

VORNADO REALTY TRUST  
Form 10-Q  
August 01, 2011

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**FORM 10-Q**

(Mark one)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period **June 30, 2011**  
ended:

**Or**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from:** \_\_\_\_\_ **to** \_\_\_\_\_

**Commission File Number:** **001-11954**

**VORNADO REALTY TRUST**

(Exact name of registrant as specified in its charter)

**Maryland**

**22-1657560**

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(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

**888 Seventh Avenue, New York, New York**  
(Address of principal executive offices)

**10019**  
(Zip Code)

**(212) 894-7000**

(Registrant's telephone number, including area code)

**N/A**

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer (Do not check if smaller reporting company)

Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of June 30, 2011, 184,427,825 of the registrant's common shares of beneficial interest are outstanding.



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**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements**

**VORNADO REALTY TRUST  
CONSOLIDATED BALANCE SHEETS  
(UNAUDITED)**

(Amounts in thousands, except share and per share amounts)

<b>ASSETS</b>	<b>June 30, 2011</b>	<b>December 31, 2010</b>
Real estate, at cost:		
Land	\$ 4,592,075	\$ 4,598,303
Buildings and improvements	12,753,909	12,733,487
Development costs and construction in progress	236,393	218,156
Leasehold improvements and equipment	126,784	124,976
Total	17,709,161	17,674,922
Less accumulated depreciation and amortization	(2,941,929)	(2,763,997)
Real estate, net	14,767,232	14,910,925
Cash and cash equivalents	591,515	690,789
Restricted cash	155,320	200,822
Marketable securities	791,676	766,116
Accounts receivable, net of allowance for doubtful accounts of \$71,939 and \$62,979	168,624	157,146
Investments in partially owned entities	1,160,292	927,672
Investment in Toys "R" Us	558,755	447,334
Real Estate Fund investments	255,795	144,423
Mezzanine loans receivable, net	155,613	202,412
Receivable arising from the straight-lining of rents, net of allowance of \$8,148 and \$7,323	739,784	720,806
Deferred leasing and financing costs, net of accumulated amortization of \$236,577 and \$223,131	366,421	368,314
Identified intangible assets, net of accumulated amortization of \$363,341 and \$338,508	317,257	348,745
Assets related to discontinued operations	-	234,464
Due from officers	13,183	13,187
Other assets	497,397	384,316
	<b>\$ 20,538,864</b>	<b>\$ 20,517,471</b>
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY</b>		
Notes and mortgages payable	\$ 8,575,022	\$ 8,259,298
Senior unsecured notes	982,629	1,082,928
Exchangeable senior debentures	494,403	491,000
Convertible senior debentures	187,994	186,413
Revolving credit facility debt	300,000	874,000

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Accounts payable and accrued expenses	436,229	438,479
Deferred credit	555,709	583,369
Deferred compensation plan	100,374	91,549
Deferred tax liabilities	13,256	13,278
Liabilities related to discontinued operations	-	255,922
Other liabilities	104,257	82,856
Total liabilities	11,749,873	12,359,092
Commitments and contingencies		
Redeemable noncontrolling interests:		
Class A units - 12,561,359 and 12,804,202 units outstanding	1,170,467	1,066,974
Series D cumulative redeemable preferred units - 10,000,001 and 10,400,001 units outstanding	251,000	261,000
Total redeemable noncontrolling interests	1,421,467	1,327,974
Vornado shareholders' equity:		
Preferred shares of beneficial interest: no par value per share; authorized 110,000,000 shares; issued and outstanding 41,188,509 and 32,340,009 shares	997,446	783,088
Common shares of beneficial interest: \$.04 par value per share; authorized 250,000,000 shares; issued and outstanding 184,427,825 and 183,661,875 shares	7,347	7,317
Additional capital	6,885,223	6,932,728
Earnings less than distributions	(1,244,254)	(1,480,876)
Accumulated other comprehensive income	114,479	73,453
Total Vornado shareholders' equity	6,760,241	6,315,710
Noncontrolling interests in consolidated subsidiaries	607,283	514,695
Total equity	7,367,524	