

MATHRANI SANDEEP

Form 4

February 25, 2005

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
MATHRANI SANDEEP

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

3. Date of Earliest Transaction
(Month/Day/Year)
02/08/2005

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)
EVP - Retail Division

NEW YORK, NY 10019

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

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

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned 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	02/08/2005		A	(A) or (D) 2,000 (1)	13,572 (2)	D	
Common Shares	02/08/2005		A	(A) or (D) 16,836 (3)	30,408 (4)	D	

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Securities (Number of Shares)
Options (Right to Buy) ⁽⁵⁾	\$ 71.275	02/08/2005		A		20,000		01/20/2006	02/08/2015	Common Shares	20,000
Options (Right to Buy) ⁽⁶⁾	\$ 71.275	02/08/2005		A		300,000		01/20/2008	02/08/2015	Common Shares	300,000

Reporting Owners

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

Signatures

/s/ Sandeep Mathrani 02/25/2005

 **Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Restricted Stock Grant.

8,800 of these Common Shares were issued as "restricted stock" under the terms of the Vornado Realty Trust 2002 Omnibus Share Plan. Of these 8,800 Common Shares, (i) 3,600 Common Shares of restricted stock were granted on 1/28/03, with the shares vesting in equal portions over a five-year period with the remaining three portions vesting in January of 2006, 2007 and 2008, (ii) 3,200 Common Shares of restricted stock were granted on 2/6/04, with the shares vesting in equal portions over a five-year period with the remaining four portions vesting in January of 2006, 2007, 2008 and 2009 and (iii) 2,000 Common Shares of restricted stock were granted on 2/8/05, with the shares vesting in equal portions over a five-year period with the first portion vesting on January 20, 2006.

Restricted stock grant under the 2002 Omnibus Share Plan in connection with a grant received in connection with new Employment Agreement that was executed on February 22, 2005 (the "Employment Agreement"). The common shares in this grant shall vest in equal portions over a three-year period beginning January 20, 2008.

(4) 25,636 of these common Shares were issued as "restricted stock" under the terms of the Vornado Realty Trust 2002 Omnibus Share Plan. Of these 8,800 Common Shares, (i) 3,600 Common Shares of restricted stock were granted on 1/28/03, with the shares vesting in equal portions over a five-year period with the remaining three portions vesting in January of 2006, 2007 and 2008, (ii) 3,200 Common Shares

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of restricted stock were granted on 2/6/04, with the shares vesting in equal portions over a five-year period with the remaining four portions vesting in January of 2006, 2007, 2008 and 2009, (iii) 2,000 Common Shares of restricted stock were granted on 2/8/05, with the shares vesting in equal portions over a five-year period with the first portion vesting on 1/20/06 and (iv) 16,836 Common Shares of restricted stock were granted on 2/22/05, with the shares vesting in equal portions over a three-year period with the first portion vesting on 1/20/08.

- (5) Reflects an option grant. The exercise price reflects the average of the high and low prices of Vornado Realty Trust's common shares on the date of the grant. The options vest ratably over a five-year period on January 20th of each year beginning in 2006.

- (6) Reflects an option grant in connection with new Employment Agreement. The exercise price reflects the average of the high and low prices of Vornado Realty Trust's common shares on the date of the grant. The options vest in equal portions over a three-year period with vesting beginning on January 20, 2008.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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