EXHIBIT INDEX ON PAGE 43

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2000

Commission file number: 1-6064

ALEXANDER'S, 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 No.)
888 Seventh Avenue, New York, New York.	10019
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 894-7000

210 Route 4 East, Paramus, New Jersey 07652
(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	Name of each exchange on which registered
Common Stock, $1 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: NONE

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 X NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of the common stock held by non-affiliates of the Registrant (based upon the closing price of the stock on the New York Stock Exchange on February 9, 2001) was approximately $131,783,000.

5,000,850 shares of the Registrant's common stock, par value $1 per share, were outstanding as of February 9, 2001.

Documents Incorporated by Reference

Part III: Proxy Statement for Annual Meeting of Shareholders to be held May 30, 2001

TABLE OF CONTENTS

(1) These items are omitted because the Registrant will file a definitive Proxy Statement pursuant to Regulation 14A involving the election of directors with the Securities and Exchange Commission not later than 120 days after December 31, 2000, which is incorporated by reference.

PART I

Item 1. Business

GENERAL

Alexander's, Inc. (the "Company") is a real estate investment trust ("REIT") engaged in leasing, managing, developing and redeveloping properties. Alexander's activities are conducted through its manager, Vornado Realty Trust ("Vornado").

Alexander's has seven properties consisting of:

Operating properties:

(i) the Rego Park I property located on Queens Boulevard and 63rd Road in Rego Park, Queens, New York, which contains a 351,000 square foot building, which is 100% leased to Sears, Circuit City, Bed Bath & Beyond, Marshalls and Old Navy;

(ii) the recently renovated Kings Plaza Regional Shopping Center on Flatbush Avenue in Brooklyn, New York, which contains 1,100,000 square feet is comprised of a two-level mall containing 477,000 square feet (the "Mall), a 289,000 square foot department store leased to Sears and another anchor department store owned and operated as a Macy's by Federated Department Stores, Inc. ("Federated");

(iii) the Flushing property located at Roosevelt Avenue and Main Street in Flushing, New York, which contains a 177,000 square foot building currently unoccupied; and

(iv) the Third Avenue property located at Third Avenue and 152nd Street in the Bronx, New York, which contains a 173,000 square foot building leased to an affiliate of Conway.

Non-operating properties to be developed:

(v) the Lexington Avenue property which comprises the entire square block bounded by Lexington Avenue, East 59th Street, Third Avenue and East 58th Street in Manhattan, New York;

(vi) the Paramus property which consists of 30.3 acres of land located at the intersection of Routes 4 and 17 in Paramus, New Jersey; and

(vii) the Rego Park II property, which comprises one and one-half square blocks of vacant land adjacent to the Rego Park I property.

The Company has completed the excavation and laying the foundation for its Lexington Avenue property as part of the proposed development of a large multi-use building. The proposed building is expected to be comprised of a commercial portion, which may include a combination of retail stores, offices, hotel space, extended stay residences, residential rentals and parking; and a residential portion, consisting of condominium units. The capital required for the proposed building will be in excess of $650,000,000.

If the residential portion of the property is developed, the air rights representing the residential portion would be transferred to a taxable REIT subsidiary, as a REIT is not permitted to sell condominiums without being subject to a 100% excise tax on the gain from the sale of such condominiums.

The Company sold its Fordham road property, located in the Bronx, New York, on January 12, 2001. The vacant property contains 303,000 square feet and was sold for $25,500,000 resulting in a gain of $19,000,000. In addition, the Company paid off the mortgage on this property at a discount, which resulted in an extraordinary gain from the early extinguishment of debt of $3,500,000.

Sears accounted for 21%, 22% and 28% of the Company's consolidated revenues for the years ended December 31, 2000, 1999 and 1998, respectively. No other tenant accounted for more than 10% of revenues.

The Company has completed a renovation of the Kings Plaza Regional Shopping Center (the "Center") at a total cost of $48,000,000, of which $42,392,000 has been expended as of December 31, 2000. Included in the $48,000,000 is $15,000,000 that the Company agreed to pay Federated to renovate its Macy's store at the Center. This agreement was part of the terms of the acquisition, by the Company, of Federated's 50% interest in the Center in June 1998. The remainder of the Center renovation (the exterior) is expected to be completed in 2001.

In the aggregate, Alexander's operating properties do not generate sufficient cash flow to pay all of its expenses. The Company's three non-operating properties (Lexington Avenue, Paramus, and Rego Park II) are in various stages of development. As rents commence from portions of the development property(s) and from the vacant property, the Company expects that cash flow will become positive.

The Company estimates that the fair market values of its assets are substantially in excess of their historical cost and that it has additional borrowing capacity. Alexander's continues to evaluate its needs for capital, which may be raised through (a) property specific or corporate borrowing, (b) the sale of securities and (c) asset sales. Although there can be no assurance, the Company believes that these cash sources will be adequate to fund cash requirements until its operations generate adequate cash flow.

The Company is a Delaware corporation with its principal executive office located at 888 Seventh Avenue; New York, New York 10019, telephone 212-894-7000.

Relationship with Vornado Realty Trust ("Vornado")

Vornado owns 33.1% of the Company's Common Stock at December 31, 2000, of which 41,500 share were acquired on March 31, 2000 and 10,400 shares were acquired on April 11, 2000. The Company is managed by, and its properties are redeveloped and leased by Vornado, pursuant to agreements with a one-year term expiring in March of each year which are automatically renewable.

The annual management fee payable by the Company to Vornado is equal to the sum of (i) $3,000,000, (ii) 3% of the gross income from the Mall, plus (iii) 6% of development costs with minimum guaranteed fees of $750,000 per annum. The leasing agreement provides for the Company to pay a fee to Vornado equal to (i) 3% of the gross proceeds, as defined, from the sale of an asset and (ii) in the event of a lease or sublease of an asset, 3% of lease rent for the first ten years of a lease term, 2% of lease rent for the eleventh through the twentieth years of a lease term and 1% of lease rent for the twenty-first through thirtieth year of a lease term, subject to the payment of rents by tenants. Such amount is payable annually in an amount not to exceed $2,500,000, until the present value of such installments (calculated at a discount rate of 9% per annum) equals the amount that would have been paid had it been paid on September 21, 1993, or at the time the transactions which gave rise to the Commissions occurred, if later. At December 31, 2000 the Company does not owe Vornado any leasing fees. Pursuant to the leasing agreement, 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.

At December 31, 2000, the Company is indebted to Vornado in the amount of $115,000,000 comprised of (i) $95,000,000 relating to the subordinated tranche of a $115,000,000 secured financing, and (ii) $20,000,000 under the line of credit discussed below.

On August 1, 2000, the Company obtained a $50,000,000 secured line of credit from Vornado under the same terms and conditions as the existing $95,000,000 loan from Vornado, including the interest rate of 15.72%. The maturity date of the existing $95,000,000 loan has been extended to March 15, 2002, which is also the maturity date of the new line of credit. The interest rate on the loan and line of credit will reset on March 15, 2001, using the same spread to treasuries as presently exists. The proceeds of the secured line of credit are being used for general corporate purposes including continuing to fund the real estate development costs at its Lexington Avenue property. It is expected that a construction loan will be obtained to finance the development of the Lexington Avenue property.

These loans are secured by liens on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries and the parent. The liens do not cover the Kings Plaza Regional Shopping Center and Rego Park I and are subordinate to first mortgages and a $20,000,000 bank term loan.

Vornado is a fully integrated REIT with significant experience in the ownership, development, leasing, operation and management of retail and office properties.

Steven Roth is Chief Executive Officer and a director of the Company, the Managing General Partner of Interstate Properties ("Interstate") and Chairman of the Board and Chief Executive Officer of Vornado. At December 31, 2000, Mr. Roth, Interstate and the other two general partners of Interstate, David Mandelbaum and Russell B. Wight, Jr. (who are also directors of the Company and trustees of Vorndao) own, in the aggregate, 27.5% of the outstanding common stock of the Company, and 17.7% of the outstanding common shares of beneficial interest of Vornado.

ENVIRONMENTAL MATTERS

In June 1997, the Kings Plaza Regional Shopping Center (the "Center"), commissioned an Environmental Study and Contamination Assessment Site Investigation (the Phase II "Study") to evaluate and delineate environmental conditions disclosed in a Phase I study. The results of the Study indicate the presence of petroleum and bis (2-ethylhexyl) phthalate contamination in the soil and groundwater. The Company has delineated the contamination and has developed a remediation approach. The New York State Department of Environmental Conservation ("NYDEC") has not yet approved the remediation approach. The Company accrued $2,000,000 in previous years ($1,678,000 has been paid as of December 31, 2000) for its estimated obligation with respect to the clean up of the site, which includes costs of (i) remedial investigation, (ii) feasibility study, (iii) remedial design, (iv) remedial action and (v) professional fees. If the NYDEC insists on a more extensive remediation approach, the Company could incur additional obligations.

The majority of the contamination may have resulted from activities of third parties; however, the sources of the contamination have not been fully identified. Although the Company intends to pursue all available remedies against any potentially responsible third parties, there can be no assurance that such parties will be identified, or if identified, whether these potentially responsible third parties will be solvent. In addition, the costs associated with pursuing any potentially responsible parties may be cost prohibitive. The Company has not recorded an asset as of December 31, 2000 for potential recoveries of environmental remediation costs from other parties.

Compliance with applicable provisions of federal, state and local laws regulating the discharge of materials into the environment or otherwise relating to the protection of the environment have not had, and, although there can be no assurance, are not expected to have, a material effect on the Company's financial position, results of operations and cash flows.

COMPETITION

The Company conducts its real estate operations in the New York metropolitan area, a highly competitive market. The Company's success depends upon, among other factors, the trends of the national and local economies, the financial condition and operating results of current and prospective tenants, the availability and cost of capital, interest rates, construction and renovation costs, income tax laws, governmental regulations and legislation, population trends, the market for real estate properties in the New York metropolitan area, zoning laws and the ability of the Company to lease, sublease or sell its properties at profitable levels. The Company competes with a large number of real estate property owners. In addition, although the Company believes that it will realize significant value from its properties over time, the Company anticipates that it may take a number of years before all of its properties generate cash flow at or near anticipated levels. The Company's success is also subject to its ability to finance its development and to refinance its debts as they come due.

EMPLOYEES

The Company currently has one corporate employee and 77 property level employees.

Item 2. Properties

The following table shows the location, approximate size and leasing status as of December 31, 2000 of each of the Company's properties, excluding the Fordham Road property that was sold on January 12, 2001.

Property	Ownership	Approximate Land Area in Square Feet ("SF") or Acreage	Approximate Building Leaseable Square Feet/Number of Floors	Average Annualized Base Rent Per Sq. Foot	Percent Leased	Significant Tenants (30,000 square feet or more)	Square Footage Leased	Lease Expiration/ Option Expiration
OPERATING PROPERTIES								
Rego Park I Queens Blvd. & 63rd Rd. Rego Park, New York	Owned	4.8 acres	351,000/3 (1)	$ 29.02	100%	Sears	195,000	2021
						Circuit City	50,000	2021
						Bed Bath & Beyond	46,000	2013
						Marshalls	39,000	2008/2021
Kings Plaza Regional Shopping Center Flatbush Avenue Brooklyn, New York	Owned	24.3 acres	766,000/4 (1)(2)	30.73	91%	Sears	289,000	2023/2033
						114 Mall tenants	433,000	Various
Roosevelt Avenue & Main Street Flushing, New York	Leased (3)	44,975 SF	177,000/4	--	--	--	--	
Third Avenue & 152nd Street Bronx, New York	Owned	60,451 SF	173,000/4	5.00	100%	An affiliate of Conway	173,000	2023
			1,467,000					
DEVELOPMENT PROPERTIES								
Square block at East 59th Street & Lexington Avenue New York, New York	Owned	84,420 SF	-- (4)					
Routes 4 & 17 Paramus, New Jersey	Owned	30.3 acres	-- (5)					
Rego Park II Queens, New York	Owned	6.6 acres	--					

(1) Excludes parking garages operated for the benefit of the Company.

(2) Excludes the 339,000 square foot Macy's store, owned and operated by Federated.

(3) Leased to the Company through January 2027. The Company is obligated to pay rent to the landlord as follows: $331,000 per year from February 1997 through January 2007, $220,000 per year from February 2007 through January 2017, and $147,000 per year from February 2017 through January 2027.

(4) The Company has completed the excavation and laying the foundation of the site as part of the proposed development of a large multi-use building. The proposed building is expected to be comprised of a commercial portion, which may include a combination of retail stores, offices, hotel space, extended stay residences, residential rentals and parking; and a residential portion, consisting of condominium units. The capital required for the proposed building will be in excess of $650,000,000.

(5) Governmental approvals have been obtained to develop a shopping center at this site containing approximately 550,000 square feet (see Item 2 "Paramus Property").

Operating Properties:
- ---------------------

Rego Park I

The Rego Park I property encompasses the entire block fronting on Queens Boulevard and bounded by 63rd Road, 62nd Drive, 97th Street and Junction Boulevard.

The existing 351,000 square foot building was redeveloped in 1996 and is fully leased to Sears, Circuit City, Bed Bath & Beyond, Marshalls and Old Navy. In addition, in conjunction with the redevelopment, a multi-level parking structure was constructed which provides paid parking spaces for approximately 1,200 vehicles.

Kings Plaza Regional Shopping Center

The Kings Plaza Regional Shopping Center (the "Center") contains approximately 1.1 million square feet and is comprised of a two-level mall (the "Mall") containing 477,000 square feet and two four-level anchor stores. One of the anchor stores is owned by the Company and leased to Sears, while the other anchor store is owned and operated as a Macy's store by Federated. The Center occupies a 24.3-acre site at the intersection of Flatbush Avenue and Avenue U located in Brooklyn, New York. Among the Center's features are a marina, a five-level parking structure and an energy plant that generates all of the Center's electrical power. The Company has completed a renovation of the Mall in connection with the overall renovation of the Center at an estimated cost of $33,000,000 of which $27,891,000 has been expended as of December 31, 2000. The remainder of the Center renovation (the exterior) is expected to be completed in 2001.

The following table shows lease expirations for the Mall tenants in the Center for the next ten years, assuming none of the tenants exercise renewal options:

Year	Number of Leases Expiring	Approximate Leased Area in Square Feet Under Expiring Leases	Annualized Fixed Rent Under Expiring Leases	Annualized Fixed Rent Under Expiring Leases per Square Foot	Percent of Total Lease Square Footage Represented by Expiring Leases	Percent of 2000 Gross Annual Base Rental Represented by Expiring Leases
2001	9	28,576	$ 1,874,925	$ 65.61	6.59%	10.37%
2002	10	32,764	1,339,902	40.90	7.56	7.41
2003	8	16,611	860,071	51.78	3.83	4.76
2004	4	23,006	908,255	39.48	5.31	5.03
2005	10	17,479	852,097	48.75	4.03	4.71
2006	14	81,324	2,344,373	28.83	18.76	12.97
2007	13	52,763	2,389,054	45.28	12.17	13.22
2008	4	5,341	294,836	55.20	1.23	1.63
2009	17	79,056	3,891,948	49.23	18.24	21.53
2010	12	26,469	1,689,201	63.82	6.11	9.35

The following table shows the occupancy rate and the average annual rent per square foot for the Mall stores as of:

	Occupancy Rate	Average Annual Base Rent Per Square Foot
December 31, 2000	91%	$ 44.66
December 31, 1999	86	43.12
December 31, 1998	90	40.63
December 31, 1997	86	38.17
December 31, 1996	84	37.29

Flushing

The Flushing property is located on Roosevelt Avenue and Main Street in the downtown, commercial section of Flushing, Queens. Roosevelt Avenue and Main Street are active shopping districts with many national retailers located in the area. A subway entrance is located directly in front of the property with bus service across the street. It comprises a four-floor building containing 177,000 square feet and a parking garage.

This property, has been unoccupied since March 1999. The Company is currently in discussions with several tenants to re-lease all or portions of this space.

Third Avenue

The Company owns the Third Avenue property, a four-floor building and a small surface parking lot located at the intersection of Third Avenue and 152nd Street in the Bronx, New York. The store is located in a densely populated neighborhood. This property is leased to an affiliate of Conway, a New York area discount retailer.

Development Properties:

Lexington Avenue

The Company owns the Lexington Avenue property which comprises the entire square block bounded by Lexington Avenue, East 59th Street, Third Avenue and East 58th Street and is situated in the heart of one of Manhattan's busiest business and shopping districts with convenient access to several subway and bus lines. The property is located directly across the street from Bloomingdale's flagship store and only a few blocks away from both Fifth Avenue and 57th Street.

The Company has completed the excavation and laying the foundation for its Lexington Avenue property as part of the proposed development of a large multi-use building. The proposed building is expected to be comprised of a commercial portion, which may include a combination of retail stores, offices, hotel space, extended stay residences, residential rentals and parking; and a residential portion, consisting of condominium units. The capital required for the proposed building will be in excess of $650,000,000.

If the residential portion of the property is developed, the air rights representing the residential portion would be transferred to a taxable REIT subsidiary, as a REIT is not permitted to sell condominiums without being subject to a 100% excise tax on the gain from the sale of such condominiums.

Paramus

The Company owns 30.3 acres of land located at the intersection of Routes 4 and 17 in Paramus, New Jersey. The Company's property is located directly across from the Garden State Plaza regional shopping mall, within two miles of three other regional shopping malls and within 10 miles of New York City.

The Company may develop a shopping center of approximately 550,000 square feet on this site. The estimated cost of such development is approximately $100,000,000. The Company has received municipal approvals on tentative plans to redevelop the site. No development plans have been finalized.

Rego Park II

The Company owns two land parcels adjacent to the Rego Park I property. They are the entire square block bounded by the Long Island Expressway, 97th Street, 62nd Drive and Junction Boulevard and a smaller parcel of approximately one-half square block at the intersection of 97th Street and the Long Island Expressway. Both parcels are currently zoned for residential use. Both parcels are being used for public paid parking. The Company intends to continue to use these properties for paid parking while it evaluates development options.

Insurance

The Company carries comprehensive liability, fire, flood, extended coverage and rental loss insurance with respect to its properties with policy specifications and insured limits customarily carried for similar properties. Management of the Company believes that the Company's insurance coverage conforms to industry norms.

Item 3. Legal Proceedings

Neither the Company nor any of its subsidiaries is a party to, nor is their property the subject of, any material pending legal proceeding other than routine litigation incidental to their businesses. The Company believes that these legal actions will not be material to the Company's financial condition or results of operations.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of the year ended December 31, 2000.

Executive Officers of the Company

The following is a list of the names, ages, principal occupations and positions with the Company of the executive officers of the Company and the positions held by such officers during the past five years.

Name	Age	Principal Occupations, Position and Office (current and during the past five years with the Company unless otherwise stated)
Stephen Mann	63	Chairman of the Board of Directors since March 2, 1995; Interim Chairman of the Board of Directors from August, 1994 to March 1, 1995; Chairman of the Clifford Companies since 1990; and, prior thereto, counsel to Mudge Rose Guthrie Alexander & Ferdon, attorneys.
Steven Roth	59	Chief Executive Officer of the Company since March 2, 1995; Chairman of the Board and Chief Executive Officer of Vornado since May 1989; Chairman of Vornado's Executive Committee of the Board since April 1988; and the Managing General Partner of Interstate, an owner of shopping centers and an investor in securities and partnerships.
Michael D. Fascitelli	44	President of the Company since August 1, 2000; Director of the Company and President and Trustee of Vornado Realty Trust since December 2, 1996; Director of Vornado Operating Company since 1998; Partner at Goldman, Sachs & Co. in charge of its real estate practice from December 1992 to December 1996; and Vice President at Goldman, Sachs & Co., prior to December 1992.
Joseph Macnow	55	Executive Vice President - Finance and Administration since March 1, 2001; Vice President and Chief Financial Officer of the Company from August 1995 to February, 2001; Executive Vice President - Finance and Administration of Vornado since January 1998 and Vice President and Chief Financial Officer of Vornado from 1985 to January 1998.
Patrick T. Hogan	33	Vice President - Chief Financial Officer since March 1, 2001; Chief Financial Officer and Treasurer for Correctional Properties Trust, a Maryland UPREIT, from February 1998 to February 2001; from June 1996 to February 1998, worked for the Wackenhut Corporation and Subsidiaries managing treasury and financial reporting functions while also assisting in the formation of Correctional Properties Trust.
Irwin Goldberg	56	Secretary and Treasurer from June 1999 to February 2001; Vice President - Chief Financial Officer of Vornado since January 1998; Partner at Deloitte & Touche LLP from September 1978 to January 1998.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

Equity and Related Stockholder Matters

The common stock, par value $1.00 per share, of the Company is traded on the New York Stock Exchange under the symbol "ALX". Set forth below are the high and low sales prices for the Company's common stock for each full quarterly period within the two most recent years:

	High	Low
1st Quarter 2000	$ 82	$ 63 1/2
2nd Quarter 2000	73 3/4	63 1/2
3rd Quarter 2000	82 1/8	73 1/5
4th Quarter 2000	82	67

	High	Low
1st Quarter 1999	$ 78 1/4	$ 66 15/16
2nd Quarter 1999	75 7/8	68
3rd Quarter 1999	84 1/16	70 1/2
4th Quarter 1999	79 1/2	70

As of December 31, 2000, there were approximately 1,700 holders of record of the Company's common stock. The Company pays dividends only if, as and when declared by its Board of Directors. No dividends were paid in 2000 and 1999. In order to qualify as a REIT, the Company generally is required to distribute as a dividend 95% of its taxable income. At December 31, 2000, the Company had net operating loss carryovers ("NOL's") of approximately $146,000,000. Under the Internal Revenue Code of 1986, as amended, the Company's NOL's generally would be available to offset the amount of the Company's REIT taxable income that otherwise would be required to be distributed as a dividend to stockholders.

Item 6. Selected Financial Data

Summary of Selected Financial Data
(Amounts in thousands, except per share data)

	Year Ended December 31,				
	2000	1999	1998	1997	1996
Operating data:					
Total revenues	$ 63,965	$ 64,390	$ 51,663 (2)	$ 25,369	$ 21,833
Income (loss) from continuing operations	5,197	5,524(1)	(6,055) (3)	7,466 (4)	13,097(5)
Income from discontinued operations	--	--	--	--	11,602
Net income (loss)	$ 5,197	$ 5,524	$ (6,055)	$ 7,466	$ 24,699
Income (loss) per common share: (6)					
Continuing operations	$ 1.04	$ 1.10	$ (1.21)	$ 1.49	$ 2.62
Discontinued operations	--	--	--	--	2.32
Net income (loss) per share	$ 1.04	$ 1.10	$ (1.21)	$ 1.49	$ 4.94
Balance sheet data:					
Total assets	$ 403,305	$ 366,496	$ 317,043	$ 235,074	$ 211,585
Real estate	341,492	267,203	239,157	191,733	181,005
Debt	367,788	329,161	277,113	208,087	192,347
Stockholders' equity	17,695	12,498	6,974	13,029	5,563

1. Net of $4,877 resulting from the write-off of the asset arising from the straight-lining of rents primarily due to Caldor's rejection of its Flushing lease in 1999.

2. In June 1998, the Company increased its interest in the Kings Plaza Mall to 100% by acquiring Federated's 50% interest.

3. Income (loss) from continuing operations includes the write-off of $15,096 resulting from the razing of the building formerly located at the Company's Lexington Avenue site.

4. Includes a gain of $8,914 from the condemnation of a portion of the Paramus property net of the write-off of the carrying value of the building of $5,786.

5. Includes income from the gain on reversal of the Company's postretirement healthcare liability of $14,372.

6. Income (loss) per share is the same for all years' presented with and without dilution. For further discussion of income (loss) per share see notes to the consolidated financial statements.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

The Company had net income of $5,197,000 for the year ended December 31, 2000 as compared to net income of $5,524,000 in the prior year. Net income for 1999 is after a charge of $4,877,000 resulting from the write-off of the asset arising from the straight-lining of rents primarily due to Caldor's rejection of its Flushing lease.

Details of the changes in the components of net income are discussed in the comparison of the years ended December 31, 2000 and December 31, 1999 below.

RESULTS OF OPERATIONS

Years Ended December 31, 2000 and December 31, 1999

The Company's revenues, which consist of property rentals and tenant expense reimbursements were $63,965,000 in 2000, compared to $64,390,000 in 1999, a decrease of $425,000.

Property rentals were $43,173,000 in 2000, compared to $44,232,000 in 1999, a decrease of $1,059,000. This decrease resulted primarily from Caldor's rejection of its Flushing lease effected March 29, 1999.

Tenant expense reimbursements were $20,792,000 in 2000, compared to $20,158,000 in 1999, an increase of $634,000. This increase resulted primarily from higher reimbursements for a portion of the increased fuel costs of the utility plant at the Company's Kings Plaza Regional Shopping Center; partially offset from a change made in the first quarter of 2000, in the method of allocating an anchor tenant's share of parking lot expenses at the Rego Park I property (which covered a number of years).

Operating expenses were $29,040,000 in 2000, compared to $33,081,000 in 1999, a decrease of $4,041,000. This decrease resulted primarily from: (i) $4,877,000 representing the write-off of the asset arising from the straight-lining of rents due to Caldor's rejection of its Flushing lease in 1999, (ii) a decrease in repairs and maintenance of $1,243,000 in 2000, partially offset by an increase in expenses of the utility plant at the Company's Kings Plaza Regional Shopping Center in the current year resulting from higher fuel costs.

General and administrative expenses were $3,885,000 in 2000, compared to $3,692,000 in 1999, an increase of $193,000 primarily as a result of higher professional fees.

Interest and debt expense was $21,424,000 in 2000, compared to $17,647,000 in 1999, an increase of $3,777,000. This increase resulted from (i) an increase in average debt outstanding of $61,268,000, and (ii) an increase in average interest rates from 8.50% to 10.07%, substantially offset by (iii) an increase in capitalized interest relating to the Company's development properties.

Years Ended December 31, 1999 and December 31, 1998

The Company's revenues, which consist of property rentals, tenant expense reimbursements and equity in income of unconsolidated joint venture (prior to 1999) were $64,390,000 in 1999, compared to $51,663,000 in 1998, an increase of $12,727,000.

Property rentals were $44,232,000 in 1999, compared to $35,151,000 in 1998, an increase of $9,081,000. This increase resulted from:

	Effective Date	
Acquisition of the remaining 50% interest in the Kings Plaza Mall	June 1998	$ 11,130,000
Rent from new tenants	Various	1,116,000
Caldor's rejection of its Flushing lease	April 1999	(2,532,000)
Closure of parking operations at the Lexington Avenue property		(633,000)
		$ 9,081,000

Tenant expense reimbursements were $20,158,000 in 1999, compared to $13,993,000 in 1998, an increase of $6,165,000. This increase resulted primarily from the acquisition of the remaining 50% interest in the Kings Plaza Mall and the resulting consolidation of its operations after June 18, 1998.

The decrease in equity in income of unconsolidated joint venture resulted from the consolidation of the Mall's operations in 1998 as noted above.

Operating expenses were $33,081,000 in 1999, compared to $20,132,000 in 1998, an increase of $12,949,000. Of this increase (i) $9,254,000 primarily resulted from the acquisition of the remaining 50% interest in the Kings Plaza Mall and the resulting consolidation of the Mall's operations after June 18, 1998 and (ii) $4,877,000 resulted from the write-off of the asset arising from the straight-lining of rents primarily due to Caldor's rejection of its Flushing lease in 1999, partially offset by a decrease in real estate tax, repairs and maintenance and parking garage expenses.

General and administrative expenses were $3,692,000 in 1999, compared to $4,079,000 in 1998, a decrease of $387,000 primarily as a result of lower professional fees.

Depreciation and amortization expense was $5,441,000 in 1999 compared to $4,289,000 in 1998, an increase of $1,152,000 primarily as a result of the acquisition of the remaining 50% interest in the Kings Plaza Mall and the resulting consolidation of its operations after June 18, 1998.

In September 1998, the Company wrote-off $15,096,000 resulting from the razing of the building formerly located at the Lexington Avenue site.

Interest and debt expense was $17,647,000 in 1999, compared to $15,115,000 in 1998, an increase of $2,532,000. This increase resulted primarily from (i) higher average debt, partially offset by (ii) a decrease in the average interest rate and (iii) an increase in capitalized interest relating to the Company's development properties.

LIQUIDITY AND CAPITAL RESOURCES

In the aggregate, Alexander's operating properties do not generate sufficient cash flow to pay all of its expenses. The Company's three non-operating properties (Lexington Avenue, Paramus, and Rego Park II) are in various stages of development. As rents commence from portions of the development property(s) and from the vacant property, the Company expects that cash flow will become positive.

The Company may develop a shopping center of approximately 550,000 square feet on the Paramus Property. The estimated cost of such development is approximately $100,000,000. The Company has received municipal approvals on tentative plans to redevelop the site. No development plans have been finalized.

The Company has completed the excavation and laying the foundation for its Lexington Avenue property as part of the proposed development of a large multi-use building. The proposed building is expected to be comprised of a commercial portion, which may include a combination of retail stores, offices, hotel space, extended stay residences, residential rentals and parking; and a residential portion, consisting of condominium units. In connection therewith, the Company let contracts for $28,000,000 to undertake the excavation and laying the foundation for the proposed development. $26,839,000 has been paid as of December 31, 2000. The capital required for the proposed building will be in excess of $650,000,000.

If the residential portion of the property is developed, the air rights representing the residential portion would be transferred to a taxable REIT subsidiary, as a REIT is not permitted to sell condominiums without being subject to a 100% excise tax on the gain from the sale of such condominiums.

The Company sold its Fordham road property, located in the Bronx, New York, on January 12, 2001. The vacant property contains 303,000 square feet and was sold for $25,500,000 resulting in a gain of $19,100,000. In addition, the Company paid off the $21,263,000 mortgage on this property at a discount, which resulted in an extraordinary gain from the early extinguishment of debt of $3,500,000.

At December 31, 2000, the Company is indebted to Vornado in the amount of $115,000,000 comprised of (i) $95,000,000 relating to the subordinated tranche of a $115,000,000 secured financing, and (ii) $20,000,000 under the line of credit discussed below.

On August 1, 2000, the Company obtained a $50,000,000 secured line of credit from Vornado under the same terms and conditions as the existing $95,000,000 loan from Vornado, including the interest rate of 15.72%. The maturity date of the existing $95,000,000 loan has been extended to March 15, 2002, which is also the maturity date of the new line of credit. The interest rate on the loan and line of credit will reset on March 15, 2001, using the same spread to treasuries as presently exists. The proceeds of the secured line of credit are being used for general corporate purposes including continuing to fund the real estate development costs at its Lexington Avenue property. It is expected that a construction loan will be obtained to finance the Lexington Avenue property.

These loans are secured by liens on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries and the parent. The liens do not cover the Kings Plaza Regional Shopping Center and Rego Park I and are subordinate to first mortgages and a $20,000,000 bank term loan.

A summary of maturities of debt at December 31, 2000 is as follows:

Year ending December 31,	
2001	$ 134,525,000(1)
2002	115,000,000
2003	36,263,000(2)
2004	339,000
2005	735,000

(1) $114,525,000 of this amount relates to a first mortgage loan secured by the Company's Kings Plaza Regional Shopping Center (the "Center"). The Company is currently negotiating refinancing the Center with various outside lenders. Based on the historical operating performance of the Center, management believes that it has excess borrowing capacity over the existing mortgage loan. The remaining $20,000,000 is a term loan to a bank which was scheduled to mature on March 15, 2001. This loan has been extended to March 15, 2002.

(2) $21,263,000 of this amount was repaid on January 12, 2001 in connection with the sale of the Fordham Road Property.

The Company estimates that the fair market values of its assets are substantially in excess of their historical cost and that it has additional borrowing capacity. Alexander's continues to evaluate its needs for capital which may be raised through (a) property specific or corporate borrowing, (b) the sale of securities and (c) asset sales. Although there can be no assurance, the Company believes that these cash sources will be adequate to fund cash requirements until its operations generate adequate cash flow.

CASH FLOWS

Year Ended December 31, 2000

Cash provided by operating activities of $10,741,000 was comprised of income after adjustments for non-cash items of $9,737,000, net of the change in operating assets and liabilities of $1,004,000. The adjustments for non-cash items are comprised of depreciation and amortization of $8,049,000 and the effect of straight-lining of rental income of $3,509,000.

Net cash used in investing activities of $65,636,000 was comprised of capital expenditures of $77,931,000, offset by the release of restricted cash of $12,295,000. The capital expenditures were primarily comprised of: (i) excavation, foundation and predevelopment costs at Lexington Avenue of $35,300,000, (ii) renovations to the Kings Plaza Regional Shopping Center of $22,700,000, and (iii) capitalized interest and other carrying costs of $18,800,000.

Net cash provided by financing activities of $31,114,000 was comprised of (i) proceeds from the issuance of debt of $38,849,000, offset by (ii) payment of acquisition obligation of $6,936,000, (iii) repayments of debt of $222,000 and (iv) debt issuance costs of $577,000.

Year Ended December 31, 1999

Cash provided by operating activities of $17,194,000 was comprised of income after adjustments for non-cash items of $14,445,000, net of the change in operating assets and liabilities of $2,749,000. The adjustments for non-cash items are comprised of depreciation and amortization of $7,460,000 and the effect of straight-lining of rental income of $1,461,000.

Net cash used in investing activities of $47,601,000 was primarily comprised of (i) the escrowing of cash from the proceeds from the Kings Plaza Regional Shopping Center which is restricted as to its use $13,601,000, net of the release of cash from escrow for the condemnation of a portion of the Paramus property $2,318,000 and (ii) capital expenditures of $36,318,000.

Net cash provided by financing activities of $41,097,000 was comprised of (i) proceeds from the issuance of debt of $137,676,000, offset by (ii) repayments of debt of $85,628,000, (iii) debt issuance costs of $3,522,000 and (iv) payment of acquisition obligation of $7,429,000.

Year Ended December 31, 1998

Cash provided by operating activities of $5,461,000 was comprised of income after adjustments for non-cash items of $10,327,000, net of the change in operating assets and liabilities of $4,866,000. The adjustments for non-cash items are comprised of (i) the write-off of the carrying value of the Lexington Avenue building and related development costs of $15,096,000 and (ii) depreciation and amortization of $5,715,000, offset by (iii) the effect of straight-lining of rental income of $4,429,000.

Net cash used in investing activities of $40,217,000 was primarily comprised of (i) $28,000,000 for the acquisition of the remaining 50% interest in the Kings Plaza Mall, (ii) the escrowing of cash from the condemnation of a portion of the Paramus property $2,318,000 and cash from the proceeds from the Kings Plaza Regional Shopping Center loan $5,212,000 which is restricted as to its use and (iii) capital expenditures of $19,387,000, partially offset by (iv) proceeds from the condemnation of a portion of the Paramus property of $14,700,000.

Net cash provided by financing activities of $47,428,000 was comprised of (i) proceeds from the issuance of debt on the Kings Plaza Regional Center of $90,000,000, offset by (ii) repayments of debt of $39,236,000 and (iii) debt issuance costs of $3,336,000.

Funds from Operations for the Years Ended December 31, 2000 and 1999

Funds from operations were $5,474,000 in the year ended December 31, 2000, a decrease of $4,422,000 from the prior year. The following table reconciles funds from operations and net income:

	2000	1999
Net income	$ 5,197,000	$ 5,524,000
Depreciation and amortization of real property	5,543,000	5,441,000
Straight-lining of property rentals for rent escalations	(3,509,000)	(3,740,000)
Write-off of the asset arising from the straight-lining of rents	--	4,877,000
Leasing fees paid in excess of expense recognized	(1,757,000)	(2,206,000)
	$ 5,474,000	$ 9,896,000

Funds from operations does not represent cash generated from operating activities in accordance with generally accepted accounting principles and is not necessarily indicative of cash available to fund cash needs, which is disclosed in the Consolidated Statements of Cash Flows for the applicable periods. There are no material legal or functional restrictions on the use of funds from operations. Funds from operations should not be considered as an alternative to net income as an indicator of the Company's operating performance or as an alternative to cash flows as a measure of liquidity. Management considers funds from operations a relevant supplemental measure of operating performance because it provides a basis for comparison among REITs; however, funds from operations may not be comparable to similarly titled measures reported by other REITs since the Company's method of calculating funds from operations is different from that used by NAREIT. Funds from operations, as defined by NAREIT, represents net income before depreciation and amortization, extraordinary items and gains or losses on sales of real estate. Funds from operations as disclosed above has been modified to adjust for the effect of straight-lining of property rentals for rent escalations and leasing fee expenses. Below are the cash flows provided by (used in) operating, investing and financing activities:

	2000	1999
Operating activities	$ 10,741,000	$ 17,194,000
Investing activities	$ (65,636,000)	$ (47,601,000)
Financing activities	$ 31,114,000	$ 41,097,000

Recently Issued Accounting Standards

In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities ("SFAS No. 133") which establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. The Company is required to adopt SFAS No. 133, as amended by SFAS No. 138, effective January 1, 2001. Because the Company does not currently utilize derivative instruments or engage in hedging activities, management does not anticipate that implementation of this statement will have a material effect on the Company's financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

At December 31, 2000 and 1999, the Company had $170,788,000 and $132,161,000 of variable rate debt at weighted average interest rates of 8.36% and 8.43%. In addition, the Company had $197,000,000 in both years of fixed rate debt bearing interest at weighted average interest rates of 12.19% and 10.58%. A one percent increase in the base used to determine the interest rate of the variable rate debt would result in a $1,708,000 decrease in the Company's annual net income for the year ended December 31, 2000 ($.34 per basic and diluted share).

Item 8. Financial Statements and Supplementary Data

Index to Financial Statements

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
of Alexander's, Inc.

Paramus, New Jersey

We have audited the accompanying consolidated balance sheets of Alexander's, Inc. and Subsidiaries (the "Company") as of December 31, 2000 and 1999 and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2000. Our audits also included the financial statement schedules listed in the index at Item 14(a)(2). These financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2000, and 1999, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

DELOITTE & TOUCHE LLP

Parsippany, New Jersey
March 1, 2001

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(amounts in thousands except share amounts)

	December 31, 2000	December 31, 1999
ASSETS:		
Real estate, at cost:		
Land	$ 81,656	$ 81,656
Buildings, leaseholds and leasehold improvements	141,873	140,368
Capitalized expenses, development costs and construction in progress	169,811	93,421
Total	393,340	315,445
Less accumulated depreciation and amortization	(51,848)	(48,242)
Real estate, net	341,492	267,203
Asset held for sale (Fordham Road property)	4,559	4,602
Cash and cash equivalents	2,272	26,053
Restricted cash	8,390	20,685
Accounts receivable, net of allowance for doubtful accounts of $722 and $314 in 2000 and 1999	1,723	3,353
Receivable arising from the straight-lining of rents, net	15,084	11,575
Deferred lease and other property costs	24,453	24,788
Deferred debt expense	2,280	4,206
Other assets	3,052	4,031
TOTAL ASSETS	$ 403,305	$ 366,496

See notes to consolidated financial statements

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (continued)
(amounts in thousands except share amounts)

	December 31, 2000	December 31, 1999
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Debt (including $115,000 and $95,000 due to Vornado Realty Trust in 2000 and 1999)	$ 367,788	$ 329,161
Amounts due to Vornado Realty Trust and its affiliate	1,267	3,821
Accounts payable and accrued expenses	13,821	10,804
Other liabilities	2,734	10,212
TOTAL LIABILITIES	385,610	353,998
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock: no par value; authorized, 3,000,000 shares; issued, none		
Common stock: $1.00 par value per share; authorized, 10,000,000 shares; issued, 5,173,450 shares	5,174	5,174
Additional capital	24,843	24,843
Deficiency	(11,362)	(16,559)
	18,655	13,458
Less treasury shares, 172,600 shares at cost	(960)	(960)
Total stockholders' equity	17,695	12,498
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 403,305	$ 366,496

See notes to consolidated financial statements

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(amounts in thousands except per share amounts)

	Year Ended December 31, 2000	1999	1998
REVENUES:			
Property rentals	$ 43,173	$ 44,232	$ 35,151
Expense reimbursements	20,792	20,158	13,993
Equity in income of unconsolidated joint venture	--	--	2,519
Total revenues	63,965	64,390	51,663
EXPENSES:			
Operating (including management fee of $1,337, $1,342 and $1,060 to Vornado)	29,040	33,081	20,132
General and administrative (including management fee of $2,160 to Vornado in each year)	3,885	3,692	4,079
Depreciation and amortization	5,543	5,441	4,289
Total expenses	38,468	42,214	28,500
OPERATING INCOME	25,497	22,176	23,163
Interest and debt expense (including interest on loans from Vornado)	(21,424)	(17,647)	(15,115)
Interest and other income, net	1,124	995	993
Write-off resulting from the razing of the building formerly located at the Company's Lexington Avenue site	--	--	(15,096)
NET INCOME (LOSS)	$ 5,197	$ 5,524	$ (6,055)
Net income (loss) per share (basic and diluted):	$ 1.04	$ 1.10	$ (1.21)

See notes to consolidated financial statements.

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(amounts in thousands)

	Common Stock	Additional Capital	Deficiency	Treasury Stock	Stockholders' Equity
Balance, January 1, 1998	$ 5,174	$ 24,843	$ (16,028)	$ (960)	$ 13,029
Net loss	--	--	(6,055)	--	(6,055)
Balance, December 31, 1998	5,174	24,843	(22,083)	(960)	6,974
Net income	--	--	5,524	--	5,524
Balance, December 31, 1999	5,174	24,843	(16,559)	(960)	12,498
Net income	--	--	5,197	--	5,197
Balance, December 31, 2000	$ 5,174	$ 24,843	$ (11,362)	$ (960)	$ 17,695

See notes to consolidated financial statements.

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(amounts in thousands)

	Year Ended December 31,		
	2000	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ 5,197	$ 5,524	$ (6,055)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization (including debt issuance costs)	8,049	7,460	5,715
Straight-lining of rental income, net	(3,509)	(3,416)	(4,429)
Write-off of the asset arising from the straight-lining of rents	--	4,877	--
Write-off resulting from the razing of the building formerly located at the Company's Lexington Avenue site	--	--	15,096
Change in assets and liabilities:			
Accounts receivable	1,630	(50)	(1,935)
Distributions less than equity in income of unconsolidated joint venture	--	--	(386)
Amounts due to Vornado Realty Trust and its affiliate	(2,554)	(2,019)	(1,048)
Accounts payable and accrued expenses	3,017	691	1,313
Other liabilities	(546)	638	(293)
Other	(543)	3,489	(2,517)
Net cash provided by operating activities	10,741	17,194	5,461
CASH FLOWS FROM INVESTING ACTIVITIES:			
Additions to real estate	(77,931)	(36,318)	(19,387)
Cash made available (restricted) for construction financing	12,202	(13,601)	(5,212)
Cash made available (restricted) for operating liabilities	93	2,318	(2,318)
Acquisition of Kings Plaza Mall, net of liabilities of $1,905	--	--	(28,000)
Collection of condemnation proceeds	--	--	14,700
Net cash used in investing activities	(65,636)	(47,601)	(40,217)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of debt	38,849	137,676	90,000
Debt repayments	(222)	(85,628)	(39,236)
Deferred debt expense	(577)	(3,522)	(3,336)
Payment of acquisition obligation	(6,936)	(7,429)	--
Net cash provided by financing activities	31,114	41,097	47,428
Net (decrease) increase in cash and cash equivalents	(23,781)	10,690	12,672
Cash and cash equivalents at the beginning of the year	26,053	15,363	2,691
Cash and cash equivalents at the end of the year	$ 2,272	$ 26,053	$ 15,363
SUPPLEMENTAL INFORMATION			
Cash payments for interest (of which $16,731, $9,352 and $7,864 have been capitalized)	$ 33,979	$ 23,266	$ 21,749

1998 amounts exclude an increase in real estate of $14,400 and debt of $15,000 and a reduction in minority interest of $600 as a result of the Company acquiring a partnership interest.

See notes to consolidated financial statements.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND BUSINESS

Alexander's Inc. (the "Company") is a real estate investment trust ("REIT") engaged in leasing, managing, developing and redeveloping properties. Alexander's activities are conducted through its manager, Vornado Realty Trust ("Vornado").

In the aggregate, Alexander's operating properties do not generate sufficient cash flow to pay all of its expenses. The Company's three non-operating properties (Lexington Avenue, Paramus, and Rego Park II) are in various stages of development. As rents commence from portions of the development property(s) and from the vacant property, the Company expects that cash flow will become positive.

The Company estimates that the fair market values of its assets are substantially in excess of their historical cost, and that it has additional borrowing capacity. Alexander's continues to evaluate its needs for capital, which may be raised through (a) property specific or corporate borrowing, (b) the sale of securities and (c) asset sales. Although there can be no assurance, the Company believes that these cash sources will be adequate to fund cash requirements until its operations generate adequate cash flow.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation -- The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated. Certain reclassifications to prior year amounts have been made to conform with the current year's presentation. The Company currently operates in one business segment.

The consolidated financial statements are prepared in conformity with generally accepted accounting principles. Management has 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 financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and Cash Equivalents -- The Company includes in cash and cash equivalents both cash and short-term highly liquid investments purchased with original maturities of three months or less. Cash and cash equivalents does not include cash restricted for construction financing and operating liabilities which is disclosed separately.

Fair Value of Financial Instruments - All financial instruments of the Company are reflected in the accompanying Consolidated Balance Sheets at historical cost which, in management's estimation, based upon an interpretation of available market information and valuation methodologies (including discounted cash flow analyses with regard to fixed rate debt), reasonably approximates their fair values. Such fair value estimates are not necessarily indicative of the amounts that would be realized upon disposition of the Company's financial instruments.

Real Estate and Other Property - Real estate and other property is carried at cost, net of accumulated depreciation. Depreciation is provided on buildings and improvements on a straight-line basis over their estimated useful lives ranging from four years to forty years. When real estate and other property is undergoing development activities, all property operating expenses, including interest expense, are capitalized to the cost of the real property to the extent that management believes such costs are recoverable through the value of the property.

The Company's properties are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of the property may not be recoverable. In such an event, a comparison is made of the current and projected operating cash flows of each such property into the foreseeable future on an undiscounted basis, to the carrying amount of such property. Such carrying amount would be adjusted, if necessary, to reflect an impairment in the value of the asset.

Deferred Lease Expense - The Company capitalizes the costs incurred in connection with obtaining long-term leases. Deferred lease expense is amortized on the straight-line method over the initial terms of the leases.

Deferred Debt Expense - The Company capitalizes the costs incurred in connection with obtaining short-term or long-term debt or refinancing existing debt. These costs are amortized on the straight-line method over the initial terms of the debt, which approximates the interest method.

Leases - All leases are operating leases whereby rents and reimbursements of operating expenses are recorded, when due, as real estate operating revenue. The straight-line basis is used to recognize rents under leases entered into which provide for varying rents over the lease terms.

Income Taxes - The Company operates in a manner intended to enable it to continue to qualify as a REIT under sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"). Under the Code, the Company's net operating loss ("NOL") carryovers generally would be available to offset the amount of the Company's REIT taxable income that otherwise would be required to be distributed as a dividend to its stockholders.

The Company has reported NOL carryovers for federal tax purposes of approximately $146,000,000 at December 31, 2000, expiring from 2005 to 2012. The Company also has investment tax and targeted jobs tax credits of approximately $3,000,000 expiring in 2002 through 2005.

The net basis in the Company's assets and liabilities for tax purposes is approximately $84,000,000 lower than the amount reported for financial statement purposes.

Amounts Per Share - Basic income (loss) per share excludes any dilutive effects of stock options. Stock options outstanding were not dilutive in any period.

Stock Options - The Company accounts for stock-based compensation using the intrinsic value method. Under the intrinsic value method compensation cost is measured as the excess, if any, of the quoted market price of the Company's stock at the date of grant over the exercise price of the option granted. Compensation cost for stock

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

options, if any, is recognized ratably over the vesting period. The Company's policy is to grant options with an exercise price equal to the quoted market price of the Company's stock on the grant date. Accordingly, no compensation cost has been recognized for the Company's stock option plans.

3. ACQUISITION OF KINGS PLAZA MALL

In June 1998, the Company increased its interest in the Kings Plaza Mall (the "Mall") to 100% by acquiring Federated Department Store's ("Federated") 50% interest. The purchase price was approximately $28,000,000, which was paid in cash, plus the Company agreed to pay Federated $15,000,000 to renovate its Macy's store in the Mall ($14,500,000 has been paid as of December 31, 2000) and Federated agreed to certain modifications to the Kings Plaza Operating Agreement. Prior to June 18, 1998, the Company owned a 50% interest in the Mall and had accounted for this investment under the equity method. The acquisition was recorded under the purchase method of accounting. The purchase cost was allocated to the acquired assets and assumed liabilities based on the fair value as of the closing date.

Set forth below is the unaudited pro forma condensed consolidated statements of operations data for the Company for the year ended December 31, 1998 as if the acquisition of the Kings Plaza Mall and the related financing transactions had occurred on January 1, 1997.

Revenues	$ 63,309
Net loss	$ (2,859)
Net loss per share - basic and diluted	$ (.57)

Summary financial information for the Kings Plaza Mall prior to the acquisition is as follows:

	For The Period From January 1, 1998 to June 17, 1998
Operating revenue	$ 14,085,000
Operating costs	8,481,000
Depreciation and amortization	715,000
Interest expense	283,000
	9,479,000
Operating income	$ 4,606,000
Assets	$ 31,000,000
Liabilities	$ 12,300,000

The Company has completed a renovation of the Kings Plaza Regional Shopping Center (the "Center") at a total cost of $48,000,000, of which $42,392,000 has been expended as of December 31, 2000. Included in the $48,000,000 is the $15,000,000 discussed above that the Company agreed to pay Federated to renovate its Macy's store at the Center. The remainder of the Center renovation (the exterior) is expected to be completed in 2001.

4. DEBT

Debt comprises:

	December 31, 2000	December 31, 1999
Term loan to Vornado (1)	$115,000,000	$ 95,000,000
Term loan to bank (1)	20,000,000	20,000,000
First mortgage loan, secured by the Company's Kings Plaza Regional Shopping Center (2)	114,525,000	95,676,000
First mortgage loan secured by the Company's Rego Park I Shopping Center (3)	82,000,000	82,000,000
First mortgage loan, secured by the Company's Fordham Road property (4)	21,263,000	21,485,000
Secured note (5)	15,000,000	15,000,000
	$367,788,000	$329,161,000

(1) At December 31, 2000, the Company is indebted to Vornado in the amount of $115,000,000 comprised of (i) $95,000,000 relating to the subordinated tranche of a $115,000,000 secured financing and (ii) $20,000,000 under the line of credit discussed below.

On August 1, 2000, the Company obtained a $50,000,000 secured line of credit from Vornado under the same terms and conditions as the existing $95,000,000 loan from Vornado, including the interest rate of 15.72%. The maturity date of the existing $95,000,000 loan has been extended to March 15, 2002, which is also the maturity date of the new line of credit. The interest rate on the loan and line of credit will reset on March 15, 2001, using the same spread to treasuries as presently exists. The proceeds of the secured line of credit are being used for general corporate purposes including continuing to fund the real estate development costs at its Lexington Avenue property.

The interest rate on the bank loan is LIBOR plus 1.85% (8.56% at December 31, 2000). The term loan to the bank which was scheduled to mature on March 15, 2001, has been extended to March 15, 2002. In addition, the interest rate will reset on March 15, 2001 using the same spread to LIBOR as presently exists.

The loans are secured by liens on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries and the parent. The liens do not cover the Kings Plaza Regional Shopping Center and Rego Park I and are subordinate to first mortgages. The Vornado lien is subordinate to the bank's. The Vornado loan is prepayable quarterly without penalty. Under the terms of the loans, no dividends can be paid unless required to maintain REIT status.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(2) The Company's mortgage loan, which is an obligation of a wholly-owned subsidiary, matures on June 1, 2001 and is secured by a mortgage on the Kings Plaza Regional Shopping Center and guaranteed by the Company. The loan bears interests at LIBOR plus 1.25% (8.06% at December 31, 2000).

(3) The Company's mortgage loan, which is an obligation of a wholly-owned subsidiary, matures in May, 2009 and is secured by a mortgage on the Rego Park I property and guaranteed by the Company. The loan bears interests at 7.25%. Amortization of principal begins in July 2004 on a 30-year schedule.

(4) The Company's $21,263,000, an obligation of a wholly-owned subsidiary of the Company collateralized by the Fordham Road property, was scheduled to mature on February 24, 2000. The mortgage loan was extended for an additional three-years to April 17, 2003. Under the terms of the extension, interest accrues at LIBOR plus 1.50% in the first two years and LIBOR plus 1.75% in year three which is a reduction of the original terms of LIBOR plus 4.25%. (8.30% at December 31, 2000) interest is payable at LIBOR for the entire term. The spread over LIBOR accrues during the extended term and increases the principal balance. This obligation has been satisfied in connection with the sale of the Fordham Road property on January 12, 2001. See "Subsequent Event."

(5) The note is secured by a third mortgage on the Lexington Avenue property. The note bears annual interest at Prime plus 1% (10.50% at December 31, 2000) and is prepayable without penalty.

A summary of maturities of debt at December 31, 2000, is as follows:

Year Ending December 31,	
2001	$ 134,525,000(A)
2002	115,000,000
2003	36,263,000(B)
2004	339,000
2005	735,000

(A) $114,525,000 of this amount relates to a first mortgage loan secured by the Company's Kings Plaza Regional Shopping Center (the "Center"). The Company is currently negotiating refinancing the Center with various outside lenders. Based on the historical operating performance of the Center, management believes that it has excess borrowing capacity over the existing mortgage loan. The remaining $20,000,000 is a term loan to a bank which was scheduled to mature on March 15, 2001. This loan has been extended to March 15, 2002.

(B) $21,263,000 of this amount was repaid on January 12, 2001 in connection with the sale of the Fordham Road property.

All of the Company's debt is secured by mortgages and/or pledges of the stock of subsidiaries holding the properties. The net carrying value of real estate collateralizing the debt amounted to $346,051,000 at December 31, 2000.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5. LEASES

As Lessor

The Company leases properties to tenants. The rental terms for the properties leased range from 5 years to approximately 30 years. The leases provide for the payment of fixed base rentals payable monthly in advance and for the payment by the lessees of additional rents based on a percentage of the tenants' sales as well as reimbursements of real estate taxes, insurance and maintenance.

Future base rental revenue under these noncancellable operating leases is as follows:

Year Ending December 31,	Total Amounts
2001	$ 31,238,000
2002	30,528,000
2003	31,053,000
2004	30,999,000
2005	30,565,000
Thereafter	310,975,000

Included in operating expenses for the year ended December 31, 1999 is $4,877,000 resulting from the write-off of the asset arising from the straight-line of rents primarily as a result of Caldor's rejection of its Flushing lease in 1999.

Sears accounted for 21%, 22% and 28% of the Company's consolidated revenues for the years ended December 31, 2000, 1999, and 1998, respectively. No other tenant accounted for more than 10% of revenues

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As Lessee

The Company is a tenant under long-term leases. Future minimum lease payments under the operating leases are as follows:

Year Ending December 31,	Total Amounts
2001	$ 416,000
2002	416,000
2003	416,000
2004	416,000
2005	416,000
Thereafter	5,264,000

Rent expense was $416,000, $416,000 and $376,000 for the years ended December 31, 2000, 1999 and 1998, respectively.

6. RELATED PARTY TRANSACTIONS

Steven Roth is Chief Executive Officer and a director of the Company, the Managing General Partner of Interstate Properties ("Interstate") and Chairman of the Board and Chief Executive Officer of Vornado. At December 31, 2000, Mr. Roth, Interstate and the other two general partners of Interstate, David Mandelbaum and Russell B. Wight, Jr. (who are also directors of the Company and trustees of Vorndao) own, in the aggregate, 27.5% of the outstanding common stock of the Company, and 17.7% of the outstanding common shares of beneficial interest of Vornado.

The Company is managed by and its properties are redeveloped and leased by Vornado, pursuant to agreements with a one-year term expiring in March of each year which are automatically renewable.

The annual management fee payable by the Company to Vornado is equal to the sum of (i) $3,000,000, (ii) 3% of the gross income from the Kings Plaza Mall, plus (iii) 6% of development costs with minimum guaranteed fees of $750,000 per annum. The leasing agreement provides for the Company to pay a fee to Vornado equal to (i) 3% of the gross proceeds, as defined, from the sale of an asset, and (ii) in the event of a lease or sublease of an asset, 3% of lease rent for the first ten years of a lease term, 2% of lease rent for the eleventh through the twentieth years of a lease term and 1% of lease rent for the twenty-first through thirtieth year of a lease term, subject to the payment of rents by tenants. Such amount is payable annually in an amount not to exceed $2,500,000, until the present value of such installments (calculated at a discount rate of 9% per annum) equals the amount that would have been paid had it been paid on September 21, 1993, or at the time the transactions which gave rise to the Commissions occurred, if later. At December 31, 2000 the Company does not owe Vornado any leasing fees. Pursuant to the leasing agreement, 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.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company owes Vornado $115,000,000. The Company incurred interest on the loan of $15,934,000, $7,857,000 and $6,486,000 for the years ended December 31, 2000, 1999 and 1998.

7. COMMITMENTS AND CONTINGENCIES

The Company let contracts for $28,000,000 to undertake the excavation, clearing and preparation of the Lexington Avenue property for the proposed development of a large multi-use building. As of December 31, 2000, $26,839,000 has been paid.

In June 1997, the Kings Plaza Regional Shopping Center (the "Center"), commissioned an Environmental Study and Contamination Assessment Site Investigation (the Phase II "Study") to evaluate and delineate environmental conditions disclosed in a Phase I study. The results of the Study indicate the presence of petroleum and bis (2-ethylhexyl) phthalate contamination in the soil and groundwater. The Company has delineated the contamination and has developed a remediation approach. The New York State Department of Environmental Conservation ("NYDEC") has not yet approved the remediation approach. The Company accrued $2,000,000 in previous years ($1,678,000 has been paid as of December 31, 2000) for its estimated obligation with respect to the clean up of the site, which includes costs of (i) remedial investigation, (ii) feasibility study, (iii) remedial design, (iv) remedial action and (v) professional fees. If the NYDEC insists on a more extensive remediation approach, the Company could incur additional obligations.

The majority of the contamination may have resulted from activities of third parties; however, the sources of the contamination have not been fully identified. Although the Company intends to pursue all available remedies against any potentially responsible third parties, there can be no assurance that such parties will be identified, or if identified, whether these potentially responsible third parties will be solvent. In addition, the costs associated with pursuing any potentially responsible parties may be cost prohibitive. The Company has not recorded an asset as of December 31, 2000 for potential recoveries of environmental remediation costs from other parties.

Neither the Company nor any of its subsidiaries is a party to, nor is their property the subject of, any material pending legal proceeding other than routine litigation incidental to their businesses. The Company believes that these legal actions will not be material to the Company's financial condition or results of operations

Letters of Credit

Approximately $900,000 in standby letters of credit were issued at December 31, 2000.

8. STOCK OPTION PLAN

Under the Omnibus Stock Plan (the "Plan"), approved by the Company's stockholders on May 22, 1996, directors, officers, key employees, employees of Vornado Realty Trust and any other person or entity as designated by the Omnibus Stock Plan Committee are eligible to be granted incentive share options and non-qualified options to purchase common shares. Options granted are at prices equal to 100% of the market price of the Company's shares at the date of grant, vest on a graduated basis, becoming fully vested 36 months after grant and expire ten years after grant. The Plan also provides for the award of Stock Appreciation Rights, Performance Shares and Restricted Stock, as defined.

If compensation cost for Plan awards had been determined based on fair value at the grant dates, net income and income per share would have been reduced to the pro forma amounts below, for the years ended December 31, 2000, 1999 and 1998:

	2000	1999	1998
Net income (loss):			
As reported	$ 5,197,000	$ 5,524,000	$ (6,055,000)
Pro forma	$ 3,662,000	$ (1,414,000)	$ (8,009,000)
Net income (loss) per share applicable to common shareholders:			
As reported	$ 1.04	$ 1.10	$ (1.21)
Pro forma	$ .73	$ (.28)	$ (1.60)

The fair value of each option grant is estimated on the date of grant using an option-pricing model with the following weighted-average assumptions used for grants in the period ended December 31, 1999 (no options were granted in the year ended December 31, 2000 or 1998):

	1999
Expected Volatility	38%
Expected Life	5 years
Risk-free interest rate	6.45%
Expected dividend yield	0%

A summary of the Plan's status, and changes during the years ended December 31, 2000, 1999 and 1998, are presented below:

	December 31, 2000		December 31, 1999		December 31, 1998	
	Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price
Outstanding at January 1	955,000	$ 71.66	350,000	$ 73.88	350,000	$ 73.88
Granted	--	--	605,000	70.38	--	--
Exercised	--	--	--	--	--	--
Converted to Stock Appreciation Rights	(850,000)	71.82				
Outstanding at December 31	105,000	70.38	955,000	71.66	350,000	$ 73.88
Weighted-average fair value of options granted (per option)	$ --		$ 40.81		$ --	

The following table summarizes information about options outstanding under the Plan at December 31, 2000:

Options outstanding:	
Number outstanding at December 31, 2000	105,000
Weighted-average remaining contractual life	8.2 Years
Weighted-average exercise price	$ 70.375
Options exercisable:	
Number exercisable at December 31, 2000	35,700
Weighted-average exercise price	$ 70.375

Shares available for future grant at December 31, 2000 were 895,000.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

On June 5, 2000, the Board of Directors approved the conversion of 850,000 stock options of two officers/directors into equivalent stock appreciation rights (SARs). The SARs have the same vesting terms and strike prices as the options. Accounting for SARs is reflected in the statement of operations, whereas the accounting for stock options is not. Since the stock price at December 31, 2000 is less than the strike price, no expense is included in the statement of operations for the year ended December 31, 2000. SARs, unlike options, are not aggregated under the REIT rules.

9. INCOME (LOSS) PER SHARE

The following table sets forth the computation of basic and diluted income (loss) per share:

	December 31,		
	2000	1999	1998
Numerator:			
Income (loss) from continuing operations	$ 5,197,000	$ 5,524,000	$(6,055,000)
Denominator:			
Denominator for basic income (loss) per share - weighted average shares	5,000,850	5,000,850	5,000,850
Effect of dilutive securities:			
Employee stock options	4,927	22,072	--
Denominator for diluted income (loss) per share - adjusted weighted average shares and assumed conversions	5,005,777	5,022,922	5,000,850
Basic and diluted income (loss) per share	$ 1.04	$ 1.10	$(1.21)

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. SUMMARY OF QUARTERLY RESULTS (UNAUDITED)
(amounts in thousands except per share amounts)

	Year Ended December 31, 2000			
	Quarter Ended			
	Mar. 31	June 30	Sept. 30	Dec. 31
Total Revenues	$ 15,086	$ 16,088	$ 16,382	$ 16,409
Net income (loss)	$ 1,427	$ 233(3)	$ (5,423)(3)	$ 8,960(3)
Income (loss) per common share diluted (1)	$ .29	$ .05	$ (1.08)	$ 1.79

	Year Ended December 31, 1999			
	Quarter Ended			
	Mar. 31	June 30	Sept. 30	Dec. 31
Total Revenues	$ 16,623	$ 16,037	$ 15,947	$ 15,783
Net income (loss)	$ 1,475	$ 2,336	$ 1,635	$ 78 (2)
Income (loss) per common share diluted (1)	$ .29	$ .47	$ .32	$ .02

(1) The total for the year may differ from the sum of the quarters as a result of weighting.

(2) Net of $4,877 resulting from the write-off of the asset arising from the straight-lining of rents, primarily due to Caldor's rejection of its Flushing lease in 1999, of which $1,877 was recognized in the fourth quarter of 1999.

(3) Net of Stock Appreciation Rights (SARs) expense of $983 and $5,881 in the second and third quarter of 2000, respectively. The fourth quarter of 2000 includes $6,864 representing the reversal of the SARs expense previously recognized during 2000.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11. SUBSEQUENT EVENT

The Company sold its Fordham Road Property, located in the Bronx, New York, on January 12, 2001. The vacant property contains 303,000 square feet and was sold for $25,500,000 resulting in a gain of $19,100,000. In addition, the Company paid off the mortgage on this property at a discount, which resulted in an extraordinary gain from the early extinguishment of debt of $3,500,000. Included in the expenses relating to the sale, the Company paid a commission of $1,020,000 of which $520,000 was paid to Vornado. These transactions will be recorded in the first quarter of 2001.

PART III

Item 10. Directors and Executive Officers of the Registrant

Information relating to directors and executive officers of the Company will be contained in a definitive Proxy Statement involving the election of directors which the Company will file with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, not later than 120 days after December 31, 2000, and such information is incorporated herein by reference. Information relating to Executive Officers of the Registrant appears on page 10 of this Annual Report on Form 10-K.

Item 11. Executive Compensation

Information relating to executive compensation will be contained in the Proxy Statement referred to above in Item 10, "Directors and Executive Officers of the Registrant", and such information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

Information relating to security ownership of certain beneficial owners and management will be contained in the Proxy Statement referred to in Item 10, "Directors and Executive Officers of the Registrant", and such information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions

Information relating to certain relationships and related transactions will be contained in the Proxy Statement referred to in Item 10, "Directors and Executive Officers of the Registrant", and such information is incorporated herein by reference.

PART IV

ITEM 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) Documents filed as part of this Report

1. The consolidated financial statements are set forth in Item 8 of this Annual Report on Form 10-K.

2. Financial Statement Schedules:

The following financial statement schedules should be read in conjunction with the financial statements included in item 8 of this Annual Report on Form 10-K.

	Pages in this Annual Report on Form 10-K
Schedule II - Valuation and Qualifying Accounts - years ended December 31, 2000, 1999 and 1998	40
Schedule III - Real Estate and Accumulated Depreciation as of December 31, 2000	41

All other consolidated financial schedules are omitted because they are inapplicable, not required, or the information is included elsewhere in the consolidated financial statements or the notes thereto.

3. Exhibits

See Exhibit Index on page 43

(b) Reports on Form 8-K

During the last quarter of the period covered by this Annual Report on Form 10-K, no reports on Form 8-K were filed.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

By: /s/ Joseph Macnow
Joseph Macnow, Executive Vice President-Finance and Administrartion

Date: March 1, 2001

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Steven Roth Steven Roth	Chief Executive Officer and Director (Principal Executive Officer)	March 1, 2001
/s/ Michael D. Fascitelli Michael D. Fascitelli	President and Director	March 1, 2001
/s/ Thomas R. DiBenedetto Thomas R. DiBenedetto	Director	March 1, 2001
/s/ David Mandelbaum David Mandelbaum	Director	March 1, 2001
/s/ Stephen Mann Stephen Mann	Director	March 1, 2001
/s/ Arthur I. Sonnenblick Arthur I. Sonnenblick	Director	March 1, 2001
/s/ Neil Underberg Neil Underberg	Director	March 1, 2001
/s/ Richard West Richard West	Director	March 1, 2001
/s/ Russell B. Wight, Jr. Russell B. Wight, Jr.	Director	March 1, 2001

ALEXANDER'S INC. AND SUBSIDIARIES

SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS

COLUMN A	COLUMN B	COLUMN C	COLUMN D		COLUMN E
(AMOUNTS IN THOUSANDS)	BALANCE AT BEGINNING	ADDITIONS CHARGED AGAINST	DEDUCTIONS		BALANCE AT END
DESCRIPTION	OF YEAR	OPERATIONS	DESCRIPTION	AMOUNT	OF YEAR
YEAR ENDED DECEMBER 31, 2000:					
Deducted from accounts receivable, allowance for doubtful accounts.....	$ 314	$ 413	Uncollectible accounts written-off	$ 5	$ 722
YEAR ENDED DECEMBER 31, 1999:					
Deducted from accounts receivable allowance for doubtful accounts.....	$ 841	$ (68)	Uncollectible accounts written-off	$ 459	$ 314
YEAR ENDED DECEMBER 31, 1998:					
Deducted from accounts receivable, allowance for doubtful accounts.....	$ 147	$ 703	Uncollectible accounts written-off	$ 9	$ 841

ALEXANDER'S, INC. AND SUBSIDIARIES
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 2000
(amounts in thousands)

	Column A	Column B	Column C	Column D	Column E		Column F
Description	Encumbrances	Land	Initial Cost to Company (2) Building, Leaseholds and Leasehold Improvements	Cost Capitalized Subsequent to Acquisition(3)	Gross Amount at which Carried at Close of Period- Land	Buildings, Leasehold and Leaseholds Improvements	Capitalized Expenses and Pre-development Costs
Commercial Property:							
New York City,							
New York:							
Fordham Rd.(5)	$21,263	$2,301	$ 9,258	$ 36	$2,301	$ 9,294	$ --
Third Avenue	--	1,201	4,437	--	1,201	4,437	--
Rego Park I	82,000	1,647	8,953	57,641	1,647	66,594	--
Rego Park II	--	3,906	1,467	434	3,906	1,566	335
Flushing	--	--	1,660	473	--	1,784	349
Lexington Ave.	15,000	14,432	12,355	146,358	48,379	--	124,766
Flatbush Ave. and Avenue U	114,525	497	9,542	108,023	24,483	65,688	27,891
Total New York	232,788	23,984	47,672	312,965	81,917	149,363	153,341
New Jersey - Paramus	--	1,441	--	12,096	1,441	--	12,096
Other Properties	--	599	1,804	4,374	599	1,804	4,374
Other secured debt	135,000(1)						
TOTAL	$367,788	$26,024	$49,476	$329,435	$83,957	$151,167	$169,811

	Column G	Column H	Column I	Column J	
Description	Total(3)	Accumulated Depreciation and Amortization	Date of Construction	Date Acquired (2)	Life on Which Depreciation in Latest Income Statement is Computed
Commercial Property:					
New York City,					
New York:					
Fordham Rd.(5)	$11,595	$7,036	1928	1992	4-40 years
Third Avenue	5,638	3,198	1928	1992	13 years
Rego Park I	68,241	15,682	1959	1992	6-40 years
Rego Park II	5,807	1,462	1965	1992	5-39 years
Flushing	2,133	1,662	1975(4)	1992	10-22 years
Lexington Ave.	173,145	--	--	1992	--
Flatbush Ave. and Avenue U	118,062	28,038	1970	1992	10-40 years
Total New York	384,621	57,078			
New Jersey - Paramus	13,537	--	--	1992	--
Other Properties	6,777	1,806	Various	1992	7-25 years
Other secured debt					
TOTAL	$404,935	$58,884			

(1) The loans, which were scheduled to mature in March 2001, have been extended to March 2002. The loans are secured by liens on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries and the parent, except for the Kings Plaza Regional Shopping Center and Rego Park I. These liens are subordinate to first mortgages.

(2) Initial cost is as of May 15, 1992 (the date on which the Company commenced real estate operations) unless acquired subsequent to that date. See Column J.

(3) The net basis in the Company's assets and liabilities for tax purposes is approximately $84,000,000 lower than the amount reported for financial statement purposes.

(4) Date represents lease acquisition date.

(5) The Fordham Road property was sold on January 12, 2001 and the related encumbrance was satisfied. At December 31, 2000 such property was classified as "asset held for sale."

ALEXANDER'S, INC. AND SUBSIDIARIES

SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
(amounts in thousands)

	December 31, 2000	December 31, 1999
REAL ESTATE:		
Balance at beginning of period	$ 327,004	$ 290,686
Additions during the period:		
Buildings, leaseholds and leasehold improvements	1,541	6,846
Capitalized expenses and development costs	76,390	29,472
Balance at end of period	$ 404,935	$ 327,004
ACCUMULATED DEPRECIATION:		
Balance at beginning of period	$ 55,199	$ 51,529
Additions charged to operating expenses	3,685	3,670
Balance at end of period	$ 58,884	$ 55,199

Index to Exhibits

The following is a list of all exhibits filed as part of this Report:

* Incorporated by reference

EXHIBIT NO.			PAGE
10(i)(D)(1)	--	Modification and Extension of Credit Agreement, dated as of April 14, 2000, between First Union National Bank, as lender, and Alexander's Inc., as borrower. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2000	*
10(i)(D)(2)	--	Pledge and Security Agreement for Transferable Development Rights, dated as of April 14, 2000, between First Union National Bank, as secured party, 731 Limited Partnership, as assignor, and Alexander's, Inc. as borrower, Incorporated herein by reference from Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2000	*
10(i)(E)	--	Amended, Restated and Consolidated Mortgage and Security Agreement, dated May 12, 1999, between The Chase Manhattan Bank, as mortgagee, and Alexander's Rego Shopping Center Inc., as mortgagor. Incorporated herein by reference from Exhibit 10(i)(E) to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2000	*
10(i)(G)(1)	--	Real Estate Retention Agreement dated as of July 20, 1992, between Vornado Realty Trust and Keen Realty Consultants, Inc., each as special real estate consultants, and the Company. Incorporated herein by reference from Exhibit 10(i)(O) to the Registrant's Form 10-K for the fiscal year ended July 25, 1992	*
10(i)(G)(2)	--	Extension Agreement to the Real Estate Retention Agreement, dated as of February 6, 1995, between the Company and Vornado Realty Trust. Incorporated herein by reference from Exhibit 10(i)(G)(2) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994	*
10(i)(H)	--	Management and Development Agreement, dated as of February 6, 1995, between Vornado Realty Trust and the Company, on behalf of itself and each subsidiary listed therein. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated February 6, 1995	*
10(i)(I)	--	Commitment letter, dated as of February 6, 1995, between Vornado Realty Trust and the Company. Incorporated herein by reference from Exhibit 10.3 to the Registrant's Current Report on Form 8-K dated February 6, 1995	*
10(i)(J)(1)	--	First Amendment to Mortgage and Security Agreement, dated as of February 24, 2000, between Banc of America Commercial Finance Corporation, as mortgagee, and Alexander's of Fordham Road, Inc., as mortgagor. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2000	*
10(i)(J)(2)	--	Amended and Restated Promissory Note (Secured), dated as of February 24, 2000, between Banc of America Commercial Finance Corporation, as lender, and Alexander's of Fordham Road, Inc., as borrower. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2000	*
10(i)(J)(3)	--	Trigger Agreement, dated as of February 24, 2000, between Banc of America Commercial Finance Corporation, as lender, and Alexander's, Inc., as guarantor. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2000	*

* Incorporated by reference

EXHIBIT NO.			PAGE
10(i)(K)	--	Term Loan Agreement dated as of June 18, 1998 among Alexanders' Kings Plaza Center, Inc., Kings Plaza Corp., and Alexander's Department Stores of Brooklyn, Inc., as Borrower, Union Bank of Switzerland, as Lender. Incorporated herein by reference from Exhibit 10 to the Registrant's Form 10-Q for the fiscal quarter ended June 30, 1998..........................	*
10(ii)(A)(3)	--	Agreement of Lease for Rego Park, Queens, New York, between Alexander's, Inc. and Sears Roebuck & Co. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 1994.................	*
10(ii)(A)(4)(a)	--	Lease for Roosevelt Avenue, Flushing, New York, dated as of December 1, 1992, between the Company, as landlord, and Caldor, as tenant. Incorporated herein by reference from Exhibit (ii)(E)(7) to the Registrant's Form 10-K for the fiscal year ended July 25, 1992...	*
10(ii)(A)(4)(b)	--	First Amendment to Sublease for Roosevelt Avenue, Flushing, New York, dated as of February 22, 1995 between the Company, as sublandlord, and Caldor, as tenant. Incorporated herein by reference from Exhibit 10(ii)(A)(8)(b) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
10(ii)(A)(5)	--	Lease Agreement, dated March 1, 1993 by and between the Company and Alex Third Avenue Acquisition Associates. Incorporated by reference from Exhibit 10(ii)(F) to the Registrant's Form 10-K for the fiscal year ended July 31, 1993............................	*
10(ii)(A)(6)	--	Agreement of Lease for Rego Park, Queens, New York, between the Company and Marshalls of Richfield, MN., Inc., dated as of March 1, 1995. Incorporated herein by reference from Exhibit 10(ii)(A)(12)(a) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
10(ii)(A)(7)	--	Guaranty, dated March 1, 1995, of the Lease described in Exhibit 10(ii)(A)(6)(a) above by the Company. Incorporated herein by reference from Exhibit 10(ii)(A)(12)(b) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994.........................	*
10(iii)(B)	--	Employment Agreement, dated February 9, 1995, between the Company and Stephen Mann. Incorporated herein by reference from Exhibit 10(iii)(B) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
10(iv)(A)	--	Registrant's Omnibus Stock Plan, as amended, dated May 28, 1997. Incorporated herein by reference from Exhibit 10 to the Registrant's Form 10-Q for the fiscal quarter ended June 30, 1997..	*
12	--	Consolidated Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Stock Dividend Requirements..	*
13	--	Not applicable...	*
16	--	Not applicable...	*
18	--	Not applicable...	*
19	--	Not applicable...	*
21	--	Subsidiaries of Registrant...	*
22	--	Not applicable...	*
23	--	Consent by Deloitte & Touche LLP...	*
25	--	Not applicable...	*
29	--	Not applicable...	*

* Incorporated by reference

EXHIBIT 12

ALEXANDER'S, INC.

CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES

(amounts in thousands except ratios)

	December 31, 2000	December 31, 1999	December 31, 1998	December 31, 1997	December 31, 1996
Income (loss) from continuing operations before reversal of deferred taxes	$ 5,197	$ 5,524	$ (6,055)	$ 7,466	$ 13,097
Fixed charges (1)	21,563	17,786	16,651	13,749	14,464
Income from continuing operation before income taxes and fixed charges	$ 26,760	$ 23,310	$ 10,596	$ 21,215	$ 27,561
Fixed charges:					
Interest and debt expense	$ 21,424	$ 17,647	$ 16,541	$ 13,639	$ 14,299
1/3 of rent expense - interest factor	139	139	110	110	165
	21,563	17,786	16,651	13,749	14,464
Capitalized interest	16,731	9,352	7,864	9,079	8,552
	$ 38,294	$ 27,138	$ 24,515	$ 22,828	$ 23,016
Ratio of earnings to fixed charges	--	--	--	--	1.20
Deficiency in earnings available to cover fixed charges	$ (11,534)	$ (3,828)	$ (13,919)	$ (1,613)	--

Notes:

(1) For purposes of this calculation, earnings before fixed charges consist of earnings plus fixed charges. Fixed charges consist of interest expense on all indebtedness (including amortization of debt issuance costs) from continuing operations and the portion of operating lease rental expense that is representative of the interest factor (deemed to be one-third of operating lease rentals).

EXHIBIT 21

ALEXANDER'S, INC.

SUBSIDIARIES OF REGISTRANT

Alexander's of Brooklyn, Inc.
Alexander's of Fordham Road, Inc.
Alexander's Rego Park Center, Inc.
Alexander's of Rego Park, Inc.
Alexander's of Rego Park II, Inc.
Alexander's of Rego Park III, Inc.
Alexander's of Third Avenue, Inc.
Alexander's of Flushing, Inc.
Alexander's Department Stores of New Jersey, Inc.
Alexander's Department Stores of Lexington Avenue, Inc.
Alexander's Department Stores of Brooklyn, Inc.
U & F Realty Corp.
ADMO Realty Corp.
Ownreal Inc.
Sakraf Wine & Liquor Store, Inc.
Alexander's Personnel Providers, Inc.
Alexander's Kings Plaza Center, Inc.
Kings Plaza Corp. N.Y.
Alexander's Rego Shopping Center Inc.
Seven Thirty One Limited Partnership
59th Street Corporation
59th Street Operating LLC
59th Street LLC
Alexander's Tower Operating LLC
Alexander's Tower LLC
Alexander's 175 Lexington Inc.
175 Lexington LLC

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation in Amendment No. 3 to Registration Statement No. 33-62779 on Form S-3 of our report dated March 1, 2001, appearing in this Annual Report on Form 10-K of Alexander's, Inc. for the year ended December 31, 2000.

Deloitte & Touche LLP
Parsippany, New Jersey
March 1, 2001