VORNADO REALTY TRUST
Form DEF 14A
April 11, 2014

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

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Check the appropriate box:
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VORNADO REALTY TRUST

(Name of Registrant as Specified In Its Charter)

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VORNADO REALTY TRUST

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

AND PROXY STATEMENT

2014

888 Seventh Avenue
New York, New York 10019

Notice of Annual Meeting of Shareholders to Be Held on May 22, 2014

To our Shareholders:

The 2014 Annual Meeting of Shareholders of Vornado Realty Trust, a Maryland real estate investment trust (the "Company"), will be held at the Saddle Brook Marriott, Interstate 80 and the Garden State Parkway, Saddle Brook, New Jersey 07663, on Thursday, May 22, 2014, beginning at 11:30 A.M., local time, for the following purposes:

(1) To elect three persons to the Board of Trustees of the Company. Each person elected will serve for a term of three years and until his respective successor is duly elected and qualified.

(2) To consider and vote upon the ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the current fiscal year.

(3) To consider and vote upon the approval of a non-binding, advisory resolution on executive compensation.

(4) To consider and vote upon certain non-binding shareholder proposals, if properly presented at the meeting.

(5) To transact any other business as may properly come before the meeting or any postponement or adjournment of the meeting.

The Board of Trustees of the Company has fixed the close of business on March 24, 2014 as the record date for the determination of shareholders entitled to notice of, and to vote at, the meeting.

Please review the accompanying proxy statement and proxy card or voting instruction form. Whether or not you plan to attend the meeting, it is important that your shares be represented and voted. You may authorize your proxy by the Internet or by touch-tone phone as described on the proxy card or voting instruction form. Alternatively, you may sign the proxy card or voting instruction form and return it in accordance with the instructions included with the proxy card or voting instruction form. You may revoke your proxy by (1) executing and submitting a later-dated proxy card or voting instruction form, (2) subsequently authorizing a proxy through the Internet or by telephone, (3) sending a written revocation of proxy to our Secretary at our principal executive office located at 888 Seventh Avenue, New York, New York 10019, or (4) attending the Annual Meeting and voting in person. To be effective, later-dated proxy cards, voting instruction forms, proxies authorized via the Internet or telephone or written revocations of proxies must be received by us by 11:59 P.M., New York City time, on Wednesday, May 21, 2014.

By Order of the Board of Trustees,
Alan J. Rice
Secretary
April 11, 2014

888 Seventh Avenue
New York, New York 10019

PROXY STATEMENT

Annual Meeting of Shareholders to Be Held on May 22, 2014

The accompanying proxy is being solicited by the Board of Trustees (the "Board of Trustees" or the "Board") of Vornado Realty Trust, a Maryland real estate investment trust ("we," "us," "our" or the "Company"), for exercise at our 2014 Annual Meeting of Shareholders (the "Annual Meeting") to be held on Thursday, May 22, 2014, beginning at 11:30 A.M., local time, at the Saddle Brook Marriott, Interstate 80 and the Garden State Parkway, Saddle Brook, New Jersey 07663. Our principal executive office is located at 888 Seventh Avenue, New York, New York 10019. Our proxy materials, including this proxy statement, the Notice of Annual Meeting of Shareholders, the proxy card or voting instruction form and our 2013 Annual Report are being distributed and made available on or about April 11, 2014.

In accordance with rules and regulations adopted by the U.S. Securities and Exchange Commission (the "SEC"), we have elected to provide our shareholders access to our proxy materials on the Internet. Accordingly, a notice of Internet availability of proxy materials will be mailed on or about April 11, 2014 to our shareholders of record as of the close of business on March 24, 2014. Shareholders are able to (1) access the proxy materials on a website referred to in the notice or (2) request that a printed set of the proxy materials be sent, at no cost to them, by following the instructions in the notice. **You will need your 12-digit control number that is included with the notice mailed on or about April 11, 2014, to authorize your proxy for your shares through the Internet. If you have not received a copy of this notice of internet availability, please contact our investor relations department at 201-587-1000 or send an e-mail to ircontact@vno.com. If you wish to receive a printed version of these materials, you may request them at www.proxyvote.com or by dialing 1-800-579-1639 and following the instructions at that website or phone number.**

How do you vote?

If you hold your shares of record in your own name, you may vote in person at the Annual Meeting or you may authorize your proxy over the Internet (at www.proxyvote.com), by telephone (at 1-800-690-6903) or by executing and returning a proxy card. Once you authorize a proxy, you may revoke that proxy by timely (1) executing and submitting a later-dated proxy card, (2) subsequently authorizing a proxy through the Internet or by telephone, (3) sending a written revocation of proxy to our Secretary at our principal executive office or (4) attending the Annual Meeting and voting in person. Attending the Annual Meeting without submitting a new proxy or voting in person will not automatically revoke your prior authorization of your proxy. To be effective, later-dated proxy cards, proxies authorized via the Internet, telephone or written revocations of proxies must be received by us by 11:59 P.M., New York City time, on Wednesday, May 21, 2014.

If you hold your common shares in "street name" (that is, as beneficial owner through a bank, broker or other nominee), your nominee will not vote your shares (other than with respect to the ratification of the appointment of our independent registered public accounting firm) unless you provide instructions to your nominee on how to vote your shares. If you hold shares in "street name," you will receive instructions from your nominee that you must follow in order to have your proxy authorized, or you may contact your nominee directly to request these voting instructions. You should instruct your nominee how to vote your shares by following the directions provided by your nominee.

We will pay the cost of soliciting proxies. We have hired MacKenzie Partners, Inc. to solicit proxies for a fee not to exceed $5,500. In addition to solicitation by mail, by telephone and by e-mail or the Internet, arrangements may be made with brokerage houses and other custodians, nominees and fiduciaries to send proxies and proxy materials to their principals and we may reimburse them for their expenses in so doing.

Who is entitled to vote?

Only shareholders of record as of the close of business on March 24, 2014 are entitled to notice of and to vote at the Annual Meeting. We refer to this date as the "record date." On that date, 187,403,992 of our common shares of beneficial interest, par value $0.04 per share (the "Shares"), were outstanding. Holders of Shares as of the record date are entitled to one vote per Share on each matter properly presented at the Annual Meeting.

How do you attend the meeting in person?

If you hold your Shares in your own name, you will need only to present evidence of your identity, if asked. If you hold your Shares in "street name" and would like to attend the Annual Meeting in person, you will need to bring an account statement or other evidence acceptable to us of ownership of your Shares as of the close of business on the record date. If you hold Shares in "street name" and wish to vote in person at the Annual Meeting, you will need to contact your bank, broker or other nominee and obtain a legal proxy from your nominee and bring it to the Annual Meeting.

How will your votes be counted?

The holders of a majority of the outstanding Shares as of the close of business on the record date, present in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. Any proxy, properly executed and returned, will be voted as directed and, if no direction is given, will be voted as recommended by the Board of Trustees in this proxy statement and in the discretion of the proxy holder as to any other matter that may properly come before the meeting. A broker non-vote and any proxy marked "withhold authority" or an abstention, as applicable, will count for the purposes of determining a quorum, but will have no effect on the result of the vote on the election of Trustees, the ratification of the appointment of our registered independent public accounting firm, the non-binding, advisory vote on executive compensation or the four non-binding shareholder proposals described below. A broker non-vote is a vote that is not cast on a non-routine matter because the shares entitled to cast the vote are held in street name, the broker lacks discretionary authority to vote the shares on that matter and the broker has not received voting instructions from the beneficial owner.

The election of each of our nominees for Trustee requires a plurality of the votes cast at the Annual Meeting. The ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm, the approval of the non-binding, advisory vote on executive compensation, the non-binding shareholder proposal regarding majority voting, the non-binding shareholder proposal regarding the appointment of an independent Chairman, the non-binding shareholder proposal regarding establishing one class of Trustees to be elected annually and the non-binding shareholder proposal regarding restricting the acceleration of equity awards following a change of control each require a majority of the votes cast on such matter at the Annual Meeting.

PROPOSAL 1: ELECTION OF TRUSTEES

TRUSTEES STANDING FOR ELECTION

Our Board currently has 10 Trustees. One of our current Trustees, Mr. Ronald G. Targan, has determined not to stand for election when his term expires this year. Consequently, following our Annual Meeting, our Board will have nine Trustees. On February 20, 2014, our Board, on the recommendation of our Corporate Governance and Nominating Committee, nominated each of Messrs. Michael Lynne, David Mandelbaum and Daniel R. Tisch for election at our Annual Meeting to the class of Trustees to serve until the Annual Meeting of Shareholders in 2017 and until their respective successors are duly elected and qualified. Each of these nominees currently serves as a member of our Board. Our organizational documents provide that our Trustees are divided into three classes, as nearly equal in number as reasonably possible, as determined by the Board. To continue to allow the classes of Trustees to be nearly as equal as possible following the departure of Mr. Targan, Mr. Mandelbaum, who is currently in the class of Trustees with a term expiring in 2016 (the "2016 Class"), with the concurrence of the Corporate Governance and Nominating Committee and the full Board, expressed his intention to resign from the 2016 Class effective upon his election as a member of the class of Trustees with a term expiring in 2017 (the "2017 Class"). If Mr. Mandelbaum is not elected as a member of the 2017 Class at the Annual Meeting, his resignation as a Trustee from the 2016 Class will not become effective and he will continue to serve as a member of the 2016 Class. One class of Trustees is elected at each Annual Meeting to hold office for a term of three years and until their respective successors have been duly elected and qualified.

Unless you direct otherwise in your signed proxy, each of the persons named in the attached proxy will vote your proxy for the election of the three nominees listed below as Trustees. If any nominee at the time of election is unavailable to serve, it is intended that each of the persons named in the proxy will vote for an alternate nominee who will be recommended by our Corporate Governance and Nominating Committee and nominated by the Board. Alternatively, the Board may reduce the size of the Board and number of nominees. Proxies may be voted only for the nominees named or such alternates. We do not currently anticipate that any nominee for Trustee will be unable to serve as Trustee.

The Board of Trustees recommends that shareholders vote "FOR" approval of the election of each of the nominees listed below to serve as a Trustee until the Annual Meeting of Shareholders in 2017 and until his respective successor has been duly elected and qualified.

Under our Amended and Restated Bylaws (the "Bylaws"), a plurality of all the votes cast at the Annual Meeting, if a quorum is present, is sufficient to elect a Trustee. Under Maryland law, proxies marked "withhold authority" will have no effect on the result of this vote. A broker non-vote will also have no effect on the result of this vote.

The following table lists the nominees and the other present members of the Board who will continue to serve following the 2014 Annual Meeting. Mr. Ronald G. Targan is also currently a member of the Board who will not serve beyond the 2014 Annual Meeting. For each such person, the table lists the age, principal occupation, position presently held with the Company, if any, and the year in which the person first became a member of our Board or a director of our predecessor, Vornado, Inc.

Name	**Age**	**Principal Occupation and, if applicable, Present Position with the Company**	**Year Term Will Expire**	**Year First Elected as Trustee**
Nominees for Election to Serve as Trustees Until the Annual Meeting in 2017				
Michael Lynne(1)(2)	72	Principal of Unique Features	2017	2005
David Mandelbaum(1)(3)(4)	78	A member of the law firm of Mandelbaum & Mandelbaum, P.C.; a general partner of Interstate Properties	2017	1979
Daniel R. Tisch(1)(2)(5)	62	Managing Member of TowerView LLC	2017	2012
Present Trustees Elected to Serve as Trustees Until the Annual Meeting in 2015				
Steven Roth(6)	72	Chairman of the Board of Trustees of the Company since May 1989; Chief Executive Officer of the Company from May 1989 to May 2009 and since April 15, 2013; Managing General Partner of Interstate Properties	2015	1979
Michael D. Fascitelli	57	Owner, MDF Capital LLC since June, 2013. From May 2009 to April 15, 2013, President and Chief Executive Officer of the Company	2015	1996
Russell B. Wight, Jr.(1)(3)(6)(7)	74	A general partner of Interstate Properties	2015	1979
Present Trustees Elected to Serve as Trustees Until the Annual Meeting in 2016				
Candace K. Beinecke(1)(3)(6)	67	Chair of Hughes Hubbard & Reed LLP	2016	2007
Robert P. Kogod(1)(5)	82	President of Charles E. Smith Management LLC	2016	2002
Dr. Richard R. West(1)(2)(5)	76	Dean Emeritus, Leonard N. Stern School of Business, New York University	2016	1982

(1) *Independent pursuant to the rules of the New York Stock Exchange ("NYSE") as determined by vote of the Board.*

(2) *Member of the Compensation Committee of the Board.*

(3) *Member of the Corporate Governance and Nominating Committee of the Board.*

(4) *Mr. Ronald G. Targan, currently a member of the class of Trustees elected to serve until the Annual Meeting in 2014, has determined not to stand for election at this year's Annual Meeting. Our organizational documents require that our classes of Trustees shall be as nearly equal in number as possible. Accordingly, Mr. Mandelbaum, who currently serves as a member of the 2016 Class, will stand for election in Mr. Targan's place as a member of the 2017 Class. If Mr. Mandelbaum is elected at the Annual Meeting in 2014 to serve as a member of the 2017 Class, he will resign from his position as a member of the 2016 Class. If Mr. Mandelbaum is not elected as a member of the 2017 Class at the Annual Meeting, his resignation as a Trustee from the 2016 Class will not become effective and he will continue to serve as a member of the 2016 Class.*

(5) *Member of the Audit Committee of the Board.*

(6) *Member of the Executive Committee of the Board.*

(7) *Lead Trustee.*

BIOGRAPHIES OF OUR TRUSTEES

Ms. Beinecke has served as Chair of Hughes Hubbard & Reed LLP, a New York law firm, since 1999 and is a practicing partner in Hughes Hubbard's Corporate Department. Ms. Beinecke also serves as Chairperson of the Board of Arnhold & S. Bleichroeder Advisors LLC's First Eagle Funds, Inc. (a U.S. public mutual fund family), and as a board member of ALSTOM (a public French transport and power company).

Mr. Fascitelli has served as a member of our Board of Trustees since December 1996. He served as our President since December 1996 and as our Chief Executive Officer since May 2009 until his resignation from both positions effective April 15, 2013. From December 1992 to December 1996, Mr. Fascitelli was a partner at Goldman Sachs & Co. (an investment banking firm) in charge of its real estate practice and was a vice president prior thereto. Until May 23, 2013, he was also a director of Alexander's, Inc. ("Alexander's") (a real estate investment trust) and served as its President until April 15, 2013. From 2004 until 2013 he also served as a director of Toys "R" Us, Inc. (a retailer).

Mr. Kogod was appointed a Trustee on January 1, 2002, the date Charles E. Smith Commercial Realty L.P. merged into a subsidiary of the Company. Currently, Mr. Kogod is the President of Charles E. Smith Management LLC (a privately-owned investment firm that is not affiliated with the Company). Previously, Mr. Kogod was Co-Chief Executive Officer and Co-Chairman of the Board of Directors of Charles E. Smith Commercial Realty L.P., from October 1997 through December 2001, and was Co-Chief Executive Officer and Co-Chairman of the Board of Directors of Charles E. Smith Residential Realty from June 1994 to October 2001.

Mr. Lynne has been a principal of Unique Features (a media company) since its formation in 2008. Prior to that, he was Co-Chairman and Co-Chief Executive Officer of New Line Cinema Corporation (a subsidiary of Time Warner, Inc. and a motion picture company) since 2001. Prior to 2001, Mr. Lynne served as President and Chief Operating Officer of New Line Cinema, starting in 1990. From 2006 until 2008, Mr. Lynne served on the Board of Directors of Time Warner Cable Inc. (a telecommunications company).

Mr. Mandelbaum has been a member of the law firm of Mandelbaum & Mandelbaum, P.C. since 1960. Since 1968, he has been a general partner of Interstate Properties (an owner of shopping centers and investor in securities and partnerships, "Interstate"). Mr. Mandelbaum is also a director of Alexander's.

Mr. Roth has been the Chairman of our Board of Trustees since May 1989 and Chairman of the Executive Committee of the Board since April 1980. From May 1989 until May 2009, Mr. Roth served as our Chief Executive Officer. Since, April 15, 2013 Mr. Roth again serves in that position. Since 1968, he has been a general partner of Interstate and he currently serves as its Managing General Partner. He is the Chairman of the Board and Chief Executive Officer of Alexander's. Since 2011, Mr. Roth was a director of J. C. Penney Company, Inc. (a retailer) until September 13, 2013. In addition, from 2005 until February 2011, Mr. Roth was a director of Toys "R" Us, Inc.

Mr. Targan has been the President of Malt Products Corporation of New Jersey (a producer of malt syrup) since 1962. From 1964 until July 2002, Mr. Targan was a member of the law firm of Schechner and Targan, P.A.

Mr. Tisch has been the Managing Member of TowerView LLC (a private investment partnership) since 2001. Mr. Tisch also serves as a member of the Board of Directors of Tejon Ranch Company (a real estate development and agribusiness company).

Dr. West is Dean Emeritus of the Leonard N. Stern School of Business at New York University. He was a professor there from September 1984 until September 1995 and Dean from September 1984 until August 1993. Prior thereto, Dr. West was Dean of the Amos Tuck School of Business Administration at Dartmouth College. Dr. West is also a director of Alexander's.

Mr. Wight has been a general partner of Interstate since 1968. Mr. Wight is also a director of Alexander's.

RELATIONSHIPS AMONG OUR TRUSTEES

We are not aware of any family relationships among any of our Trustees or executive officers or persons nominated or chosen by us to become Trustees or executive officers.

Messrs. Roth, Wight and Mandelbaum each are general partners of Interstate. Since 1992, Vornado has managed all the operations of Interstate for a fee as described in "Certain Relationships and Related Transactions Transactions Involving Interstate Properties."

Messrs. Roth, Wight and Mandelbaum and Dr. West are also directors of Alexander's. Until May 23, 2013, Mr. Fascitelli was also a director of Alexander's. As of the record date, the Company, together with Interstate and its general partners, beneficially owns approximately 59% of the outstanding common stock of Alexander's.

For more information concerning Interstate, Alexander's and other relationships involving our Trustees, see "Certain Relationships and Related Transactions."

CORPORATE GOVERNANCE

The common shares of the Company or its predecessor have been continuously listed on the NYSE since January 1962 and the Company is subject to the NYSE's Corporate Governance Standards.

The Board has determined that Ms. Beinecke and Messrs. Kogod, Lynne, Mandelbaum, Targan, Tisch and Wight and Dr. West are independent under the Corporate Governance Standards of the NYSE, with the result that eight of our 10 Trustees are independent (seven out of nine following the Annual Meeting). The Board reached this conclusion after considering all applicable relationships between or among such Trustees and the Company or management of the Company. These relationships are described in the sections of this proxy statement entitled "Relationships Among Our Trustees" and "Certain Relationships and Related Transactions." Among other factors considered by the Board in making its determinations regarding independence was the Board's determination that these Trustees met all of the "bright-line" requirements of the NYSE Corporate Governance Standards as well as the categorical standards adopted by the Board as contained in our Corporate Governance Guidelines.

As part of its commitment to good corporate governance, the Board of Trustees has adopted the following documents:

- Audit Committee Charter
- Compensation Committee Charter
- Corporate Governance and Nominating Committee Charter

- Corporate Governance Guidelines (attached as Annex A)

- Code of Business Conduct and Ethics

We have made available on our website (www.vno.com) copies of these documents. We will post any future changes to these documents to our website and may not otherwise publicly file such changes. Our regular filings with the SEC and our Trustees' and executive officers' filings under Section 16(a) of the Securities Exchange Act of 1934 are also available on our website. In addition, copies of these documents are available free of charge from the Company upon your written request. Requests should be sent to our investor relations department located at our principal executive office.

The Code of Business Conduct and Ethics applies to all of our Trustees, executives and other employees.

COMMITTEES OF THE BOARD OF TRUSTEES

The Board has an Executive Committee, an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. Other than the Executive Committee, each committee is comprised solely of independent Trustees.

The Board held seven meetings during 2013. Each Trustee attended at least 75% of the combined total of the meetings of the Board and all committees on which he or she served during 2013.

In addition to full meetings of the Board, non-management Trustees met four times in sessions without members of management present. Mr. Wight, as Lead Trustee, acts as presiding member during these non-management sessions. We do not have a policy with regard to Trustees' attendance at Annual Meetings of Shareholders. All of our Trustees serving at the time of our 2013 Annual Meeting of Shareholders were present at the meeting.

Executive Committee

The Executive Committee possesses and may exercise certain powers of the Board in the direction of the management of the business and affairs of the Company. The Executive Committee consists of three members, Mr. Roth, Ms. Beinecke and Mr. Wight. Mr. Roth is the Chairman of the Executive Committee. The Executive Committee did not meet in 2013.

Audit Committee

The Audit Committee held seven meetings during 2013. During 2013, the members of the Audit Committee were: Dr. West, as Chairman, Mr. Kogod and Mr. Tisch.

The Board has adopted a written Audit Committee Charter, which sets forth the membership requirements and responsibilities of the Audit Committee, among other matters. The Audit Committee Charter is available on our website (www.vno.com). The Board has determined that all existing Audit Committee members meet the NYSE and SEC standards for independence and the NYSE standards for financial literacy. In addition, at all times, at least one member of the Audit Committee has met the NYSE standards for financial management expertise.

The Board has determined that Dr. West is an "audit committee financial expert," as defined by SEC Regulation S-K, and thus has at least one such expert serving on its Audit Committee. The Board reached this conclusion based on the relevant experience of Dr. West, including as described above under "Biographies of our Trustees."

The Audit Committee's purposes are to (i) assist the Board in its oversight of (a) the integrity of our financial statements, (b) our compliance with legal and regulatory requirements, (c) the independent registered public accounting firm's qualifications and independence, and (d) the performance of the independent registered public accounting firm and the Company's internal audit function; and (ii) prepare an Audit Committee report as required by the SEC for inclusion in our annual proxy statement. The function of the Audit Committee is oversight. The management of the Company is responsible for the preparation, presentation and integrity of our financial statements and for the effectiveness of internal control over financial reporting. Management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The independent registered public accounting firm is responsible for planning and carrying out a proper audit of our annual financial statements, reviewing our quarterly financial statements prior to the filing of each Quarterly Report on Form 10-Q and annually auditing the effectiveness of internal control over financial reporting and other procedures. Persons interested in contacting our Audit Committee members with regard to accounting, auditing or financial concerns will find information on how to do so on our website (www.vno.com).

Compensation Committee

The Compensation Committee is responsible for establishing the terms of the compensation of the executive officers and the granting and administration of awards under the Company's omnibus share plans. The committee, which held six meetings during 2013, consists of the following members: Mr. Lynne, as Chairman, Dr. West and, from May 23, 2013, Mr. Tisch. All members of the Compensation Committee have been determined by the Board to be independent. The Board has adopted a written Compensation Committee Charter which is available on our website (www.vno.com). The Compensation Committee Charter reflects our Board's early adoption of changes required by the corporate governance rules of the New York Stock Exchange.

Compensation decisions for our executive officers are made by the Compensation Committee. Decisions regarding compensation of other employees are made by our Chief Executive Officer and are subject to review and approval of the Compensation Committee. Compensation decisions for our Trustees are made by the Compensation Committee and/or the full Board.

The agenda for meetings of the Compensation Committee is determined by its Chairman with the assistance of the Company's Secretary and/or other members of management. Compensation Committee meetings are attended from time to time by members of management at the invitation of the Compensation Committee. The Compensation Committee's Chairman reports the committee's determination of executive compensation to the Board. The Compensation Committee has authority under its charter to elect, retain and approve fees for, and to terminate the engagement of, compensation consultants, special counsel or other experts or consultants as it deems appropriate to assist in the fulfillment of its responsibilities. The Compensation Committee reviews the total fees paid by us to outside consultants to ensure that such consultants maintain their objectivity and independence when rendering advice to the committee. The Compensation Committee may receive advice from compensation consultants, special counsel or other experts or consultants only after consideration of relevant factors related to their fees, services and potential conflicts of interests, as outlined in the Compensation Committee's Charter.

The Compensation Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the committee. In particular, the Compensation Committee may delegate the approval of certain transactions to a subcommittee consisting solely of members of the committee who are (i) "Non-Employee Directors" for the purposes of SEC Rule 16b-3; and (ii) "outside directors" for the purposes of Section 162(m) of the Internal Revenue Code. Currently, all members of the Compensation Committee meet these criteria.

See "Compensation Discussion and Analysis" below for a discussion of the role of executive officers in determining or recommending compensation for our executive officers. We have also included under "Compensation Discussion and Analysis" a discussion of the role of compensation consultants in determining or recommending the amount or form of executive or Trustee compensation.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee, which met three times during 2013, consists of Ms. Beinecke, as Chair, and Messrs. Mandelbaum and Wight. Each of Ms. Beinecke and Messrs. Mandelbaum and Wight has been determined by the Board to be independent. The Board has adopted a written Corporate

Governance and Nominating Committee Charter which is available on our website (www.vno.com). The committee's responsibilities include the selection of potential candidates for the Board and the development and review of our governance principles. It also reviews Trustee compensation and benefits, and oversees annual self-evaluations of the Board and its committees. The committee also makes recommendations to the Board concerning the structure and membership of the other Board committees as well as management succession plans. The committee selects and evaluates candidates for the Board in accordance with the criteria set out in the Company's Corporate Governance Guidelines and as are set forth below. The committee is then responsible for recommending to the Board a slate of candidates for Trustee positions for the Board's approval. Generally, candidates for a position as a member of the Board are suggested by existing Board members; however, the Corporate Governance and Nominating Committee will consider shareholder recommendations for candidates for the Board sent to the Corporate Governance and Nominating Committee, c/o Alan J. Rice, Secretary, Vornado Realty Trust, 888 Seventh Avenue, New York, New York 10019, and will evaluate any such recommendations using the criteria set forth in the Corporate Governance and Nominating Committee Charter and our Corporate Governance Guidelines.

LEAD TRUSTEE

On February 20, 2014, our independent Trustees re-appointed Mr. Wight to serve as Lead Trustee for a one-year term. He has served in such capacity since February 2009. The responsibilities and duties of the Lead Trustee are described in our Corporate Governance Guidelines and include:

- presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent Trustees;
- serving as liaison between the Chairman and the independent Trustees;
- consulting with the Chairman as to the schedule of Board meetings and agenda items and materials sent in advance of Board meetings; and
- calling meetings of the independent Trustees when appropriate.

CRITERIA AND DIVERSITY

In considering whether to recommend any candidate for election or re-election as a Trustee, including candidates recommended by shareholders, the Corporate Governance and Nominating Committee will apply the criteria set forth in our Corporate Governance Guidelines and considers criteria including:

- personal abilities and skills;
- personal qualities and characteristics, accomplishments and reputation in the business community;
- current knowledge and understanding of our industry, other industries relevant to our business and the communities in which we do business;
- ability and willingness to commit adequate time to Board and committee matters;
- the fit of the individual's skills with those of other Trustees in building a Board that is effective and responsive to the needs of the Company; and

diversity of viewpoints, experience and other demographics.

Accordingly, in consideration with many other factors, the Committee selects nominees with a broad diversity of abilities, experience, professions, skills and backgrounds. The Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. The Company believes that the backgrounds and qualifications of members of our Board of Trustees, considered as a group, should provide a significant composite mix of experience, knowledge and abilities that will allow the Board to fulfill its responsibilities. Nominees are not discriminated against on the basis of race, religion, national origin, sexual orientation, disability or any other basis proscribed by law.

We believe our current nominees for the Board of Trustees and the other members of our Board collectively have the abilities, skills and experience to create a board that is well-suited to oversee the management of our Company. Each member has the integrity, business judgment and commitment to our Board and our shareholders that comprise essential characteristics for a Trustee of our Company. Our Trustees also bring to the Board highly developed skills in diverse areas such as finance and investing, accounting, law and the operation of real estate companies and are recognized leaders in their respective fields. In addition, members of the Board have diverse views and experiences that strengthen their ability to guide our Company. Additionally, we believe that the significant shareholdings in our Company held by our Board members are an important factor in aligning our Board's perspective with those of its shareholders in general. All of our Trustees have equity interests in our Company. In addition, all of our Trustees have extensive experience serving on the boards, and/or being at the most senior management level, of other public or private organizations. More specifically, each of Messrs. Roth, Fascitelli, Kogod, Mandelbaum and Wight has extensive experience in the real estate industry generally, and with our Company in particular, and is skilled in the investment in and operation of real estate or real estate companies. Dr. West brings extensive experience in financial and accounting oversight. Each of Messrs. Kogod, Lynne and Tisch has experience leading other companies. Dr. West has had a lengthy career in academia and as a leader of prominent business schools. Ms. Beinecke and Mr. Mandelbaum each have led a law firm and also have substantial experience in advising a wide range of businesses. Mr. Tisch has extensive experience in investing, in the capital markets and in risk management. Our Board greatly benefits from this robust and diverse set of abilities, skills and experience.

LEADERSHIP STRUCTURE

Our Board of Trustees has an active, independent Lead Trustee and the positions of Chairman and Chief Executive Officer are held by the same person, Mr. Roth. At present, our Board believes that this structure is appropriate and that it facilitates independent oversight of management.

THE BOARD'S ROLE IN RISK OVERSIGHT

While risk management is primarily the responsibility of the Company's senior management team, the Board of Trustees is responsible for the overall supervision of the Company's risk management activities. The Board's oversight of the material risks faced by our Company occurs at both the full Board level and at the committee level. The Board's role in the Company's risk oversight process includes receiving reports from members of senior management on areas of material risk to the Company, including operational, financial, legal and regulatory, strategic and reputational risks. The full Board (or the appropriate committee in the case of risks that are under the purview of a particular committee) receives these reports from the appropriate "risk owner" within our organization or in connection with other management-prepared presentations of risk to enable the Board (or committee, as applicable) to understand our risk identification, risk management and risk mitigation strategies. By "risk owner," we mean that person or group of persons who is or are primarily responsible for overseeing a particular risk. As part of its charter, the Audit Committee discusses our policies with respect to risk assessment and risk management and reports to the full Board its conclusions as a partial basis for further discussion by the full Board. This enables the Board and the applicable committees to coordinate the risk oversight role, particularly with respect to risk interrelationships. In addition to the Board's review of risks applicable to the Company generally, the Board conducts an annual strategic and personnel review.

* * * * *

Persons wishing to contact the independent members of the Board should call (866) 537-4644. A recording of each phone call to this number will be sent to one independent member of the Audit Committee as well as to a member of management who may respond to any such call if the caller provides a return number. This means of contact should not be used for solicitations or communications with us of a general nature. Information on how to contact us generally is available on our website (www.vno.com).

PRINCIPAL SECURITY HOLDERS

The following table lists the number of Shares and Units beneficially owned, as of March 24, 2014, by (i) each person who holds more than a 5% interest in the Company or our operating partnership, Vornado Realty L.P., a Delaware limited partnership (the "Operating Partnership"), (ii) Trustees of the Company, (iii) the executive officers of the Company defined as "Named Executive Officers" in "Executive Compensation" below, and (iv) the Trustees and all executive officers of the Company as a group. Unless otherwise specified, "Units" are Class A units of limited partnership interest of our Operating Partnership and other classes of units convertible into Class A units. The Company's ownership of Units is not reflected in the table but is described in footnotes (1) and (2).

Name of Beneficial Owner	Address of Beneficial Owner	Number of Shares and Units Beneficially Owned[1][2]	Percent of All Shares[1][2][3]	Percent of All Shares and Units[1][2][4]
Named Executive Officers and Trustees				
Steven Roth[5][6][7][8]	[9]	9,446,995	5.02%	4.73%
David Mandelbaum[5][8][10]	[9]	9,055,838	4.83%	4.55%
Russell B. Wight, Jr.[5][8][11]	[9]	6,023,595	3.21%	3.03%
Michael D. Fascitelli[7][8][12]	[9]	2,952,831	1.57%	1.48%
Robert P. Kogod[8][13]	[9]	2,057,303	1.09%	1.03%
David R. Greenbaum[7][8][14]	[9]	625,079	*	*
Ronald G. Targan[8]	[9]	610,405	*	*
Wendy A. Silverstein[7][8]	[9]	264,515	*	*
Joseph Macnow[7][8][15]	[9]	236,096	*	*
Mitchell N. Schear[7][8]	[9]	221,921	*	*
Richard R. West[8][16]	[9]	31,659	*	*
Daniel R. Tisch[8]	[9]	9,052	*	*
Michael Lynne[8]	[9]	8,528	*	*
Candace K. Beinecke[8]	[9]	7,541	*	*
Stephen Theriot[8]	[9]	3,177	*	*
All Trustees and executive officers as a group (17 persons)[7][8]	[9]	20,416,658	10.69%	10.14%
Other Beneficial Owners				
The Vanguard Group, Inc.[17]	100 Vanguard Blvd Malvern, PA 19355	20,137,286	10.75%	10.13%
Vanguard Specialized Funds Vanguard REIT Index Fund[18]	100 Vanguard Blvd Malvern, PA 19355	11,377,987	6.07%	5.72%
Cohen & Steers, Inc.[19]	280 Park Avenue New York, NY 10017	17,545,961	9.36%	8.82%
BlackRock, Inc.[20]	40 East 52nd Street New York, NY 10022	14,281,137	7.62%	7.18%

**Less than 1%.*

(1)

Unless otherwise indicated, each person is the direct owner of, and has sole voting power and sole investment power with respect to, such Shares and Units. Numbers and percentages in the table are based on 187,403,922 Shares and 11,452,229 Units (other than Units held by the Company) outstanding as of March 24, 2014.

(2)

In April 1997, the Company transferred substantially all of its assets to the Operating Partnership. As a result, the Company conducts its business through, and substantially all of its interests in properties are held by, the Operating Partnership. The Company is the sole general partner of, and owned approximately 94% of the Units of, the Operating Partnership as of March 24, 2014 (one Unit for each Share outstanding). Generally, any time after one year from the date of issuance (or two years in the case of certain holders), holders of Units (other than the Company) have the right to have their Units redeemed in whole or in part by the Operating Partnership for cash equal to the fair market value, at the time of redemption, of one Share for each Unit redeemed or, at the option of the Company, cash or one Share for each Unit tendered, subject to customary anti-dilution provisions (the "Unit Redemption Right"). Holders of Units may be able to sell publicly Shares received upon the exercise of their Unit Redemption Right pursuant to registration rights agreements with the Company. The Company has filed registration statements with the SEC to register the issuance or resale of certain of the Shares issuable upon the exercise of the Unit Redemption Right.

(3)

The total number of Shares outstanding used in calculating this percentage assumes that all Shares that each person has the right to acquire within 60 days of the record date (pursuant to the exercise of options or upon the redemption or conversion of other Company or Operating Partnership securities for or into Shares) are deemed to be outstanding, but are not deemed to be outstanding for the purpose of computing the ownership percentage of any other person.

(4)

The total number of Shares and Units outstanding used in calculating this percentage assumes that all Shares and Units that each person has the right to acquire within 60 days of the record date (pursuant to the exercise of options or upon the redemption or conversion of Company or Operating Partnership securities for or into Shares or Units) are deemed to be outstanding, but are not deemed to be outstanding for the purpose of computing the ownership percentage of any other person.

(5)

Interstate, a partnership of which Messrs. Roth, Wight and Mandelbaum are the three general partners, owns 5,603,548 Shares. These Shares are included in the total Shares and the percentage of class for each of them. Messrs. Roth, Wight and Mandelbaum share voting power and investment power with respect to these Shares. 1,000,000 of the Shares held by Interstate are pledged as security for loans from a third party.

(6)

Includes 3,873 Shares owned by the Daryl and Steven Roth Foundation over which Mr. Roth holds sole voting power and sole investment power. Does not include 37,299 Shares owned by Mr. Roth's spouse, as to which Mr. Roth disclaims any beneficial interest.

(7)

The number of Shares beneficially owned by the following persons includes the number of Shares indicated due to the vesting of options: Steven Roth 735,942; Michael D. Fascitelli 712,313; Joseph Macnow 166,720; David R. Greenbaum 203,342; Mitchell N. Schear 146,447; and Wendy Silverstein 177,661; and all Trustees and executive officers as a group 2,188,487.

(8)

The number of Shares beneficially owned includes the following numbers of shares of unvested restricted stock: all Trustees and executive officers as a group 3,058. The voting of these unvested restricted Shares may be directed by the deemed owner. The number of Shares and Units (but not the number of Shares alone) beneficially owned by the following persons also includes the number of vested and redeemable restricted units (as described below) as indicated: Steven Roth 67,098; Michael D. Fascitelli 67,098; Joseph Macnow 20,908; David R. Greenbaum 25,693; Mitchell Schear 25,077; Wendy Silverstein 22,633; David Mandelbaum 3,452; Russell B. Wight, Jr. 3,452; Robert P. Kogod 3,452; Ronald G. Targan 3,452; Richard R. West 2,844; Michael Lynne 6,256; Candace K. Beinecke 6,256; Daniel R. Tisch 4,052; and all Trustees and executive officers as a group 268,721. The number of Shares or Units beneficially owned by the following persons does not include the number of unvested or unredeemable restricted units as indicated: Steven Roth 153,770; David Mandelbaum 2,371; Russell B. Wight, Jr.

2,371; Michael D. Fascitelli 159,848; Robert P. Kogod 2,371; Ronald G. Targan 2,371; David R, Greenbaum, 56,833; Joseph Macnow 47,009; Mitchell N. Schear 50,153; Wendy Silverstein 74,305; Stephen Theriot 3,196; Richard R. West 2,371; Michael Lynne 2,371; Candace K. Beinecke 2,108; Daniel R. Tisch 1,485; and all Trustees and executive officers as a group 640,935. The number of Shares or Units beneficially owned by the following persons does not include the number of unearned and unvested OPP Units as indicated: Steven Roth 256,103; David R. Greenbaum 62,119; Joseph Macnow 50,488; Mitchell N. Schear 49,703; Wendy Silverstein 50,488; Stephen Theriot 4,578 and all Trustees and executive officers as a group 549,759.

(9) *The address of such person(s) is c/o Vornado Realty Trust, 888 Seventh Avenue, New York, New York 10019.*

(10) *Of these Shares, 2,909,252 are held in a partnership of which the general partner is Mr. Mandelbaum and the limited partners are Mr. Mandelbaum and trusts for the benefit of Mr. Mandelbaum and his issue. In addition, 122,002 of these Shares are held in trusts for the benefit of Mr. Mandelbaum's grandchildren.*

(11) *Includes 15,907 Shares owned by the Wight Foundation, over which Mr. Wight holds sole voting power and sole investment power. Does not include 16,575 Shares owned by the spouse and children of Mr. Wight. Mr. Wight disclaims any beneficial interest in these Shares.*

(12) *The number of Shares beneficially owned by Mr. Fascitelli includes 167,537 Shares held by a limited partnership and 105,191 Shares held in a limited liability company and does not include 3,150 Shares owned by his children.*

(13) *Includes 1,201,517 Units held through corporations (individually or jointly with spouse). Excludes 289,424 Shares/Units held by spouse.*

(14) *Includes 49,817 Units held by a limited liability company and 87,827 Shares held in grantor trusts. Excludes 53,960 Shares and 3,040 Units held by his children and 17,566 Units held by his spouse.*

(15) *Excludes 69,080 Shares held by Mr. Macnow's spouse. 99,870 of these Shares are pledged as security for loans from third parties.*

(16) *Dr. West and his wife own 3,231 of these Shares jointly. Also included are 1,433 Shares that may be acquired upon conversion of 1,000 Series A preferred shares of beneficial interest owned by Dr. West.*

(17) *According to an amendment to Schedule 13G filed on February 12, 2014.*

(18) *According to an amendment to Schedule 13G filed on February 4, 2014.*

(19) *According to an amendment to Schedule 13G filed on February 14, 2014.*

(20) *According to an amendment to Schedule 13G filed on January 31, 2014.*

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires our Trustees and executive officers, and persons who own more than 10% of a registered class of our equity securities, to file reports of ownership of, and transactions in, certain classes of our equity securities with the SEC. Such Trustees, executive officers and 10% shareholders are also required to furnish us with copies of all Section 16(a) reports they file.

Based solely on a review of the Forms 3, 4 and 5, and any amendments thereto, furnished to us, and on written representations from certain reporting persons, we believe that there were no filing deficiencies under Section 16(a) by our Trustees, executive officers and 10% shareholders in the year ended December 31, 2013 (or in 2014, prior to the mailing of this proxy statement) that were not reported in the proxy statement for our 2013 Annual Meeting of Shareholders.

COMPENSATION DISCUSSION AND ANALYSIS

Approach of this Compensation Discussion and Analysis Section

This Compensation Discussion and Analysis, or "CD&A," describes our executive compensation program for fiscal year 2013, certain elements of our 2014 program and the executive pay philosophy adhered to by our Compensation Committee in making executive compensation decisions. We use our executive compensation program to attract, retain and appropriately reward the members of our senior executive management team who lead our Company. In particular, this CD&A explains how the Compensation Committee made 2013 compensation decisions for our senior executive management team, including the following named executive officers (the "Named Executive Officers" or "NEOs"):

- Steven Roth, Chairman and, effective April 15, 2013, our Chief Executive Officer (our "CEO")
- Michael D. Fascitelli, President and CEO until April 15, 2013
- Stephen W. Theriot, Chief Financial Officer effective June 1, 2013
- Joseph Macnow, Executive Vice President, Finance and Administration, and Chief Financial Officer until June 1, 2013 and, thereafter, Executive Vice President Finance and Chief Administrative Officer
- David R. Greenbaum, President, New York Division
- Mitchell N. Schear, President, Vornado/Charles E. Smith Washington, DC Division
- Wendy A. Silverstein, Executive Vice President and Co-Head of Capital Markets and Acquisitions

Under the rules and regulations of the SEC, each year the "Summary Compensation Table" must disclose the salary paid during that year. Because the equity we grant in any one year is awarded in recognition of performance in the prior year, the SEC's approach requires that we disclose our equity awards granted in respect of 2012 performance on the 2013 line in the Summary Compensation Table. Although we believe the most appropriate disclosure of our executive compensation would combine the salary and annual cash compensation granted in 2012 (for instance) with the equity-based compensation paid in 2013 for 2012 performance, the rules and regulations do not permit that. In other words, we grant our annual incentives and equity-based compensation and make our compensation decisions retrospectively in the first quarter of a fiscal year for the actual performance of an executive in the just-then-completed prior year. To more accurately present our compensation information in line with how our decisions are actually made (as described in more detail below under " Comparison of 2011-2013 Total Direct Compensation"), the following discussion of compensation is with respect to both the annual incentive paid in a stated year combined with the equity being granted following the close of that applicable year after performance metrics are determined.

Executive Summary

Performance

During 2013, we recorded strong financial and share price performance results in both absolute and relative terms.

- We achieved double-digit total return to shareholders (TSR) of 14.7% and growth in comparable funds from operations of 20.9%.

Our TSR of 14.7% outperformed both the TSR of the FTSE NAREIT Office Index of 5.6% and the Morgan Stanley REIT Index of 2.5%.

- We made major strategic strides in executing on our simplification and focus plan by selling over $2.2 billion of non-core or non-strategic assets and by purchasing $1.5 billion of high-quality assets in Manhattan.

- We cut general and administrative expense before severance and deferred compensation expense (which is offset by an equivalent amount of investment income) by 1.9%.

Overview of Compensation Approach

In coordination with a shareholder outreach program, we overhauled our compensation approach in 2012 by (among other changes):

- Replacing our discretionary approach to annual bonuses with an annual incentive award that is performance-based with a formulaic threshold and a cap.

- Setting a target for our senior management team that 50% of their equity compensation (other than grants subject to time-based vesting in lieu of cash bonus) should be in the form of performance-based equity awards.

- Adopting equity ownership guidelines for senior management and our Trustees.

- Modifying our equity awards so that all of our annual equity award agreements from 2012 onward provide, or will provide, for "double trigger" acceleration of the vesting of any unvested equity awards in connection with a change of control (previously, awards had a "single trigger").

As an indication of the positive response of our shareholders to these changes, at our 2013 Annual Meeting approximately 98% of the votes cast on our advisory vote on executive compensation were cast FOR our compensation program. Our Compensation Committee considered the results of the 2013 votes and has continued our compensation program design which it believes embodies shareholder-friendly practices.

Shareholder/Governance-Friendly Aspects of the Current Program

WHAT WE DO	WHAT WE DON'T DO
ü **Pay for Performance.** We have a heavy emphasis on performance-based compensation. Our annual bonus plan is formula-driven. Both the minimum and maximum amount that may be funded is derived directly from specified quantifications of our Comparable FFO (as defined below) performance. Our annual equity grants are significantly tied to rigorous absolute and relative TSR-performance goals.	Ø **No Golden Parachute for our CEO.** Mr. Steven Roth, our CEO, does not have any contractual severance arrangement with the Company.
ü **Equity Ownership Guidelines.** We require our CEO, other Named Executive Officers and our Trustees to hold equity in the Company equal to 6x, 3x and 4x, respectively, their annual salary or retainer.	Ø **No Gross-Ups for Excess Parachute Payments.** We have never had any arrangements requiring us to gross-up compensation to cover taxes owed by executives, including excise taxes payable upon a change in control.
ü **Double Trigger Equity Acceleration Upon Change-of-Control.** Beginning with grants made in 2013, we require a "double trigger" for acceleration of grants following a change of control.	Ø **No Grant of Time-Vested Options.** We have not granted our senior executives stock options since grants made in 2011 for performance in 2010.
ü **Independent Compensation Consultant**. Our Compensation Committee uses the compensation consulting firm of Towers Watson which provides no other services to the Company.	Ø **Limited Retirement Benefits.** We do not maintain a retirement plan other than a 401(k) plan.
ü **Compensation Risk Assessment**. We conduct an annual compensation risk assessment.	Ø **No Excess Perquisites**. We have no supplemental executive retirement plans, club memberships or other significant perquisites other than the use of a company car and driver.
	Ø **No Repricing of Options.** Our 2010 Omnibus Share Plan does not permit the repricing of options without shareholder approval.

Objectives of Our Executive Compensation Program

We believe that the quality, skills and dedication of our Named Executive Officers are critical factors that affect the long-term value of the Company. Accordingly, one of the fundamental objectives of our Compensation Committee is to ensure we provide a comprehensive compensation program that aids us in our efforts to attract, retain and appropriately reward a "best-in-class" executive management team to achieve continued success in a highly-competitive commercial real estate industry. To better align the interests of our executive officers with those of our shareholders in a pay-for-performance setting, a significant portion of each executive's total compensation is variable through a combination of performance-based, short- and long-term incentives, which are described in more detail below.

In sum, the objectives of our executive compensation program are to:

- **Retain** a highly-experienced, "best-in-class" team of executives who have worked together as a team for a long period of time and who make major contributions to our success.
- **Attract** other highly qualified executives to strengthen that team as needed.
- **Motivate** our executives to contribute to the achievement of company-wide and business-unit goals as well as individual goals.

Emphasize equity-based incentives with long-term performance measurement periods and vesting conditions.

Align the interests of executives with shareholders by linking payouts to performance measures that promote the creation of long-term shareholder value.

Achieve an appropriate balance between risk and reward in our compensation programs that does not encourage excessive or inappropriate risk-taking.

Our executive compensation program is intended to reward the achievement of annual, long-term and strategic goals of both the Company and the individual executive. In order to achieve these intentions, our executive compensation program includes both fixed and variable as well as annual and long-term components as described below. In particular, for our Chairman and CEO, a substantial majority of his compensation (and that of his predecessor as CEO) has been provided in the form of equity compensation subject to multi-year TSR performance (OPP units) and/or time-based vesting provisions designed to ensure that the value of his compensation ultimately realized is based on our share price performance, further aligning his interests with those of the Company and its shareholders.

We believe the effectiveness of our compensation program in creating alignment of management and shareholder interests has contributed to our long-term performance, as evidenced by our TSR for the 10-year period through 2013 of 148.3%, which outperformed the TSR of both the Morgan Stanley REIT Index of 124.1% and the S&P 500 of 104.3% over the same time period. Nonetheless, the aggregate compensation of our CEO for 2013 as reflected in the "Total Direct Compensation Table" in this proxy statement was *up* by 0.1% compared to 2012 and *down* 3.8% as compared to 2011.

How Pay Aligns with Performance

2013 Performance Metrics Considered

For 2013 compensation, among the factors considered, both objectively and subjectively, were the changes in the Company's and the applicable division's operating and performance results during the year (Comparable EBITDA, Comparable FFO and FFO), our TSR for the year, and the factors mentioned below. Increases or decreases in pay and allocations for 2013, 2012 and 2011 of various compensation elements to our Named Executive Officers were based upon the results of these reviews. EBITDA means earnings before interest, taxes, depreciation and amortization, Comparable EBITDA means EBITDA as adjusted to exclude discontinued operations and exclude one-time gains, write-offs and non-real estate related items. FFO means funds from operations as defined by the National Association of Real Estate Investment Trusts (NAREIT). Comparable FFO (or CFFO) means FFO as adjusted to exclude one-time gains, write-offs and non-real estate related items. Each of these metrics is provided in our regular annual and quarterly reports as well as reconciliations to the most comparable metric presented in GAAP. Although non-GAAP metrics, we use these metrics in making our compensation decisions because they facilitate meaningful comparisons in operating performance between periods and among our peers. TSR means our total shareholder return (including dividends) for a given period. Our Comparable EBITDA, Comparable FFO, FFO and TSR for 2013, 2012 and, 2011 are presented below.

Metrics Considered
(amounts in thousands of dollars, other than percentages)

	2013	2012	2011
Comparable EBITDA	1,660,139	1,501,142	1,527,422
Comparable FFO	941,471	778,475	799,108
FFO	641,037	818,565	1,230,973
1-year TSR	14.7%	9.2%	(4.6%)

In determining annual incentive and long-term equity compensation levels earned for 2013, our Compensation Committee sought to find a balance among (i) appropriately rewarding the significant operational achievements by the Company during the year, as highlighted above, (ii) ensuring annual incentive, long-term equity and total compensation levels were in line with the prevailing competitive market and adequate to address our recruitment and retention needs in a highly-competitive commercial real estate industry where we actively compete for business opportunities and executive talent and (iii) maintaining a balanced compensation program designed to foster alignment of management and shareholder interests in a manner that reflects evolving market "best practices" as well as views of our shareholders. Although the above factors are considered in determining aggregate compensation, no numerical weight is attributed to any one factor.

Alignment of Pay with Performance

While our 2013 performance was strong, our CEO did not seek an increase in his compensation and the Compensation Committee determined not to increase the base salaries of our other Named Executive Officers. Otherwise, our Compensation Committee made compensation decisions for 2013 in line with our pay-for-performance philosophy.

- Base salaries were maintained at 2012 levels to focus on the performance-oriented components of compensation.

- Our CEO's bonus was paid substantially all in the form of restricted equity.

- For our CEO, 50% of his equity grants were in the form of performance-based equity (other than grants subject to time-based vesting in lieu of cash bonus).

- For our other NEOs, in the aggregate, 50% of their equity grants were in the form of performance equity (other than grants subject to time-based vesting in lieu of cash bonus).

To demonstrate the alignment of our compensation philosophy with performance, the following chart illustrates how our CEO's Total Direct Compensation (as defined below under " Comparison of 2011-2013 Total Direct Compensation") compares to our Comparable FFO for the applicable year.

To demonstrate how the mix of our executive pay is designed to align the executive's and shareholders' interests, the following charts show the mixes of our CEO's and NEOs' pay among cash, equity in lieu of cash bonus, annual grants of time-vesting equity and performance-based equity. These numbers reflect the pay of those executives serving for a full year.

CEO Pay Mix (2013)

Other NEO Pay Mix (2013)

How We Determine Executive Compensation

Our Compensation Committee determines compensation for our Named Executive Officers and is comprised of three independent trustees, Michael Lynne (Chairman), Daniel R. Tisch and Dr. Richard R. West. Mr. Tisch joined our Committee on May 23, 2013. Our Compensation Committee exercises independent judgment with respect to executive compensation matters and administers our equity incentive programs, including reviewing and approving equity grants to our executives pursuant to our 2010 Omnibus Share Plan. Our Compensation Committee operates under a written charter adopted by the Board, a copy of which is available on our website (www.vno.com).

We make our compensation decisions generally in the first quarter of a fiscal year. These decisions cover the prior year and are based on the prior year's performance by the Company and/or division or functional area and applicable executive. In addition, in the first quarter of a fiscal year, we establish that year's performance threshold for our formula-based, short-term annual incentive program.

Our decisions on compensation for our Named Executive Officers are based primarily upon our assessment of each executive's leadership, operational performance and potential to enhance long-term shareholder value. For our CEO, this assessment is made by the Compensation Committee. For our other Named Executive Officers, this assessment is initially made by our CEO subject to the review and approval of the Compensation Committee. Prior to 2012, short-term annual incentive awards were based upon a post-year-end analysis of actual performance for the preceding year rather than being based on pre-established targets. However, in 2012 we revised our short-term annual incentive program to provide for a minimum performance threshold for, and a cap on, a bonus pool comprising the aggregate dollar value of annual incentive awards we can make to our senior executive management team. We believe that this method, as opposed to an entirely formulaic method of determining compensation, provides us with the ability to adjust compensation based on a number of performance factors affecting an individual executive within a formulaic cap. It also has the added benefit of reducing the risk to the Company that could potentially be associated with entirely formulaic compensation decisions. Key factors we consider when making annual compensation decisions include: actual performance compared to the financial, operational and strategic goals established for the Company or the executive's operating division at the beginning of the year; the nature, scope and level of responsibilities; the contribution to the Company's financial results, particularly with respect to key metrics such as Comparable EBITDA, FFO, Comparable FFO and TSR for the year; and the executive's contribution to the Company's commitment to corporate responsibility, including success in creating a culture of unyielding integrity and compliance with applicable laws and our ethics policies. These factors may be considered on an absolute and/or relative basis with respect to other companies or indices.

In determining individual pay levels and opportunities, we also consider each executive's current salary and prior-year bonus (or annual incentive award), the value of an executive's equity stake in the Company, and the appropriate balance between incentives for long-term and short-term performance and the compensation paid to the executive's peers within the Company. We also consider competitive market compensation paid by other companies that operate in our business or that compete for the same talent pool, such as other S&P 500 REITs, other real estate companies operating in our core markets and, in some cases, investment banking, hedge fund and private equity firms. However, we do not formulaically tie our compensation decisions to any particular range or level of total compensation paid to executives at these companies.

In addition, we encourage alignment with shareholders' interests through long-term, equity-based compensation. We apportion cash payments and equity incentive awards as we think best in order to provide the appropriate incentives to meet our compensation objectives both individually and in the aggregate for executives and other employees. The factors we consider in evaluating compensation for any particular year may not be applicable to determinations in other years. Typically, persons serving as our Chairman and/or CEO receive a higher proportion of their compensation in the form of equity than other Named Executive Officers who, in turn, receive a higher proportion of their compensation in the form of equity (approximately 50% for each of the last three years) than our other employees. This allocation is based on (1) the relative seniority of the applicable executives and (2) a determination that the applicable executives should have a greater proportion of their compensation in a form that further aligns their interests with those of shareholders. We regularly review our compensation program to determine whether we have given the proper incentives to our Named Executive Officers to deliver superior performance on a cost-effective basis and for them to continue their careers with us.

Role of the Corporate Governance and Nominating Committee, the Compensation Committee, the Chairman and CEO

The Corporate Governance and Nominating Committee of our Board is responsible for evaluating potential candidates for executive positions, including the Chairman and CEO, and for overseeing the development of executive succession plans. The Compensation Committee of our Board (1) reviews and approves the compensation of our officers and other employees whose total cash compensation exceeds $200,000 per year, (2) oversees the administration and implementation of our incentive compensation and other equity-based awards, and (3) regularly evaluates the effectiveness of our overall executive compensation program.

As part of this responsibility, the Compensation Committee oversees the design, development and implementation of the compensation program for our Chairman and CEO and our other Named Executive Officers. The Compensation Committee evaluates the performance of our Chairman and CEO and sets his compensation. Our Chairman and CEO and the Compensation Committee together assess the performance of our other senior executives and determine their compensation, based on the initial recommendations of our Chairman and CEO. The other Named Executive Officers do not play a role in determining their own compensation, other than discussing individual performance objectives with our Chairman and CEO.

In support of these responsibilities, members of our senior executive management team, in conjunction with other senior executives, have the initial responsibility of reviewing the performance of the employees reporting to him or her and recommending compensation actions for such employees.

This process involves multiple meetings among our Chairman and CEO, our Compensation Committee and our Compensation Committee's compensation consultants. Typically, in the third and fourth quarters of each year, these parties meet to discuss and establish an overall level of compensation for the year and the base compensation for the following year. For 2013, as has been our historical practice, our Chairman and CEO obtained individual recommendations from division heads as to compensation levels for those persons reporting to the division heads. These recommendations are discussed among our Chairman and CEO and the division heads prior to a recommendation being presented to the Compensation Committee. For our senior executive management team, other than our Chairman and CEO, recommendations are prepared based upon discussions among the Compensation Committee, our Chairman and CEO. These recommendations are based upon our objectives described above and may include factors such as information obtained from compensation consultants. Our Chairman and CEO discuss these recommendations with our other senior executives in one-on-one meetings. After these discussions, certain allocations or other aspects of compensation may be revised to some degree and the revised recommendations are presented to the Compensation Committee for discussion and review and, ultimately, through a continued process, approval. The compensation of our Chairman and CEO is determined in accordance with a similar process involving direct discussions among the Compensation Committee, our Chairman and CEO and the Compensation Committee's compensation consultants.

Role of Compensation Consultants

Our Compensation Committee has retained Towers Watson & Co. ("Towers Watson") as its independent compensation consulting firm to provide the Compensation Committee with relevant data concerning the marketplace, our peer group and its own independent analysis and recommendations concerning executive compensation. Towers Watson regularly participates in Compensation Committee meetings. Our Compensation Committee has the authority to set Towers Watson's compensation and to replace Towers Watson as its independent outside compensation consultant or hire additional consultants at any time. Towers Watson does not provide any additional services either to our Compensation Committee or otherwise to the Company. In accordance with the requirements of Item 407(e)(3)(iv) of Regulation S-K, the Company, has affirmatively determined that no conflict of interest has arisen in connection with the work of Towers Watson as compensation consultant for the Compensation Committee.

For 2013 compensation decisions, Towers Watson prepared an analysis of compensation levels and performance using the metrics described below at the following companies that it identified as peer companies within the context of the executive pay philosophy of the Compensation Committee: American Tower Corporation; Annaly Capital Management; Boston Properties, Inc.; Brookfield Office Properties Inc.; CB Richard Ellis Group, Inc.; Equity Residential; General Growth Properties, Inc.; HCP, Inc.; Health Care REIT, Inc.; Host Hotels & Resorts, Inc.; Kimco Realty Corporation; ProLogis; Public Storage; Simon Property Group, Inc.; SL Green Realty Corp.; and Ventas, Inc. Our Compensation Committee has elected to use the foregoing executive compensation peer group, as the competitive landscape in which we compete for investment capital and executive talent is comprised of other publicly-traded REITs as well as real estate operating companies. Additionally, as many of our competitors in the markets in which we operate, particularly with respect to our New York and Retail divisions, are asset managers not structured as REITs and private entities such as real estate opportunity funds, sovereign wealth funds and pension funds, among others, our Compensation Committee, from time to time has also evaluated compensation levels and trends amongst our non-public competitors as obtained from surveys and other proprietary data sources.

Consistent with prior years, the Compensation Committee reviewed and discussed the analyses prepared by Towers Watson, and the consensus was that the analyses were useful in indicating that the compensation opportunities awarded to executive officers are in line with the prevailing competitive market. Furthermore, realized awards duly reflect the performance of the Company and shareholder value created.

Analysis of Risk Associated with Our Executive Compensation Program

Our Compensation Committee has discussed the concept of risk as it relates to our executive compensation program and the Compensation Committee does not believe our executive compensation program encourages excessive or inappropriate risk taking for the reasons stated below.

We structure our pay to consist of both fixed and variable compensation. The fixed portion (base salary) of compensation is designed to provide a base level of income regardless of our financial or share price performance.

The variable portions of compensation (cash incentive and equity) are designed to encourage and reward both short- and long-term corporate performance. For short-term performance, cash incentives are awarded based on the formulaic funding of our annual incentive pool and assessments of performance during the prior year. For long-term performance, our options, restricted shares, restricted units, awards under our outperformance plan ("OPP") and other equity awards generally vest over three, four or five years and only have value (in the case of awards such as options, restricted units or OPP awards) or only increase in value (in the case of awards such as restricted shares) if our Share price increases over time. Furthermore, with regard to grants of OPP awards made since 2013, we require members of senior management to hold the equity received with respect to earned and vested awards for one additional year after they have vested. We believe that these variable elements of compensation are a sufficient percentage of total compensation to provide incentives to executives to produce superior short- and long-term corporate results, while the fixed element is also sufficiently high that the executives are not encouraged to take unnecessary or excessive risks in doing so. We and our Compensation Committee also believe that the mix of formulaic criteria and a non-formulaic evaluation of historic performance and determination of short-term compensation provides an incentive for our executives to produce superior performance without the distorting effects of providing a pre-determinable compensation award based on the performance of only one division or business unit or upon other results that may not reflect the long- or short-term results of the Company as a whole.

As demonstrated above, our executive compensation program is structured to achieve its objectives by (i) providing incentives to our Named Executive Officers to manage the Company for the creation of long-term shareholder value, (ii) avoiding the type of disproportionately large short-term incentives that could encourage our Named Executive Officers to take risks that may not be in the Company's long-term interests, (iii) requiring our Named Executive Officers to maintain a significant investment in the Company, and (iv) evaluating annually an array of performance criteria in determining executive compensation rather than focusing on a singular metric that may encourage unnecessary risk taking. We believe this combination of factors encourages our Named Executive Officers to manage the Company prudently.

Elements of Our Compensation Program

Our Named Executive Officers' compensation currently has three primary components:

- annual base salary;

- annual incentive awards, which include cash payments and/or awards of equity; and

- long-term equity incentives, which may include restricted units, stock options and long-term incentive performance unit awards such as those awarded under our OPP.

The overall levels of compensation and the allocation among these components is determined annually by our Compensation Committee based upon an analysis of the Company's performance during the year and a review of the prevailing competitive market for executive talent in which we operate. Historically, a substantial majority of the total compensation for our CEO has been in the form of long-term equity awards, including performance-based awards subject to relative performance thresholds such as those awarded under our OPP. These longer-term awards further the Compensation Committee's desire to directly align management and shareholder interest and to provide incentives for each executive to successfully implement our long-term strategic goals.

The components of our compensation program for our senior management can be described as shown in the chart below. As noted below, *each* component of compensation has been capped.

	Objectives	Key Features
Base Salary	Provide an appropriate level of fixed compensation that will promote executive retention and recruitment.	Fixed compensation.
		No executive receives in excess of $1,000,000 of salary.
Annual Incentive Awards	Reward achievement of financial and operating goals for a year based on the Compensation Committee's quantitative and qualitative assessment of the executive's contributions to that performance.	Variable, short-term cash compensation and time-based equity awards.
	Provide that a portion of such award be in the form of restricted equity to further align an executive's interests with that of shareholders.	Funded upon the achievement of a threshold CFFO level.
		Aggregate pool capped at 1.25% of CFFO.
		Allocated based on objective and subjective Company, business unit and individual performance.
Annual Restricted Equity Grants	Align the interests of our executives with those of our shareholders.	Equity awards that vest ratably over four years.
	Promote the retention of executives with multi-year vesting.	Awards are capped by the awards available to be issued under our Omnibus Share Plan.
	Provide stable long-term compensation as a balance to a risk-taking approach.	Senior management receives Restricted Units which require a two-year hold period (regardless of vesting) and a "book-up" event (typically an increase in Share price) to have value.
Performance-Based, Long-Term Incentive Program	Promote the creation of long-term shareholder value as the awards will only have value if an appropriate TSR is achieved.	Variable, performance-based long-term equity compensation.

Align the interests of our executives with those of our shareholders.	Amount is earned based on a three-year period of absolute and relative TSR performance.
Promote the retention of executives with multi-year vesting after they are earned.	Vests over three years once (and if) they are earned.
	Award capped on value of a fixed number of units and availability under our Omnibus Share Plan.

Annual Base Salary

Base salaries for our Named Executive Officers are established based on the scope of their responsibilities, taking into account the competitive market compensation paid by other companies for similar positions as well as salaries paid to the executives' peers within the Company and any applicable employment agreement. In accordance with our pay-for-performance philosophy, we structure an executive's annual base salary to be a relatively low percentage of total compensation. There were no increases in our Named Executive Officers' base salary levels for 2013 over that of 2012, nor have there been any increases in our Named Executive Officers' base salary levels for the past several years.

Annual Incentive Awards

In 2012 and again in 2013, our Compensation Committee established an annual incentive program for the senior executive management team that formulaically ties a maximum award pool to achieving a Comparable FFO performance threshold. The Company and our shareholders view Comparable FFO as one of the key operating metrics within the REIT industry and, we believe, a primary driver of long-term TSR performance. Under our annual compensation program, members of our senior executive management team, including all of our Named Executive Officers, will have the ability to earn annual cash incentive payments and/or equity awards if and only if the Company achieves Comparable FFO of at least 80% or more of the prior year Comparable FFO. In the event that the Company fails to achieve Comparable FFO of 80% or more of the prior year Comparable FFO, no incentive payments would be earned or paid under the program. Moreover, even if the Company does achieve the stipulated Comparable FFO performance requirement under the annual incentive program, the Compensation Committee always retains the right, consistent with best practices, to elect to reduce or make no payments under the program. Our Compensation Committee has elected to use Comparable FFO as the primary metric for our annual incentive award rather than total FFO. Comparable FFO excludes the impact of certain non-recurring items such as income or loss from discontinued operations, the sale or mark-to-market of marketable securities or derivatives and early extinguishment of debt, restructuring costs and non-cash impairment losses, among others, and thus the Compensation Committee believes provides a better metric than total FFO for assessing management's performance for the year.

Aggregate incentive awards earned under the annual incentive program by our senior executive management team are subject to a cap of 1.25% of Comparable FFO earned by the Company for the year, with individual award allocations under the program determined by the Compensation Committee based on an assessment of individual and overall performance. Performance criteria evaluated by the Compensation Committee when determining individual incentive awards under the annual incentive program, assuming the Company has achieved the required Comparable FFO performance threshold necessary for our senior executive management team to be eligible to earn incentive awards under the program, will include, among others, the following:

- TSR, both on an absolute basis and relative to the performance of the peer group and the REIT industry;
- Leasing performance and occupancy levels;
- Capital markets performance and maintenance of a strong balance sheet;
- Same store EBITDA;
- Implementation and achievement of goals, including expense control and adherence to budget; and
- Achievement of business unit and/or departmental objectives.

Any awards earned under the annual incentive program are payable in cash and/or equity awards, generally in the first quarter of each year for the prior year's performance.

Additionally, for incentive awards earned for 2013, as part of the strong ownership culture fostered amongst our senior executive management team, our Chairman and CEO was granted his annual incentive awards in the form of restricted units, consistent with prior years, thus further strengthening the alignment of management and shareholder interests.

Long-Term Equity Incentives

Compensation is typically awarded to our Named Executive Officers in the form of long-term equity incentives issued under our 2010 Omnibus Share Plan (as may be amended, the "2010 Plan") through performance-based equity awards such as those that may be earned under our OPP and future out-performance plans, grants of stock options and restricted units. The granting of equity awards links a Named Executive Officer's compensation directly to the performance of our Share price. We believe this encourages our NEOs to make business decisions with an ownership mentality.

Our OPP. Our OPP was developed with the guidance and input of FTI Consulting, Inc. (a compensation consultant retained by the Company) and Towers Watson. These performance-based awards are earned over a three-year period which is then followed by back-end vesting requirements (during years three, four and five) to act as a retention device and provide a strong incentive to the executives to increase shareholder value long after they performed the services for which the equity awards were initially granted. In particular, the awards provide for immediate cancellation if the executive voluntarily leaves or is terminated with cause, excluding certain outstanding awards held by retirement eligible executives and employees above the age of 65 that generally would be afforded accelerated or *pro rata* vesting upon retirement or other qualifying termination. Furthermore, with regard to grants of OPP awards made in 2014 (for 2013 performance) and 2013 (for 2012 performance), we require members of senior management to hold the equity received with respect to earned and vested awards for one additional year after they have vested.

Our OPP is designed to provide compensation in a "pay for performance" structure. Awards under the OPP are a class of units (collectively referred to as "OPP Units") of the Company's operating partnership, Vornado Realty L.P., issued under our 2010 Plan. If the specific performance objectives of the OPP are achieved, the earned OPP Units become convertible into Class A common units of the operating partnership (and ultimately into Shares) following vesting, and their value fluctuates with changes in the value of our Shares. If the performance objectives are not met, the OPP Units are cancelled. Generally, unvested OPP Units are forfeited if the executive leaves the Company, except that OPP Units vest automatically on death. OPP Units are intended to also provide recipients with better income tax attributes than grants of options. With regard to awards made in 2013 (for 2012 performance) under our OPP, participants have the opportunity to earn compensation payable in the form of equity if and only if we outperform a predetermined TSR and/or outperform the market with respect to relative TSR in the second and/or third year during a three-year performance period. Specifically, awards made in 2013 (with regard to 2012 performance) under our OPP may potentially be earned if the Company (i) achieves a TSR above that of the SNL US REIT Index (the "Index") over a two-year or three-year performance period (the "Relative Component"), and/or (ii) achieves a TSR level greater than 14% (over the two-year performance period), or 21% (over the three-year performance period) (the "Absolute Component"). Awards made in 2014 (for 2013 performance) under our OPP have a three-year performance period (and no interim earn-out period). To the extent awards would be earned under the Absolute Component but the Company underperforms the Index, such awards earned under the Absolute Component would be reduced (and potentially fully negated) based on the degree to which the Company underperforms the Index. In certain circumstances, if the Company outperforms the Index, but awards would not otherwise be earned under the Absolute Component, awards may still be earned under the Relative Component. Moreover, to the extent awards would otherwise be earned under the Relative Component but the Company fails to achieve at least a 6% per annum absolute TSR level, such awards earned under the Relative Component would be reduced based on the Company's absolute TSR performance, with no awards being earned in the event the Company's TSR during the applicable measurement period is 0% or negative, irrespective of the degree to which we may outperform the Index. If the designated performance objectives are achieved, OPP Units are also subject to time-based vesting requirements. This creates, in the aggregate, up to a five-year retention period with respect to participants in the OPP. Even after achieving the performance thresholds, during the remaining two years until full vesting, the Named Executive Officers will continue to bear the same Share price and total return risk as our shareholders. Share dividend payments on awards issued accrue during the performance period and are paid to participants if and only if awards are ultimately earned based on the achievement of the designated performance objectives. In addition, all of our Named Executive Officers are required to hold any earned OPP awards granted in 2014 (for 2013 performance) and 2013 (for 2012 performance) (or related equity) for one year following vesting. OPP Units awarded in 2013 have not yet been earned. As of March 30, 2014, 40% of the OPP Units awarded in 2012 have been earned.

The following charts show some of the key components of our awards of OPP Units and, for illustration purposes only (and not as a projection of actual performance), present our most recent awards (made in 2014) as if they had been fully earned at January 10, 2017.

Earning and Vesting of OPP Awards

In addition, senior executive officers are required to hold their earned and vested OPP Units for one year following vesting.

Allocation of Wealth Created

On an absolute total shareholder return basis, our OPP is designed to award management with equity at the rate of 2% for every dollar of shareholder value created after returning the first 21% of value created to shareholders over a three-year performance period subject to a $50 million cap. While the earning of OPP awards not only requires performance under the Absolute Component, but also the Relative Component, for presentation purposes the table below is simplified to present only the results derived under the Absolute Component. Using this simplified format, the table below, illustrates the rate at which OPP Unitholders will share in the increases in shareholder value above the OPP initial share price along with shareholders and other unitholders.

	Growth in TSR		
Participation Percentage in Shareholder Value Creation under Terms of the 2014 OPP for:	**0% to 21%**	**21% to 35%**	**Above 35%**
Shareholders and unit holders	100%	98%	100%
OPP Unitholders	0%	2%	0%

<u>Stock Options</u>. None of our Named Executive Officers (or any other participant in the OPP) was awarded stock options for 2013, 2012 or 2011 performance. The most recent option award to such executives was in 2011 for 2010 performance. However, other executives who do not receive OPP awards may receive awards of stock options. Stock option awards issued under our 2010 Plan provide our executives the opportunity to purchase Shares at an exercise price determined on the date of grant. Historically, our stock option awards have either been in the form of at-the-money stock options, whereby the option exercise price is equal to the market price of Shares on the date of grant, or in the form of premium stock options, whereby the option exercise price is established at a level above the market price of Shares on the date of grant. In both instances, the market price of Shares must increase to a level above the option exercise price in order for the executives to achieve any value from their stock option awards. Generally, the stock options vest and become exercisable in equal annual installments over a four- or five-year period beginning one year after the date of grant, and remain exercisable for a period of ten years from the date of grant. Our 2010 Plan (i) prohibits the granting of in-the-money stock options and (ii) prohibits, without shareholder approval, the repricing of outstanding stock options that have fallen out of the money. Recipients of stock options do not receive any dividends paid on Shares on their outstanding option awards.

Restricted Shares and Units. "Restricted shares" are grants of Shares issued under our 2010 Plan that generally vest in three or four equal annual installments beginning approximately one year after the grant date. "Restricted units" are grants of limited partnership interests in Vornado Realty L.P., our operating partnership through which we conduct substantially all of our business. These units also generally vest in three or four equal annual installments beginning approximately one year after the grant date and are exchangeable on a one-for-one basis into Vornado Realty L.P.'s Class A common units in certain circumstances. These circumstances principally include the requirement that Vornado Realty L.P. must have gone through certain tax "book-up" events whereby sufficient profits have been allocated to the restricted units so that they have the same capital account (and value) as Class A common units. In addition, there is a two-year holding requirement. Vornado Realty L.P.'s Class A common units can be redeemed for Shares on a one-for-one basis (or for the equivalent value in cash at the Company's option) with only limited restrictions, such as a 60-day waiting period between the time that a redemption notice is given and the date that Shares may be delivered. Restricted units are intended to also provide recipients with better income tax attributes than restricted shares. During the restricted period, each restricted share or restricted unit entitles the recipient to receive payments from the Company equal to the dividends on one Share. Restricted equity awards further contribute in aligning management and shareholder interests, and the multi-year vesting requirements ranging from three to five years aid in our efforts to retain our executives and key employees over the long term. Further, our Compensation Committee believes restricted equity awards are a key component of a balanced equity compensation program, because incorporating time-based restricted equity awards into the equity compensation mix, as opposed to an equity compensation program comprised solely of awards subject to performance-based vesting requirements, ensures that a portion of each executive's equity compensation retains value even in a depressed market and provides executives with a baseline of value that lessens the likelihood that executives will take unreasonable risks to keep their market-based performance equity award vehicles "in the money." Recipients of time-based restricted equity awards receive dividends paid on Shares (or dividend equivalents, as applicable) concurrently with our shareholders.

Nonqualified Deferred Compensation Plans

We maintain two nonqualified deferred compensation plans, the Vornado Realty Trust Nonqualified Deferred Compensation Plan ("Plan I") and the Vornado Realty Trust Nonqualified Deferred Compensation Plan II ("Plan II"). Plan I and Plan II are substantially similar, except that Plan II, which applies to deferrals on and after January 1, 2005, is designed to comply with the deferred compensation restrictions of Section 409A of the Internal Revenue Code of 1986, as amended.

Employees having annual compensation of at least $200,000 are eligible to participate in Plan II, provided that they qualify as "accredited investors" under securities laws. Members of our Board of Trustees are also eligible to participate. To participate, an eligible individual must make an irrevocable election to defer at least $20,000 of his or her compensation (whether cash or equity) per year. Participant deferrals are always fully vested. The Company is permitted to make discretionary credits to the Plans on behalf of participants, but as yet has not done so. Deferrals are credited with earnings based on the rate of return of specific security investments or various "benchmark funds" selected by the individual, some of which are based on the performance of the Company's securities.

Participants may elect to have their deferrals credited to a "Retirement Account" or a "Fixed Date Account." Retirement Accounts are generally payable following retirement or termination of employment. Fixed Date Accounts are generally payable at a time selected by the participant, which is at least two full calendar years after the year for which deferrals are made. Participants may elect to receive distributions as a lump sum or in the form of annual installments over no more than 10 years. In the event of a change of control of the Company, all accounts become immediately payable in a lump sum. Plan I also permits a participant to withdraw all or a portion of his or her accounts at any time, subject to a 10% withdrawal penalty.

Retirement and 401(k) Plans

We offer a 401(k) Retirement Plan to all of our employees in which we provide matching contributions (up to 75% of the statutory maximum but not more than 7.5% of cash compensation) that vest over five years. We do not have any other retirement plan. Retirement plans are not a factor in our current compensation determinations.

Perquisites and Other Compensation

We provide our Named Executive Officers with certain perquisites that we believe are reasonable and in line with the prevailing competitive market. These perquisites include supplemental life insurance and an allowance for financial counseling and tax preparation services for certain Named Executive Officers. Additionally, due to the location of our corporate offices in New York City and the extensive business-related travel requirements of our Named Executive Officers, we provide certain of our Named Executive Officers with the use of a car and/or driver. Providing a car and driver allows these executive officers to use their travel time efficiently and productively for business purposes, including (i) telephonic meetings and (ii) visiting our properties and meeting with our tenants. Accordingly, we believe providing these benefits serves the best interests of our shareholders as it allows our executives to continue to focus on Company matters while traveling. While providing a car and driver does provide incidental personal benefit to the executive, the cost of this personal benefit constitutes only a small percentage of the executive's total compensation. Nevertheless, the amounts disclosed in this proxy statement for car and driver costs include the entire value of the benefit, both business purpose and personal.

Equity Ownership Guidelines

In order to further foster the strong ownership culture among our senior executive management team and ensure the continued direct alignment of management and shareholder interests, and consistent with emerging corporate governance trends, we have adopted executive equity ownership guidelines requiring that our NEOs and other members of our senior executive management team maintain a minimum ownership level of Shares or related Company equity. The equity ownership requirements (comprised of common Shares and certain securities convertible or redeemable for Shares) for our executives are as follows:

Chairman and CEO	6 times his annual base salary
All Other Executive Officers	3 times their annual base salary

Executive officers have five years from the date of becoming an executive officer to satisfy the ownership requirement. All of our Named Executive Officers satisfy these guidelines.

We have also adopted equity ownership guidelines for our Board of Trustees. Under the equity ownership guidelines adopted for our Board of Trustees, all non-employee Trustees are required to maintain a minimum ownership level of Shares equal to at least four times their annual cash retainer. Non-employee Trustees have five years to satisfy the guidelines. All non-employee Trustees currently satisfy these guidelines.

Comparison of 2011-2013 Total Direct Compensation

Under the rules and regulations of the SEC, each year the "Summary Compensation Table" must disclose the salary paid during that year, the annual incentive earned for that year, and the equity-based, long-term incentive granted during that year, which for us represents the equity-based, long-term incentive award earned for the *prior* year. As discussed above, because the equity-based pay we award in the first quarter of each year (similar to the cash bonus paid in the first quarter of each year) was earned in the prior year, the SEC's approach prevents us from showing together all the pay salary, annual cash incentive, and equity-based pay earned for any one year. In order to provide our shareholders with the aggregate amount of compensation earned by each Named Executive Officer for a given calendar year, we are including below a supplemental Total Direct Compensation Table. We believe the Total Direct Compensation Table enables a more meaningful year-over-year compensation comparison than the Summary Compensation Table presented later in this proxy statement. The Total Direct Compensation Table consists of (i) the actual salary paid for the year, (ii) the annual incentives awarded for the year and (iii) the annual grant date fair value of equity grants awarded for service and performance for the year, irrespective of when such amounts ultimately were granted, paid and/or vested. This table illustrates one of the analyses undertaken by our Compensation Committee in determining each element of our Named Executive Officers' compensation for the particular year in light of such executive's performance during the year. We also believe it further demonstrates the ongoing correlation between the executive's pay and overall Company performance.

The principal differences between the Total Direct Compensation Table and the Summary Compensation Table is that the Total Direct Compensation Table shows the value of equity awards in the year to which such grants relate, rather than the year in which such grants were made, as reflected in the Summary Compensation Table. Other companies may calculate Total Direct Compensation differently than we do.

Direct Compensation Table

The Total Direct Compensation earned by our Named Executive Officers for the 2011-2013 period was as follows:

Name	Year	Salary	Cash Incentive	Grant Date Value of Restricted Unit Awards in Lieu of Cash Bonus	Grant Date Value of Restricted Unit Awards as Long-Term Equity Compensation	Grant Date Value of At-Risk, Multi-Year Performance-Based OPP Awards(1)	Total Direct Compensation(2)
Steven Roth	2013	$ 1,000,000	$ 20,900	$ 950,086	$ 2,612,563	$ 2,750,000	**$ 7,333,549**
(CEO from 4/15/13)	2012	$ 1,000,000	$ 11,400	$ 950,005	$ 2,612,535	$ 2,750,000	**$ 7,323,940**
	2011	$ 1,000,000	$ 153,323	$ 950,045	$ 2,612,525	$ 2,910,417	**$ 7,626,310**
Michael D. Fascitelli	2013	$ 330,769	$ 11,400	$ 273,325	$ 751,604		**$ 1,367,098**
(CEO until 4/15/13)	2012	$ 1,000,000	$ 11,400	$ 950,005	$ 5,225,069		**$ 7,186,474**
	2011	$ 1,000,000	$ 153,323	$ 950,045	$ 2,612,525	$ 2,910,417	**$ 7,626,310**
Stephen W. Theriot *(CFO from 06/01/13)*	2013	$ 538,462	$ 359,500	$ 138,627	$ 138,627	$ 145,833	**$ 1,321,049**
Joseph Macnow	2013	$ 1,000,000	$ 520,900	$ 712,565	$ 593,804	$ 625,000	**$ 3,452,269**
(CFO until 06/01/13)	2012	$ 1,000,000	$ 511,400	$ 712,524	$ 475,042	$ 500,000	**$ 3,198,966**
	2011	$ 1,000,000	$ 641,695	$ 475,063	$ 475,062	$ 529,167	**$ 3,120,987**
David R. Greenbaum	2013	$ 1,000,000	$ 820,900	$ 950,086	$ 807,556	$ 850,000	**$ 4,428,542**
	2012	$ 1,000,000	$ 811,400	$ 950,005	$ 570,019	$ 600,000	**$ 3,931,424**
	2011	$ 1,000,000	$ 953,323	$ 712,514	$ 522,521	$ 582,083	**$ 3,770,441**
Mitchell N. Schear	2013	$ 1,000,000	$ 820,900	$ 950,086	$ 570,034	$ 600,000	**$ 3,941,020**
	2012	$ 1,000,000	$ 811,400	$ 950,005	$ 475,043	$ 500,000	**$ 3,736,448**
	2011	$ 1,000,000	$ 888,140	$ 712,514	$ 475,062	$ 529,167	**$ 3,604,883**
Wendy A. Silverstein	2013	$ 1,000,000	$ 520,900	$ 712,565	$ 593,804	$ 625,000	**$ 3,452,269**

(1) *Represents the grant date fair value of each Named Executive Officer's allocation in 2014, 2013 and 2012 under the OPP, which is a performance-based program under which participants may earn equity compensation awards if and only if certain absolute and/or relative TSR objectives are achieved in any year during a three-year performance period.*

(2) *Does not include the value of certain perquisites such as financial counseling and tax services, supplemental life insurance or automobile benefits provided to certain of our Named Executive Officers. The value of the perquisites represent a de minimis component of total compensation.*

Current Year Compensation Decisions

As explained above, we make our compensation decisions generally in the first quarter of a fiscal year with respect to the prior year. In addition, in the first quarter of 2014, we established the 2014 performance thresholds for our formula-based short-term annual incentive program.

The compensation levels discussed in this Compensation Discussion and Analysis section are not directly comparable to the amounts presented in the Summary Compensation Table later in this proxy statement for the reasons discussed above under "How We Determine Executive Compensation" and "Comparison of 2011-2013 Total Direct Compensation."

In addition, in the discussion below, when we discuss the "Fair Value" of equity awards, we refer to the "fair value" for such awards determined in accordance with applicable securities and accounting rules (excluding the impact of estimated forfeitures related to service-based vesting conditions). Fair Value is the method used for presenting values for equity awards in our "Summary Compensation Table" and elsewhere under "Executive Compensation." When we discuss the "Market Value" of equity awards we refer to values based on the market price of our Shares at the date of grant (the values considered by our Compensation Committee in making compensation decisions).

Cash Compensation of Our CEO

Mr. Roth has served as our Chairman and CEO from April 15, 2013. Mr. Roth's base salary of $1,000,000 was established in March 2001 and has remained unchanged since then. His total cash compensation for 2013, 2012 and 2011 was $1,020,900, $1,011,400 and $1,153,323, respectively. Mr. Roth's short-term annual incentives for 2013, 2012 and 2011 (granted in 2014, 2013 and 2012, respectively) were principally in the form of equity.

Mr. Fascitelli was our President and CEO until April 15, 2013. Mr. Fascitelli's base salary of $1,000,000 was established in March 2001 and had remained unchanged since then. His total cash compensation for 2013 (for a partial year), 2012 and 2011 was $342,169, $1,011,400 and $1,153,323, respectively. Mr. Fascitelli's short-term annual incentives for 2013, 2012 and 2011 (granted in 2014, 2013 and 2012, respectively) his short-term annual incentives were principally in the form of equity.

Equity Compensation of Our CEO

Mr. Roth's annual incentives (also referred to as bonuses) for 2013, 2012 and 2011 were paid in restricted units having a Fair Value of approximately $950,000 in each year. The number of restricted units awarded to Mr. Roth in lieu of cash bonus for 2013, 2012 and 2011 were 10,952, 12,033 and 11,911, respectively. For 2013 performance, Mr. Roth was granted (in 2014) long-term equity incentive compensation of 86,314 OPP Units and 30,166 restricted units (collectively having a Market Value of $5,500,043). The aggregate Fair Value at the date of grant of these OPP and restricted units was $5,362,563 and represents a 0.001% increase in the aggregate value of long-term equity grants of restricted and OPP units compared to the prior year. For 2012 performance, Mr. Roth was granted (in 2013) long-term equity incentive compensation of 81,461 OPP units and 33,091 restricted units (collectively having a Market Value of $5,500,028). The aggregate Fair Value at the date of grant of these OPP and restricted units was $5,362,534 and represented a 2.9% decrease in the aggregate value of long-term equity grants of OPP units and restricted units granted as compared to the prior year. For 2011 performance, Mr. Roth was granted (in 2012) long-term equity incentive compensation of 88,328 OPP units and 32,754 restricted units (collectively having a Market Value of $5,660,443). The aggregate Fair Value at the date of grant of these OPP and restricted units was $5,522,942 and represented a 5.6% decrease in the aggregate value of long-term equity grants of OPP units and restricted units granted as compared to the prior year.

Overall, for 2013, Mr. Roth's total compensation (with equity determined at Fair Value) was $7,333,549, compared to $7,323,940 in the prior year (a 0.1% increase). For 2012, Mr. Roth's total compensation (with equity determined at Fair Value) was $7,323,940, compared to $7,626,310 in the prior year (a 4.0% decrease).

Mr. Roth's salary, incentives and equity awards were based on an evaluation of those factors previously described and were approved by the Compensation Committee. Among the factors considered, both objective and subjective, were the strategic position of the Company, the changes in the Company's operating and performance metrics during the two-year period (EBITDA and Comparable FFO per Share), our TSR during the two-year period and the other factors previously mentioned. These factors were considered as a whole and no numerical weight was attributed to any particular factor. The majority of Mr. Roth's compensation is in the form of equity to further align his interests with those of our shareholders.

Mr. Fascitelli received a partial annual incentive for 2013. Mr. Fascitelli's annual incentive for 2013 was paid in restricted units having a Fair Value of $273,325. Mr. Fascitelli's annual incentives for 2012 and 2011 were paid in restricted units having a Fair Value of approximately $950,000 in each year. The number of restricted units awarded in lieu of cash bonuses for 2013, 2012 and 2011 were 3,462, 12,033 and 11,911, respectively.

For 2013 performance (a partial year), Mr. Fascitelli was granted (in 2013) long-term equity incentive compensation of 9,520 restricted units (having a Market Value of $791,160). The aggregate Fair Value at the date of grant of these restricted units was $751,604. For 2012 performance, Mr. Fascitelli was granted (in 2013) long-term equity incentive compensation of 66,182 restricted units (having a Market Value of $5,500,055). The aggregate Fair Value at the date of grant of these restricted units was $5,225,069 and represented a 5.4% decrease in the aggregate value of long-term equity grants of restricted and OPP units compared to the prior year. For 2011 performance, Mr. Fascitelli was granted (in 2012) long-term equity incentive compensation of 88,328 OPP units and 32,754 restricted units (collectively having a Market Value of $5,660,443). The aggregate Fair Value at the date of grant of these OPP and restricted units was $5,522,942 and represented a 5.6% decrease in the aggregate value of long-term equity grants of OPP units and restricted units granted as compared to the prior year.

Overall, for 2013, Mr. Fascitelli's total compensation (with equity determined at Fair Value) was $1,367,098 (for a partial year), compared to $7,186,474 in the prior year. For 2012, Mr. Fascitelli's total compensation (with equity determined at Fair Value) was $7,186,474, compared to $7,626,310 in the prior year (a 5.8% decrease).

Basis for Compensation of Other Named Executive Officers

For our other Named Executive Officers (Messrs. Theriot, Macnow, Greenbaum and Schear and Ms. Silverstein), such executive's salary, annual incentive and long-term equity awards were based on an evaluation of those factors previously described and were approved by the Compensation Committee. Among the factors considered, both objectively and subjectively, were the strategic position of the Company, the changes in the Company's operating and performance metrics during the two-year period (Comparable EBITDA and Comparable FFO per Share), our TSR during the two-year period and the other factors previously mentioned. With regard to Messrs. Theriot (our Chief Financial Officer since June 1, 2013) and Macnow (our Chief Financial Officer until June 1, 2013), we considered these factors as they apply to our Company as a whole as their responsibilities are company-wide. For Messrs. Greenbaum and Schear and Ms. Silverstein, we also considered these factors as they pertain to the division which such executive heads or co-heads. Mr. Greenbaum is President New York Division, Mr. Schear is President Vornado/Charles E. Smith Washington, DC Division and Ms. Silverstein is Executive Vice President, Co-Head of Capital Markets and Acquisitions. In all cases, these factors were considered as a whole and no numerical weight was attributed to any particular factor. In the aggregate, total compensation (with equity determined at Fair Value) awarded to these Named Executive Officers for 2013 increased by 2.7% as compared to the prior year.

Other Compensation Policies and Practices

Equity Grant Practices

All of our equity-based compensation awards are made under our 2010 Plan which our shareholders approved in 2010. At the time of its adoption, the 2010 Plan provided that we were able to issue up to 6,000,000 Share equivalents with each award of a Share (or other securities that have the value equivalent to one Share when earned or vested) counting as one Share equivalent and each award of an option to acquire our Shares (or other securities that by their terms require the payment of an exercise price or deduction of a strike price) counting as one-half of a Share equivalent. Under the 2010 Plan, the exercise price of each stock option awarded to our senior executive management team must be (or must have been) no less than the average of the high and low price of Shares on the New York Stock Exchange on the date granted by the Compensation Committee. The vast majority of our equity awards are determined and granted in the first quarter of each year at the same time as management and the Compensation Committee conclude their evaluation of the performance of our senior executive management team as a group and each executive individually. In addition and from time to time, additional equity awards may be granted in connection with new hires or promotions. We have never repriced options and our 2010 Plan does not permit repricing of options without shareholder approval.

Employment, Severance and Change of Control Agreements

We do, from time to time, enter into employment agreements with some members of our senior executive management team. Otherwise, our senior executive management team and other employees serve "at will." Except as may be provided in these employment agreements or pursuant to our compensation plans generally, we have not entered into any separate severance or change of control agreements. For those of our senior executive management team who have employment agreements, these agreements generally provide for a severance payment (for termination by us without cause or by the executive with good reason (each as defined in the applicable employment agreement and further described below under "Employment Contracts")) and change of control payment (if employment is terminated following a change of control) in the range of one to three times the applicable executive's annual salary and incentive. In addition, the agreements evidencing awards granted in prior years under the Company's omnibus share plans generally provide that equity grants will vest automatically on a change of control. Commencing with 2012 grants, the agreements evidencing awards under the 2010 Plan provide for the satisfaction of a "double trigger" as a condition to the acceleration of the vesting of any unvested equity awards. These change of control arrangements are designed to compensate management in the event of a termination following a fundamental change in the Company, their employer, and to provide an incentive to these executives to continue with the Company at least through such time. Severance and change of control arrangements do not generally affect other compensation arrangements for a particular period. A more complete description of employment agreements, severance and change of control arrangements pertaining to the Named Executive Officers is set forth under "Employment Contracts" and "Severance and Change of Control Arrangements."

Tax Deductibility of Compensation

The tax efficiency of compensation is one of many factors that enter into the design of our compensation programs. We look at a combination of the rates at which our executives will be taxed and the value of any deduction that we may be entitled to when developing our approach to compensation. We believe that the limitation of Section 162(m) of the Internal Revenue Code (which limits the corporate tax deduction for certain executive officer compensation that exceeds $1 million a year) does not apply to most of the compensation we paid to our Named Executive Officers for 2013 and only a small portion of their compensation may not be deductible due to that limitation.

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board of Trustees of Vornado Realty Trust, a Maryland real estate investment trust (the "Company"), has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K of the Securities and Exchange Commission with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in the proxy statement and incorporated by reference in the Company's Annual Report on Form 10-K for the year ended December 31, 2013.

The Compensation Committee of the Board of Trustees:
MICHAEL LYNNE
DANIEL R. TISCH
DR. RICHARD R. WEST

EXECUTIVE COMPENSATION

The following table sets forth (in accordance with the reporting requirements of the SEC) the compensation of each of the Company's Chief Executive Officer, Chief Financial Officer and the three other most highly-compensated executive officers for 2013, 2012 and 2011 (the "Named Executive Officers"). Effective as of April 15, 2013, Mr. Michael D. Fascitelli resigned from his positions as President and Chief Executive Officer and Mr. Steven Roth has served as Chairman and Chief Executive Officer.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Cash Bonus ($)(1)	Restricted Share/Unit Awards ($)(2)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	Changes in Pension Value and Non-qualified Deferred Compensation Earnings ($)	All Other Compensation ($)(4)	Total ($)
Steven Roth	2013	1,000,000	20,900	6,312,540				329,308	7,662,748
Chairman and Chief	2012	1,000,000	11,400	6,472,987				303,168	7,787,555
Executive Officer since 04/15/13 (Current Principal Executive Officer)	2011	1,000,000	153,323	3,800,098	2,999,939			292,160	8,245,520
Michael D. Fascitelli	2013	330,769	11,400	7,200,003				135,353	7,677,525
President and Chief	2012	1,000,000	11,400	6,472,987				242,134	7,726,521
Executive Officer until 04/15/13 (Former Principal Executive Officer)	2011	1,000,000	153,323	3,800,098	2,999,939			265,726	8,219,086
Stephen W. Theriot Chief Financial Officer since 06/01/13 (Current Principal Financial Officer)	2013	538,462	359,500					7,552	905,514
Joseph Macnow	2013	1,000,000	520,900	1,687,566				328,226	3,536,692
Executive Vice President	2012	1,000,000	511,400	1,479,292				323,280	3,313,972
Finance and Chief Administrative Officer (Principal Financial Officer until 06/01/13)	2011	1,000,000	641,695	950,024	500,008	3,719		312,367	3,407,813

David R. Greenbaum	2013	1,000,000	820,900	2,120,024				247,235	4,188,159
President New York	2012	1,000,000	811,400	1,817,118		3,044		246,722	3,878,284
Division	2011	1,000,000	953,323	1,187,487	500,008			272,795	3,913,613
Mitchell N. Schear	2013	1,000,000	820,900	1,925,048				96,232	3,842,180
President Vornado/	2012	1,000,000	811,400	1,716,743				106,047	3,634,190
Charles E. Smith Washington, DC Division	2011	1,000,000	888,140	1,282,524	500,008			89,677	3,760,349
Wendy A. Silverstein	2013	1,000,000	520,900	3,777,609				58,050	5,356,559
Executive Vice President Co- Head of Capital Markets and Acquisitions									

(1) *The information provided includes cash bonuses for services that are rendered in the year indicated and are awarded in the first quarter of the next succeeding year.*

(2)
Information presented in this table includes the value of grants of Restricted Units in lieu of cash bonuses, Restricted Units and OPP Units in lieu of cash bonuses made during the applicable period. Information presented in these columns reflect the aggregate grant date fair value of equity awards granted in the applicable fiscal year computed in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in footnote 15 to our consolidated financial statements included in our Annual Report on Form 10-K (the "Form 10-K") for the applicable fiscal year as filed with the SEC. Pursuant to the rules and regulations of the SEC, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Dividends are paid on both the vested and unvested portion of restricted share and restricted unit awards. In accordance with applicable SEC rules, amounts shown include the impact of bonuses paid in equity in the year actually granted. For the Named Executive Officers, the Restricted Share/Unit Awards set forth above reflect the grant of equity-based bonuses in lieu of cash in 2013, 2012 and 2011, respectively, in the following amounts: Mr. Roth $950,005, $950,045 and $950,000; Mr. Fascitelli $950,005, $950,045 and $950,000; Mr. Macnow $712,524, $475,063 and $475,000; Mr. Greenbaum $950,005, $712,514 and $712,500; Mr. Schear $950,005, $712,514 and $807,500; and Ms. Silverstein $712,524.

(3)
Represents awards for long-term service with the Company.

(4)
See the All Other Compensation table for additional information.

All Other Compensation Table

The following table describes each component of the All Other Compensation column in the Summary Compensation Table.

Name	Year	Use of Car and Driver ($)(1)	Supplemental Life Insurance Premiums ($)	Reimbursement For Medical / Dental Not Covered ($)	Severance ($)	Tax and Financial Planning Assistance Per Employment Contract ($)	Matching 401(k) Contri-Bution ($)	Total ($)
Steven Roth	2013	260,562	51,496				17,250	329,308
	2012	237,262	49,031				16,875	303,168
	2011	226,599	49,061				16,500	292,160
Michael D. Fascitelli	2013	103,103				15,000	17,250	135,353
	2012	190,004	20,255			15,000	16,875	242,134
	2011	216,101	18,125			15,000	16,500	265,726
Stephen W. Theriot	2013		4,525				3,027	7,552
Joseph Macnow	2013	170,116	125,860			15,000	17,250	328,226
	2012	165,545	125,860			15,000	16,875	323,280
	2011	155,007	125,860			15,000	16,500	312,367
David R. Greenbaum	2013	169,077	35,908	10,000		15,000	17,250	247,235
	2012	171,188	33,659	10,000		15,000	16,875	246,722
	2011	201,026	30,269	10,000				