
Section 1: 8-K (FORM 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):
November 3, 2014

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

Maryland

(State or Other
Jurisdiction of
Incorporation)

No. 001-11954

(Commission
File Number)

No. 22-1657560

(IRS Employer
Identification No.)

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

Delaware

(State or Other
Jurisdiction of
Incorporation)

No. 001-34482

(Commission
File Number)

No. 13-3925979

(IRS Employer
Identification No.)

888 Seventh Avenue
New York, New York

(Address of Principal Executive offices)

10019

(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 2.02. Results of Operations and Financial Condition.

On November 3, 2014, Vornado Realty Trust (the “Company”), the general partner of Vornado Realty L.P., issued a press release announcing its financial results for the third quarter of 2014. That press release referred to certain supplemental financial information that is available on the Company’s website. That press release and the supplemental financial information are attached to this Current Report on Form 8-K as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein.

Exhibits 99.1 and 99.2 hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company or Vornado Realty L.P. under the Securities Act of 1933 or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are being furnished as part of this Current Report on Form 8-K:

99.1 Vornado Realty Trust press release dated November 3, 2014.

99.2 Vornado Realty Trust supplemental operating and financial data for the quarter ended September 30, 2014.

Exhibit Index

99.1 Vornado Realty Trust press release dated November 3, 2014.

99.2 Vornado Realty Trust supplemental operating and financial data for the quarter ended September 30, 2014.

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Section 2: EX-99 (EXHIBIT 99.1)

CONTACT: STEPHEN THERIOT
(201) 587-1000

EXHIBIT 99.1

VORNADO
REALTY TRUST

210 Route 4 East
Paramus, NJ

FOR IMMEDIATE RELEASE – November 3, 2014

Vornado Announces Third Quarter 2014 Financial Results

PARAMUS, NEW JERSEY.....VORNADO REALTY TRUST (New York Stock Exchange: VNO) filed its Form 10-Q for the quarter ended September 30, 2014 today and reported:

NET INCOME attributable to common shareholders for the quarter ended September 30, 2014 was \$131.2 million, or \$0.69 per diluted share, compared to \$83.0 million, or \$0.44 per diluted share for the quarter ended September 30, 2013. Net income for the quarters ended September 30, 2014 and 2013 include \$57.8 million and \$16.1 million, respectively, of net gains on sale of real estate and \$2.5 million of real estate impairment losses in the quarter ended September 30, 2013. In addition, the quarters ended September 30, 2014 and 2013 include certain other items that affect comparability, which are listed in the table below. Adjusting net income attributable to common shareholders for net gains on sale of real estate, real estate impairment losses and the items in the table below, net of amounts attributable to noncontrolling interests, net income attributable to common shareholders for the quarters ended September 30, 2014 and 2013 was \$107.9 million and \$103.6 million, or \$0.57 and \$0.55 per diluted share, respectively.

FUNDS FROM OPERATIONS attributable to common shareholders plus assumed conversions (“FFO”) for the quarter ended September 30, 2014 was \$217.4 million, or \$1.15 per diluted share, compared to \$210.6 million, or \$1.12 per diluted share for the prior year’s quarter. Adjusting FFO for certain items that affect comparability which are listed in the table below, FFO for the quarters ended September 30, 2014 and 2013 was \$248.2 million and \$231.9 million, or \$1.31 and \$1.23 per diluted share, respectively.

(Amounts in thousands, except per share amounts)

	For the Three Months Ended September 30,	
	2014	2013
FFO (1)	\$ 217,362	\$ 210,627
Per Share	\$ 1.15	\$ 1.12
Items that affect comparability income (expense):		
Toys "R" Us Negative FFO	\$ (18,035)	\$ (22,343)
Impairment loss and loan loss reserve on investment in Suffolk Downs	(10,263)	-
Acquisition and transaction related costs	(7,105)	(2,818)
Net gain on sale of residential condominiums	2,665	134
FFO from discontinued operations	335	7,169
Losses from the disposition of investment in J.C. Penney	-	(38,126)
Net gain on sale of marketable securities	-	31,741
Other, net	(324)	1,377
	(32,727)	(22,866)
Noncontrolling interests' share of above adjustments	1,903	1,596
Items that affect comparability, net	\$ (30,824)	\$ (21,270)
FFO as adjusted for comparability	\$ 248,186	\$ 231,897
Per Share	\$ 1.31	\$ 1.23

(1) See page 4 for a reconciliation of our net income to FFO for the three months ended September 30, 2014 and 2013.



Nine Months 2014 Results

NET INCOME attributable to common shareholders for the nine months ended September 30, 2014 was \$270.2 million, or \$1.43 per diluted share, compared to \$460.9 million, or \$2.46 per diluted share for the nine months ended September 30, 2013. Net income for the nine months ended September 30, 2014 and 2013 include \$57.8 million and \$284.5 million, respectively, of net gains on sale of real estate, and \$20.8 million and \$10.8 million, respectively, of real estate impairment losses. In addition, the nine months ended September 30, 2014 and 2013 include certain items that affect comparability, which are listed in the table below. Adjusting net income attributable to common shareholders for real estate impairment losses, net gains on sale of real estate, and the items in the table below, net of amounts attributable to noncontrolling interests, net income attributable to common shareholders for the nine months ended September 30, 2014 and 2013 was \$315.6 million and \$282.5 million, or \$1.67 and \$1.51 per diluted share, respectively.

FFO for the nine months ended September 30, 2014 was \$684.2 million, or \$3.63 per diluted share, compared to \$647.8 million, or \$3.45 per diluted share for the prior year's nine months. Adjusting FFO for certain items that affect comparability which are listed in the table below, FFO for the nine months ended September 30, 2014 and 2013 was \$750.4 million and \$683.3 million, or \$3.98 and \$3.64 per diluted share, respectively.

(Amounts in thousands, except per share amounts)

	For the Nine Months Ended September 30,	
	2014	2013
FFO (1)	\$ 684,247	\$ 647,767
Per Share	\$ 3.63	\$ 3.45
Items that affect comparability income (expense):		
Toys "R" Us Negative FFO (including impairment losses of \$75,196 and \$78,542, respectively)	\$ (60,630)	\$ (30,747)
Net gain on sale of residential condominiums and a land parcel in 2014	13,205	1,139
Acquisition and transaction related costs	(12,972)	(6,769)
Impairment loss and loan loss reserve on investment in Suffolk Downs	(10,263)	-
FFO from discontinued operations, including LNR in 2013	6,316	42,179
Defeasance cost in connection with the refinancing of 909 Third Avenue	(5,589)	-
Losses from the disposition of investment in J.C. Penney	-	(127,888)
Stop & Shop litigation settlement income	-	59,599
Net gain on sale of marketable securities	-	31,741
The Mart reduction-in-force and severance costs	-	(4,154)
Preferred unit and share redemptions	-	(1,130)
Other, net	(324)	(1,742)
	(70,257)	(37,772)
Noncontrolling interests' share of above adjustments	4,096	2,198
Items that affect comparability, net	\$ (66,161)	\$ (35,574)
FFO as adjusted for comparability	\$ 750,408	\$ 683,341
Per Share	\$ 3.98	\$ 3.64

(1) See page 4 for a reconciliation of our net income to FFO for the nine months ended September 30, 2014 and 2013.

Supplemental Financial Information

Further details regarding results of operations, properties and tenants can be accessed at the Company's website www.vno.com. Vornado Realty Trust is a fully – integrated equity real estate investment trust.

Certain statements contained herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. For a discussion of factors that could materially affect the outcome of our forward-looking statements and our future results and financial condition, see "Risk Factors" in Part I, Item 1A, of our Annual Report on Form 10-K, as amended, for the year ended December 31, 2013. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.

(tables to follow)

YORNADO REALTY TRUST
OPERATING RESULTS FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2014 AND 2013

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2014	2013	2014	2013
(Amounts in thousands, except per share amounts)				
Revenues	\$ 670,909	\$ 668,989	\$ 1,997,702	\$ 2,058,525
Income from continuing operations	\$ 111,066	\$ 107,973	\$ 371,240	\$ 303,510
Income from discontinued operations	58,131	24,278	61,800	299,989
Net income	169,197	132,251	433,040	603,499
Less net income attributable to noncontrolling interests in:				
Consolidated subsidiaries	(9,685)	(23,833)	(85,239)	(50,049)
Operating Partnership	(7,975)	(5,032)	(16,514)	(27,814)
Preferred unit distributions of the Operating Partnership	(13)	(12)	(38)	(1,146)
Net income attributable to Vornado	151,524	103,374	331,249	524,490
Preferred share dividends	(20,365)	(20,369)	(61,099)	(62,439)
Preferred unit and share redemptions	-	-	-	(1,130)
Net income attributable to common shareholders	\$ 131,159	\$ 83,005	\$ 270,150	\$ 460,921
Income per common share - Basic:				
Income from continuing operations, net	\$ 0.41	\$ 0.33	\$ 1.13	\$ 0.97
Income from discontinued operations, net	0.29	0.11	0.31	1.50
Net income per common share	\$ 0.70	\$ 0.44	\$ 1.44	\$ 2.47
Weighted average shares outstanding	187,671	186,969	187,503	186,885
Income per common share - Diluted:				
Income from continuing operations, net	\$ 0.40	\$ 0.33	\$ 1.12	\$ 0.96
Income from discontinued operations, net	0.29	0.11	0.31	1.50
Net income per common share	\$ 0.69	\$ 0.44	\$ 1.43	\$ 2.46
Weighted average shares outstanding	188,812	187,724	188,592	187,679
FFO attributable to common shareholders plus assumed conversions	\$ 217,362	\$ 210,627	\$ 684,247	\$ 647,767
Per diluted share	\$ 1.15	\$ 1.12	\$ 3.63	\$ 3.45
FFO as adjusted for comparability	\$ 248,186	\$ 231,897	\$ 750,408	\$ 683,341
Per diluted share	\$ 1.31	\$ 1.23	\$ 3.98	\$ 3.64
Weighted average shares used in determining FFO per diluted share	188,812	187,771	188,592	187,679

The following table reconciles our net income to FFO:

(Amounts in thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2014	2013	2014	2013
Reconciliation of our net income to FFO:				
Net income attributable to Vornado	\$ 151,524	\$ 103,374	\$ 331,249	\$ 524,490
Depreciation and amortization of real property	123,578	117,901	387,549	377,142
Net gains on sale of real estate	(57,796)	(16,087)	(57,796)	(284,081)
Real estate impairment losses	-	720	20,842	4,727
Proportionate share of adjustments to equity in net income of Toys, to arrive at FFO:				
Depreciation and amortization of real property	1,350	16,430	21,579	53,235
Net gains on sale of real estate	(760)	-	(760)	-
Real estate impairment losses	-	1,826	-	6,096
Income tax effect of above adjustments	(207)	(6,390)	(7,287)	(20,766)
Proportionate share of adjustments to equity in net income of partially owned entities, excluding Toys, to arrive at FFO:				
Depreciation and amortization of real property	25,254	20,931	71,837	62,247
Net gains on sale of real estate	-	-	-	(465)
Noncontrolling interests' share of above adjustments	(5,240)	(7,736)	(21,916)	(11,343)
FFO	237,703	230,969	745,297	711,282
Preferred share dividends	(20,365)	(20,369)	(61,099)	(62,439)
Preferred unit and share redemptions	-	-	-	(1,130)
FFO attributable to common shareholders	217,338	210,600	684,198	647,713
Convertible preferred share dividends	24	27	49	54
FFO attributable to common shareholders plus assumed conversions	\$ 217,362	\$ 210,627	\$ 684,247	\$ 647,767

FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gain from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets, extraordinary items and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. A reconciliation of our net income to FFO is provided above. In addition to FFO, we also disclose FFO before certain items that affect comparability. Although this non-GAAP measure clearly differs from NAREIT's definition of FFO, we believe it provides a meaningful presentation of operating performance. Reconciliations of FFO to FFO as adjusted for comparability is provided on page 1 and page 2 of this press release.

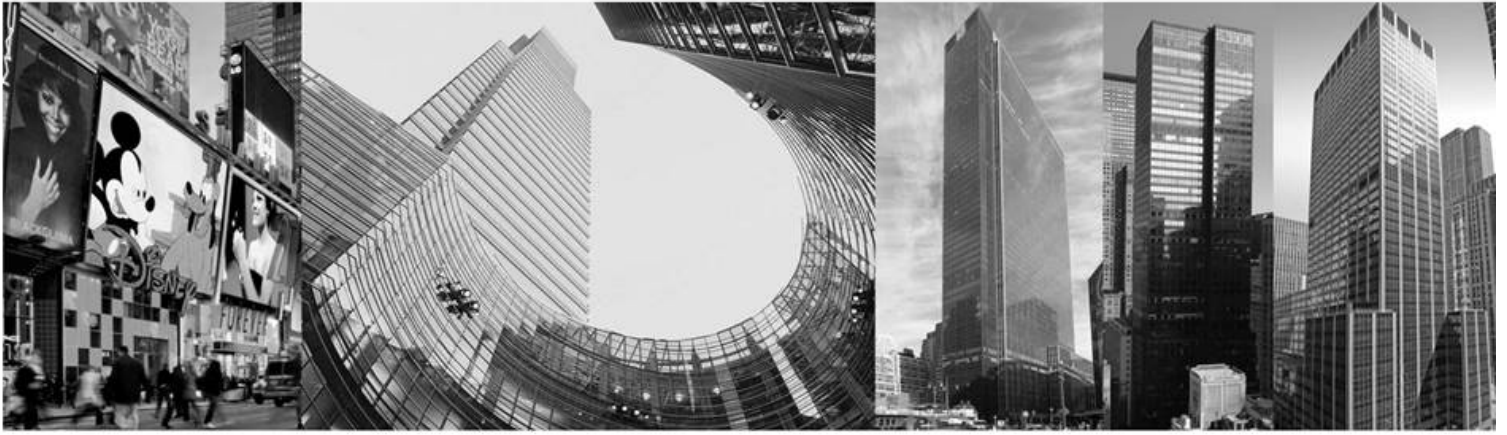
Conference Call and Audio Webcast

As previously announced, the Company will host a quarterly earnings conference call and an audio webcast on Tuesday November 4, 2014 at 10:00 a.m. Eastern Time (ET). The conference call can be accessed by dialing 800-708-4539 (domestic) or 847-619-6396 (international) and indicating to the operator the passcode 38322664. A telephonic replay of the conference call will be available from 1:00 p.m. ET on November 4, 2014 through December 4, 2014. To access the replay, please dial 888-843-7419 and enter the passcode 38322664#. A live webcast of the conference call will be available on the Company's website at www.vno.com and an online playback of the webcast will be available on the website for 90 days following the conference call.

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Section 3: EX-99 (EXHIBIT 99.2)



SUPPLEMENTAL OPERATING
AND FINANCIAL DATA

For the Quarter Ended September 30, 2014

VORNADO
REALTY TRUST

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Certain statements contained herein constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as “approximates,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “would,” “may” or other similar expressions in this supplemental package. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see “Item 1A. Risk Factors” in our Annual Report on Form 10-K, as amended, for the year ended December 31, 2013.

For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this supplemental package. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the date of our Annual Report on Form 10-K, as amended, or Quarterly Report on Form 10-Q, as applicable, and this supplemental package.



INVESTOR INFORMATION

Key Employees:

Steven Roth	Chairman of the Board and Chief Executive Officer
Michael J. Franco	Executive Vice President - Co-Head of Acquisitions and Capital Markets
David R. Greenbaum	President - New York Division
Joseph Macnow	Executive Vice President - Finance and Chief Administrative Officer
Robert Minutoli	Executive Vice President - Retail Division
Mitchell N. Schear	President - Vornado / Charles E. Smith Washington, DC Division
Wendy Silverstein	Executive Vice President - Co-Head of Acquisitions and Capital Markets
Stephen W. Theriot	Chief Financial Officer
Jeffrey S. Olson	Chief Executive Officer of Vornado's Retail Spinoff Urban Edge Properties

RESEARCH COVERAGE - EQUITY

James Feldman / Scott Freitag
Bank of America / Merrill Lynch
646-855-5808 / 646-855-3197

Michael Knott / John Bejjani
Green Street Advisors, Inc.
949-640-8780 / 949-640-8780

John W. Guinee / Erin T. Aslakson
Stifel Nicolaus & Company
443-224-1307 / 443-224-1350

Ross Smotrich / Charles Croson
Barclays Capital
212-526-2306 / 212-526-7146

Steve Sakwa / Gabriel Hilmoe
ISI Group
212-446-9462 / 212-446-9459

Michael Lewis
SunTrust Robinson Humphrey
212-319-5659

Michael Bilerman / Emmanuel Korchman
Citigroup Global Markets
212-816-1383 / 212-816-1382

Anthony Paolone
JP Morgan
212-622-6682

Ross T. Nussbaum / Nick Yulico
UBS
212-713-2484 / 212-713-3402

Vincent Chao / Venkat Kommineni
Deutsche Bank
212-250-6799 / 212-250-6090

Vance H. Edelson
Morgan Stanley
212-761-0078

Brad K. Burke
Goldman Sachs
917-343-2082

Alexander Goldfarb / Andrew Schaffer
Sandler O'Neill & Partners
212-466-7937 / 212-466-8062

RESEARCH COVERAGE - DEBT

Scott Frost
Bank of America / Merrill Lynch
646-855-8078

Robert Haines / Craig Guttenplan
Credit Sights
212-340-3835 / 212-340-3859

Thierry Perrein
Wells Fargo Securities
704-715-8455

Danish Agboatwala
Barclays Capital
212-412-2573

Ron Perrotta
Goldman Sachs
212-902-7885

Thomas Cook
Citigroup Global Markets
212-723-1112

Mark Streeter
JP Morgan
212-834-5086

This information is provided as a service to interested parties and not as an endorsement of any report, or representation as to the accuracy of any information contained therein. Opinions, forecasts and other forward-looking statements expressed in analysts' reports are subject to change without notice.

2014 BUSINESS DEVELOPMENTS

Retail Spinoff

On April 11, 2014, we announced a plan to spin off our shopping center business, consisting of 80 strip centers, four malls and a warehouse park adjacent to our East Hanover strip center, into a new publicly traded REIT, Urban Edge Properties ("UE"), formerly Vornado Spinco. The spin-off is expected to be effectuated through a pro rata distribution of UE's common shares to Vornado common shareholders and Vornado Realty L.P. common unitholders, and is intended to be treated as tax-free for U.S. federal income tax purposes. We expect the spin-off to be completed by the end of 2014, subject to certain conditions, including the Securities and Exchange Commission ("SEC") declaring UE's Form 10 registration statement effective, filing and approval of UE's listing application with the NYSE, receipt of third party consents, and formal approval and declaration of the distribution by Vornado's Board of Trustees. Vornado may, at any time and for any reason until the proposed transaction is complete, abandon the separation or modify or change its terms. Vornado will retain, for disposition in the near term, 20 small retail assets which do not fit UE's strategy, and the Springfield Town Center, which is under contract for disposition.

Acquisitions

Since January 1, 2014, we have completed the following acquisitions:

- On June 26, 2014, we invested an additional \$22,700,000 to increase our ownership in One Park Avenue to 55.0% from 46.5% through a joint venture with an institutional investor, who increased his ownership interest to 45.0%. The transaction was based on a property value of \$560,000,000. The property is encumbered by a \$250,000,000 interest-only mortgage loan that bears interest at 4.995% and matures in March 2016.
- On July 23, 2014, a joint venture in which we are a 50.1% partner entered into a 99-year ground lease for 61 Ninth Avenue located on the Southwest corner of Ninth Avenue and 15th Street in Manhattan. The venture's current plans are to construct an office building, with retail at the base, of approximately 130,000 square feet. Total development costs are currently estimated to be approximately \$125,000,000.
- On August 1, 2014, we acquired the land under our 715 Lexington Avenue retail property located on the Southeast corner of 58th Street and Lexington Avenue in Manhattan, for \$63,000,000.
- On October 28, 2014, we completed the purchase of the St. Regis Fifth Avenue retail for \$700,000,000. We own approximately 75% of the joint venture which owns the property. The acquisition will be used in a like-kind exchange for income tax purposes for the sale of 1740 Broadway.

2014 BUSINESS DEVELOPMENTS

Dispositions

Since January 1, 2014, we have sold or entered into agreements to sell the following:

- On February 24, 2014, we completed the sale of Broadway Mall in Hicksville, Long Island, New York for \$94,000,000. The sale resulted in net proceeds of \$92,174,000 after closing costs.
- On March 2, 2014, we entered into an agreement to transfer upon completion, the redeveloped Springfield Town Center, a 1,350,000 square foot mall located in Springfield, Fairfax County, Virginia, to Pennsylvania Real Estate Investment Trust (NYSE: PEI) ("PREIT") in exchange for \$465,000,000 comprised of \$340,000,000 of cash and \$125,000,000 of PREIT operating partnership units. In connection therewith, we recorded a non-cash impairment loss of \$20,000,000 in the first quarter of 2014, which is included in "impairment losses, acquisition and transaction related costs" on our consolidated statements of income. The redevelopment was completed in October 2014 and the closing will be no later than March 31, 2015.
- On July 8, 2014, we completed the sale of Beverly Connection, a 335,000 square foot power shopping center in Los Angeles, California, for \$260,000,000, of which \$239,000,000 was cash and \$21,000,000 was 10-year mezzanine seller financing. The sale resulted in a net gain of approximately \$44,155,000, which was recognized in the third quarter of 2014.
- During the third quarter of 2014, we sold two of the 20 strip shopping centers which do not fit UE's strategy, in separate transactions, for an aggregate of \$15,000,000 in cash, which resulted in a net gain aggregating \$13,641,000.
- On October 31, 2014, we entered into an agreement to sell 1740 Broadway, a 601,000 square foot office building in Manhattan for approximately \$605,000,000. The sale will result in net proceeds of approximately \$585,000,000, after closing costs, and result in a financial statement gain of approximately \$443,000,000. The tax gain will be approximately \$483,000,000, which will be deferred in like-kind exchanges, primarily for the St. Regis Fifth Avenue retail. The sale is subject to customary closing conditions and is expected to be completed in the fourth quarter of 2014.

Financing Activities

Since January 1, 2014, we have executed the following capital market transactions:

- On January 31, 2014, we completed a \$600,000,000 loan secured by our 220 Central Park South development site. The loan bears interest at LIBOR plus 2.75% (2.90% at September 30, 2014) and matures in January 2016, with three one-year extension options.
- On April 16, 2014, we completed a \$350,000,000 refinancing of 909 Third Avenue, a 1.3 million square foot Manhattan office building. The seven-year interest only loan bears interest at 3.91% and matures in May 2021. We realized net proceeds of approximately \$145,000,000 after defeasing the existing 5.64%, \$193,000,000 mortgage, defeasance cost and other closing costs.
- On June 16, 2014, we completed a green bond public offering of \$450,000,000 2.50% senior unsecured notes due June 30, 2019. The notes were sold at 99.619% of their face amount to yield 2.581%.
- On July 16, 2014, we completed a \$130,000,000 financing of Las Catalinas, a 494,000 square foot mall located in the San Juan area of Puerto Rico. The 10-year fixed rate loan bears interest at 4.43% and matures in August 2024. The loan amortizes based on a 30-year schedule beginning in year six.

2014 BUSINESS DEVELOPMENTS

Financing Activities - continued

- On August 12, 2014, we completed a \$185,000,000 financing of the Universal buildings, a 690,000 square foot, two-building office complex located in Washington, DC. The loan bears interest at LIBOR plus 1.90% (2.06% at September 30, 2014) and matures in August 2019 with two one-year extension options. The loan amortizes based on a 30-year schedule beginning in the fourth year.
- On August 26, 2014, we obtained a standby commitment for up to \$500,000,000 of five-year mezzanine loan financing to fund a portion of the development expenditures at 220 Central Park South.
- On September 30, 2014, we extended one of our two \$1.25 billion unsecured revolving credit facilities from November 2015 to November 2018 with two six-month extension options. The interest rate on the extended facility was lowered from LIBOR plus 125 basis points to LIBOR plus 105 basis points and the facility fee was reduced from 25 to 20 points.
- On October 1, 2014, we redeemed all of the \$445,000,000 principal amount of our outstanding 7.875% senior unsecured notes, which were scheduled to mature on October 1, 2039, at a redemption price of 100% of the principal amount plus accrued interest to the redemption date. In the fourth quarter of 2014, we will write off \$12,532,000 of unamortized deferred financing costs, which will be included as a component of "interest and debt expense" on our consolidated statements of income.
- On October 27, 2014, we completed a \$140,000,000 financing of 655 Fifth Avenue, a 57,500 square foot retail and office property. The loan is interest only at LIBOR plus 1.40% and matures in October 2019 with two one-year extension options.

Vornado Capital Partners Real Estate Fund (the "Fund")

- On June 26, 2014, the Fund sold its 64.7% interest in One Park Avenue to a newly formed joint venture that we and an institutional investor own 55% and 45%, respectively. This transaction was based on a property value of \$560,000,000. From the inception of this investment through its disposition, the Fund realized a \$75,529,000 net gain.
- On August 21, 2014, the Fund and its 50% joint venture partner completed the sale of The Shops at Georgetown Park, a 305,000 square foot retail property, for \$272,500,000. From the inception of this investment through its disposition, the Fund realized a \$51,124,000 net gain.

COMMON SHARES DATA (NYSE: VNO)

(unaudited)

Vornado Realty Trust common shares are traded on the New York Stock Exchange ("NYSE") under the symbol VNO. Below is a summary of performance and dividends for VNO common shares (based on NYSE prices):

	<u>Third Quarter 2014</u>	<u>Second Quarter 2014</u>	<u>First Quarter 2014</u>	<u>Fourth Quarter 2013</u>
High Price	\$ 109.12	\$ 109.01	\$ 100.02	\$ 91.91
Low Price	\$ 99.26	\$ 96.93	\$ 87.82	\$ 82.73
Closing Price - end of quarter	\$ 99.96	\$ 106.73	\$ 98.56	\$ 88.79
Annualized Dividend per share	\$ 2.92	\$ 2.92	\$ 2.92	\$ 2.92
Annualized Dividend Yield - on Closing Price	2.9%	2.7%	3.0%	3.3%
Outstanding shares, Class A units and convertible preferred units as converted, excluding stock options (in thousands)	199,721	199,652	199,583	199,245
Closing market value of outstanding shares, Class A units and convertible preferred units as converted, excluding stock options	\$ 20.0 Billion	\$ 21.3 Billion	\$ 19.7 Billion	\$ 17.7 Billion

FINANCIAL HIGHLIGHTS

(unaudited and in thousands, except per share amounts)

This section includes non-GAAP financial measures, including Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA"), Funds From Operations attributable to common shares plus assumed conversions ("FFO"), FFO as adjusted for comparability, and Funds Available for Distribution ("FAD"). A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measures are provided on the pages that follow.

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2014	2013	2014	2014	2013
Total revenues	\$ 670,909	\$ 668,989	\$ 666,418	\$ 1,997,702	\$ 2,058,525
Net income attributable to common shareholders	\$ 131,159	\$ 83,005	\$ 76,642	\$ 270,150	\$ 460,921
Per common share:					
Basic	\$ 0.70	\$ 0.44	\$ 0.41	\$ 1.44	\$ 2.47
Diluted	\$ 0.69	\$ 0.44	\$ 0.41	\$ 1.43	\$ 2.46
FFO as adjusted for comparability	\$ 248,186	\$ 231,897	\$ 271,674	\$ 750,408	\$ 683,341
Per diluted share	\$ 1.31	\$ 1.23	\$ 1.44	\$ 3.98	\$ 3.64
FFO	\$ 217,362	\$ 210,627	\$ 216,547	\$ 684,247	\$ 647,767
FFO - Operating Partnership Basis ("OP Basis")	\$ 230,783	\$ 223,693	\$ 229,933	\$ 726,610	\$ 687,790
Per diluted share	\$ 1.15	\$ 1.12	\$ 1.15	\$ 3.63	\$ 3.45
FAD	\$ 164,078	\$ 166,177	\$ 195,663	\$ 515,008	\$ 476,860
Per diluted share	\$ 0.87	\$ 0.88	\$ 1.04	\$ 2.73	\$ 2.54
Dividends per common share	\$ 0.73	\$ 0.73	\$ 0.73	\$ 2.19	\$ 2.19
FFO payout ratio (based on FFO as adjusted for comparability)	55.7%	59.4%	50.7%	55.0%	60.2%
FAD payout ratio	83.9%	83.0%	70.2%	80.2%	86.2%
Weighted average shares used in determining FFO per diluted share - REIT basis	188,812	187,771	188,659	188,592	187,679
Convertible units:					
Class A	10,651	10,630	10,705	10,655	10,626
D-13	446	556	453	471	567
G1-G4	84	99	80	86	101
Equity awards - unit equivalents	477	363	424	464	302
Weighted average shares used in determining FFO per diluted share - OP Basis	<u>200,470</u>	<u>199,419</u>	<u>200,321</u>	<u>200,268</u>	<u>199,275</u>

RECONCILIATION OF NET INCOME TO FFO ⁽¹⁾

(unaudited and in thousands, except per share amounts)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2014	2013	2014	2014	2013
Reconciliation of our net income to FFO:					
Net income attributable to Vornado	\$ 151,524	\$ 103,374	\$ 97,008	\$ 331,249	\$ 524,490
Depreciation and amortization of real property	123,578	117,901	121,402	387,549	377,142
Net gains on sale of real estate	(57,796)	(16,087)	-	(57,796)	(284,081)
Real estate impairment losses	-	720	-	20,842	4,727
Proportionate share of adjustments to equity in net income of					
Toys, to arrive at FFO:					
Depreciation and amortization of real property	1,350	16,430	8,814	21,579	53,235
Net gains on sale of real estate	(760)	-	-	(760)	-
Real estate impairment losses	-	1,826	-	-	6,096
Income tax effect of above adjustments	(207)	(6,390)	(3,085)	(7,287)	(20,766)
Proportionate share of adjustments to equity in net income of					
partially owned entities, excluding Toys, to arrive at FFO:					
Depreciation and amortization of real property	25,254	20,931	21,312	71,837	62,247
Net gains on sale of real estate	-	-	-	-	(465)
Noncontrolling interests' share of above adjustments	(5,240)	(7,736)	(8,561)	(21,916)	(11,343)
FFO	237,703	230,969	236,890	745,297	711,282
Preferred share dividends	(20,365)	(20,369)	(20,366)	(61,099)	(62,439)
Preferred unit and share redemptions	-	-	-	-	(1,130)
FFO attributable to common shareholders	217,338	210,600	216,524	684,198	647,713
Convertible preferred share dividends	24	27	23	49	54
FFO attributable to common shareholders plus assumed conversions	217,362	210,627	216,547	684,247	647,767
Add back of income allocated to noncontrolling interests of the					
Operating Partnership					
	13,421	13,066	13,386	42,363	40,023
FFO - OP Basis ⁽¹⁾	\$ 230,783	\$ 223,693	\$ 229,933	\$ 726,610	\$ 687,790
FFO per diluted share ⁽¹⁾	\$ 1.15	\$ 1.12	\$ 1.15	\$ 3.63	\$ 3.45

(1) FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gain from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets, extraordinary items and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flows as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies.

RECONCILIATION OF FFO TO FFO AS ADJUSTED FOR COMPARABILITY

(unaudited and in thousands, except per share amounts)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2014	2013	2014	2014	2013
FFO attributable to common shareholders plus assumed conversions	(A)\$ 217,362	\$ 210,627	\$ 216,547	\$ 684,247	\$ 647,767
Per diluted share	\$ 1.15	\$ 1.12	\$ 1.15	\$ 3.63	\$ 3.45
<i>Items that affect comparability income (expense):</i>					
Toys Negative FFO (including impairment losses of \$75,196, and \$78,542 in the nine months ended September 30, 2014 and 2013, respectively)	(18,035)	(22,343)	(51,862)	(60,630)	(30,747)
Impairment loss and loan loss reserve on investment in Suffolk Downs	(10,263)	-	-	(10,263)	-
Acquisition and transaction related costs	(7,105)	(2,818)	(4,083)	(12,972)	(6,769)
Net gain on sale of residential condominiums, and a land parcel in the nine months ended September 30, 2014	2,665	134	905	13,205	1,139
FFO from discontinued operations, including LNR in the nine months ended September 30, 2014	335	7,169	2,094	6,316	42,179
Losses from the disposition of investment in J.C. Penney	-	(38,126)	-	-	(127,888)
Net gain on sale of marketable securities	-	31,741	-	-	31,741
Defeasance cost in connection with the refinancing of 909 Third Avenue	-	-	(5,589)	(5,589)	-
Stop & Shop litigation settlement income	-	-	-	-	59,599
The Mart reduction-in-force and severance costs	-	-	-	-	(4,154)
Preferred unit and share redemptions	-	-	-	-	(1,130)
Other, net	(324)	1,377	-	(324)	(1,742)
Noncontrolling interests' share of above adjustments	(32,727)	(22,866)	(58,535)	(70,257)	(37,772)
Items that affect comparability, net	(B)\$ 1,903	\$ 1,596	\$ 3,408	\$ 4,096	\$ 2,198
Per diluted share	\$ (0.16)	\$ (0.11)	\$ (0.29)	\$ (0.35)	\$ (0.19)
FFO attributable to common shareholders plus assumed conversions, as adjusted for comparability	(A-B)\$ 248,186	\$ 231,897	\$ 271,674	\$ 750,408	\$ 683,341
Per diluted share	\$ 1.31	\$ 1.23	\$ 1.44	\$ 3.98	\$ 3.64

RECONCILIATION OF FFO TO FAD ⁽¹⁾

(unaudited and in thousands, except per share amounts)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2014	2013	2014	2014	2013
FFO attributable to common shareholders plus assumed conversions	(A)\$ 217,362	\$ 210,627	\$ 216,547	\$ 684,247	\$ 647,767
Adjustments to arrive at FAD:					
Items that affect comparability per page 9, excluding FFO attributable to discontinued operations	(33,062)	(30,035)	(60,629)	(76,573)	(80,142)
Recurring tenant improvements, leasing commissions and other capital expenditures	73,405	63,523	55,921	201,826	200,136
Straight-line rentals	23,554	15,777	20,109	56,726	46,888
Amortization of acquired below-market leases, net	9,181	10,164	9,624	29,629	34,618
Stock-based compensation expense	(8,315)	(9,201)	(9,051)	(28,389)	(25,796)
Amortization of debt issuance costs	(7,292)	(4,952)	(8,127)	(20,231)	(15,084)
Non real estate depreciation	(1,514)	(1,748)	(3,044)	(6,133)	(5,996)
Carried interest and our share of net unrealized gains from Real Estate Fund	617	3,359	17,372	22,862	26,843
Noncontrolling interests' share of above adjustments	(3,290)	(2,437)	(1,291)	(10,478)	(10,560)
	(B) 53,284	44,450	20,884	169,239	170,907
FAD⁽¹⁾	(A-B)\$ 164,078	\$ 166,177	\$ 195,663	\$ 515,008	\$ 476,860
FAD per diluted share	\$ 0.87	\$ 0.88	\$ 1.04	\$ 2.73	\$ 2.54
FAD payout ratio ⁽²⁾	83.9%	83.0%	70.2%	80.2%	86.2%

(1) FAD is defined as FFO less (i) recurring tenant improvements, leasing commissions and capital expenditures, (ii) straight-line rents and amortization of acquired below-market leases, net, and (iii) other non-cash income, plus (iv) other non-cash charges. FAD is a non-GAAP financial measure that is not intended to represent cash flow and is not indicative of cash flow provided by operating activities as determined in accordance with GAAP. FAD is presented solely as a supplemental disclosure that management believes provides useful information regarding the Company's ability to fund its dividends.

(2) FAD payout ratios on a quarterly basis are not necessarily indicative of amounts for the full year due to fluctuation in timing of cash based expenditures, the commencement of new leases and the seasonality of our operations.

CONSOLIDATED NET INCOME / EBITDA ⁽¹⁾

(unaudited and in thousands)

	Three Months Ended			
	2014	September 30, 2013	Inc (Dec)	June 30, 2014
Property rentals	\$ 504,575	\$ 494,511	\$ 10,064	\$ 509,404
Straight-line rent adjustments	23,554	15,777	7,777	20,109
Amortization of acquired below-market leases, net	10,039	11,145	(1,106)	10,480
Total rentals	538,168	521,433	16,735	539,993
Tenant expense reimbursements	86,330	81,814	4,516	76,145
Cleveland Medical Mart development project	-	4,893	(4,893)	-
Fee and other income:				
BMS cleaning fees	22,467	15,898	6,569	22,195
Signage revenue	7,698	8,738	(1,040)	8,873
Management and leasing fees	4,662	7,977	(3,315)	6,151
Lease termination fees	3,764	20,344	(16,580)	4,545
Other income	7,820	7,892	(72)	8,516
Total revenues	670,909	668,989	1,920	666,418
Operating expenses	268,450	261,776	6,674	261,159
Depreciation and amortization	130,208	122,119	8,089	129,017
General and administrative	44,547	44,186	361	44,568
Cleveland Medical Mart development project	-	3,239	(3,239)	-
Impairment losses, acquisition and transaction related costs	7,105	2,818	4,287	4,083
Total expenses	450,310	434,138	16,172	438,827
Operating income	220,599	234,851	(14,252)	227,591
Loss applicable to Toys	(18,418)	(34,209)	15,791	(57,591)
(Loss) income from partially owned entities	(7,245)	1,453	(8,698)	3,849
Income from Real Estate Fund	24,160	22,913	1,247	100,110
Interest and other investment income (loss), net	7,602	(10,275)	17,877	9,435
Interest and debt expense	(115,120)	(119,676)	4,556	(117,051)
Net gain on disposition of wholly owned and partially owned assets	2,665	15,138	(12,473)	905
Income before income taxes	114,243	110,195	4,048	167,248
Income tax expense	(3,177)	(2,222)	(955)	(3,599)
Income from continuing operations	111,066	107,973	3,093	163,649
Income from discontinued operations	58,131	24,278	33,853	2,038
Net income	169,197	132,251	36,946	165,687
Less net income attributable to noncontrolling interests in:				
Consolidated subsidiaries	(9,685)	(23,833)	14,148	(63,975)
Operating Partnership	(7,975)	(5,032)	(2,943)	(4,691)
Preferred unit distributions of the Operating Partnership	(13)	(12)	(1)	(13)
Net income attributable to Vornado	151,524	103,374	48,150	97,008
Interest and debt expense	160,252	183,116	(22,864)	179,520
Depreciation and amortization	160,270	172,756	(12,486)	173,443
Income tax expense (benefit)	2,232	(20,292)	22,524	(574)
EBITDA	\$ 474,278	\$ 438,954	\$ 35,324	\$ 449,397
Capitalized leasing and development payroll	\$ 4,703	\$ 3,967	\$ 736	\$ 5,362
Capitalized interest	\$ 16,335	\$ 10,532	\$ 5,803	\$ 16,560

(1) EBITDA represents "Earnings Before Interest, Taxes, Depreciation and Amortization." Management considers EBITDA a supplemental non-GAAP financial measure for making decisions and assessing the unlevered performance of its segments as it relates to the total return on assets as opposed to the levered return on equity. As properties are bought and sold based on a multiple of EBITDA, management utilizes this measure to make investment decisions as well as to compare the performance of its assets to that of its peers. EBITDA should not be considered a substitute for net income. EBITDA may not be comparable to similarly titled measures employed by other companies.

CONSOLIDATED NET INCOME / EBITDA

(unaudited and in thousands)

	Nine Months Ended September 30,		
	2014	2013	Inc (Dec)
Property rentals	\$ 1,517,193	\$ 1,503,828	\$ 13,365
Straight-line rent adjustments	56,726	46,888	9,838
Amortization of acquired below-market leases, net	32,201	38,322	(6,121)
Total rentals	1,606,120	1,589,038	17,082
Tenant expense reimbursements	248,964	229,938	19,026
Cleveland Medical Mart development project	-	34,026	(34,026)
Fee and other income:			
BMS cleaning fees	63,618	49,071	14,547
Signage revenue	25,889	23,566	2,323
Management and leasing fees	17,027	19,661	(2,634)
Lease termination fees	12,102	87,353	(75,251)
Other income	23,982	25,872	(1,890)
Total revenues	1,997,702	2,058,525	(60,823)
Operating expenses	802,505	785,992	16,513
Depreciation and amortization	406,868	394,579	12,289
General and administrative	141,273	145,871	(4,598)
Cleveland Medical Mart development project	-	29,764	(29,764)
Impairment losses, acquisition and transaction related costs	32,972	6,769	26,203
Total expenses	1,383,618	1,362,975	20,643
Operating income	614,084	695,550	(81,466)
Loss applicable to Toys	(74,162)	(69,311)	(4,851)
(Loss) income from partially owned entities	(3,264)	23,691	(26,955)
Income from Real Estate Fund	142,418	73,947	68,471
Interest and other investment income (loss), net	28,930	(32,935)	61,865
Interest and debt expense	(341,613)	(360,679)	19,066
Net gain (loss) on disposition of wholly owned and partially owned assets	13,205	(20,581)	33,786
Income before income taxes	379,598	309,682	69,916
Income tax expense	(8,358)	(6,172)	(2,186)
Income from continuing operations	371,240	303,510	67,730
Income from discontinued operations	61,800	299,989	(238,189)
Net income	433,040	603,499	(170,459)
Less net income attributable to noncontrolling interests in:			
Consolidated subsidiaries	(85,239)	(50,049)	(35,190)
Operating Partnership	(16,514)	(27,814)	11,300
Preferred unit distributions of the Operating Partnership	(38)	(1,146)	1,108
Net income attributable to Vornado	331,249	524,490	(193,241)
Interest and debt expense	510,724	551,357	(40,633)
Depreciation and amortization	530,052	549,072	(19,020)
Income tax expense	21,489	18,101	3,388
EBITDA	\$ 1,393,514	\$ 1,643,020	\$ (249,506)
Capitalized leasing and development payroll	\$ 14,551	\$ 13,216	\$ 1,335
Capitalized interest	\$ 46,517	\$ 28,024	\$ 18,493

EBITDA BY SEGMENT

(unaudited and in thousands)

	Three Months Ended September 30, 2014					
	Total	New York	Washington, DC	Retail Properties	Toys	Other
Property rentals	\$ 504,575	\$ 283,870	\$ 110,866	\$ 59,345	\$ -	\$ 50,494
Straight-line rent adjustments	23,554	12,496	2,771	1,071	-	7,216
Amortization of acquired below-market leases, net	10,039	6,438	455	2,071	-	1,075
Total rentals	538,168	302,804	114,092	62,487	-	58,785
Tenant expense reimbursements	86,330	51,566	9,901	18,875	-	5,988
Fee and other income:						
BMS cleaning fees	22,467	27,266	-	-	-	(4,799)
Signage revenue	7,698	7,698	-	-	-	-
Management and leasing fees	4,662	1,407	3,064	396	-	(205)
Lease termination fees	3,764	3,021	207	464	-	72
Other income	7,820	817	6,277	220	-	506
Total revenues	670,909	394,579	133,541	82,442	-	60,347
Operating expenses	268,450	170,579	49,309	25,863	-	22,699
Depreciation and amortization	130,208	64,749	32,612	14,440	-	18,407
General and administrative	44,547	7,986	6,454	4,163	-	25,944
Impairment losses, acquisition and transaction related costs	7,105	-	-	-	-	7,105
Total expenses	450,310	243,314	88,375	44,466	-	74,155
Operating income (loss)	220,599	151,265	45,166	37,976	-	(13,808)
Loss applicable to Toys	(18,418)	-	-	-	(18,418)	-
(Loss) income from partially owned entities	(7,245)	5,810	(1,411)	371	-	(12,015)
Income from Real Estate Fund	24,160	-	-	-	-	24,160
Interest and other investment income, net	7,602	1,859	15	9	-	5,719
Interest and debt expense	(115,120)	(43,061)	(18,685)	(10,056)	-	(43,318)
Net gain on disposition of wholly owned and partially owned assets	2,665	-	-	-	-	2,665
Income (loss) before income taxes	114,243	115,873	25,085	28,300	(18,418)	(36,597)
Income tax expense	(3,177)	(802)	(130)	(525)	-	(1,720)
Income (loss) from continuing operations	111,066	115,071	24,955	27,775	(18,418)	(38,317)
Income from discontinued operations	58,131	-	-	57,499	-	632
Net income (loss)	169,197	115,071	24,955	85,274	(18,418)	(37,685)
Less net income attributable to noncontrolling interests in:						
Consolidated subsidiaries	(9,685)	(2,690)	-	(76)	-	(6,919)
Operating Partnership	(7,975)	-	-	-	-	(7,975)
Preferred unit distributions of the Operating Partnership	(13)	-	-	-	-	(13)
Net income (loss) attributable to Vornado	151,524	112,381	24,955	85,198	(18,418)	(52,592)
Interest and debt expense	160,252	58,010	22,208	11,205	22,471	46,358
Depreciation and amortization	160,270	79,446	36,411	15,256	9,923	19,234
Income tax expense (benefit)	2,232	746	145	525	(1,536)	2,352
EBITDA for the three months ended September 30, 2014	\$ 474,278	\$ 250,583	\$ 83,719	\$ 112,184	\$ 12,440	\$ 15,352
EBITDA for the three months ended September 30, 2013	\$ 438,954	\$ 251,030	\$ 86,942	\$ 74,581	\$ 13,712	\$ 12,689
EBITDA as adjusted for comparability - OP basis:						
For the three months ended September 30, 2014	\$ 426,398	\$ 250,583 ⁽¹⁾	\$ 83,719 ⁽²⁾	\$ 54,685 ⁽³⁾	\$ -	\$ 37,411 ⁽⁴⁾
For the three months ended September 30, 2013	\$ 415,135	\$ 248,548 ⁽¹⁾	\$ 86,942 ⁽²⁾	\$ 53,089 ⁽³⁾	\$ -	\$ 26,556 ⁽⁴⁾

See notes on pages 15 and 16.

EBITDA BY SEGMENT

(unaudited and in thousands)

	Nine Months Ended September 30, 2014					
	Total	New York	Washington, DC	Retail Properties	Toys	Other
Property rentals	\$ 1,517,193	\$ 841,011	\$ 334,536	\$ 177,747	\$ -	\$ 163,899
Straight-line rent adjustments	56,726	31,506	4,026	1,891	-	19,303
Amortization of acquired below-market leases, net	32,201	21,107	1,391	6,261	-	3,442
Total rentals	1,606,120	893,624	339,953	185,899	-	186,644
Tenant expense reimbursements	248,964	137,362	31,429	65,269	-	14,904
Fee and other income:						
BMS cleaning fees	63,618	78,148	-	-	-	(14,530)
Signage revenue	25,889	25,889	-	-	-	-
Management and leasing fees	17,027	7,283	9,079	1,168	-	(503)
Lease termination fees	12,102	6,440	3,952	680	-	1,030
Other income	23,982	2,649	19,232	607	-	1,494
Total revenues	1,997,702	1,151,395	403,645	253,623	-	189,039
Operating expenses	802,505	491,740	148,607	88,569	-	73,589
Depreciation and amortization	406,868	201,961	96,219	52,447	-	56,241
General and administrative	141,273	22,424	20,473	12,929	-	85,447
Impairment losses, acquisition and transaction related costs	32,972	-	-	20,000	-	12,972
Total expenses	1,383,618	716,125	265,299	173,945	-	228,249
Operating income (loss)	614,084	435,270	138,346	79,678	-	(39,210)
Loss applicable to Toys	(74,162)	-	-	-	(74,162)	-
(Loss) income from partially owned entities	(3,264)	16,372	(4,925)	1,250	-	(15,961)
Income from Real Estate Fund	142,418	-	-	-	-	142,418
Interest and other investment income, net	28,930	4,979	93	26	-	23,832
Interest and debt expense	(341,613)	(134,970)	(56,692)	(28,565)	-	(121,386)
Net gain on disposition of wholly owned and partially owned assets	13,205	-	-	-	-	13,205
Income (loss) before income taxes	379,598	321,651	76,822	52,389	(74,162)	2,898
Income tax expense	(8,358)	(2,997)	(46)	(1,575)	-	(3,740)
Income (loss) from continuing operations	371,240	318,654	76,776	50,814	(74,162)	(842)
Income from discontinued operations	61,800	-	-	60,993	-	807
Net income (loss)	433,040	318,654	76,776	111,807	(74,162)	(35)
Less net income attributable to noncontrolling interests in:						
Consolidated subsidiaries	(85,239)	(7,203)	-	(114)	-	(77,922)
Operating Partnership	(16,514)	-	-	-	-	(16,514)
Preferred unit distributions of the Operating Partnership	(38)	-	-	-	-	(38)
Net income (loss) attributable to Vornado	331,249	311,451	76,776	111,693	(74,162)	(94,509)
Interest and debt expense	510,724	180,150	67,469	31,989	100,549	130,567
Depreciation and amortization	530,052	241,040	108,367	56,387	64,533	59,725
Income tax expense	21,489	3,069	88	1,575	12,106	4,651
EBITDA for the nine months ended September 30, 2014	\$ 1,393,514	\$ 735,710	\$ 252,700	\$ 201,644	\$ 103,026	\$ 100,434
EBITDA for the nine months ended September 30, 2013	\$ 1,643,020	\$ 704,290	\$ 257,964	\$ 515,313	\$ 164,727	\$ 726
EBITDA as adjusted for comparability - OP basis:						
For the nine months ended September 30, 2014	\$ 1,273,800	\$ 735,710⁽¹⁾	\$ 252,700⁽²⁾	\$ 159,181⁽³⁾	\$ -	\$ 126,209⁽⁴⁾
For the nine months ended September 30, 2013	\$ 1,223,420	\$ 696,768⁽¹⁾	\$ 257,964⁽²⁾	\$ 153,459⁽³⁾	\$ -	\$ 115,229⁽⁴⁾

See notes on the following pages.

NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

The elements of "New York" EBITDA as adjusted for comparability are summarized (1) below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Office (including BMS EBITDA of \$6,267, \$5,292, \$17,812 and \$15,124, respectively) ^(a)	\$ 159,568	\$ 169,999	\$ 480,280	\$ 469,642
Retail	71,327	59,668	205,469	177,079
Alexander's	10,387	10,387	31,088	31,141
Hotel Pennsylvania	9,301	8,494	18,873	18,906
Total New York	\$ 250,583	\$ 248,548	\$ 735,710	\$ 696,768

(a) The three months ended September 30, 2014 and 2013, includes \$2,140 and \$12,029, respectively, of lease termination income, net. The nine months ended September 30, 2014 and 2013, includes \$4,543 and \$17,373, respectively, of lease termination income, net.

The elements of "Washington, DC" EBITDA as adjusted for comparability are (2) summarized below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Office, excluding the Skyline Properties	\$ 65,904	\$ 69,220	\$ 200,218	\$ 202,463
Skyline properties	7,698	6,841	21,270	22,546
Total Office	73,602	76,061	221,488	225,009
Residential	10,117	10,881	31,212	32,955
Total Washington, DC	\$ 83,719	\$ 86,942	\$ 252,700	\$ 257,964

(3) The elements of "Retail Properties" EBITDA as adjusted for comparability are summarized below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Strip shopping centers	\$ 39,446	\$ 39,823	\$ 116,020	\$ 111,543
Regional malls	15,239	13,266	43,161	41,916
Total Retail properties	\$ 54,685	\$ 53,089	\$ 159,181	\$ 153,459

NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

(4) The elements of "other" EBITDA as adjusted for comparability are summarized below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Our share of Real Estate Fund:				
Income before net realized/unrealized gains	\$ 2,059	\$ 2,086	\$ 6,676	\$ 5,737
Net realized gains on exited investments	12,896	2,046	31,663	2,046
Previously recorded unrealized gains on exited investments	(12,397)	-	(12,579)	-
Net unrealized gains on held investments	4,583	3,092	13,805	14,869
Carried interest	8,431	267	21,636	11,974
Total	15,572	7,491	61,201	34,626
The Mart and trade shows	18,865	14,925	60,406	54,232
555 California Street	11,994	10,720	35,566	32,371
India real estate ventures	2,651	695	4,574	4,708
Other investments	4,618	5,084	13,650	21,193
	53,700	38,915	175,397	147,130
Corporate general and administrative expenses ^(a)	(22,948)	(23,467)	(71,952)	(71,054)
Investment income and other, net ^(a)	6,659	11,108	22,764	39,153
Total Other	\$ 37,411	\$ 26,556	\$ 126,209	\$ 115,229

(a) The amounts in these captions (for this table only) exclude income / expense from the mark-to-market of our deferred compensation plan of \$1,352 and \$269 for the three months ended September 30, 2014 and 2013, respectively, and \$8,132 and \$6,207 for the nine months ended September 30, 2014 and 2013, respectively.



EBITDA BY SEGMENT AND REGION

(unaudited)

The following tables set forth the percentages of EBITDA, by operating segment and by geographic region (excluding discontinued operations, other gains and losses that affect comparability and our Toys and Other Segments).

	Three Months Ended September		Nine Months Ended September	
	30,	30,	30,	30,
	2014	2013	2014	2013
Segment				
New York	64%	64%	64%	63%
Washington, DC	22%	22%	22%	23%
Retail Properties	14%	14%	14%	14%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
Region				
New York City metropolitan area	75%	74%	74%	73%
Washington, DC / Northern Virginia metropolitan area	22%	23%	23%	24%
Puerto Rico	1%	1%	2%	2%
Other geographies	2%	2%	1%	1%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

CONSOLIDATED BALANCE SHEETS

(unaudited and in thousands)

	September 30, 2014	December 31, 2013	(Decrease) Increase
ASSETS			
Real estate, at cost:			
Land	\$ 4,137,278	\$ 4,066,837	\$ 70,441
Buildings and improvements	12,609,463	12,466,244	143,219
Development costs and construction in progress	1,680,202	1,353,103	327,099
Leasehold improvements and equipment	128,982	132,483	(3,501)
Total	18,555,925	18,018,667	537,258
Less accumulated depreciation and amortization	(3,613,098)	(3,372,207)	(240,891)
Real estate, net	14,942,827	14,646,460	296,367
Cash and cash equivalents	1,683,142	583,290	1,099,852
Restricted cash	160,848	262,440	(101,592)
Marketable securities	184,154	191,917	(7,763)
Tenant and other receivables, net	118,636	115,862	2,774
Investments in partially owned entities	1,268,066	1,166,443	101,623
Investment in Toys	-	83,224	(83,224)
Real Estate Fund investments	495,392	667,710	(172,318)
Mortgage and mezzanine loans receivable, net	17,085	170,972	(153,887)
Receivable arising from the straight-lining of rents, net	873,901	817,314	56,587
Deferred leasing and financing costs, net	483,902	411,922	71,980
Identified intangible assets, net	280,207	311,963	(31,756)
Assets related to discontinued operations	-	316,219	(316,219)
Other assets	492,355	351,488	140,867
Total assets	\$ 21,000,515	\$ 20,097,224	\$ 903,291
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY			
Liabilities:			
Mortgages payable	\$ 9,273,212	\$ 8,331,993	\$ 941,219
Senior unsecured notes	1,791,987	1,350,855	441,132
Revolving credit facility debt	88,138	295,870	(207,732)
Accounts payable and accrued expenses	498,565	422,276	76,289
Deferred revenue	489,250	529,048	(39,798)
Deferred compensation plan	113,549	116,515	(2,966)
Liabilities related to discontinued operations	-	13,950	(13,950)
Other liabilities	380,843	438,353	(57,510)
Total liabilities	12,635,544	11,498,860	1,136,684
Redeemable noncontrolling interests	1,140,052	1,003,620	136,432
Vornado shareholders' equity	6,516,506	6,765,232	(248,726)
Noncontrolling interests in consolidated subsidiaries	708,413	829,512	(121,099)
Total liabilities, redeemable noncontrolling interests and equity	\$ 21,000,515	\$ 20,097,224	\$ 903,291

CAPITAL STRUCTURE

(unaudited and in thousands, except per share amounts)

	September 30, 2014
Debt:	
Consolidated debt:	
Mortgages payable	\$ 9,273,212
Senior unsecured notes	1,791,987
\$2.5 billion revolving credit facilities	<u>88,138</u>
	11,153,337
Pro rata share of non-consolidated debt:	
Toys	1,758,855
All other partially owned entities	2,397,803
Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street)	<u>(465,000)</u>
Total debt	<u>14,844,995</u>

Perpetual Preferred:	Shares/Units	Par Value	
5.00% Preferred Unit (D-16) (1 unit @ \$1,000)			1,000
6.625% Series G Preferred Shares	8,000	25.00	200,000
6.625% Series I Preferred Shares	10,800	25.00	270,000
6.875% Series J Preferred Shares	9,850	25.00	246,250
5.70% Series K Preferred Shares	12,000	25.00	300,000
5.40% Series L Preferred Shares	12,000	25.00	<u>300,000</u>
			1,317,250

	Converted Shares	September 30, 2014 Common Share Price	
Equity:			
Common shares	187,735	\$ 99.96	18,765,991
Class A units	10,629	99.96	1,062,475
Convertible share equivalents:			
Equity awards - unit equivalents	766	99.96	76,570
D-13 preferred units	467	99.96	46,681
G1-G4 units	83	99.96	8,297
Series A preferred shares	41	99.96	<u>4,098</u>
			19,964,112
Total Market Capitalization			<u>\$ 36,126,357</u>

DEBT ANALYSIS

(unaudited and in thousands)

	As of September 30, 2014					
	Total		Variable		Fixed	
	Amount	Weighted Average Interest Rate	Amount	Weighted Average Interest Rate	Amount	Weighted Average Interest Rate
Consolidated debt	\$ 11,153,337	4.21%	\$ 1,637,394	2.23%	\$ 9,515,943	4.55%
Pro rata share of non-consolidated debt:						
Toys	1,758,855	6.72%	1,075,239	5.56%	683,616	8.53%
All other	2,397,803	5.28%	303,145	1.75%	2,094,658	5.79%
Total	15,309,995	4.66%	3,015,778	3.37%	12,294,217	4.98%
Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street)	(465,000)		-		(465,000)	
Company's pro rata share of total debt	\$ 14,844,995	4.68%	\$ 3,015,778	3.50%	\$ 11,829,217	5.02%

	Senior Unsecured Notes				Unencumbered EBITDA	
	Due 2015	Due 2019	Due 2022	Due 2039 ⁽¹⁾	3Q 2014 Annualized	
Settlement Date	3/26/2010	6/16/2014	12/7/2011	9/30/2009		
Principal Amount	\$ 500,000	\$ 450,000	\$ 400,000	\$ 445,000	New York	\$ 395,272
Issue Price	99.834%	99.619%	99.546%	100.000%	Washington, DC	161,096
Coupon	4.250%	2.500%	5.000%	7.875%	Retail Properties	60,792
Effective economic interest rate	4.287%	2.581%	5.057%	7.875%	Other	32,192
Ratings:					Total	\$ 649,352
Moody's	Baa2	Baa2	Baa2	Baa2		
S&P	BBB	BBB	BBB	BBB		
Fitch	BBB	BBB	BBB	BBB		
Maturity Date / Put Date	4/1/2015	6/30/2019	1/15/2022	10/1/2039		

Debt Covenant Ratios: ⁽²⁾

	Required	Senior Unsecured Notes				Revolving Credit Facilities	
		Actual				Required	Actual
		Due 2015	Due 2019	Due 2022	Due 2039 ⁽¹⁾		
Total Outstanding Debt / Total Assets ⁽³⁾	Less than 65%	43%	43%	43%	46%	Less than 60%	31%
Secured Debt / Total Assets	Less than 50%	36%	36%	36%	38%	Less than 50%	28%
Interest Coverage Ratio (Annualized Combined EBITDA to Annualized Interest Expense)	Greater than 1.50	2.73	2.73	2.73	2.73		N/A
Fixed Charge Coverage		N/A	N/A	N/A	N/A	Greater than 1.40	2.48
Unencumbered Assets / Unsecured Debt	Greater than 150%	638%	638%	638%	623%		N/A
Unsecured Debt / Cap Value of Unencumbered Assets		N/A	N/A	N/A	N/A	Less than 60%	10%
Unencumbered Coverage Ratio		N/A	N/A	N/A	N/A	Greater than 1.50	6.80

(1) These notes were redeemed in full on October 1, 2014.

(2) Our debt covenant ratios are computed in accordance with the terms of our senior unsecured notes and revolving credit facilities, as applicable. The methodology used for these computations may differ significantly from similarly titled ratios of other companies. For additional information regarding the methodology used to compute these ratios, please see our filings with the SEC of our revolving credit facilities, senior debt indentures and applicable prospectuses and prospectus supplements.

(3) Total assets includes EBITDA capped at 7.5% under the senior unsecured notes and 6.0% under the revolving credit facilities.

DEBT MATURITIES

(unaudited and in thousands)

Property	Maturity Date ⁽¹⁾	Spread over LIBOR	Interest Rate	Interest							Total
				2014	2015	2016	2017	2018	Thereafter		
2200 / 2300 Clarendon Boulevard	01/15	L+75	0.90%	\$ -	\$ 36,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,675
Senior unsecured notes due 2015	04/15		4.25%	-	499,917	-	-	-	-	-	499,917
River House Apartments	04/15		5.43%	-	195,546	-	-	-	-	-	195,546
888 Seventh Avenue	01/16		5.71%	-	-	318,554	-	-	-	-	318,554
510 5th Avenue	01/16		5.60%	-	-	30,338	-	-	-	-	30,338
770 Broadway	03/16		5.65%	-	-	353,000	-	-	-	-	353,000
Bowen Building	06/16		6.14%	-	-	115,022	-	-	-	-	115,022
1730 M and 1150 17th Street	06/16	L+125	1.41%	-	-	43,581	-	-	-	-	43,581
Montehiedra Town Center	07/16		6.04%	-	-	120,000	-	-	-	-	120,000
The Mart	12/16		5.57%	-	-	550,000	-	-	-	-	550,000
350 Park Avenue	01/17		3.75%	-	-	-	296,345	-	-	-	296,345
100 West 33rd Street - office and retail	03/17	L+150	1.65%	-	-	-	325,000	-	-	-	325,000
2011 Crystal Drive	08/17		7.30%	-	-	-	77,811	-	-	-	77,811
North Bergen (Tonnel Avenue)	01/18		4.59%	-	-	-	-	75,000	-	-	75,000
220 20th Street	02/18		4.61%	-	-	-	-	71,700	-	-	71,700
Two Penn Plaza	03/18		5.13%	-	-	-	-	422,879	-	-	422,879
River House Apartments	04/18	L+153	1.69%	-	-	-	-	64,000	-	-	64,000
828-850 Madison Avenue Retail Condominium	06/18		5.29%	-	-	-	-	80,000	-	-	80,000
\$1.25 Billion unsecured revolving credit facility	06/18	L+115	1.30%	-	-	-	-	88,138	-	-	88,138
220 Central Park South	01/19	L+275	2.90%	-	-	-	-	-	600,000	-	600,000
Senior unsecured notes due 2019	06/19		2.50%	-	-	-	-	-	448,371	-	448,371
435 Seventh Avenue - retail	08/19	L+225	2.40%	-	-	-	-	-	98,000	-	98,000
\$1.25 Billion unsecured revolving credit facility	11/19	L+105	-	-	-	-	-	-	-	-	-
4 Union Square South - retail	11/19	L+215	2.31%	-	-	-	-	-	120,000	-	120,000
Cross-collateralized mortgages on 40 strip shopping centers	09/20	(2)	4.10%	-	-	-	-	-	610,589	-	610,589
Eleven Penn Plaza	12/20		3.95%	-	-	-	-	-	450,000	-	450,000
Borgata Land	02/21		5.14%	-	-	-	-	-	58,673	-	58,673
909 Third Avenue	05/21		3.91%	-	-	-	-	-	350,000	-	350,000
West End 25	06/21		4.88%	-	-	-	-	-	101,671	-	101,671
Universal Buildings	08/21	L+190	2.06%	-	-	-	-	-	185,000	-	185,000
555 California Street	09/21		5.10%	-	-	-	-	-	600,000	-	600,000
Senior unsecured notes due 2022	01/22		5.00%	-	-	-	-	-	398,699	-	398,699
Skyline Properties	02/22		2.97%	-	-	-	-	-	678,000	-	678,000
1290 Avenue of the Americas	11/22		3.34%	-	-	-	-	-	950,000	-	950,000
2121 Crystal Drive	03/23		5.51%	-	-	-	-	-	146,931	-	146,931
666 Fifth Avenue Retail Condominium	03/23		3.61%	-	-	-	-	-	390,000	-	390,000
Bergen Town Center	04/23		3.56%	-	-	-	-	-	300,000	-	300,000
Las Catalinas	08/24		4.43%	-	-	-	-	-	130,000	-	130,000
2101 L Street	08/24		3.97%	-	-	-	-	-	149,584	-	149,584

See notes on the following page.

DEBT MATURITIES

(unaudited and in thousands)

Property	Maturity Date ⁽¹⁾	Spread over LIBOR	Interest Rate							Total
				2014	2015	2016	2017	2018	Thereafter	
1215 Clark Street, 200 12th Street & 251 18th Street	01/25		7.94%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98,581	\$ 98,581
Senior unsecured notes due 2039 ⁽³⁾	10/39		7.88%	-	-	-	-	-	445,000	445,000
Other properties	Various			-	12,170	-	-	28,630	39,051	79,851
Purchase accounting valuation adjustments	Various			-	(60)	-	-	-	941	881
Total				\$ -	\$ 744,248	\$ 1,530,495	\$ 699,156	\$ 830,347	\$ 7,349,091	\$ 11,153,337
Weighted average rate				-	4.44%	5.58%	3.17%	4.32%	3.99%	4.21%
Fixed rate debt				\$ -	\$ 707,573	\$ 1,486,914	\$ 374,156	\$ 661,209	\$ 6,286,091	\$ 9,515,943
Fixed weighted average rate expiring				-	4.63%	5.70%	4.49%	5.05%	4.22%	4.55%
Floating rate debt				\$ -	\$ 36,675	\$ 43,581	\$ 325,000	\$ 169,138	\$ 1,063,000	\$ 1,637,394
Floating weighted average rate expiring				-	0.90%	1.41%	1.65%	1.46%	2.61%	2.23%

(1) Represents the extended maturity for certain loans in which we have the unilateral right to extend.

(2) Comprised of (i) a \$550,589 fixed rate loan with an interest rate of 4.28%, and a (ii) \$60,000 variable rate loan at LIBOR plus 1.36% (2.36% at September 30, 2014), subject to a LIBOR floor of 1.00%.

(3) These notes were redeemed in full on October 1, 2014.

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

Joint Venture Name	Asset Category	Percentage Ownership at September 30, 2014	As of September 30, 2014		
			Company's Carrying Amount	Debt	
				Company's Pro rata Share	100% of Joint Venture
Toys	Retailer	32.7%	\$ -	\$ 1,758,855	\$ 5,385,461
Alexander's, Inc.	Office/Retail	32.4%	\$ 166,723	\$ 334,867	\$ 1,033,541
India real estate ventures	Office/Land	4.1% to 36.5%	82,588	47,613	190,453
Partially owned office buildings:					
280 Park Avenue	Office	49.5%	278,305	362,184	731,928
One Park Avenue	Office	55.0%	137,972	137,500	250,000
650 Madison Avenue	Office/Retail	20.1%	114,909	161,024	800,000
Rosslyn Plaza	Office/Residential	43.7% to 50.4%	54,223	16,881	33,488
West 57th Street properties	Office	50.0%	46,219	10,000	20,000
666 Fifth Avenue Office Condominium	Office	49.5%	45,599	598,740	1,209,576
330 Madison Avenue	Office	25.0%	29,080	37,500	150,000
Warner Building	Office	55.0%	15,551	160,985	292,700
Fairfax Square	Office	20.0%	5,156	13,699	68,495
1101 17th Street	Office	55.0%	-	17,050	31,000
Other partially owned office buildings	Office	Various	6,890	27,715	70,650
Other investments:					
Independence Plaza	Residential	50.1%	156,000	275,550	550,000
Monmouth Mall	Retail	50.0%	6,325	77,898	155,795
Other investments	Various	Various	122,526	118,597	991,179
			<u>\$ 1,268,066</u>	<u>\$ 2,397,803</u>	<u>\$ 6,578,805</u>

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

Joint Venture Name	Percentage Ownership at September 30, 2014	Our Share of Net Income (Loss) for the Three Months Ended September 30,		Our Share of EBITDA for the Three Months Ended September 30,	
		2014	2013	2014	2013
Toys	32.7%	\$ (18,418)	\$ (34,209)	\$ 12,440	\$ 13,712
New York:					
Alexander's, Inc.	32.4%	\$ 5,552	\$ 4,299	\$ 10,387	\$ 10,387
West 57th Street properties (partially under development)	50.0%	(3,073)	47	386	496
666 Fifth Avenue Office Condominium	49.5%	1,995	1,858	7,177	9,918
330 Madison Avenue	25.0%	1,658	1,225	2,551	2,257
Independence Plaza	50.1%	(1,288)	(2,081)	4,533	4,203
825 Seventh Avenue	50.0%	733	335	859	641
One Park Avenue	55.0%	631	680	4,449	2,050
650 Madison Avenue (acquired in September 2013)	20.1%	(422)	-	3,107	-
280 Park Avenue (partially under development)	49.5%	226	(1,890)	6,057	5,471
Other	Various	(202)	(284)	815	695
		5,810	4,189	40,321	36,118
Washington, DC:					
Warner Building	55.0%	(1,411)	(2,004)	2,384	1,838
Rosslyn Plaza	43.7% to 50.4%	(703)	(707)	1,040	1,462
1101 17th Street	55.0%	315	376	634	700
Fairfax Square	20.0%	(30)	(24)	542	539
Other	Various	418	356	1,325	1,284
		(1,411)	(2,003)	5,925	5,823
Retail Properties:					
Monmouth Mall	50.0%	352	165	2,226	2,081
Other	Various	19	23	112	118
		371	188	2,338	2,199
Other:					
Alexander's corporate fee income	32.4%	1,640	1,676	1,640	1,676
India real estate ventures	4.1% to 36.5%	(262)	(1,449)	2,650	695
Other ⁽¹⁾	Various	(13,393)	(1,148)	(5,254)	7,320
		(12,015)	(921)	(964)	9,691
		\$ (7,245)	\$ 1,453	\$ 47,620	\$ 53,831

(1) In the third quarter of 2014, we recognized a \$10,263 non-cash charge, comprised of a \$5,959 impairment loss and a \$4,304 loan loss reserve, on our equity and debt investments in Suffolk Downs.

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

Joint Venture Name	Percentage Ownership at September 30, 2014	Our Share of Net Income (Loss) for the Nine Months Ended September 30,		Our Share of EBITDA for the Nine Months Ended September 30,	
		2014	2013	2014	2013
Toys	32.7%	\$ (74,162)	\$ (69,311)	\$ 103,026	\$ 164,727
New York:					
Alexander's, Inc.	32.4%	\$ 15,583	\$ 12,785	\$ 31,088	\$ 31,141
West 57th Street properties (partially under development)	50.0%	(10,650)	415	1,249	1,918
825 Seventh Avenue	50.0%	6,409	1,151	2,489	2,077
666 Fifth Avenue Office Condominium	49.5%	5,934	5,776	22,218	20,402
330 Madison Avenue	25.0%	4,677	3,714	7,218	6,461
Independence Plaza	50.1%	(3,113)	(3,199)	14,443	6,825
650 Madison Avenue (acquired in September 2013)	20.1%	(3,068)	-	9,300	-
One Park Avenue	55.0%	910	1,054	8,398	6,124
280 Park Avenue (partially under development)	49.5%	532	(6,480)	17,278	15,004
Other	Various	(842)	(1,196)	2,171	1,948
		16,372	14,020	115,852	91,900
Washington, DC:					
Warner Building	55.0%	(4,359)	(6,346)	6,907	4,964
Rosslyn Plaza	43.7% to 50.4%	(2,774)	(2,158)	3,519	4,792
1101 17th Street	55.0%	879	996	1,835	1,973
Fairfax Square	20.0%	86	(87)	1,789	1,594
Other	Various	1,243	1,050	3,992	3,802
		(4,925)	(6,545)	18,042	17,125
Retail Properties:					
Monmouth Mall	50.0%	1,188	1,450	6,808	7,082
Other	Various	62	62	339	350
		1,250	1,512	7,147	7,432
Other:					
Alexander's corporate fee income	32.4%	4,888	5,017	4,888	5,017
India real estate ventures	4.1% to 36.5%	(2,440)	(2,630)	4,573	4,708
LNR ⁽¹⁾	n/a	-	18,731	-	20,443
Downtown Crossing, Boston	n/a	-	(2,358)	-	(2,358)
Other ⁽²⁾	Various	(18,409)	(4,056)	6,118	28,184
		(15,961)	14,704	15,579	55,994
		\$ (3,264)	\$ 23,691	\$ 156,620	\$ 172,451

(1) On April 19, 2013, LNR was sold for \$1.053 billion.

(2) In the third quarter of 2014, we recognized a \$10,263 non-cash charge, comprised of a \$5,959 impairment loss and a \$4,304 loan loss reserve, on our equity and debt investments in Suffolk Downs.

SQUARE FOOTAGE in service

(unaudited and square feet in thousands)

Segment:	Total Portfolio	Owned by Company				
		Total	Office	Retail	Showroom	Other
New York:						
Office	19,922	16,660	16,477	-	183	-
Retail	2,370	2,186	-	2,186	-	-
Alexander's (32.4% interest)	2,178	706	287	419	-	-
Hotel Pennsylvania	1,400	1,400	-	-	-	1,400
Residential (1,655 units)	1,523	762	-	-	-	762
	<u>27,393</u>	<u>21,714</u>	<u>16,764</u>	<u>2,605</u>	<u>183</u>	<u>2,162</u>
Washington, DC:						
Office, excluding the Skyline Properties	13,340	11,021	10,201	820	-	-
Skyline Properties	2,648	2,648	2,599	49	-	-
Total Office	15,988	13,669	12,800	869	-	-
Residential (2,414 units)	2,597	2,455	-	-	-	2,455
Other	381	381	-	9	-	372
	<u>18,966</u>	<u>16,505</u>	<u>12,800</u>	<u>878</u>	<u>-</u>	<u>2,827</u>
Retail Properties:						
Strip Shopping Centers	14,439	14,013	-	14,013	-	-
Regional Malls	4,132	2,644	-	2,644	-	-
	<u>18,571</u>	<u>16,657</u>	<u>-</u>	<u>16,657</u>	<u>-</u>	<u>-</u>
Other:						
The Mart	3,586	3,577	1,690	99	1,788	-
555 California Street (70% interest)	1,799	1,259	1,166	93	-	-
Primarily Warehouses	971	971	-	-	-	971
	<u>6,356</u>	<u>5,807</u>	<u>2,856</u>	<u>192</u>	<u>1,788</u>	<u>971</u>
Total square feet at September 30, 2014	<u>71,286</u>	<u>60,683</u>	<u>32,420</u>	<u>20,332</u>	<u>1,971</u>	<u>5,960</u>
Total square feet at June 30, 2014	<u>71,159</u>	<u>60,605</u>	<u>32,371</u>	<u>20,305</u>	<u>1,969</u>	<u>5,960</u>

Parking Garages (not included above):	Square Feet	Number of Garages	Number of Spaces
New York	1,668	10	4,909
Washington, DC	8,928	56	29,628
The Mart	558	4	1,681
555 California Street	168	1	453
Total at September 30, 2014	<u>11,322</u>	<u>71</u>	<u>36,671</u>

Number of Toys stores (not included above):	Total	Owned	Building Owned on Leased Ground	Leased
Domestic	878	282	216	380
International	713	78	26	609
Total Owned and Leased	<u>1,591</u>	<u>360</u>	<u>242</u>	<u>989</u>
Franchised Stores	196	-	-	-
Total at September 30, 2014	<u>1,787</u>	<u>-</u>	<u>-</u>	<u>-</u>

TOP 30 TENANTS

(unaudited)

Tenants	Square Footage	2014 Annualized Revenues (in thousands)	% of 2014 Annualized Revenues
U.S. Government	4,185,109	\$ 149,672	5.6%
IPG and affiliates	754,979	42,208	1.6%
Bank of America	756,595	42,100	1.6%
Macy's	942,678	37,876	1.4%
AXA Equitable Life Insurance	423,174	37,370	1.4%
L Brands	505,381	36,241	1.4%
McGraw-Hill Companies, Inc.	479,557	27,380	1.0%
Ziff Brothers Investments, Inc.	287,030	26,766	1.0%
J. Crew	396,215	24,877	0.9%
New York Stock Exchange	381,425	24,776	0.9%
Hennes & Mauritz	110,646	24,569	0.9%
Madison Square Garden	384,734	23,804	0.9%
Fast Retailing (Uniqlo)	92,577	20,776	0.8%
Forever 21	125,279	20,605	0.8%
Sears Holding Company (Kmart Corporation and Sears Corporation)	923,560	20,187	0.8%
Motorola Mobility (guaranteed by Google)	607,872	20,065	0.7%
Topshop	94,349	19,621	0.7%
AOL	230,365	19,466	0.7%
The Home Depot	993,541	19,427	0.7%
AMC Networks, Inc.	283,745	18,653	0.7%
Family Health International	398,237	17,875	0.7%
JCPenney	530,370	17,703	0.7%
Wal-Mart	1,438,730	17,490	0.7%
Hollister	21,741	17,269	0.6%
Bryan Cave LLP	213,946	15,888	0.6%
Lockheed Martin	328,919	14,904	0.6%
Cushman & Wakefield	166,287	13,787	0.5%
Lowe's	976,415	12,870	0.5%
Information Builders, Inc.	243,486	12,326	0.5%
Best Buy	488,544	12,037	0.4%

**LEASE EXPIRATIONS
NEW YORK SEGMENT**

(unaudited)

	Year of Lease Expiration	Our share of Square Feet of Expiring Leases	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
Office:	Month to Month	39,000	\$ 1,375,000	\$ 35.43	0.1%
	Fourth Quarter 2014	118,000	9,015,000	76.52	0.9%
	First Quarter 2015	91,000	4,863,000	53.36	0.5%
	Second Quarter 2015	578,000	34,677,000	60.01	3.5%
	Third Quarter 2015	122,000	9,531,000	78.44	1.0%
	Fourth Quarter 2015	247,000	15,382,000	62.25	1.3%
	Total 2015	1,038,000	64,453,000	62.12	6.4%
	2016	1,384,000	84,257,000	60.90	8.2%
	2017	900,000	57,000,000	63.37	5.6%
	2018	997,000	73,160,000	73.41	7.3%
	2019	976,000	64,657,000	66.22	6.5%
	2020	1,386,000	82,025,000	59.19	8.4%
	2021	1,130,000	72,958,000	64.56	7.3%
	2022	1,288,000	83,600,000	64.90	8.6%
	2023	1,583,000	109,450,000	69.16	11.3%
Retail:	Month to Month	41,000	\$ 8,408,000	\$ 205.07	3.9%
	Fourth Quarter 2014	16,000	1,655,000	103.44	0.8%
	First Quarter 2015	75,000	18,918,000	252.24	8.7%
	Second Quarter 2015	3,000	1,044,000	348.00	0.5%
	Third Quarter 2015	45,000	4,114,000	91.42	1.9%
	Fourth Quarter 2015	2,000	533,000	266.50	0.2%
	Total 2015	125,000	24,609,000	195.32	11.4%
	2016	209,189	20,627,233	98.61	13.5%
	2017	34,000	4,758,000	139.94	2.2%
	2018	191,000	41,712,000	218.39	19.3%
	2019	124,000	27,490,000	221.69	12.7%
	2020	107,000	12,034,000	112.47	5.6%
	2021	179,000	13,466,000	75.23	6.2%
	2022	31,000	3,629,000	117.06	1.7%
	2023	93,000	19,104,000	205.42	8.8%

**LEASE EXPIRATIONS
WASHINGTON, DC SEGMENT**

(unaudited)

	Year of Lease Expiration	Our share of Square Feet of Expiring Leases	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
Office:	Month to Month	160,000	\$ 5,125,000	\$ 32.12	1.2%
	Fourth Quarter 2014	195,000	8,357,000	42.79	1.9%
	First Quarter 2015	647,000	27,132,000	41.92	6.2%
	Second Quarter 2015	252,000	12,567,000	49.87	2.9%
	Third Quarter 2015	463,000	17,113,000	36.98	3.9%
	Fourth Quarter 2015	586,000	23,087,000	39.42	5.3%
	Total 2015	1,948,000	79,899,000	41.02	18.2%
	2016	1,170,000	50,103,000	42.83	11.4%
	2017	637,000	25,975,000	40.77	5.9%
	2018	1,003,000	43,825,000	43.69	10.0%
	2019	1,439,000	60,986,000	42.38	13.9%
	2020	677,000	34,175,000	50.48	7.8%
	2021	564,000	25,749,000	45.66	5.9%
	2022	961,000	41,855,000	43.57	9.5%
	2023	178,000	8,110,000	45.52	1.8%

**LEASE EXPIRATIONS
RETAIL PROPERTIES SEGMENT**

(unaudited)

	Year of Lease Expiration	Our share of Square Feet of Expiring Leases	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
Strip Shopping Centers:	Month to Month	16,000	\$ 413,000	\$ 25.74	0.2%
	Fourth Quarter 2014	123,000	2,005,000	16.24	1.1%
	First Quarter 2015	130,000	2,111,000	16.21	1.1%
	Second Quarter 2015	67,000	825,000	12.29	0.4%
	Third Quarter 2015	54,000	1,805,000	33.66	1.0%
	Fourth Quarter 2015	124,000	2,703,000	21.76	1.5%
	Total 2015	375,000	7,444,000	19.84	4.0%
	2016	719,000	11,479,000	15.97	6.2%
	2017	515,000	7,720,000	14.99	4.2%
	2018	1,587,000	21,687,000	13.66	11.8%
	2019	1,383,000	20,182,000	14.59	11.0%
	2020	1,085,000	15,037,000	13.85	8.2%
	2021	594,000	8,830,000	14.86	4.8%
	2022	1,023,000	12,564,000	12.29	6.8%
	2023	1,163,000	18,735,000	16.10	10.2%
Regional Malls:	Month to Month	7,000	\$ 374,000	\$ 54.72	0.7%
	Fourth Quarter 2014	37,000	1,241,000	33.71	2.4%
	First Quarter 2015	28,000	1,374,000	48.98	2.7%
	Second Quarter 2015	20,000	1,288,000	64.06	2.5%
	Third Quarter 2015	35,000	582,000	16.81	1.1%
	Fourth Quarter 2015	10,000	718,000	75.39	1.4%
	Total 2015	93,000	3,962,000	42.93	7.7%
	2016	89,000	3,891,000	43.73	7.6%
	2017	43,000	2,540,000	59.28	5.0%
	2018	70,000	3,619,000	51.82	7.1%
	2019	175,000	6,148,000	35.05	12.0%
	2020	98,000	4,299,000	43.87	8.4%
	2021	382,000	4,274,000	11.19	8.3%
	2022	37,000	1,362,000	37.05	2.7%
	2023	37,000	1,454,000	39.55	2.8%

LEASING ACTIVITY

(unaudited)

The leasing activity and related statistics in the table below are based on leases signed during the period and are not intended to coincide with the commencement of rental revenue in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Second generation relet space represents square footage that has not been vacant for more than nine months and tenant improvements and leasing commissions are based on our share of square feet leased during the period.

(square feet in thousands)	New York		Washington,	Retail Properties	
	Office	Retail	DC Office	Strips	Malls
Quarter Ended September 30, 2014					
Total square feet leased	556	33	450	243	25
Our share of square feet leased:	483	29	377	243	19
Initial rent ⁽¹⁾	\$ 68.44	\$ 168.22	\$ 38.32	\$ 17.66	\$ 42.03
Weighted average lease term (years)	9.7	11.2	7.1	9.0	5.7
Second generation relet space:					
Square feet	243	15	193	31	2
Cash basis:					
Initial rent ⁽¹⁾	\$ 70.88	\$ 238.45	\$ 39.30	\$ 27.19	\$ 86.42
Prior escalated rent	\$ 60.13	\$ 168.14	\$ 42.41	\$ 25.22	\$ 70.11
Percentage increase (decrease)	17.9%	41.8%	(7.3%)	7.8%	23.3%
GAAP basis:					
Straight-line rent ⁽²⁾	\$ 69.12	\$ 247.02	\$ 39.07	\$ 27.89	\$ 86.77
Prior straight-line rent	\$ 61.40	\$ 161.01	\$ 40.15	\$ 24.74	\$ 65.89
Percentage increase (decrease)	12.6%	53.4%	(2.7%)	12.7%	31.7%
Tenant improvements and leasing commissions:					
Per square foot	\$ 82.95	\$ 18.90	\$ 34.33	\$ 28.31 ⁽³⁾	\$ 31.04 ⁽⁴⁾
Per square foot per annum	\$ 8.55	\$ 1.69	\$ 4.84	\$ 3.15 ⁽³⁾	\$ 5.45 ⁽⁴⁾
Percentage of initial rent	12.5%	1.0%	12.6%	17.8% ⁽³⁾	13.0% ⁽⁴⁾
Nine Months Ended September 30, 2014					
Total square feet leased	2,726	68	1,159 ⁽⁵⁾	707	104
Our share of square feet leased:	2,321	63	1,055 ⁽⁵⁾	707	91
Initial rent ⁽¹⁾	\$ 66.78	\$ 259.92	\$ 39.57	\$ 18.86	\$ 28.70
Weighted average lease term (years)	10.9	10.9	7.5	7.0	5.2
Second generation relet space:					
Square feet	1,817	47	660	366	55
Cash basis:					
Initial rent ⁽¹⁾	\$ 68.14	\$ 318.17	\$ 39.93	\$ 21.38	\$ 24.30
Prior escalated rent	\$ 60.47	\$ 236.71	\$ 42.56	\$ 20.19	\$ 22.66
Percentage increase (decrease)	12.7%	34.4%	(6.2%)	5.9%	7.2%
GAAP basis:					
Straight-line rent ⁽²⁾	\$ 67.29	\$ 353.95	\$ 38.76	\$ 21.75	\$ 24.71
Prior straight-line rent	\$ 57.12	\$ 233.53	\$ 39.20	\$ 19.50	\$ 22.46
Percentage increase (decrease)	17.8%	51.6%	(1.1%)	11.5%	10.0%
Tenant improvements and leasing commissions:					
Per square foot	\$ 74.65	\$ 56.44	\$ 38.14	\$ 11.53	\$ 9.32
Per square foot per annum	\$ 6.85	\$ 5.18	\$ 5.09	\$ 1.65	\$ 1.79
Percentage of initial rent	10.3%	2.0%	12.9%	8.7%	6.2%

LEASING ACTIVITY

(unaudited)

(square feet in thousands)	New York		Washington, DC	Retail Properties	
	Office	Retail	Office	Strips	Malls
Year Ended December 31, 2013					
Total square feet leased	2,410	138	1,836	1,388	674
Our share of square feet leased:	2,024	121	1,392	1,388	600
Initial rent ⁽¹⁾	\$ 60.78	\$ 268.52	\$ 39.91	\$ 17.27	\$ 26.39
Weighted average lease term (years)	11.0	8.6	7.0	6.2	8.1
Second generation relet space:					
Square feet	1,716	103	910	959	205
Cash basis:					
Initial rent ⁽¹⁾	\$ 60.04	\$ 262.67	\$ 40.91	\$ 16.57	\$ 23.59
Prior escalated rent	\$ 56.84	\$ 117.45	\$ 41.16	\$ 15.18	\$ 22.76
Percentage increase (decrease)	5.6%	123.7%	(0.6%)	9.2%	3.6%
GAAP basis:					
Straight-line rent ⁽²⁾	\$ 59.98	\$ 293.45	\$ 40.87	\$ 16.91	\$ 24.04
Prior straight-line rent	\$ 52.61	\$ 152.34	\$ 39.36	\$ 14.76	\$ 21.87
Percentage increase	14.0%	92.6%	3.8%	14.6%	9.9%
Tenant improvements and leasing commissions:					
Per square foot	\$ 61.78	\$ 100.93	\$ 33.24	\$ 3.96	\$ 20.69
Per square foot per annum	\$ 5.61	\$ 11.64	\$ 4.75	\$ 0.64	\$ 2.55
Percentage of initial rent	9.2%	4.3%	11.9%	3.7%	9.7%

- (1) Represents the cash basis weighted average starting rent per square foot, which is generally indicative of market rents. Most leases include free rent and periodic step-ups in rent which are not included in the initial cash basis rent per square foot but are included in the GAAP basis straight-line rent per square foot.
- (2) Represents the GAAP basis weighted average rent per square foot that is recognized over the term of the respective leases, and includes the effect of free rent and periodic step-ups in rent.
- (3) Excluding tenant improvements and leasing commissions for a 58,652 square foot lease at our Kearny strip shopping center, the tenant improvements and leasing commissions per square foot were \$3.12 instead of \$28.31, \$0.45 per square foot per annum instead of \$3.15 per square foot per annum and 2.5% of initial rent instead of 17.8% of initial rent.
- (4) Represents tenant improvements and leasing commissions for a 6,914 square foot lease at our Las Catalinas shopping mall. There were no other tenant improvements and leasing commissions during the quarter ended September 30, 2014.
- (5) Excludes (i) 165 square feet leased to WeWork that will be redeveloped into rental residential apartments, and (ii) 71 square feet of retail space that was leased at an initial rent of \$47.06 per square foot.

OCCUPANCY, SAME STORE EBITDA AND RESIDENTIAL STATISTICS

(unaudited)

Occupancy and Same Store EBITDA:

	New York	Washington, DC ⁽¹⁾	Retail Properties	
			UE	Total
Occupancy rate at:				
September 30, 2014	96.7%	83.4%	95.3%	94.6%
June 30, 2014	97.3%	83.5%	94.8%	94.3%
December 31, 2013	96.8%	83.4%	95.5%	94.9%
September 30, 2013	96.1%	83.6%	95.6%	94.9%
Same store EBITDA % increase (decrease):				
Three months ended September 30, 2014 vs. September 30, 2013	4.6%	(2.7%)	1.3%	1.1%
Nine Months Ended September 30, 2014 vs. September 30, 2013	5.3%	(2.4%)	1.7%	1.4%
Three months ended September 30, 2014 vs. June 30, 2014	(0.9%)	(0.6%)	0.6%	0.3%
Cash basis same store EBITDA % increase (decrease):				
Three months ended September 30, 2014 vs. September 30, 2013	5.2%	(4.1%)	2.9%	1.8%
Nine Months Ended September 30, 2014 vs. September 30, 2013	7.4%	(1.8%)	2.5%	2.1%
Three months ended September 30, 2014 vs. June 30, 2014	(1.2%)	(0.9%)	0.3%	(0.2%)

(1) The total office occupancy rates for the Washington, DC segment were as follows:

September 30, 2014	80.5%
June 30, 2014	80.5%
December 31, 2013	80.7%
September 30, 2013	80.7%

Residential Statistics:

	Number of Units	Occupancy Rate	Average Monthly Rent Per Unit
New York:			
September 30, 2014	1,655	94.7%	\$ 3,074
June 30, 2014	1,655	97.1%	\$ 3,060
December 31, 2013	1,655	94.8%	\$ 2,864
September 30, 2013	1,655	94.4%	\$ 2,766
Washington, DC:			
September 30, 2014	2,414	97.0%	\$ 2,102
June 30, 2014	2,414	98.0%	\$ 2,122
December 31, 2013	2,405	96.3%	\$ 2,101
September 30, 2013	2,414	97.5%	\$ 2,131

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

CONSOLIDATED

(unaudited and in thousands)

	Nine Months Ended September 30, 2014	Year Ended	
		2013	2012
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 61,235	\$ 73,130	\$ 69,912
Tenant improvements	135,999	152,319	177,743
Leasing commissions	59,322	56,638	57,961
Non-recurring capital expenditures	67,016	12,099	6,902
Total capital expenditures and leasing commissions (accrual basis)	323,572	294,186	312,518
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	110,934	155,035	105,350
Expenditures to be made in future periods for the current period	(209,157)	(150,067)	(170,744)
Total capital expenditures and leasing commissions (cash basis)	\$ 225,349	\$ 299,154	\$ 247,124
Our share of square feet leased	4,237	5,525	5,217
Tenant improvements and leasing commissions per square foot per annum	\$ 5.75	\$ 4.33	\$ 4.16
Percentage of initial rent	10.6%	9.5%	9.6%

Development and redevelopment expenditures:

Springfield Town Center	\$ 92,696	\$ 68,716	\$ 18,278
Marriott Marquis Times Square - retail and signage	71,566	40,356	9,092
220 Central Park South	54,543	243,687	12,191
330 West 34th Street	32,014	6,832	8
The Bartlett	20,300	6,289	3,008
608 Fifth Avenue	18,127	3,492	-
Wayne Towne Center	16,109	4,927	3,452
7 West 34th Street	9,454	-	-
90 Park Avenue	6,293	-	-
Other	47,469	95,118	110,844
	\$ 368,571	\$ 469,417	\$ 156,873

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

NEW YORK SEGMENT

(unaudited and in thousands)

	Nine Months Ended September 30, 2014	Year Ended	
		2013	2012
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 33,464	\$ 34,553	\$ 27,434
Tenant improvements	102,411	87,275	71,572
Leasing commissions	50,173	39,348	27,573
Non-recurring capital expenditures	25,038	11,579	5,822
Total capital expenditures and leasing commissions (accrual basis)	211,086	172,755	132,401
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	40,117	56,345	41,975
Expenditures to be made in future periods for the current period	(132,814)	(91,107)	(76,283)
Total capital expenditures and leasing commissions (cash basis)	\$ 118,389	\$ 137,993	\$ 98,093
Our share of square feet leased	2,384	2,145	1,939
Tenant improvements and leasing commissions per square foot per annum	\$ 6.80	\$ 5.89	\$ 5.48
Percentage of initial rent	9.5%	8.1%	8.8%

Development and redevelopment expenditures:

Marriott Marquis Times Square - retail and signage	\$ 71,566	\$ 40,356	\$ 9,092
330 West 34th Street	32,014	6,832	8
608 Fifth Avenue	18,127	3,492	-
7 West 34th Street	9,454	-	-
90 Park Avenue	6,293	-	-
Other	13,347	35,305	42,460
	\$ 150,801	\$ 85,985	\$ 51,560

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

WASHINGTON, DC SEGMENT

(unaudited and in thousands)

	Nine Months Ended September 30, 2014	Year Ended	
		2013	2012
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 9,815	\$ 22,165	\$ 20,582
Tenant improvements	16,280	6,976	41,846
Leasing commissions	3,555	4,389	11,393
Non-recurring capital expenditures	23,428	37,342	10,296
Total capital expenditures and leasing commissions (accrual basis)	53,078	70,872	84,117
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	48,294	26,075	24,370
Expenditures to be made in future periods for the current period	(35,664)	(36,702)	(43,600)
Total capital expenditures and leasing commissions (cash basis)	\$ 65,708	\$ 60,245	\$ 64,887
Our share of square feet leased	1,055	1,392	1,901
Tenant improvements and leasing commissions per square foot per annum	\$ 5.09	\$ 4.75	\$ 4.86
Percentage of initial rent	12.9%	11.9%	12.0%
Development and redevelopment expenditures:			
The Bartlett	\$ 20,300	\$ 6,289	\$ 3,008
Other	23,443	35,412	36,326
	\$ 43,743	\$ 41,701	\$ 39,334

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

RETAIL PROPERTIES SEGMENT

(unaudited and in thousands)

	Nine Months Ended September 30, 2014	Year Ended	
		2013	2012
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 4,848	\$ 5,664	\$ 4,676
Tenant improvements	390	12,431	9,052
Leasing commissions	145	2,113	2,368
Non-recurring capital expenditures	8,456	-	-
Total capital expenditures and leasing commissions (accrual basis)	13,839	20,208	16,096
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	3,873	5,562	10,353
Expenditures to be made in future periods for the current period	(8,766)	(14,011)	(7,754)
Total capital expenditures and leasing commissions (cash basis)	\$ 8,946	\$ 11,759	\$ 18,695
Our share of square feet leased	798	1,988	1,377
Tenant improvements and leasing commissions per square foot per annum	\$ 1.66	\$ 1.33	\$ 1.04
Percentage of initial rent	8.3%	6.6%	5.2%
Development and redevelopment expenditures:			
Springfield Town Center	\$ 92,696	\$ 68,716	\$ 18,278
Wayne Towne Center	16,109	4,927	3,452
Other	5,856	20,283	31,816
	\$ 114,661	\$ 93,926	\$ 53,546

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

OTHER

(unaudited and in thousands)

	Nine Months Ended September 30, 2014	Year Ended	
		2013	2012
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 13,108	\$ 10,748	\$ 17,220
Tenant improvements	16,918	13,457	46,735
Leasing commissions	5,449	5,626	14,869
Non-recurring capital expenditures	10,094	520	1,080
Total capital expenditures and leasing commissions (accrual basis)	45,569	30,351	79,904
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	18,650	67,053	28,652
Expenditures to be made in future periods for the current period	(31,913)	(8,247)	(43,107)
Total capital expenditures and leasing commissions (cash basis)	\$ 32,306	\$ 89,157	\$ 65,449
Development and redevelopment expenditures:			
220 Central Park South	\$ 54,543	\$ 243,687	\$ 12,191
Other	4,823	4,118	242
	\$ 59,366	\$ 247,805	\$ 12,433

DEVELOPMENT COSTS AND CONSTRUCTION IN PROGRESS

(unaudited and in thousands, except square feet)

<u>Development Projects</u>	<u>Square Feet</u>	<u>At September 30, 2014</u>		
		<u>Total</u>	<u>Development Costs Expended</u>	<u>Land and Acquisition Costs</u>
New York:				
1535 Broadway - Marriott Marquis - Retail & Signage	103,000	\$ 376,130	\$ 136,130	\$ 240,000
220 Central Park South - Residential Condominiums	472,000 ⁽¹⁾	562,448	106,383	456,065
Other		131,021	131,021	-
Total New York		1,069,599	373,534	696,065
Washington, DC:				
The Bartlett - Rental Residential / Retail	618,000	70,406	29,106	41,300
Other		103,835	103,835	-
Total Washington, DC		174,241	132,941	41,300
Retail Properties:				
Springfield Town Center	690,000	412,655 ⁽²⁾	172,655	240,000
Other		21,784	21,784	-
Total Retail Properties		434,439	194,439	240,000
Other Projects		1,923	1,923	-
Total Amount on the Balance Sheet		\$ 1,680,202	\$ 702,837	\$ 977,365

<u>Undeveloped Land</u>	<u>Square Feet</u>	<u>Total</u>
Washington, DC:		
1900 Crystal Drive	712,000	\$ 34,959
Metropolitan Park 6, 7 & 8:		
Retail	23,818	
Residential (1,403 Units)		82,898
PenPlace:		
Office	553,000	
Hotel (300 Units)		61,970
Square 649 - Office	675,000	11,597
Total		\$ 191,424

(1) Zoning square feet.

(2) Net of \$20,000 non-cash impairment loss booked in the quarter ended March 31, 2014.

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
NEW YORK:								
Penn Plaza:								
One Penn Plaza								
(ground leased through 2098)								
-Office	100.0%	94.5%	\$ 58.72	2,240,000	2,240,000	-		Cisco, MWB Leasing, Parsons Brinkerhoff, United Health Care, United States Customs Department, URS Corporation Group Consulting, Lion Resources Bank of America, Kmart Corporation
-Retail	100.0%	98.7%	116.61	269,000	269,000	-		
	100.0%	95.0%	64.93	2,509,000	2,509,000	-	\$ -	
Two Penn Plaza								
-Office	100.0%	99.4%	53.99	1,572,000	1,572,000	-		EMC, Forest Electric, Information Builders, Inc., Madison Square Garden, McGraw-Hill Companies, Inc. Chase Manhattan Bank
-Retail	100.0%	38.2%	190.86	47,000	47,000	-		
	100.0%	97.6%	57.96	1,619,000	1,619,000	-	422,879	
Eleven Penn Plaza								
-Office	100.0%	99.5%	58.02	1,131,000	1,131,000	-		Macy's, Madison Square Garden, AMC Networks, Inc. PNC Bank National Association
-Retail	100.0%	74.4%	207.11	17,000	17,000	-		
	100.0%	99.1%	60.23	1,148,000	1,148,000	-	450,000	
100 West 33rd Street								
-Office	100.0%	99.6%	54.51	849,000	849,000	-	223,242	IPG and affiliates, Rocket Fuel
Manhattan Mall								
-Retail	100.0%	92.6%	126.42	256,000	256,000	-	101,758	JCPenney, Aeropostale, Express, Victoria's Secret
330 West 34th Street								
(ground leased through 2148 - 34.8% ownership interest in the land)								
-Office	100.0%	-	-	622,000	-	622,000		Deutsche, Inc. (lease not commenced), New York & Co. (lease not commenced), Yodle, Inc. (lease not commenced)
-Retail	100.0%	-	-	13,000	-	13,000		
	100.0%	-	-	635,000	-	635,000	50,150	
435 Seventh Avenue								
-Retail	100.0%	100.0%	250.22	43,000	43,000	-	98,000	Hennes & Mauritz
7 West 34th Street								
-Office	100.0%	100.0%	38.16	416,000	108,000	308,000		Express
-Retail	100.0%	100.0%	232.24	23,000	23,000	-		
	100.0%	100.0%	72.23	439,000	131,000	308,000	-	
484 Eighth Avenue								
-Retail	100.0%	80.2%	72.71	16,000	16,000	-	-	T.G.I. Friday's
431 Seventh Avenue								
-Retail	100.0%	100.0%	219.44	10,000	10,000	-	-	
488 Eighth Avenue								
-Retail	100.0%	100.0%	71.98	6,000	6,000	-	-	
267 West 34th Street								
-Retail	100.0%	100.0%	335.24	6,000	6,000	-	-	
Total Penn Plaza				7,536,000	6,593,000	943,000	1,346,029	

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
NEW YORK (Continued):								
Midtown East:								
909 Third Avenue								
(ground leased through 2063)								
-Office	100.0%	100.0%	\$ 56.74 ⁽²⁾	1,344,000	1,344,000	-	\$ 350,000	IPG and affiliates, Forest Laboratories, Geller & Company, Morrison Cohen LLP, Robeco USA Inc., United States Post Office, The Procter & Gamble Distributing LLC
150 East 58th Street								
-Office	100.0%	94.0%	66.67	541,000	541,000	-	-	Castle Harlan, Tournesol Realty LLC. (Peter Marino), Various showroom tenants
-Retail	100.0%	100.0%	171.09	2,000	2,000	-	-	
	100.0%	94.0%	67.06	543,000	543,000	-	-	
715 Lexington								
-Retail	100.0%	100.0%	238.31	23,000	23,000	-	-	New York & Company, Zales
966 Third Avenue								
-Retail	100.0%	100.0%	87.54	7,000	7,000	-	-	McDonald's
968 Third Avenue								
-Retail	50.0%	100.0%	244.69	6,000	6,000	-	-	Capital One Financial Corporation
Total Midtown East				1,923,000	1,923,000	-	350,000	
Midtown West:								
888 Seventh Avenue								
(ground leased through 2067)								
-Office	100.0%	92.3%	87.29	862,000	862,000	-	-	Soros Fund, TPG-Axon Capital, Vornado Executive Headquarters
-Retail	100.0%	100.0%	102.02	15,000	15,000	-	-	Redeye Grill L.P.
	100.0%	92.4%	87.54	877,000	877,000	-	318,554	
1740 Broadway								
-Office	100.0%	100.0%	68.17	584,000	584,000	-	-	Davis & Gilbert, L Brands
-Retail	100.0%	100.0%	139.33	20,000	20,000	-	-	Brasserie Cognac, Citibank
	100.0%	100.0%	70.52	604,000	604,000	-	-	
57th Street - 5 buildings								
-Office	50.0%	95.3%	54.08	135,000	135,000	-	-	Various
-Retail	50.0%	100.0%	117.34	53,000	26,000	27,000	-	
	50.0%	96.6%	71.92	188,000	161,000	27,000	20,000	
825 Seventh Avenue								
-Office	50.0%	100.0%	73.99	170,000	170,000	-	20,500	Young & Rubicam
-Retail	100.0%	100.0%	240.46	4,000	4,000	-	-	Lindy's
	100.0%	100.0%	77.82	174,000	174,000	-	-	
Total Midtown West				1,843,000	1,816,000	27,000	359,054	
Park Avenue:								
280 Park Avenue								
-Office	49.5%	100.0%	96.07	1,223,000	781,000	442,000	-	Cohen & Steers Inc.
-Retail	49.5%	100.0%	218.92	18,000	4,000	14,000	-	Investcorp International Inc.
	49.5%	100.0%	97.85	1,241,000	785,000	456,000	731,928	Scottrade Inc., Starbucks
350 Park Avenue								
-Office	100.0%	98.3%	90.15	552,000	552,000	-	-	Kissinger Associates Inc., Ziff Brothers Investment Inc., MFA Financial Inc., M&T Bank
-Retail	100.0%	100.0%	199.58	17,000	17,000	-	-	Fidelity Investment, AT&T Wireless, Valley National Bank
	100.0%	98.4%	93.42	569,000	569,000	-	296,345	
Total Park Avenue				1,810,000	1,354,000	456,000	1,028,273	

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
NEW YORK (Continued):								
Grand Central:								
90 Park Avenue								
-Office	100.0%	97.1%	\$ 73.38	909,000	909,000	-		Alston & Bird, Amster, Rothstein & Ebenstein, Capital One, First Manhattan Consulting Citibank
-Retail	100.0%	100.0%	114.35	26,000	26,000	-		
	100.0%	97.2%	74.52	935,000	935,000	-	\$ -	
330 Madison Avenue								
-Office	25.0%	98.6%	66.89	805,000	805,000	-		GPFT Holdco LLC, HSBC Bank AFS, Jones Lang LaSalle Inc., Wells Fargo Ann Taylor Retail Inc., Citibank
-Retail	25.0%	100.0%	280.10	32,000	32,000	-		
	25.0%	98.7%	75.05	837,000	837,000	-	150,000	
510 Fifth Avenue								
-Retail	100.0%	90.8%	138.30	64,000	64,000	-	30,338	Joe Fresh
Total Grand Central				1,836,000	1,836,000	-	180,338	
Madison/Fifth:								
640 Fifth Avenue								
-Office	100.0%	87.5%	84.47	263,000	263,000	-		Fidelity Investments, Janus Capital Group Inc., Scout Capital Management, Legg Mason Investment Counsel Citibank, Hennes & Mauritz
-Retail	100.0%	100.0%	244.67	62,000	62,000	-		
	100.0%	89.9%	115.03	325,000	325,000	-		
666 Fifth Avenue								
-Office (Office Condo)	49.5%	76.0%	74.05	1,371,000	1,371,000	-	1,209,576	Fulbright & Jaworski, Colliers International NY LLC, Integrated Holding Group, Vinson & Elkins LLP HSBC Bank USA
-Retail (Office Condo)	49.5%	100.0%	164.42	45,000	45,000	-	-	
-Retail (Retail Condo)	100.0%	100.0%	365.71	114,000 ⁽³⁾	114,000	-	390,000	
		78.5%	98.44	1,530,000	1,530,000	-	1,599,576	Uniqlo, Hollister, Swatch
595 Madison Avenue								
-Office	100.0%	100.0%	71.33	292,000	292,000	-		Beauvais Carpets, Levin Capital Strategies LP, Cosmetech Mably Int'l LLC. Coach, Prada
-Retail	100.0%	100.0%	778.06	30,000	30,000	-		
	100.0%	100.0%	137.18	322,000	322,000	-		
650 Madison Avenue								
-Office	20.1%	87.9%	101.39	524,000	524,000	-		Polo Ralph Lauren, Memorial Sloan Kettering Cancer Center Crate & Barrel
-Retail	20.1%	100.0%	265.22	71,000	71,000	-		
	20.1%	89.4%	120.94	595,000	595,000	-	800,000	
689 Fifth Avenue								
-Office	100.0%	100.0%	68.69	82,000	82,000	-		Yamaha Artist Services Inc. MAC Cosmetics, Massimo Dutti
-Retail	100.0%	100.0%	720.42	17,000	17,000	-		
	100.0%	100.0%	180.60	99,000	99,000	-		
655 Fifth Avenue								
-Retail	92.5%	100.0%	187.76	57,000	57,000	-	-	Ferragamo
Total Madison/Fifth				2,928,000	2,928,000	-	2,399,576	

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
NEW YORK (Continued):								
Midtown South:								
770 Broadway								
-Office	100.0%	100.0%	\$ 66.65	982,000	982,000	-		AOL, J. Crew, Facebook, Structure Tone
-Retail	100.0%	100.0%	49.37	166,000	166,000	-		Ann Taylor Retail Inc., Bank of America, Kmart Corporation
	100.0%	100.0%	64.15	1,148,000	1,148,000	-	\$ 353,000	
One Park Avenue								
-Office	55.0%	96.5%	44.99	864,000	864,000	-		Coty Inc., New York University, Public Service Mutual Insurance
-Retail	55.0%	100.0%	61.12	79,000	79,000	-		Bank of Baroda, Citibank, Equinox, Men's Wearhouse
	55.0%	96.8%	46.34	943,000	943,000	-	250,000	
4 Union Square South								
-Retail	100.0%	100.0%	87.82	206,000	206,000	-	120,000	Burlington Coat Factory, Whole Foods Market, DSW, Forever 21
692 Broadway								
-Retail	100.0%	100.0%	84.82	35,000	35,000	-	-	Equinox, Major League Baseball
Total Midtown South				2,332,000	2,332,000	-	723,000	
Rockefeller Center:								
1290 Avenue of the Americas								
-Office	70.0%	99.5%	74.20	2,035,000	2,035,000	-		AXA Equitable Life Insurance, Hachette Book Group Inc., Bryan Cave LLP, Neuberger Berman (lease not commenced), Warner Music Group, Cushman & Wakefield, Fitzpatrick, Cella, Harper & Scinto, Columbia University, SSB Realty LLC
-Retail	70.0%	100.0%	158.56	73,000	73,000	-		Duane Reade, JPMorgan Chase Bank, Sovereign Bank
	70.0%	99.5%	77.12	2,108,000	2,108,000	-	950,000	
608 Fifth Avenue (ground leased through 2033)								
-Office	100.0%	88.1%	54.94	81,000	81,000	-		
-Retail	100.0%	100.0%	365.75	44,000	44,000	-		Topshop
	100.0%	92.3%	164.35	125,000	125,000	-	-	
Total Rockefeller Center				2,233,000	2,233,000	-	950,000	
Wall Street/Downtown:								
20 Broad Street (ground leased through 2081)								
-Office	100.0%	99.3%	58.09	472,000	472,000	-	-	New York Stock Exchange
40 Fulton Street								
-Office	100.0%	99.0%	37.12	244,000	244,000	-		Market News International Inc., Sapient Corp.
-Retail	100.0%	100.0%	93.60	5,000	5,000	-		TD Bank
	100.0%	99.0%	38.26	249,000	249,000	-	-	
Total Wall Street/Downtown				721,000	721,000	-	-	
Times Square:								
1540 Broadway								
-Retail	100.0%	100.0%	212.22	160,000	160,000	-	-	Forever 21, Planet Hollywood, Disney, Sunglass Hut, MAC Cosmetics, U.S. Polo
1535 Broadway (Marriott Marquis - retail and signage) (ground and building leased through 2032)								
-Retail	100.0%	-	-	64,000	-	64,000	-	
Total Times Square				224,000	160,000	64,000	-	

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
NEW YORK (Continued):								
Soho:								
478-486 Broadway - 2 buildings								
-Retail	100.0%	100.0%	\$ 150.49	85,000	85,000	-	\$ -	Topshop, Madewell, J. Crew
443 Broadway								
-Retail	100.0%	100.0%	123.71	16,000	16,000	-	-	Necessary Clothing
304 Canal Street								
-Retail	100.0%	-	-	14,000	-	14,000	-	
334 Canal Street								
-Retail	100.0%	-	-	15,000	-	15,000	-	
155 Spring Street								
-Retail	100.0%	98.5%	88.69	49,000	49,000	-	-	Sigrd Olsen
148 Spring Street								
-Retail	100.0%	100.0%	108.25	7,000	7,000	-	-	
150 Spring Street								
-Retail	100.0%	100.0%	232.85	7,000	7,000	-	-	Sandro
Total Soho				193,000	164,000	29,000	-	
Upper East Side:								
828-850 Madison Avenue								
-Retail	100.0%	100.0%	568.26	18,000	18,000	-	80,000	Gucci, Chloe, Cartier
677-679 Madison Avenue								
-Retail	100.0%	100.0%	440.37	8,000	8,000	-	-	Anne Fontaine
40 East 66th Street								
-Retail	100.0%	100.0%	797.29	11,000	11,000	-	-	John Varvatos, Nespresso USA, J. Crew
1131 Third Avenue								
-Retail	100.0%	100.0%	121.89	22,000	22,000	-	-	Nike, Carlo Pazolini, Boom Fitness
Total Upper East Side				59,000	59,000	-	80,000	
New Jersey:								
Paramus								
-Office	100.0%	97.6%	21.28	129,000	129,000	-	-	Vornado's Administrative Headquarters
Washington D.C.:								
3040 M Street								
-Retail	100.0%	100.0%	61.52	44,000	44,000	-	-	Nike, Barneys
New York Office:								
Total		96.0%	\$ 66.46	21,294,000	19,922,000	1,372,000	\$ 6,596,175	
Vornado's Ownership Interest		96.6%	\$ 65.11	17,809,000	16,660,000	1,149,000	\$ 4,712,102	
New York Retail:								
Total		97.1%	\$ 173.90	2,517,000	2,370,000	147,000	\$ 820,095	
Vornado's Ownership Interest		96.9%	\$ 172.39	2,313,000	2,186,000	127,000	\$ 820,095	

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
NEW YORK (Continued):								
ALEXANDER'S, INC.:								
New York:								
731 Lexington Avenue, Manhattan								
-Office	32.4%	100.0%	\$ 97.63	885,000	885,000	-	\$ 300,000	Bloomberg
-Retail	32.4%	100.0%	170.13	174,000	174,000	-	320,000	Hennes & Mauritz, The Home Depot, The Container Store
	32.4%	100.0%	108.59	1,059,000	1,059,000	-	620,000	
Rego Park I, Queens (4.8 acres)	32.4%	100.0%	37.97	343,000	343,000	-	78,246	Sears, Burlington Coat Factory, Bed Bath & Beyond, Marshalls
Rego Park II (adjacent to Rego Park I), Queens (6.6 acres)	32.4%	99.0%	40.71	609,000	609,000	-	267,295	Century 21, Costco, Kohl's, TJ Maxx, Toys "R" Us
Flushing, Queens (4) (1.0 acre)	32.4%	100.0%	16.53	167,000	167,000	-	-	New World Mall LLC
New Jersey:								
Paramus, New Jersey (30.3 acres ground leased to IKEA through 2041)	32.4%	100.0%	-	-	-	-	68,000	IKEA (ground lessee)
Property under Development:								
Rego Park II Apartment Tower, Queens, NY	32.4%	-	-	250,000	-	250,000	-	
Property to be Developed:								
Rego Park III (adjacent to Rego Park II), Queens, NY (3.4 acres)	32.4%	-	-	-	-	-	-	
Total Alexander's		99.7%	71.25	2,428,000	2,178,000	250,000	1,033,541	
Hotel Pennsylvania:								
-Hotel (1,700 Keys)	100.0%	-	-	1,400,000	1,400,000	-	-	
Residential:								
50-70 W 93rd Street (327 units)	49.9%	94.8%	-	283,000	283,000	-	45,825	
Independence Plaza, Tribeca (1,328 units)								
-Residential	50.1%	94.7%	-	1,190,000	1,190,000	-	-	
-Retail	50.1%	100.0%	72.05	50,000	50,000	-	-	
				1,240,000	1,240,000	-	550,000	
Total Residential		94.7%		1,523,000	1,523,000	-	595,825	
Total New York	96.3%		\$ 76.90	29,162,000	27,393,000	1,769,000	\$ 9,045,636	
Vornado's Ownership Interest	96.7%		\$ 76.79	23,071,000	21,714,000	1,356,500	\$ 6,165,482	

- (1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.
- (2) Excludes US Post Office leased through 2038 (including four five-year renewal options) for which the annual escalated rent is \$10.93 PSF.
- (3) 75,000 square feet is leased from the office condo.
- (4) Leased by Alexander's through January 2037.

WASHINGTON, DC SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
WASHINGTON, DC:								
Crystal City:								
2011-2451 Crystal Drive - 5 buildings	100.0%	86.1%	\$ 43.74	2,320,000	2,320,000	-	\$ 224,742	General Services Administration, Lockheed Martin, Conservation International, Smithsonian Institution, Natl. Consumer Coop. Bank, Council on Foundations, Vornado / Charles E. Smith Headquarters, KBR, Scitor Corp., Food Marketing Institute, Finmeccanica
S. Clark Street / 12th Street - 5 buildings	100.0%	78.0%	41.40	1,538,000	1,538,000	-	59,449	General Services Administration, SAIC, Inc., Boeing, L-3 Communications, The Int'l Justice Mission, Management Systems International
1550-1750 Crystal Drive / 241-251 18th Street - 4 buildings	100.0%	80.0%	41.31	1,486,000	1,486,000	-	41,295	General Services Administration, Allion Science & Technologies, Booz Allen, Arete Associates, Battelle Memorial Institute
1800, 1851 and 1901 South Bell Street - 3 buildings	100.0%	92.2%	40.08	869,000	506,000	363,000	-	General Services Administration, Lockheed Martin
2100 / 2200 Crystal Drive - 2 buildings	100.0%	100.0%	33.41	529,000	529,000	-	-	General Services Administration, Public Broadcasting Service
223 23rd Street / 2221 South Clark Street - 2 buildings	100.0%	-	-	312,000	-	312,000	-	WeWork
2001 Jefferson Davis Highway	100.0%	63.5%	33.16	162,000	162,000	-	-	Institute for the Psychology Sciences, VT Aepco, Inc., National Crime Prevention
Crystal City Shops at 2100	100.0%	96.0%	25.40	80,000	80,000	-	-	Various
Crystal Drive Retail	100.0%	100.0%	46.13	57,000	57,000	-	-	Various
Total Crystal City	100.0%	84.1%	41.04	7,353,000	6,678,000	675,000	325,486	
Central Business District:								
Universal Buildings 1825-1875 Connecticut Avenue, NW - 2 buildings	100.0%	98.5%	43.93	685,000	685,000	-	185,000	Family Health International, WeWork
Warner Building - 1299 Pennsylvania Avenue, NW	55.0%	72.7%	69.11	615,000	615,000	-	292,700	Baker Botts LLP, General Electric, Cooley LLP, Facebook, Live Nation
2101 L Street, NW	100.0%	99.0%	64.84	380,000	380,000	-	149,584	Greenberg Traurig, LLP, US Green Building Council, American Insurance Association, RTKL Associates, Cassidy Turley
1750 Pennsylvania Avenue, NW	100.0%	93.2%	47.48	278,000	278,000	-	-	General Services Administration, UN Foundation, AOL
1150 17th Street, NW	100.0%	91.0%	44.88	241,000	241,000	-	28,728	American Enterprise Institute
Bowen Building - 875 15th Street, NW	100.0%	100.0%	66.41	231,000	231,000	-	115,022	Paul Hastings LLP, Millennium Challenge Corporation
1101 17th Street, NW	55.0%	94.4%	46.59	214,000	214,000	-	31,000	AFSCME, Verto Solutions
1730 M Street, NW (ground rent through 2061)	100.0%	88.0%	45.73	202,000	202,000	-	14,853	General Services Administration

WASHINGTON, DC SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
WASHINGTON, DC (Continued):								
1726 M Street, NW	100.0%	100.0%	\$ 41.30	91,000	91,000	-	\$ -	Aptima, Inc., Nelnet Corporation
Waterfront Station	2.5%	-	-	1,058,000	-	1,058,000	*	-
1501 K Street, NW	5.0%	100.0%	66.21	380,000	380,000	-	-	Sidley Austin LLP, UBS
1399 New York Avenue, NW	100.0%	90.4%	74.66	129,000	129,000	-	-	Bloomberg
Total Central Business District		93.3%	54.07	<u>4,504,000</u>	<u>3,446,000</u>	<u>1,058,000</u>	<u>816,887</u>	
Skyline Properties:								
Skyline Place - 7 buildings	100.0%	41.8%	34.56	2,130,000	2,130,000	-	560,996	General Services Administration, SAIC, Inc., Analytic Services, Northrop Grumman, Axiom Resource Management, Booz Allen, Intellidyne, Inc.
One Skyline Tower	100.0%	100.0%	33.10	518,000	518,000	-	139,087	General Services Administration
Total Skyline Properties	100.0%	53.2%	34.01	<u>2,648,000</u>	<u>2,648,000</u>	<u>-</u>	<u>700,083</u>	
Rosslyn / Ballston:								
2200 / 2300 Clarendon Blvd (Courthouse Plaza) - 2 buildings (ground leased through 2062)	100.0%	94.7%	43.37	638,000	638,000	-	36,675	Arlington County, General Services Administration, AMC Theaters
Rosslyn Plaza - 4 buildings	46.2%	76.3%	39.88	736,000	412,000	324,000	33,488	General Services Administration, Corporate Executive Board Nathan Associates, Inc.
Total Rosslyn / Ballston		90.5%	42.65	<u>1,374,000</u>	<u>1,050,000</u>	<u>324,000</u>	<u>70,163</u>	
Reston:								
Commerce Executive - 3 buildings	100.0%	81.5%	32.90	419,000	400,000	19,000	*	L-3 Communications, Allworld Language Consultants, BT North America, Applied Information Sciences, Clarabridge Inc.
Rockville/Bethesda:								
Democracy Plaza One (ground leased through 2084)	100.0%	92.6%	32.14	216,000	216,000	-	-	National Institutes of Health
Tysons Corner:								
Fairfax Square - 3 buildings	20.0%	86.2%	40.82	559,000	559,000	-	68,495	Dean & Company, Womble Carlyle
Pentagon City:								
Fashion Centre Mall	7.5%	97.2%	41.23	821,000	821,000	-	410,000	Macy's, Nordstrom
Washington Tower	7.5%	100.0%	41.68	170,000	170,000	-	40,000	The Rand Corporation
Total Pentagon City		97.7%	41.31	<u>991,000</u>	<u>991,000</u>	<u>-</u>	<u>450,000</u>	
Total Washington, DC office properties	82.0%	\$ 43.57	18,064,000	15,988,000	2,076,000	\$ 2,431,114		
Vornado's Ownership Interest	80.5%	\$ 42.70	14,539,000	13,669,000	870,000	\$ 1,797,796		

WASHINGTON, DC SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet		Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service			
WASHINGTON, DC (Continued):								
Residential:								
For rent residential:								
Riverhouse - 3 buildings (1,670 units)	100.0%	97.0%	\$ -	1,802,000	1,802,000	-	\$ 259,546	
West End 25 (283 units)	100.0%	95.8%	-	273,000	273,000	-	101,671	
220 20th Street (265 units)	100.0%	97.7%	-	269,000	269,000	-	71,700	
Rosslyn Plaza - 2 buildings (196 units)	43.7%	97.5%	-	253,000	253,000	-	-	
Total Residential		97.0%		2,597,000	2,597,000	-	432,917	
Other:								
Crystal City Hotel	100.0%	100.0%	-	266,000	266,000	-	-	
Met Park / Warehouses - 1 building	100.0%	100.0%	-	129,000	106,000	23,000 *	-	
The Bartlett - 1 building	100.0%	-	-	618,000	-	618,000	-	Whole Foods
Other - 3 buildings	100.0%	100.0%	-	11,000	9,000	2,000 *	-	
Total Other		100.0%		1,024,000	381,000	643,000	-	
Total Washington, DC	84.4%		\$ 43.57	21,685,000	18,966,000	2,719,000	\$ 2,864,031	
Vornado's Ownership Interest	83.4%		\$ 42.70	18,017,000	16,505,000	1,513,000	\$ 2,230,713	

* We do not capitalize interest or real estate taxes on this space.

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

RETAIL PROPERTIES SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (In thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant (2)			
RETAIL PROPERTIES:									
STRIP SHOPPING CENTERS:									
New Jersey:									
Wayne Town Center, Wayne (ground leased through 2064)	100.0%	100.0%	\$ 39.39	663,000	33,000	287,000	343,000	\$ -	JCPenney, Costco (under development) Dick's Sporting Goods (under development)
East Brunswick	100.0%	100.0%	17.10	427,000	254,000	173,000	-	35,991 ⁽³⁾	Lowe's, Kohl's, Dick's Sporting Goods, P.C. Richard & Son, T.J. Maxx, LA Fitness
North Bergen (Tonnel Avenue)	100.0%	98.9%	25.63	410,000	204,000	206,000	-	75,000	Wal-Mart, BJ's Wholesale Club, PetSmart, Staples
East Hanover (200 - 240 Route 10 West)	100.0%	86.3%	19.45	343,000	337,000	6,000	-	37,552 ⁽³⁾	The Home Depot, Dick's Sporting Goods, Marshalls
Bricktown	100.0%	92.3%	18.23	279,000	276,000	3,000	-	31,365 ⁽³⁾	Kohl's, ShopRite, Marshalls
Union (Route 22 and Morris Avenue)	100.0%	99.4%	25.59	276,000	113,000	163,000	-	31,741 ⁽³⁾	Lowe's, Toys "R" Us, Office Depot
Hackensack	100.0%	74.5%	23.44	275,000	269,000	6,000	-	39,810 ⁽³⁾	The Home Depot, Staples, Petco
Totowa	100.0%	100.0%	19.28	271,000	177,000	94,000	-	24,317 ⁽³⁾	The Home Depot, Bed Bath & Beyond, buy buy Baby, Marshalls, Staples
Cherry Hill	100.0%	97.3%	15.41	261,000	68,000	193,000	-	13,611 ⁽³⁾	Wal-Mart, Toys "R" Us
Jersey City	100.0%	100.0%	21.79	236,000	66,000	170,000	-	19,906 ⁽³⁾	Lowe's, P.C. Richard & Son
Union (2445 Springfield Avenue)	100.0%	100.0%	17.85	232,000	232,000	-	-	27,974 ⁽³⁾	The Home Depot
Middletown	100.0%	94.9%	14.79	231,000	179,000	52,000	-	17,054 ⁽³⁾	Kohl's, Stop & Shop
Woodbridge	100.0%	100.0%	22.42	226,000	86,000	140,000	-	20,282 ⁽³⁾	Wal-Mart
Marlton	100.0%	100.0%	13.94	213,000	209,000	4,000	-	16,947 ⁽³⁾	Kohl's (4), ShopRite, PetSmart
North Plainfield	100.0%	88.3%	17.62	212,000	60,000	152,000	-	-	Costco, The Tile Shop
Bergen Town Center - East, Paramus	100.0%	93.6%	38.04	211,000	44,000	167,000	-	-	Lowe's, REI
Manalapan	100.0%	100.0%	16.58	208,000	206,000	2,000	-	20,659 ⁽³⁾	Best Buy, Bed Bath & Beyond, Babies "R" Us, Modell's Sporting Goods, PetSmart
East Rutherford	100.0%	100.0%	34.43	197,000	42,000	155,000	-	13,342 ⁽³⁾	Lowe's
Garfield	100.0%	100.0%	21.47	195,000	46,000	149,000	-	-	Wal-Mart, Marshalls
Morris Plains	100.0%	95.9%	20.71	177,000	176,000	1,000	-	20,982 ⁽³⁾	Kohl's, ShopRite (7)
Dover	100.0%	94.0%	11.84	173,000	167,000	6,000	-	12,912 ⁽³⁾	ShopRite, T.J. Maxx
Lodi (Route 17 North)	100.0%	100.0%	11.92	171,000	171,000	-	-	11,136 ⁽³⁾	National Wholesale Liquidators
Watchung	100.0%	96.6%	25.93	170,000	54,000	116,000	-	14,795 ⁽³⁾	BJ's Wholesale Club
Lawnside	100.0%	100.0%	14.11	145,000	142,000	3,000	-	10,491 ⁽³⁾	The Home Depot, PetSmart
Hazlet	100.0%	100.0%	2.64	123,000	123,000	-	-	-	Stop & Shop (7)
Kearny	100.0%	100.0%	16.31	104,000	91,000	13,000	-	-	Marshalls, LA Fitness (lease not commenced)

RETAIL PROPERTIES SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (In thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant (2)			
RETAIL PROPERTIES (Continued):									
Turnersville	100.0%	96.3%	\$ 6.40	96,000	93,000	3,000	-	\$ -	Haynes Furniture
Lodi (Washington Street)	100.0%	94.1%	19.82	85,000	85,000	-	-	-	Blink Fitness, Aldi
Carlstadt (ground leased through 2050)	100.0%	100.0%	21.63	78,000	78,000	-	-	-	Stop & Shop
Paramus (ground leased through 2033)	100.0%	100.0%	42.23	63,000	63,000	-	-	-	24 Hour Fitness
North Bergen (Kennedy Boulevard)	100.0%	100.0%	26.76	62,000	6,000	56,000	-	5,003 ⁽³⁾	Food Basics
South Plainfield (ground leased through 2039)	100.0%	85.9%	22.04	56,000	56,000	-	-	5,030 ⁽³⁾	Staples, Party City
Englewood	100.0%	73.6%	20.16	41,000	41,000	-	-	11,630	New York Sports Club
Eatonstown	100.0%	73.7%	29.09	30,000	30,000	-	-	-	Petco
East Hanover (280 Route 10 West)	100.0%	94.0%	35.20	26,000	26,000	-	-	4,465 ⁽³⁾	REI
Montclair	100.0%	100.0%	23.34	18,000	18,000	-	-	2,582 ⁽³⁾	Whole Foods Market
Total New Jersey				6,984,000	4,321,000	2,320,000	343,000	524,577	
New York:									
Poughkeepsie	100.0%	86.2%	9.12	516,000	516,000	-	-	-	Kmart, Burlington Coat Factory, ShopRite, Hobby Lobby, Christmas Tree Shops, Bob's Discount Furniture
Bronx (Bruckner Boulevard)	100.0%	90.4%	21.18	501,000	387,000	114,000	-	-	Kmart, Toys "R" Us, Marshalls, Old Navy, Gap
Buffalo (Amherst)	100.0%	100.0%	9.84	311,000	242,000	69,000	-	-	BJ's Wholesale Club, T.J. Maxx, Home Goods, Toys "R" Us, LA Fitness
Huntington	100.0%	97.9%	14.80	328,000 ⁽⁵⁾	209,000	119,000 ⁽⁵⁾	-	16,355 ⁽³⁾	The Home Depot (5), Kmart, Marshalls, Old Navy, Petco
Rochester	100.0%	100.0%	-	205,000	-	205,000	-	4,304 ⁽³⁾	Wal-Mart
Mt. Kisco	100.0%	100.0%	22.56	189,000	72,000	117,000	-	27,856	Target, A&P
Freeport (437 East Sunrise Highway)	100.0%	100.0%	18.61	173,000	173,000	-	-	20,982 ⁽³⁾	The Home Depot, Staples
Rochester (Henrietta) (ground leased through 2056)	100.0%	96.2%	3.81	165,000	158,000	7,000	-	-	Kohl's
Staten Island	100.0%	88.2%	23.73	165,000	165,000	-	-	17,000	Western Beef, Planet Fitness
Albany (Menands)	100.0%	74.0%	9.00	140,000	140,000	-	-	-	Bank of America
New Hyde Park (ground and building leased through 2029)	100.0%	100.0%	18.73	101,000	101,000	-	-	-	Stop & Shop
Inwood	100.0%	76.9%	18.91	100,000	100,000	-	-	-	Stop & Shop
West Babylon	100.0%	80.1%	17.28	79,000	79,000	-	-	-	Best Market, Rite Aid

RETAIL PROPERTIES SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant (2)			
RETAIL PROPERTIES (Continued):									
Bronx (1750-1780 Gun Hill Road)	100.0%	90.7%	\$ 32.63	77,000	77,000	-	-	\$ -	Aldi, Planet Fitness
Queens	100.0%	83.5%	32.85	56,000	56,000	-	-	-	New York Sports Club, Devry
Commack (ground and building leased through 2021)	100.0%	100.0%	21.45	47,000	47,000	-	-	-	PetSmart, Ace Hardware
Dewitt (ground leased through 2041)	100.0%	100.0%	20.46	46,000	46,000	-	-	-	Best Buy
Freeport (240 West Sunrise Highway) (ground and building leased through 2040)	100.0%	100.0%	20.28	44,000	44,000	-	-	-	Bob's Discount Furniture
Oceanside	100.0%	100.0%	27.83	16,000	16,000	-	-	-	Party City
Total New York				3,259,000	2,628,000	631,000	-	86,497	
Pennsylvania:									
Allentown	100.0%	90.3%	15.23	554,000 ⁽⁵⁾	270,000	284,000 ⁽⁵⁾	-	29,428 ⁽³⁾	Wal-Mart (5), Burlington Coat Factory, Giant Food, Dick's Sporting Goods, T.J. Maxx, Petco
Wilkes-Barre (461 - 499 Mundy Street)	100.0%	91.7%	12.74	329,000 ⁽⁵⁾	204,000	125,000 ⁽⁵⁾	-	-	Target (5), Bob's Discount Furniture, Babies "R" Us, Ross Dress for Less, Marshalls, Petco
Lancaster	100.0%	82.1%	15.68	228,000	58,000	170,000	-	5,299 ⁽³⁾	Lowe's, Sleepy's
Bensalem	100.0%	98.9%	11.57	185,000	177,000	8,000	-	14,606 ⁽³⁾	Kohl's, Ross Dress for Less, Staples, Petco
Broomall	100.0%	100.0%	11.09	169,000	147,000	22,000	-	10,491 ⁽³⁾	Giant Food (4), Planet Fitness, A.C. Moore, PetSmart
Bethlehem	100.0%	95.3%	7.30	167,000	164,000	3,000	-	5,487 ⁽³⁾	Giant Food, Petco
York	100.0%	100.0%	9.49	111,000	111,000	-	-	5,111 ⁽³⁾	Ashley Furniture, Tractor Supply Company, Petco, Aldi
Glenolden	100.0%	100.0%	25.84	102,000	10,000	92,000	-	6,725 ⁽³⁾	Wal-Mart
Wilkes-Barre (645 Kidder Street) (ground and building leased through 2014)	100.0%	100.0%	6.53	81,000	41,000	-	40,000 [*]	-	Ollie's Bargain Outlet
Wyomissing (ground and building leased through 2065)	100.0%	93.2%	15.56	76,000	76,000	-	-	-	LA Fitness, PetSmart
Springfield (ground and building leased through 2025)	100.0%	100.0%	20.90	41,000	41,000	-	-	-	PetSmart
Total Pennsylvania				2,043,000	1,299,000	704,000	40,000	77,147	

RETAIL PROPERTIES SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet					Encumbrances (in thousands)	Major Tenants
				Total Property	In Service		Under Development or Not Available for Lease			
					Owned by Company	Owned By Tenant (2)				
RETAIL PROPERTIES (Continued):										
California:										
Colton (1904 North Rancho Avenue)	100.0%	100.0%	\$ 4.44	73,000	73,000	-	-	\$ -	Stater Brothers	
San Francisco (2675 Geary Street) (ground and building leased through 2043)	100.0%	100.0%	50.34	55,000	55,000	-	-	-	Best Buy	
Signal Hill	100.0%	100.0%	24.08	45,000	45,000	-	-	-	Best Buy	
Vallejo (ground leased through 2043)	100.0%	100.0%	17.51	45,000	45,000	-	-	-	Best Buy	
Riverside (5571 Mission Boulevard)	100.0%	100.0%	4.97	39,000	39,000	-	-	-	Stater Brothers	
Walnut Creek (1149 South Main Street)	100.0%	100.0%	45.11	29,000	29,000	-	-	-	Barnes & Noble	
Walnut Creek (Mt. Diablo)	95.0%	100.0%	70.00	7,000	7,000	-	-	-	Anthropologie	
Total California				293,000	293,000	-	-	-		
Massachusetts:										
Chicopee	100.0%	100.0%	-	224,000	-	224,000	-	8,151 ⁽³⁾	Wal-Mart	
Springfield	100.0%	97.8%	16.39	182,000	33,000	149,000	-	5,622 ⁽³⁾	Wal-Mart	
Milford (ground and building leased through 2019)	100.0%	100.0%	9.01	83,000	83,000	-	-	-	Kohl's	
Cambridge (ground and building leased through 2033)	100.0%	100.0%	21.83	48,000	48,000	-	-	-	PetSmart, Modell's Sporting Goods	
Total Massachusetts				537,000	164,000	373,000	-	13,773		
Maryland:										
Baltimore (Towson)	100.0%	100.0%	16.28	155,000	155,000	-	-	15,333 ⁽³⁾	Shoppers Food Warehouse, h.h.gregg, Staples, Home Goods, Golf Galaxy	
Annapolis (ground and building leased through 2042)	100.0%	100.0%	8.99	128,000	128,000	-	-	-	The Home Depot	
Glen Burnie	100.0%	90.5%	10.56	121,000	65,000	56,000	-	-	Gavigan's Home Furnishings, Pep Boys	
Rockville	100.0%	98.1%	23.92	94,000	94,000	-	-	-	Regal Cinemas	
Wheaton (ground leased through 2060)	100.0%	100.0%	14.94	66,000	66,000	-	-	-	Best Buy	
Total Maryland				564,000	508,000	56,000	-	15,333		

RETAIL PROPERTIES SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant (2)			
RETAIL PROPERTIES (Continued):									
Connecticut:									
Newington	100.0%	100.0%	\$ 18.61	188,000	29,000	159,000	-	\$ 11,029 ⁽³⁾	Wal-Mart, Staples
Waterbury	100.0%	68.8%	16.58	148,000	143,000	5,000	-	13,719 ⁽³⁾	ShopRite
Total Connecticut				<u>336,000</u>	<u>172,000</u>	<u>164,000</u>	<u>-</u>	<u>24,748</u>	
Michigan:									
Roseville	100.0%	100.0%	5.56	119,000	119,000	-	-	-	JCPenney
Battle Creek	100.0%	-	-	47,000	47,000	-	-	-	
Midland (ground leased through 2043)	100.0%	84.4%	9.21	31,000	31,000	-	-	-	PetSmart
Total Michigan				<u>197,000</u>	<u>197,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Virginia:									
Norfolk (ground and building leased through 2069)	100.0%	100.0%	6.44	114,000	114,000	-	-	-	BJ's Wholesale Club
Tyson's Corner (ground and building leased through 2035)	100.0%	100.0%	39.13	38,000	38,000	-	-	-	Best Buy
Total Virginia				<u>152,000</u>	<u>152,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Illinois:									
Lansing	100.0%	100.0%	10.00	47,000	47,000	-	-	-	Forman Mills
Arlington Heights (ground and building leased through 2043)	100.0%	100.0%	9.00	46,000	46,000	-	-	-	Value City Furniture
Chicago (ground and building leased through 2051)	100.0%	100.0%	8.95	41,000	41,000	-	-	-	
Total Illinois				<u>134,000</u>	<u>134,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Texas:									
San Antonio (ground and building leased through 2041)	100.0%	100.0%	10.63	43,000	43,000	-	-	-	Best Buy
Ohio:									
Springdale (ground and building leased through 2016)	100.0%	-	-	47,000	47,000	-	-	-	
Tennessee:									
Antioch	100.0%	100.0%	7.66	45,000	45,000	-	-	-	Best Buy (7)

RETAIL PROPERTIES SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant (2)			
RETAIL PROPERTIES (Continued):									
South Carolina:									
Charleston (ground leased through 2063)	100.0%	100.0%	\$ 14.19	45,000	45,000	-	-	\$ -	Best Buy
Wisconsin:									
Fond Du Lac (ground leased through 2073)	100.0%	100.0%	7.83	43,000	43,000	-	-	-	PetSmart
New Hampshire:									
Salem (ground leased through 2102)	100.0%	100.0%	-	37,000	-	37,000	-	-	Babies "R" Us
Kentucky:									
Owensboro (ground and building leased through 2046)	100.0%	100.0%	7.66	32,000	32,000	-	-	-	Best Buy
Iowa:									
Dubuque (ground leased through 2043)	100.0%	100.0%	9.90	31,000	31,000	-	-	-	PetSmart
Total Strip Shopping Centers		94.5%	\$ 16.42	14,822,000	10,154,000	4,285,000	383,000	\$ 742,075	
Vornado's Ownership Interest		94.5%	\$ 16.42	14,396,000	10,154,000	3,859,000	383,000	\$ 742,075	
REGIONAL MALLS:									
Monmouth Mall, Eatontown, NJ	50.0%	92.5%	\$ 35.57 ⁽⁶⁾	1,463,000 ⁽⁵⁾	851,000	612,000 ⁽⁵⁾	-	\$ 167,398	Macy's (5), JCPenney (5), Lord & Taylor, Boscov's, Loews Theatre, Barnes & Noble, Forever 21
Springfield Town Center, Springfield, VA	100.0%	100.0%	16.53 ⁽⁶⁾	1,374,000 ⁽⁵⁾	291,000	390,000 ⁽⁵⁾	693,000	-	Macy's, JCPenney (5), Target (5), Dick's Sporting Goods (under development), Regal Cinema (under development), LA Fitness (under development), Hennes & Mauritz (under development), Forever 21 (under development)
Bergen Town Center - West, Paramus, NJ	100.0%	99.4%	43.68 ⁽⁶⁾	952,000	921,000	31,000	-	300,000	Target, Century 21, Whole Foods Market, Marshalls, Nordstrom Rack, Saks Off 5th, Home Goods, Old Navy, Hennes & Mauritz, Neiman Marcus Last Call Studio, Bloomingdale's Outlet, Nike Factory Store
Montehiedra, Puerto Rico	100.0%	91.7%	36.04 ⁽⁶⁾	542,000	542,000	-	-	120,000	The Home Depot, Kmart, Marshalls, Caribbean Theatres, Tiendas Capri, Nike Factory Store
Las Catalinas, Puerto Rico	100.0%	91.9%	55.59 ⁽⁶⁾	494,000 ⁽⁵⁾	355,000	139,000 ⁽⁵⁾	-	130,000	Kmart, Sears (5)
Total Regional Malls		95.1%	\$ 41.34	4,825,000	2,960,000	1,172,000	693,000	\$ 717,398	
Vornado's Ownership Interest		95.5%	\$ 42.66	3,337,000	2,535,000	109,000	693,000	\$ 633,699	

RETAIL PROPERTIES SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service Owned by Company	Owned By Tenant (2)		
Total Retail Properties		94.6%		19,647,000	13,114,000	5,457,000	1,076,000	\$ 1,459,473
Vornado's Ownership Interest		94.6%		17,733,000	12,689,000	3,968,000	1,076,000	\$ 1,375,774

* We do not capitalize interest or real estate taxes on this space.

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

(2) Owned by tenant on land leased from the company.

(3) These encumbrances are cross-collateralized under a blanket mortgage in the amount of \$610,589 as of September 30, 2014.

(4) The lease for these former Bradlees locations is guaranteed by Stop & Shop.

(5) Includes square footage of anchors who own the land and building.

(6) Weighted Average Annual Rent PSF shown is for in-line tenants only.

(7) The tenant has ceased operations at these locations but continues to pay rent.

OTHER

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
555 CALIFORNIA STREET:								
555 California Street	70.0%	97.0%	\$ 63.35	1,504,000	1,504,000	-	\$ 600,000	Bank of America, Dodge & Cox, Goldman Sachs & Co., Jones Day, Kirkland & Ellis LLP, Morgan Stanley & Co. Inc., McKinsey & Company Inc., UBS Financial Services, KKR Financial, Microsoft Corporation, Fenwick & West LLP (lease not commenced)
315 Montgomery Street	70.0%	94.0%	48.53	231,000	231,000	-	-	Bank of America, Regus (lease not commenced)
345 Montgomery Street	70.0%	100.0%	96.83	64,000	64,000	-	-	Bank of America
Total 555 California Street		96.8%	\$ 62.64	1,799,000	1,799,000	-	\$ 600,000	
Vornado's Ownership Interest		96.8%	\$ 62.64	1,259,000	1,259,000	-	\$ 420,000	
The MART:								
Illinois:								
The Mart, Chicago	100.0%	96.6%	\$ 35.11	3,567,000	3,567,000	-	\$ 550,000	American Intercontinental University (AIU), Steelcase, Baker, Knapp & Tubbs, Motorola Mobility (guaranteed by Google), CCC Information Services, Ogilvy Group (WPP), Chicago Teachers Union, Publicis Groupe, Office of the Special Deputy Receiver, Holly Hunt Ltd., Razorfish, 1871, The Mart Headquarters, Chicago School of Professional Psychology, Yelp Inc. (lease not commenced), Paypal, Inc.
Other	50.0%	100.0%	31.78	19,000	19,000	-	22,929	
Total Illinois		96.7%	35.10	3,586,000	3,586,000	-	572,929	
Total The Mart		96.7%	\$ 35.10	3,586,000	3,586,000	-	\$ 572,929	
Vornado's Ownership Interest		96.7%	\$ 35.10	3,577,000	3,577,000	-	\$ 561,464	
WAREHOUSES:								
NEW JERSEY								
East Hanover - 5 Buildings	100.0%	45.6%	\$ 4.37	942,000	942,000	-	\$ -	Foremost Groups Inc., Fidelity Paper & Supply Inc., Consolidated Simon Distributors Inc., Givaudan Flavors Corp., Meyer Distributing Inc.
Total Warehouses		45.6%	\$ 4.37	942,000	942,000	-	\$ -	
Vornado's Ownership Interest		45.6%	\$ 4.37	942,000	942,000	-	\$ -	

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.

REAL ESTATE FUND

PROPERTY TABLE

Property	Fund Ownership %	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
VORNADO CAPITAL PARTNERS								
REAL ESTATE FUND:								
New York, NY:								
Lucida, 86th Street and Lexington Avenue								
(ground leased through 2082)								
- Retail	100.0%	100.0%	\$ 134.47	95,000	95,000	-		Barnes & Noble, Hennes & Mauritz, Sephora, Bank of America
- Residential	100.0%	100.0%	-	51,000	51,000	-		
	100.0%	100.0%	-	146,000	146,000	-	\$ 146,000	
11 East 68th Street Retail	100.0%	100.0%	750.29	11,000	8,000	3,000	-	Belstaff, Kent & Curwen
Crowne Plaza Times Square								
- Hotel (795 Keys)								
- Retail	38.2%	100.0%	348.52	14,000	14,000	-		Hershey
- Office	38.2%	100.0%	37.85	220,000	220,000	-		American Management Association
	38.2%	100.0%	56.44	234,000	234,000	-	250,450	
501 Broadway	100.0%	100.0%	232.43	9,000	9,000	-	20,000	Capital One
Santa Monica, CA:								
520 Broadway	100.0%	73.2%	51.92	112,000	112,000	-	30,000	Premier Office Centers LLC, Diversified Mercury Comm, Microsoft Corporation
Culver City, CA:								
800 Corporate Pointe	100.0%	57.0%	33.98	243,000	243,000	-	60,094	Meredith Corp., West Publishing Corp., Symantec Corp., Syska Hennessy Group, X Prize Foundation
Miami, FL:								
1100 Lincoln Road	100.0%	99.6%	104.46	127,000	127,000	-	66,000	Regal Cinema, Anthropologie, Banana Republic
Total Real Estate Fund	83.6%	81.7%		882,000	879,000	3,000	\$ 572,544	
Vornado's Ownership Interest	20.9%	81.7%		184,000	183,000	1,000	\$ 104,441	

(1) Weighted Average Annual Rent PSF excludes ground rent, storage rent and garages.