

## **REIT Growth and Income Monitor**

### **Weekly Comments 10/29/2013**

**REIT stocks continued October 2013 rally, up 2% for the week as investors reacted positively to end of federal government shutdown, maintaining negative performance gap at (16%).**

**Retail REITs increased guidance for FFO growth, supported by higher rents and portfolio expansion.**

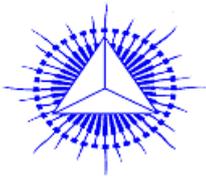
**Simon Property Group is investing in new developments to support tenant expansion.**

**General Growth Properties prioritizes renovation of existing properties as FFO growth exceeds expectations.**

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**Weekly REIT Comments**  
**10/29/2013**

REIT stocks continued to rally for 2% gain for the week ended October 25, 2013. REIT stocks are now up 7% year to date for 2013, far behind performance of the S&P 500 Index, now up 23%, as negative performance gap was maintained at (16%) year to date for 2013. During 3Q 2013, REITs showed the worst underperformance seen since 3Q 2009, when fears of collapsing US economy dominated the news. Average gain for all REITs followed by REIT Growth and Income Monitor is now 13% for 2013, trailing 23% gain for the S&P 500 Index.

Investors are reacting optimistically to REIT earnings reports for 3Q 2013, with conference calls to be presented through the middle of November, 2013. Tenants of Health Care REITs will be impacted by Medicare sequestration during 2013, pending positive impact of the Affordable Care Act in later years. Hotel REITs trade inversely to gasoline prices, while better than expected FFO growth restores confidence. Industrial REITs are gaining occupancy, while their stocks trade in line with economic indicators. Residential REITs expect exceptional FFO growth to continue through 2013, driven by tight occupancy and rental rate increases. Specialty Timber REITs, with portfolios of timberlands and sawlog mills, benefit from improving environment for homebuilders. Performance of Retail REITs is impacted by slowing tenant sales growth, although rental rate increase sustains long term FFO growth. Investors are leery of Office REITs, due to exposure to financial industry layoffs and continued rent roll downs lagging economic recovery.

Financial Mortgage REITs face significant fundamental change, as recently proposed reform legislation was introduced to Congress during 3Q 2013, with debate delayed by ongoing need for federal budget negotiations and efforts to control the debt ceiling. Proposals to liquidate Fannie Mae within 5 years face stiff opposition from liberal Congressmen and Senators, as industry experts and lobbyists warn another recession could follow removal of government support from the housing sector. Reform of Fannie Mae may ultimately impact the housing sector starting in 2014 and 2015, changing the outlook for Financial Mortgage REITs and certain Specialty REITs subject to demand fluctuations from home construction. Meanwhile, renewed investor interest in CMBS and non-agency securities provides a lift for Financial Commercial REITs, although fears of higher interest rates cause all Financial Mortgage REITs to underperform due to impact of bond market volatility on portfolio valuations and book value.

REIT stocks normally perform like interest rate sensitive stocks, although none of the 17 REITs in the S&P 500 Index are actually invested in financial assets. Dividend increases for 2013 and 2014 indicate management confidence in continued FFO growth. As dividend payers, REITs may be viewed as income stocks, attracting investors in need of both consistent income and growth.

**Retail REITs Increase Guidance for FFO Growth, Supported by Higher Rents and Portfolio Expansion**

Although tenant sales gains have slowed, reflecting fluctuation in consumer confidence, Retail REITs are still able to increase guidance for FFO for 2013, due to higher rents on lease turnover. Positive results for 3Q 2013 provide important support for Retail REIT stock prices. Retail tenants have reported modestly positive same store sales growth throughout 2013, supporting decisions to expand retail space to take advantage of shifting market share. FFO growth for Retail REITs is directly supported by rental rate growth, with rents on lease turnover increasing as much as 14% or more. Retail REITs also see FFO growth driven by portfolio expansion, as acquisitions add scale and new retail developments attract key tenants seeking additional space to attract incremental shoppers. Better than expected FFO growth for 3Q 2013 is now leading to higher guidance for FFO for 2013. Dividend increases also excite investors. Attractive Retail REITs with portfolios of regional malls, including **Simon Property Group**, **General Growth Properties**, **Taubman Centers**, **Macerich**, **Pennsylvania REIT** and **CBL & Associates**. We also mention **Tanger Factory Outlet Centers** as offering portfolio growth and positive consumer traffic trends.

**Trading Opportunities**

**Simon Property Group**, the largest US publicly traded REIT at market cap of \$58.0 billion, offers investors broad exposure to retail formats, with a total portfolio of 242 million square feet of retail space in regional malls and brand name outlet centers in US, Europe and Asia. The stock is now up only 1% year to date for 2013, underperforming Retail REITs, up 9%. **Simon Property Group's** financial strength is exceptional, making it a likely acquirer of other Retail REITs over the next few years. **Simon Property Group** reported 11% FFO growth for 3Q 2013, with occupancy strong at 95.5% and average rents trending up 15% on lease turnover, as tenant sales increased 3% for the trailing 12 months ended 3Q 2013. Increased guidance for FFO for 2013 indicates 10% growth. **Simon Property Group** increased dividends 9% during 2013 to \$4.80 per share. **Simon Property Group** provides income investors with current yield of 3.0%.

**General Growth Properties** offers conservative investors another vehicle as a large cap Retail REITs with an opportunistic strategy. With market cap of \$21 billion, **General Growth Properties** owns and operates 123 regional malls with 128 million square feet of retail space. The stock rallied 8% year to date for 2012, underperforming Retail REITs, up 9%. Management of **General Growth Properties** concentrates on improving profitability, after restructured balance sheet and sales of assets strengthened capital base. Performance metrics for 3Q 2013 remain strong, with same property NOI up 6.8%, on 1.1% occupancy gain, and rents on lease turnover up 12%. Average annual tenant sales per square foot for trailing 12 months increased 4%. Core FFO increased 26% for 3Q 2013, while guidance for core FFO growth for 2013 was increased to indicate growth of as much as up 18%. Following another 8% dividend increase for 2014, **General Growth Properties** now provides income investors with yield of 2.6%.

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Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITS:		Price	Price	Price	Price	Price	Price	Weekly	2013
		12/31/2012	09/27/2013	10/04/2013	10/11/2013	10/18/2013	10/25/2013	Price Change	Price Change
American Tower Corp	AMT	\$77	\$75	\$73	\$74	\$79	\$81	2%	5%
Apartment Investment and Management	AIM	\$27	\$28	\$28	\$29	\$29	\$29	0%	9%
AvalonBay Communities	AVB	\$136	\$129	\$125	\$129	\$133	\$131	-1%	-3%
Boston Properties	BXP	\$106	\$107	\$106	\$107	\$109	\$110	1%	4%
Equity Residential	EQR	\$57	\$55	\$53	\$54	\$55	\$55	-1%	-3%
HCP Inc.	HCP	\$45	\$42	\$39	\$42	\$43	\$43	1%	-5%
Health Care REIT	HCN	\$61	\$63	\$62	\$64	\$65	\$66	2%	8%
Host Hotels & Resorts	HST	\$16	\$18	\$18	\$18	\$19	\$19	1%	20%
Kimco Realty	KIM	\$19	\$20	\$20	\$20	\$21	\$22	4%	12%
Macerich	MAC	\$58	\$57	\$56	\$56	\$59	\$60	1%	3%
Plum Creek Timber	PCL	\$44	\$47	\$46	\$48	\$49	\$50	2%	12%
Prologis, Inc	PLD	\$36	\$38	\$38	\$39	\$40	\$41	3%	12%
Public Storage	PSA	\$145	\$163	\$163	\$168	\$172	\$174	1%	20%
Simon Property Group	SPG	\$158	\$150	\$149	\$154	\$158	\$160	1%	1%
Ventas	VTR	\$65	\$63	\$62	\$64	\$66	\$67	3%	4%
Vornado Realty Trust	VNO	\$80	\$84	\$85	\$87	\$89	\$91	2%	14%
Weyerhaeuser	WY	\$28	\$29	\$29	\$29	\$30	\$31	4%	14%
S&P 500 Index	S&P 500	\$1,426	\$1,692	\$1,691	\$1,698	\$1,745	\$1,760	1%	23%
Average for S&P 500 Index REITs								2%	7%

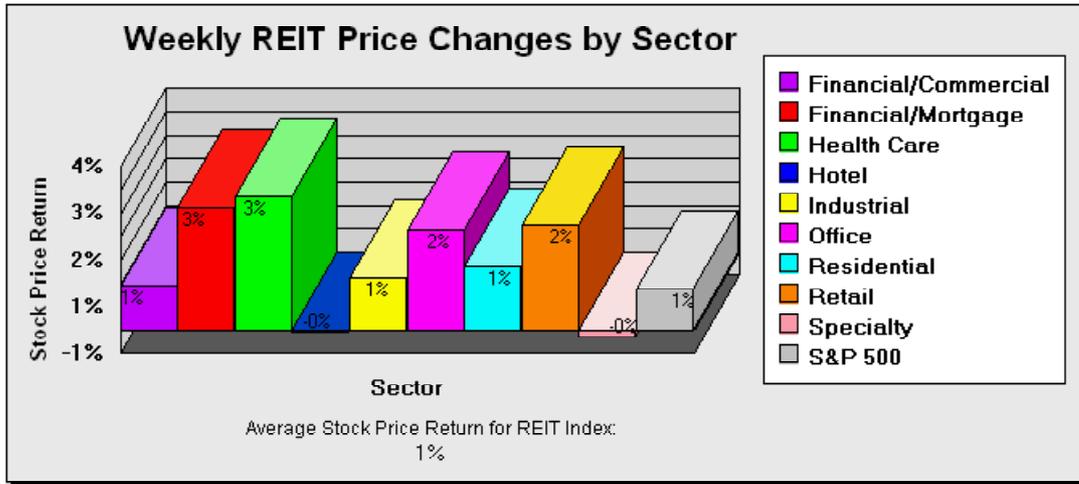
REIT stocks continued the October 2013 rally, trading up 2% for the fourth week of October, the week ended October 25, 2013, as investors reacted positively to the first earnings reports for 3Q 2013. REITs exceeded performance of the S&P 500 Index, up 2% for the week. REITs now show gain of 7% year to date for 2013, still trailing performance of the S&P 500 Index, up 23% for 2013. Negative performance gap was maintained at (16%), as REIT underperformance continues. During 3Q 2013, REITs showed the worst underperformance since 3Q 2009, when fears of collapsing US economy dominated the news.

None of the 17 REITs included in the S&P 500 Index is up the same or more than 22% gain for the S&P 500 Index, while 14 REITs are up less than the S&P 500 Index. A total of 3 of the S&P 500 REITs traded down year to date for 2013. Leading performers among REITs are **Public Storage** and **Host Hotels & Resorts**, both up 20%, still underperforming the S&P 500 Index. Specialty Timber REITs **Plum Creek Timber**, up 12%, and **Weyerhaeuser**, now up 14%, indicate continued optimism over strength of US housing sector, despite negative impact of higher mortgage interest rates. Office REITs show disappointing performance, with **Boston Properties** up 4%, and **Vornado Realty Trust** up 14%, as rental rates decline in many urban areas. Economically sensitive Industrial REIT **Prologis Inc** now shows gain of 12% for 2013. Retail REITs **Kimco Realty**, up 12% for 2013, **Macerich**, up 3%, and **Simon Property Group**, now up 1% for 2013, demonstrate disappointment over lower tenant sales trends, although rental rate increases still support long term FFO growth. Gains previously achieved by Health Care REITs eroded, due to efforts to defund or delay Affordable Care Act, with **HCP** now down (5%), while **Health Care REIT** is up 8% and **Ventas** is up 4% for 2013. Residential REITs also underperform, including **Apartment Investment and Management**, up 9%, **AvalonBay Communities** down (3%), and **Equity Residential**, down (3%), as investors consider eventual impact of multifamily housing starts on occupancy for Residential REITs. **American Tower**, newcomer to REIT status, rallied to show gain of 5% year to date for 2013.

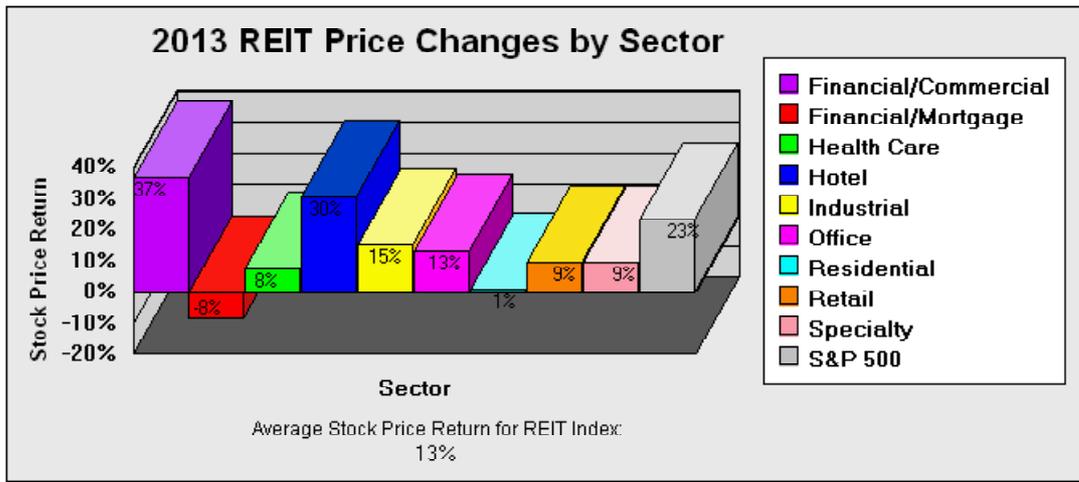
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Weekly REIT Price Changes by Sector

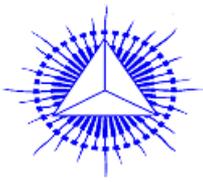


Almost all REIT sectors continued to rally during the fourth week of October, the week ended October 25, 2013, as investors reacted positively to end of 16 day federal government shutdown. Best performance was demonstrated by Financial Mortgage REITs and Health Care REITs, both up 3%, followed by Office REITs and Retail REITs, both up 2%. Financial Commercial REITs, Industrial REITs and Residential REITs all increased 1%. Lagging REIT sectors were Hotel REITs and Specialty REITs, both unchanged for the week. On average, stock prices for REIT Growth and Income Monitor traded up 1% for the week ended October 25, 2013.



Prices for REITs followed by REIT Growth and Income Monitor show gain of 13% on average year to date for 2013, far behind performance of the S&P 500 Index, now up 23% year to date for 2013. REITs previously outperformed, as investors sought dividend income. REITs offer higher yields than S&P 500 stocks, with REIT dividends taxed at the same rate as ordinary income. REIT funds flow demonstrates moderate growth, at a time when other market sectors face adjusted revenue expectations due to currency exposure and variable international economies. Leading sector for 2013 is Financial Commercial REITs, up 37%, as investor interest in non-agency securities revives. Hotel REITs show 30% gain, as investors see better than expected FFO growth during 2013, offset by concerns over volatile oil prices. Industrial REITs are up 15%, while Office REITs show 13% gain. Both Specialty REITs and Retail REITs are up 9%, as investors express concern over slowing economic growth. Health Care REITs are now up 8% year to date for 2013, as investors look beyond Congressional efforts to defund and to delay Affordable Care Act. Residential REITs show increase of only 1% year to date for 2013, although guidance indicates rapid FFO growth through the middle of 2014. Lagging Financial Mortgage REITs show loss of (8%), as investors prepare for pending Fannie Mae reform to be considered by Congress

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REIT Comment



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Company:	American Tower
Price:	\$79
Recommendation:	BUY
Ranking:	2
Market Cap:	\$31,561
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/21/2013  
AMT \$79

American Tower AMT news of acquisition of AT&T cell towers by competitor Crown Castle CCI highlights competition for best locations in US

AMT competitor Crown Castle CCI to acquire rights to 9,700 wireless communications towers from AT&T in \$4.85 billion sale/leaseback transaction

AMT competitor Crown Castle CCI to buy 600 towers with exclusive right to lease and operate 9,100 others for average of 28 years, with option to purchase for \$4.2 billion starting in 2032

AMT competitor Crown Castle CCI of similar size to AMT in US market with 30,000 cell phone towers and transmission sites in US and 1,700 in Australia, compared to AMT 27,000 in US (following completion of pending \$4.8 billion merger with Global Tower Partners) and 29,500 in international locations (following pending merger)

AMT competitor Crown Castle CCI pending conversion to REIT status during 2014

AMT recently announced accretive acquisition of Global Tower Partners for \$4.8 billion, to add 25% to total US capacity for AMT

AMT to discuss results for 3Q 2013 on Wednesday, October 30, 2013 with a conference call for investors scheduled at 8:30 AM

AMT guidance for FFO for 2013 indicates growth UP +25%

AMT provides current annual dividend yield of 1.4%

AMT converted to REIT status on merger with American Tower REIT in January 2012

AMT a Specialty REIT with a portfolio of wireless and broadcast communications real estate with towers in US, Europe, South America, Africa and India

AMT we rank 2 BUY

AMT market cap \$31.6 billion

AMT an S&P 500 Index REIT

## REIT Comment



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Company:	DuPont Fabros Technology
Price:	\$26
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,092
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
DFT \$26

DuPont Fabros Technology DFT forecast for lower PC shipments for 2013 does not indicate lower demand for Internet services delivered from data centers

DFT forecast published by Gartner indicates PC shipments to decline DOWN (11%) to 303 million for 2013, while tablets to increase UP +53% to 184 million and mobile phones to increase UP +4% to 1.8 billion units for 2013

DFT demand for Internet services delivered from data centers still growing due to popularity of mobile Internet devices, including smartphones, tablets, e-readers and netbook computers

DFT significant DFT tenants include the largest Internet websites and online service providers including Facebook, Google, Microsoft and Yahoo!, as well as managed hosting services such as Rackspace and AboveNet (providing Amazon cloud web service)

DFT to discuss results for 3Q 2013 next week on Thursday October 24 2013 with a conference call for investors scheduled at 1:00 PM

DFT increased low end of guidance range for FFO for 2013 to indicate growth UP +30%

DFT increased dividend distribution by 25% for 2Q 2013, now providing current annual dividend yield of 3.9%

DFT an Office REIT with a portfolio of wholesale data centers leased to key Internet portals and service providers

DFT we rank 2 BUY

DFT market cap \$2.1 billion

REIT Comment



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Company:	Annaly Capital Management
Price:	\$12
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,813
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
NLY \$12

Annaly Capital Management NLY fewer completed sales of existing homes indicates price resistance starting to slow housing sector dynamics with fears of negative impact from federal government shutdown

NLY report from NAR (National Association of Realtors) found actual sales of existing homes DOWN (1.9%) to annual pace of 5.29 million homes for September 2013 from revised number for previous month

NLY actual sales of existing homes UP +10.7% from previous year

NLY economist for NAR noted affordability an issue, with average home prices UP +11.7% from previous year

NLY supply of existing homes for sale unchanged at 2.21 million units, representing 5.0 months supply

NLY stock price supported by current annual dividend yield of 11.8%, near the midpoint of the range for Financial Mortgage REITs

NLY a Financial Mortgage REIT with a portfolio of agency guaranteed Residential MBS

NLY we rank 2 BUY

NLY market cap \$11.8 billion

REIT Comment



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Company:	Camden Property Trust
Price:	\$66
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,905
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
CPT \$66

Camden Property Trust CPT affordability of home purchase may keep more apartment dwellers as renters

CPT report from NAR (National Association of Realtors) found decrease DOWN (1.9%) in sales of existing homes for September 2013 may be a result of lower affordability, with average home prices UP +11.7% from previous year

CPT target population for Residential REITs is 25-34 year old age group, with decision for home purchase one of most frequent reasons for apartment turnover

CPT \$600 million development pipeline to add 5% to apartment portfolio capacity

CPT to discuss results for 3Q 2013 on Friday November 1, 2013, with a conference call for investors scheduled at 11:00 AM

CPT guidance for FFO for 2013 indicates growth UP +12%

CPT provides current annual dividend yield of 3.8%

CPT a Residential REIT with a diverse portfolio of apartment communities

CPT we rank 2 BUY

CPT market cap \$5.9 billion

REIT Comment



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Company:	New Residential Investment
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,780
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
NRZ \$7

New Residential Investment NRZ increased quarterly dividend distribution by 25% to \$0.175 per share for 4Q 2013

NRZ new annual dividend \$0.70 per share

NRZ new yield 10.2%

NRZ including \$0.10 per share quarterly distribution for NCT, total quarterly dividend distributions of \$0.27 per share represent increase UP +23% from previous NCT dividend prior to spinoff of NRZ

NRZ a Financial Mortgage REIT

NRZ we rank 2 BUY

NRZ market cap \$1.8 billion

REIT Comment



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Company:	Newcastle Investment
Price:	\$6
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,566
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
NCT \$6

Newcastle Investment NCT pending spin-off of holdings in media assets to provide additional value for NCT shareholders

NCT holdings in GateHouse Media and Local Media Group to be distributed to NCT shareholders through NCT subsidiary New Media Investment Group

NCT New Media Investment Group expected to become a publicly traded company with diverse portfolio of local media assets focused on online advertising and digital marketing

NCT GateHouse Media now in prepackaged bankruptcy proceedings to eliminate debt with New Media Investment Group to own reorganized GateHouse and Local Media in preparation for public offering

NCT recent spin-off of New Residential Investment NRZ and pending spin-off of New Media Investment Group enables portfolio concentration in financial commercial assets

NCT stock price supported by current dividend yield of 6.8%

NCT including \$0.175 per share quarterly distribution for NRZ, total quarterly dividend distributions of \$0.27 per share represent increase UP +23% from previous NCT dividend prior to spinoff of NRZ

NCT a Financial Commercial REIT

NCT we rank 2 BUY

NCT market cap \$1.6 billion

REIT Comment



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Company:	Digital Realty Trust
Price:	\$56
Recommendation:	BUY
Ranking:	1
Market Cap:	\$7,749
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
DLR \$56

Digital Realty Trust DLR news of early renewal of Equinix leases accelerates rental rate increases while maintaining tenant stability

DLR announced early renewal of leases with key tenant Equinix at 5 data center locations in Chicago, Dallas, Los Angeles, Miami and DC

DLR key tenant Equinix represents 5% of total rental revenue for DLR, providing interconnection platform for global Internet services

DLR reset of lease rates at current market rates "unlocks a portion of embedded rent growth" within DLR portfolio

DLR additional capacity expansion should provide FFO growth for 2014 and 2015

DLR to discuss results for 3Q 2013 next week on Wednesday, October 30, 2013 with a conference call for investors scheduled at 1:00 PM

DLR guidance for FFO for 2013 indicates growth UP +8%

DLR stock price supported by current annual dividend yield of 5.6%

DLR an Office REIT with a portfolio of turnkey data centers and office properties

DLR we rank 1 BUY

DLR market cap \$7.7 billion

REIT Comment



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Company:	Digital Realty Trust
Price:	\$56
Recommendation:	BUY
Ranking:	1
Market Cap:	\$7,749
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/21/2013  
DLR \$56

Digital Realty Trust DLR news of better than expected software sales by cloud software vendors including SAP, IBM, Oracle and Microsoft indicates strong demand for corporate Internet services provided from data centers

DLR cloud software vendor SAP announced cloud subscription and support revenues increased UP +79% to annual run rate of more than \$1.3 billion, far exceeding total software revenue growth UP +5%

DLR SAP also announced sales of in-memory database HANA UP +90%, supported by "strong interest in SAP HANA Enterprise Cloud"

DLR software vendor IBM last week reported cloud revenue UP+70% to annual revenue run rate of \$1.8 billion for 3Q 2013, while hardware revenues are declining, as corporate customers look to data centers to provide Internet services enabling access to cloud applications and data

DLR software vendor Oracle recently reported cloud revenue growth of UP+50%, with all new applications and hardware tailored for integration of cloud services and cloud data storage

DLR Microsoft MSFT also a cloud software vendor with new offering to interface corporate VPNs with Azure Windows Cloud Service, making cloud access much easier from mobile Internet devices

DLR to discuss results for 3Q 2013 on October 30, 2013 with a conference call for investors scheduled at 1:00 PM

DLR guidance for FFO for 2013 indicates growth UP +8%

DLR stock price supported by current annual dividend yield of 5.6%

DLR an Office REIT with a portfolio of turnkey data centers and office properties

DLR we rank 1 BUY

DLR market cap \$7.7 billion

REIT Comment



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Company:	CBL & Associates
Price:	\$20
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,860
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
CBL \$20

CBL & Associates CBL traded DOWN (\$0.42) per share to close DOWN (2%) day

CBL stock traded DOWN (7%) year to date for 2013, underperforming Retail REITs, trading UP +7% for 2013

CBL turnover in retail tenants, such as pending closure of some JC Penney locations, offers Retail REITs opportunities to improve rents on re-leasing

CBL anchor tenant JC Penney JCP represents less than 2% of total rents, although much higher percentage of total leased space, as rents are low

CBL increasing rents support FFO growth while portfolio expansion driven by acquisitions and developments

CBL guidance for FFO for 2013 indicates growth UP +4%

CBL provides current yield of 4.7%

CBL a Retail REIT with a portfolio of regional malls in southeastern and midAtlantic states

CBL we rank 2 BUY

CBL market cap \$3.9 billion

REIT Comment



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Company:	Redwood Trust
Price:	\$18
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,711
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
RWT \$18

Redwood Trust RWT traded DOWN (\$0.32) per share to close DOWN (2%) day

RWT stock traded UP +5% year to date for 2013, outperforming Financial Mortgage REITs, trading DOWN (10%) for 2013

RWT renewed interest in non-agency securitizations supports new issues

RWT total industry non-agency securitizations have exceeded \$12 billion through the first 9 months of 2013

RWT goal of issuing \$8 billion securitizations during 2013 appears achievable, following \$4 billion issued by RWT year to date for 2013

RWT addition of agency guaranteed securities as a portion of total non-agency offerings should expand investor base for securitizations

RWT provides current annual dividend yield of 6.3%, at the low end of the range for Financial Mortgage REITs

RWT a Financial Mortgage REIT with a portfolio of non-agency residential loans and securities

RWT we rank 3 HOLD

RWT market cap \$1.7 billion

REIT Comment



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Company:	American Tower
Price:	\$80
Recommendation:	BUY
Ranking:	2
Market Cap:	\$31,761
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
AMT \$80

American Tower AMT traded UP \$0.50 per share to close UP +1% day

AMT stock traded UP +3% year to date for 2013, underperforming Specialty REITs, trading UP +9% for 2013

AMT news of competitor Crown Castle CCI pending \$4.85 billion sale/leaseback transaction for ATT cell towers provides evidence of value in AMT global cell tower portfolio

AMT recently announced accretive acquisition of Global Tower Partners for \$4.8 billion, to add 25% to total US capacity for AMT

AMT competitor Crown Castle CCI pending conversion to REIT status during 2014

AMT to discuss results for 3Q 2013 on Wednesday, October 30, 2013 with a conference call for investors scheduled at 8:30 AM

AMT guidance for FFO for 2013 indicates growth UP +25%

AMT provides current annual dividend yield of 1.4%

AMT converted to REIT status on merger with American Tower REIT in January 2012

AMT a Specialty REIT with a portfolio of wireless and broadcast communications real estate with towers in US, Europe, South America, Africa and India

AMT we rank 2 BUY

AMT market cap \$31.8 billion

AMT an S&P 500 Index REIT

REIT Comment



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Company:	Mack-Cali Realty
Price:	\$22
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,156
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/21/2013  
CLI \$22

Mack-Cali Realty CLI traded DOWN (\$0.49) per share to close DOWN (2%) day

CLI stock traded DOWN (17%) year to date for 2013, underperforming Office REITs, trading UP +11% for 2013

CLI divesting low return office properties to focus new investment on residential properties

CLI recent (35%) dividend reduction reflects management disappointment over lower FFO due to lagging rental rates for office properties

CLI to discuss results for 3Q 2013 on Wednesday, November 6, 2013, with a conference call for investors scheduled at 11:00 AM

CLI reduced guidance for FFO for 2013 to indicate decline DOWN (13%)

CLI provides current annual dividend yield of 5.6%

CLI an Office REIT with a portfolio of office properties concentrated in NY and NJ

CLI we rank 3 HOLD

CLI market cap \$2.2 billion

REIT Comment



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Company:	Weyerhaeuser
Price:	\$30
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,388
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/22/2013  
WY \$30

Weyerhaeuser WY news of pending sale of WRECO homebuilder subsidiary supports trading in the stock

WY in discussions with Tri Pointe Homes TPH to sell WRECO homebuilder subsidiary for \$2.7 billion

WY previous expectations for sale of WRECO (prior to federal government shutdown) cited potential value of more than \$3 billion

WY Tri Pointe Homes TPH a recent IPO in January 2013, with Starwood Capital Group CEO Barry Sternlicht as chairman

WY other potential buyers of WRECO include Brookfield Residential Properties BRP and Taylor Morrison Home TMHC

WY pending sale of WRECO homebuilding operations could enable distribution of special dividend of \$3-\$4 per share to WY shareholders

WY to discuss results for 3Q 2013 this week on Friday, October 25, 2013, with a conference call for investors scheduled at 10:00 AM

WY provides current annual dividend yield of 2.9%

WY a Specialty Timber REIT with a portfolio of timberlands, wood and cellulose fiber manufacturing plants, and homebuilding operations

WY we rank 2 BUY

WY market cap \$17.4 billion

WY an S&P 500 Index REIT

REIT Comment



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Company:	Potlatch
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,751
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/22/2013  
PCH \$43

Potlatch PCH 3Q 2013 EPS \$0.54 v \$0.46 UP +17%

PCH 3Q 2013 EBITDA \$40 million UP +7%

PCH slightly reduced guidance 2013 harvest 3.7 million tons UP +3%  
PCH previous guidance 2013 harvest 3.8 million tons

PCH 3Q 2013 operating income for resource segment \$25 million UP +7%  
PCH 3Q 2013 operating income for wood products segment \$11 million DOWN (26%)  
PCH 3Q 2013 operating income for real estate segment \$6 million UP +417%

PCH 3Q 2013 northern resource segment harvest volume DOWN (27%) from previous year  
PCH 3Q 2013 northern resource segment sawlog volume DOWN (17%) with sawlog prices UP +13%  
PCH 3Q 2013 northern resource segment pulpwood volume DOWN (87%), with pulpwood prices DOWN (3%)

PCH 3Q 2013 southern resource segment harvest volume UP +19% from previous year  
PCH 3Q 2013 southern resource segment sawlog volume UP +30%, with sawlog prices UP +5%  
PCH 3Q 2013 southern resource segment pulpwood volume UP +11% with prices UP +3%

PCH 3Q 2013 lumber shipments UP +6%, with lumber prices UP +2%

PCH expects "seasonal factors" to impact prices for lumber and sawlogs during 4Q 2013  
PCH expects higher new home starts to support higher prices for sawlogs and lumber during 2014  
PCH to provide guidance for harvest volume for 2014 during 1Q 2014  
PCH management comments noted southern pine prices not showing much improvement, although volume up

PCH provides current dividend yield of 2.9%

PCH a Specialty Timber REIT with a portfolio of timberlands and sawlog mills

PCH we rank 2 BUY

PCH market cap \$1.8 billion

REIT Comment



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Company:	American Campus Communities
Price:	\$36
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,845
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/22/2013  
ACC \$36

American Campus Communities ACC 3Q 2013 FFOM \$0.39 v \$0.38 (adjusted) UP +3%  
ACC FFOM modifies FFO to add performance of jointly owned on-campus residences

ACC reduced guidance 2013 FFOM \$2.20 V \$2.02 UP +9% to emphasize low end of previous guidance  
ACC previous guidance 2013 FFOM \$2.20-\$2.26 per share  
ACC guidance 2013 FFOM (adjusted) assumes portfolio NOI \$333 million  
ACC guidance 2013 FFOM (adjusted) assumes same property NOI DOWN (0.5%), with occupancy 95.5% and rents UP +1.1%

ACC implied guidance 4Q 2013 FFOM \$0.64 v \$0.59 (adjusted) UP +8%

ACC 3Q 2013 same property NOI UP +0.5%  
ACC 3Q 2013 same property occupancy 96.7% DOWN (0.1%)  
ACC 3Q 2013 average rents UP +1.1%

ACC 3Q 2013 development pipeline \$561 million for delivery in fall 2014 and 2015

ACC 2013 year to date divestitures \$170 million, ahead of recent guidance

ACC provides current annual dividend yield of 4.0%

ACC a Specialty Educational REIT with a portfolio of student housing communities

ACC we Rank 3 HOLD

ACC market cap \$3.8 billion

REIT Comment



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Company:	Equity Lifestyle Properties
Price:	\$37
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,339
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/22/2013  
ELS \$37

Equity Lifestyle Properties ELS3Q 2013 normalized FFO \$0.65 (adjusted) v \$0.58 UP +12%  
ELS 3Q 2013 normalized FFO excludes net charges of(\$0.43) per share relating to debt extinguishment, transaction costs, and valuation adjustment

ELS reduced guidance 2013 normalized FFO \$2.48-\$2.54 v \$2.31 UP +7%--10%  
ELS previous guidance 2013 normalized FFO \$2.51-\$2.61 per share  
ELS guidance 2013 normalized FFO excludes net charges of(\$0.43) per share relating to debt extinguishment, transaction costs, and valuation adjustment  
ELS updated guidance 2013 normalized FFO assumes core portfolio operating income UP +2.8%

ELS new guidance 4Q 2013 normalized FFO \$0.56-\$0.62 v \$0.56 FLAT - UP +11%  
ELS new guidance 4Q 2013 normalized FFO assumes core portfolio operating income UP +2.3%

ELS new guidance 2014 normalized FFO \$2.61-\$2.71 v \$2.48-\$2.54 UP +5%--7%

ELS 3Q 2013 core portfolio NOI UP +3.3%  
ELS 3Q 2013 core portfolio occupancy 91.8% UP +0.6%  
ELS 3Q 2013 core portfolio average monthly rent \$539 UP +2.5%

ELS results for 2013 benefit from acquisitions completed during 2012

ELS provides current dividend yield of 2.7%

ELS a Specialty REIT with a portfolio of manufactured home communities

ELS we rank 3 HOLD

ELS market cap \$3.3 billion

REIT Comment



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Company:	Equity Residential
Price:	\$55
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,694
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/22/2013  
EQR \$55

Equity Residential EQR delayed Labor Department report of new job creation below expectations

EQR Labor Department reported total non-farm employment increased UP +148,000 for September, 2013

EQR Labor Department found total private sector jobs increased UP +126,000 while total government jobs increased UP +22,000, including federal DOWN (6,000), state UP +22,000 due to seasonality, and local UP +6,000

EQR Labor Department report normally expected in first week of month delayed by 16 day federal government shutdown

EQR previous report from ADP (Automatic Data Processing) found private sector added 166,000 new jobs for September 2013

EQR pace of new employment has slowed sharply from monthly pace of 198,000 new jobs previously reported and revised by Labor Department for July 2013

EQR Residential REITs normally benefit from employment growth as most new jobs are taken by 25-34 year old age group, target market for apartment dwellers

EQR impact of Archstone acquisition positive for margins, but creates need for divestitures to repay debt

EQR guidance for FFO for 2013 indicates growth UP +3%

EQR stock supported by current annual dividend yield of 3.2%

EQR the largest publicly traded Residential REIT with a diverse portfolio of apartment communities

EQR we rank 2 BUY

EQR market cap \$20.7 billion

EQR an S&P 500 Index REIT

REIT Comment



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Company:	Newcastle Investment
Price:	\$6
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,555
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/22/2013  
NCT \$6

Newcastle Investment NCT investors to receive spin-off of NCT media properties may want to consider previous history of GateHouse Media

NCT GateHouse Media, previously known as Liberty Group Publishing was acquired by Fortress for \$527 million in June 2005, followed by several acquisitions of local media properties in Boston area during 2006

NCT GateHouse Media made subsequent public offering in October 2006 with stock valued at \$20 per share, only to tumble to less than \$0.20 per share on delisting 2 years later in October 2008

NCT Fortress acquired Dow Jones Local Media Group for \$87 million in September 2013, to be combined with GateHouse Media following prepackaged bankruptcy filed in September 2013

NCT GateHouse Media now in prepackaged bankruptcy proceedings to eliminate \$1.3 billion debt, with New Media Investment Group to own reorganized GateHouse and Local Media in preparation for public offering

NCT GateHouse Media \$1.3 billion debt owned 52% by Fortress, while the rest may have been previously securitized

NCT holdings in GateHouse Media and Local Media Group to be distributed to NCT shareholders through NCT subsidiary New Media Investment Group

NCT New Media Investment Group expected to become a publicly traded company with diverse portfolio of local media assets focused on online advertising and digital marketing including online portal RadarFrog featuring local and national coupons and special deals

NCT recent spin-off of New Residential Investment NRZ and pending spin-off of New Media Investment Group enables portfolio concentration in financial commercial assets

NCT stock price supported by current dividend yield of 6.8%

NCT including \$0.175 per share quarterly distribution for NRZ, total quarterly dividend distributions of \$0.27 per share represent increase UP +23% from previous NCT dividend prior to spinoff of NRZ

NCT a Financial Commercial REIT

NCT we rank 2 BUY

NCT market cap \$1.6 billion

REIT Comment



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Company:	Liberty Property Trust
Price:	\$37
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,647
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/22/2013  
LRY \$37

Liberty Property Trust LRY 3Q 2013 FFO \$0.57 v \$0.64 DOWN (11%)

LRY results for 3Q 2013 FFO impacted by dilution from August 2013 equity offering to fund major acquisition, adding 19% to total shares outstanding

LRY decreased guidance 2013 FFO \$2.55-\$2.59 (adjusted) v \$2.59 (adjusted) FLAT - DOWN (1%)

LRY previous guidance 2013 FFO \$2.60-\$2.70 (adjusted) per share

LRY guidance 2013 FFO (adjusted) excludes net charges of (\$0.09) per share relating to acquisition and transaction fees

LRY new guidance 4Q 2013 FFO \$0.66-\$0.68 (adjusted) v \$0.63 UP +5%+8%

LRY new guidance 4Q 2013 FFO (adjusted) excludes net charges of (\$0.04) per share relating to acquisitions and transaction fees

LRY 3Q 2013 same property NOI UP +1.8% on cash basis

LRY 3Q 2013 portfolio occupancy 90.6% DOWN (2.2%)

LRY 3Q 2013 acquisitions 1 property for \$38 million

LRY during October 2013 completed acquisition of operating partnership of Cabot Industrial Value Fund III for \$1.5 billion, adding 28% to portfolio capacity

LRY 3Q 2013 delivered 4 development properties valued at \$163 million to in-service portfolio, now 35% occupied, with new leases signed to bring occupancy to 83.2%

LRY seeking to divest \$650-\$750 million of suburban office and flex properties, representing 6% of total in-service portfolio

LRY stock price supported by current annual dividend yield of 5.1%

LRY an Office REIT with a diverse portfolio of office, industrial and flex properties

LRY we rank 2 BUY

LRY market cap \$4.6 billion

REIT Comment



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Company:	American Campus Communities
Price:	\$36
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,789
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/22/2013  
ACC \$36

American Campus Communities CC traded DOWN (\$0.53) per share to close DOWN (1%) day

ACC stock traded DOWN (22%) year to date for 2013, underperforming Specialty REITs, trading UP +9% day

ACC stock has not yet recovered from guidance reduction on reporting FFO for 2Q 2013 in July 2013

ACC this morning further reduced guidance for FFO for 2013 by emphasizing low end of range, now indicating FFO growth UP +9% for 2013

ACC continued long term FFO growth appears assured based on acquisitions and development pipeline

ACC provides current annual dividend yield of 4.0%

ACC a Specialty Educational REIT with a portfolio of student housing communities

ACC we Rank 3 HOLD

ACC market cap \$3.8 billion

REIT Comment



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Company:	Equity Lifestyle Properties
Price:	\$38
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,453
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/22/2013  
ELS \$38

Equity Lifestyle Properties ELS traded UP\$1.25 per share to close UP +3% day

ELS stock traded UP +13% year to date for 2013, outperforming Specialty REITs, trading UP +9% for 2013

ELS stock trading higher despite today's lower FFO guidance for 2013

ELS reduced guidance for FFO for 2013 now indicates growth UP +10%

ELS new guidance for FFO for 2014 indicates growth UP +7% next year

ELS provides current dividend yield of 2.6%

ELS a Specialty REIT with a portfolio of manufactured home communities

ELS we rank 3 HOLD

ELS market cap \$3.5 billion

REIT Comment



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Company:	Anworth Mortgage Asset
Price:	\$5
Recommendation:	BUY
Ranking:	2
Market Cap:	\$748
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/22/2013  
ANH \$5

Anworth Mortgage Asset ANH traded UP \$0.34 per share to close UP +7% day

ANH stock traded DOWN (13%) year to date for 2013, underperforming Financial Mortgage REITs, trading DOWN (10%) for 2013

ANH stock now valued at discount of (16%) to latest book value of \$6.01 per share as of June 30, 2013

ANH bond market rally during 3Q 2013 may have helped to improve net book value for Financial Mortgage REITs

ANH recent (20%) dividend reduction reflects lower GAAP EPS due to net unrealized portfolio losses impacting book value, DOWN (15%) during 2Q 2013

ANH stock price supported by current annual dividend yield of 9.5%, below the midpoint of the range for Financial Mortgage REITs

ANH a Financial Mortgage REIT with a portfolio of agency guaranteed Residential MBS

ANH we rank 2 BUY

ANH market cap \$748 million

REIT Comment



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Company:	Taubman Centers
Price:	\$72
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,010
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/22/2013  
TCO \$72

Taubman Centers TCO traded UP \$1.40 per share to close UP +2% day

TCO stock traded DOWN (9%) year to date for 2013, underperforming Retail REITs, trading UP +7% for 2013

TCO investor concern over news of retail tenant turnover

TCO exposure to struggling tenants JC Penney JCP at 5% of total rental space, while exposure to Sears SHLD at 4% of total space

TCO pending anchor tenant takeovers during 2013 include Nieman Marcus for \$6 billion and Saks for \$3 billion

TCO to discuss results for 3Q 2013 this week, with a conference call for investors at 10:00 AM

TCO guidance for FFO for 2013 indicates growth UP +10%

TCO increased dividend by 8% for 2013, now providing current yield of 2.8%

TCO a Retail REIT with a portfolio of upscale regional malls

TCO we rank 2 BUY

TCO market cap \$11.0 billion

REIT Comment



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Company:	Ramco-Gershenson Properties
Price:	\$16
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,108
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
RPT \$16

Ramco-Gershenson Properties RPT increased quarterly dividend distribution by 10% to \$0.1875 per share for 4Q 2013

RPT new annual dividend \$0.75 per share

RPT new yield 4.7%

RPT a Retail REIT with a portfolio of big box retailers and grocery anchored shopping centers

RPT we rank 3 HOLD

RPT market cap \$1.1 billion

REIT Comment



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Company:	Ramco-Gershenson Properties
Price:	\$16
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,108
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/23/2013  
RPT \$16

Ramco-Gershenson Properties RPT 3Q 2013 FFO \$0.29 v \$0.26 UP +12%

RPT increased guidance 2013 FFO \$1.15-\$1.17 v \$1.04 UP +11%+12%  
RPT previous guidance 2013 FFO \$1.10-\$1.16 per share  
RPT updated guidance 2013 FFO assumes same property NOI UP +3%

RPT 3Q 2013 same property NOI UP +3.1%  
RPT 3Q 2013 core portfolio occupancy UP +1.2%, with small shop occupancy 88.1% UP +1.0%

RPT 3Q 2013 rents on lease turnover UP +6.3%

RPT 3Q 2013 acquisition \$20 million for 1 retail property  
RPT 2013 year to date acquisitions \$450 million  
RPT 3Q 2013 divestiture \$6 million for 1 retail property and 1 small land parcel

RPT investing \$67 million to redevelop 5 retail properties  
RPT to improve returns through investment of \$70-\$90 million to redevelop 6-8 additional retail properties

RPT management commented Dominicks lease to expire 2016, but excited to retenant the space at higher rent before lease expiration  
RPT seeing no slowdown in retail activity following city of Detroit bankruptcy filing  
RPT portfolio concentrated 40% in MI and 26% in FL

RPT increased dividend by 10%, bringing current annual dividend yield to 4.7%

RPT a Retail REIT with a portfolio of big box retailers and grocery anchored shopping centers

RPT we rank 3 HOLD

RPT market cap \$1.1 billion

REIT Comment



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Company:	Prologis Inc
Price:	\$41
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,476
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/23/2016  
PLD \$41

Prologis Inc PLD 3Q 2013 core FFO \$0.41 (adjusted) v \$0.49 (adjusted) DOWN (16%)  
PLD 3Q 2013 core FFO would have been FLAT excluding unusual tax item from previous year

PLD 3Q 2013 adjusted EBITDA \$355 million DOWN (8%)

PLD narrowed guidance range 2013 core FFO \$1.64-\$1.66 v \$1.74 DOWN (5%)-(6%)  
PLD previous guidance 2013 core FFO \$1.63-\$1.67 per share  
PLD guidance for lower 2013 core FFO reflects property divestitures to institutional joint venture funds

PLD 3Q 2013 same property NOI UP +1.8% on cash basis  
PLD 3Q 2013 core portfolio occupancy 93.9% UP +0.2%

PLD 3Q 2013 rents on lease turnover UP +6.1%  
PLD 3Q 2013 tenant retention 80.8%

PLD 3Q 2013 assets under management in institutional joint ventures \$23.4 billion  
PLD 3Q 2013 investments \$1.9 billion, including \$756 million co-investment ventures, \$613 million acquisitions and \$494 million developments (including \$330 million build-to-suit agreements)

PLD 3Q 2013 dispositions \$792 million

PLD management commented market conditions improving, with investment decisions based on current requirements, without preparation for future growth  
PLD forecasts US vacancy rate for bulk distribution space to decline to 7.3% by January 2014  
PLD expects most global markets to see faster growth during 2014

PLD provides current yield of 2.7%

PLD an Industrial REIT with a portfolio of bulk distribution facilities in US, Europe and Asia

PLD we rank 2 BUY

PLD market cap \$20.5 billion

PLD an S&P 500 Index REIT

REIT Comment



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Company:	Associated Estates Realty
Price:	\$16
Recommendation:	BUY
Ranking:	2
Market Cap:	\$783
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
AEC \$16

Associated Estates Realty AEC 3Q 2013 FFO \$0.32 v \$0.32 FLAT

AEC reduced high end of guidance range 2013 FFO \$1.26-\$1.28 v \$1.27 DOWN (1%)-UP +1%  
AEC previous guidance 2013 FFO \$1.26-\$1.30 per share  
AEC updated guidance 2013 FFO assumes same property NOI UP +4.75-+5.25%

AEC 3Q 2013 same property NOI UP +6.1%  
AEC 3Q 2013 same property occupancy 95.8% DOWN (1.4%)  
AEC 3Q 2013 average monthly rent \$1,127 UP +2.6%

AEC pending \$324 million acquisition of 7 apartment properties in Raleigh, Charlotte, Atlanta and Tampa

AEC investing \$200 million in 4 new apartment developments in Dallas, Bethesda, and Los Angeles for total portfolio capacity expansion of 5%

AEC provides annual dividend yield of 4.9%

AEC a Residential REIT with a diverse portfolio of apartment communities

AEC we rank 2 BUY

AEC market cap \$783 million

REIT Comment



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Company:	Acadia Realty Trust
Price:	\$26
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,483
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
AKR \$26

Acadia Realty Trust AKR 3Q 2013 FFO \$0.32 v \$0.27 UP +19%

AKR guidance 2013 FFO \$1.26-\$1.29 v \$1.04 UP +21%+24%  
AKR previous guidance 2013 FFO \$1.17-\$1.25 per share

AKR 3Q 2013 same property NOI UP +4.8%  
AKR 3Q 2013 portfolio occupancy 94.0% UP +0.3% from June 2013  
AKR 3Q 2013 rents on lease turnover UP +4.6% on cash basis

AKR 2013 year to date acquisitions \$121 million  
AKR benefits from investment by \$1.4 billion institutional funds under management

AKR providing current dividend yield of 3.3%

AKR a Retail REIT with a portfolio of grocery and value-anchored retail shopping centers in urban locations

AKR we Rank 2 BUY

AKR market cap \$1.5 billion

REIT Comment



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Company:	Annaly Capital Management
Price:	\$12
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,913
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
NLY \$12

Annaly Capital Management NLY latest update on weekly mortgage application volume indicates little change

NLY report from MBA (Mortgage Bankers Association) found mortgage applications DOWN (0.6%) for week ended October 18, 2013 (unadjusted for Columbus Day bank holiday)

NLY mortgage applications for refinance DOWN (1%), while mortgage applications for home purchase UP +1%

NLY report from MBA (Mortgage Bankers Association) found average interest rate on 30 year fixed rate conforming mortgage DOWN (0.07%) to 4.39%, continuing downward trend of last 4 weeks

NLY aftermath of government shutdown likely to prevent further action on Fannie Mae reform until all budget and debt issues have been resolved

NLY completed acquisition of publicly traded NLY subsidiary CreXus Investment CXS as part of strategic decision to invest up to 25% of equity in non-agency real estate assets

NLY stock price supported by current annual dividend yield of 11.7%, below the midpoint of the range for Financial Mortgage REITs

NLY a Financial Mortgage REIT with a portfolio of agency guaranteed Residential MBS

NLY we rank 2 BUY

NLY market cap \$11.9 billion

REIT Comment



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Company:	Associated Estates Realty
Price:	\$16
Recommendation:	BUY
Ranking:	2
Market Cap:	\$767
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
AEC \$15

Associated Estates Realty AEC traded DOWN (\$0.33) per share to close DOWN (2%) day

AEC stock traded DOWN (5%) year to date for 2013, underperforming Residential REITs, trading DOWN (1%) for 2013

AEC this afternoon's conference call to discuss results for 3Q 2013 failed to excite investors

AEC investors may be overreacting to slight guidance reduction to top end of range still indicating a FLAT year for 2013

AEC pending \$324 million acquisition and \$200 million development investments to provide FFO growth for 2014

AEC provides annual dividend yield of 5.0%

AEC a Residential REIT with a diverse portfolio of apartment communities

AEC we rank 2 BUY

AEC market cap \$767 million

REIT Comment



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Company:	Prologis Inc
Price:	\$41
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,199
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
PLD \$40

Prologis Inc PLD traded DOWN (\$0.55) per share to close DOWN (1%) day

PLD stock traded UP +10% year to date for 2013, underperforming Industrial REITs, trading UP +14% during 2013

PLD conference call for 3Q 2013 results today emphasized positive outlook for demand growth for bulk distribution space both in US and global markets

PLD management commented market conditions improving, with investment decisions based on current requirements, without preparation for future growth

PLD guidance for FFO decline DOWN (6%) for 2013 reflects decision to divest mature properties to institutional investment funds, while investing in new development properties

PLD provides current yield of 2.8%

PLD an Industrial REIT with a portfolio of bulk distribution facilities in US, Europe and Asia

PLD we rank 2 BUY

PLD market cap \$20.2 billion

PLD an S&P 500 Index REIT

REIT Comment



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Company:	Ramco-Gershenson Properties
Price:	\$16
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,138
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
RPT \$16

Ramco-Gershenson Properties RPT traded UP \$0.43 per share to close UP +3% day

RPT stock traded UP +23% year to date for 2013, outperforming Retail REITs, trading UP +7% for 2013

RPT investors heard upbeat presentation on conference call for 3Q 2013 results, with FFO UP +12% and rents on new and renewed leases UP+6%

RPT increased guidance for FFO for 2013 to indicate growth UP +13%

RPT portfolio concentrated 40% in MI and 26% in FL

RPT increased dividend by 10%, bringing current annual dividend yield to 4.6%

RPT a Retail REIT with a portfolio of big box retailers and grocery anchored shopping centers

RPT we rank 3 HOLD

RPT market cap \$1.1 billion

REIT Comment



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Company:	National Retail Properties
Price:	\$33
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,068
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/23/2013  
NNN \$34

National Retail Properties NNN traded UP \$0.68 per share to close UP +2% day

NNN stock traded UP +8% year to date for 2013, slightly outperforming Retail REITs, trading UP +7% for 2013

NNN Retail REITs helped by positive results reported for 3Q 2013 today by Retail REITs Ramco-Gershenson Properties RPT and Acadia Realty Trust AKR

NNN guidance for FFO for 2013 indicates growth UP +9%

NNN provides current annual dividend yield of 4.8%

NNN a Retail REIT with a portfolio of net leased retail and commercial properties

NNN we rank 2 BUY

NNN market cap \$4.1 billion

REIT Comment



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Company:	SL Green Realty
Price:	\$95
Recommendation:	SELL
Ranking:	4
Market Cap:	\$9,012
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/24/2013  
SLG \$95

SL Green Realty SLG increased quarterly dividend distribution by 52% to \$0.50 per share for 1Q 2014

SLG new annual dividend \$2.00 per share

SLG new yield 2.1%

SLG to discuss results for 3Q 2013 this afternoon, with a conference call for investors scheduled at 2:00 PM

SLG an Office REIT with a portfolio of office properties concentrated in NYC

SLG we rank 4 SELL

SLG market cap \$9.0 billion

REIT Comment



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Company:	Capstead Mortgage
Price:	\$12
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,155
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
CMO \$12

Capstead Mortgage CMO 3Q 2013 core EPS \$0.23 v \$0.35 DOWN (34%)  
CMO 3Q 2013 core EPS excludes net charges of (\$0.24) per share relating to preferred dividends and preferred preference premiums  
CMO 3Q 2013 core EPS excludes net unrealized losses of (\$0.29) per share on securities held for sale, now shown as offset to income contribution to shareholders equity  
CMO 3Q 2013 GAAP EPS \$0.04 v \$0.35

CMO 3Q 2013 book value \$12.35 per share DOWN (4%) from June 2013  
CMO stock now trading at discount of (3%) to book value as of September 2013  
CMO decline DOWN (3%) in book value due to portfolio price decline

CMO 3Q 2013 NIM (net interest margin) 0.87% DOWN (0.13%) from June 2013  
CMO 3Q 2013 operating expenses 1.08% of long term investable capital UP +0.4% from June 2013 due to compensation accruals

CMO 3Q 2013 portfolio \$13.7 billion agency guaranteed Residential MBS  
CMO 3Q 2013 portfolio average yield 1.36% DOWN (0.17%) from June 2013

CMO 3Q 2013 CPR (constant prepayment rate) 25.5% UP +2.4% from June 2013  
CMO 2Q 2013 portfolio leverage 8.7X

CMO current annual dividend yield of 10.2%, below the midpoint of the range for Financial Mortgage REITs

CMO a Financial Mortgage REIT with a portfolio of agency guaranteed Residential MBS

CMO we rank 2 BUY

CMO market cap \$1.2 billion

REIT Comment



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Company:	Brandywine Realty Trust
Price:	\$14
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,185
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
BDN \$14

Brandywine Realty Trust BDN 3Q 2013 core FFO \$0.40 (adjusted) v \$0.39 UP +3%  
BDN 3Q 2013 FFO (adjusted) excludes net charge of (\$0.01) per share relating to transaction costs

BDN increased low end of guidance range 2013 core FFO \$1.38-\$1.42 (adjusted) v \$1.37 (adjusted)  
UP +1%+4%

BDN previous guidance 2013 core FFO \$1.37-\$1.42 (adjusted) per share  
BDN guidance 2013 core FFO (adjusted) excludes net charge of (\$0.01) per share relating to  
transaction costs

BDN updated guidance 2013 core FFO (adjusted) assumes same property NOI UP +3.0%-+5.0%,  
with occupancy 90.0% by year end

BDN provided new guidance 2014 core FFO \$1.40-\$1.49 v \$1.38-\$1.42 (adjusted) UP +1%+4%  
BDN new guidance 2014 core FFO assumes same property NOI UP +3.0%-+5.0%, with occupancy  
91.0-92.0% by year end

BDN 3Q 2103 same property NOI UP +4.9%  
BDN 3Q 2013 portfolio occupancy 88.3%

BDN 3Q 2013 rents on renewed leases UP +9.5%, with rents on new leases UP +9.3%  
BDN 3Q 2013 tenant retention 71%

BDN recent joint venture investments indicate significant long term portfolio restructuring  
BDN 3Q 2013 \$238 million acquisition of 74% interest in Commerce Square from Parkway  
Properties PKY adds exposure to downtown Philadelphia business area  
BDN October 2013 \$330 million 50% owned joint venture investment in Austin TX with DRA  
Advisors LLC opens portfolio expansion to new market  
BDN joint venture with Campus Crest CCG to develop \$160 million student housing development at  
University City PA initiates portfolio exposure to new asset type  
BDN developments include \$8 million project to add restaurant and retail services to Radnor PA  
office center and \$19 million redevelopment in Plymouth Meeting PA

BDN as a result of recent investments, management expects downtown Philadelphia to represent  
30%-35% of total portfolio, Radnor PA 20% and other suburbs of Philadelphia 15%, for 60%-65%  
total Philadelphia exposure, with remaining 35%-40% portfolio exposure to other markets

BDN stock price supported by current dividend yield of 4.4%

BDN an Office REIT with a portfolio of office properties in mid-Atlantic states

BDN we rank 2 BUY

BDN market cap \$2.2 billion

REIT Comment



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Company:	Equity Residential
Price:	\$56
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,882
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/24/2013  
EQR \$56

Equity Residential EQR news of better than expected new unemployment claims may support trading in Residential REITs

EQR new unemployment claims during 16 day federal government shutdown decreased by(25,000), according to latest reports

EQR Labor Department reported new claims for unemployment DOWN(12,000) to 350,000 for week ended October 19, 2013 from revised number for previous week

EQR more stable 4 week moving average of new unemployment claims increased UF +10,750 to 348,250 from revised number for previous week

EQR Residential REITs benefit from positive employment trends, as most new jobs are taken by 25-34 year old age group, target market for apartment dwellers

EQR top end of guidance range for FFO for 2013 indicates growth UP +3%

EQR to discuss results for 3Q 2013 next week, with a conference call for investors on Thursday, October 31, 2013, scheduled at 11:00 AM

EQR stock supported by current annual dividend yield of3.2%

EQR the largest publicly traded Residential REIT with a diverse portfolio of apartment communities

EQR we rank 2 BUY

EQR market cap \$20.9 billion

EQR an S&P 500 Index REIT

REIT Comment



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Company:	Mack-Cali Realty
Price:	\$22
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,184
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/24/2013  
CLI \$22

Mack-Cali Realty CLI 3Q 2013 FFO from continuing operations \$0.57 v \$0.65 DOWN (12%)

CLI narrowed guidance range for 2013 FFO from continuing operations \$2.35-\$2.39 v \$2.67 DOWN (10%)-(12%)

CLI previous guidance 2013 FFO from continuing operations \$2.32-\$2.42 per share

CLI 3Q 2013 same property NOI DOWN (3.2%) on cash basis

CLI 3Q 2013 same property occupancy 86.0% DOWN (1.5%)

CLI 3Q 2013 portfolio occupancy 86.1%

CLI 3Q 2013 tenant retention 65%

CLI discussed pending expiration of Morgan Stanley lease at Harborside in NJ representing 2% of total base rent for CLI, with vacancy expected by the end of 2013

CLI divesting low return office properties to focus new investment on residential properties

CLI recent (35%) dividend reduction reflects management disappointment over lower FFQ due to lagging rental rates for office properties

CLI provides current annual dividend yield of 5.5%

CLI an Office REIT with a portfolio of office properties concentrated in NY and NJ

CLI we rank 3 HOLD

CLI market cap \$2.2 billion

REIT Comment



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Company:	DuPont Fabros Technology
Price:	\$26
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,094
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
DFT \$26

DuPont Fabros Technology DFT 3Q 2013 normalized FFO \$0.51 (adjusted) v \$0.36 UP +42%  
DFT 3Q 2013 normalized FFO (adjusted) excludes net charges of (\$0.38) per share relating to debt extinguishment, net of other items

DFT increased guidance 2013 normalized FFO \$1.93-\$1.95 (adjusted) v \$1.48 UP +30%+32%  
DFT previous guidance 2013 normalized FFO (adjusted) \$1.88-\$1.92 per share  
DFT guidance 2013 normalized FFO (adjusted) excludes net charges of (\$0.50) per share relating to debt extinguishment, net of other items

DFT new guidance 4Q 2013 normalized FFO \$0.54-\$0.56 (adjusted) v \$0.38 UP +42%+47%  
DFT new guidance 4Q 2013 normalized FFO (adjusted) excludes net charges of (\$0.11) per share relating to debt extinguishment, net of other items

DFT new guidance for low end of 2014 normalized FFO \$2.28 v \$1.93-\$1.95 UP +17%+18%

DFT 3Q 2013 portfolio leased occupancy 94% UP +3% from June 2013

DFT previously increased dividend distribution by 25% for 2Q 2013, now providing current annual dividend yield of 3.4%

DFT an Office REIT with a portfolio of wholesale data centers leased to key Internet portals and service providers

DFT we rank 2 BUY

DFT market cap \$2.1 billion

REIT Comment



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Company:	SL Green Realty
Price:	\$95
Recommendation:	SELL
Ranking:	4
Market Cap:	\$9,012
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
SLG \$95

SL Green Realty SLG 3Q 2013 FFO \$1.34 v \$1.12 UP +20%  
SLG 3Q 2013 FFO includes net charge of (\$0.07) per share relating to former tenant

SLG increased guidance 2013 FFO \$5.12-\$5.16 v \$4.62 UP +11%+12%  
SLG previous guidance 2013 FFO \$4.95-\$5.00 per share

SLG implied guidance 4Q 2013 FFO \$1.35-\$1.39 v \$1.16 (adjusted) UP +16%+20%

SLG 3Q 2013 same property NOI UP +1.6%

SLG 3Q 2013 same property occupancy for Manhattan properties 95.8%  
SLG 3Q 2013 rents on lease turnover for Manhattan properties UP +1.0%

SLG 3Q 2013 same property occupancy for suburban properties 81.2%  
SLG 3Q 2013 rents on lease turnover for suburban properties UP +0.2%

SLG pending \$386 million acquisition of 315 West 33rd St NYC  
SLG 3Q 2013 completed \$346 million divestitures, including \$220 million for 333 West 34 St

SLG invested \$181 million in commercial debt

SLG increased dividend by 50%, bringing current annual dividend yield to 2.1%

SLG an Office REIT with a portfolio of office properties concentrated in NYC

SLG we rank 4 SELL

SLG market cap \$9.0 billion

REIT Comment



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Company:	AvalonBay Communities
Price:	\$134
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,392
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
AVB \$134

AvalonBay Communities AVB 3Q 2013 FFO \$1.63 (adjusted) v \$1.44 (adjusted) UP +13%  
AVB 3Q 2013 FFO (adjusted) excludes net charges of (\$0.45) per share relating to interest rate contracts, acquisition costs and other items

AVB narrowed guidance range 2013 FFO \$6.25-\$6.36 (adjusted) v \$5.42 UP +15%+17%  
AVB previous guidance 2013 FFO \$6.20-\$6.40 per share  
AVB guidance 2013 FFO (adjusted) excludes net charges of (\$1.16) per share relating to interest rate contracts, acquisition costs and other items

AVB new guidance 4Q 2013 FFO \$1.54-\$1.60 v \$1.38 (adjusted) UP +12%+16%

AVB 3Q 2013 same property NOI UP +4.2%  
AVB 3Q 2013 same property occupancy 95.8% DOWN (0.5%)  
AVB 3Q 2013 same property average monthly rents \$2,182 UP +4.4%

AVB recent \$6.9 billion acquisition of 40% of Archstone portfolio, completed during 1Q 2013, provided significant portfolio expansion in high growth markets in mid-Atlantic states and in southern CA

AVB development pipeline \$2.2 billion, representing 3% portfolio capacity expansion  
AVB investing \$74 million in 5 redevelopment projects

AVB provides current annual dividend yield of 3.2%

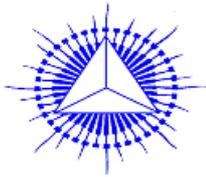
AVB a Residential REIT with a portfolio of upscale apartment communities in east coast and west coast locations

AVB we rank 2 BUY

AVB market cap \$17.4 billion

AVB an S&P 500 Index REIT

REIT Comment



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Company:	Washington REIT
Price:	\$27
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,735
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
WRE \$27

Washington REIT WRE 3Q 2013 FFO 2Q 2013 core FFO \$0.46 (adjusted) v \$0.48 DOWN (4%)  
WRE 3Q 2013 core FFO (adjusted) excludes net charges of (\$0.01) per share relating to severance expense, debt extinguishment, acquisition costs and other items

WRE reduced guidance 2013 core FFO FFO to reflect pending divestiture of medical office portfolio  
WRE lower guidance 2013 core FFO \$1.76-\$1.78 v \$1.96 DOWN (9%)-(10%)  
WRE previous guidance 2013 FFO \$1.82-\$1.90 per share

WRE new guidance 4Q 2013 core FFO \$0.39-\$0.41 v \$0.47 DOWN (13%)-(17%) due to pending divestiture of medical office portfolio

WRE 3Q 2013 total portfolio same property NOI UP +1.5%  
WRE 3Q 2013 total portfolio same property occupancy 88.7% DOWN (0.5%)  
WRE 3Q 2013 total portfolio same property rents UP +4.0%

WRE 3Q 2013 office portfolio represents 56% of total NOI  
WRE 3Q 2013 office portfolio same property NOI UP +1.5%  
WRE 3Q 2013 office portfolio same property occupancy 86.4% UP 0.1%  
WRE 3Q 2013 office portfolio same property rents UP +1.7%  
WRE 3Q 2013 office portfolio rents on lease turnover UP +1.2% on new leases and UP +8.2% on renewals

WRE 3Q 2013 retail portfolio represents 25% of total NOI  
WRE 3Q 2013 retail portfolio same property NOI UP +1.8%  
WRE 3Q 2013 retail portfolio same property occupancy 91.4% DOWN (1.4%)  
WRE 3Q 2013 retail portfolio same property rents UP +4.1%  
WRE 3Q 2013 retail portfolio rents on lease turnover UP +18.1% on new leases and UP +21.7% on renewals

WRE 3Q 2013 multifamily portfolio represents 19% of NOI  
WRE 3Q 2013 multifamily portfolio same property NOI UP +1.3%  
WRE 3Q 2013 multifamily portfolio same property occupancy 94.1% DOWN (0.7%)

WRE pending \$500 million divestiture of medical office portfolio, previously representing 15% of NOI  
WRE pending transaction to close in 4 separate contracts with same buyer from November 2013 to January 2014

WRE management comments noted office leasing challenging in DC market, due to historically low absorption  
WRE in CEO transition as of October 2013, with new President and CEO Paul T McDermott bringing former experience as SVP of the Rockefeller Group, PNC Realty Investors and Freddie Mac

WRE stock price supported by current annual dividend yield of 4.3%

WRE an Office REIT with a diverse portfolio of office, retail, medical and residential properties concentrated in the metropolitan DC area

WRE we rank 3 HOLD

WRE market cap \$1.7 billion

REIT Comment



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Company:	DuPont Fabros Technology
Price:	\$27
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,187
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/24/2013  
DFT \$27

DuPont Fabros Technology DFT traded UP\$1.15 per share to close UP +4% day

DFT stock traded UP +12% year to date for 2013, outperforming Office REITs, trading UP +11% for 2013

DFT strong rally a result of today's guidance increase, based on better than expected lease signings including new customer to fill up Piscataway NJ location

DFT updated guidance for FFO for 2013 indicates growth UP +32%

DFT provided low end of new guidance range for FFO for 2014 indicating growth UP +18%

DFT previously increased dividend distribution by 25% for 2Q 2013, now providing current annual dividend yield of 3.7%

DFT an Office REIT with a portfolio of wholesale data centers leased to key Internet portals and service providers

DFT we rank 2 BUY

DFT market cap \$2.2 billion

REIT Comment



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Company:	AvalonBay Communities
Price:	\$129
Recommendation:	BUY
Ranking:	2
Market Cap:	\$16,653
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
AVB \$129

AvalonBay Communities AVB traded DOWN (\$5.70) per share to close DOWN (4%) day

AVB stock traded DOWN (5%) year to date for 2013, underperforming Residential REITs, trading DOWN (1%) for 2013

AVB news of lower rents for apartments in DC metropolitan area taken as signal for selloff in the stock

AVB rental rates in all other regions continue to show good growth with same property average monthly rents UP +4.4%

AVB narrowed guidance for FFO for 2013 to indicate growth UP +17%

AVB recent \$6.9 billion acquisition of 40% of Archstone portfolio, completed during 1Q 2013, provided significant portfolio expansion in high growth markets in mid-Atlantic states and in southern CA

AVB provides current annual dividend yield of 3.2%

AVB a Residential REIT with a portfolio of upscale apartment communities in east coast and west coast locations

AVB we rank 2 BUY

AVB market cap \$16.7 billion

AVB an S&P 500 Index REIT

REIT Comment



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Company:	Capstead Mortgage
Price:	\$12
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,129
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/24/2013  
CMO \$12

Capstead Mortgage CMO traded DOWN (\$0.28) per share to close DOWN (2%) day

CMO traded UP +3% year to date for 2013, outperforming Financial Mortgage REITs, trading DOWN (10%) for 2013

CMO investors still concerned over bond market losses, despite rally during October 2013

CMO decline DOWN (3%) in book value for 3Q 2013 due to portfolio price decline

CMO stock now trading at discount of (4%) to book value of \$12.35 per share as of September 2013

CMO current annual dividend yield of 10.5%, below the midpoint of the range for Financial Mortgage REITs

CMO a Financial Mortgage REIT with a portfolio of agency guaranteed Residential MBS

CMO we rank 2 BUY

CMO market cap \$1.1 billion

REIT Comment



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Company:	Brandywine Realty Trust
Price:	\$14
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,242
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/24/2013  
BDN \$14

Brandywine Realty Trust BDN traded UP\$0.36 per share to close UP +16% day

BDN stock closed UP +16% year to date for 2013, outperforming Office REITs, trading UP +11% for 2013

BDN upbeat presentation on conference call for 3Q 2013 results emphasized portfolio expansion with new joint venture relationships

BDN increased guidance for FFO for 2013 to indicate growth UP +4% for both 2013 and 2014

BDN stock price supported by current dividend yield of 4.2%

BDN an Office REIT with a portfolio of office properties in mid-Atlantic states

BDN we rank 2 BUY

BDN market cap \$2.2 billion

REIT Comment



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Company:	Simon Property Group
Price:	\$161
Recommendation:	BUY
Ranking:	2
Market Cap:	\$58,174
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/25/2013  
SPG \$161

Simon Property Group SPG increased quarterly dividend distribution UP4% to \$1.20 per share for 4Q 2013

SPG new annual dividend \$4.80 per share

SPG new yield 3.0%

SPG a Retail REIT with a portfolio of regional malls and brand name outlet centers in US Europe and Asia

SPG we rank 2 BUY

SPG market cap \$58.2 billion

SPG an S&P 500 Index REIT

REIT Comment



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Company:	Simon Property Group
Price:	\$161
Recommendation:	BUY
Ranking:	2
Market Cap:	\$58,174
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/25/2013  
SPG \$161

Simon Property Group SPG 3Q 2013 FFO \$2.21 v \$1.99 UP +11%

SPG increased guidance 2013 FFO \$8.72-\$8.78 v \$7.98 UP +9%+10%  
SPG previous guidance 2013 FFO \$8.40-\$8.50 per share

SPG implied guidance 4Q 2013 FFO \$2.34-\$2.40 v \$2.29 UP +2%+5%

SPG 3Q 2013 same property NOI UP +4.9%  
SPG 3Q 2013 occupancy 95.5% UP +0.9%  
SPG 3Q 2013 average annual base rent per square foot \$41.73 UP +3.5%  
SPG 3Q 2013 average rents on lease turnover UP +15.2%

SPG 3Q 2013 trailing 12 month tenant sales per square foot \$579 UP +3.0%

SPG completed \$500 million acquisition of 4 McArthur Glen Designer Outlets in EU, as well as 50% ownership interest in McArthur Glen management and development company

SPG opened 3 new Premium Outlets, including St Louis, US, Toronto, Canada and Busan, South Korea  
SPG has 4 new Premium Outlets under construction, with openings planned from summer 2014 through spring 2015 for US and Canada  
SPG also investing \$1.1 billion in 35 redevelopment projects

SPG 3Q 2013 divestitures 2 properties for \$76 million

SPG increased dividend by 4%, bringing current annual dividend yield to 3.0%

SPG a Retail REIT with a portfolio of regional malls and brand name outlet centers in US, Europe and Asia

SPG we rank 2 BUY

SPG market cap \$58.2 billion

SPG an S&P 500 Index REIT

REIT Comment



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Company:	Taubman Centers
Price:	\$71
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,905
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
TCO \$71

Taubman Centers TCO 3Q 2013 FFO \$0.89 v \$0.79 UP +13%

TCO made no change to guidance 2013 FFO \$3.57-\$3.67 v \$3.34 UP +7% - +10%

TCO 3Q 2013 same property NOI UP +3.2%  
TCO 3Q 2013 same property occupancy 91.3% UP +0.8%  
TCO 3Q 2013 average annualized rents per square foot \$48.66 UP +4.6%

TCO trailing 12 month tenant sales per square foot \$699 UP +2.6%

TCO investing \$475 million in new mall in Puerto Rico, with project delayed and over budget  
TCO also investing for portfolio expansion in FL, HI, China and South Korea

TCO 3Q 2013 invested \$21 million to repurchase shares, with \$179 million remaining share repurchase authorization

TCO providing current yield of 2.8%

TCO a Retail REIT with a portfolio of upscale regional malls

TCO we rank 2 BUY

TCO market cap \$10.9 billion

REIT Comment



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Company:	Rayonier
Price:	\$55
Recommendation:	BUY
Ranking:	2
Market Cap:	\$7,187
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/25/2013  
RYN \$55

Rayonier RYN stock gapping DOWN on news of significant price pressure on specialty cellulose markets, including performance fibers

RYN stock trading below \$48 per share, DOWN (7%) day and DOWN (8%) year to date for 2013

RYN contract negotiations for performance fibers for 2014 indicating much lower than expected production due to incremental capacity, new competitors, and lower demand in EU for automotive applications

RYN now expects to sell 20% of capacity of new cellulose mill during 2014, compared to previous expectation to sell 50% of new production

RYN prices for performance fibers had seen 50% increase over past 5 years

RYN provides current annual dividend yield to 3.6%

RYN a Specialty REIT with a portfolio of timberlands, specialty fiber and wood products operations

RYN we rank 2 BUY

RYN market cap \$7.2 billion

REIT Comment



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Company:	Rayonier
Price:	\$55
Recommendation:	BUY
Ranking:	2
Market Cap:	\$7,187
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/24/2013  
RYN \$55

Rayonier RYN 3Q 2013 EPS \$0.44 v \$0.62 DOWN (29%)

RYN 2013 year to date CAD (cash available for distribution) \$222 million DOWN (15%)  
RYN 3Q 2013 CAD \$0.40 v \$0.92 per share DOWN (57%)

RYN management now unwilling to provide CAD guidance for 2013, given uncertainty over current contract negotiations

RYN outlook for EPS for 4Q 2013 FLAT at best

RYN 3Q 2013 operating income \$84 million DOWN (25%)  
RYN 3Q 2013 performance fibers segment operating income \$63 million DOWN (38%)  
RYN 3Q 2013 forest resources segment operating income \$23 million UP +107%  
RYN 3Q 2013 real estate segment operating income \$8 million DOWN (11%)

RYN management expressed concern over impact of new capacity for performance fibers as capacity increment may result in lower prices during 2014  
RYN facing new competition from commodity viscose suppliers, as customers for performance fibers consider adding their own processing of commodity fibers to meet internal requirements for processed fibers

RYN seeing lower demand for performance fibers in EU automotive market  
RYN added incremental capacity for performance fibers at a time when key customer contract expired during 2013, causing change in production outlook for 2014  
RYN expects improving US housing market during 2013, with prices also supported by higher Asian exports  
RYN selling one third of sawlog harvest to export market

RYN provides annual dividend yield of 3.6%

RYN a Specialty REIT with a portfolio of timberlands and specialty fiber operations

RYN we rank 2 BUY

RYN market cap \$7.2 billion

REIT Comment



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Company:	Ashford Hospitality Trust
Price:	\$13
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,176
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/25/2013  
AHT \$13

Ashford Hospitality Trust AHT 3Q 2013 FFO \$0.25 (adjusted) v \$0.31 (adjusted) DOWN (19%)  
AHT 3Q 2013 FFO decline a result of 18% increase in total shares outstanding due to equity offerings

AHT 3Q 2013 adjusted EBITDA \$79 million UP 7%  
AHT 2013 year to date EBITDA \$253 million UP +6%

AHT no guidance provided for FFO for 2013

AHT now providing hotel metrics pro forma for AHT continuing operations assuming completion of pending spin-off of Ashford Prime AHP

AHT 3Q 2013 RevPAR (revenue per available room) \$97 for AHT UP +3.1%, with AHP \$163 UP +4.6%

AHT 3Q 2013 ADR (average daily rate) \$134 for AHT UP +3.0%, with AHP \$193 UP +2.7%  
AHT 3Q 2013 occupancy 74.0% for AHT DOWN (0.8%), with AHP 84.4% UP +0.8%

AHT 3Q 2013 hotel EBITDA margin 29.7% for AHT UP +0.1%, with AHP 34.2% FLAT

AHT pending spin-off of Ashford Prime AHP (80% of portfolio of 8 stable, profitable and fully leveraged hotels) to be a taxable distribution to AHT common shareholders with transaction to be completed during 4Q 2013

AHT pending spin-off of AHP to common shareholders of AHT will not impede continuity of AHT dividend at \$0.12 per share per quarter, while AHP expected to pay annual dividend of \$0.04 per share

AHT provides current dividend yield of 3.7%

AHT a Hotel REIT

AHT we rank 2 BUY

AHT market cap \$1.2 billion

REIT Comment



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Company:	First Industrial
Price:	\$19
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,154
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text  
10/25/2013  
FR \$19

First Industrial FR 3Q 2013 FFO \$0.28 (adjusted) v \$0.26 (adjusted) UP +8%  
FR 3Q 2013 FFO (adjusted) excludes net charges of (\$0.02) per share relating to debt extinguishment and retirement of preferred stock

FR narrowed guidance range 2013 FFO \$1.05-\$1.11 (adjusted) v \$1.02 (adjusted) UP +3%+9%  
FR previous guidance 2013 FFO \$1.02-\$1.12 (adjusted) per share  
FR 2013 FFO (adjusted) excludes net charges of (\$0.11) per share relating to debt extinguishment and other items  
FR updated guidance 2013 FFO (adjusted) assume same property NOI UP +1.5%-+3.0% with occupancy 90.5%-91.5%

FR 3Q 2013 same property NOI UP +2.1% (excluding lease termination fees)  
FR 3Q 2013 portfolio occupancy 91.2% UP +2.7%

FR 3Q 2013 rents on lease turnover UP +4.0%  
FR 3Q 2013 tenant retention 71%

FR 3Q 2013 commenced 2 build-to-suit projects for \$40 million  
FR 3Q 2013 divested 6 properties and 2 land parcels for \$16 million

FR management commented markets seeing positive net absorption

FR provides current annual dividend yield of 1.8%

FR an Industrial REIT

FR we rank 3 HOLD

FR market cap \$2.2 billion

REIT Comment



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Company:	Realty Income
Price:	\$42
Recommendation:	BUY
Ranking:	2
Market Cap:	\$8,146
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/25/2013  
O \$42

Realty Income O completed 9.775 million share offering priced at \$40.63 per share

O offering size increased from previous 6.5 million shares

O net proceeds of \$378 million to be applied to repay debt

O joint bookrunning managers BfA Merrill Lynch, Morgan Stanley, Wells Fargo, JP Morgan, Jefferies, RBC and UBS

O co-lead managers Baird, Citi, Credit Suisse, Raymond James

O senior co-managers BB&T, Piper Jaffray, Stifel Nicolaus Weisel

O co-managers BNY Mellon, Ladenburg Thalmann

O October 2013 offering to increase total shares outstanding by 5%

O stock price supported by current annual dividend yield of 5.2%

O a Specialty REIT with a portfolio of net leased properties to franchised and commercial tenants

O we rank 2 BUY

O market cap \$8.1 billion

REIT Comment



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Company:	Rayonier
Price:	\$47
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,143
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/25/2013  
RYN \$47

Rayonier RYN traded DOWN (\$7.98) per share to close DOWN (15%) day

RYN stock traded DOWN (9%) year to date for 2013, underperforming Specialty REITs, trading UP +9% for 2013

RYN news of capacity pressure on volume of specialty cellulose fiber production shakes investor confidence

RYN added incremental capacity for performance fibers at a time when key customer contract expired during 2013, causing change in production outlook for 2014

RYN outlook for 2014 negative for specialty cellulose fibers, causing investor concern despite stronger outlook for housing

RYN provides current annual dividend yield to 4.2%

RYN a Specialty REIT with a portfolio of timberlands, specialty fiber and wood products operations

RYN we rank 2 BUY

RYN market cap \$6.1 billion

REIT Comment



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Company:	Taubman Centers
Price:	\$68
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,465
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/25/2013  
TCO \$68

Taubman Centers TCO traded DOWN (\$2.86) per share to close DOWN (4%) day

TCO stock traded DOWN (14%) year to date for 2013, underperforming Retail REITs, trading UP +7% for 2013

TCO today's conference call noted slower tenant sales gains, now UP +2.6% on trailing 12 month basis

TCO investor concern focused on \$475 million investment in new Mall of Puerto Rico in San Juan, now delayed and far over budget

TCO providing current yield of 2.9%

TCO a Retail REIT with a portfolio of upscale regional malls

TCO we rank 2 BUY

TCO market cap \$10.5 billion

REIT Comment



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Company:	Weyerhaeuser
Price:	\$31
Recommendation:	BUY
Ranking:	2
Market Cap:	\$18,139
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/25/2013  
WY \$31

Weyerhaeuser WY stock traded UP \$1.09 per share to close UP +4% day

WY stock traded UP +14% year to date for 2013, outperforming Specialty REITs, trading UP +9% for 2013

WY earlier today reported 3Q 2013 EPS UP +34%, with adjusted EBITDA UP +28%

WY expects strong results for 4Q 2013 for homebuilding operations, as strategic review continues, with possibility of \$2.7 billion divestiture

WY provides current annual dividend yield of 2.8%

WY a Specialty Timber REIT with a portfolio of timberlands, wood and cellulose fiber manufacturing plants, and homebuilding operations

WY we rank 2 BUY

WY market cap \$18.1 billion

WY an S&P 500 Index REIT

REIT Comment



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Company:	Realty Income
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$8,428
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
10/25/2013  
O \$43

Realty Income O traded UP \$1.44 per share to close UP +3% day

O stock traded UP +7% year to date for 2013, underperforming Specialty REITs, trading UP +9% for 2013

O trading strength follows completion of \$378 million common stock offering

O recent \$3.2 billion acquisition of American Capital Realty Trust ARCT adds 18% to portfolio size and more than \$0.20 per share to FFO for 2013

O guidance for FFO for 2013 indicates growth UP +20%

O to discuss results for 3Q 2013 next week on Thursday, October 31, 2013, with a conference call for investors scheduled at 4:30 PM

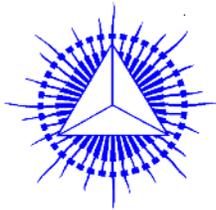
O demonstrates exceptional long term record of monthly dividend increases

O stock price supported by current annual dividend yield of 5.1%

O a Specialty REIT with a portfolio of net leased properties to franchised and commercial tenants

O we rank 2 BUY

O market cap \$8.4 billion



**REIT Growth and Income Monitor** posted 58 REIT comments for the week ended October 25, 2013. Comments were issued on REITs in the following sectors:

Financial REITs	9
Health Care REITs	0
Hotel REITs	1
Industrial REITs	3
Office REITs	13
Residential REITs	8
Retail REITs	10
Specialty REITs	14

Information on REIT sectors may be found using this link:

[http://www.reitmonitor.net/REIT\\_Resources](http://www.reitmonitor.net/REIT_Resources)

Information on **REIT Growth and Income Monitor** ranking methodology may be found using this link:

[http://www.reitmonitor.net/atlantis/reitwebrpt.nsf/All/F2B543B28817460985256EB80001D03A/\\$FILE/REIT%20Methodology%20and%20Ranking%20System.pdf](http://www.reitmonitor.net/atlantis/reitwebrpt.nsf/All/F2B543B28817460985256EB80001D03A/$FILE/REIT%20Methodology%20and%20Ranking%20System.pdf)

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