



SUPPLEMENTAL OPERATING
AND FINANCIAL DATA
For the Quarter Ended September 30, 2012

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 for the year ended December 31, 2011.

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 |
| Michael D. Fascitelli | President and Chief Executive Officer |
| Mark Falanga | President - Merchandise Mart Division |
| 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 Administration and Chief Financial Officer |
| Mitchell N. Schear | President - Vornado / Charles E. Smith Washington, DC Division |
| Wendy Silverstein | Executive Vice President - Co-Head of Acquisitions and Capital Markets |

RESEARCH COVERAGE - EQUITY

| | | |
|--|--|---|
| James Feldman / Ji Zhang <u>Bank of America / Merrill Lynch</u> 646-855-5808 / 646-855-2926 | David Harris <u>Imperial Capital</u> 212-351-9429 | John W. Guinee / Erin T. Aslakson <u>Stifel Nicolaus Weisel</u> 443-224-1307 / 443-224-1350 |
| Ross Smotrich / Ryan Bennett <u>Barclays Capital</u> 212-526-2306 / 212-526-5309 | Steve Sakwa / George Auerbach <u>ISI Group</u> 212-446-9462 / 212-446-9459 | Ross T. Nussbaum / Gabriel Hilmoe <u>UBS</u> 212-713-2484 / 212-713-3876 |
| Michael Bilerman / Joshua Attie <u>Citigroup Global Markets</u> 212-816-1383 / 212-816-1685 | Anthony Paolone / Joseph Dazio <u>JP Morgan</u> 212-622-6682 / 212-622-6416 | |
| John Perry / Vincent Chao <u>Deutsche Bank</u> 212-250-4912 / 212-250-6799 | Chris Caton <u>Morgan Stanley</u> 415-576-2637 | |
| Michael Knott / Dave Anderson <u>Green Street Advisors, Inc.</u> 949-640-8780 / 949-640-8780 | Alexander Goldfarb / James Milam <u>Sandler O'Neill & Partners</u> 212-466-7937 / 212-466-8066 | |

RESEARCH COVERAGE - DEBT

| | | |
|--|---|--|
| Thomas C. Truxillo <u>Bank of America / Merrill Lynch</u> 646-855-6090 | Thomas Cook <u>Citigroup Global Markets</u> 212-723-1112 | Mark Streeter <u>JP Morgan</u> 212-834-5086 |
| Danish Agboatwala <u>Barclays Capital</u> 212-412-2573 | Robert Haines / Craig Guttenplan <u>Credit Sights</u> 212-340-3835 / 212-340-3859 | Thierry Perrein <u>Wells Fargo Securities</u> 704-715-8455 |

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.

2012 BUSINESS DEVELOPMENTS

The following is a summary of our 2012 business developments. For additional information regarding these transactions, see “Overview” of Management’s Discussion and Analysis of Financial Condition on page 45 of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012.

2012 Acquisitions

Vornado

- On July 5, 2012, we agreed to acquire a retail condominium located at 666 Fifth Avenue at 53rd Street for \$707,000,000. The property has 126 feet of frontage on Fifth Avenue and contains 114,000 square feet.
- On July 30, 2012, we entered into a lease with Host Hotels & Resorts, Inc. (NYSE: HST), under which we will redevelop the retail and signage components of the Marriott Marquis Times Square Hotel. We are accounting for the lease as a “capital lease” and have recorded a \$240,000,000 capital lease asset and liability on our consolidated balance sheet.

Real Estate Fund, 25% owned by us

- On April 26, 2012, our Fund acquired 520 Broadway, a 112,000 square foot office building in Santa Monica, California for \$59,650,000.
- On July 2, 2012, our Fund acquired 1100 Lincoln Road, a 167,000 square foot retail property, the western anchor of the Lincoln Road Shopping District in Miami Beach, Florida, for \$132,000,000.
- On August 20, 2012, our Fund acquired 501 Broadway, a 9,000 square foot retail property in New York for \$31,000,000.

2012 BUSINESS DEVELOPMENTS

2012 Dispositions

During 2012, we sold or have agreed to sell (i) five Mart properties, (ii) four Washington, DC properties, (iii) 13 non-core strip shopping centers, and (iv) the Green Acres Mall, for an aggregate of \$1,500,000,000. Below are the details of these transactions.

Merchandise Mart Properties

- On January 6, 2012, we sold 350 West Mart Center, an office building in Chicago, Illinois, for \$228,000,000, which resulted in a net gain of \$54,911,000.
- On June 22, 2012, we sold the L.A. Mart, a showroom building in Los Angeles, California, for \$53,000,000, of which \$18,000,000 was cash and \$35,000,000 was nine-month seller financing at 6.0%.
- On July 5, 2012, we sold the Washington Design Center and the Canadian Trade Shows, for an aggregate of \$103,000,000. The sale of the Canadian Trade shows resulted in an after-tax net gain of \$19,657,000.
- On July 5, 2012, we agreed to sell the Boston Design Center for \$72,000,000, which will result in a net gain of approximately \$5,300,000.

Washington, DC Properties

- On July 26, 2012, we sold 409 Third Street S.W., an office building in Washington, DC, for \$200,000,000, which resulted in a net gain of \$126,621,000.
- On October 26, 2012, we agreed to sell three office buildings ("Reston Executive") located in suburban Fairfax County, Virginia for \$126,000,000, which will result in a net gain of approximately \$35,000,000.

Retail Properties

- We sold 12 non-core strip shopping centers in separate transactions, for an aggregate of \$157,000,000, which resulted in a net gain of \$22,266,000, of which \$4,464,000 was recognized in the third quarter. In addition we agreed to sell a building on Market Street, Philadelphia for \$60,000,000, which will result in a net gain of approximately \$35,000,000.
- On October 21, 2012, we agreed to sell the Green Acres Mall located in Valley Stream, New York, for \$500,000,000, which will result in a net gain of approximately \$195,000,000.

Alexander's, our 32.4% owned affiliate

- On October 21, 2012, Alexander's agreed to sell its Kings Plaza Regional Shopping Center located in Brooklyn, New York, for \$751,000,000, which will result in a gain, our share of which is approximately \$181,000,000.

2012 BUSINESS DEVELOPMENTS

2012 Financing Activities

Secured Debt

- On January 9, 2012, we completed a \$300,000,000 refinancing of 350 Park Avenue, a 559,000 square foot Manhattan office building. The five-year fixed rate loan bears interest at 3.75%.
- On March 5, 2012, we completed a \$325,000,000 refinancing of 100 West 33rd Street, a 1.1 million square foot property located on the entire Sixth Avenue block front between 32nd and 33rd Streets in Manhattan. The three-year loan bears interest at LIBOR plus 2.50% (2.73% at September 30, 2012) and has two one-year extension options.
- On July 26, 2012, we completed a \$150,000,000 refinancing of 2101 L Street, a 380,000 square foot office building located in Washington, DC. The twelve-year fixed rate loan bears interest at 3.97%.
- On August 17, 2012, we completed a \$98,000,000 refinancing of 435 Seventh Avenue, a 43,000 square foot retail property in Manhattan. The seven-year loan bears interest at LIBOR plus 2.25% (2.47% at September 30, 2012).
- In the third quarter of 2012, we repaid two mortgage loans aggregating \$151,000,000 with a weighted average interest rate of 5.42%, unencumbering Beverly Connection and Crystal Gateway One.

Senior Unsecured Debt

- In April 2012, we redeemed all of the outstanding exchangeable and convertible senior debentures at par, for an aggregate of \$510,215,000.

Preferred Equity

- On July 11, 2012, we sold \$300,000,000 of 5.70% Series K Cumulative Redeemable Preferred Shares.
- On August 16, 2012, we redeemed all of the outstanding 7.0% Series E Cumulative Redeemable Preferred Shares at par, for an aggregate of \$75,000,000.

Redeemable Noncontrolling Interests

- On July 19, 2012, we redeemed all of the outstanding 7.0% Series D-10 and 6.75% Series D-14 cumulative redeemable preferred units with an aggregate face amount of \$180,000,000 for \$168,300,000.

COMMON SHARES DATA (NYSE: VNO)

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

| | <u>Third Quarter 2012</u> | <u>Second Quarter 2012</u> | <u>First Quarter 2012</u> | <u>Fourth Quarter 2011</u> |
|--|-------------------------------|--------------------------------|-------------------------------|--------------------------------|
| High Price | \$ 86.56 | \$ 88.50 | \$ 86.21 | \$ 84.30 |
| Low Price | \$ 79.50 | \$ 78.56 | \$ 75.17 | \$ 68.39 |
| Closing Price - end of quarter | \$ 81.05 | \$ 83.98 | \$ 84.20 | \$ 76.86 |
| Annualized Dividend per share | \$ 2.76 | \$ 2.76 | \$ 2.76 | \$ 2.76 |
| Annualized Dividend Yield - on Closing Price | 3.4% | 3.3% | 3.3% | 3.6% |
| Outstanding shares, Class A units and convertible preferred units as converted, excluding stock options (in thousands) | 198,586 | 198,561 | 198,518 | 198,009 |
| Closing market value of outstanding shares, Class A units and convertible preferred units as converted, excluding stock options | \$ 16.1 Billion | \$ 16.7 Billion | \$ 16.7 Billion | \$ 15.2 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, | |
| | 2012 | 2011 | 2012 | 2012 | 2011 |
| Total revenues | \$ 710,977 | \$ 687,860 | \$ 683,505 | \$ 2,078,487 | \$ 2,050,828 |
| Net income attributable to common shareholders | \$ 232,393 | \$ 41,135 | \$ 20,510 | \$ 486,638 | \$ 532,263 |
| Per common share: | | | | | |
| Basic | \$ 1.25 | \$ 0.22 | \$ 0.11 | \$ 2.62 | \$ 2.89 |
| Diluted | \$ 1.24 | \$ 0.22 | \$ 0.11 | \$ 2.61 | \$ 2.86 |
| FFO as adjusted for comparability | \$ 212,238 | \$ 209,745 | \$ 202,697 | \$ 744,438 | \$ 746,083 |
| Per diluted share | \$ 1.14 | \$ 1.13 | \$ 1.08 | \$ 3.95 | \$ 3.89 |
| FFO | \$ 251,019 | \$ 195,125 | \$ 166,672 | \$ 767,347 | \$ 951,054 |
| FFO - Operating Partnership Basis ("OP Basis") | \$ 267,515 | \$ 208,639 | \$ 177,797 | \$ 817,822 | \$ 1,014,958 |
| Per diluted share | \$ 1.34 | \$ 1.05 | \$ 0.89 | \$ 4.07 | \$ 4.96 |
| FAD | \$ 142,693 | \$ 173,744 | \$ 159,087 | \$ 441,892 | \$ 525,742 |
| Per diluted share | \$ 0.76 | \$ 0.93 | \$ 0.85 | \$ 2.34 | \$ 2.74 |
| Dividends per common share | \$ 0.69 | \$ 0.69 | \$ 0.69 | \$ 2.07 | \$ 2.07 |
| FFO payout ratio (based on FFO as adjusted for comparability) | 60.5% | 61.1% | 63.8% | 52.4% | 53.2% |
| FAD payout ratio | 90.8% | 74.2% | 81.2% | 88.5% | 75.5% |
| Weighted average shares used in determining FFO per diluted share - REIT basis | 186,655 | 186,119 | 186,391 | 188,678 | 191,775 |
| Convertible units: | | | | | |
| Class A | 11,231 | 11,840 | 11,458 | 11,394 | 11,870 |
| D-13 | 567 | 545 | 566 | 577 | 538 |
| G1-G4 | 103 | 106 | 105 | 105 | 108 |
| Equity awards - unit equivalents | 365 | 399 | 312 | 335 | 370 |
| Weighted average shares used in determining FFO per diluted share - OP Basis | 198,921 | 199,009 | 198,832 | 201,089 | 204,661 |

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, | |
| | 2012 | 2011 | 2012 | 2012 | 2011 |
| Reconciliation of our net income to FFO: | | | | | |
| Net income attributable to Vornado | \$ 241,306 | \$ 53,762 | \$ 38,297 | \$ 531,125 | \$ 575,006 |
| Depreciation and amortization of real property | 118,717 | 128,811 | 126,063 | 377,338 | 377,458 |
| Net gains on sale of real estate | (131,088) | - | (16,896) | (203,801) | (51,623) |
| Real estate impairment losses | - | - | 13,511 | 13,511 | - |
| Proportionate share of adjustments to equity in net income of Toys, to arrive at FFO: | | | | | |
| Depreciation and amortization of real property | 16,905 | 17,947 | 16,513 | 50,706 | 52,844 |
| Net gains on sale of real estate | - | - | - | - | (491) |
| Real estate impairment losses | - | - | 1,368 | 8,394 | - |
| Income tax effect of above adjustments | (5,917) | (6,280) | (6,351) | (20,765) | (18,320) |
| 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 | 22,750 | 27,541 | 21,684 | 65,810 | 73,743 |
| Net gains on sale of real estate | (1,156) | (3,591) | (234) | (2,051) | (7,360) |
| Real estate impairment losses | - | - | - | 1,849 | - |
| Noncontrolling interests' share of above adjustments | (1,613) | (10,468) | (9,524) | (18,197) | (27,224) |
| FFO | 259,904 | 207,722 | 184,431 | 803,919 | 974,033 |
| Preferred share dividends | (20,613) | (17,627) | (17,787) | (56,187) | (47,743) |
| Discount on preferred unit redemptions | 11,700 | 5,000 | - | 11,700 | 5,000 |
| FFO attributable to common shareholders | 250,991 | 195,095 | 166,644 | 759,432 | 931,290 |
| Interest on 3.88% exchangeable senior debentures | - | - | - | 7,830 | 19,670 |
| Convertible preferred share dividends | 28 | 30 | 28 | 85 | 94 |
| FFO attributable to common shareholders plus assumed conversions | 251,019 | 195,125 | 166,672 | 767,347 | 951,054 |
| Add back of income allocated to noncontrolling interests of the Operating Partnership | 16,496 | 13,514 | 11,125 | 50,475 | 63,904 |
| FFO - OP Basis ⁽¹⁾ | \$ 267,515 | \$ 208,639 | \$ 177,797 | \$ 817,822 | \$ 1,014,958 |
| FFO per diluted share ⁽¹⁾ | \$ 1.34 | \$ 1.05 | \$ 0.89 | \$ 4.07 | \$ 4.96 |

(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 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, | |
| | 2012 | 2011 | 2012 | 2012 | 2011 |
| FFO attributable to common shareholders plus assumed conversions | (A)\$ 251,019 | \$ 195,125 | \$ 166,672 | \$ 767,347 | \$ 951,054 |
| Per diluted share | \$ 1.34 | \$ 1.05 | \$ 0.89 | \$ 4.07 | \$ 4.96 |
| <i>Items that affect comparability income (expense):</i> | | | | | |
| FFO attributable to discontinued operations, including discontinued operations of a partially owned entity | 12,649 | 19,825 | 19,421 | 52,768 | 63,785 |
| After-tax net gain on sale of Canadian Trade Shows | 19,657 | - | - | 19,657 | - |
| Discount on preferred unit redemptions | 11,700 | 5,000 | - | 11,700 | 7,000 |
| Net gain on sale of residential condominiums | - | 1,298 | 1,274 | 1,274 | 5,884 |
| Net gain on extinguishment of debt | - | - | - | - | 83,907 |
| Mezzanine loans loss reversal and net gain on disposition | - | - | - | - | 82,744 |
| Our share of LNR's asset sales and tax settlement gains | - | - | - | - | 14,997 |
| Net gain resulting from Lexington's stock issuances | - | - | - | - | 9,760 |
| Buy-out of below-market leases | - | (1,593) | - | - | (16,593) |
| Income (loss) from the mark-to-market of J.C. Penney derivative position | 4,344 | (37,537) | (58,732) | (53,343) | (27,136) |
| Verde Realty impairment loss | (4,936) | - | - | (4,936) | - |
| Other, net | (2,084) | (2,626) | (392) | (2,704) | (5,604) |
| | 41,330 | (15,633) | (38,429) | 24,416 | 218,744 |
| Noncontrolling interests' share of above adjustments | (2,549) | 1,013 | 2,404 | (1,507) | (13,773) |
| Items that affect comparability, net | (B)\$ 38,781 | \$ (14,620) | \$ (36,025) | \$ 22,909 | \$ 204,971 |
| Per diluted share | \$ 0.20 | \$ (0.08) | \$ (0.19) | \$ 0.12 | \$ 1.07 |
| FFO attributable to common shareholders plus assumed conversions, as adjusted for comparability | (A-B)\$ 212,238 | \$ 209,745 | \$ 202,697 | \$ 744,438 | \$ 746,083 |
| Per diluted share | \$ 1.14 | \$ 1.13 | \$ 1.08 | \$ 3.95 | \$ 3.89 |

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, | |
| | 2012 | 2011 | 2012 | 2012 | 2011 |
| FFO attributable to common shareholders plus assumed conversions | (A)\$ 251,019 | \$ 195,125 | \$ 166,672 | \$ 767,347 | \$ 951,054 |
| Adjustments to arrive at FAD: | | | | | |
| Items that affect comparability per page 9, excluding FFO attributable to discontinued operations | 28,827 | (35,231) | (57,850) | (27,660) | 155,367 |
| Our share of Toys recurring FFO (negative FFO) | 2,403 | 2,363 | (7,660) | 127,031 | 114,827 |
| 26.2% share of LNR's recurring FFO | 16,831 | 13,887 | 9,701 | 40,013 | 25,610 |
| Our share of net unrealized gains from Real Estate Fund | 1,389 | 1,410 | 5,284 | 8,384 | 4,802 |
| Recurring tenant improvements, leasing commissions and other capital expenditures | 58,289 | 29,001 | 43,465 | 157,045 | 123,841 |
| Straight-line rentals | 10,812 | 12,474 | 21,344 | 54,091 | 31,457 |
| Amortization of acquired below-market leases, net | 12,834 | 15,756 | 12,003 | 38,046 | 48,395 |
| Amortization of discount on convertible and exchangeable senior debentures | - | (1,918) | (231) | (1,646) | (5,681) |
| Stock-based compensation expense | (7,774) | (7,319) | (8,438) | (22,821) | (21,384) |
| Amortization of debt issuance costs | (5,725) | (4,828) | (5,855) | (17,204) | (14,696) |
| Non real estate depreciation | (2,451) | (2,749) | (3,672) | (8,462) | (8,675) |
| Noncontrolling interests' share of above adjustments | (7,109) | (1,465) | (506) | (21,362) | (28,551) |
| | (B) 108,326 | 21,381 | 7,585 | 325,455 | 425,312 |
| FAD ⁽¹⁾ | (A-B)\$ 142,693 | \$ 173,744 | \$ 159,087 | \$ 441,892 | \$ 525,742 |
| FAD per diluted share | \$ 0.76 | \$ 0.93 | \$ 0.85 | \$ 2.34 | \$ 2.74 |
| FAD payout ratio ⁽²⁾ | 90.8% | 74.2% | 81.2% | 88.5% | 75.5% |

(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 | | | June 30, 2012 |
|--|--------------------|-----------------------|-------------------|-------------------|
| | 2012 | September 30, 2011 | Inc (Dec) | |
| Property rentals | \$ 492,989 | \$ 507,258 | \$ (14,269) | \$ 488,114 |
| Straight-line rent adjustments | 11,910 | 7,087 | 4,823 | 21,314 |
| Amortization of acquired below-market leases, net | 13,242 | 15,847 | (2,605) | 12,411 |
| Total rentals | 518,141 | 530,192 | (12,051) | 521,839 |
| Tenant expense reimbursements | 80,497 | 85,757 | (5,260) | 72,318 |
| Cleveland Medical Mart development project | 72,651 | 35,135 | 37,516 | 56,304 |
| Fee and other income: | | | | |
| BMS cleaning fees | 16,945 | 15,647 | 1,298 | 16,982 |
| Signage revenue | 4,783 | 5,085 | (302) | 4,879 |
| Management and leasing fees | 7,234 | 4,773 | 2,461 | 4,546 |
| Lease termination fees | 282 | 4,803 | (4,521) | 479 |
| Other income | 10,444 | 6,468 | 3,976 | 6,158 |
| Total revenues | 710,977 | 687,860 | 23,117 | 683,505 |
| Operating expenses | 264,487 | 262,837 | 1,650 | 244,737 |
| Depreciation and amortization | 124,335 | 126,935 | (2,600) | 129,824 |
| General and administrative | 48,742 | 46,121 | 2,621 | 46,832 |
| Cleveland Medical Mart development project | 70,431 | 33,419 | 37,012 | 53,935 |
| Acquisition related costs and tenant buy-outs | 1,070 | 2,288 | (1,218) | 2,559 |
| Total expenses | 509,065 | 471,600 | 37,465 | 477,887 |
| Operating income | 201,912 | 216,260 | (14,348) | 205,618 |
| (Loss) applicable to Toys | (8,585) | (9,304) | 719 | (19,190) |
| Income from partially owned entities | 21,268 | 13,140 | 8,128 | 12,563 |
| Income from Real Estate Fund | 5,509 | 5,353 | 156 | 20,301 |
| Interest and other investment income (loss), net | 10,523 | (30,011) | 40,534 | (49,172) |
| Interest and debt expense | (120,770) | (131,998) | 11,228 | (125,567) |
| Net gain on disposition of wholly owned and partially owned assets | - | 1,298 | (1,298) | 4,856 |
| Income before income taxes | 109,857 | 64,738 | 45,119 | 49,409 |
| Income tax expense | (3,015) | (6,959) | 3,944 | (7,479) |
| Income from continuing operations | 106,842 | 57,779 | 49,063 | 41,930 |
| Income from discontinued operations | 157,314 | 8,444 | 148,870 | 16,298 |
| Net income | 264,156 | 66,223 | 197,933 | 58,228 |
| Less net income attributable to noncontrolling interests in: | | | | |
| Consolidated subsidiaries | (6,610) | (5,636) | (974) | (14,721) |
| Operating Partnership, including unit distributions | (16,240) | (6,825) | (9,415) | (5,210) |
| Net income attributable to Vornado | 241,306 | 53,762 | 187,544 | 38,297 |
| Interest and debt expense | 183,241 | 197,864 | (14,623) | 190,942 |
| Depreciation and amortization | 177,593 | 193,394 | (15,801) | 184,028 |
| Income tax expense (benefit) | 3,850 | (7,350) | 11,200 | (5,214) |
| EBITDA | \$ 605,990 | \$ 437,670 | \$ 168,320 | \$ 408,053 |
| Capitalized leasing and development payroll | \$ 4,339 | \$ 3,080 | \$ 1,259 | \$ 3,277 |
| Capitalized interest | \$ 7,523 | \$ - | \$ 7,523 | \$ 345 |

(1) EBITDA represents "Earnings Before Interest, Taxes, Depreciation and Amortization." Management considers EBITDA a supplemental 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, | | |
|--|---------------------------------|---------------------|--------------------|
| | 2012 | 2011 | Inc (Dec) |
| Property rentals | \$ 1,469,751 | \$ 1,517,994 | \$ (48,243) |
| Straight-line rent adjustments | 55,189 | 26,192 | 28,997 |
| Amortization of acquired below-market leases, net | 39,228 | 48,681 | (9,453) |
| Total rentals | 1,564,168 | 1,592,867 | (28,699) |
| Tenant expense reimbursements | 224,287 | 237,945 | (13,658) |
| Cleveland Medical Mart development project | 184,014 | 108,203 | 75,811 |
| Fee and other income: | | | |
| BMS cleaning fees | 49,437 | 46,479 | 2,958 |
| Signage revenue | 14,252 | 14,746 | (494) |
| Management and leasing fees | 16,534 | 16,660 | (126) |
| Lease termination fees | 1,172 | 12,478 | (11,306) |
| Other income | 24,623 | 21,450 | 3,173 |
| Total revenues | 2,078,487 | 2,050,828 | 27,659 |
| Operating expenses | 764,018 | 773,331 | (9,313) |
| Depreciation and amortization | 386,974 | 373,380 | 13,594 |
| General and administrative | 151,142 | 154,359 | (3,217) |
| Cleveland Medical Mart development project | 177,127 | 101,637 | 75,490 |
| Acquisition related costs and tenant buy-outs | 4,314 | 22,455 | (18,141) |
| Total expenses | 1,483,575 | 1,425,162 | 58,413 |
| Operating income | 594,912 | 625,666 | (30,754) |
| Income applicable to Toys | 88,696 | 80,794 | 7,902 |
| Income from partially owned entities | 53,491 | 55,035 | (1,544) |
| Income from Real Estate Fund | 37,572 | 25,491 | 12,081 |
| Interest and other investment (loss) income, net | (22,984) | 95,086 | (118,070) |
| Interest and debt expense | (377,600) | (394,192) | 16,592 |
| Net gain on disposition of wholly owned and partially owned assets | 4,856 | 7,975 | (3,119) |
| Income before income taxes | 378,943 | 495,855 | (116,912) |
| Income tax expense | (17,319) | (18,548) | 1,229 |
| Income from continuing operations | 361,624 | 477,307 | (115,683) |
| Income from discontinued operations | 241,024 | 165,706 | 75,318 |
| Net income | 602,648 | 643,013 | (40,365) |
| Less net income attributable to noncontrolling interests in: | | | |
| Consolidated subsidiaries | (30,928) | (20,643) | (10,285) |
| Operating Partnership, including unit distributions | (40,595) | (47,364) | 6,769 |
| Net income attributable to Vornado | 531,125 | 575,006 | (43,881) |
| Interest and debt expense | 567,265 | 599,668 | (32,403) |
| Depreciation and amortization | 552,794 | 561,738 | (8,944) |
| Income tax expense | 50,076 | 42,135 | 7,941 |
| EBITDA | \$ 1,701,260 | \$ 1,778,547 | \$ (77,287) |
| Capitalized leasing and development payroll | \$ 10,510 | \$ 8,121 | \$ 2,389 |
| Capitalized interest | \$ 7,884 | \$ - | \$ 7,884 |

EBITDA BY SEGMENT

(unaudited and in thousands)

Effective January 1, 2012, as a result of certain organizational and operational changes, we redefined the New York business segment to encompass all of our Manhattan assets by including the 1.0 million square feet in 21 freestanding Manhattan street retail assets (formerly in our Retail segment), and the Hotel Pennsylvania and our interest in Alexander's, Inc. (formerly in our Other segment). Accordingly, we have reclassified the prior period segment financial results to conform to the current year presentation.

| | Three Months Ended September 30, 2012 | | | | | | |
|---|---------------------------------------|----------------------------------|-------------------|---------------------------------|------------------|------------------|----------------------------------|
| | Total | New York | Washington, DC | Retail Properties | Merchandise Mart | Toys | Other |
| Property rentals | \$ 492,989 | \$ 255,703 | \$ 115,641 | \$ 67,919 | \$ 31,625 | \$ - | \$ 22,101 |
| Straight-line rent adjustments | 11,910 | 8,140 | 1,267 | 2,392 | (171) | - | 282 |
| Amortization of acquired below-market leases, net | 13,242 | 8,458 | 506 | 2,868 | - | - | 1,410 |
| Total rentals | 518,141 | 272,301 | 117,414 | 73,179 | 31,454 | - | 23,793 |
| Tenant expense reimbursements | 80,497 | 45,164 | 9,601 | 21,069 | 1,201 | - | 3,462 |
| Cleveland Medical Mart development project | 72,651 | - | - | - | 72,651 | - | - |
| Fee and other income: | | | | | | | |
| BMS cleaning fees | 16,945 | 23,918 | - | - | - | - | (6,973) |
| Signage revenue | 4,783 | 4,783 | - | - | - | - | - |
| Management and leasing fees | 7,234 | 1,816 | 4,615 | 736 | 142 | - | (75) |
| Lease termination fees | 282 | 78 | 128 | 73 | 3 | - | - |
| Other income | 10,444 | 1,116 | 8,288 | 632 | 481 | - | (73) |
| Total revenues | 710,977 | 349,176 | 140,046 | 95,689 | 105,932 | - | 20,134 |
| Operating expenses | 264,487 | 159,048 | 50,305 | 33,519 | 19,130 | - | 2,485 |
| Depreciation and amortization | 124,335 | 57,967 | 29,825 | 18,202 | 7,439 | - | 10,902 |
| General and administrative | 48,742 | 6,739 | 6,668 | 6,103 | 4,120 | - | 25,112 |
| Cleveland Medical Mart development project | 70,431 | - | - | - | 70,431 | - | - |
| Acquisition related costs and tenant buy-outs | 1,070 | - | - | - | - | - | 1,070 |
| Total expenses | 509,065 | 223,754 | 86,798 | 57,824 | 101,120 | - | 39,569 |
| Operating income (loss) | 201,912 | 125,422 | 53,248 | 37,865 | 4,812 | - | (19,435) |
| (Loss) applicable to Toys | (8,585) | - | - | - | - | (8,585) | - |
| Income (loss) from partially owned entities | 21,268 | 9,309 | (2,182) | 342 | 219 | - | 13,580 |
| Income from Real Estate Fund | 5,509 | - | - | - | - | - | 5,509 |
| Interest and other investment income, net | 10,523 | 1,057 | 24 | 4 | - | - | 9,438 |
| Interest and debt expense | (120,770) | (36,817) | (28,311) | (14,732) | (7,906) | - | (33,004) |
| Income (loss) before income taxes | 109,857 | 98,971 | 22,779 | 23,479 | (2,875) | (8,585) | (23,912) |
| Income tax (expense) benefit | (3,015) | (815) | 25 | - | 2,166 | - | (4,391) |
| Income (loss) from continuing operations | 106,842 | 98,156 | 22,804 | 23,479 | (709) | (8,585) | (28,303) |
| Income from discontinued operations | 157,314 | - | 126,437 | 11,085 | 19,792 | - | - |
| Net income (loss) | 264,156 | 98,156 | 149,241 | 34,564 | 19,083 | (8,585) | (28,303) |
| Less net (income) loss attributable to noncontrolling interests in: | | | | | | | |
| Consolidated subsidiaries | (6,610) | (2,092) | - | 97 | - | - | (4,615) |
| Operating Partnership, including unit distributions | (16,240) | - | - | - | - | - | (16,240) |
| Net income (loss) attributable to Vornado | 241,306 | 96,064 | 149,241 | 34,661 | 19,083 | (8,585) | (49,158) |
| Interest and debt expense | 183,241 | 46,823 | 33,280 | 17,499 | 8,916 | 34,526 | 42,197 |
| Depreciation and amortization | 177,593 | 62,905 | 35,071 | 21,345 | 7,662 | 33,160 | 17,450 |
| Income tax expense (benefit) | 3,850 | 871 | (25) | - | 9,281 | (11,118) | 4,841 |
| EBITDA for the three months ended September 30, 2012 | \$ 605,990 | \$ 206,663 | \$ 217,567 | \$ 73,505 | \$ 44,942 | \$ 47,983 | \$ 15,330 |
| EBITDA for the three months ended September 30, 2011 | \$ 437,670 | \$ 203,283 | \$ 106,607 | \$ 68,339 | \$ 15,448 | \$ 47,872 | \$ (3,879) |
| EBITDA from continuing operations: | | | | | | | |
| For the three months ended September 30, 2012 | \$ 429,880 | \$ 206,663 ⁽¹⁾ | \$ 88,822 | \$ 58,345 ⁽²⁾ | \$ 12,737 | \$ 47,983 | \$ 15,330 ⁽³⁾ |
| For the three months ended September 30, 2011 | \$ 415,073 | \$ 203,007 ⁽¹⁾ | \$ 102,039 | \$ 57,051 ⁽²⁾ | \$ 8,885 | \$ 47,872 | \$ (3,781) ⁽³⁾ |

See notes on page 15.

EBITDA BY SEGMENT

(unaudited and in thousands)

| | Nine Months Ended September 30, 2012 | | | | | | |
|---|--------------------------------------|----------------------------------|-------------------|----------------------------------|-------------------|-------------------|----------------------------------|
| | Total | New York | Washington, DC | Retail Properties | Merchandise Mart | Toys | Other |
| Property rentals | \$ 1,469,751 | \$ 735,587 | \$ 356,459 | \$ 203,237 | \$ 107,687 | \$ - | \$ 66,781 |
| Straight-line rent adjustments | 55,189 | 42,334 | 4,382 | 7,285 | 580 | - | 608 |
| Amortization of acquired below-market leases, net | 39,228 | 23,776 | 1,537 | 9,648 | - | - | 4,267 |
| Total rentals | 1,564,168 | 801,697 | 362,378 | 220,170 | 108,267 | - | 71,656 |
| Tenant expense reimbursements | 224,287 | 118,861 | 30,471 | 64,915 | 3,702 | - | 6,338 |
| Cleveland Medical Mart development project | 184,014 | - | - | - | 184,014 | - | - |
| Fee and other income: | | | | | | | |
| BMS cleaning fees | 49,437 | 70,476 | - | - | - | - | (21,039) |
| Signage revenue | 14,252 | 14,252 | - | - | - | - | - |
| Management and leasing fees | 16,534 | 4,037 | 9,782 | 2,640 | 188 | - | (113) |
| Lease termination fees | 1,172 | 334 | 256 | 74 | 508 | - | - |
| Other income | 24,623 | 3,449 | 18,846 | 1,361 | 1,221 | - | (254) |
| Total revenues | 2,078,487 | 1,013,106 | 421,733 | 289,160 | 297,900 | - | 56,588 |
| Operating expenses | 764,018 | 447,910 | 143,923 | 104,788 | 59,929 | - | 7,468 |
| Depreciation and amortization | 386,974 | 168,391 | 107,395 | 56,830 | 22,324 | - | 32,034 |
| General and administrative | 151,142 | 21,980 | 19,849 | 18,803 | 14,877 | - | 75,633 |
| Cleveland Medical Mart development project | 177,127 | - | - | - | 177,127 | - | - |
| Acquisition related costs and tenant buy-outs | 4,314 | - | - | - | - | - | 4,314 |
| Total expenses | 1,483,575 | 638,281 | 271,167 | 180,421 | 274,257 | - | 119,449 |
| Operating income (loss) | 594,912 | 374,825 | 150,566 | 108,739 | 23,643 | - | (62,861) |
| Income applicable to Toys | 88,696 | - | - | - | - | 88,696 | - |
| Income (loss) from partially owned entities | 53,491 | 20,345 | (4,571) | 1,040 | 560 | - | 36,117 |
| Income from Real Estate Fund | 37,572 | - | - | - | - | - | 37,572 |
| Interest and other investment (loss) income, net | (22,984) | 3,166 | 97 | 24 | - | - | (26,271) |
| Interest and debt expense | (377,600) | (109,365) | (85,408) | (49,705) | (23,467) | - | (109,655) |
| Net gain on disposition of wholly owned and partially owned assets | 4,856 | - | - | - | - | - | 4,856 |
| Income (loss) before income taxes | 378,943 | 288,971 | 60,684 | 60,098 | 736 | 88,696 | (120,242) |
| Income tax (expense) benefit | (17,319) | (2,480) | (1,277) | - | 343 | - | (13,905) |
| Income (loss) from continuing operations | 361,624 | 286,491 | 59,407 | 60,098 | 1,079 | 88,696 | (134,147) |
| Income (loss) from discontinued operations | 241,024 | (640) | 130,979 | 36,404 | 67,291 | - | 6,990 |
| Net income (loss) | 602,648 | 285,851 | 190,386 | 96,502 | 68,370 | 88,696 | (127,157) |
| Less net (income) loss attributable to noncontrolling interests in: | | | | | | | |
| Consolidated subsidiaries | (30,928) | (7,266) | - | 308 | - | - | (23,970) |
| Operating Partnership, including unit distributions | (40,595) | - | - | - | - | - | (40,595) |
| Net income (loss) attributable to Vornado | 531,125 | 278,585 | 190,386 | 96,810 | 68,370 | 88,696 | (191,722) |
| Interest and debt expense | 567,265 | 140,294 | 99,486 | 58,039 | 26,492 | 103,388 | 139,566 |
| Depreciation and amortization | 552,794 | 188,480 | 122,987 | 65,751 | 26,966 | 100,371 | 48,239 |
| Income tax expense | 50,076 | 2,677 | 1,532 | - | 11,658 | 17,982 | 16,227 |
| EBITDA for the nine months ended September 30, 2012 | \$ 1,701,260 | \$ 610,036 | \$ 414,391 | \$ 220,600 | \$ 133,486 | \$ 310,437 | \$ 12,310 |
| EBITDA for the nine months ended September 30, 2011 | \$ 1,778,547 | \$ 579,442 | \$ 374,937 | \$ 208,496 | \$ 145,130 | \$ 334,116 | \$ 136,426 |
| EBITDA from continuing operations: | | | | | | | |
| For the nine months ended September 30, 2012 | \$ 1,421,796 | \$ 610,676 ⁽¹⁾ | \$ 275,684 | \$ 172,349 ⁽²⁾ | \$ 47,330 | \$ 310,437 | \$ 5,320 ⁽³⁾ |
| For the nine months ended September 30, 2011 | \$ 1,567,008 | \$ 578,732 ⁽¹⁾ | \$ 314,717 | \$ 167,508 ⁽²⁾ | \$ 35,168 | \$ 334,116 | \$ 136,767 ⁽³⁾ |

See notes on the following page.

NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

(1) The elements of "New York" EBITDA from continuing operations are summarized below.

| | Three Months Ended | | | Nine Months Ended | |
|-----------------------|--------------------|-------------------|-------------------|-------------------|------------------------|
| | September 30, | | June 30, | September 30, | |
| | 2012 | 2011 | 2012 | 2012 | 2011 |
| Office | \$ 139,894 | \$ 137,295 | \$ 142,605 | \$ 419,054 | \$ 399,182 |
| Retail | 46,165 | 43,109 | 45,081 | 135,399 | 121,136 ^(a) |
| Alexander's | 13,080 | 12,830 | 13,026 | 39,477 | 40,032 |
| Hotel Pennsylvania | 7,524 | 9,773 | 9,741 | 16,746 | 18,382 |
| Total New York | \$ 206,663 | \$ 203,007 | \$ 210,453 | \$ 610,676 | \$ 578,732 |

(a) The EBITDA for the nine months ended September 30, 2011 is after a \$16,558 expense for the buy-out of below-market leases.

(2) The elements of "Retail Properties" EBITDA from continuing operations are summarized below.

| | Three Months Ended | | | Nine Months Ended | |
|--------------------------------|--------------------|------------------|------------------|-------------------|-------------------|
| | September 30, | | June 30, | September 30, | |
| | 2012 | 2011 | 2012 | 2012 | 2011 |
| Strip Shopping centers | \$ 42,468 | \$ 41,282 | \$ 41,438 | \$ 125,072 | \$ 120,887 |
| Regional malls | 15,877 | 15,769 | 15,767 | 47,277 | 46,621 |
| Total Retail Properties | \$ 58,345 | \$ 57,051 | \$ 57,205 | \$ 172,349 | \$ 167,508 |

NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

(3) The elements of "Other" EBITDA from continuing operations are summarized below.

| | Three Months Ended | | | Nine Months Ended | |
|--|--------------------|------------|-------------|-------------------|------------|
| | September 30, | | June 30, | September 30, | |
| | 2012 | 2011 | 2012 | 2012 | 2011 |
| Our share of Real Estate Fund: | | | | | |
| Income before net realized/unrealized gains | \$ 1,874 | \$ 743 | \$ 170 | \$ 4,162 | \$ 2,550 |
| Net unrealized gains | 1,389 | 1,410 | 5,284 | 8,384 | 4,802 |
| Net realized gains | - | - | - | - | 771 |
| Carried interest | (2,541) | (475) | 2,541 | - | 1,665 |
| Total | 722 | 1,678 | 7,995 | 12,546 | 9,788 |
| LNR | 18,773 | 15,769 | 11,671 | 46,006 | 38,569 |
| 555 California Street | 10,714 | 11,220 | 10,377 | 31,406 | 32,608 |
| Lexington | 7,859 | 8,424 | 7,703 | 24,780 | 27,970 |
| Other investments | 11,121 | 10,173 | 4,348 | 24,954 | 30,352 |
| | 49,189 | 47,264 | 42,094 | 139,692 | 139,287 |
| Corporate general and administrative expenses ^(a) | (22,811) | (21,585) | (21,812) | (66,940) | (62,964) |
| Investment income and other, net ^(a) | 5,033 | 12,541 | 13,387 | 28,865 | 37,284 |
| Fee income from Alexander's | 1,821 | 1,758 | 1,907 | 5,617 | 5,545 |
| Income (loss) from the mark-to-market of J.C. Penney derivative position | 4,344 | (37,537) | (58,732) | (53,343) | (27,136) |
| Verde Realty impairment loss | (4,936) | - | - | (4,936) | - |
| Acquisition costs | (1,070) | (695) | (2,559) | (4,314) | (2,822) |
| Net gain on sale of residential condominiums | - | 1,298 | 1,274 | 1,274 | 5,884 |
| Mezzanine loans loss reversal and net gain on disposition | - | - | - | - | 82,744 |
| Net gain resulting from Lexington's stock issuance | - | - | - | - | 9,760 |
| Real Estate Fund placement fees | - | - | - | - | (3,451) |
| Net income attributable to noncontrolling interests in the Operating Partnership, including unit distributions | (16,240) | (6,825) | (5,210) | (40,595) | (47,364) |
| Total Other | \$ 15,330 | \$ (3,781) | \$ (29,651) | \$ 5,320 | \$ 136,767 |

(a) The amounts in these captions (for this table only) exclude the mark-to-market of our deferred compensation plan assets and offsetting liability.

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, and other gains or losses that affect comparability) from our New York, Washington, DC, Retail Properties and Merchandise Mart segments.

| | Excluding Toys | | Including Toys | |
|--|---------------------------------|-------------|---------------------------------|-------------|
| | Nine Months Ended September 30, | | Nine Months Ended September 30, | |
| | 2012 | 2011 | 2012 | 2011 |
| Segment | | | | |
| New York | 55% | 53% | 42% | 40% |
| Washington, DC | 25% | 28% | 20% | 22% |
| Retail Properties | 16% | 15% | 12% | 12% |
| Merchandise Mart | 4% | 4% | 3% | 3% |
| Toys | N/A | N/A | 23% | 23% |
| | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> |
| Region | | | | |
| New York City metropolitan area | 65% | 63% | 51% | 49% |
| Washington, DC / Northern Virginia metropolitan area | 26% | 29% | 20% | 22% |
| Chicago | 4% | 3% | 3% | 3% |
| California | 2% | 2% | 1% | 1% |
| Puerto Rico | 2% | 2% | 1% | 1% |
| Other geographies | 1% | 1% | 24% | 24% |
| | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> |

CONSOLIDATED BALANCE SHEETS

(unaudited and in thousands)

| | September 30, 2012 | December 31, 2011 | Increase (Decrease) |
|--|-----------------------|----------------------|------------------------|
| ASSETS | | | |
| Real estate, at cost: | | | |
| Land | \$ 4,143,581 | \$ 4,416,613 | \$ (273,032) |
| Buildings and improvements | 11,851,152 | 12,041,054 | (189,902) |
| Development costs and construction in progress | 865,953 | 119,540 | 746,413 |
| Leasehold improvements and equipment | 128,168 | 126,712 | 1,456 |
| Total | 16,988,854 | 16,703,919 | 284,935 |
| Less accumulated depreciation and amortization | (3,034,815) | (2,901,203) | (133,612) |
| Real estate, net | 13,954,039 | 13,802,716 | 151,323 |
| Cash and cash equivalents | 465,884 | 606,553 | (140,669) |
| Restricted cash | 391,794 | 98,068 | 293,726 |
| Marketable securities | 485,001 | 741,321 | (256,320) |
| Accounts receivable, net | 181,242 | 171,798 | 9,444 |
| Investments in partially owned entities | 1,319,710 | 1,233,650 | 86,060 |
| Investment in Toys | 549,421 | 506,809 | 42,612 |
| Real Estate Fund investments | 482,442 | 346,650 | 135,792 |
| Mezzanine loans receivable | 131,585 | 133,948 | (2,363) |
| Receivable arising from the straight-lining of rents, net | 755,866 | 701,827 | 54,039 |
| Deferred leasing and financing costs, net | 389,155 | 364,855 | 24,300 |
| Identified intangible assets, net | 252,683 | 295,432 | (42,749) |
| Assets related to discontinued operations | 537,938 | 1,049,153 | (511,215) |
| Due from officers | - | 13,127 | (13,127) |
| Other assets | 501,056 | 380,580 | 120,476 |
| Total assets | \$ 20,397,816 | \$ 20,446,487 | \$ (48,671) |
| LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY | | | |
| Liabilities: | | | |
| Notes and mortgages payable | \$ 7,852,657 | \$ 8,065,576 | \$ (212,919) |
| Senior unsecured notes | 1,357,921 | 1,357,661 | 260 |
| Revolving credit facility debt | 600,000 | 138,000 | 462,000 |
| Exchangeable senior debentures | - | 497,898 | (497,898) |
| Convertible senior debentures | - | 10,168 | (10,168) |
| Accounts payable and accrued expenses | 442,644 | 423,512 | 19,132 |
| Deferred revenue | 465,929 | 511,959 | (46,030) |
| Deferred compensation plan | 103,003 | 95,457 | 7,546 |
| Deferred tax liabilities | 15,432 | 13,315 | 2,117 |
| Liabilities related to discontinued operations | 478,980 | 518,319 | (39,339) |
| Other liabilities | 396,897 | 145,498 | 251,399 |
| Total liabilities | 11,713,463 | 11,777,363 | (63,900) |
| Redeemable noncontrolling interests | 995,499 | 1,160,677 | (165,178) |
| Vornado shareholders' equity | 6,901,979 | 6,828,316 | 73,663 |
| Noncontrolling interests in consolidated subsidiaries | 786,875 | 680,131 | 106,744 |
| Total liabilities, redeemable noncontrolling interests and equity | \$ 20,397,816 | \$ 20,446,487 | \$ (48,671) |

CAPITAL STRUCTURE

(unaudited and in thousands, except per share amounts)

| | September 30, 2012 |
|---|---------------------------|
| Debt: | |
| Consolidated debt: | |
| Notes and mortgages payable | \$ 7,852,657 |
| Senior unsecured notes | 1,357,921 |
| \$2.5 billion revolving credit facilities | 600,000 |
| | <u>9,810,578</u> |
| Pro rata share of non-consolidated debt: | |
| Toys | 1,763,256 |
| All other partially owned entities ⁽¹⁾ | 2,285,852 |
| Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street) | (308,132) |
| Total debt | <u>13,551,554</u> |

| Perpetual Preferred: | Shares/Units | Par Value | |
|--|---------------------|------------------|------------------|
| 6.875% Preferred Units (D-15) | 1,800 | 25.00 | 45,000 |
| 5.00% Preferred Unit (D-16) (1 unit @ \$1,000) | | | 1,000 |
| 6.75% Series F Preferred Shares | 6,000 | 25.00 | 150,000 |
| 6.625% Series G Preferred Shares | 8,000 | 25.00 | 200,000 |
| 6.75% Series H Preferred Shares | 4,500 | 25.00 | 112,500 |
| 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 |
| | | | <u>1,324,750</u> |

| | Converted Shares | September 30, 2012 Common Share Price | |
|------------------------------------|-----------------------------|--|-----------------------------|
| Equity: | | | |
| Common shares | 186,143 | \$ 81.05 | 15,086,890 |
| Class A units | 11,072 | 81.05 | 897,386 |
| Convertible share equivalents: | | | |
| Equity awards - unit equivalents | 643 | 81.05 | 52,115 |
| D-13 preferred units | 576 | 81.05 | 46,685 |
| G1-G4 units | 102 | 81.05 | 8,267 |
| Series A preferred shares | 50 | 81.05 | 4,053 |
| | | | <u>16,095,396</u> |
| Total Market Capitalization | | | <u>\$ 30,971,700</u> |

(1) Excludes \$21.6 billion for our 26.2% pro rata share of LNR's liabilities related to consolidated CMBS and CDO trusts which are non-recourse to LNR and its equity holders, including us.

DEBT ANALYSIS

(unaudited and in thousands)

| | Total | | Variable | | Fixed | |
|--|--------------------|--------------------------------|--------------------|--------------------------------|--------------------|--------------------------------|
| | September 30, 2012 | Weighted Average Interest Rate | September 30, 2012 | Weighted Average Interest Rate | September 30, 2012 | Weighted Average Interest Rate |
| Consolidated debt | \$ 9,810,578 | 4.72% | \$ 2,221,239 | 2.21% | \$ 7,589,339 | 5.45% |
| Pro rata share of non-consolidated debt: | | | | | | |
| Toys | 1,763,256 | 7.40% | 638,646 | 5.95% | 1,124,610 | 8.22% |
| All other ⁽¹⁾ | 2,285,852 | 5.66% | 368,747 | 2.66% | 1,917,105 | 6.24% |
| Total | 13,859,686 | 5.21% | 3,228,632 | 3.00% | 10,631,054 | 5.88% |
| Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street) | (308,132) | | (5,432) | | (302,700) | |
| Company's pro rata share of total debt | \$ 13,551,554 | 5.21% | \$ 3,223,200 | 3.00% | \$ 10,328,354 | 5.89% |

Debt Covenant Ratios: ⁽²⁾

| | Senior Unsecured Notes | | | | Revolving Credit Facilities | | Unencumbered EBITDA | |
|---|------------------------|----------|----------|----------|-----------------------------|--------|---------------------|---------------------------|
| | Required | Actual | | | Required | Actual | 3Q 2012 Annualized | |
| | | Due 2015 | Due 2022 | Due 2039 | | | | |
| Total Outstanding Debt / Total Assets ⁽³⁾ | Less than 65% | 42% | 42% | 47% | Less than 60% | 35% | NYC Office | \$ 305,596 |
| Secured Debt / Total Assets | Less than 50% | 33% | 33% | 37% | Less than 50% | 29% | Washington, DC | 128,972 |
| Interest Coverage Ratio (Annualized Combined EBITDA to Annualized Interest Expense) | Greater than 1.50 | 2.53 | 2.53 | 2.53 | | N/A | Retail Properties | 67,112 |
| Fixed Charge Coverage | | N/A | N/A | N/A | Greater than 1.40 | 2.29 | Merchandise Mart | 11,124 |
| Unencumbered Assets / Unsecured Debt | Greater than 150% | 475% | 475% | 433% | | N/A | Other | 66,612 |
| Unsecured Debt / Cap Value of Unencumbered Assets | | N/A | N/A | N/A | Less than 60% | 14% | Total | \$ 579,416 ⁽⁴⁾ |
| Unencumbered Coverage Ratio | | N/A | N/A | N/A | Greater than 1.50 | 5.55 | | |

| | Senior Unsecured Notes | | |
|----------------------------------|------------------------|------------|--------------------------|
| | Due 2015 | Due 2022 | Due 2039 |
| Settlement Date | 3/26/2010 | 12/7/2011 | 9/30/2009 |
| Principal Amount | \$ 500,000 | \$ 400,000 | \$ 460,000 |
| Issue Price | 99.834% | 99.546% | 100.000% |
| Coupon | 4.250% | 5.000% | 7.875% |
| Effective economic interest rate | 4.287% | 5.057% | 7.875% |
| Ratings: | | | |
| Moody's | Baa2 | Baa2 | Baa2 |
| S&P | BBB | BBB | BBB |
| Fitch | BBB | BBB | BBB |
| Maturity Date / Put Date | 4/1/2015 | 1/15/2022 | 10/1/2039 ⁽⁵⁾ |

(1) Excludes \$21.6 billion for our 26.2% pro rata share of LNR's liabilities related to consolidated CMBS and CDO trusts which are non-recourse to LNR and its equity holders, including us.

(2) Our debt covenant ratios are computed in accordance with the terms of our senior unsecured notes and 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 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 6.5% under the revolving credit facilities.

(4) Includes \$11,548 of EBITDA from assets classified as "held for sale".

(5) These notes may be redeemed at our option in whole or in part beginning October 1, 2014, at a price equal to the principal amount plus accrued interest.

DEBT MATURITIES

(unaudited and in thousands)

| Property | Maturity Date ⁽¹⁾ | 2012 | 2013 | 2014 | 2015 | 2016 | Thereafter | Total |
|---|------------------------------|------|------------|--------|---------|---------|------------|------------|
| 1290 Avenue of the Americas | 01/13 | \$ - | \$ 409,000 | \$ - | \$ - | \$ - | \$ - | \$ 409,000 |
| Bergen Town Center | 03/13 | - | 282,312 | - | - | - | - | 282,312 |
| San Jose Strip Center | 03/13 | - | 106,332 | - | - | - | - | 106,332 |
| Broadway Mall | 07/13 | - | 85,209 | - | - | - | - | 85,209 |
| 2231 Crystal Drive | 08/13 | - | 42,178 | - | - | - | - | 42,178 |
| 1225 Clark Street | 08/13 | - | 25,230 | - | - | - | - | 25,230 |
| 220 Central Park South | 10/13 | - | 123,750 | - | - | - | - | 123,750 |
| Las Catalinas Mall | 11/13 | - | 54,719 | - | - | - | - | 54,719 |
| 4 Union Square South | 04/14 | - | - | 75,000 | - | - | - | 75,000 |
| Universal Buildings | 04/14 | - | - | 90,785 | - | - | - | 90,785 |
| 1730 M and 1150 17th Street | 06/14 | - | - | 43,581 | - | - | - | 43,581 |
| 1550 and 1750 Crystal Drive | 11/14 | - | - | 74,221 | - | - | - | 74,221 |
| 2200 / 2300 Clarendon Boulevard | 01/15 | - | - | - | 48,859 | - | - | 48,859 |
| Senior Unsecured Notes due 2015 | 04/15 | - | - | - | 499,586 | - | - | 499,586 |
| River House Apartments | 04/15 | - | - | - | 195,546 | - | - | 195,546 |
| 909 Third Avenue | 04/15 | - | - | - | 200,241 | - | - | 200,241 |
| 888 Seventh Avenue | 01/16 | - | - | - | - | 318,554 | - | 318,554 |
| 510 5th Avenue | 01/16 | - | - | - | - | 31,377 | - | 31,377 |
| 770 Broadway | 03/16 | - | - | - | - | 353,000 | - | 353,000 |
| 866 UN Plaza | 05/16 | - | - | - | - | 44,978 | - | 44,978 |
| Bowen Building | 06/16 | - | - | - | - | 115,022 | - | 115,022 |
| \$1.25 Billion Unsecured Revolving Credit Facility | 06/16 | - | - | - | - | - | - | - |
| Montehiedra Town Center | 07/16 | - | - | - | - | 120,000 | - | 120,000 |
| \$1.25 Billion Unsecured Revolving Credit Facility | 11/16 | - | - | - | - | 600,000 | - | 600,000 |
| Merchandise Mart | 12/16 | - | - | - | - | 550,000 | - | 550,000 |
| 350 Park Avenue | 01/17 | - | - | - | - | - | 300,000 | 300,000 |
| Skyline Properties | 02/17 | - | - | - | - | - | 694,711 | 694,711 |
| 100 West 33rd Street | 03/17 | - | - | - | - | - | 325,000 | 325,000 |
| 2011 Crystal Drive | 08/17 | - | - | - | - | - | 79,865 | 79,865 |
| North Bergen (Tonnel Avenue) | 01/18 | - | - | - | - | - | 75,000 | 75,000 |
| 220 20th Street | 02/18 | - | - | - | - | - | 74,246 | 74,246 |
| Two Penn Plaza | 03/18 | - | - | - | - | - | 425,000 | 425,000 |
| River House Apartments | 04/18 | - | - | - | - | - | 64,000 | 64,000 |
| 828-850 Madison Avenue Condominium | 06/18 | - | - | - | - | - | 80,000 | 80,000 |
| Eleven Penn Plaza | 01/19 | - | - | - | - | - | 330,000 | 330,000 |
| 435 Seventh Avenue | 08/19 | - | - | - | - | - | 98,000 | 98,000 |
| Cross-collateralized mortgages on 40 strip shopping centers | 09/20 | - | - | - | - | - | 636,281 | 636,281 |
| Borgata Land | 02/21 | - | - | - | - | - | 60,000 | 60,000 |
| West End 25 | 06/21 | - | - | - | - | - | 101,671 | 101,671 |
| 555 California Street | 09/21 | - | - | - | - | - | 600,000 | 600,000 |
| Senior Unsecured Notes due 2022 | 01/22 | - | - | - | - | - | 398,335 | 398,335 |
| 2121 Crystal Drive | 03/23 | - | - | - | - | - | 150,000 | 150,000 |
| 2101 L Street | 08/24 | - | - | - | - | - | 150,000 | 150,000 |

See notes on the following page.

DEBT MATURITIES

(unaudited and in thousands)

| Property | Maturity Date ⁽¹⁾ | 2012 | 2013 | 2014 | 2015 | 2016 | Thereafter | Total |
|--|------------------------------|------------------|---------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| 1215 Clark Street, 200 12th Street & 251 18th Street | 01/25 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 104,043 | \$ 104,043 |
| Senior Unsecured Notes due 2039 | 10/39 | - | - | - | - | - | 460,000 | 460,000 |
| Other shopping center properties | Various | - | - | 29,337 | 12,760 | - | 46,724 | 88,821 |
| Other | 11/12 | 19,427 | - | - | - | - | - | 19,427 |
| Purchase accounting valuation adjustments | Various | - | 1,623 | 4,255 | (422) | - | 1,242 | 6,698 |
| Total | | \$ 19,427 | \$ 1,130,353 | \$ 317,179 | \$ 956,570 | \$ 2,132,931 | \$ 5,254,118 | \$ 9,810,578 |
| Weighted average rate | | 3.98% | 4.48% | 5.23% | 4.65% | 4.41% | 4.87% | 4.72% |
| Fixed rate debt | | \$ - | \$ 617,959 | \$ 198,598 | \$ 907,711 | \$ 1,487,953 | \$ 4,377,118 | \$ 7,589,339 |
| Fixed weighted average rate expiring | | - | 6.09% | 6.69% | 4.85% | 5.70% | 5.34% | 5.45% |
| Floating rate debt | | \$ 19,427 | \$ 512,394 | \$ 118,581 | \$ 48,859 | \$ 644,978 | \$ 877,000 | \$ 2,221,239 |
| Floating weighted average rate expiring | | 3.98% | 2.55% | 2.80% | 0.98% | 1.43% | 2.54% | 2.21% |

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

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

| Joint Venture Name | Asset Category | Percentage Ownership at September 30, 2012 | As of September 30, 2012 | | |
|---|--------------------|--|---------------------------|------------------------------|----------------------------|
| | | | Company's Carrying Amount | Company's Pro rata Share | 100% of Joint Venture Debt |
| Toys | Retailer | 32.5% | \$ 549,421 | \$ 1,763,256 | \$ 5,423,735 |
| Alexander's, Inc. | Office/Retail | 32.4% | \$ 186,714 | \$ 427,608 | \$ 1,319,776 |
| Lexington | Office/Retail | 11.8% | 50,271 | 205,956 | 1,739,466 |
| LNR: Mortgage notes payable | Other | 26.2% | 197,231 | 122,202 | 466,882 |
| Liabilities of consolidated CMBS and CDO trusts | | | - | 21,599,365 | 82,522,220 |
| | | | 197,231 | 21,721,567 | 82,989,102 |
| India real estate ventures | Office/Land | 4.0% to 36.5% | 94,241 | 60,302 | 241,208 |
| Partially Owned Office Buildings: | | | | | |
| 280 Park Avenue | Office | 49.5% | 190,034 | 365,192 | 738,009 |
| Rosslyn Plaza | Office/Residential | 43.7% to 50.4% | 62,272 | - | - |
| West 57th Street Properties | Office | 50.0% | 57,920 | 10,314 | 20,628 |
| One Park Avenue | Office | 30.3% | 50,275 | 75,740 | 250,000 |
| 666 Fifth Avenue Office Condominium | Office | 49.5% | 34,162 | 539,423 | 1,090,592 |
| 330 Madison Avenue | Office | 25.0% | 24,900 | 37,500 | 150,000 |
| 1101 17th Street | Office | 55.0% | 22,271 | - | - |
| Warner Building | Office | 55.0% | 11,603 | 160,985 | 292,700 |
| Fairfax Square | Office | 20.0% | 5,870 | 14,069 | 70,344 |
| Other Partially Owned Office Buildings | Office | Various | 10,042 | 27,310 | 69,839 |
| Other Investments: | | | | | |
| Independence Plaza Partnership ⁽¹⁾ | Residential | 51.0% | 53,545 | - | - |
| Verde Realty Operating Partnership | REIT | 8.3% | 52,910 | 41,777 | 503,211 |
| Downtown Crossing, Boston | Mixed-use | 50.0% | 47,605 | - | - |
| Monmouth Mall | Retail | 50.0% | 7,373 | 80,331 | 160,662 |
| Other Investments | Various | Various | 160,471 | 117,143 | 994,009 |
| | | | \$ 1,319,710 | \$ 23,885,217 ⁽²⁾ | \$ 90,629,546 |

(1) Represents an investment in mezzanine loans to the property owner entity.

(2) Our pro rata share of debt of partially owned entities is \$4,049,108, excluding \$21,599,365 for our pro rata share of LNR's liabilities related to consolidated CMBS and CDO trusts which are non-recourse to LNR and its equity holders, including us.

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

| Joint Venture Name | Percentage Ownership at September 30, 2012 | Our Share of Net Income (Loss) for the Three Months Ended September 30, | | Our Share of EBITDA for the Three Months Ended September 30, | |
|---|--|---|------------|--|-----------|
| | | 2012 | 2011 | 2012 | 2011 |
| Toys | 32.5% | \$ (8,585) | \$ (9,304) | \$ 47,983 | \$ 47,872 |
| New York: | | | | | |
| Alexander's, Inc. | 32.4% | \$ 7,137 | \$ 6,437 | \$ 13,080 | \$ 12,830 |
| 280 Park Avenue | 49.5% | (1,717) | (6,461) | 5,281 | 5,791 |
| 666 Fifth Avenue Office Condominium (acquired in December 2011) | 49.5% | 1,744 | - | 4,695 | - |
| 330 Madison Avenue | 25.0% | 1,224 | 315 | 2,116 | 939 |
| One Park Avenue | 30.3% | 256 | 113 | 2,012 | 1,962 |
| West 57th Street properties | 50.0% | 167 | 298 | 687 | 761 |
| Other | Various | 498 | 501 | 1,099 | 1,092 |
| | | 9,309 | 1,203 | 28,970 | 23,375 |
| Washington, DC: | | | | | |
| Warner Building | 55.0% | (2,839) | (2,783) | 972 | 972 |
| 1101 17th Street | 55.0% | 591 | 671 | 781 | 833 |
| Rosslyn Plaza | 43.7% to 50.4% | (204) | (60) | 2,217 | 2,067 |
| Fairfax Square | 20.0% | (33) | (22) | 529 | 533 |
| Other | Various | 303 | 838 | 1,229 | 1,854 |
| | | (2,182) | (1,356) | 5,728 | 6,259 |
| Retail Properties: | | | | | |
| Monmouth Mall | 50.0% | 347 | 631 | 2,224 | 2,474 |
| Other | Various | (5) | (56) | 111 | 24 |
| | | 342 | 575 | 2,335 | 2,498 |
| Merchandise Mart | 50.0% | 219 | 38 | 489 | 310 |
| Other: | | | | | |
| LNR | 26.2% | 16,600 | 13,656 | 18,773 | 15,769 |
| India real estate ventures | 4.0% to 36.5% | 82 | (690) | 1,843 | 1,255 |
| Alexander's corporate fee income | 32.4% | 1,821 | 1,758 | 1,821 | 1,758 |
| Independence Plaza Partnership ⁽¹⁾ | 51.0% | 1,828 | 1,811 | 1,828 | 1,876 |
| Downtown Crossing, Boston | 50.0% | (38) | (408) | (38) | (408) |
| Verde Realty Operating Partnership | 8.3% | (5,388) ⁽²⁾ | 2,413 | (3,752) ⁽²⁾ | 3,863 |
| Lexington | 11.8% | (323) | (617) | 7,858 | 8,424 |
| Other ⁽³⁾ | Various | (1,002) | (5,243) | 6,217 | 5,175 |
| | | 13,580 | 12,680 | 34,550 | 37,712 |
| | | \$ 21,268 | \$ 13,140 | \$ 72,072 | \$ 70,154 |

(1) Represents an investment in mezzanine loans to the property owner entity.

(2) In the third quarter of 2012, we converted our 2,015,151 units in Verde Realty Operating Partnership into 2,015,151 common shares of Verde Realty ("Verde"). Pursuant to a merger agreement which was approved by Verde shareholders on September 14, 2012, we accepted an offer to receive cash of \$13.85 per share, or \$27,910 in the aggregate; accordingly, we recognized a \$4,936 impairment loss in the third quarter.

(3) Includes interests in 85 10th Avenue, Farley Project, Suffolk Downs, Dune Capital L.P., Fashion Centre Mall and others.

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

| Joint Venture Name | Percentage Ownership at September 30, 2012 | Our Share of Net Income (Loss) for the Nine Months Ended September 30, | | Our Share of EBITDA for the Nine Months Ended September 30, | |
|---|--|--|-------------------------|---|-----------------------|
| | | 2012 | 2011 | 2012 | 2011 |
| Toys | 32.5% | \$ 88,696 | \$ 80,794 | \$ 310,437 | \$ 334,116 |
| New York: | | | | | |
| Alexander's, Inc. | 32.4% | \$ 19,210 | \$ 18,507 | \$ 39,477 | \$ 40,032 |
| 280 Park Avenue (acquired in May 2011) | 49.5% | (9,267) | (8,645) | 15,847 | 8,726 |
| 666 Fifth Avenue Office Condominium (acquired in December 2011) | 49.5% | 5,244 | - | 13,238 | - |
| 330 Madison Avenue | 25.0% | 2,036 | 1,440 | 4,993 | 3,126 |
| One Park Avenue (acquired in March 2011) | 30.3% | 890 | 229 | 6,228 | 4,624 |
| West 57th Street properties | 50.0% | 732 | 634 | 2,291 | 2,290 |
| Other | Various | 1,500 | 1,156 | 3,308 | 3,033 |
| | | 20,345 | 13,321 | 85,382 | 61,831 |
| Washington, DC: | | | | | |
| Warner Building | 55.0% | (7,438) | (15,330) ⁽¹⁾ | 3,200 | 1,887 |
| 1101 17th Street | 55.0% | 1,920 | 2,094 | 2,518 | 2,692 |
| Rosslyn Plaza | 43.7% to 50.4% | 99 | 2,160 | 6,639 | 6,511 |
| Fairfax Square | 20.0% | (85) | 7 | 1,597 | 1,671 |
| Other | Various | 933 | 5,031 | 3,673 | 7,976 |
| | | (4,571) | (6,038) | 17,627 | 20,737 |
| Retail Properties: | | | | | |
| Monmouth Mall | 50.0% | 1,007 | 1,588 | 6,631 | 7,110 |
| Other | Various | 33 | (368) | 376 | (150) |
| | | 1,040 | 1,220 | 7,007 | 6,960 |
| Merchandise Mart | 50.0% | 560 | 292 | 1,366 | 1,105 |
| Other: | | | | | |
| LNR | 26.2% | 39,319 | 39,913 ⁽²⁾ | 46,006 | 38,569 |
| India real estate ventures | 4.0% to 36.5% | (4,526) | (692) | 1,718 | 5,525 |
| Alexander's corporate fee income | 32.4% | 5,617 | 5,545 | 5,617 | 5,545 |
| Independence Plaza Partnership (acquired in June 2011) ⁽³⁾ | 51.0% | 5,243 | 1,811 | 5,243 | 1,876 |
| Downtown Crossing, Boston | 50.0% | (872) | (1,156) | (872) | (1,156) |
| Lexington | 11.8% | 371 | 10,209 ⁽⁴⁾ | 24,780 | 37,730 ⁽⁴⁾ |
| Verde Realty Operating Partnership | 8.3% | (6,000) ⁽⁵⁾ | 1,204 | (2,131) ⁽⁵⁾ | 5,583 |
| Other ⁽⁶⁾ | Various | (3,035) | (10,594) | 18,501 | 21,083 |
| | | 36,117 | 46,240 | 98,862 | 114,755 |
| | | \$ 53,491 | \$ 55,035 | \$ 210,244 | \$ 205,388 |

(1) 2011 includes \$9,022 for our share of expense, primarily for straight-line reserves and the write-off of tenant improvements in connection with a tenant's bankruptcy at the Warner Building.

(2) 2011 includes \$8,977 for our share of a tax settlement gain and \$6,020 of net gains from asset sales.

(3) Represents and investment in mezzanine loans to the property owner entity.

(4) 2011 includes a \$9,760 net gain resulting from Lexington's stock issuance.

(5) 2012 includes a \$4,936 impairment loss. (See note 2 on page 24.)

(6) Includes interests in 85 10th Avenue, Farley Project, Suffolk Downs, Dune Capital L.P., Fashion Centre Mall and others.

SQUARE FOOTAGE in service

(unaudited and square feet in thousands)

| Segment: | Total Portfolio | Owned by Company | | | | |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|----------------------|
| | | Total | Office | Retail | Showroom | Other |
| New York: | | | | | | |
| Office | 19,608 | 16,627 | 16,444 | - | 183 | - |
| Retail | 2,041 | 1,883 | - | 1,883 | - | - |
| Alexander's | 2,179 | 706 | 287 | 419 | - | - |
| Hotel Pennsylvania | 1,400 | 1,400 | - | - | - | 1,400 |
| Residential | 284 | 142 | - | - | - | 142 |
| | <u>25,512</u> | <u>20,758</u> | <u>16,731</u> | <u>2,302</u> | <u>183</u> | <u>1,542</u> |
| Washington, DC: | | | | | | |
| Office | 16,097 | 13,630 | 12,771 | 859 | - | - |
| Residential (2,424 units) | 3,034 | 2,891 | - | 9 | - | 2,882 ⁽¹⁾ |
| | <u>19,131</u> | <u>16,521</u> | <u>12,771</u> | <u>868</u> | <u>-</u> | <u>2,882</u> |
| Retail Properties: | | | | | | |
| Strip Shopping Centers | 15,461 | 14,879 | - | 14,879 | - | - |
| Regional Malls | 5,226 | 3,589 | - | 3,589 | - | - |
| | <u>20,687</u> | <u>18,468</u> | <u>-</u> | <u>18,468</u> | <u>-</u> | <u>-</u> |
| Merchandise Mart | <u>3,991</u> | <u>3,982</u> | <u>1,624</u> | <u>95</u> | <u>2,263</u> | <u>-</u> |
| Other: | | | | | | |
| 555 California Street (70%) | 1,795 | 1,257 | 1,164 | 93 | - | - |
| Primarily Warehouses | 1,096 | 1,096 | 50 | 73 | - | 973 |
| | <u>2,891</u> | <u>2,353</u> | <u>1,214</u> | <u>166</u> | <u>-</u> | <u>973</u> |
| Total square feet at September 30, 2012 | <u><u>72,212</u></u> | <u><u>62,082</u></u> | <u><u>32,340</u></u> | <u><u>21,899</u></u> | <u><u>2,446</u></u> | <u><u>5,397</u></u> |
| Total square feet at June 30, 2012 | <u><u>71,972</u></u> | <u><u>62,014</u></u> | <u><u>31,716</u></u> | <u><u>21,980</u></u> | <u><u>2,930</u></u> | <u><u>5,388</u></u> |

(1) Includes four residential properties and a hotel property.

| Parking Garages (not included above): | Square Feet | Number of Garages | Number of Spaces |
|---------------------------------------|----------------------|-------------------|----------------------|
| New York | 1,384 | 9 | 4,403 |
| Washington, DC | 8,838 | 56 | 29,611 |
| Merchandise Mart | 558 | 4 | 1,681 |
| 555 California Street | 168 | 1 | 453 |
| Total at September 30, 2012 | <u><u>10,948</u></u> | <u><u>70</u></u> | <u><u>36,148</u></u> |

| Number of Toys stores (not included above): | Total | Owned | Building Owned on Leased Ground | Leased |
|---|---------------------|-------------------|---------------------------------|-------------------|
| Domestic | 874 | 289 | 223 | 362 |
| International | 646 | 78 | 26 | 542 |
| Total Owned and Leased | <u><u>1,520</u></u> | <u><u>367</u></u> | <u><u>249</u></u> | <u><u>904</u></u> |
| Franchised Stores | 151 | - | - | - |
| Total at September 30, 2012 | <u><u>1,671</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

TOP 30 TENANTS

(unaudited)

| Tenants | Square Footage | 2012 Annualized Revenues (in thousands) | % of 2012 Annualized Revenues |
|---|----------------|---|-------------------------------|
| U.S. Government | 4,394,343 | \$ 153,590 | 5.4% |
| Bank of America | 800,807 | 41,877 | 1.5% |
| AXA Equitable Life Insurance | 423,174 | 36,799 | 1.3% |
| Macy's | 1,188,483 | 36,759 | 1.3% |
| Limited Brands | 392,021 | 27,727 | 1.0% |
| Ziff Brothers Investments Inc. | 287,405 | 24,411 | 0.9% |
| McGraw-Hill Companies, Inc. | 479,557 | 24,068 | 0.8% |
| Madison Square Garden | 398,898 | 23,658 | 0.8% |
| The Home Depot | 1,134,562 | 23,447 | 0.8% |
| Hennes & Mauritz | 105,997 | 22,376 | 0.8% |
| Draftfcb | 415,438 | 22,081 | 0.8% |
| New York Stock Exchange | 381,425 | 22,052 | 0.8% |
| Sears Holding Company (Kmart Corporation and Sears Corporation) | 923,560 | 19,594 | 0.7% |
| J. Crew | 347,580 | 19,067 | 0.7% |
| Family Health International | 434,926 | 18,371 | 0.6% |
| Forever 21 | 151,467 | 18,332 | 0.6% |
| AOL | 230,365 | 17,678 | 0.6% |
| Wal-Mart | 1,426,434 | 16,465 | 0.6% |
| Rainbow Media Holdings | 251,121 | 16,152 | 0.6% |
| JCPenney | 513,169 | 15,793 | 0.6% |
| Bryan Cave LLP | 213,946 | 15,027 | 0.5% |
| Best Buy | 574,980 | 14,311 | 0.5% |
| Morrison & Foerster LLP | 158,912 | 13,756 | 0.5% |
| Lockheed Martin | 324,552 | 13,490 | 0.5% |
| Cushman Wakefield | 166,287 | 13,448 | 0.5% |
| Lowe's | 976,415 | 12,781 | 0.4% |
| Nielson Company (US) Inc | 227,535 | 12,634 | 0.4% |
| Stop & Shop / Koninklijke Ahold NV | 515,851 | 11,874 | 0.4% |
| Boeing | 265,659 | 11,118 | 0.4% |
| The TJX Companies, Inc. | 551,992 | 11,025 | 0.4% |

**LEASE EXPIRATIONS
NEW YORK SEGMENT**

(unaudited)

| NEW YORK | Year of Lease Expiration | 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 | 53,000 | \$ 2,288,000 | \$ 43.19 | 0.3% |
| | Fourth Quarter 2012 | 156,000 | 9,098,000 | 58.20 | 1.0% |
| | First Quarter 2013 | 74,000 | 4,591,000 | 62.45 | 0.5% |
| | Second Quarter 2013 | 367,000 | 15,094,000 | 41.15 | 1.7% |
| | Third Quarter 2013 | 126,000 | 9,740,000 | 77.29 | 1.1% |
| | Fourth Quarter 2013 | 106,000 | 6,314,000 | 59.38 | 0.7% |
| | Total 2013 | 673,000 | 35,739,000 | 53.13 | 4.1% |
| | 2014 | 1,074,000 | 66,289,000 | 61.75 | 7.6% |
| | 2015 | 2,093,000 | 115,958,000 | 55.40 | 13.4% |
| | 2016 | 1,119,000 | 63,697,000 | 56.92 | 7.3% |
| | 2017 | 1,236,000 | 71,506,000 | 57.84 | 8.2% |
| | 2018 | 906,000 | 59,942,000 | 66.19 | 6.9% |
| | 2019 | 908,000 | 55,449,000 | 61.07 | 6.4% |
| | 2020 | 1,456,000 | 78,758,000 | 54.11 | 9.1% |
| | 2021 | 1,035,000 | 61,755,000 | 59.65 | 7.1% |
| Retail: | Month to Month | 12,000 | \$ 747,000 | \$ 62.25 | 0.5% |
| | Fourth Quarter 2012 | 11,000 | 589,000 | 53.55 | 0.4% |
| | First Quarter 2013 | 41,000 | 5,870,000 | 143.17 | 4.2% |
| | Second Quarter 2013 | 18,000 | 2,508,000 | 139.33 | 1.8% |
| | Third Quarter 2013 | 42,000 | 4,944,000 | 117.71 | 3.5% |
| | Fourth Quarter 2013 | 9,000 | 653,000 | 72.56 | 0.5% |
| | Total 2013 | 110,000 | 13,975,000 | 127.05 | 9.9% |
| | 2014 | 61,000 | 10,795,000 | 176.97 | 7.6% |
| | 2015 | 103,000 | 22,952,000 | 222.83 | 16.2% |
| | 2016 | 210,000 | 19,384,000 | 92.30 | 13.7% |
| | 2017 | 167,000 | 9,290,000 | 55.63 | 6.6% |
| | 2018 | 208,000 | 37,805,000 | 181.75 | 26.7% |
| | 2019 | 94,000 | 20,392,000 | 216.94 | 14.4% |
| | 2020 | 79,000 | 8,334,000 | 105.49 | 5.9% |
| | 2021 | 34,000 | 6,546,000 | 192.53 | 4.6% |

**LEASE EXPIRATIONS
WASHINGTON, DC SEGMENT**

(unaudited)

| WASHINGTON, DC | Year of Lease Expiration | Square Feet of Expiring Leases | Weighted Average Annual Rent of Expiring Leases | | Percentage of Annualized Escalated Rent |
|----------------|-----------------------------|--------------------------------------|--|-------------|---|
| | | | Total | Per Sq. Ft. | |
| | Month to Month | 180,000 | \$ 6,555,000 | \$ 36.43 | 1.5% |
| | Fourth Quarter 2012 | 241,000 | 10,004,000 | 41.52 | 2.4% |
| | First Quarter 2013 | 312,000 | 11,520,000 | 36.90 | 2.7% |
| | Second Quarter 2013 | 199,000 | 7,917,000 | 39.79 | 1.9% |
| | Third Quarter 2013 | 162,000 | 6,828,000 | 42.16 | 1.6% |
| | Fourth Quarter 2013 | 270,000 | 11,126,000 | 41.19 | 2.6% |
| | Total 2013 | 943,000 | 37,391,000 | 39.64 | 8.8% |
| | 2014 | 1,446,000 | 55,463,000 | 38.35 | 13.0% |
| | 2015 | 1,444,000 | 57,679,000 | 39.94 | 13.6% |
| | 2016 | 1,094,000 | 46,160,000 | 42.19 | 10.9% |
| | 2017 | 585,000 | 22,244,000 | 38.02 | 5.2% |
| | 2018 | 873,000 | 35,814,000 | 41.04 | 8.4% |
| | 2019 | 1,063,000 | 43,185,000 | 40.62 | 10.2% |
| | 2020 | 554,000 | 28,043,000 | 50.58 | 6.6% |
| | 2021 | 816,000 | 34,774,000 | 42.63 | 8.2% |

LEASE EXPIRATIONS RETAIL PROPERTIES SEGMENT

(unaudited)

| RETAIL PROPERTIES | Year of Lease Expiration | 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 | 31,000 | \$ 501,000 | \$ 16.21 | 0.2% |
| | Fourth Quarter 2012 | 73,000 | 1,237,000 | 16.88 | 0.6% |
| | First Quarter 2013 | 126,000 | 2,672,000 | 21.26 | 1.3% |
| | Second Quarter 2013 | 225,000 | 3,046,000 | 13.53 | 1.5% |
| | Third Quarter 2013 | 89,000 | 2,282,000 | 25.55 | 1.1% |
| | Fourth Quarter 2013 | 473,000 | 5,672,000 | 12.00 | 2.8% |
| | Total 2013 | 913,000 | 13,672,000 | 14.98 | 6.7% |
| | 2014 | 1,338,000 | 16,588,000 | 12.40 | 8.1% |
| | 2015 | 582,000 | 11,949,000 | 20.52 | 5.9% |
| | 2016 | 780,000 | 11,787,000 | 15.11 | 5.8% |
| | 2017 | 536,000 | 8,876,000 | 16.56 | 4.4% |
| | 2018 | 1,334,000 | 21,666,000 | 16.24 | 10.6% |
| | 2019 | 892,000 | 16,973,000 | 19.02 | 8.3% |
| | 2020 | 725,000 | 9,065,000 | 12.50 | 4.4% |
| | 2021 | 650,000 | 11,171,000 | 17.19 | 5.5% |
| Regional Malls: | Month to Month | 28,000 | \$ 747,000 | \$ 27.17 | 1.2% |
| | Fourth Quarter 2012 | 35,000 | 1,442,000 | 41.57 | 2.3% |
| | First Quarter 2013 | 39,000 | 1,936,000 | 49.54 | 3.1% |
| | Second Quarter 2013 | 11,000 | 397,000 | 35.94 | 0.6% |
| | Third Quarter 2013 | 30,000 | 1,918,000 | 63.54 | 3.1% |
| | Fourth Quarter 2013 | 24,000 | 590,000 | 24.37 | 1.0% |
| | Total 2013 | 104,000 | 4,841,000 | 46.31 | 7.9% |
| | 2014 | 174,000 | 4,618,000 | 26.62 | 7.5% |
| | 2015 | 177,000 | 5,333,000 | 30.07 | 8.7% |
| | 2016 | 117,000 | 4,808,000 | 41.01 | 7.8% |
| | 2017 | 348,000 | 2,755,000 | 7.92 | 4.5% |
| | 2018 | 81,000 | 3,559,000 | 43.78 | 5.8% |
| | 2019 | 89,000 | 4,480,000 | 50.52 | 7.3% |
| | 2020 | 94,000 | 3,974,000 | 42.37 | 6.5% |
| | 2021 | 413,000 | 5,434,000 | 13.15 | 8.8% |

**LEASE EXPIRATIONS
MERCHANDISE MART SEGMENT**

(unaudited)

| MERCHANDISE MART | Year of Lease Expiration | 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 | 2,000 | \$ 23,000 | \$ 15.00 | 0.1% |
| | Fourth Quarter 2012 | 2,000 | 40,000 | 20.86 | 0.1% |
| | First Quarter 2013 | 5,000 | 117,000 | 24.24 | 0.4% |
| | Second Quarter 2013 | 9,000 | 227,000 | 24.38 | 0.9% |
| | Third Quarter 2013 | 4,000 | 103,000 | 24.21 | 0.4% |
| | Fourth Quarter 2013 | 1,000 | 58,000 | 107.50 | 0.2% |
| | Total 2013 | 19,000 | 505,000 | 26.68 | 1.9% |
| | 2014 | 2,000 | 52,000 | 26.75 | 0.2% |
| | 2015 | 46,000 | 1,435,000 | 31.42 | 5.4% |
| | 2016 | 127,000 | 3,219,000 | 25.30 | 12.1% |
| | 2017 | - | - | - | 0.0% |
| | 2018 | 242,000 | 7,436,000 | 30.77 | 28.0% |
| | 2019 | - | - | - | 0.0% |
| | 2020 | 128,000 | 4,118,000 | 32.18 | 15.5% |
| | 2021 | 192,000 | 5,299,000 | 27.55 | 19.9% |
| Showroom: | Month to Month | 22,000 | \$ 770,000 | \$ 35.24 | 1.1% |
| | Fourth Quarter 2012 | 51,000 | 2,167,000 | 42.19 | 3.2% |
| | First Quarter 2013 | 66,000 | 2,746,000 | 41.31 | 4.1% |
| | Second Quarter 2013 | 32,000 | 1,573,000 | 49.83 | 2.3% |
| | Third Quarter 2013 | 35,000 | 1,531,000 | 43.45 | 2.3% |
| | Fourth Quarter 2013 | 88,000 | 3,444,000 | 39.19 | 5.1% |
| | Total 2013 | 221,000 | 9,294,000 | 42.02 | 13.8% |
| | 2014 | 200,000 | 8,059,000 | 40.30 | 11.9% |
| | 2015 | 219,000 | 8,252,000 | 37.63 | 12.2% |
| | 2016 | 220,000 | 8,299,000 | 37.65 | 12.3% |
| | 2017 | 295,000 | 11,316,000 | 38.34 | 16.7% |
| | 2018 | 189,000 | 6,956,000 | 36.82 | 10.3% |
| | 2019 | 82,000 | 3,180,000 | 38.84 | 4.7% |
| | 2020 | 56,000 | 2,367,000 | 41.96 | 3.5% |
| | 2021 | 95,000 | 3,560,000 | 37.62 | 5.3% |

LEASING ACTIVITY

(unaudited)

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

| | New York | | Washington, DC | Retail Properties | | Merchandise Mart | |
|--|----------|-----------|----------------|-------------------|----------|------------------------|----------|
| | Office | Retail | | Strips | Malls | Office | Showroom |
| <i>(square feet in thousands)</i> | | | | | | | |
| Quarter Ended September 30, 2012 | | | | | | | |
| Total square feet leased | 505 | 9 | 435 | 79 | 23 | 581 | 129 |
| Our share of square feet leased: | 480 | 6 | 400 | 79 | 15 | 581 | 129 |
| Initial rent ⁽¹⁾ | \$ 58.74 | \$ 199.10 | \$ 44.02 | \$ 24.41 | \$ 41.01 | \$ 33.01 | \$ 39.59 |
| Weighted average lease term (years) | 10.9 | 6.4 | 9.1 | 6.5 | 6.9 | 14.9 | 5.9 |
| Second generation relet space: | | | | | | | |
| Square feet | 359 | 5 | 314 | 63 | 2 | 8 | 129 |
| Cash basis: | | | | | | | |
| Initial rent ⁽¹⁾ | \$ 61.99 | \$ 174.86 | \$ 40.57 | \$ 22.06 | \$ 46.75 | \$ 33.88 | \$ 39.59 |
| Prior escalated rent | \$ 56.95 | \$ 142.55 | \$ 37.24 | \$ 21.21 | \$ 43.74 | \$ 16.78 | \$ 40.22 |
| Percentage increase (decrease) | 8.9% | 22.7% | 8.9% | 4.0% | 6.9% | 101.9% | (1.6%) |
| GAAP basis: | | | | | | | |
| Straight-line rent ⁽²⁾ | \$ 62.27 | \$ 182.86 | \$ 41.41 | \$ 22.33 | \$ 46.75 | \$ 35.53 | \$ 40.03 |
| Prior straight-line rent | \$ 59.31 | \$ 142.55 | \$ 36.39 | \$ 20.53 | \$ 42.78 | \$ 14.07 | \$ 36.95 |
| Percentage increase | 5.0% | 28.3% | 13.8% | 8.8% | 9.3% | 152.5% | 8.3% |
| Tenant improvements and leasing commissions: | | | | | | | |
| Per square foot | \$ 75.87 | \$ 37.98 | \$ 50.97 | \$ 2.22 | \$ 32.17 | \$ 97.44 | \$ 7.89 |
| Per square foot per annum: | \$ 6.96 | \$ 5.93 | \$ 5.60 | \$ 0.34 | \$ 4.66 | \$ 6.54 ⁽³⁾ | \$ 1.34 |
| Percentage of initial rent | 11.8% | 3.0% | 12.7% | 1.4% | 11.4% | 19.8% | 3.4% |
| Nine Months Ended September 30, 2012 | | | | | | | |
| Total square feet leased | 1,492 | 183 | 1,630 | 953 | 71 | 593 | 322 |
| Our share of square feet leased: | 1,317 | 180 | 1,496 | 953 | 50 | 593 | 322 |
| Initial rent ⁽¹⁾ | \$ 58.20 | \$ 105.39 | \$ 40.30 | \$ 18.04 | \$ 43.92 | \$ 32.97 | \$ 38.20 |
| Weighted average lease term (years) | 9.5 | 12.0 | 7.3 | 8.4 | 4.7 | 14.7 | 5.9 |
| Second generation relet space: | | | | | | | |
| Square feet | 1,032 | 152 | 1,367 | 721 | 12 | 20 | 322 |
| Cash basis: | | | | | | | |
| Initial rent ⁽¹⁾ | \$ 59.78 | \$ 101.56 | \$ 39.25 | \$ 15.66 | \$ 62.80 | \$ 32.24 | \$ 38.20 |
| Prior escalated rent | \$ 56.92 | \$ 85.04 | \$ 38.90 | \$ 14.14 | \$ 57.60 | \$ 24.88 | \$ 38.94 |
| Percentage increase (decrease) | 5.0% | 19.4% | 0.9% | 10.7% | 9.0% | 29.6% | (1.9%) |
| GAAP basis: | | | | | | | |
| Straight-line rent ⁽²⁾ | \$ 59.46 | \$ 109.81 | \$ 39.15 | \$ 16.29 | \$ 63.75 | \$ 32.38 | \$ 38.49 |
| Prior straight-line rent | \$ 56.81 | \$ 86.31 | \$ 37.45 | \$ 13.04 | \$ 55.73 | \$ 23.15 | \$ 35.59 |
| Percentage increase | 4.7% | 27.2% | 4.5% | 24.9% | 14.4% | 39.9% | 8.1% |
| Tenant improvements and leasing commissions: | | | | | | | |
| Per square foot | \$ 56.54 | \$ 28.51 | \$ 37.82 | \$ 8.57 | \$ 9.74 | \$ 96.41 | \$ 11.03 |
| Per square foot per annum: | \$ 5.95 | \$ 2.38 | \$ 5.18 | \$ 1.02 | \$ 2.07 | \$ 6.56 ⁽³⁾ | \$ 1.87 |
| Percentage of initial rent | 10.2% | 2.3% | 12.9% | 5.7% | 4.7% | 19.9% | 4.9% |

LEASING ACTIVITY

(unaudited)

| (square feet in thousands) | New York | | Washington, DC | Retail Properties | | Merchandise Mart | |
|--|----------|-----------|----------------|-------------------|----------|------------------|----------|
| | Office | Retail | | Strips | Malls | Office | Showroom |
| Year Ended December 31, 2011 | | | | | | | |
| Total square feet leased | 3,211 | 61 | 1,735 | 1,109 | 239 | 241 | 306 |
| Our share of square feet leased: | 2,432 | 61 | 1,557 | 1,109 | 207 | 241 | 306 |
| Initial rent ⁽¹⁾ | \$ 55.37 | \$ 133.02 | \$ 41.35 | \$ 18.03 | \$ 33.82 | \$ 26.43 | \$ 36.67 |
| Weighted average lease term (years) | 9.2 | 10.1 | 5.6 | 9.1 | 6.0 | 8.4 | 5.6 |
| Second generation relet space: | | | | | | | |
| Square feet | 2,089 | 52 | 1,396 | 470 | 48 | 241 | 306 |
| Cash basis: | | | | | | | |
| Initial rent ⁽¹⁾ | \$ 56.21 | \$ 145.98 | \$ 41.01 | \$ 16.25 | \$ 30.65 | \$ 26.43 | \$ 36.67 |
| Prior escalated rent | \$ 47.66 | \$ 134.95 | \$ 38.77 | \$ 14.94 | \$ 27.79 | \$ 26.51 | \$ 38.60 |
| Percentage increase (decrease) | 18.0% | 8.2% | 5.8% | 8.8% | 10.3% | (0.3%) | (5.0%) |
| GAAP basis: | | | | | | | |
| Straight-line rent ⁽²⁾ | \$ 56.19 | \$ 150.78 | \$ 40.54 | \$ 16.46 | \$ 32.15 | \$ 26.90 | \$ 35.58 |
| Prior straight-line rent | \$ 47.47 | \$ 133.55 | \$ 37.47 | \$ 14.34 | \$ 27.26 | \$ 23.25 | \$ 35.04 |
| Percentage increase | 18.4% | 12.9% | 8.2% | 14.8% | 17.9% | 15.7% | 1.5% |
| Tenant improvements and leasing commissions: | | | | | | | |
| Per square foot | \$ 48.28 | \$ 40.00 | \$ 25.01 | \$ 5.67 | \$ 9.00 | \$ 64.78 | \$ 6.20 |
| Per square foot per annum: | \$ 5.25 | \$ 3.96 | \$ 4.47 | \$ 0.62 | \$ 1.50 | \$ 7.71 | \$ 1.11 |
| Percentage of initial rent | 9.5% | 3.0% | 10.8% | 3.5% | 4.4% | 29.2% | 3.0% |

(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) Includes \$6.50 per square foot per annum of tenant improvements and leasing commissions in connection with a 572,000 square foot lease.

OCCUPANCY AND SAME STORE EBITDA

(unaudited)

| | <u>New York</u> | <u>Washington, DC</u> | <u>Retail Properties</u> | <u>Merchandise Mart</u> |
|--|-----------------------|-----------------------|------------------------------|-----------------------------|
| Occupancy rate at: | | | | |
| September 30, 2012 | 95.9% ⁽¹⁾ | 84.0% ⁽²⁾ | 93.4% | 94.2% |
| June 30, 2012 | 95.5% ⁽¹⁾ | 86.4% ⁽²⁾ | 93.7% | 82.6% |
| December 31, 2011 | 96.2% ⁽¹⁾ | 90.6% ⁽²⁾ | 93.1% | 89.9% |
| September 30, 2011 | 95.7% ⁽¹⁾ | 91.0% ⁽²⁾ | 92.5% | 93.8% |
| GAAP basis same store EBITDA % increase (decrease): | | | | |
| Three months ended September 30, 2012 vs. September 30, 2011 | 0.3% ⁽³⁾ | (6.9%) | 0.1% | (0.9%) |
| Nine months ended September 30, 2012 vs. September 30, 2011 | 2.3% ⁽⁴⁾ | (7.0%) | (0.6%) | 2.8% |
| Three months ended September 30, 2012 vs. June 30, 2012 | (2.2%) ⁽⁵⁾ | (2.2%) | 0.1% | (24.2%) |
| Cash basis same store EBITDA % increase (decrease): | | | | |
| Three months ended September 30, 2012 vs. September 30, 2011 | 0.7% ⁽³⁾ | (9.2%) | 2.5% | (2.7%) |
| Nine months ended September 30, 2012 vs. September 30, 2011 | 1.5% ⁽⁴⁾ | (6.0%) | (0.5%) | (0.3%) |
| Three months ended September 30, 2012 vs. June 30, 2012 | 0.6% ⁽⁵⁾ | (2.3%) | 1.0% | (23.1%) |

(1) Occupancy rate for New York Office and Retail are as follows:

| | <u>Office</u> | <u>Retail</u> |
|--------------------|---------------|---------------|
| September 30, 2012 | 95.8% | 95.9% |
| June 30, 2012 | 95.3% | 95.1% |
| December 31, 2011 | 96.2% | 95.6% |
| September 30, 2011 | 95.4% | 97.1% |

(2) Excluding residential and other properties, occupancy rates for Washington, DC office properties were as follows:

| | |
|--------------------|-------|
| September 30, 2012 | 81.1% |
| June 30, 2012 | 84.0% |
| December 31, 2011 | 89.3% |
| September 30, 2011 | 89.7% |

(3) Excluding the Hotel Pennsylvania, same store increased by 1.3% and 1.9% on a GAAP and Cash basis, respectively.

(4) Excluding the Hotel Pennsylvania, same store increased by 2.6% and 1.7% on a GAAP and Cash basis, respectively.

(5) Excluding the Hotel Pennsylvania, same store decreased by (1.3%) on a GAAP basis and increased by 1.8% on a Cash basis.

CAPITAL EXPENDITURES, TENANT IMPROVEMENTS AND LEASING COMMISSIONS

CONSOLIDATED

(unaudited and in thousands)

| | Nine Months Ended September 30, 2012 | Year Ended | |
|---|---|------------|------------|
| | | 2011 | 2010 |
| Capital expenditures (accrual basis): | | | |
| Expenditures to maintain assets | \$ 37,829 | \$ 58,463 | \$ 53,051 |
| Tenant improvements | 150,099 | 138,076 | 116,939 |
| Leasing commissions | 48,900 | 43,613 | 30,351 |
| Non-recurring capital expenditures | 5,227 | 19,442 | 5,381 |
| Total capital expenditures and leasing commissions (accrual basis) | 242,055 | 259,594 | 205,722 |
| Adjustments to reconcile to cash basis: | | | |
| Expenditures in the current year applicable to prior periods | 74,087 | 90,799 | 64,216 |
| Expenditures to be made in future periods for the current period | (157,152) | (146,062) | (87,289) |
| Total capital expenditures and leasing commissions (cash basis) | \$ 158,990 | \$ 204,331 | \$ 182,649 |
| Our share of square feet leased | 4,911 | 6,263 | 4,950 |
| Tenant improvements and leasing commissions per square foot per annum | \$ 4.62 | \$ 3.81 | \$ 3.73 |
| Percentage of initial rent | 11.0% | 9.1% | 10.0% |
| Development and redevelopment expenditures: | | | |
| Crystal Square 5 | \$ 12,773 | \$ 493 | \$ - |
| 1290 Avenue of the Americas | 11,613 | 795 | 250 |
| 510 Fifth Avenue | 10,203 | 8,833 | 375 |
| Bergen Town Center | 9,881 | 23,748 | 18,783 |
| Springfield Mall | 8,801 | 511 | 1,524 |
| 220 Central Park South | 7,247 | 1,248 | 46,769 |
| Marriott Marquis Times Square - retail and signage | 5,970 | - | - |
| Beverly Connection | 5,539 | 3,175 | 3,695 |
| Amherst, NY | 3,439 | 176 | 12 |
| 1851 South Bell Street (1900 Crystal Drive) | 2,840 | - | - |
| Crystal Plaza 5 | 2,021 | 1,483 | 905 |
| Wayne Towne Center | 1,806 | 2,720 | - |
| Poughkeepsie, NY | 1,529 | 1,228 | 3,054 |
| Crystal City Hotel | 1,479 | 1,627 | 160 |
| 1540 Broadway | 1,370 | 281 | 8,091 |
| Green Acres Mall | 1,205 | 3,608 | 7,679 |
| Garfield, NJ | 709 | 335 | 1,837 |
| Residential condominiums | 539 | 322 | 15,600 |
| 478-486 Broadway | 399 | 801 | 999 |
| One Penn Plaza | 379 | 1,615 | 2,433 |
| West End 25 | 83 | 1,966 | 9,997 |
| 2101 L Street | 70 | 1,741 | 466 |
| North Bergen, NJ | - | 2,588 | 567 |
| Crystal Square | - | 2,276 | - |
| 40 East 66th Street | - | 643 | 644 |
| 220 20th Street | - | - | 4,097 |
| Other | 16,607 | 19,271 | 28,838 |
| | \$ 106,502 | \$ 81,484 | \$ 156,775 |

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

NEW YORK SEGMENT

(unaudited and in thousands)

| | Nine Months Ended September 30, 2012 | Year Ended | |
|---|---|------------|-----------|
| | | 2011 | 2010 |
| Capital expenditures (accrual basis): | | | |
| Expenditures to maintain assets | \$ 17,925 | \$ 22,698 | \$ 21,511 |
| Tenant improvements | 55,628 | 76,493 | 51,137 |
| Leasing commissions | 21,536 | 28,072 | 16,070 |
| Non-recurring capital expenditures | 4,240 | 17,157 | 3,192 |
| Total capital expenditures and leasing commissions (accrual basis) | 99,329 | 144,420 | 91,910 |
| Adjustments to reconcile to cash basis: | | | |
| Expenditures in the current year applicable to prior periods | 35,008 | 43,392 | 37,161 |
| Expenditures to be made in future periods for the current period | (66,954) | (79,941) | (36,332) |
| Total capital expenditures and leasing commissions (cash basis) | \$ 67,383 | \$ 107,871 | \$ 92,739 |
| Our share of square feet leased | 1,497 | 2,493 | 1,319 |
| Tenant improvements and leasing commissions per square foot per annum | \$ 5.43 | \$ 5.21 | \$ 6.60 |
| Percentage of initial rent | 8.5% | 9.1% | 12.7% |

Development and redevelopment expenditures:

| | | | |
|--|-----------|-----------|-----------|
| 1290 Avenue of the Americas | \$ 11,613 | \$ 795 | \$ 250 |
| 510 Fifth Avenue | 10,203 | 8,833 | 375 |
| Marriott Marquis Times Square - retail and signage | 5,970 | - | - |
| 1540 Broadway | 1,370 | 281 | 8,091 |
| 478-486 Broadway | 399 | 801 | 999 |
| One Penn Plaza | 379 | 1,615 | 2,433 |
| Other | 7,433 | 3,135 | 7,997 |
| | \$ 37,367 | \$ 15,460 | \$ 20,145 |

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

WASHINGTON, DC SEGMENT

(unaudited and in thousands)

| | Nine Months Ended September 30, 2012 | Year Ended | |
|---|---|------------|-----------|
| | | 2011 | 2010 |
| Capital expenditures (accrual basis): | | | |
| Expenditures to maintain assets | \$ 10,758 | \$ 18,939 | \$ 17,532 |
| Tenant improvements | 41,874 | 33,803 | 17,464 |
| Leasing commissions | 10,607 | 9,114 | 6,044 |
| Non-recurring capital expenditures | - | - | - |
| Total capital expenditures and leasing commissions (accrual basis) | 63,239 | 61,856 | 41,040 |
| Adjustments to reconcile to cash basis: | | | |
| Expenditures in the current year applicable to prior periods | 11,811 | 13,517 | 13,296 |
| Expenditures to be made in future periods for the current period | (38,221) | (33,530) | (13,989) |
| Total capital expenditures and leasing commissions (cash basis) | \$ 36,829 | \$ 41,843 | \$ 40,347 |
| Our share of square feet leased | 1,496 | 1,606 | 1,697 |
| Tenant improvements and leasing commissions per square foot per annum | \$ 5.18 | \$ 4.50 | \$ 2.92 |
| Percentage of initial rent | 12.9% | 11.0% | 7.6% |

Development and redevelopment expenditures:

| | | | |
|---|-----------|-----------|-----------|
| Crystal Square 5 | \$ 12,773 | \$ 493 | \$ - |
| 1851 South Bell Street (1900 Crystal Drive) | 2,840 | - | - |
| Crystal Plaza 5 | 2,021 | 1,483 | 905 |
| Crystal City Hotel | 1,479 | 1,627 | 160 |
| West End 25 | 83 | 1,966 | 9,997 |
| 2101 L Street | 70 | 1,741 | 466 |
| Crystal Square | - | 2,276 | - |
| 220 20th Street | - | - | 4,097 |
| Other | 6,063 | 10,910 | 10,964 |
| | \$ 25,329 | \$ 20,496 | \$ 26,589 |

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

RETAIL PROPERTIES SEGMENT

(unaudited and in thousands)

| | Nine Months Ended September 30, 2012 | Year Ended | |
|---|---|------------|----------|
| | | 2011 | 2010 |
| Capital expenditures (accrual basis): | | | |
| Expenditures to maintain assets | \$ 2,497 | \$ 6,448 | \$ 3,799 |
| Tenant improvements | 6,682 | 6,515 | 9,077 |
| Leasing commissions | 1,971 | 2,114 | 1,470 |
| Non-recurring capital expenditures | - | - | 795 |
| Total capital expenditures and leasing commissions (accrual basis) | 11,150 | 15,077 | 15,141 |
| Adjustments to reconcile to cash basis: | | | |
| Expenditures in the current year applicable to prior periods | 6,868 | 9,705 | 4,617 |
| Expenditures to be made in future periods for the current period | (5,731) | (7,058) | (10,077) |
| Total capital expenditures and leasing commissions (cash basis) | \$ 12,287 | \$ 17,724 | \$ 9,681 |
| Our share of square feet leased | 1,003 | 1,469 | 1,171 |
| Tenant improvements and leasing commissions per square foot per annum | \$ 1.05 | \$ 0.71 | \$ 1.28 |
| Percentage of initial rent | 5.4% | 3.3% | 5.7% |

Development and redevelopment expenditures:

| | | | |
|--------------------|-----------|-----------|-----------|
| Bergen Town Center | \$ 9,881 | \$ 23,748 | \$ 18,783 |
| Springfield Mall | 8,801 | 511 | 1,524 |
| Beverly Connection | 5,539 | 3,175 | 3,695 |
| Amherst, NY | 3,439 | 176 | 12 |
| Wayne Towne Center | 1,806 | 2,720 | - |
| Poughkeepsie, NY | 1,529 | 1,228 | 3,054 |
| Green Acres Mall | 1,205 | 3,608 | 7,679 |
| Garfield, NJ | 709 | 335 | 1,837 |
| North Bergen, NJ | - | 2,588 | 567 |
| Other | 3,025 | 4,239 | 7,210 |
| | \$ 35,934 | \$ 42,328 | \$ 44,361 |

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

MERCHANDISE MART SEGMENT

(unaudited and in thousands)

| | Nine Months Ended September 30, 2012 | Year Ended | |
|---|---|------------|-----------|
| | | 2011 | 2010 |
| Capital expenditures (accrual basis): | | | |
| Expenditures to maintain assets | \$ 3,140 | \$ 5,918 | \$ 6,099 |
| Tenant improvements | 45,915 | 15,221 | 31,742 |
| Leasing commissions | 14,786 | 2,794 | 4,761 |
| Non-recurring capital expenditures | - | - | - |
| Total capital expenditures and leasing commissions (accrual basis) | 63,841 | 23,933 | 42,602 |
| Adjustments to reconcile to cash basis: | | | |
| Expenditures in the current year applicable to prior periods | 15,905 | 15,256 | 4,825 |
| Expenditures to be made in future periods for the current period | (46,246) | (14,185) | (20,580) |
| Total capital expenditures and leasing commissions (cash basis) | \$ 33,500 | \$ 25,004 | \$ 26,847 |
| Our share of square feet leased | 915 | 695 | 767 |
| Tenant improvements and leasing commissions per square foot per annum | \$ 5.72 ⁽¹⁾ | \$ 3.95 | \$ 4.01 |
| Percentage of initial rent | 16.4% | 12.3% | 11.5% |
| Development and redevelopment expenditures: | | | |
| Other | \$ 20 | \$ 898 | \$ 2,667 |

(1) Includes \$6.50 per square foot per annum of tenant improvements and leasing commissions in connection with a 572,000 square foot lease.

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

OTHER

(unaudited and in thousands)

| | Nine Months Ended September 30, 2012 | Year Ended | |
|--|---|------------|-----------|
| | | 2011 | 2010 |
| Capital expenditures (accrual basis): | | | |
| Expenditures to maintain assets | \$ 3,509 | \$ 4,460 | \$ 4,110 |
| Tenant improvements | - | 6,044 | 7,519 |
| Leasing commissions | - | 1,519 | 2,006 |
| Non-recurring capital expenditures | 987 | 2,285 | 1,394 |
| Total capital expenditures and leasing commissions (accrual basis) | 4,496 | 14,308 | 15,029 |
| Adjustments to reconcile to cash basis: | | | |
| Expenditures in the current year applicable to prior periods | 4,495 | 8,929 | 4,317 |
| Expenditures to be made in future periods for the current period | - | (11,348) | (6,311) |
| Total capital expenditures and leasing commissions (cash basis) | \$ 8,991 | \$ 11,889 | \$ 13,035 |
| Development and redevelopment expenditures: | | | |
| 220 Central Park South | \$ 7,247 | \$ 1,248 | \$ 46,769 |
| Residential condominiums | 539 | 322 | 15,600 |
| 40 East 66th Street | - | 643 | 644 |
| Other | 66 | 89 | - |
| | \$ 7,852 | \$ 2,302 | \$ 63,013 |

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: | | | | | | | | |
| Penn Plaza: | | | | | | | | |
| One Penn Plaza (ground leased through 2098) | | | | | | | | BMG Columbia House, Cisco, MWB Leasing, Parsons Brinkerhoff, United Health Care, United States Customs Department, URS Corporation Group Consulting, Bank of America, Footaction, Kmart Corporation |
| -Office | 100.0 % | 95.1 % | \$ 54.75 | 2,230,000 | 2,230,000 | - | | |
| -Retail | 100.0 % | 99.6 % | 126.40 | 270,000 | 270,000 | - | | |
| | 100.0 % | 95.6 % | 62.58 | 2,500,000 | 2,500,000 | - | \$ - | |
| Two Penn Plaza | | | | | | | | LMW Associates, EMC, Forest Electric, IBI, Madison Square Garden, McGraw-Hill Companies, Inc. Chase Manhattan Bank |
| -Office | 100.0 % | 98.2 % | 49.31 | 1,560,000 | 1,560,000 | - | | |
| -Retail | 100.0 % | 57.1 % | 170.09 | 51,000 | 51,000 | - | | |
| | 100.0 % | 96.9 % | 53.14 | 1,611,000 | 1,611,000 | - | 425,000 | |
| Eleven Penn Plaza | | | | | | | | Macy's, Madison Square Garden, Rainbow Media Holdings, PNC Bank National Association |
| -Office | 100.0 % | 100.0 % | 55.68 | 1,082,000 | 1,082,000 | - | | |
| -Retail | 100.0 % | 96.1 % | 152.94 | 17,000 | 17,000 | - | | |
| | 100.0 % | 99.9 % | 57.19 | 1,099,000 | 1,099,000 | - | 330,000 | |
| 100 West 33rd Street | | | | | | | | Draftfcb |
| -Office | 100.0 % | 76.1 % | 50.21 | 836,000 | 836,000 | - | 223,242 | |
| Manhattan Mall | | | | | | | | JCPenney, Aeropostale, Express, Victoria's Secret |
| -Retail | 100.0 % | 95.7 % | 114.58 | 257,000 | 257,000 | - | 101,758 | |
| 330 West 34th Street (ground leased through 2148 - 34.8% ownership interest in the land) | | | | | | | | City of New York |
| -Office | 100.0 % | 100.0 % | 33.99 | 622,000 | 377,000 | 245,000 | | |
| -Retail | 100.0 % | - | - | 13,000 | - | 13,000 | | |
| | 100.0 % | 100.0 % | 33.99 | 635,000 | 377,000 | 258,000 | 50,150 | |
| 435 Seventh Avenue | | | | | | | | Hennes & Mauritz |
| -Retail | 100.0 % | 100.0 % | 240.65 | 43,000 | 43,000 | - | 98,000 | |
| 7 West 34th Street | | | | | | | | Express |
| -Retail | 100.0 % | 100.0 % | 203.75 | 21,000 | 21,000 | - | - | |
| 484 Eighth Avenue | | | | | | | | T.G.I. Friday's |
| -Retail | 100.0 % | 81.3 % | 58.29 | 15,000 | 15,000 | - | - | |
| 431 Seventh Avenue | | | | | | | | |
| -Retail | 100.0 % | 75.0 % | 72.44 | 10,000 | 10,000 | - | - | |
| 488 8th Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 63.93 | 6,000 | 6,000 | - | - | |
| Total Penn Plaza | | | | 7,033,000 | 6,775,000 | 258,000 | 1,228,150 | |

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): | | | | | | | | |
| Midtown East: | | | | | | | | |
| 909 Third Avenue (ground leased through 2063) | | | | | | | | J.P. Morgan Securities Inc., CMGRP Inc., Forest Laboratories, Geller & Company, Morrison Cohen LLP, Robeco USA Inc., United States Post Office, The Procter & Gamble Distributing LLC. |
| -Office | 100.0 % | 98.8 % | \$ 54.52 ⁽²⁾ | 1,334,000 | 1,334,000 | - | \$ 200,241 | |
| 150 East 58th Street | | | | | | | | Castle Harlan, Tournesol Realty LLC. (Peter Marino), Various showroom tenants |
| -Office | 100.0 % | 96.7 % | 62.51 | 534,000 | 534,000 | - | | |
| -Retail | 100.0 % | 100.0 % | 168.56 | 2,000 | 2,000 | - | | |
| | 100.0 % | 96.7 % | 62.90 | 536,000 | 536,000 | - | - | |
| 715 Lexington (ground leased through 2041) | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 213.20 | 23,000 | 23,000 | - | - | New York & Company, Zales |
| 968 Third Avenue | | | | | | | | |
| -Retail | 50.0 % | 100.0 % | 210.86 | 6,000 | 6,000 | - | - | ING Bank |
| Total Midtown East | | | | 1,899,000 | 1,899,000 | - | 200,241 | |
| Midtown West: | | | | | | | | |
| 888 Seventh Avenue (ground leased through 2067) | | | | | | | | New Line Realty, Soros Fund, TPG-Axon Capital, Vornado Executive Headquarters, Redeye Grill L. P. |
| -Office | 100.0 % | 95.4 % | 81.70 | 858,000 | 858,000 | - | | |
| -Retail | 100.0 % | 100.0 % | 100.24 | 15,000 | 15,000 | - | | |
| | 100.0 % | 95.5 % | 82.02 | 873,000 | 873,000 | - | 318,554 | |
| 1740 Broadway | | | | | | | | |
| -Office | 100.0 % | 100.0 % | 63.88 | 583,000 | 583,000 | - | | Davis & Gilbert, Limited Brands |
| -Retail | 100.0 % | 100.0 % | 30.70 | 19,000 | 19,000 | - | | Brasserie Cognac, Citibank |
| | 100.0 % | 100.0 % | 62.83 | 602,000 | 602,000 | - | - | |
| 57th Street | | | | | | | | |
| -Office | 50.0 % | 100.0 % | 55.78 | 135,000 | 135,000 | - | | Various |
| -Retail | 50.0 % | 79.8 % | 52.88 | 53,000 | 53,000 | - | | |
| | 50.0 % | 94.3 % | 54.96 | 188,000 | 188,000 | - | 20,628 | |
| 825 Seventh Avenue | | | | | | | | |
| -Office | 50.0 % | 100.0 % | 45.44 | 165,000 | 165,000 | - | | Young & Rubicam |
| -Retail | 100.0 % | 100.0 % | 234.47 | 4,000 | 4,000 | - | | Lindy's |
| | | 100.0 % | 49.91 | 169,000 | 169,000 | - | 19,689 | |
| Total Midtown West | | | | 1,832,000 | 1,832,000 | - | 358,871 | |
| Park Avenue: | | | | | | | | |
| 280 Park Avenue | | | | | | | | Cohen & Steers Inc., Investcorp International Inc., General Electric Capital Corp. Scottrade Inc. |
| -Office | 49.5 % | 100.0 % | 86.39 | 1,204,000 | 674,000 | 530,000 | | |
| -Retail | 49.5 % | 100.0 % | 127.97 | 18,000 | 12,000 | 6,000 | | |
| | 49.5 % | 100.0 % | 87.00 | 1,222,000 | 686,000 | 536,000 | 738,009 | |
| 350 Park Avenue | | | | | | | | Kissinger Associates Inc., Ziff Brothers Investment Inc., MFA Financial Inc., M&T Bank Fidelity Investment, AT&T Wireless, Valley National Bank |
| -Office | 100.0 % | 94.4 % | 81.96 | 541,000 | 541,000 | - | | |
| -Retail | 100.0 % | 100.0 % | 175.56 | 17,000 | 17,000 | - | | |
| | 100.0 % | 94.6 % | 84.81 | 558,000 | 558,000 | - | 300,000 | |
| Total Park Avenue | | | | 1,780,000 | 1,244,000 | 536,000 | 1,038,009 | |

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): | | | | | | | | |
| Grand Central: | | | | | | | | |
| 90 Park Avenue | | | | | | | | |
| -Office | 100.0 % | 98.5 % | \$ 61.23 | 891,000 | 891,000 | - | | Alston & Bird, Amster, Rothstein & Ebenstein, Capital One, First Manhattan Consulting |
| -Retail | 100.0 % | 100.0 % | 85.29 | 26,000 | 26,000 | - | | Citibank |
| | | 98.6 % | 61.91 | 917,000 | 917,000 | - | \$ - | |
| 330 Madison Avenue | | | | | | | | |
| -Office | 25.0 % | 97.0 % | 62.22 | 789,000 | 789,000 | - | | Acordia Northeast Inc., Artio Global Management, Dean Witter Reynolds Inc., GPFT Holdco LLC, HSBC Bank AFS, Jones Lang LaSalle Inc. |
| -Retail | 25.0 % | 98.4 % | 140.29 | 33,000 | 33,000 | - | | Ann Taylor Retail Inc., Citibank |
| | 25.0 % | 97.1 % | 65.35 | 822,000 | 822,000 | - | 150,000 | |
| 510 5th Avenue | | | | | | | | |
| -Retail | 100.0 % | 91.0 % | 128.57 | 64,000 | 64,000 | - | 31,377 | Joe Fresh |
| Total Grand Central | | | | 1,803,000 | 1,803,000 | - | 181,377 | |
| Madison/Fifth: | | | | | | | | |
| 640 Fifth Avenue | | | | | | | | |
| -Office | 100.0 % | 100.0 % | 77.22 | 262,000 | 262,000 | - | | ROC Capital Management LP, Citibank, Fidelity Investments, Janus Capital Group Inc., GSL Enterprises Inc., Scout Capital Management, Legg Mason Investment Counsel |
| -Retail | 100.0 % | 100.0 % | 237.25 | 62,000 | 62,000 | - | | Citibank, Hennes & Mauritz |
| | 100.0 % | 100.0 % | 107.84 | 324,000 | 324,000 | - | - | |
| 666 Fifth Avenue | | | | | | | | |
| -Office | 49.5 % | 84.8 % | 71.78 | 1,373,000 | 1,373,000 | - | | Citibank, Fulbright & Jaworski, Integrated Holding Group, Vinson & Elkins LLP |
| -Retail | 49.5 % | 97.1 % | 163.63 | 42,000 | 42,000 | - | | HSBC Bank USA |
| | 49.5 % | 85.1 % | 74.51 | 1,415,000 | 1,415,000 | - | 1,090,592 | |
| 595 Madison Avenue | | | | | | | | |
| -Office | 100.0 % | 91.0 % | 67.19 | 291,000 | 291,000 | - | | Beauvais Carpets, Levin Capital Strategies LP, Cosmetech Mably Int'l LLC. |
| -Retail | 100.0 % | 100.0 % | 440.82 | 30,000 | 30,000 | - | | Coach, Prada |
| | 100.0 % | 91.8 % | 102.11 | 321,000 | 321,000 | - | - | |
| 689 Fifth Avenue | | | | | | | | |
| -Office | 100.0 % | 66.4 % | 76.65 | 73,000 | 73,000 | - | | Yamaha Artist Services Inc. |
| -Retail | 100.0 % | 100.0 % | 594.07 | 17,000 | 17,000 | - | | MAC, Massimo Dutti |
| | 100.0 % | 72.8 % | 174.38 | 90,000 | 90,000 | - | - | |
| Total Madison/Fifth | | | | 2,150,000 | 2,150,000 | - | 1,090,592 | |
| United Nations: | | | | | | | | |
| 866 United Nations Plaza | | | | | | | | |
| -Office | 100.0 % | 98.5 % | 53.09 | 348,000 | 348,000 | - | | Fross Zelnick, Mission of Japan, The United Nations, Mission of Finland |
| -Retail | 100.0 % | 52.4 % | 79.69 | 12,000 | 12,000 | - | | Citibank |
| | 100.0 % | 97.0 % | 53.98 | 360,000 | 360,000 | - | 44,978 | |

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 % | \$ 57.63 | 943,000 | 943,000 | - | | AOL, J. Crew, Structure Tone, Nielsen Company (US) Inc. |
| -Retail | 100.0 % | 100.0 % | 55.81 | 166,000 | 166,000 | - | | Anne Taylor Retail Inc., Bank of America, Kmart Corporation |
| | 100.0 % | 100.0 % | 57.36 | 1,109,000 | 1,109,000 | - | \$ 353,000 | |
| One Park Avenue | | | | | | | | |
| -Office | 30.3 % | 94.9 % | 43.57 | 858,000 | 858,000 | - | | Coty Inc., New York University, Public Service Mutual Insurance |
| -Retail | 30.3 % | 90.3 % | 55.58 | 79,000 | 79,000 | - | | Bank of Baroda, Citibank, Equinox One Park Avenue Inc. |
| | 30.3 % | 94.5 % | 44.58 | 937,000 | 937,000 | - | 250,000 | |
| 4 Union Square South | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 70.43 | 206,000 | 206,000 | - | 75,000 | Burlington Coat Factory, Whole Foods Market, DSW, Forever 21 |
| 692 Broadway | | | | | | | | |
| -Retail | 100.0 % | 93.6 % | 46.50 | 35,000 | 35,000 | - | - | Equinox |
| Total Midtown South | | | | 2,287,000 | 2,287,000 | - | 678,000 | |
| Rockefeller Center: | | | | | | | | |
| 1290 Avenue of the Americas | | | | | | | | |
| -Office | 70.0 % | 97.7 % | 71.38 | 2,027,000 | 2,027,000 | - | | AXA Equitable Life Insurance, Bank of New York Mellon, Broadpoint Gleacher Securities Group, Bryan Cave LLP, Microsoft Corporation, Morrison & Foerster LLP, Warner Music Group, Cushman & Wakefield, Fitzpatrick, Cella, Harper & Scinto, Columbia University |
| -Retail | 70.0 % | 88.2 % | 110.78 | 75,000 | 75,000 | - | | Duane Reade, JPMorgan Chase Bank, Sovereign Bank |
| | 70.0 % | 97.4 % | 72.79 | 2,102,000 | 2,102,000 | - | 410,021 | |
| Wall Street/Downtown: | | | | | | | | |
| 20 Broad Street (ground leased through 2081) | | | | | | | | |
| -Office | 100.0 % | 98.5 % | 52.77 | 472,000 | 472,000 | - | - | New York Stock Exchange |
| 40 Fulton Street | | | | | | | | |
| -Office | 100.0 % | 94.9 % | 36.11 | 244,000 | 244,000 | - | | Graphnet Inc., Market News International Inc., Sapien Corp. |
| -Retail | 100.0 % | 100.0 % | 44.06 | 8,000 | 8,000 | - | | Duane Reade |
| | 100.0 % | 95.1 % | 36.36 | 252,000 | 252,000 | - | - | |
| Total Wall Street/Downtown | | | | 724,000 | 724,000 | - | - | |
| Soho: | | | | | | | | |
| 478-486 Broadway | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 124.39 | 85,000 | 85,000 | - | - | Top Shop, Madewell, J. Crew |
| 155 Spring Street | | | | | | | | |
| -Retail | 100.0 % | 86.4 % | 92.03 | 47,000 | 47,000 | - | - | Sigrid Olsen |
| 148 Spring Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 114.89 | 7,000 | 7,000 | - | - | |
| 150 Spring Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 142.03 | 7,000 | 7,000 | - | - | Puma |
| Total Soho | | | | 146,000 | 146,000 | - | - | |

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): | | | | | | | | |
| Times Square: | | | | | | | | |
| 1540 Broadway | | | | | | | | |
| -Retail | 100.0 % | 97.0 % | \$ 138.56 | 162,000 | 162,000 | - | \$ - | Forever 21, Planet Hollywood, Disney, Swarovski, MAC Cosmetics |
| 1535 Broadway (Marriott Marquis - retail and signage) (ground and building leased through 2032) | | | | | | | | |
| -Retail | 100.0 % | - | - | 64,000 | - | 64,000 | - | |
| Total Times Square | | | | 226,000 | 162,000 | 64,000 | - | |
| Upper East Side: | | | | | | | | |
| 828-850 Madison Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 492.12 | 18,000 | 18,000 | - | 80,000 | Gucci, Chloe, Cartier |
| 677-679 Madison Avenue | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 416.52 | 8,000 | 8,000 | - | - | Anne Fontaine |
| 40 East 66th Street | | | | | | | | |
| -Retail | 100.0 % | 100.0 % | 491.35 | 11,000 | 11,000 | - | - | Dennis Basso, Nespresso USA, J. Crew |
| 1135 Third Avenue | | | | | | | | |
| -Retail | 100.0 % | - | - | 25,000 | - | 25,000 | - | |
| Total Upper East Side | | | | 62,000 | 37,000 | 25,000 | 80,000 | |
| New Jersey | | | | | | | | |
| Paramus | | | | | | | | |
| -Office | 100.0 % | 85.7 % | 20.81 | 128,000 | 128,000 | - | - | Vornado's Administrative Headquarters |
| New York Office: | | | | | | | | |
| Total | | 94.7% | \$ 59.93 | 20,383,000 | 19,608,000 | 775,000 | \$ 4,924,104 | |
| Vornado's Ownership Interest | | 95.8% | \$ 59.77 | 17,135,000 | 16,627,000 | 508,000 | \$ 3,560,684 | |
| New York Retail: | | | | | | | | |
| Total | | 95.8% | \$ 129.09 | 2,149,000 | 2,041,000 | 108,000 | \$ 386,135 | |
| Vornado's Ownership Interest | | 95.9% | \$ 132.87 | 1,988,000 | 1,883,000 | 105,000 | \$ 386,135 | |

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 % | \$ 93.16 | 885,000 | 885,000 | - | \$ 330,629 | Bloomberg |
| -Retail | 32.4 % | 100.0 % | 163.80 | 174,000 | 174,000 | - | 320,000 | Hennes & Mauritz, The Home Depot, The Container Store |
| | | 100.0 % | 104.76 | 1,059,000 | 1,059,000 | - | 650,629 | |
| Rego Park I, Queens (4.8 acres) | 32.4 % | 100.0 % | 36.36 | 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 % | 96.8 % | 40.02 | 610,000 | 610,000 | - | 272,901 | Century 21, Costco, Kohl's, TJ Maxx, Toys "R" Us |
| Flushing, Queens (3) (1.0 acre) | 32.4 % | 100.0 % | 15.74 | 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 to be Developed: | | | | | | | | |
| Rego Park III (adjacent to Rego Park II), Queens, NY (3.4 acres) | 32.4 % | - | - | - | - | - | - | |
| Total Alexander's | | 99.1 % | 68.67 | 2,179,000 | 2,179,000 | - | 1,069,776 | |
| Hotel Pennsylvania | | | | | | | | |
| -Hotel (1700 Keys) | | | | 1,400,000 | 1,400,000 | - | - | |
| Other (Residential) | | | | | | | | |
| 50/70W 93rd Street (327 Units) | 49.9 % | 96.6 % | | 284,000 | 284,000 | - | 48,825 | |
| New York Segment: | | | | | | | | |
| Total | | 95.2% | \$ 66.89 | 26,395,000 | 25,512,000 | 883,000 | \$ 6,428,840 | |
| Vornado's Ownership Interest | | 95.9% | \$ 67.41 | 21,371,000 | 20,758,000 | 613,000 | \$ 4,317,788 | |

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

(2) Excludes US Post Office leased through 2038 (including five five-year renewal options for which the annual escalated rent is \$11.23 PSF).

(3) 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 % | 84.4 % | \$ 41.85 | 2,306,000 | 2,306,000 | - | \$ 272,025 | General Services Administration, Lockheed Martin, Conservation International, Smithsonian Institution, Natl. Consumer Coop. Bank, Council on Foundations, Vornado / Charles E. Smith Headquarters, KBR, General Dynamics, Scitor Corp., Food Marketing Institute, DRS Technologies |
| S. Clark Street / 12th Street - 5 buildings | 100.0 % | 75.7 % | 41.87 | 1,527,000 | 1,527,000 | - | 88,140 | General Services Administration, SAIC, Inc., Boeing, L-3 Communications, The Int'l Justice Mission |
| 1550-1750 Crystal Drive / 241-251 18th Street - 4 buildings | 100.0 % | 92.0 % | 40.26 | 1,484,000 | 1,259,000 | 225,000 | 118,472 | General Services Administration, Alion Science & Technologies, Booz Allen, Arete Associates, Battelle Memorial Institute |
| 1800, 1851 and 1901 South Bell Street - 3 buildings | 100.0 % | 92.9 % | 38.98 | 870,000 | 507,000 | 363,000 | - | General Services Administration, Lockheed Martin |
| 2100 / 2200 Crystal Drive - 2 buildings | 100.0 % | 98.0 % | 32.65 | 529,000 | 529,000 | - | - | General Services Administration, Public Broadcasting Service |
| 223 23rd Street / 2221 South Clark Street - 2 buildings | 100.0 % | 100.0 % | 39.51 | 309,000 | 84,000 | 225,000 | - | General Services Administration |
| 2001 Jefferson Davis Highway | 100.0 % | 73.9 % | 35.98 | 162,000 | 162,000 | - | - | National Crime Prevention, Institute for Psychology |
| Crystal City Shops at 2100 | 100.0 % | 60.5 % | 32.09 | 81,000 | 81,000 | - | - | Various |
| Crystal Drive Retail | 100.0 % | 94.4 % | 44.83 | 57,000 | 57,000 | - | - | Various |
| Total Crystal City | 100.0 % | 85.3 % | 40.16 | 7,325,000 | 6,512,000 | 813,000 | 478,637 | |
| Central Business District: | | | | | | | | |
| Universal Buildings 1825-1875 Connecticut Avenue, NW - 2 buildings | 100.0 % | 90.6 % | 42.74 | 682,000 | 682,000 | - | 94,497 | Family Health International |
| Warner Building - 1299 Pennsylvania Avenue, NW | 55.0 % | 63.3 % | 65.15 | 611,000 | 611,000 | - | 292,700 | Baker Botts LLP, Cooley LLP, General Electric |
| 2101 L Street, NW | 100.0 % | 95.2 % | 60.52 | 380,000 | 380,000 | - | 150,000 | Greenberg Traurig, LLP, US Green Building Council, American Insurance Association, RTKL Associates, Cassidy & Turley |
| 1750 Pennsylvania Avenue, NW | 100.0 % | 79.9 % | 46.90 | 277,000 | 277,000 | - | - | General Services Administration, United Nations Foundation |
| 1150 17th Street, NW | 100.0 % | 84.2 % | 45.15 | 240,000 | 240,000 | - | 28,728 | American Enterprise Institute |
| Bowen Building - 875 15th Street, NW | 100.0 % | 96.7 % | 64.37 | 231,000 | 231,000 | - | 115,022 | Paul, Hastings, Janofsky & Walker LLP, Millennium Challenge Corporation |
| 1101 17th Street, NW | 55.0 % | 85.9 % | 45.36 | 215,000 | 215,000 | - | - | AFSCME |
| 1730 M Street, NW | 100.0 % | 87.5 % | 44.52 | 203,000 | 203,000 | - | 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 % | 93.2 % | \$ 40.51 | 91,000 | 91,000 | - | \$ - | Aptima, Inc., Nelnet Corporation |
| Waterfront Station | 2.5 % | - | - | 1,058,000 | - | 1,058,000 * | - | |
| 1501 K Street, NW | 5.0 % | 98.3 % | 59.79 | 379,000 | 379,000 | - | - | Sidley Austin LLP, UBS |
| 1399 New York Avenue, NW | 100.0 % | 76.4 % | 76.51 | 128,000 | 128,000 | - | - | Bloomberg |
| Total Central Business District | | 85.7 % | 52.29 | <u>4,495,000</u> | <u>3,437,000</u> | <u>1,058,000</u> | <u>695,800</u> | |
| I-395 Corridor: | | | | | | | | |
| Skyline Place - 7 buildings | 100.0 % | 52.5 % | 34.21 | 2,125,000 | 2,125,000 | - | 556,691 | General Services Administration, Analytic Services, Inc., Northrop Grumman, Axiom Resource Management, Booz Allen, Jacer Corporation, Intellidyne, Inc., SAIC, Inc. |
| One Skyline Tower | 100.0 % | 100.0 % | 32.72 | 518,000 | 518,000 | - | 138,020 | General Services Administration |
| Total I-395 Corridor | 100.0 % | 61.9 % | 33.73 | <u>2,643,000</u> | <u>2,643,000</u> | <u>-</u> | <u>694,711</u> | |
| Rosslyn / Ballston: | | | | | | | | |
| 2200 / 2300 Clarendon Blvd (Courthouse Plaza) - 2 buildings (ground leased through 2062) | 100.0 % | 90.4 % | 40.32 | 635,000 | 635,000 | - | 48,859 | Arlington County, General Services Administration, AMC Theaters |
| Rosslyn Plaza - Office - 4 buildings | 46.2 % | 80.4 % | 36.30 | 733,000 | 733,000 | - | - | General Services Administration |
| Total Rosslyn / Ballston | | 87.0 % | 38.94 | <u>1,368,000</u> | <u>1,368,000</u> | <u>-</u> | <u>48,859</u> | |
| Reston: | | | | | | | | |
| Commerce Executive - 3 buildings | 100.0 % | 85.4 % | 29.20 | 418,000 | 399,000 | 19,000 * | - | L-3 Communications, Allworld Language Consultants, BT North America |
| Rockville/Bethesda: | | | | | | | | |
| Democracy Plaza One (ground leased through 2084) | 100.0 % | 86.7 % | 32.19 | 216,000 | 216,000 | - | - | National Institutes of Health |
| Tysons Corner: | | | | | | | | |
| Fairfax Square - 3 buildings | 20.0 % | 82.2 % | 38.29 | 533,000 | 533,000 | - | 70,344 | Dean & Company, Womble Carlyle |
| Pentagon City: | | | | | | | | |
| Fashion Centre Mall | 7.5 % | 98.5 % | 40.74 | 819,000 | 819,000 | - | 410,000 | Macy's, Nordstrom |
| Washington Tower | 7.5 % | 100.0 % | 45.18 | 170,000 | 170,000 | - | 40,000 | The Rand Corporation |
| Total Pentagon City | | 98.8 % | 41.51 | <u>989,000</u> | <u>989,000</u> | <u>-</u> | <u>450,000</u> | |
| Total Washington, DC office properties | | 82.1 % | \$ 41.73 | 17,987,000 | 16,097,000 | 1,890,000 | \$ 2,438,351 | |
| Vornado's Ownership Interest | | 81.1 % | \$ 41.03 | 14,488,000 | 13,630,000 | 858,000 | \$ 1,834,111 | |

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): | | | | | | | | |
| Other: | | | | | | | | |
| For rent residential: | | | | | | | | |
| Riverhouse (1,680 units) | 100.0 % | 97.7 % | \$ - | 1,802,000 | 1,802,000 | - | \$ 259,546 | |
| West End 25 (283 units) | 100.0 % | 97.5 % | - | 272,000 | 272,000 | - | 101,671 | |
| 220 20th Street (265 units) | 100.0 % | 98.2 % | - | 272,000 | 272,000 | - | 74,246 | |
| Rosslyn Plaza (196 units) | 43.7 % | 96.9 % | - | 253,000 | 253,000 | - | - | |
| Crystal City Hotel | 100.0 % | 100.0 % | - | 266,000 | 266,000 | - | - | |
| Warehouses | 100.0 % | 100.0 % | - | 214,000 | 160,000 | 54,000 * | - | |
| Other - 3 buildings | 100.0 % | 100.0 % | - | 11,000 | 9,000 | 2,000 * | - | |
| Total Other | | | | 3,090,000 | 3,034,000 | 56,000 | 435,463 | |
| Total Washington, DC Properties | | 84.6 % | \$ 41.73 | 21,077,000⁽²⁾ | 19,131,000 | 1,946,000 | \$ 2,873,814 | |
| Vornado's Ownership Interest | | 84.0 % | \$ 41.03 | 17,436,000 | 16,521,000 | 915,000 | \$ 2,269,574 | |

* 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) Excludes 24,000 square feet representing our 7.5% pro rata share of the Ritz Carlton building which is owned by the ground lessee on land leased by us.

RETAIL 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 | | | |
| RETAIL PROPERTIES: | | | | | | | | | |
| STRIP SHOPPING CENTERS: | | | | | | | | | |
| New Jersey: | | | | | | | | | |
| Wayne Town Center, Wayne (ground leased through 2064) | 100.0 % | 100.0 % | \$ 29.60 | 717,000 | 29,000 | 270,000 | 418,000 | \$ - | JCPenney |
| North Bergen (Tonnel Avenue) | 100.0 % | 100.0 % | 24.20 | 410,000 | 204,000 | 206,000 | - | 75,000 | Wal-Mart, BJ's Wholesale Club |
| Totowa | 100.0 % | 100.0 % | 19.01 | 317,000 | 178,000 | 139,000 | - | 25,340 ⁽²⁾ | The Home Depot, Bed Bath & Beyond (3), Marshalls |
| Garfield | 100.0 % | 100.0 % | 26.80 | 305,000 | 21,000 | 149,000 | 135,000 | - | Wal-Mart |
| Bricktown | 100.0 % | 94.2 % | 17.29 | 279,000 | 276,000 | 3,000 | - | 32,685 ⁽²⁾ | Kohl's, ShopRite, Marshalls |
| Union (Route 22 and Morris Avenue) | 100.0 % | 100.0 % | 24.98 | 276,000 | 113,000 | 163,000 | - | 33,078 ⁽²⁾ | Lowe's, Toys "R" Us |
| Hackensack | 100.0 % | 75.7 % | 23.11 | 275,000 | 269,000 | 6,000 | - | 41,487 ⁽²⁾ | The Home Depot |
| Bergen Town Center - East, Paramus | 100.0 % | 100.0 % | 34.15 | 269,000 | 26,000 | 167,000 | 76,000 | - | Lowe's, REI |
| East Hanover (240 Route 10 West) | 100.0 % | 96.8 % | 17.83 | 267,000 | 261,000 | 6,000 | - | 29,152 ⁽²⁾ | The Home Depot, Dick's Sporting Goods, Marshalls |
| Cherry Hill | 100.0 % | 96.3 % | 13.72 | 263,000 | 64,000 | 199,000 | - | 14,184 ⁽²⁾ | Wal-Mart, Toys "R" Us |
| Jersey City | 100.0 % | 100.0 % | 21.79 | 236,000 | 66,000 | 170,000 | - | 20,743 ⁽²⁾ | Lowe's, P.C. Richard & Son |
| East Brunswick (325 - 333 Route 18 South) | 100.0 % | 100.0 % | 15.95 | 232,000 | 222,000 | 10,000 | - | 25,452 ⁽²⁾ | Kohl's, Dick's Sporting Goods, P.C. Richard & Son, T.J. Maxx |
| Union (2445 Springfield Avenue) | 100.0 % | 100.0 % | 17.85 | 232,000 | 232,000 | - | - | 29,152 ⁽²⁾ | The Home Depot |
| Middletown | 100.0 % | 95.9 % | 13.73 | 231,000 | 179,000 | 52,000 | - | 17,772 ⁽²⁾ | Kohl's, Stop & Shop |
| Woodbridge | 100.0 % | 83.9 % | 22.29 | 227,000 | 87,000 | 140,000 | - | 21,136 ⁽²⁾ | Wal-Mart |
| North Plainfield (ground leased through 2060) | 100.0 % | 100.0 % | 12.74 | 219,000 | 17,000 | - | 202,000 | - | |
| Marlton | 100.0 % | 100.0 % | 13.34 | 213,000 | 209,000 | 4,000 | - | 17,660 ⁽²⁾ | Kohl's (3), ShopRite, PetSmart |
| Manalapan | 100.0 % | 100.0 % | 15.94 | 208,000 | 206,000 | 2,000 | - | 21,528 ⁽²⁾ | Best Buy, Bed Bath & Beyond, Babies "R" Us |
| East Rutherford | 100.0 % | 100.0 % | 34.22 | 197,000 | 42,000 | 155,000 | - | 13,903 ⁽²⁾ | Lowe's |
| East Brunswick (339-341 Route 18 South) | 100.0 % | 100.0 % | - | 196,000 | 33,000 | 163,000 | - | 12,053 ⁽²⁾ | Lowe's, LA Fitness (lease not commenced) |
| Bordentown | 100.0 % | 80.4 % | 7.25 | 179,000 | 83,000 | - | 96,000 * | - | ShopRite |
| Morris Plains | 100.0 % | 97.2 % | 20.39 | 177,000 | 176,000 | 1,000 | - | 21,864 ⁽²⁾ | Kohl's, ShopRite |
| Dover | 100.0 % | 88.1 % | 11.96 | 173,000 | 167,000 | 6,000 | - | 13,455 ⁽²⁾ | ShopRite, T.J. Maxx |
| Delran | 100.0 % | 7.2 % | - | 171,000 | 40,000 | 3,000 | 128,000 * | - | |
| Lodi (Route 17 North) | 100.0 % | 100.0 % | 11.24 | 171,000 | 171,000 | - | - | 11,605 ⁽²⁾ | National Wholesale Liquidators |
| Watchung | 100.0 % | 95.6 % | 23.26 | 170,000 | 54,000 | 116,000 | - | 15,417 ⁽²⁾ | BJ's Wholesale Club |
| Lawnside | 100.0 % | 100.0 % | 13.13 | 145,000 | 142,000 | 3,000 | - | 10,932 ⁽²⁾ | The Home Depot, PetSmart |

RETAIL 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 | | | |
| RETAIL PROPERTIES (Continued): | | | | | | | | | |
| Hazlet | 100.0 % | 100.0 % | \$ 2.64 | 123,000 | 123,000 | - | - | \$ - | Stop & Shop |
| Kearny | 100.0 % | 43.5 % | 16.11 | 104,000 | 91,000 | 13,000 | - | - | Marshalls |
| Lodi (Washington Street) | 100.0 % | 40.7 % | 23.93 | 85,000 | 85,000 | - | - | 9,063 | Rite Aid |
| East Hanover (200 Route 10 West) | 100.0 % | 86.0 % | 23.27 | 76,000 | 76,000 | - | - | 9,979 ⁽²⁾ | Loehmann's |
| 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 % | 31.20 | 62,000 | 6,000 | 56,000 | - | 5,214 ⁽²⁾ | Waldbaum's |
| South Plainfield (ground leased through 2039) | 100.0 % | 100.0 % | 21.25 | 56,000 | 56,000 | - | - | 5,242 ⁽²⁾ | Staples |
| Englewood | 100.0 % | 79.7 % | 26.16 | 41,000 | 41,000 | - | - | 11,964 | New York Sports Club |
| East Hanover (280 Route 10 West) | 100.0 % | 94.0 % | 32.00 | 26,000 | 26,000 | - | - | 4,653 ⁽²⁾ | REI |
| Montclair | 100.0 % | 100.0 % | 23.34 | 18,000 | 18,000 | - | - | 2,691 ⁽²⁾ | Whole Foods Market |
| Total New Jersey | | | | 7,409,000 | 4,152,000 | 2,202,000 | 1,055,000 | 552,404 | |
| New York: | | | | | | | | | |
| Poughkeepsie | 100.0 % | 85.6 % | 8.54 | 517,000 | 517,000 | - | - | - | Kmart, Burlington Coat Factory, ShopRite, Hobby Lobby, Christmas Tree Shops, Bob's Discount Furniture |
| Bronx (Bruckner Boulevard) | 100.0 % | 93.0 % | 21.14 | 501,000 | 387,000 | 114,000 | - | - | Kmart, Toys "R" Us, Key Food |
| Buffalo (Amherst) | 100.0 % | 85.6 % | 7.25 | 296,000 | 227,000 | 69,000 | - | - | BJ's Wholesale Club (lease not commenced), T.J. Maxx, Toys "R" Us |
| Huntington | 100.0 % | 96.4 % | 14.04 | 208,000 | 208,000 | - | - | 17,043 ⁽²⁾ | Kmart, Marshalls, Old Navy |
| Rochester | 100.0 % | 100.0 % | - | 205,000 | - | 205,000 | - | 4,485 ⁽²⁾ | Wal-Mart |
| Mt. Kisco | 100.0 % | 100.0 % | 22.04 | 189,000 | 72,000 | 117,000 | - | 28,738 | Target, A&P |
| Freeport (437 East Sunrise Highway) | 100.0 % | 100.0 % | 18.61 | 173,000 | 173,000 | - | - | 21,864 ⁽²⁾ | The Home Depot, Staples |
| Staten Island | 100.0 % | 94.2 % | 21.47 | 165,000 | 165,000 | - | - | 17,017 | Western Beef |
| 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 |

RETAIL SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Annual Rent PSF (1) | Total Property | Square Feet | | Under Development or Not Available for Lease | Encumbrances (in thousands) | Major Tenants |
|--|-------------|-------------|--------------------------------------|------------------------|------------------|------------------------|--|-----------------------------|---|
| | | | | | In Service | | | | |
| | | | | | Owned by Company | Owned By Tenant | | | |
| RETAIL PROPERTIES (Continued): | | | | | | | | | |
| North Syracuse (ground and building leased through 2014) | 100.0 % | 100.0 % | \$ - | 98,000 | - | 98,000 | - | \$ - | Wal-Mart |
| West Babylon | 100.0 % | 83.9 % | 16.94 | 79,000 | 79,000 | - | - | - | Best Market |
| Bronx (1750-1780 Gun Hill Road) | 100.0 % | 78.7 % | 34.77 | 77,000 | 77,000 | - | - | - | ALDI, Planet Fitness, T.G.I. Friday's |
| Queens | 100.0 % | 100.0 % | 37.24 | 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 |
| 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 | | | | 2,958,000 | 2,355,000 | 603,000 | - | 89,147 | |
| Pennsylvania: | | | | | | | | | |
| Allentown | 100.0 % | 100.0 % | 15.02 | 627,000 ⁽⁴⁾ | 270,000 | 357,000 ⁽⁴⁾ | - | 30,667 ⁽²⁾ | Wal-Mart (4), ShopRite, Burlington Coat Factory, T.J. Maxx, Dick's Sporting Goods |
| Wilkes-Barre | 100.0 % | 83.3 % | 13.33 | 329,000 ⁽⁴⁾ | 204,000 | 125,000 ⁽⁴⁾ | - | 20,273 | Target (4), Babies "R" Us, Ross Dress for Less |
| Lancaster | 100.0 % | 100.0 % | 4.70 | 228,000 | 58,000 | 170,000 | - | 5,522 ⁽²⁾ | Lowe's, Weis Markets |
| Bensalem | 100.0 % | 98.9 % | 11.49 | 185,000 | 177,000 | 8,000 | - | 15,221 ⁽²⁾ | Kohl's, Ross Dress for Less, Staples |
| Broomall | 100.0 % | 100.0 % | 11.09 | 169,000 | 147,000 | 22,000 | - | 10,932 ⁽²⁾ | Giant Food (3), A.C. Moore, PetSmart |
| Bethlehem | 100.0 % | 95.3 % | 7.07 | 167,000 | 164,000 | 3,000 | - | 5,718 ⁽²⁾ | Giant Food, Superpetz |
| York | 100.0 % | 100.0 % | 8.69 | 110,000 | 110,000 | - | - | 5,326 ⁽²⁾ | Ashley Furniture |
| Glenolden | 100.0 % | 100.0 % | 25.75 | 102,000 | 10,000 | 92,000 | - | 7,008 ⁽²⁾ | Wal-Mart |
| Wilkes-Barre (ground and building leased through 2014) | 100.0 % | 100.0 % | 6.53 | 81,000 | 41,000 | - | 40,000 * | - | Ollie's Bargain Outlet |
| Springfield (ground and building leased through 2025) | 100.0 % | 100.0 % | 20.90 | 41,000 | 41,000 | - | - | - | PetSmart |
| Total Pennsylvania | | | | 2,039,000 | 1,222,000 | 777,000 | 40,000 | 100,667 | |

RETAIL 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 | | | |
| RETAIL PROPERTIES (Continued): | | | | | | | | | |
| California: | | | | | | | | | |
| San Jose | 100.0 % | 94.5 % | \$ 29.56 | 647,000 ⁽⁴⁾ | 492,000 | 155,000 ⁽⁴⁾ | - | \$ 106,332 | Target (4), The Home Depot, Toys "R" Us, Best Buy |
| Beverly Connection, Los Angeles | 100.0 % | 82.6 % | 35.36 | 334,000 | 334,000 | - | - | - | Target, Marshalls, Old Navy, Nordstrom Rack, Ross Dress for Less |
| Pasadena (ground leased through 2077) | 100.0 % | 87.7 % | 27.54 | 131,000 | 131,000 | - | - | - | T.J. Maxx, Trader Joe's |
| 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 |
| 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 | | | | <u>1,293,000</u> | <u>1,138,000</u> | <u>155,000</u> | <u>-</u> | <u>106,332</u> | |
| Massachusetts: | | | | | | | | | |
| Chicopee | 100.0 % | 100.0 % | - | 224,000 | - | 224,000 | - | 8,493 ⁽²⁾ | Wal-Mart |
| Springfield | 100.0 % | 97.8 % | 16.39 | 182,000 | 33,000 | 149,000 | - | 5,859 ⁽²⁾ | Wal-Mart |
| Milford (ground and building leased through 2019) | 100.0 % | 100.0 % | 8.01 | 83,000 | 83,000 | - | - | - | Kohl's (3) |
| Cambridge (ground and building leased through 2033) | 100.0 % | 100.0 % | 21.31 | 48,000 | 48,000 | - | - | - | PetSmart |
| Total Massachusetts | | | | <u>537,000</u> | <u>164,000</u> | <u>373,000</u> | <u>-</u> | <u>14,352</u> | |
| Maryland: | | | | | | | | | |
| Baltimore (Towson) | 100.0 % | 97.8 % | 15.57 | 155,000 | 155,000 | - | - | 15,978 ⁽²⁾ | Shoppers Food Warehouse, hhgregg, 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 |
| Rockville | 100.0 % | 84.4 % | 23.13 | 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 | | | | <u>443,000</u> | <u>443,000</u> | <u>-</u> | <u>-</u> | <u>15,978</u> | |

RETAIL SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Annual Rent PSF (1) | Total Property | Square Feet | | Under Development or Not Available for Lease | Encumbrances (in thousands) | Major Tenants |
|---|-------------|-------------|--------------------------------------|----------------|------------------|-----------------|--|-----------------------------|--|
| | | | | | In Service | | | | |
| | | | | | Owned By Company | Owned By Tenant | | | |
| RETAIL PROPERTIES (Continued): | | | | | | | | | |
| Connecticut: | | | | | | | | | |
| Newington | 100.0 % | 100.0 % | \$ 14.45 | 188,000 | 43,000 | 145,000 | - | \$ 11,492 ⁽²⁾ | Wal-Mart, Staples |
| Waterbury | 100.0 % | 100.0 % | 15.01 | 148,000 | 143,000 | 5,000 | - | 14,295 ⁽²⁾ | ShopRite |
| Total Connecticut | | | | <u>336,000</u> | <u>186,000</u> | <u>150,000</u> | <u>-</u> | <u>25,787</u> | |
| Florida: | | | | | | | | | |
| Tampa (Hyde Park Village) | 75.0 % | 74.7 % | 20.57 | 264,000 | 264,000 | - | - | 19,427 | Pottery Barn, CineBistro, Brooks Brothers, Williams Sonoma, Lifestyle Family Fitness |
| Michigan: | | | | | | | | | |
| Roseville | 100.0 % | 100.0 % | 5.43 | 119,000 | 119,000 | - | - | - | JCPenney |
| Battle Creek | 100.0 % | - | - | 47,000 | 47,000 | - | - | - | |
| Midland (ground leased through 2043) | 100.0 % | 83.6 % | 8.97 | 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 | - | - | - | RVI |
| Chicago (ground and building leased through 2051) | 100.0 % | 100.0 % | 12.03 | 41,000 | 41,000 | - | - | - | Best Buy |
| 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 |
| Texarkana (ground leased through 2013) | 100.0 % | 100.0 % | 4.39 | 31,000 | 31,000 | - | - | - | Home Zone |
| Total Texas | | | | <u>74,000</u> | <u>74,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | |
| Ohio: | | | | | | | | | |
| Springdale (ground and building leased through 2046) | 100.0 % | - | - | 47,000 | 47,000 | - | - | - | |
| Tennessee: | | | | | | | | | |
| Antioch | 100.0 % | 100.0 % | 7.66 | 45,000 | 45,000 | - | - | - | Best Buy |

RETAIL SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Annual Rent PSF (1) | Total Property | Square Feet | | Under Development or Not Available for Lease | Encumbrances (in thousands) | Major Tenants |
|--|---------------|-------------|--------------------------------------|-------------------|-------------------|------------------|--|-----------------------------|-----------------|
| | | | | | In Service | Owned By Tenant | | | |
| RETAIL PROPERTIES (Continued): | | | | | | | | | |
| South Carolina: | | | | | | | | | |
| Charleston (ground leased through 2063) | 100.0 % | 100.0 % | \$ 15.42 | 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 |
| Washington, DC | | | | | | | | | |
| 3040 M Street | 100.0 % | 100.0 % | 46.61 | 42,000 | 42,000 | - | - | - | Nike, Barneys |
| 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 |
| CALIFORNIA SUPERMARKETS | | | | | | | | | |
| Colton (1904 North Rancho Avenue) | 100.0 % | 100.0 % | 4.44 | 73,000 | 73,000 | - | - | - | Stater Brothers |
| San Bernadino (1522 East Highland Avenue) | 100.0 % | 100.0 % | 7.23 | 40,000 | 40,000 | - | - | - | Stater Brothers |
| Riverside (5571 Mission Boulevard) | 100.0 % | 100.0 % | 4.97 | 39,000 | 39,000 | - | - | - | Stater Brothers |
| Mojave (ground leased through 2079) | 100.0 % | 100.0 % | 6.55 | 34,000 | 34,000 | - | - | - | Stater Brothers |
| Corona (ground leased through 2079) | 100.0 % | 100.0 % | 7.76 | 33,000 | 33,000 | - | - | - | Stater Brothers |
| Yucaipa | 100.0 % | 100.0 % | 4.13 | 31,000 | 31,000 | - | - | - | Stater Brothers |
| Barstow | 100.0 % | 100.0 % | 7.15 | 30,000 | 30,000 | - | - | - | Stater Brothers |
| Moreno Valley | 100.0 % | - | - | 30,000 | 30,000 | - | - | - | - |
| San Bernadino (648 West 4th Street) | 100.0 % | 100.0 % | 6.74 | 30,000 | 30,000 | - | - | - | Stater Brothers |
| Desert Hot Springs | 100.0 % | 100.0 % | 5.61 | 29,000 | 29,000 | - | - | - | Stater Brothers |
| Rialto | 100.0 % | 100.0 % | 5.74 | 29,000 | 29,000 | - | - | - | Stater Brothers |
| Total California Supermarkets | | | | 398,000 | 398,000 | - | - | - | |
| Total Strip Shopping Centers | 93.5 % | | \$ 17.42 | 16,556,000 | 11,164,000 | 4,297,000 | 1,095,000 | \$ 924,094 | |
| Vornado's Ownership Interest | 93.6 % | | \$ 17.40 | 15,974,000 | 11,098,000 | 3,781,000 | 1,095,000 | \$ 919,238 | |

RETAIL SEGMENT

PROPERTY TABLE

| Property | % Ownership | % Occupancy | Weighted Average Annual Rent PSF (1) | Total Property | Square Feet | | Under Development or Not Available for Lease | Encumbrances (in thousands) | Major Tenants |
|--|-------------|---------------|--------------------------------------|--------------------------|-------------------|------------------------|--|-----------------------------|---|
| | | | | | In Service | Owned By Tenant | | | |
| RETAIL PROPERTIES (Continued): | | | | | | | | | |
| REGIONAL MALLS: | | | | | | | | | |
| Monmouth Mall, Eatontown, NJ | 50.0 % | 92.9 % | \$ 35.85 ⁽⁵⁾ | 1,462,000 ⁽⁴⁾ | 850,000 | 612,000 ⁽⁴⁾ | - | \$ 172,562 | Macy's (4), JCPenney (4), Lord & Taylor, Boscov's, Loews Theatre, Barnes & Noble |
| Springfield Mall, Springfield, VA | 97.5 % | 100.0 % | 15.73 ⁽⁵⁾ | 1,408,000 ⁽⁴⁾ | 294,000 | 390,000 ⁽⁴⁾ | 724,000 | - | Macy's, JCPenney (4), Target (4) |
| Broadway Mall, Hicksville, NY | 100.0 % | 88.6 % | 31.28 ⁽⁵⁾ | 1,136,000 ⁽⁴⁾ | 760,000 | 376,000 ⁽⁴⁾ | - | 85,840 | Macy's, IKEA, Target (4), National Amusement |
| Bergen Town Center - West, Paramus, NJ | 100.0 % | 98.6 % | 46.02 ⁽⁵⁾ | 948,000 | 897,000 | 13,000 | 38,000 | 282,312 | Target, Century 21, Whole Foods Market, Marshalls, Nordstrom Rack, Saks Off 5th, Bloomingdale's Outlet, Nike Factory Store, Old Navy, Neiman Marcus Last Call Studio, Blink Fitness |
| Montehiedra, Puerto Rico | 100.0 % | 89.1 % | 42.37 ⁽⁵⁾ | 540,000 | 540,000 | - | - | 120,000 | The Home Depot, Kmart, Marshalls, Caribbean Theatres, Tiendas Capri |
| Las Catalinas, Puerto Rico | 100.0 % | 87.5 % | 57.91 ⁽⁵⁾ | 494,000 ⁽⁴⁾ | 355,000 | 139,000 ⁽⁴⁾ | - | 54,719 | Kmart, Sears (4) |
| Total Regional Malls | | 92.7 % | \$ 40.59 | 5,988,000 | 3,696,000 | 1,530,000 | 762,000 | \$ 715,433 | |
| Vornado's Ownership Interest | | 92.6 % | \$ 41.46 | 4,333,000 | 3,264,000 | 325,000 | 744,000 | \$ 629,152 | |
| Total Retail Space | | 93.4 % | | 22,544,000 | 14,860,000 | 5,827,000 | 1,857,000 | \$ 1,639,527 | |
| Vornado's Ownership Interest | | 93.4 % | | 20,307,000 | 14,362,000 | 4,106,000 | 1,839,000 | \$ 1,548,390 | |

* 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) These encumbrances are cross-collateralized under a blanket mortgage in the amount of \$636,280 as of September 30, 2012.

(3) The lease for this former Bradlees location is guaranteed by Stop and Shop (70% as to Totowa).

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

(5) Weighted Average Annual Rent PSF shown is for mall tenants only.

MERCHANDISE MART 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 | | | |
| MERCHANDISE MART: | | | | | | | | |
| Illinois: | | | | | | | | |
| Merchandise Mart, Chicago | 100.0 % | 95.4 % | \$ 30.74 | 3,553,000 | 3,553,000 | - | \$ 550,000 | American Intercontinental University (AIU), Baker, Knapp & Tubbs, Royal Bank of Canada, CCC Information Services, Ogilvy Group (WPP), Chicago Teachers Union, Office of the Special Deputy Receiver, Publicis Groupe, Bankers Life & Casualty, Holly Hunt Ltd., Merchandise Mart Headquarters, Steelcase, Chicago School of Professional Psychology, Razorfish, TNDP, Motorola Mobility, Google |
| Other | 50.0 % | 100.0 % | 32.79 | 19,000 | 19,000 | - | 23,840 | |
| Total Illinois | | 95.4 % | 30.75 | 3,572,000 | 3,572,000 | - | 573,840 | |
| New York | | | | | | | | |
| 7 West 34th Street | 100.0 % | 83.3 % | 38.24 | 419,000 | 419,000 | - | - | Kurt Adler |
| Total Merchandise Mart | | 94.2 % | \$ 31.53 | 3,991,000 | 3,991,000 | - | \$ 573,840 | |
| Vornado's Ownership Interest | | 94.2 % | \$ 31.53 | 3,982,000 | 3,982,000 | - | \$ 561,920 | |

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

OTHER - CALIFORNIA

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 | | | |
| 555 CALIFORNIA STREET: | | | | | | | | |
| 555 California Street | 70.0 % | 91.2 % | \$ 54.73 | 1,503,000 | 1,503,000 | - | \$ 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 |
| 315 Montgomery Street | 70.0 % | 100.0 % | 41.48 | 228,000 | 228,000 | - | - | Bank of America |
| 345 Montgomery Street | 70.0 % | 100.0 % | 90.46 | 64,000 | 64,000 | - | - | Bank of America |
| Total 555 California Street | | 92.6 % | \$ 54.39 | 1,795,000 | 1,795,000 | - | \$ 600,000 | |
| Vornado's Ownership Interest | | 92.6 % | \$ 54.39 | 1,257,000 | 1,257,000 | - | \$ 420,000 | |

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

OTHER - WAREHOUSES

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 | | | |
| WAREHOUSES: | | | | | | | | |
| NEW JERSEY | | | | | | | | |
| East Hanover - Five Buildings | 100.0 % | 53.0 % | \$ 4.50 | 942,000 | 942,000 | - | \$ - | Foremost Groups Inc., Fidelity Paper & Supply Inc., Consolidated Simon Distributors Inc., Givaudan Flavors Corp., Meyer Distributing Inc., Gardner Industries Inc. |
| Total Warehouses | | 53.0 % | \$ 4.50 | 942,000 | 942,000 | - | \$ - | |
| Vornado's Ownership Interest | | 53.0 % | \$ 4.50 | 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 | | Under Development or Not Available for Lease | Encumbrances (in thousands) | Major Tenants |
|---|------------------|---------------|--------------------------------------|------------------|------------------|--|-----------------------------|--|
| | | | | Total Property | In Service | | | |
| VORNADO CAPITAL PARTNERS | | | | | | | | |
| REAL ESTATE FUND: | | | | | | | | |
| New York, NY: | | | | | | | | |
| One Park Avenue | | | | | | | | |
| - Office | 64.7 % | 94.9 % | \$ 43.57 | 858,000 | 858,000 | - | | Coty Inc., New York University, Public Service Mutual Insurance |
| - Retail | 64.7 % | 90.3 % | 55.58 | 79,000 | 79,000 | - | | Bank of Baroda, Citibank, Equinox One Park Avenue Inc. |
| | 64.7 % | 94.5 % | 44.58 | 937,000 | 937,000 | - | \$ 250,000 | |
| Lucida, 86th Street and Lexington Avenue (ground leased through 2082) | | | | | | | | |
| - Retail | 100.0 % | 100.0 % | 124.85 | 95,000 | 95,000 | - | | Barnes & Noble, Hennes & Mauritz, Sephora, Bank of America |
| - Residential | 100.0 % | 100.0 % | - | 51,000 | 51,000 | - | | |
| | | | | 146,000 | 146,000 | - | 100,000 | |
| 11 East 68th Street Retail | 100.0 % | 100.0 % | 518.49 | 9,000 | 9,000 | - | 27,790 | Belstaff, Joseph Inc. |
| Crowne Plaza Times Square | | | | | | | | |
| - Hotel (795 Keys) | | | | | | | | |
| - Retail | 38.2 % | 100.0 % | 328.88 | 14,000 | 14,000 | - | | Spotlight Gift Shop Inc., Camicissima Inc. |
| - Office | 38.2 % | 100.0 % | 32.88 | 212,000 | 212,000 | - | | American Management Association, NYSC |
| | | | 51.22 | 226,000 | 226,000 | - | 258,750 | |
| 501 Broadway | 100.0 % | 100.0 % | 162.29 | 9,000 | 9,000 | - | 20,000 | Necessary Clothing |
| Washington, DC: | | | | | | | | |
| Georgetown Park Retail Shopping Center | 50.0 % | 100.0 % | 33.89 | 313,000 | 115,000 | 198,000 * | 34,000 | Washington Sports, Dean & DeLuca, Anthropologie, Hennes & Mauritz, J. Crew |
| Santa Monica, CA: | | | | | | | | |
| 520 Broadway | 100.0 % | 69.2 % | 45.58 | 112,000 | 112,000 | - | 30,000 | Premier Office Centers LLC, Diversified Mercury Comm, Four Media Company |
| Miami, FL: | | | | | | | | |
| 1100 Lincoln Road | 100.0 % | 96.2 % | 55.94 | 127,000 | 127,000 | - | 66,000 | Regal Cinema, Anthropologie, Banana Republic |
| Total Real Estate Fund | 68.6 % | 93.7 % | | 1,879,000 | 1,681,000 | 198,000 | \$ 786,540 | |
| Vornado's Ownership Interest | 17.2 % | 93.7 % | | 315,000 | 290,000 | 25,000 | \$ 130,346 | |

* 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.