FOR IMMEDIATE RELEASE:

WELLSFORD REAL PROPERTIES, INC. REPORTS 2001 RESULTS BEFORE AND AFTER RESTRUCTURING CHARGE

NEW YORK, March 15, 2002—Wellsford Real Properties, Inc. (AMEX: "WRP") reported 2001 revenues of $41,492,999, net income of $802,156 or $0.11 per share and net cash flow of $6,853,399 or $0.95 per share, before a $3,527,000 restructuring charge or $(0.49) per share. This charge caused a net loss for WRP of $(2,724,616) or $(0.38) per share and resulted in positive net cash flow of $3,326,627 or $0.46 per share for the year ended December 31, 2001.

In the fourth quarter of 2001, revenues were $7,854,091, the net loss was $(2,838,828) or $(0.45) per share and negative cash flow of $(1,661,955) or $(0.26) per share. Before the effects of the restructuring charge, earnings for the fourth quarter 2001 were $687,944 or $0.11 per share and WRP had net cash flow of $1,864,817 or $0.29 per share.

For the prior year ended December 31, 2000, WRP reported revenues of $25,623,789, net income available for common shareholders of $6,468,045 or $0.76 per share and net cash flow of $18,807,340 or $2.21 per share. For the quarter ended December 31, 2000, WRP reported revenues of $6,893,558, net income available for common shareholders of $4,305,712 or $0.52 per share and net cash flow of $9,184,176 or $1.10 per share.

2001 Highlights

Wellsford/Whitehall

At December 31, 2001 WRP had a 32.58% ownership interest in Wellsford/Whitehall, a private joint venture that owns and operates 35 properties totaling 3,905,000 square feet.

Wellsford/Whitehall sold 11 properties for gross proceeds of $146,000,000 during 2001, including two properties during the fourth quarter of 2001 for proceeds of $20,200,000. Aggregate gains from these sales of $27,336,000 were offset by impairment provisions recorded during the year of $16,545,000, primarily from the Pointview property which was sold in September 2001. WRP's share of the gains and impairment provision was $10,321,000 and $6,256,000, respectively, during 2001.

During June 2001, Wellsford/Whitehall obtained a three-year, $353,000,000 revolving credit facility from General Electric Capital Corporation with an initial funding of approximately $273,000,000. Approximately $80,000,000 will be available to be drawn to fund certain capital expenditures and upon achieving certain operating results from six properties. The facility bears interest at LIBOR + 2.90% per annum and matures in June 2004 with two 12-month extension options, subject to meeting certain operating and valuation covenants. The outstanding balance of this facility was $258,060,000 at December 31, 2001.

During 2001, Wellsford/Whitehall leased 556,000 square feet at a weighted average rate of $27.14 per square foot. The portfolio occupancy rate was 70% at December 31, 2001. Approximately two-thirds of the vacant space is located in five buildings.

Wellsford Development

During 2001, WRP sold 105 condominium units at the Silver Mesa phase of Palomino Park, a five phase multifamily development in Highlands Ranch, a south suburb of Denver, CO. Gross proceeds from these sales were $21,932,000, of which $18,648,000 was used to pay down principal on the Silver Mesa Conversion Loan.

In December 2001, the 424-unit Green River phase of Palomino Park was completed at a cost of $56,400,000. Effective December 31, 2001, WRP became obligated for the construction loan which had a balance of $36,747,000 and released the developer of the economic risks it bore during construction and initial lease-up. The Green River phase was 52% occupied at December 31, 2001.

The Blue Ridge and Red Canyon phases of Palomino Park were 81% occupied at December 31, 2001.

Wellsford Capital

WRP sold four properties from this business unit during 2001 for net proceeds of $18,553,000, after selling costs, including one property for net proceeds of $2,873,000 during December 2001.

Second Holding, a leveraged special purpose finance company in which WRP has a 51% equity interest, increased it total assets by $716,000,000 to $1,023,000,000 at December 31, 2001, of which $926,000,000 is invested in real estate and other asset-backed securities and $76,000,000 is in commercial paper and cash. Of the total invested assets, approximately 90% have a Standard & Poor's rating of AAA, AA and AA-.

In August 2001, Second Holding purchased an aggregate of $24,825,000 of two classes of Mortgage Pass-Through Certificates, Series 2001—WTC (the "WTC Certificates") (the Company's share of which is $12,683,000). The WTC Certificates were part of a total bond offering of $563,000,000 which was used to finance the acquisition of the leasehold interest in towers 1 and 2 and buildings 4 and 5 of the World Trade Center in New York City. Such buildings were destroyed on September 11, 2001. The WTC Certificates are not in default and interest payments are current.

Corporate

Pursuant to an announcement in December 2001, Rodney Du Bois, the Company's Vice Chairman, retired on December 31, 2001 and Edward Lowenthal, the Company's co-founder, Chief Executive Officer and President will retire on March 31, 2002. Jeffrey H. Lynford, currently Chairman of the Board, will also assume the positions and duties of Chief Executive Officer and President upon Mr. Lowenthal's retirement. Mr. Lynford's employment agreement has been modified and extended through December 31, 2004.

In connection with Mr. Lowenthal's retirement and other personnel terminations, the Company recorded the aforementioned non-recurring charge of approximately $3,527,000 in the fourth quarter of 2001.

During June 2001, WRP repurchased 2,020,784 shares of common stock at $18.10 per share ($36,576,000 in the aggregate) from an institutional investor. Since November 1999, WRP has repurchased 4,077,763 shares (39%) of its outstanding common stock at a weighted average priced of $17.12 per share.

Commenting on the activities of the fourth quarter and the year ended December 31, 2001, Jeffrey H. Lynford, Chairman of the Board, stated, "2001 has been a difficult year. Performance has been impacted by asset sales, share repurchases, decreased occupancy levels which reduced rental income and impairment provisions on certain assets in the Wellsford/Whitehall portfolio. We continue to focus on liquidity, expenses and debt maturities and we begin 2002 with approximately the same net cash balances with which we started the year: $36 million, after retiring $12 million of corporate obligations. Final results for 2002 will once again depend upon our success in harvesting profits through select property sales."

This press release may contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or industry results to be materially different from any future results, performance or achievements expressed or implied

by such forward-looking statements. Such factors include, among others, the following, which are discussed in greater detail in the "Risk Factors" section of the Company's registration statement on Form S-3 (file No. 333-73874) filed with the Securities and Exchange Commission ("SEC") on December 14, 2001, as may be amended, which is incorporated herein by reference: general and local economic and business conditions, which will, among other things, affect demand for commercial and residential properties, availability and credit worthiness of prospective tenants, lease rents and the availability and cost of financing; ability to find suitable investments; competition; risks of real estate acquisition, development, construction and renovation including construction delays and cost overruns; ability to comply with zoning and other laws; vacancies at commercial and multifamily properties; dependence on rental income from real property; adverse consequences of debt financing including, without limitation, the necessity of future financings to repay debt obligations; inability to meet financial and valuation covenants; inability to repay financings; risks of investments in debt instruments, including possible payment defaults and reductions in the value of collateral; uncertainty pertaining to the WTC Certificates, including scheduled interest payments, the ultimate repayment of principal, adequate insurance coverages, the ability of insurers to pay claims and effects of changes in ratings from Standard & Poor's and Fitch; risks of subordinate loans; risks of leverage; risks associated with equity investments in and with third parties; availability and cost of financing; interest rate risks; demand by prospective buyers of condominium and commercial properties; inability to realize gains from the real estate assets held for sale; lower than anticipated sales prices; inability to close on sales of properties under contract; illiquidity of real estate investments; environmental risks; and other risks listed from time to time in the Company's reports filed with the SEC. Therefore, actual results could differ materially from those projected in such statements.

Press Contact: Mark P. Cantaluppi
Wellsford Real Properties, Inc.
Vice President, Chief Accounting Officer & Director of Investor Relations
(212) 838-3400

Wellsford Real Properties, Inc.
Financial Highlights

Consolidated Statement of Operations	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2001	2000	2001	2000
	(unaudited)		(audited)	
REVENUES				
Rental revenue	$ 3,158,127	$ 4,985,159	$ 13,768,411	$ 18,681,250
Revenue from sales of residential units	3,454,500	--	21,932,050	--
Interest revenue	1,106,492	1,672,599	5,175,162	6,256,739
Fee revenue	134,972	235,800	617,376	685,800
Total revenues	7,854,091	6,893,558	41,492,999	25,623,789
COSTS AND EXPENSES				
Cost of sales of residential units	3,039,418	--	19,363,647	--
Property operating and maintenance	1,002,673	1,257,850	3,791,740	4,351,150
Real estate taxes	54,888	366,470	1,051,060	1,609,649
Depreciation and amortization	1,223,594	1,426,514	5,307,394	4,967,821
Property management	125,706	223,373	557,255	798,761
Interest	1,010,618	2,036,124	4,355,864	7,076,122
General and administrative	2,634,550	1,938,756	8,466,948	7,377,168
Restructuring charge	3,526,772	--	3,526,772	--
Total costs and expenses	12,618,219	7,249,087	46,420,680	26,180,671
Gain on sale of assets, net of impairment provision of $4,725,000 in 2000	--	6,134,851	--	6,134,851
Income from joint ventures	2,622,909	(370,870)	4,564,406	3,246,758
(Loss) income before minority interest, income taxes and accrued distributions and amortization of costs on Convertible Trust Preferred Securities	(2,141,219)	5,408,452	(363,275)	8,824,727
Minority interest	(52,655)	(48,786)	(282,526)	(66,221)
(Loss) income before taxes and accrued distributions and amortization of costs on Convertible Trust Preferred Securities	(2,193,874)	5,359,666	(645,801)	8,758,506
Income tax expense	305,000	757,000	699,000	1,430,000
(Loss) income before accrued distributions and amortization of costs on Convertible Trust Preferred Securities	(2,498,874)	4,602,666	(1,344,801)	7,328,506
Accrued distributions and amortization of costs on Convertible Trust Preferred Securities, net of income tax benefit of $185,000, $228,000, $720,000 and $510,000	339,954	296,954	1,379,815	860,461
Net (loss) income	$ (2,838,828)	$ 4,305,712	$ (2,724,616)	$ 6,468,045
Net (loss) income per common share, basic and diluted	$ (0.45)	$ 0.52	$ (0.38)	$ 0.76
Net income before restructuring charge	$ 687,944	$ 4,305,712	$ 802,156	$ 6,468,045
Net income before restructuring charge per common share, basic and diluted	$ 0.11	$ 0.52	$ 0.11	$ 0.76
Weighted average number of common shares outstanding, basic	6,334,927	8,315,172	7,213,029	8,507,631
Weighted average number of common shares outstanding, diluted	6,334,927	8,325,747	7,213,029	8,516,321

Wellsford Real Properties, Inc.
Financial Highlights
(continued)

Calculation of Net Cash Flow*	For the Three Months Ended December 31, 2001 (unaudited)	For the Three Months Ended December 31, 2000 (unaudited)	For the Years Ended December 31, 2001 (unaudited)	For the Years Ended December 31, 2000 (unaudited)
Net income (loss)	$ (2,838,828)	$ 4,305,712	$ (2,724,616)	$ 6,468,045
Add/(deduct):				
Depreciation and amortization	1,013,991	1,289,386	5,016,125	4,855,778
Provision for impairment	--	4,725,000	--	4,725,000
Accumulated depreciation and recovery of impairment provision on assets sold	(753,347)	(2,533,737)	(3,991,414)	(2,533,737)
JV depreciation, net of sales	916,229	1,397,815	5,026,532	5,292,254
Net cash flow	$ (1,661,955)	$ 9,184,176	$ 3,326,627	$ 18,807,340
Net cash flow per common share, basic and diluted	$ (0.26)	$ 1.10	$ 0.46	$ 2.21
Net cash flow before restructuring charge	$ 1,864,817	$ 9,184,176	$ 6,853,399	$ 18,807,340
Net cash flow before restructuring charge per share, basic and diluted	$ 0.29	$ 1.10	$ 0.95	$ 2.21
Weighted average number of common shares outstanding for net cash flow, basic	6,334,927	8,315,172	7,213,029	8,507,631
Weighted average number of common shares outstanding for net cash flow, diluted	6,359,710	8,325,747	7,238,334	8,516,321

Summary of Consolidated Balance Sheet Data	December 31, 2001 (audited)	December 31, 2000 (audited)
Real estate, net	$ 161,090,132	$ 159,031,033
Notes receivable	$ 34,784,727	$ 37,824,291
Investment in joint ventures	$ 95,806,509	$ 120,969,017
Cash and cash equivalents	$ 36,148,529	$ 36,368,706
Total assets	$ 345,838,157	$ 375,769,577
Mortgage notes payable	$ 121,730,604	$ 104,403,970
Credit facility	$ --	$ 12,000,000
Convertible Trust Preferred Securities	$ 25,000,000	$ 25,000,000
Total shareholders' equity	$ 178,078,702	$ 215,982,349
Other information:		
Common shares outstanding	6,405,241	8,350,378
Book value per share	$ 27.80	$ 25.86
Enterprise assets (unaudited)	$1,855,244,000	$1,194,153,000

* The Company considers Net Cash Flow to be an important measure of its performance, to be considered in addition to Net Income, predicated on Generally Accepted Accounting Principles. Net Cash Flow, for the Company's purposes, represents Net Income as prescribed by Generally Accepted Accounting Principles, plus depreciation and amortization on real estate assets, the provision for impairment, share of depreciation and amortization from unconsolidated partnerships and joint ventures, offset by accumulated depreciation and recovery of impairment provisions on assets sold. Included in such cash flow is the Company's share of undistributed cash retained by the unconsolidated partnerships and joint ventures for continuing investment in lieu of future fundings as well as cash obtained from gains on sales of properties. Net Cash Flow should not be considered a replacement for Net Income as an indicator of the Company's operating performance and is not necessarily indicative of cash available to fund cash needs.