

Vornado realty trust

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Vornado Realty Trust Vornado Realty Trust is one of the fully integrated real estate investment trusts. This firm has the largest managers and owners of several commercial real estates, in the United States, with a portfolio of over 73 property located in the Washington DC, which aggregates to 16. 1 million square feet, and 7 residential properties holding 244 units (Russell & Cohn 10). It has 31 offices aggregating to 19. 7 million square feet and four residential properties having 1655 units, in the New York City (Russell & Cohn 11). In Manhattan Street, it has 49 retail properties aggregating to about 2. 2 million square feet and 32. 4% interest in Alexandra's Inc., which possesses six properties, in the New York metropolitan area, including 731 Lexington Avenue and the 1. 3 million square foot Bloomberg L. P headquarters building (Russell & Cohn 12).

Retail properties owned by Vornado Realty Trust include 120 strip shopping centres, single-tenant retail assets and malls, which audits to about 20. 8 million square feet mainly established in California, Puerto Rico and the northeast states (Russell & Cohn 12). Vornado, with about 70% interest, controls 555 retail shops, in California street, and a three building office, in San Francisco financial district known as bank of America centre, which aggregates to 1. 8 million square feet (Russell & Cohn 13). Vornado realty trust has a 25% of its capital partners providing about 800 million dollars of the real estate fund.

The stock information regarding rental changes and occupancy rates, in different regions, where properties of Vornado Realty Trust are located, were at \$86. 02 and dividend of about \$2. 92 (Russell & Cohn 34). Change was 1. 2%, which yielded 3. 39% in the latest result compared to the previous

years.

The company had an income of \$856.153 million boosted, in 2011, by the increase in rental rates, in New York and Washington, in 2011. The Vornado Realty Trust owns high-rise commercial buildings, in the tune of hundred millions, in Washington DC and New York (Russell & Cohn 45). Over the past years, the company increased its revenue exponentially in the previous years was driven by increases in total square footage. The first quarter of the company's sales, of 350-west mart centre, was a commendable rental and occupancy rate increase for almost \$228million (Russell & Cohn 46). The second quarter rental changes, in Washington and New York, by the sales of Washington office brought the sales of \$500 with a net gain of \$177million to the company (Russell & Cohn 54). These rates, in occupancy and rental rates changes, together with the total sales in the first quarter gave rise to the occupancy rates from \$821 million with a net gain of 232 million (Russell & Cohn 55).

The company is prone to risks linked to national and local economic cycles. The rate corporate profits, economic growth, and employment can be predictive of the company's success and failure (Russell & Cohn 87). The company's tenants are majorly corporate enterprises who rent the company's retail shops at agreed costs. Changing demographics, industry slowdowns, business relocations, and other macroeconomic variables have significant impacts on the company's success. The demographic effect influences its ability to attract and retain tenants. The company has a tendency of concentrating on a region. Its portfolio, largely of commercial real estate, is located in the north east of U. S., which is densely populated.

Works Cited

Russell, J and R Cohn. Vornado Realty Trust. New York: Book on Demand, 2012. Print