

VORNADO REALTY TRUST
 Form 4
 July 13, 2005

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)
 07/11/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 President - Smith Division

ARLINGTON, VA 22202

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 Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Shares	07/11/2005		M		38,924	A	\$ 36.46 71,552 ⁽¹⁾ D
Common Shares	07/11/2005		S		724	D	\$ 84.66 70,828 ⁽¹⁾ D
Common Shares	07/11/2005		S		38,200	D	\$ 84.3 32,628 ⁽¹⁾ D

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

SEC 1474 (9-02)

displays a currently valid OMB control number.

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)	Amount or Number of Shares
Options (Right to Buy)	\$ 36.46	07/11/2005		M	38,924	04/09/2004 04/09/2013	Common Shares	38,924

Reporting Owners

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

Signatures

/s/ Mitchell
Schear

07/13/2005

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).

32,628 of these Common Shares were issued as "restricted stock" under the terms of the Vornado Realty Trust 2002 Omnibus Share Plan (the "Plan"). Of these 32,628 Common Shares, (i) 27,428 Common Shares of restricted stock were granted to Mr. Schear on April 9, 2003, with the shares vesting in equal portions over a four-year period with the remaining three portions vesting in April of 2005, 2006 and 2007, (ii) 3,200 Common Shares of restricted stock were granted to Mr. Schear on February 6, 2004, 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 to Mr. Schear on February 8, 2005, with the shares vesting in equal portions over a five-year period with the first portion vesting on January 20, 2006.

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.