

VORNADO REALTY TRUST  
 Form 4  
 May 31, 2007

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**MATHRANI SANDEEP**

2. Issuer Name and Ticker or Trading Symbol  
**VORNADO REALTY TRUST [VNO]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**888 SEVENTH AVENUE**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**05/29/2007**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**EVP - Retail Division**

**NEW YORK, NY 10019**

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 \_\_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Code V Amount (D) Price   |  |                                   |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--------------|--|---|---------------------------------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--------------|--|---|---------------------------------|

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| (Instr. 3) | Price of<br>Derivative<br>Security | (Month/Day/Year) | (Instr. 8) | Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | (Instr. 5) |      |   |     |     |                     |                    |                  |  |
|------------|------------------------------------|------------------|------------|---|------------|------|---|-----|-----|---------------------|--------------------|------------------|--|
|            |                                    |                  |            |   |            | Code | V | (A) | (D) | Date<br>Exercisable | Expiration<br>Date | Title            | Amount<br>or<br>Number<br>of<br>Shares |
|            | Options<br>(Right to<br>Buy)       | (1) (2)          |            |   |            | (6)  |   |     |     | 03/05/2012          |                    | Common<br>Shares | 3 (4)                                  |
|            | Options<br>(Right to<br>Buy)       | (1) (3)          |            |   |            | (6)  |   |     |     | 03/05/2012          |                    | Common<br>Shares | 179 (4)                                |
|            | Options<br>(Right to<br>Buy)       | (1) (5)          |            |   |            | (6)  |   |     |     | 02/08/2015          |                    | Common<br>Shares | 257 (4)                                |
|            | Options<br>(Right to<br>buy)       | (1) (5)          |            |   |            | (7)  |   |     |     | 02/08/2015          |                    | Common<br>Shares | 4,167<br>(4)                           |
|            | Options<br>(Right to<br>Buy)       | (1) (5)          |            |   |            | (7)  |   |     |     | 03/13/2016          |                    | Common<br>Shares | 923 (4)                                |

## Reporting Owners

| Reporting Owner Name / Address                               | Relationships |           |                       |       |
|--|---------------|-----------|-----------------------|-------|
|  | Director      | 10% Owner | Officer               | Other |
| MATHRANI SANDEEP<br>888 SEVENTH AVENUE<br>NEW YORK, NY 10019 |               |           | EVP - Retail Division |       |

## Signatures

/s/ Sandeep  
Mathrani

05/30/2007

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) On May 29, 2007, the Compensation Committee of the Board of Trustees of the Issuer approved the calculation of adjustments to the outstanding options issued to the Reporting Person under the Issuer's Omnibus Stock Plans, to reflect the payment of two extraordinary

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dividends to the Issuer's holders of its Common Shares, one extraordinary dividend of \$.77 per Common Share paid December 30, 2005 and the other of \$.54 per Common Share paid November 21, 2006 (collectively, the "Adjustment").

- (2) As a result of the Adjustment, the exercise price of the outstanding options granted to the Reporting Person was reduced from \$41.9909 to \$41.4157.
- (3) As a result of the Adjustment, the exercise price of the outstanding options granted to the Reporting Person was reduced from \$42.02 to \$41.4443.
- (4) As a result of the Adjustment, this number of additional options was granted to the Reporting Person under this previous award.
- (5) As a result of the Adjustment, the exercise price of the outstanding options granted to the Reporting Person was reduced from \$71.275 to \$70.2986.
- (6) Immediately.
- (7) These options vest to the Reporting Person ratably over a three year period of time beginning 1/20/08.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.