

**FORM 4**

[ ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL  
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public

Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940

<b>1. Name and Address of Reporting Person *</b>  <b>SONNENBLICK ARTHUR</b>  (Last) (First) (Middle)  <b>712 FIFTH AVENUE</b> (Street)  <b>NEW YORK, NY 10019</b> (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b>  <b>ALEXANDERS INC [ ALX ]</b>	<b>5. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b>  <input checked="" type="checkbox"/> Director <span style="margin-left: 100px;"><input type="checkbox"/> 10% Owner</span> <input type="checkbox"/> Officer (give title below) <span style="margin-left: 100px;"><input type="checkbox"/> Other (specify below)</span>
<b>3. Date of Earliest Transaction (MM/DD/YYYY)</b>  <p align="center"><b>10/11/2006</b></p>		<b>6. Individual or Joint/Group Filing (Check Applicable Line)</b>  <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
<b>4. If Amendment, Date Original Filed (MM/DD/YYYY)</b>		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Shares	10/11/2006		M		950	A	\$70.375
Common Shares	10/11/2006		S		950	D	\$344.98
					950	D	
					0	D	

**Table II - Derivative Securities Beneficially Owned ( e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)			
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Options (Right to Buy)	\$70.375	10/11/2006		M		950		3/4/2009	Common Shares	950	\$70.375	5000	D	

**Explanation of Responses:**

( 1 ) Immediately.

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
<b>SONNENBLICK ARTHUR 712 FIFTH AVENUE NEW YORK, NY 10019</b>	<b>X</b>			

**Signatures**

/s/ Arthur Sonnenblick  
\*\* Signature of Reporting Person

10/12/2006  
Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.