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NEW VALLEY, THE WITKOFF GROUP AND WINTHROP REALTY TRUST ACQUIRE 701 SEVENTH AVENUE

Prime Times Square Area Real Estate To Be Redeveloped For Retail and Potential Hotel Site

New York, NY, October 16, 2012 -- A group led by New Valley LLC ("New Valley"), which is wholly owned by Vector Group Ltd. (NYSE: VGR), The Witkoff Group and Winthrop Realty Trust (NYSE: FUR), today announced that it has acquired 701 Seventh Avenue in New York, NY (the "Property"). New Valley, The Witkoff Group, Winthrop and other parties are providing equity investments for the transaction, with Starwood Capital Group providing both debt financing and equity.

The Property, located on the northeast corner of Seventh Avenue and 47th Street in the Times Square submarket of New York City, totals approximately 120,000 gross square feet. It is a rectangular corner parcel (0.4 acres) occupied by two buildings, both of which were constructed in the early 1900s. The site will be fully redeveloped with new retail, signage and other best uses. Times Square is one of the most coveted tenant destinations in the world, attracting more than 500,000 people per day spending more than \$4.8 billion annually on hotels, retail and entertainment.

"We are thrilled to be partnering with The Witkoff Group and Winthrop to acquire this prime real estate asset on a desirable corner in Manhattan's Times Square area," said Howard M. Lorber, President and Chief Executive Officer of Vector Group, New Valley's parent company. "We see many attractive redevelopment opportunities for this site, which will include premium space for retail, entertainment, food and beverage businesses, as well as a site for a potential 30-story hotel."

Steven C. Witkoff, Chairman, Chief Executive Officer of The Witkoff Group, said, "This property is unique because it will be one of the few new buildings – as opposed to a renovation of an existing building – in the Times Square submarket, which will allow us to customize the space for a variety of retail tenants. In addition, because of the property's first-rate location, there are also immediate opportunities to modernize the site's signage and monetize its air rights. We look forward to partnering with New Valley and Winthrop on this exciting new project."

Michael L. Ashner, Chairman and Chief Executive Officer of Winthrop, said, "Investing in a property of this nature in the Times Square submarket with these experienced partners is an exciting opportunity for Winthrop. We are pleased to again be partnering with New Valley and look forward to our relationship with The Witkoff Group."

About New Valley LLC

New Valley owns and partners in a broad spectrum of real estate opportunities throughout the United States and abroad. New Valley also owns a controlling interest in Douglas Elliman Realty, which operates the largest residential real estate brokerage in the New York metropolitan area and is one of the largest residential real estate brokerages in the United States. For additional information, please visit www.VectorGroupLtd.com.

About The Witkoff Group

The Witkoff Group is a fully integrated real estate investment firm that owns a diverse portfolio of real estate in select U. S. markets. The company specializes in identifying and acquiring undervalued properties in key central business district locations as well as assets with strong repositioning potential in newly emerging markets. These strategies have guided the company's acquisition and management activities. For additional information, please visit www.witkoff.com.

About Winthrop Realty Trust

Winthrop Realty Trust, headquartered in Boston, Massachusetts, is a NYSE-listed real estate investment trust (REIT) focused on acquiring, owning, operating and investing in real property as well as real estate financial instruments including CMBS, bonds, REIT preferred and common stock. For more information, please visit our web-site at <http://www.winthropreit.com>.

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