

VORNADO REALTY TRUST  
 Form 4  
 May 31, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 SCHEAR MITCHELL N

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)  
 2345 CRYSTAL DRIVE, SUITE 1000  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 05/29/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 President - VNO/Smith Division

ARLINGTON, VA 22202

(City) (State) (Zip)

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)	Code	V	Amount	(D)	Price

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.**

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 Number	5. Expiration Date	6. Date Exercisable and	7. Title and Amount of Underlying Securities	8. Price of Derivative
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)	Security (Instr. 5)	
			Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Options (Right to Buy)	(1) (2)				(3)	04/09/2013	Common Shares	114 (4)
Options (Right to Buy)	(1) (5)				(3)	04/09/2013	Common Shares	540 (4)
Options (Right to buy)	(1) (6)				(3)	02/08/2015	Common Shares	276 (4)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHEAR MITCHELL N 2345 CRYSTAL DRIVE SUITE 1000 ARLINGTON, VA 22202			President - VNO/Smith Division	

## Signatures

/s/ Mitchell  
Schear

05/30/2007

\*\*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).
- (1) On May 29, 2007, the Compensation Committee of the Board of Trustees of the Issuer approved the calculation of adjustments to the outstanding options issued to the Reporting Person under the Issuer's Omnibus Stock Plans, to reflect the payment of two extraordinary dividends to the Issuer's holders of its Common Shares, one extraordinary dividend of \$.77 per Common Share paid December 30, 2005 and the other of \$.54 per Common Share paid November 21, 2006 (collectively, the "Adjustment").
- (2) As a result of the Adjustment, the exercise price of the outstanding options granted to the Reporting Person was reduced from \$36.2249 to \$35.7286.
- (3) Immediately.

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- (4) As a result of the Adjustment, this number of additional options was granted to the Reporting Person under this previous award.
- (5) As a result of the Adjustment, the exercise price of the outstanding options granted to the Reporting Person was reduced from \$36.4600 to \$35.9606. X E Display a shorter description
- (6) As a result of the Adjustment, the exercise price of the outstanding options granted to the Reporting Person was reduced from \$71.275 to \$70.2986.

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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