UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 ended: **June 30, 2020**

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: **001-06064**

ALEXANDERS INC
(Exact name of registrant as specified in its charter)

Delaware	**51-0100517**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
210 Route 4 East, Paramus, New Jersey	**07652**
(Address of principal executive offices)	(Zip Code)

(201) 587-8541
(Registrant’s telephone number, including area code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $1 par value per share	ALX	New York Stock Exchange

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☑ Yes ☐ No

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

☑	Large Accelerated Filer	☐	Accelerated Filer
☐	Non-Accelerated Filer	☐	Smaller Reporting Company
		☐	Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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 July 31, 2020, there were 5,107,290 shares of common stock, par value $1 per share, outstanding.

ALEXANDER'S, INC.
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PART I. FINANCIAL INFORMATION
Item 1. ***Financial Statements***

ALEXANDER'S, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(Amounts in thousands, except share and per share amounts)

ASSETS	June 30, 2020	December 31, 2019
Real estate, at cost:		
Land	$ 44,971	$ 44,971
Buildings and leasehold improvements	986,398	984,053
Development and construction in progress	22,724	12,318
Total	1,054,093	1,041,342
Accumulated depreciation and amortization	(337,534)	(324,499)
Real estate, net	716,559	716,843
Cash and cash equivalents	441,905	298,063
Restricted cash	11,360	15,914
Marketable securities	5,065	14,409
Tenant and other receivables	7,716	6,092
Receivable arising from the straight-lining of rents	157,556	166,376
Deferred leasing costs, net, including unamortized leasing fees to Vornado of $30,771 and $32,374, respectively	39,035	41,123
Other assets	4,966	6,691
	$ 1,384,162	$ 1,265,511
LIABILITIES AND EQUITY		
Mortgages payable, net of deferred debt issuance costs	$ 1,118,813	$ 970,961
Amounts due to Vornado	996	1,426
Accounts payable and accrued expenses	31,844	31,756
Other liabilities	7,538	7,853
Total liabilities	1,159,191	1,011,996
Commitments and contingencies		
Preferred stock: $1.00 par value per share; authorized, 3,000,000 shares; issued and outstanding, none	—	—
Common stock: $1.00 par value per share; authorized, 10,000,000 shares; issued, 5,173,450 shares; outstanding, 5,107,290 shares	5,173	5,173
Additional capital	32,965	32,365
Retained earnings	187,229	216,394
Accumulated other comprehensive loss	(28)	(49)
	225,339	253,883
Treasury stock: 66,160 shares, at cost	(368)	(368)
Total equity	224,971	253,515
	$ 1,384,162	$ 1,265,511

See notes to consolidated financial statements (unaudited).

ALEXANDER'S, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
(Amounts in thousands, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	**2019**	**2020**	**2019**
REVENUES				
Rental revenues	$ 45,478	$ 55,932	$ 99,588	$ 112,710
EXPENSES				
Operating, including fees to Vornado of $1,235, $1,371, $2,618 and $2,620 respectively	(19,778)	(21,667)	(41,531)	(43,516)
Depreciation and amortization	(7,633)	(7,869)	(15,542)	(15,697)
General and administrative, including management fees to Vornado of $595 and $1,190 in each three and six month period, respectively	(2,111)	(1,893)	(3,562)	(3,138)
Total expenses	(29,522)	(31,429)	(60,635)	(62,351)
Interest and other income, net	710	2,223	2,253	4,353
Interest and debt expense	(6,172)	(10,165)	(14,745)	(20,324)
Change in fair value of marketable securities	1,837	(5,278)	(9,558)	(5,240)
Net income	$ 12,331	$ 11,283	$ 16,903	$ 29,148
Net income per common share - basic and diluted	$ 2.41	$ 2.20	$ 3.30	$ 5.70
Weighted average shares outstanding	5,120,548	5,118,030	5,119,623	5,117,690

See notes to consolidated financial statements (unaudited).

ALEXANDER'S, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)
(Amounts in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	**2019**	**2020**	**2019**
Net income	$ 12,331	$ 11,283	$ 16,903	$ 29,148
Other comprehensive (loss) income:				
Change in fair value of interest rate cap	(4)	19	21	32
Comprehensive income	$ 12,327	$ 11,302	$ 16,924	$ 29,180

See notes to consolidated financial statements (unaudited).

ALEXANDER'S, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)
(Amounts in thousands, except per share amounts)

	Common Stock		Additional Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Equity
	Shares	Amount					
Three Months Ended June 30, 2020							
Balance, March 31, 2020	5,173	$ 5,173	$ 32,365	$ 197,932	$ (24)	$ (368)	$ 235,078
Net income	—	—	—	12,331	—	—	12,331
Dividends paid ($4.50 per common share)	—	—	—	(23,034)	—	—	(23,034)
Change in fair value of interest rate cap	—	—	—	—	(4)	—	(4)
Deferred stock unit grants	—	—	600	—	—	—	600
Balance, June 30, 2020	5,173	$ 5,173	$ 32,965	$ 187,229	$ (28)	$ (368)	$ 224,971
Three Months Ended June 30, 2019							
Balance, March 31, 2019	5,173	$ 5,173	$ 31,971	$ 243,280	$ (114)	$ (368)	$ 279,942
Net income	—	—	—	11,283	—	—	11,283
Dividends paid ($4.50 per common share)	—	—	—	(23,028)	—	—	(23,028)
Change in fair value of interest rate cap	—	—	—	—	19	—	19
Deferred stock unit grants	—	—	394	—	—	—	394
Balance, June 30, 2019	5,173	$ 5,173	$ 32,365	$ 231,535	$ (95)	$ (368)	$ 268,610

	Common Stock		Additional Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Equity
	Shares	Amount					
Six Months Ended June 30, 2020							
Balance, December 31, 2019	5,173	$ 5,173	$ 32,365	$ 216,394	$ (49)	$ (368)	$ 253,515
Net income	—	—	—	16,903	—	—	16,903
Dividends paid ($9.00 per common share)	—	—	—	(46,068)	—	—	(46,068)
Change in fair value of interest rate cap	—	—	—	—	21	—	21
Deferred stock unit grants	—	—	600	—	—	—	600
Balance, June 30, 2020	5,173	$ 5,173	$ 32,965	$ 187,229	$ (28)	$ (368)	$ 224,971
Six Months Ended June 30, 2019							
Balance, December 31, 2018	5,173	$ 5,173	$ 31,971	$ 248,443	$ (127)	$ (368)	$ 285,092
Net income	—	—	—	29,148	—	—	29,148
Dividends paid ($9.00 per common share)	—	—	—	(46,056)	—	—	(46,056)
Change in fair value of interest rate cap	—	—	—	—	32	—	32
Deferred stock unit grants	—	—	394	—	—	—	394
Balance, June 30, 2019	5,173	$ 5,173	$ 32,365	$ 231,535	$ (95)	$ (368)	$ 268,610

See notes to consolidated financial statements (unaudited).

ALEXANDER'S, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(Amounts in thousands)

	Six Months Ended June 30,	
CASH FLOWS FROM OPERATING ACTIVITIES	**2020**	**2019**
Net income	$ 16,903	$ 29,148
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization, including amortization of debt issuance costs	17,792	18,278
Straight-lining of rental income	8,820	1,313
Write-off of tenant receivables	1,022	—
Stock-based compensation	600	394
Change in fair value of marketable securities	9,558	5,240
Dividends received in stock	(214)	—
Changes in operating assets and liabilities:		
Tenant and other receivables	(2,646)	(652)
Other assets	1,687	(2,054)
Amounts due to Vornado	(692)	2,679
Accounts payable and accrued expenses	241	(3,246)
Other liabilities	(315)	(302)
Net cash provided by operating activities	52,756	50,798
CASH FLOWS FROM INVESTING ACTIVITIES		
Construction in progress and real estate additions	(13,009)	(4,901)
Net cash used in investing activities	(13,009)	(4,901)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(46,068)	(46,056)
Debt issuance costs	(99)	(14)
Proceeds from borrowing	145,708	—
Net cash provided by (used in) financing activities	99,541	(46,070)
Net increase (decrease) in cash and cash equivalents and restricted cash	139,288	(173)
Cash and cash equivalents and restricted cash at beginning of period	313,977	289,495
Cash and cash equivalents and restricted cash at end of period	$ 453,265	$ 289,322
RECONCILIATION OF CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		
Cash and cash equivalents at beginning of period	$ 298,063	$ 283,056
Restricted cash at beginning of period	15,914	6,439
Cash and cash equivalents and restricted cash at beginning of period	$ 313,977	$ 289,495
Cash and cash equivalents at end of period	$ 441,905	$ 283,948
Restricted cash at end of period	11,360	5,374
Cash and cash equivalents and restricted cash at end of period	$ 453,265	$ 289,322
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	$ 13,510	$ 18,107
NON-CASH TRANSACTIONS		
Liability for real estate additions, including $269 and $29 for development fees due to Vornado in 2020 and 2019, respectively	$ 3,289	$ 791
Write-off of fully amortized and/or depreciated assets	367	—
Lease liability arising from the recognition of right-of-use asset	—	5,428
Reclassification of prepaid real estate taxes to construction in progress for property in redevelopment	—	1,466

See notes to consolidated financial statements (unaudited).

1. Organization

Alexander's, Inc. (NYSE: ALX) is a real estate investment trust ("REIT"), incorporated in Delaware, engaged in leasing, managing, developing and redeveloping its properties. All references to "we," "us," "our," "Company" and "Alexander's" refer to Alexander's, Inc. and its consolidated subsidiaries. We are managed by, and our properties are leased and developed by, Vornado Realty Trust ("Vornado") (NYSE: VNO). We have seven properties in the greater New York City metropolitan area.

2. COVID-19 Pandemic

In December 2019, a novel strain of coronavirus ("COVID-19") was identified in Wuhan, China and by March 11, 2020, the World Health Organization had declared it a global pandemic. Many states in the U.S., including New York and New Jersey, implemented stay-at-home orders for all "non-essential" business and activity in an aggressive effort to curb the spread of the virus. In June 2020, the New York City metropolitan area began a phased re-opening of the businesses that were previously ordered to close, with limitations on occupancy and certain other restrictions. It is uncertain as to how long these restrictions will continue or if additional restrictions or closures will be imposed. As a result of the COVID-19 pandemic, the U.S. economy has suffered and there has been significant volatility in the financial markets. Many U.S. industries and businesses have been negatively affected and millions of people have filed for unemployment.

Our properties, which are all located in the greater New York City metropolitan area, have been adversely affected as a result of the COVID-19 pandemic and the preventive measures taken to help curb the spread of the virus. Other than grocery stores and other "essential" businesses, all of our retail tenants closed their stores in March 2020 and although substantially all have re-opened in the latter part of June 2020, when the phased re-opening began, there are limitations on occupancy and other restrictions that limit their ability to resume full operations. Because certain of our redevelopment projects are deemed "non-essential," they were temporarily paused in March 2020 due to New York State executive orders and resumed under updated safety guidelines once the orders were lifted in June 2020.

In limited circumstances, we have agreed to and may continue to agree to rent deferrals and abatements for certain of our tenants. We have made the policy election available to us based on the Financial Accounting Standards Board's ("FASB") guidance for leases during the COVID-19 pandemic, which allows us to continue recognizing rental revenue for rent deferral agreements and to recognize rent abatements as a reduction to rental revenue in the period granted. See Note 4 - *Recently Issued Accounting Literature* for additional information.

Overall, we have collected approximately 89% of rent billed for the quarter ended June 30, 2020 (92% including rent deferrals under agreements which generally require repayment in monthly installments over a period of time not to exceed twelve months), including 100% for our office tenant, approximately 76% for our retail tenants (83% including rent deferrals) and approximately 96% for our residential tenants.

Based on our assessment of the probability of collecting the rent for certain tenants, we have written off as uncollectible $1,022,000 resulting in a reduction of rental revenues during the three and six months ended June 30, 2020. In addition, we have written off receivables arising from the straight-lining of rents of $4,247,000 related to these tenants resulting in a reduction of rental revenues during the three and six months ended June 30, 2020. Prospectively, revenue recognition for these tenants will be based on actual amounts received.

3. Basis of Presentation

The accompanying consolidated financial statements are unaudited and include the accounts of Alexander's and its consolidated subsidiaries. All intercompany amounts have been eliminated. In our opinion, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in cash flows have been made. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") have been condensed or omitted. These condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q of the Securities and Exchange Commission (the "SEC") and should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2019, as filed with the SEC.

3. Basis of Presentation - continued

We have made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. The results of operations for the three and six months ended June 30, 2020 are not necessarily indicative of the operating results for the full year.

We operate in one reportable segment.

4. Recently Issued Accounting Literature

In March 2020, the FASB issued an update ("ASU 2020-04") establishing Accounting Standards Codification ("ASC") Topic 848, *Reference Rate Reform*. ASU 2020-04 contains practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts. The guidance in ASU 2020-04 is optional and may be elected over time as reference rate reform activities occur. We are currently evaluating the impact of the guidance and our options related to the practical expedients.

In April 2020, the FASB issued a Staff Q&A on accounting for leases during the COVID-19 pandemic, focused on the application of lease guidance in ASC Topic 842, *Leases* ("ASC 842"). The Q&A states that it would be acceptable to make a policy election regarding rent concessions resulting from COVID-19, which would not require entities to account for these rent concessions as lease modifications when total cash flows resulting from the modified contract are "substantially the same or less" than the cash flows in the original contract. Entities making the election will continue to recognize rental revenue on a straight-line basis for qualifying concessions. During the three months ended June 30, 2020, in limited circumstances, we granted temporary rent deferrals and rent abatements to certain tenants. We have made a policy election in accordance with the Staff Q&A allowing us to not account for these rent concessions as lease modifications. Accordingly, rent abatements are recognized as reductions to "rental revenues" during the period in which they were granted. Rent deferrals result in an increase to "tenant and other receivables" during the deferral period with no impact on rental revenue recognition. For any concessions that do not meet the guidance contained in the Q&A, the modification guidance in accordance with ASC 842 will be applied. See Note 2 - *COVID-19 Pandemic* for further details.

5. Revenue Recognition

Our rental revenues include revenues from the leasing of space to tenants at our properties and revenues from parking and tenant services. We have the following revenue recognition policies:

- Lease revenues from the leasing of space to tenants at our properties. Revenues derived from base rent are recognized over the non-cancelable term of the related leases on a straight-line basis which includes the effects of rent steps and rent abatements. We commence rental revenue recognition when the underlying asset is available for use by the lessee. In addition, in circumstances where we provide a tenant improvement allowance for improvements that are owned by the tenant, we recognize the allowance as a reduction of rental revenue on a straight-line basis over the term of the lease. Revenues derived from the reimbursement of real estate taxes, insurance expenses and common area maintenance expenses are generally recognized in the same period as the related expenses are incurred. As lessor, we have elected to combine the lease components (base and variable rent), non-lease components (reimbursements of common area maintenance expenses) and reimbursement of real estate taxes and insurance expenses from our operating lease agreements and account for the components as a single lease component in accordance with ASC 842.

- Parking revenue arising from the rental of parking spaces at our properties. This income is recognized as the services are transferred in accordance with ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606").

- Tenant services is revenue arising from sub-metered electric, elevator and other services provided to tenants at their request. This revenue is recognized as the services are transferred in accordance with ASC 606.

5. Revenue Recognition - continued

The following is a summary of revenue sources for the three and six months ended June 30, 2020 and 2019.

	Three Months Ended June 30,		Six Months Ended June 30,	
(Amounts in thousands)	2020	2019	2020	2019
Lease revenues	$ 44,099	$ 53,834	$ 96,085	$ 108,330
Parking revenue	636	1,361	1,940	2,856
Tenant services	743	737	1,563	1,524
Rental revenues	$ 45,478	$ 55,932	$ 99,588	$ 112,710

The components of lease revenues for the three and six months ended June 30, 2020 and 2019 are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Amounts in thousands)	2020	2019	2020	2019
Fixed lease revenues	$ 33,590	$ 35,903	$ 67,739	$ 71,632
Variable lease revenues	10,509	17,931	28,346	36,698
Lease revenues	$ 44,099	$ 53,834	$ 96,085	$ 108,330

Bloomberg accounted for revenue of $53,180,000 and $53,676,000 for the six months ended June 30, 2020 and 2019, respectively, representing approximately 53% and 48% of our total revenues in each period, respectively. No other tenant accounted for more than 10% of our total revenues. If we were to lose Bloomberg as a tenant, or if Bloomberg were to be unable to fulfill its obligations under its lease, it would adversely affect our results of operations and financial condition. In order to assist us in our continuing assessment of Bloomberg’s creditworthiness, we receive certain confidential financial information and metrics from Bloomberg. In addition, we access and evaluate financial information regarding Bloomberg from other private sources, as well as publicly available data.

6. Related Party Transactions

Vornado

As of June 30, 2020, Vornado owned 32.4% of our outstanding common stock. We are managed by, and our properties are leased and developed by, Vornado, pursuant to the agreements described below, which expire in March of each year and are automatically renewable.

Management and Development Agreements

We pay Vornado an annual management fee equal to the sum of (i) $2,800,000, (ii) 2% of gross revenue from the Rego Park II shopping center, (iii) $0.50 per square foot of the tenant-occupied office and retail space at 731 Lexington Avenue and (iv) $334,000, escalating at 3% per annum, for managing the common area of 731 Lexington Avenue. Vornado is also entitled to a development fee equal to 6% of development costs, as defined.

Leasing and Other Agreements

Vornado also provides us with leasing services for a fee of 3% of rent for the first ten years of a lease term, 2% of rent for the eleventh through the twentieth year of a lease term, and 1% of rent for the twenty-first through thirtieth year of a lease term, subject to the payment of rents by tenants. In the event third-party real estate brokers are used, the fees to Vornado increase by 1% and Vornado is responsible for the fees to the third-party real estate brokers.

Vornado is also entitled to a commission upon the sale of any of our assets equal to 3% of gross proceeds, as defined, for asset sales less than $50,000,000 and 1% of gross proceeds, as defined, for asset sales of $50,000,000 or more.

We also have agreements with Building Maintenance Services LLC, a wholly owned subsidiary of Vornado, to supervise (i) cleaning, engineering and security services at our 731 Lexington Avenue property and (ii) security services at our Rego Park I and Rego Park II properties and The Alexander apartment tower.

6. Related Party Transactions - continued

The following is a summary of fees to Vornado under the various agreements discussed above.

	Three Months Ended June 30,		Six Months Ended June 30,	
(Amounts in thousands)	2020	2019	2020	2019
Company management fees	$ 700	$ 700	$ 1,400	$ 1,400
Development fees	122	5	268	29
Leasing fees	9	2,017	59	2,746
Property management, cleaning, engineering and security fees	1,139	1,297	2,445	2,444
	$ 1,970	$ 4,019	$ 4,172	$ 6,619

As of June 30, 2020, the amounts due to Vornado were $659,000 for management, property management, cleaning, engineering and security fees and $337,000 for development fees. As of December 31, 2019, the amounts due to Vornado were $795,000 for management, property management, cleaning, engineering and security fees; $563,000 for leasing fees; and $68,000 for development fees.

7. Marketable Securities

As of June 30, 2020 and December 31, 2019, we owned 564,612 and 535,265 common shares, respectively, of The Macerich Company ("Macerich") (NYSE: MAC). The increase in shares owned was due to a dividend received in stock from Macerich during the three months ended June 30, 2020. As of June 30, 2020 and December 31, 2019, the fair value of these shares was $5,065,000 and $14,409,000, respectively, based on Macerich's closing share price of $8.97 per share and $26.92 per share, respectively. These shares are presented at fair value as "marketable securities" on our consolidated balance sheets and the gains and losses resulting from the mark-to-market of these securities are recognized in current period earnings.

8. Mortgages Payable

On December 12, 2018, we completed a refinancing of our Rego Park II shopping center in the amount of $252,544,000. The loan is at LIBOR plus 1.35% (1.53% as of June 30, 2020) and matures in December 2025. As of December 31, 2019, we had a participation in the mortgage in the amount of $195,708,000 which for GAAP purposes was netted against the mortgage balance. On February 14, 2020, we reduced our participation in the mortgage loan to $50,000,000 and received cash proceeds of approximately $145,000,000. Therefore, the balance sheet amount of the mortgage loan was $202,544,000 and $56,836,000 as of June 30, 2020 and December 31, 2019, respectively.

8. Mortgages Payable - continued

The following is a summary of our outstanding mortgages payable as of June 30, 2020 and December 31, 2019. We may refinance our maturing debt as it comes due or choose to pay it down.

(Amounts in thousands)	Maturity	Interest Rate at June 30, 2020	Balance at June 30, 2020	Balance at December 31, 2019
First mortgages secured by:				
731 Lexington Avenue, retail condominium[(1)]	Aug. 05, 2020	1.57%	$ 350,000	$ 350,000
Paramus	Oct. 04, 2021	4.72%	68,000	68,000
731 Lexington Avenue, office condominium[(2)]	Jun. 11, 2024	1.09%	500,000	500,000
Rego Park II shopping center[(3)]	Dec. 12, 2025	1.53%	202,544	56,836
Total			1,120,544	974,836
Deferred debt issuance costs, net of accumulated amortization of $16,605 and $14,362, respectively			(1,731)	(3,875)
			$ 1,118,813	$ 970,961

(1) Interest at LIBOR plus 1.40%. This loan matures on August 5, 2020; we are in discussions with the lender.
(2) Interest at LIBOR plus 0.90%. Maturity represents the extended maturity based on our unilateral right to extend.
(3) Interest at LIBOR plus 1.35%. The amount of this loan is net of our loan participation of $50,000 and $195,708 as of June 30, 2020 and December 31, 2019, respectively.

9. Stock-Based Compensation

We account for stock-based compensation in accordance with ASC Topic 718, *Compensation – Stock Compensation* ("ASC 718"). Our 2016 Omnibus Stock Plan (the "Plan") provides for grants of incentive and non-qualified stock options, restricted stock, stock appreciation rights, deferred stock units ("DSUs") and performance shares, as defined, to the directors, officers and employees of the Company and Vornado.

In May 2020, we granted each of the members of our Board of Directors 329 DSUs with a market value of $75,000 per grant. The grant date fair value of these awards was $56,250 per grant, or $450,000 in the aggregate, in accordance with ASC 718. In addition, 876 DSUs, constituting an initial award with a market value of $200,000, were granted to a newly appointed Director. The grant date fair value of this award was $150,000 in accordance with ASC 718. The DSUs entitle the holders to receive shares of the Company's common stock without the payment of any consideration. The DSUs vested immediately and accordingly, were expensed on the date of grant, but the shares of common stock underlying the DSUs are not deliverable to the grantee until the grantee is no longer serving on the Company's Board of Directors. As of June 30, 2020, there were 14,916 DSUs outstanding and 490,871 shares were available for future grant under the Plan.

10. Fair Value Measurements

ASC Topic 820, *Fair Value Measurement* ("ASC 820") defines fair value and establishes a framework for measuring fair value. ASC 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three levels: Level 1 – quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities; Level 2 – observable prices that are based on inputs not quoted in active markets, but corroborated by market data; and Level 3 – unobservable inputs that are used when little or no market data is available. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In determining fair value, we utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as consider counterparty credit risk in our assessment of fair value.

10. Fair Value Measurements - continued

Financial Assets and Liabilities Measured at Fair Value

Financial assets measured at fair value on our consolidated balance sheets as of June 30, 2020 and December 31, 2019, consist of marketable securities, which are presented in the table below based on their level in the fair value hierarchy, and an interest rate cap, which fair value was insignificant as of June 30, 2020 and December 31, 2019. There were no financial liabilities measured at fair value as of June 30, 2020 and December 31, 2019.

	As of June 30, 2020			
(Amounts in thousands)	Total	Level 1	Level 2	Level 3
Marketable securities	$ 5,065	$ 5,065	$ —	$ —

	As of December 31, 2019			
(Amounts in thousands)	Total	Level 1	Level 2	Level 3
Marketable securities	$ 14,409	$ 14,409	$ —	$ —

Financial Assets and Liabilities not Measured at Fair Value

Financial assets and liabilities that are not measured at fair value on our consolidated balance sheets include cash equivalents and mortgages payable. Cash equivalents are carried at cost, which approximates fair value due to their short-term maturities and are classified as Level 1. The fair value of our mortgages payable is calculated by discounting the future contractual cash flows of these instruments using current risk-adjusted rates available to borrowers with similar credit ratings, which are provided by a third-party specialist, and is classified as Level 2. The table below summarizes the carrying amounts and fair values of these financial instruments as of June 30, 2020 and December 31, 2019.

	As of June 30, 2020		As of December 31, 2019	
(Amounts in thousands)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash equivalents	$ 406,109	$ 406,109	$ 263,688	$ 263,688
Liabilities:				
Mortgages payable (excluding deferred debt issuance costs, net)	$ 1,120,544	$ 1,098,000	$ 974,836	$ 974,000

11. Commitments and Contingencies

Insurance

We maintain general liability insurance with limits of $300,000,000 per occurrence and per property, of which the first $1,000,000 includes communicable disease coverage, and all-risk property and rental value insurance coverage with limits of $1.7 billion per occurrence, including coverage for acts of terrorism, with sub-limits for certain perils such as floods and earthquakes on each of our properties.

Fifty Ninth Street Insurance Company, LLC ("FNSIC"), our wholly owned consolidated subsidiary, acts as a direct insurer for coverage for acts of terrorism, including nuclear, biological, chemical and radiological ("NBCR") acts, as defined by the Terrorism Risk Insurance Act of 2002, as amended to date and which has been extended through December 2027. Coverage for acts of terrorism (including NBCR acts) is up to $1.7 billion per occurrence and in the aggregate. Coverage for acts of terrorism (excluding NBCR acts) is fully reinsured by third party insurance companies and the Federal government with no exposure to FNSIC. For NBCR acts, FNSIC is responsible for a $268,000 deductible and 20% of the balance of a covered loss, and the Federal government is responsible for the remaining 80% of a covered loss. We are ultimately responsible for any loss incurred by FNSIC.

We continue to monitor the state of the insurance market and the scope and costs of coverage for acts of terrorism or other events. However, we cannot anticipate what coverage will be available on commercially reasonable terms in the future. We are responsible for uninsured losses and for deductibles and losses in excess of our insurance coverage, which could be material.

11. Commitments and Contingencies - continued

Our mortgage loans are non-recourse to us and contain customary covenants requiring us to maintain insurance. Although we believe that we have adequate insurance coverage for purposes of these agreements, we may not be able to obtain an equivalent amount of coverage at reasonable costs in the future. If lenders insist on greater coverage than we are able to obtain, it could adversely affect our ability to finance or refinance our properties.

Paramus

In 2001, we leased 30.3 acres of land located in Paramus, New Jersey to IKEA Property, Inc. The lease contains a purchase option in October 2021 for $75,000,000. The property is encumbered by a $68,000,000 interest-only mortgage loan with a fixed rate of 4.72%, which matures in October 2021. The annual triple-net rent is the sum of $700,000 plus the amount of interest on the mortgage loan. If the purchase option is exercised, we will receive net cash proceeds of approximately $7,000,000 and recognize a gain on sale of land of approximately $60,000,000. If the purchase option is not exercised, the triple-net rent for the last 20 years would include debt service sufficient to fully amortize $68,000,000 over the remaining 20-year lease term.

Rego Park I Litigation

In June 2014, Sears Roebuck and Co. ("Sears") filed a lawsuit in the Supreme Court of the State of New York against Vornado and us (and certain of our subsidiaries) with regard to the 195,000 square foot store that Sears leased at our Rego Park I property alleging that the defendants are liable for harm that Sears has suffered as a result of (a) water intrusions into the premises, (b) two fires in February 2014 that caused damages to those premises, and (c) alleged violations of the Americans with Disabilities Act in the premises' parking garage. Sears asserted various causes of actions for damages and sought to compel compliance with landlord's obligations to repair the premises and to provide security, and to compel us to abate a nuisance that Sears claims was a cause of the water intrusions into its premises. In addition to injunctive relief, Sears sought, among other things, damages of not less than $4,000,000 and future damages it estimated would not be less than $25,000,000. In March 2016, Sears withdrew its claim for future damages leaving a remaining claim for property damages, which we estimate to be approximately $650,000 based on information provided by Sears. We intend to defend the remaining claim vigorously. The amount or range of reasonably possible losses, if any, is not expected to be greater than $650,000. On October 15, 2018, Sears filed for Chapter 11 bankruptcy relief resulting in an automatic stay of this case.

Kings Plaza Transfer Tax

In 2012, we sold the Kings Plaza Regional Shopping Center ("Kings Plaza") and paid real property transfer taxes to New York City in connection with the sale. In 2015, the New York City Department of Finance ("NYC DOF") issued a Notice of Determination to us assessing an additional New York City real property transfer tax amount, including interest.

In 2014, in a case with similar facts, the NYC DOF issued a Notice of Determination to a Vornado joint venture assessing an additional New York City real property transfer tax amount, including interest. In January 2017, a New York City administrative law judge made a determination upholding the Vornado joint venture's position that such additional real property transfer taxes were not due. On February 16, 2018, the New York City Tax Appeals Tribunal (the "Tribunal") overturned the January 2017 determination. The Vornado joint venture appealed the Tribunal's decision to the Appellate Division of the Supreme Court of the
State of New York and on April 25, 2019, the Tribunal's decision was unanimously upheld. The Vornado joint venture filed a motion to reargue the Appellate Division's decision or for leave to appeal to the New York State Court of Appeals. On December 12, 2019, that motion was denied and the case can no longer be appealed. Based on the precedent of the Tribunal's decision, we paid the potential additional real property transfer taxes of $23,797,000 ($15,874,000 of real property transfer tax and $7,923,000 of interest) on April 5, 2018. We are currently evaluating our options relating to this matter.

Letters of Credit

Approximately $1,030,000 of standby letters of credit were issued and outstanding as of June 30, 2020.

Other

There are various other legal actions against us in the ordinary course of business. In our opinion, the outcome of such matters in the aggregate will not have a material effect on our financial position, results of operations or cash flows.

12. Earnings Per Share

The following table sets forth the computation of basic and diluted income per share. Basic income per share is determined using the weighted average shares of common stock outstanding during the period. Diluted income per share is determined using the weighted average shares of common stock outstanding during the period, and assumes all potentially dilutive securities were converted into common shares at the earliest date possible. There were no potentially dilutive securities outstanding during the three and six months ended June 30, 2020 and 2019.

	Three Months Ended June 30,		Six Months Ended June 30,	
(Amounts in thousands, except share and per share amounts)	2020	2019	2020	2019
Net income	$ 12,331	$ 11,283	$ 16,903	$ 29,148
Weighted average shares outstanding – basic and diluted	5,120,548	5,118,030	5,119,623	5,117,690
Net income per common share – basic and diluted	$ 2.41	$ 2.20	$ 3.30	$ 5.70

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Alexander’s, Inc.

Results of Review of Interim Financial Information

We have reviewed the accompanying consolidated balance sheet of Alexander’s, Inc. and subsidiaries (the “Company”) as of June 30, 2020, the related consolidated statements of income, comprehensive income and changes in equity, for the three-month and six-month periods ended June 30, 2020 and 2019, and of cash flows for the six-month periods ended June 30, 2020 and 2019, and the related notes (collectively referred to as the “interim financial information”). Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2019, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended (not presented herein); and in our report dated February 18, 2020, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2019, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Basis for Review Results

This interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ DELOITTE & TOUCHE LLP

New York, New York
August 3, 2020

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Certain statements contained in this Quarterly Report constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions. Our future results, financial condition, results of operations and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as "approximates," "believes," "expects," "anticipates," "estimates," "intends," "plans," "would," "may" or other similar expressions in this Quarterly Report on Form 10-Q. These forward-looking statements represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Many of the factors that will determine these items are beyond our ability to control or predict.

Currently, one of the most significant factors is the ongoing adverse effect of the novel strain of coronavirus ("COVID-19") pandemic on our business, financial condition, results of operations, cash flows, operating performance and the effect it has had and may continue to have on our tenants, the global, national, regional and local economies and financial markets and the real estate market in general. The extent of the impact of the COVID-19 pandemic will depend on future developments, including the duration of the pandemic, which are highly uncertain at this time, but that impact could be material. Moreover, you are cautioned that the COVID-19 pandemic will heighten many of the risks identified in "Item 1A. – Risk Factors" in Part I of our Annual Report on Form 10-K for the year ended December 31, 2019, as well as the risks set forth herein.

For a further discussion of factors that could materially affect the outcome of our forward-looking statements, see "Item 1A. – Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019, "Item 1A. – Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and "Item 1A. – Risk Factors" in this Quarterly Report on Form 10-Q. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q or the date of any document incorporated by reference. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly, any revisions to our forward-looking statements to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q.

Management's Discussion and Analysis of Financial Condition and Results of Operations include a discussion of our consolidated financial statements for the three and six months ended June 30, 2020 and 2019. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. The results of operations for the three and six months ended June 30, 2020 are not necessarily indicative of the operating results for the full year.

Critical Accounting Policies

A summary of our critical accounting policies is included in our Annual Report on Form 10-K for the year ended December 31, 2019 in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Note 2 – Summary of Significant Accounting Policies" to the consolidated financial statements included therein. For the six months ended June 30, 2020, there were no material changes to these policies.

Overview

Alexander’s, Inc. (NYSE: ALX) is a real estate investment trust (“REIT”), incorporated in Delaware, engaged in leasing, managing, developing and redeveloping its properties. All references to “we,” “us,” “our,” “Company” and “Alexander’s” refer to Alexander’s, Inc. and its consolidated subsidiaries. We are managed by, and our properties are leased and developed by, Vornado Realty Trust (“Vornado”) (NYSE: VNO). We have seven properties in the greater New York City metropolitan area.

We compete with a large number of property owners and developers. Our success depends upon, among other factors, trends of the world, national and local economies, the financial condition and operating results of current and prospective tenants and customers, the availability and cost of capital, construction and renovation costs, taxes, governmental regulations, legislation, population trends, zoning laws, and our ability to lease, sublease or sell our properties, at profitable levels. Our success is also subject to our ability to refinance existing debt on acceptable terms as it comes due.

COVID-19 Pandemic

In December 2019, a novel strain of coronavirus (“COVID-19”) was identified in Wuhan, China and by March 11, 2020, the World Health Organization had declared it a global pandemic. Many states in the U.S., including New York and New Jersey, implemented stay-at-home orders for all “non-essential” business and activity in an aggressive effort to curb the spread of the virus. In June 2020, the New York City metropolitan area began a phased re-opening of the businesses that were previously ordered to close, with limitations on occupancy and certain other restrictions. It is uncertain as to how long these restrictions will continue or if additional restrictions or closures will be imposed. As a result of the COVID-19 pandemic, the U.S. economy has suffered and there has been significant volatility in the financial markets. Many U.S. industries and businesses have been negatively affected and millions of people have filed for unemployment.

Our properties, which are all located in the greater New York City metropolitan area, have been adversely affected as a result of the COVID-19 pandemic and the preventive measures taken to help curb the spread of the virus. Other than grocery stores and other “essential” businesses, all of our retail tenants closed their stores in March 2020 and although substantially all have re-opened in the latter part of June 2020, when the phased re-opening began, there are limitations on occupancy and other restrictions that limit their ability to resume full operations. Because certain of our redevelopment projects are deemed “non-essential,” they were temporarily paused in March 2020 due to New York State executive orders and resumed under updated safety guidelines once the orders were lifted in June 2020.

In limited circumstances, we have agreed to and may continue to agree to rent deferrals and abatements for certain of our tenants. We have made the policy election available to us based on the Financial Accounting Standards Board’s (“FASB”) guidance for leases during the COVID-19 pandemic, which allows us to continue recognizing rental revenue for rent deferral agreements and to recognize rent abatements as a reduction to rental revenue in the period granted. See Note 4 - *Recently Issued Accounting Literature* for additional information.

Overall, we have collected approximately 89% of rent billed for the quarter ended June 30, 2020 (92% including rent deferrals under agreements which generally require repayment in monthly installments over a period of time not to exceed twelve months), including 100% for our office tenant, approximately 76% for our retail tenants (83% including rent deferrals) and approximately 96% for our residential tenants.

Based on our assessment of the probability of collecting the rent for certain tenants, we have written off as uncollectible $1,022,000 resulting in a reduction of rental revenues during the three and six months ended June 30, 2020. In addition, we have written off receivables arising from the straight-lining of rents of $4,247,000 related to these tenants resulting in a reduction of rental revenues during the three and six months ended June 30, 2020. Prospectively, revenue recognition for these tenants will be based on actual amounts received.

Overview - continued

Quarter Ended June 30, 2020 Financial Results Summary

Net income for the quarter ended June 30, 2020 was $12,331,000, or $2.41 per diluted share, compared to $11,283,000, or $2.20 per diluted share in the prior year's quarter.

Funds from operations ("FFO") (non-GAAP) for the quarter ended June 30, 2020 was $17,995,000, or $3.51 per diluted share, compared to $24,305,000 or $4.75 per diluted share in the prior year's quarter.

Six Months Ended June 30, 2020 Financial Results Summary

Net income for the six months ended June 30, 2020 was $16,903,000, or $3.30 per diluted share, compared to $29,148,000, or $5.70 per diluted share in the prior year's six months.

FFO (non-GAAP) for the six months ended June 30, 2020 was $41,739,000, or $8.15 per diluted share, compared to $49,836,000 or $9.74 per diluted share in the prior year's six months.

Square Footage, Occupancy and Leasing Activity

As of June 30, 2020, our portfolio was comprised of seven properties aggregating 2,449,000 square feet, of which 2,254,000 square feet was in service and 195,000 square feet (the former Sears space at our Rego Park I property) was out of service for redevelopment. The in service square feet was 97% occupied as of June 30, 2020.

Significant Tenant

Bloomberg accounted for revenue of $53,180,000 and $53,676,000 for the six months ended June 30, 2020 and 2019, respectively, representing approximately 53% and 48% of our total revenues in each period, respectively. No other tenant accounted for more than 10% of our total revenues. If we were to lose Bloomberg as a tenant, or if Bloomberg were to be unable to fulfill its obligations under its lease, it would adversely affect our results of operations and financial condition. In order to assist us in our continuing assessment of Bloomberg's creditworthiness, we receive certain confidential financial information and metrics from Bloomberg. In addition, we access and evaluate financial information regarding Bloomberg from other private sources, as well as publicly available data.

Results of Operations – Three Months Ended June 30, 2020, compared to June 30, 2019

Rental Revenues

Rental revenues were $45,478,000 in the quarter ended June 30, 2020, compared to $55,932,000 in the prior year's quarter, a decrease of $10,454,000. This decrease was primarily due to (i) $4,247,000 from the write-off of receivables arising from the straight-lining of rents from certain of our retail tenants, (ii) $2,999,000 from retail tenant vacancies at our 731 Lexington Avenue property and (iii) $1,022,000 of lower rental income from certain of our retail tenants which were deemed uncollectible.

Operating Expenses

Operating expenses were $19,778,000 in the quarter ended June 30, 2020, compared to $21,667,000 in the prior year's quarter, a decrease of $1,889,000. This decrease was primarily due to lower reimbursable operating expenses.

Depreciation and Amortization

Depreciation and amortization was $7,633,000 in the quarter ended June 30, 2020, compared to $7,869,000 in the prior year's quarter, a decrease of $236,000.

General and Administrative Expenses

General and administrative expenses were $2,111,000 in the quarter ended June 30, 2020, compared to $1,893,000 in the prior year's quarter, an increase of $218,000. This increase was primarily due to higher stock-based compensation expense in connection with the fair value of deferred stock units granted to a newly appointed member of our Board of Directors during the second quarter of 2020, comprised of an initial award of $150,000 and a $56,000 annual award.

Interest and Other Income, net

Interest and other income, net was $710,000 in the quarter ended June 30, 2020, compared to $2,223,000 in the prior year's quarter, a decrease of $1,513,000. This decrease was primarily due to $1,517,000 of lower interest income due to a decrease in average interest rates.

Interest and Debt Expense

Interest and debt expense was $6,172,000 in the quarter ended June 30, 2020, compared to $10,165,000 in the prior year's quarter, a decrease of $3,993,000. This decrease was primarily due to $4,400,000 of lower interest expense due to a decrease in LIBOR, partially offset by $612,000 of higher interest expense due to an increase in average debt balances.

Change in Fair Value of Marketable Securities

Change in fair value of marketable securities was income of $1,837,000 in the quarter ended June 30, 2020, consisting of $1,788,000 resulting from an increase in The Macerich Company's ("Macerich") share price of $3.34 on 535,265 shares owned and $49,000 resulting from an increase in Macerich's share price of $1.67 on 29,347 shares owned. Change in fair value of marketable securities was an expense of $5,278,000 in the prior year's quarter, resulting from a decrease in Macerich's share price of $9.86 on 535,265 shares owned.

Results of Operations – Six Months Ended June 30, 2020, compared to June 30, 2019

Rental Revenues

Rental revenues were $99,588,000 in the six months ended June 30, 2020, compared to $112,710,000 in the prior year's six months, a decrease of $13,122,000. This decrease was primarily due to (i) $6,012,000 from retail tenant vacancies at our 731 Lexington Avenue property, (ii) $4,314,000 from the write-off of receivables arising from the straight-lining of rents from certain of our retail tenants and (iii) $1,022,000 of lower rental income from certain of our retail tenants which were deemed uncollectible.

Operating Expenses

Operating expenses were $41,531,000 in the six months ended June 30, 2020, compared to $43,516,000 in the prior year's six months, a decrease of $1,985,000. This decrease was primarily due to lower reimbursable operating expenses.

Depreciation and Amortization

Depreciation and amortization was $15,542,000 in the six months ended June 30, 2020, compared to $15,697,000 in the prior year's six months, a decrease of $155,000.

General and Administrative Expenses

General and administrative expenses were $3,562,000 in the six months ended June 30, 2020, compared to $3,138,000 in the prior year's six months, an increase of $424,000. This increase was primarily due to higher stock-based compensation expense in connection with the fair value of deferred stock units granted to a newly appointed member of our Board of Directors during the second quarter of 2020, comprised of an initial award of $150,000 and a $56,000 annual award and $183,000 due to higher professional fees.

Interest and Other Income, net

Interest and other income, net was $2,253,000 in the six months ended June 30, 2020, compared to $4,353,000 in the prior year's six months, a decrease of $2,100,000. This decrease was primarily due to $2,404,000 of lower interest income due to a decrease in average interest rates, partially offset by $433,000 of higher interest income due to an increase in average investment balances.

Interest and Debt Expense

Interest and debt expense was $14,745,000 in the six months ended June 30, 2020, compared to $20,324,000 in the prior year's six months, a decrease of $5,579,000. This decrease was primarily due to $6,525,000 of lower interest expense due to a decrease in LIBOR, partially offset by $1,204,000 of higher interest expense due to an increase in average debt balances.

Change in Fair Value of Marketable Securities

Change in fair value of marketable securities was an expense of $9,558,000 in the six months ended June 30, 2020, consisting of $9,607,000 resulting from a decrease in Macerich's share price of $17.95 on 535,265 shares owned, partially offset by $49,000 resulting from an increase in Macerich's share price of $1.67 on 29,347 shares owned. Change in fair value of marketable securities was an expense of $5,240,000 in the prior year's six months, resulting from a decrease in Macerich's share price of $9.79 on 535,265 shares owned.

Liquidity and Capital Resources

Cash Flows

Rental revenue is our primary source of cash flow and is dependent on a number of factors, including the occupancy level and rental rates of our properties, as well as our tenants' ability to pay their rents. Our properties provide us with a relatively consistent stream of cash flow that enables us to pay our operating expenses, interest expense, recurring capital expenditures and cash dividends to stockholders. As a result of the COVID-19 pandemic, in limited circumstances, we have agreed to and may continue to agree to rent deferrals and abatements for certain of our tenants. Overall, we have collected approximately 89% of rent billed for the quarter ended June 30, 2020 (92% including rent deferrals under agreements which generally require repayment in monthly installments over a period of time not to exceed twelve months), including 100% for our office tenant, approximately 76% for our retail tenants (83% including rent deferrals) and approximately 96% for our residential tenants. Other sources of liquidity to fund cash requirements include our existing cash, proceeds from financings, including mortgage or construction loans secured by our properties and proceeds from asset sales.

As of June 30, 2020, we have $458,330,000 of liquidity comprised of $453,265,000 of cash and cash equivalents and restricted cash and $5,065,000 of marketable securities. We anticipate that cash flows from continuing operations over the next twelve months, together with existing cash balances, will be adequate to fund our business operations, cash dividends to stockholders, debt amortization and capital expenditures. We may refinance our maturing debt as it comes due or choose to pay it down. However, there can be no assurance that additional financing or capital will be available to refinance our debt, or that the terms will be acceptable or advantageous to us. The non-recourse mortgage loan for the retail condominiums of our 731 Lexington Avenue property matures on August 5, 2020; we are in discussions with the lender. The challenges posed by the COVID-19 pandemic and the impact on our business and cash flows are evolving rapidly and cannot be predicted at this time but that impact could be material. Consequently, we will continue to evaluate our liquidity and financial position on an ongoing basis.

Six Months Ended June 30, 2020

Cash and cash equivalents and restricted cash were $453,265,000 as of June 30, 2020, compared to $313,977,000 as of December 31, 2019, an increase of $139,228,000. This increase resulted from (i) $99,541,000 of net cash provided by financing activities and (ii) $52,756,000 of net cash provided by operating activities, partially offset by (iii) $13,009,000 of net cash used in investing activities.

Net cash provided by financing activities of $99,541,000 was primarily comprised of proceeds from the reduction of our participation in our Rego Park II mortgage loan of $145,708,000, partially offset by dividends paid of $46,068,000.

Net cash provided by operating activities of $52,756,000 was comprised of (i) net income of $16,903,000 and (ii) adjustments for non-cash items of $37,578,000, partially offset by (iii) the net change in operating assets and liabilities of $1,725,000. The adjustments for non-cash items were comprised of (i) depreciation and amortization (including amortization of debt issuance costs) of $17,792,000, (ii) the change in fair value of marketable securities of $9,558,000, (iii) straight-lining of rental income of $8,820,000, (iv) write-off of tenant receivables of $1,022,000 and (v) stock based compensation expense of $600,000, partially offset by (vi) $214,000 of dividends received in stock from Macerich.

Net cash used in investing activities was comprised of construction in progress and real estate additions of $13,009,000.

Six Months Ended June 30, 2019

Cash and cash equivalents and restricted cash were $289,322,000 as of June 30, 2019, compared to $289,495,000 as of December 31, 2018, a decrease of $173,000. This decrease resulted from (i) $46,070,000 of net cash used in financing activities and (ii) $4,901,000 of net cash used in investing activities, partially offset by (iii) $50,798,000 of net cash provided by operating activities.

Net cash used in financing activities was primarily comprised of dividends paid of $46,056,000.

Net cash used in investing activities was comprised of construction in progress and real estate additions of $4,901,000.

Net cash provided by operating activities of $50,798,000 was comprised of (i) net income of $29,148,000 and (ii) adjustments for non-cash items of $25,225,000, partially offset by (iii) the net change in operating assets and liabilities of $3,575,000. The adjustments for non-cash items were comprised of (i) depreciation and amortization (including amortization of debt issuance costs) of $18,278,000, (ii) the change in fair value of marketable securities of $5,240,000, (iii) straight-lining of rental income of $1,313,000 and (iv) stock-based compensation expense of $394,000.

Liquidity and Capital Resources - continued

Commitments and Contingencies

Insurance

We maintain general liability insurance with limits of $300,000,000 per occurrence and per property, of which the first $1,000,000 includes communicable disease coverage, and all-risk property and rental value insurance coverage with limits of $1.7 billion per occurrence, including coverage for acts of terrorism, with sub-limits for certain perils such as floods and earthquakes on each of our properties.

Fifty Ninth Street Insurance Company, LLC ("FNSIC"), our wholly owned consolidated subsidiary, acts as a direct insurer for coverage for acts of terrorism, including nuclear, biological, chemical and radiological ("NBCR") acts, as defined by the Terrorism Risk Insurance Act of 2002, as amended to date and which has been extended through December 2027. Coverage for acts of terrorism (including NBCR acts) is up to $1.7 billion per occurrence and in the aggregate. Coverage for acts of terrorism (excluding NBCR acts) is fully reinsured by third party insurance companies and the Federal government with no exposure to FNSIC. For NBCR acts, FNSIC is responsible for a $268,000 deductible and 20% of the balance of a covered loss, and the Federal government is responsible for the remaining 80% of a covered loss. We are ultimately responsible for any loss incurred by FNSIC.

We continue to monitor the state of the insurance market and the scope and costs of coverage for acts of terrorism or other events. However, we cannot anticipate what coverage will be available on commercially reasonable terms in the future. We are responsible for uninsured losses and for deductibles and losses in excess of our insurance coverage, which could be material.

Our mortgage loans are non-recourse to us and contain customary covenants requiring us to maintain insurance. Although we believe that we have adequate insurance coverage for purposes of these agreements, we may not be able to obtain an equivalent amount of coverage at reasonable costs in the future. If lenders insist on greater coverage than we are able to obtain, it could adversely affect our ability to finance or refinance our properties.

Paramus

In 2001, we leased 30.3 acres of land located in Paramus, New Jersey to IKEA Property, Inc. The lease contains a purchase option in October 2021 for $75,000,000. The property is encumbered by a $68,000,000 interest-only mortgage loan with a fixed rate of 4.72%, which matures in October 2021. The annual triple-net rent is the sum of $700,000 plus the amount of interest on the mortgage loan. If the purchase option is exercised, we will receive net cash proceeds of approximately $7,000,000 and recognize a gain on sale of land of approximately $60,000,000. If the purchase option is not exercised, the triple-net rent for the last 20 years would include debt service sufficient to fully amortize $68,000,000 over the remaining 20-year lease term.

Rego Park I Litigation

In June 2014, Sears Roebuck and Co. ("Sears") filed a lawsuit in the Supreme Court of the State of New York against Vornado and us (and certain of our subsidiaries) with regard to the 195,000 square foot store that Sears leased at our Rego Park I property alleging that the defendants are liable for harm that Sears has suffered as a result of (a) water intrusions into the premises, (b) two fires in February 2014 that caused damages to those premises, and (c) alleged violations of the Americans with Disabilities Act in the premises' parking garage. Sears asserted various causes of actions for damages and sought to compel compliance with landlord's obligations to repair the premises and to provide security, and to compel us to abate a nuisance that Sears claims was a cause of the water intrusions into its premises. In addition to injunctive relief, Sears sought, among other things, damages of not less than $4,000,000 and future damages it estimated would not be less than $25,000,000. In March 2016, Sears withdrew its claim for future damages leaving a remaining claim for property damages, which we estimate to be approximately $650,000 based on information provided by Sears. We intend to defend the remaining claim vigorously. The amount or range of reasonably possible losses, if any, is not expected to be greater than $650,000. On October 15, 2018, Sears filed for Chapter 11 bankruptcy relief resulting in an automatic stay of this case.

Kings Plaza Transfer Tax

In 2012, we sold the Kings Plaza Regional Shopping Center (“Kings Plaza”) and paid real property transfer taxes to New York City in connection with the sale. In 2015, the New York City Department of Finance (“NYC DOF”) issued a Notice of Determination to us assessing an additional New York City real property transfer tax amount, including interest.

In 2014, in a case with similar facts, the NYC DOF issued a Notice of Determination to a Vornado joint venture assessing an additional New York City real property transfer tax amount, including interest. In January 2017, a New York City administrative law judge made a determination upholding the Vornado joint venture’s position that such additional real property transfer taxes were not due. On February 16, 2018, the New York City Tax Appeals Tribunal (the “Tribunal”) overturned the January 2017 determination. The Vornado joint venture appealed the Tribunal’s decision to the Appellate Division of the Supreme Court of the State of New York and on April 25, 2019, the Tribunal’s decision was unanimously upheld. The Vornado joint venture filed a motion to reargue the Appellate Division’s decision or for leave to appeal to the New York State Court of Appeals. On December 12, 2019, that motion was denied and the case can no longer be appealed. Based on the precedent of the Tribunal’s decision, we paid the potential additional real property transfer taxes of $23,797,000 ($15,874,000 of real property transfer tax and $7,923,000 of interest) on April 5, 2018. We are currently evaluating our options relating to this matter.

Letters of Credit

Approximately $1,030,000 of standby letters of credit were issued and outstanding as of June 30, 2020.

Other

There are various other legal actions against us in the ordinary course of business. In our opinion, the outcome of such matters in the aggregate will not have a material effect on our financial position, results of operations or cash flows.

Funds from Operations ("FFO") (non-GAAP)

FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gains from sales of depreciable real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets and other specified items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. A reconciliation of our net income to FFO is provided below.

FFO (non-GAAP) for the three and six months ended June 30, 2020 and 2019

FFO (non-GAAP) for the quarter ended June 30, 2020 was $17,995,000, or $3.51 per diluted share, compared to $24,305,000, or $4.75 per diluted share in the prior year's quarter.

FFO (non-GAAP) for the six months ended June 30, 2020 was $41,739,000, or $8.15 per diluted share, compared to $49,836,000, or $9.74 per diluted share in the prior year's six months.

The following table reconciles our net income to FFO (non-GAAP):

	Three Months Ended June 30,		Six Months Ended June 30,	
(Amounts in thousands, except share and per share amounts)	2020	2019	2020	2019
Net income	$ 12,331	$ 11,283	$ 16,903	$ 29,148
Depreciation and amortization of real property	7,501	7,744	15,278	15,448
Change in fair value of marketable securities	(1,837)	5,278	9,558	5,240
FFO (non-GAAP)	$ 17,995	$ 24,305	$ 41,739	$ 49,836
FFO per diluted share (non-GAAP)	$ 3.51	$ 4.75	$ 8.15	$ 9.74
Weighted average shares used in computing FFO per diluted share	5,120,548	5,118,030	5,119,623	5,117,690

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We have exposure to fluctuations in interest rates, which are sensitive to many factors that are beyond our control. Our exposure to a change in interest rates is summarized in the table below.

(Amounts in thousands, except per share amounts)	2020 June 30, Balance	2020 Weighted Average Interest Rate	2020 Effect of 1% Change in Base Rates	2019 December 31, Balance	2019 Weighted Average Interest Rate
Variable Rate	$ 1,052,544	1.33%	$ 10,525	$ 906,836	2.85%
Fixed Rate	68,000	4.72%	—	68,000	4.72%
	$ 1,120,544	1.54%	$ 10,525	$ 974,836	2.98%
Total effect on diluted earnings per share			$ 2.06		

As of June 30, 2020, we have an interest rate cap with a notional amount of $500,000,000 that caps LIBOR at a rate of 6.0%.

Fair Value of Debt

The fair value of our mortgages payable is calculated by discounting the future contractual cash flows of these instruments using current risk-adjusted rates available to borrowers with similar credit ratings, which are provided by a third-party specialist. As of June 30, 2020 and December 31, 2019, the estimated fair value of our mortgages payable was $1,098,000 and $974,000,000, respectively. Our fair value estimates, which are made at the end of the reporting period, may be different from the amounts that may ultimately be realized upon the disposition of our financial instruments.

Item 4. Controls and Procedures

(a) Disclosure Controls and Procedures: Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, our disclosure controls and procedures are effective.

(b) Internal Control Over Financial Reporting: There have not been any changes in our internal control over financial reporting during the fiscal quarter to which this Quarterly Report on Form 10-Q relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are from time to time involved in legal actions arising in the ordinary course of business. In our opinion, the outcome of such matters in the aggregate will not have a material effect on our financial condition, results of operations or cash flows.

For a discussion of the litigation concerning our Rego Park I property, see “Part I – Financial Information, Item 1 – Financial Statements, Note 11 – Commitments and Contingencies.”

Item 1A. Risk Factors

Except as set forth below, there were no material changes to the “Risk Factors” disclosed in our Annual Report on Form 10-K for the year ended December 31, 2019 (“2019 Form 10-K”) and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

Our business, financial condition, results of operations and cash flows have been and are expected to continue to be adversely affected by the recent COVID-19 pandemic and the impact could be material to us.

In December 2019, a novel strain of coronavirus (“COVID-19”) was identified in Wuhan, China and by March 11, 2020, the World Health Organization had declared it a global pandemic. Many states in the U.S., including New York and New Jersey, implemented stay-at-home orders for all “non-essential” business and activity in an aggressive effort to curb the spread of the virus. In June 2020, the New York City metropolitan area began a phased re-opening of the businesses that were previously ordered to close, with limitations on occupancy and certain other restrictions. It is uncertain as to how long these restrictions will continue or if additional restrictions or closures will be imposed. As a result of the COVID-19 pandemic, the U.S. economy has suffered and there has been significant volatility in the financial markets. Many U.S. industries and businesses have been negatively affected and millions of people have filed for unemployment.

Our properties, which are all located in the greater New York City metropolitan area, have been adversely affected as a result of the COVID-19 pandemic and the preventive measures taken to help curb the spread of the virus. Other than grocery stores and other “essential” businesses, all of our retail tenants closed their stores in March 2020 and although substantially all have re-opened in the latter part of June 2020, when the phased re-opening began, there are limitations on occupancy and other restrictions that limit their ability to resume full operations. Because certain of our redevelopment projects are deemed “non-essential,” they were temporarily paused in March 2020 due to New York State executive orders and resumed under updated safety guidelines once the orders were lifted in June 2020.

In limited circumstances, we have agreed to and may continue to agree to rent deferrals and abatements for certain of our tenants. Overall, we have collected approximately 89% of rent billed for the quarter ended June 30, 2020 (92% including rent deferrals under agreements which generally require repayment in monthly installments over a period of time not to exceed twelve months), including 100% for our office tenant, approximately 76% for our retail tenants (83% including rent deferrals) and approximately 96% for our residential tenants.

Numerous Federal, state, local and industry-initiated efforts may also affect our ability to collect rent or enforce remedies for the failure to pay rent. Certain of our tenants may incur significant costs or losses as a result of the COVID-19 pandemic and/or incur other liabilities related to shelter-in-place orders, quarantines, infection or other related factors.

Item 1A. Risk Factors - continued

The COVID-19 pandemic has also caused, and is likely to continue to cause, severe economic, market or other disruptions worldwide. Conditions in the bank lending, capital and other financial markets may deteriorate as a result of the pandemic, our access to capital and other sources of funding may become constrained and the ratios of our debt to asset values may deteriorate, which could adversely affect the availability and terms of future borrowings, renewals or refinancings. In addition, the deterioration of global, national, regional and local economic conditions as a result of the pandemic may ultimately decrease occupancy and/or rent levels across our portfolio as tenants reduce or defer their spending, which may result in less cash flow available for operating costs, to pay our indebtedness and for distribution to our stockholders and the impact could be material. In addition, the value of our real estate assets may decline, which may result in non-cash impairment charges in future periods and the impact could be material. The extent of the COVID-19 pandemic's effect on our operational and financial performance will depend on future developments, including the duration, spread and intensity of the outbreak and governmental responses thereto, all of which are uncertain and difficult to predict. Due to the speed with which the situation is developing, we are not able at this time to estimate the ultimate effect of these factors on our business, but the adverse impact on our business, results of operations, financial condition and cash flows could be material. The potential effects of COVID-19 also could impact many of our risk factors included in our 2019 Form 10-K. However, the potential impact remains uncertain.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibits required by Item 601 of Regulation S-K are filed herewith and are listed in the attached Exhibit Index.

EXHIBIT INDEX

Exhibit No.		
15.1	-	Letter regarding unaudited interim financial information
31.1	-	Rule 13a-14 (a) Certification of the Chief Executive Officer
31.2	-	Rule 13a-14 (a) Certification of the Chief Financial Officer
32.1	-	Section 1350 Certification of the Chief Executive Officer
32.2	-	Section 1350 Certification of the Chief Financial Officer
101	-	The following financial information from the Alexander's, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 formatted in Inline Extensible Business Reporting Language (iXBRL) includes: (i) consolidated balance sheets, (ii) consolidated statements of income, (iii) consolidated statements of comprehensive income, (iv) consolidated statements of changes in equity, (v) consolidated statements of cash flows and (vi) the notes to the consolidated financial statements
104	-	The cover page from the Alexander's, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 formatted as iXBRL and contained in Exhibit 101

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

		ALEXANDER'S, INC.
		(Registrant)
Date: August 3, 2020	By:	/s/ Matthew Iocco
		Matthew Iocco
		Chief Financial Officer (duly authorized officer and principal financial and accounting officer)

EXHIBIT 15.1

August 3, 2020

The Board of Directors and Stockholders of Alexander’s, Inc.
210 Route 4 East
Paramus, New Jersey 07652

We are aware that our report dated August 3, 2020, on our review of the interim financial information of Alexander’s, Inc. appearing in this Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, is incorporated by reference in Registration Statement No. 333-212838 on Form S-8 and Registration Statement No. 333-224054 on Form S-3.

/s/ DELOITTE & TOUCHE LLP

New York, New York

EXHIBIT 31.1

CERTIFICATION

I, Steven Roth, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alexander’s, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure control and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

August 3, 2020

/s/ Steven Roth

Steven Roth
Chairman of the Board and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Matthew Iocco, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alexander's, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure control and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 3, 2020

/s/ Matthew Iocco

Matthew Iocco
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Alexander's, Inc. (the "Company"), hereby certifies, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 (the "Report") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 3, 2020		/s/ Steven Roth
	Name:	Steven Roth
	Title:	Chairman of the Board and Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Alexander's, Inc. (the "Company"), hereby certifies, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 (the "Report") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 3, 2020		/s/ Matthew Iocco
	Name:	Matthew Iocco
	Title:	Chief Financial Officer