

ROTH STEVEN
Form 4
December 08, 2009

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

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
ROTH STEVEN

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)
12/07/2009

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

NEW YORK, NY 10019

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

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

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Shares	12/07/2009		M	1,530,704 A \$ 30.1638	2,873,103 (1)	D	
Common Shares	12/07/2009		F	1,114,451 D \$ 69.01	1,758,652 (1) (2)	D	
Common Shares					7,845	I	Held by foundation (3)
Common Shares					37,165	I	Held by spouse (4)
Common Shares					5,586,913	I	Held by partnership

Common Shares	1,540,102	I	(5) Held by grantor retained annuity trusts (6)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

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

1. Title of Derivative Security (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 Number of Shares
Options (Right to Buy)	\$ 30.1638	12/07/2009		M	1,530,704	03/02/2001 03/02/2010	Common Shares	1,530	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ROTH STEVEN 888 SEVENTH AVENUE NEW YORK, NY 10019	X		Chairman	

Signatures

/s/ Steven Roth 12/08/2009

**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).

2,310 of these Common Shares were issued as restricted stock and remain unvested under the terms of the Vornado Realty Trust Omnibus (1) Share Plan, with each original grant vesting in equal portions over a five year period. These 2,310 Common Shares vest in January of 2010.

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- (2) 2,192 Common Shares were previously reported as indirectly beneficially owned but were distributed by Interstate Properties subsequent to the date of filing of Mr. Roth's immediately preceding Form 4.
- (3) These Common Shares are held by the Daryl and Steven Roth Foundation, a charitable foundation, over which Mr. Roth holds sole voting and investment power. Mr. Roth disclaims any pecuniary interest in these Common Shares.
- (4) These Common Shares are held by Mr. Roth's spouse. The filing of this Form 4 shall not be deemed an admission that Mr. Roth is the beneficial owner of the Common Shares.
- These Common Shares are held by Interstate Properties, a New Jersey general partnership of which Mr. Roth is a general partner. The filing of this Form 4 shall not be deemed an admission that Mr. Roth is the beneficial owner of these 5,586,913 Common Shares, except
- (5) to the extent of his pecuniary interest. The decline of 4,384 Common Shares held by Interstate Properties since Mr. Roth's immediately preceding Form 4 filing is attributable to a distribution by the partnership of 4,384 Common Shares with respect to which 2,192 were distributed to Mr. Roth, which amount did not exceed Mr. Roth's pecuniary interest in Common Shares held by Interstate Properties.
- (6) These Common Shares are held in grantor retained annuity trusts. The filing of this Form 4 shall not be deemed an admission that Mr. Roth is the beneficial owner of the Common Shares.

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. >(d)(1) Amended and Restated 1995 Stock Option Plan (incorporated by reference to Exhibit 10.24 of the registrant's quarterly report on Form 10-Q for the period ended July 30, 2005 as filed on September 8, 2005)(d)(2)* Amended and Restated 1995 Stock Option Plan Form of Restricted Stock Unit Agreement and Notice of Restricted Stock Unit Grant (for use in connection with the Exchange Offer)(g) Not applicable(h) Not applicable

* Previously filed with the Schedule TO filed with the Securities and Exchange Commission on December 16, 2008 and incorporated herein by reference.

** Previously filed with Amendment No. 1 to the Schedule TO filed with the Securities and Exchange Commission on January 12, 2009 and incorporated herein by reference.

of institutional investors. These 2006 Notes, together with any interest paid in the form of additional 2006 Notes, are convertible into our common stock at a conversion price of \$3.00 per share at the option of the investors. On December 31, 2009, one holder of the 2006 Notes had holdings which, if totally converted into shares of our common stock, would result in this holder owning 8,548,000 shares. If such holder had exercised such conversion right on December 31, 2009, such holder would have owned approximately 9% of our outstanding common stock.

While the 2006 Notes do not carry any voting rights, the common stock issuable upon conversion of such securities do carry the same voting rights as other shares of common stock. The ownership positions following any such conversion, along with any open market purchases by such holders, could provide the holders with the ability to substantially influence the outcome of matters submitted to our stockholders for approval.

Provisions in our organizational documents could prevent or frustrate attempts by stockholders to replace our current management.

Our certificate of incorporation and bylaws contain provisions that could make it more difficult for a third party to acquire us without the consent of our Board of Directors. Our certificate of incorporation provides for a staggered board and removal of directors only for cause. Accordingly, stockholders may elect only a minority of our Board at any annual meeting, which may have the effect of delaying or preventing changes in management. In addition, under our certificate of incorporation, our Board of Directors may issue additional shares of preferred stock and determine the terms of those shares of stock without any further action by our stockholders. Our issuance of additional preferred stock could make it more difficult for a third party to acquire a majority of our outstanding voting stock and thereby effect a change in the composition of our Board of Directors. Our certificate of incorporation also provides that our stockholders may not take action by written consent. Our bylaws require advance notice of stockholder proposals and director nominations and permit only our President or a majority of the Board of Directors to call a special stockholder meeting. These provisions may have the effect of preventing or hindering attempts by our stockholders to replace our current management. In addition, Delaware law prohibits a corporation from engaging in a business combination with any holder of 15% or more of its capital stock until the holder has held the stock for three years unless, among other possibilities, the board of directors approves the transaction. Our Board of Directors may use this provision to prevent changes in our management. Also, under applicable Delaware law, our Board of Directors may adopt additional anti-takeover measures in the future.

Our stock has historically had low trading volume, and its public trading price has been volatile.

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Between our initial public offering on February 4, 2000 and December 31, 2009, and for the year ended December 31, 2009, the closing price of our common stock has fluctuated between \$0.30 and \$52.63 per share

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and \$0.30 and \$2.99 per share, respectively. The average daily trading volume for the year ended December 31, 2009 was approximately 1,925,000 shares, which is a significant increase from our average trading volume for the twelve months ended March 31, 2009 of 238,000 shares. The market may experience significant price and volume fluctuations that are often unrelated to the operating performance of individual companies. In addition to general market volatility, many factors may have a significant adverse effect on the market price of our stock, including:

continuing operating losses, which we expect over the next several years as we continue our development activities;

announcements of decisions made by public officials;

results of our preclinical studies and clinical trials;

announcements of technological innovations, new commercial products, failures of products, or progress toward commercialization by our competitors or peers;

developments concerning proprietary rights, including patent and litigation matters;