VORNADO REALTY TRUST

Form 4 April 28, 2006

FORM 4

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

Check this box if no longer

subject to Section 16. Form 4 or

Form 5 obligations

may continue. See Instruction

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(b).

(Last)

1. Title of

Security

(Instr. 3)

1. Name and Address of Reporting Person *

KENNEDY CHRISTOPHER

(First) (Middle)

222 MERCHANDISE MART

PLAZA, SUITE 470

(Street)

CHICAGO, IL 60654

2. Issuer Name and Ticker or Trading

Symbol

VORNADO REALTY TRUST [VNO]

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

04/25/2006

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

5. Relationship of Reporting Person(s) to

(Check all applicable)

President - Merchandise Mart

6. Ownership

Form: Direct

(I)

(Instr. 4)

10% Owner Other (specify

7. Nature of

Ownership (Instr. 4)

Indirect

SEC 1474

(9-02)

(D) or Indirect Beneficial

Estimated average

burden hours per

5. Amount of

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

Issuer

below)

Director

X_ Officer (give title

(State) (Zip) (City)

> 2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8)

(Instr. 3, 4 and 5)

Securities Beneficially Owned Following (A)

Reported Transaction(s) (Instr. 3 and 4)

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

1. Title of Derivative Conversion

3. Transaction Date 3A. Deemed

5. Number

6. Date Exercisable and (Month/Day/Year) Execution Date, if Transaction of Derivative Expiration Date

7. Title and Amount of 8. Pr Underlying Securities

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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)		Secu (Inst
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Units (1)	<u>(1)</u>	04/25/2006		A	1,558		(2)	(2)	Common Shares	1,558	9

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. 04/28/2006 Kennedy

**Signature of Reporting Date
Person

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 April 25, 2006, 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 in April 2007.

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.

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