016 and March 30, 2017, provided that the Taxpayer continues his or her service relationship with the Company, the Partnership or an affiliate of the Company through such dates, subject to acceleration in the event of certain extraordinary transactions or termination of the Taxpayer's service relationship with the Company under specified circumstances. Unvested LTIP Units are subject to forfeiture in the event of failure to vest based on the passage of time and the determination of the performance-based percentage.

SCHEDULE A TO 2012 OUTPERFORMANCE PLAN AWARD AGREEMENT

Date of Award Agreement:
Name of Grantee:
Participation Percentage: %
Number of LTIP Units Subject to Grant:
Grant Date:

Initials of Company representative:

Initials of Grantee:

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