

MANDELBAUM DAVID
Form 4
December 16, 2009

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
MANDELBAUM DAVID

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
12/14/2009

Director 10% Owner
 Officer (give title below) Other (specify below)

888 SEVENTH AVENUE

(Street)

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

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

NEW YORK, NY 10019

(City) (State) (Zip)

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

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| Common Shares | 12/14/2009 | | A ⁽¹⁾ | V 77 A \$ 0 | 238,957 ⁽²⁾ <u>(9)</u> | D | |
| Common Shares | 12/14/2009 | | A ⁽¹⁾ | 11,377 A \$ 0 | 2,909,252 | I | Held by QTIP trust ⁽⁶⁾ |
| Common Shares | 12/14/2009 | | A ⁽¹⁾ | 2,031 A \$ 0 | 300,599 | I | Held by grantor retained annuity trusts ⁽⁷⁾ |
| | 12/14/2009 | | A ⁽¹⁾ | 20,261 A \$ 0 | 5,607,174 | I | |

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123 of these Common Shares were issued as restricted stock and remain unvested under the terms of the Vornado Realty Trust Omnibus Share Plan. Of these 123 Common Shares, (i) 61 Common Shares of restricted stock remain to vest in January of 2010 and (ii) 62 Common Shares of restricted stock remain to vest in January of 2011.

(3) The Class A Units ("Class A Units") of Vornado Realty L.P. were acquired in connection with the regular quarterly distribution paid pro rata on December 14, 2009 by Vornado Realty L.P. to holders of Limited Partnership Units in the form of cash and Class A Units.

(4) Class A Units may be redeemed at the election of the holder, in whole or in part for cash equal to the fair market value, at the time of redemption, of one Common Share for each Class A Unit redeemed or, at the option of Vornado Realty Trust, one such Common Share for each Class A Unit tendered for redemption.

(5) All Class A Units distributed on December 14, 2009 are immediately redeemable (subject to certain limitations set forth in the Vornado Realty L.P.'s limited partnership agreement). Class A Units have no expiration date.

(6) These shares are held by The Mandelbaum Family Holdings, L.P. in which Mr. Mandelbaum is the sole general partner and three qualified trusts are limited partners. The filing of this Form 4 shall not be deemed an admission that Mr. Mandelbaum is the beneficial owner of the shares.

(7) These Common Shares are held in grantor retained annuity trusts. The filing of this Form 4 shall not be deemed an admission that Mr. Mandelbaum is the beneficial owner of the Common Shares. The decline of 218,908 Common Shares since Mr. Mandelbaum's immediately preceding Form 4 is attributable to a distribution by one of the grantor retained annuity trusts to Mr. Mandelbaum as per the trust agreement.

(8) These Common Shares are held by Interstate Properties, a New Jersey general partnership of which Mr. Mandelbaum is a general partner. The filing of this Form 4 shall not be deemed an admission that Mr. Mandelbaum is the beneficial owner of these 5,607,174 Common Shares, except to the extent of his pecuniary interest.

(9) 218,908 Common Shares were previously reported as indirectly beneficially owned but were distributed by a grantor retained annuity trust subsequent to the date of filing of Mr. Mandelbaum's immediately preceding Form 4.

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