

VORNADO REALTY TRUST  
 Form 4  
 March 09, 2007

**FORM 4**

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

OMB APPROVAL

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

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

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**KENNEDY CHRISTOPHER**

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)  
**222 MERCHANDISE MART PLAZA, SUITE 470**  
 (Street)  
**CHICAGO, IL 60654**  
 (City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)  
**03/07/2007**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**President - Merchandise Mart**

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

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

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

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

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SEC 1474 (9-02)

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

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction of Derivative	5. Number	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8.
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)			
			Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Units <sup>(1)</sup>	①	03/07/2007	A	2,673		<u>(2)</u>	<u>(2)</u>	Common Shares	2,673
Options (Right to Buy)	\$ 121.58	03/07/2007	A	9,546		<u>(3)</u>	03/07/2017	Common Shares	9,546

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KENNEDY CHRISTOPHER 222 MERCHANDISE MART PLAZA SUITE 470 CHICAGO, IL 60654			President - Merchandise Mart	

## Signatures

/s/ Christopher G. Kennedy 03/09/2007

Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- On March 7, 2007, the reporting person received a grant of restricted units of Vornado Realty L.P. (the Operating Partnership"), the operating partnership of Vornado Realty Trust (the "Company"). The restricted units are a new class of units of the Operating Partnership
- (1) that are convertible by the holder, upon vesting, into an equivalent number of Class A Units of the Operating Partnership, which are redeemable by the holder for Common Shares of the Company on a one-for-one basis or the cash value of such shares, at the Company's option.
  - (2) Restricted Units vest in equal portions over a five-year period with the initial vesting occurring on March 7, 2008.
  - (3) These options vest ratably over a five-year period with the first vesting occurring on January 21, 2008.

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.