

REIT Growth and Income Monitor

Weekly Comments 03/06/2012

REITs trail the S&P 500 Index, with negative performance gap of (4%) year to date for 2012.

Delayed recovery of US housing sector impacts performance of Specialty REITs and Financial REITs subject to housing demand.

Annaly Capital Management offers high yield and consistent performance as the largest cap Financial Mortgage REIT.

Management of Plum Creek Timber focuses on maximizing shareholder returns through asset management and share repurchase.

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**Weekly REIT Comments**
03/06/2012

REIT stocks traded down for the last week of February, ended March 2, 2012. REITs included in the S&P 500 Index are up 5% year to date for 2012, trailing the S&P 500 Index, up 9% for 2012. REITs included in the S&P 500 Index traded up 6% on average for 2011, exceeding performance of the S&P 500 Index, ending the full year 2011 down less than (1%). Positive performance gap for 2011 was 6% in favor of REITs, now negative (4%) for the first 2 months of 2012. Average decline for all REITs followed by REIT Growth and Income Monitor was (5%) for 2011, with average gain of 8% year to date for 2012.

Earnings reports of 2011 results provided an opportunity for REIT managements to signal investors regarding an improving economic environment. Residential REITs reported strong results for 4Q 2011, exceeding guidance for FFO for 2011. Retail REITs reported better than expected tenant sales gains to support occupancy and rental growth. Investors appear to be pulling back from Office REITs, due to continued rent roll-downs, lagging economic recovery, as well as exposure to financial industry layoffs. Industrial REITs trade in line with economic indicators, with last month's news of higher manufacturing activity supported by employment growth. Hotel REITs react to daily fluctuations in investor fears that higher gasoline prices and negative economic trends in Europe will erode profitability.

Financial Mortgage REITs face significant fundamental change, although timing of the change has been delayed, preserving the status quo for Financial Mortgage REITs with portfolios of agency guaranteed Residential MBS. Proposals to require banks to refinance mortgages may impact decisions on Fannie Mae. Most Congressmen appear hesitant to vote on Fannie Mae issues before the 2012 elections. Reform of Fannie Mae may ultimately impact the housing sector starting in 2013, changing the outlook for Financial Mortgage REITs and certain Specialty REITs subject to demand fluctuations from home construction.

REIT stocks normally perform like interest rate sensitive stocks, although none of the 14 REITs in the S&P 500 Index are actually invested in financial assets. Dividends have already moved higher for 2012. As dividend payers, REITs may be viewed as income stocks, attracting investors in need of both consistent income and growth.

Delayed Recovery of US Housing Sector Impacts Performance of REITs Subject to Housing Demand

US housing sector remains in the doldrums, stuck in slack demand, with home price declines making realtors struggle to clear transactions from a large backlog of homes for sale. Case-Shiller Index of home prices reported average nationwide decline of (4%) for 4Q 2011. Only a single market, Detroit, showed a year over year increase in home prices, up 0.5%, while some markets showed much sharper declines, including Atlanta down (12.8%), Las Vegas down (8.8%), Chicago down (6.5%) and Seattle down (5.6%). Lack of recovery for home prices extends the housing recession, as buyers of new homes may delay purchase commitments, anticipating even lower prices. Depressed demand for single family homes impacts Financial Mortgage REITs through lower than expected mortgage originations for home purchase. Fortunately, low mortgage rates attract homeowners to apply for refinance, providing ample new investment opportunities to enable Financial Mortgage REITs to reposition portfolios of mortgage securities. President Obama's initiatives to force banks to offer more refinance options for beleaguered homeowners may prove stimulative by the second half of 2012, helping homeowners to get past the recession without being forced to sell their homes at depressed prices. We maintain our positive outlook for Financial Mortgage REITs, including **Annaly Capital Management**, **Capstead Mortgage**, **Hatteras Financial** and **MFA Financial**.

A more challenging picture confronts Specialty REITs that rely on construction markets, as consumer confidence is a critical factor preventing a resurgence in demand. New home construction starts for January 2012 were at a rate of 699,000 homes, the highest level since October, 2008, but still less than 40% of peak new home construction rate of 1.82 million during January, 2006. Specialty REITs with portfolios of timberlands and sawlog mills will not return to previous levels of profitability until new home construction exceeds a rate of 1.0 million new homes annually. New home construction in the US is the largest demand factor driving lumber prices and harvest volume. Sales of existing homes eventually lead to renovations, but the volume of lumber consumed is much less than for new construction. Fortunately, during the US housing sector recession, Specialty REITs with portfolios of timberlands and sawlog mills have seen significant growth in demand for exports supporting manufacturing activity in China, India and Turkey. This growth in export demand, together with reduction of the Canadian harvest (caused by new regulation impacting harvest in eastern Canada and the loss of timber to the mountain pine beetle in British Columbia) has added more than 12% to US timber demand, offsetting much of the demand decline due to the US housing sector. As the US economy improves, we think investors should consider **Plum Creek Timber**, **Potlatch** and **Rayonier** for cyclical rebound driven by housing demand.

Trading Opportunities

Annaly Capital Management is the strongest of the publicly traded Financial Mortgage REITs, with a market cap of \$15 billion and a \$107 billion portfolio invested primarily in agency guaranteed residential MBS. Stock price rally of 4% year to date for 2012 erases only a portion of (11%) stock price decline for 2011. **Annaly Capital Management's** results for 2011 benefited from portfolio investment of \$4.0 billion raised in 3 public offerings during 2011. Reported Core EPS declined (2%) during 2011, as NIM (net interest margin) contracted to 1.71%. Quarterly variability in dividend distributions is a result of fluctuation in portfolio investment, repayments, portfolio yield and net interest income, with annual dividends steady since 2009. **Annaly Capital Management** provides income investors with current dividend yield of 13.7%, above the midpoint of the range for Financial Mortgage REITs.

Plum Creek Timber, with a market cap of \$6.5 billion as a Specialty REIT with a portfolio of timberlands and sawlog mills should see stock price appreciation on recovery in the US housing sector. **Plum Creek Timber** rallied 8% year to date for 2012, almost matching performance of the S&P 500 Index, following (2%) stock price decline during 2011. **Plum Creek Timber** reported EPS for 2011 decreased (4%), due to lower prices on southern sawlogs and pulpwood, despite harvest volume increase of 2% for 2011. Guidance for EPS for 2012 indicates potential decline of as much as (12%) assuming no increase to US housing start from current levels. Demand for lumber from an improving housing sector would quickly drive higher profits for **Plum Creek Timber**. Dividends were maintained at \$1.68 per share during the past 3 years, despite fluctuations in EPS, indicating management's determination to maintain shareholder value through asset sales to fund dividend distributions and share repurchases. **Plum Creek Timber** currently offers income investors annual dividend yield of 4.2%.



Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITS:		Price 12/30/2011	Price 02/24/2012	Price 03/02/2012	Weekly Change	2012 Price Change
Apartment Investment and Management	AIV	\$23	\$25	\$25	-3%	7%
AvalonBay Communities	AVB	\$131	\$133	\$132	-1%	1%
Boston Properties	BXP	\$100	\$103	\$102	-0%	3%
Equity Residential	EQR	\$57	\$58	\$58	-1%	1%
HCP Inc.	HCP	\$41	\$39	\$40	1%	-4%
Health Care REIT	HCN	\$55	\$54	\$55	1%	0%
Host Hotels & Resorts	HST	\$15	\$16	\$16	-3%	5%
Kimco Realty	KIM	\$16	\$19	\$19	0%	16%
Plum Creek Timber	PCL	\$37	\$39	\$40	1%	8%
Prologis, Inc	PLD	\$29	\$34	\$34	-0%	18%
Public Storage	PSA	\$134	\$137	\$133	-3%	-1%
Simon Property Group	SPG	\$129	\$137	\$137	0%	6%
Ventas	VTR	\$55	\$56	\$57	1%	3%
Vornado Realty Trust	VNO	\$77	\$85	\$82	-3%	6%
S&P 500 Index	S&P 500	\$1,258	\$1,366	\$1,370	0%	9%
Average for S&P 500 Index REITs					-1%	5%

REIT stocks declined during the last week of February, 2012, with REIT stock prices trading down (1%) on average for the week ended March 2, 2012. REITs trailed performance of the S&P 500 Index, trading flat for the week. The S&P 500 Index increased 9% year to date for 2012, exceeding REIT performance, up 5%. S&P 500 Index decreased less than (1%) during 2011, exceeded by 2011 REIT performance, up 6%. Positive performance gap for S&P 500 Index REITs was 6% in favor of REITs for the full year 2011 and is now negative (4%) for 2012.

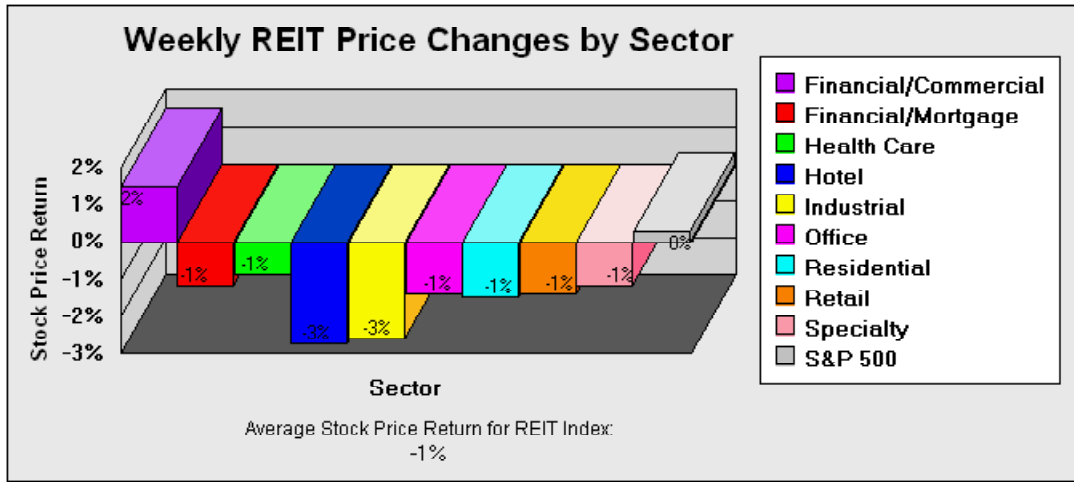
Early leaders among S&P 500 Index REITs for 2012 include **Prologis**, up 18%, followed by **Kimco Realty**, up 16%. Underperforming REITs year to date for 2012 include **HCP Inc**, down (4%), **Public Storage**, down (1%), and **Health Care REIT**, flat. Residential REITs **AvalonBay Communities** and **Equity Residential** are up only 1%.

Best performing of the S&P 500 Index REITs for 2011 were **Public Storage**, up 33%, and **Simon Property Group**, up 30%. Other leading performers included **AvalonBay Communities** and **Boston Properties**, both up 16%, as well as **Equity Residential**, up 10% for 2011. **Apartment Investment and Management** showed decline of (11%) for 2011 due to investor concern that higher rental rates may erode demand from financially stressed low-income tenants. Health Care REITs improved, with **HCP** up 13%, **Health Care REIT** up 14%, and **Ventas** up 5% for 2011. **Prologis** declined (10%) for 2011, as investors awaited news of improved profitability following the merger of **AMB Property** with **ProLogis Trust**. **Plum Creek Timber** declined (2%) for 2011, for the second year of decline. **Kimco Realty** and **Vornado Realty Trust**, well known REITs in the Retail and Office sectors, underperformed, with **Kimco Realty** down (10%) and **Vornado Realty Trust** down (8%) during 2011. Exposure to international economies made Hotel REIT **Host Hotels & Resorts** the most volatile stock among S&P 500 Index REITs, declining (17%) for 2011.

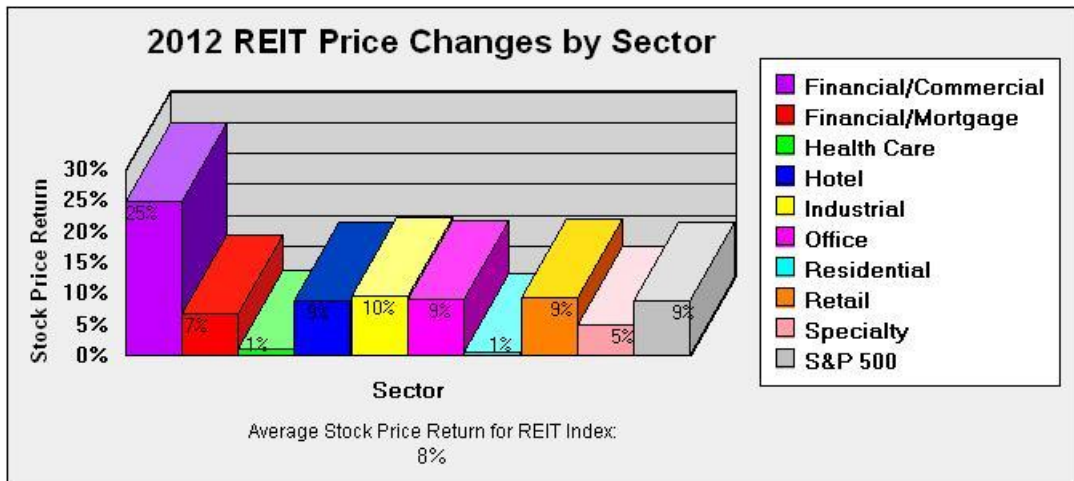
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Weekly REIT Price Changes by Sector



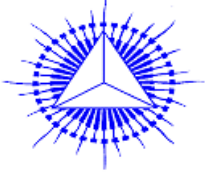
REIT sectors traded in a slight range during the last week of February, ended March 2, 2012, with only a single REIT sector outperforming the S&P 500 Index, trading flat for the week. Best performing sector was Financial Commercial REITs, up 2%, while Financial Mortgage REITs, Health Care REITs, Office REITs, Residential REITs, Retail REITs and Specialty REITs all traded down (1%). Lagging sectors were Hotel REITs and Industrial REITs, down (3%). On average, stock prices for REIT Growth and Income Monitor decreased (1%) for the week ended March 2, 2012.



Stock prices for REITs followed by REIT Growth and Income Monitor rallied 8% on average year to date for 2012, lagging performance of the S&P 500 Index, up 9%. Positive economic news on employment and manufacturing activity provides confidence. Leading sector year to date is Financial Commercial REITs, up 25%. Also demonstrating strength are Industrial REITs, up 10%. Hotel REITs, Office REITs and Retail REITs are all up 9%. Financial Mortgage REITs gained 7%, while Specialty REITs are up 5%. Lagging sectors include Health Care REITs and Residential REITs, up 1%. We expect Residential REITs to outperform again, as they did during 2011, with strong profit gains driving another year of exceptional FFO growth during 2012. Health Care REITs may see volatility around pending Supreme Court review of the Affordable Care Act, expected to start in 4 weeks during April, 2012. Earnings announcements over the past 4 weeks have given investors a better idea of which sectors should be expected to continue to lead in an enduring economic recovery.

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REIT Comment



Company:	CubeSmart
Price:	\$12
Recommendation:	BUY
Ranking:	1
Market Cap:	\$1,160
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
02/27/2012
CUBE \$12

CubeSmart CUBE 4Q 2011 FFO \$0.17 (adjusted) v \$0.15 UP +13%
CUBE 4Q 2011 FFO (adjusted) excludes net charges of (\$0.08) per share for debt repayment and acquisition costs

CUBE 2011 FFO \$0.65 (adjusted) v \$0.52 (adjusted) UP +25%
CUBE 2011 FFO (adjusted) excludes net charges of (\$0.08) per share for debt repayment and acquisition costs, partially offset by income from discontinued operations
CUBE exceeded high end of previous guidance 2011 FFO in range of \$0.62-\$0.63 per share

CUBE new guidance 2012 FFO \$0.67-\$0.73 v \$0.65 (adjusted) UP +3%--12%
CUBE new guidance 2012 FFO assumes same property NOI UP +3%--4%

CUBE new guidance 1Q 2012 FFO \$0.14-\$0.15 v \$0.14 FLAT - UP +7%

CUBE 4Q 2011 same property NOI UP +5.7%

CUBE 4Q 2011 portfolio occupancy 78.6%
CUBE 4Q 2011 same property occupancy 78.7% UP +2.4%

CUBE 4Q 2011 realized annualized rents per square foot \$11.20 FLAT
CUBE 4Q 2011 scheduled annualized rents per square foot \$12.20 UP +2.1%

CUBE to complete remaining acquisition of 6 Storage Deluxe properties during 1Q 2012 for \$203 million
CUBE total acquisitions for 2011 \$469 million
CUBE total dispositions for 2011 \$45 million

CUBE in addition to owned portfolio of 370 self-storage properties with 24.4 million square feet,
CUBE also manages 103 properties with 6.5 million square feet

CUBE a Specialty REIT with a portfolio of self-storage properties

CUBE we rank 1 BUY

CUBE market cap \$1.2 billion

REIT Comment



Company:	Lexington Realty Trust
Price:	\$9
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,608
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
LXP \$9

Lexington Realty Trust LXP4Q 2011 FFO \$0.25 (adjusted) v \$0.24 (adjusted) UP +4%
LXP 4Q 2011 FFO (adjusted) excludes net gains of \$0.03 per share from non-recurring items

LXP 2011 FFO \$0.96 (adjusted) v \$0.98 (adjusted) DOWN (2%)
LXP 2011 FFO excludes net charges of (\$0.01) per share from non-recurring items
LXP exceeded high end of previous guidance 2011 FFO in range of \$0.91-\$0.93 per share

LXP new guidance 2012 FFO \$0.90-\$0.93 (adjusted) v \$0.96 (adjusted) DOWN (3%)-(6%)

LXP 4Q 2011 portfolio occupancy 95.9% UP +2.5%

LXP 2011 total investments \$176 million, funded by dispositions of \$160 million
LXP investing in 5 build-to-suit projects for investment of \$104 million

LXP an Office REIT with a portfolio of net leased properties to single tenants

LXP we rank 3 HOLD

LXP market cap \$1.6 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$15,774
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
NLY \$17

Annaly Capital Management NLY higher pending home sales a positive signal for Financial Mortgage REITs

NLY National Association of Realtors reported pending home sales UP+2% for January 2012 to annualized rate of 4.6 million homes

NLY gains strongest in southern and northeastern markets, while west and midwest report pending home sales DOWN

NLY pending home sales a leading indicator for mortgage applications for home purchase

NLY Financial Mortgage REITs benefit from higher mortgage application volume, providing opportunities for portfolio reinvestment

NLY outlook for recovery in housing sector supported by continued low mortgage rates

NLY reform of Fannie Mae appears to be delayed until after the 2012 elections, maintaining status quo for Financial Mortgage REITs

NLY stock price supported by current annual dividend yield of 13.7%, above 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 \$15.8 billion

REIT Comment



Company:	Host Hotels & Resorts
Price:	\$16
Recommendation:	SELL
Ranking:	4
Market Cap:	\$11,427
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
HST \$16

Host Hotels & Resorts HST fears of higher oil prices may impact trading in Hotel REITs

HST investor concern over impact of higher gasoline prices on travel related stocks including airlines and hotels

HST higher transportation costs may force travelers to curtail length of stay

HST reported FFO growth for 2011 UP +24%, exceeding high end of previous guidance range

HST guidance for FFO growth of 2012 at a slower rate, UP 5%-+13%

HST absence of acquisitions expected to reduce growth rate for 2012, while dispositions of \$100-\$115 million during the first 6 months of 2012 will depress operating income

HST a Hotel REIT with a portfolio of upscale hotels in US and international markets

HST we rank 4 SELL

HST market cap \$11.4 billion

HST an S&P 500 Index REIT

REIT Comment



Company:	Hatteras Financial
Price:	\$28
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,151
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
HTS \$28

Hatteras Financial HTS 4Q 2011 EPS \$0.92 v \$0.99 DOWN (7%)
HTS 4Q 2011 EPS included gain on sale of securities of \$2.8 million

HTS 2011 EPS \$3.97 v \$4.30 DOWN (8%)
HTS 2011 EPS included gains on sale of securities of \$20.6 million

HTS 4Q 2011 book value \$27.08 per share UP +\$0.76 per share from September, 2011
HTS 4Q 2011 ROE 13.8%

HTS 4Q 2011 NIM (net interest margin) 1.56% DOWN (0.08%) from September, 2011

HTS 4Q 2011 portfolio \$17.7 billion agency guaranteed Residential MBS
HTS 4Q 2011 portfolio leverage 7.8X
HTS 4Q 2011 CPR (constant prepayment rate) 21%

HTS 4Q 2011 portfolio weighted average coupon 3.46% DOWN (0.08%) from September, 2011
HTS 4Q 2011 average yield on earning assets 2.6% DOWN (0.12%) from September, 2011

HTS management commented federal government seeking to force banks to offer refinance opportunities
HTS management exposure to HARP refinance only 10% of total portfolio

HTS stock price supported by current annual dividend yield of 12.7%, near the midpoint of the range for Financial Mortgage REITs

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

HTS we rank 2 BUY

HTS market cap \$2.2 billion

REIT Comment



Company:	National Health Investors
Price:	\$48
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,323
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
NHI \$48

National Health Investors NHI 4Q 2011 normalized FFO \$0.77 (adjusted) v \$0.72 (adjusted) UP +7%
NHI 4Q 2011 normalized FFO (adjusted) excludes net charge of (\$0.01) per share for non-cash adjustments

NHI 2011 normalized FFO \$2.88 (adjusted) v \$2.76 (adjusted) UP +4%
NHI 2011 normalized FFO (adjusted) excludes net gains of \$0.32 per share relating to gains on sale and other non-cash adjustments
NHI 2011 normalized FFO at midpoint of previous guidance 2011 FFO in range of \$2.83-\$2.93 per share

NHI new guidance 2012 normalized FFO \$3.02-\$3.10 v \$2.88 (adjusted) UP +5%+7%

NHI 4Q 2011 revenues \$22 million, UP +10%, with rental income UP +10% and mortgage interest income UP +10%
NHI 4Q 2011 expenses \$5 million FLAT

NHI stock price supported by current annual dividend yield of 5.5%

NHI a Health Care REIT with a portfolio of skilled nursing and assisted living facilities

NHI we rank 2 BUY

NHI market cap \$1.3 billion

REIT Comment



Company:	American Campus Communities
Price:	\$41
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,950
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
ACC \$41

American Campus Communities ACC 4Q 2011 FFOM \$0.50 v \$0.45 UP +11%
ACC FFOM modifies FFO to add performance of jointly owned on-campus residences

ACC 2011 FFOM \$1.81 v \$1.58 UP +15%
ACC FFOM modifies FFO to add performance of jointly owned on-campus residences
ACC exceeded high end of previous guidance 2011 FFOM in range of \$1.71-\$1.78 per share

ACC new guidance 2012 FFOM \$1.94-\$2.05 v \$1.81 UP +7%+13%

ACC 4Q 2011 same property NOI UP +4.2%
ACC 4Q 2011 same property occupancy 98.4% UP +0.1%

ACC preleasing for 2012/2013 academic season now 47.6%, with average rents UP +3.5%

ACC during 2011 completed construction and opened 4 new properties with 2,480 beds for total investment of \$110 million
ACC has 11 new development projects with 6,703 beds under construction for total investment of \$385 million
ACC investment in development providing 9% portfolio expansion

ACC total 2011 acquisitions 4 properties with 3,400 beds for investment of \$262 million

ACC a Specialty REIT with a portfolio of student housing communities

ACC we rank 3 HOLD

ACC market cap \$3.0 billion

REIT Comment



Company:	Equity One
Price:	\$19
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,373
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
02/27/2012
EQY \$19

Equity One EQY 4Q 2011 recurring FFO \$0.29 (adjusted) v \$0.28 (adjusted) UP +4%
EQY 4Q 2011 recurring FFO (adjusted) excludes net charges of (\$0.04) per share relating to transaction costs and loss on debt extinguishment partially offset by gains on sale

EQY 2011 recurring FFO \$1.12 (adjusted) v \$1.07 (adjusted) UP +5%
EQY 2011 recurring FFO (adjusted) excludes net charges of (\$0.09) per share relating to transaction costs and loss on debt extinguishment partially offset by gains on sale
EQY at low end of previous guidance range 2011 recurring FFO (adjusted) in range of \$1.11-\$1.15 per share

EQY affirmed guidance 2012 recurring FFO \$1.04-\$1.12 v \$1.12 (adjusted) FLAT - DOWN (7%)

EQY 4Q 2011 same property NOI DOWN (0.5%)
EQY 4Q 2011 core portfolio occupancy 90.7% UP +0.4%

EQY 4Q 2011 rents on new leases DOWN (10.9%) due to lease of previously vacant space, while rents on lease renewals UP +4.3%

EQY total \$263 million acquisitions for 2011, with \$190 million pending for 2012
EQY total \$504 million dispositions for 2011

EQY investing \$183 million in new developments and redevelopment projects

EQY stock price supported by current annual dividend yield of 4.6%

EQY a Retail REIT with a portfolio of neighborhood and community shopping centers

EQY we rank 3 HOLD

EQY market cap \$2.4 billion

REIT Comment



Company:	Camden Property Trust
Price:	\$62
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,761
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
CPT \$62

Camden Property Trust CPT traded DOWN (\$0.67) per share to close DOWN (1%) day

CPT stock traded FLAT year to date for 2012, underperforming Residential REITs, UP +2%
CPT stock traded UP +15% during 2011, while Residential REITs rallied UP +8%

CPT Residential REITs exceeded guidance for 4Q 2011, due to much improved profitability

CPT average monthly rental rate increases driving higher NOI due to apartment shortage and high occupancy

CPT both 2012 and 2013 should be more good years for Residential REITs, as limited new supply of apartments unlikely to impact rental rates before 2014

CPT previously announced FFO increase of UP +16% for 4Q 2011, while providing new guidance for FFO for 2012 indicating growth of as much as UP +17%

CPT dividend increase to be considered at board meeting during March 2012

CPT a Residential REIT with a diverse portfolio of apartment communities

CPT we rank 2 BUY

CPT market cap \$4.8 billion

REIT Comment



Company:	Sun Communities
Price:	\$41
Recommendation:	BUY
Ranking:	2
Market Cap:	\$887
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
SUI \$41

Sun Communities SUI traded UP \$0.86 per share to close UP +2% day

SUI stock traded UP +13% year to date for 2012, outperforming Specialty REITs, UP +6%
SUI stock traded UP +10% during 2011. while Specialty REITs gained UP +8%

SUI last week reported FFO growth of UP +5% for 2011, while providing guidance for FFO growth of UP +4% for 2012

SUI average monthly rental rates UP +3%, incentivizing more residents to consider purchase of manufactured homes

SUI sale of manufactured homes adds substantially to FFO

SUI a Specialty REIT with a portfolio of manufactured home communities

SUI we rank 2 BUY

SUI market cap \$887 million

REIT Comment



Company:	Brandywine Realty Trust
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,501
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
BDN \$11

Brandywine Realty Trust BDN stock traded UP+\$0.09 per share to close UP +1% day

BDN stock traded UP +15% year to date for 2012, outperforming Office REITs, UP +11%
BDN stock traded DOWN (18%) during 2011, lagging Office REITs, DOWN (10%)

BDN reported FFO at high end of guidance range for 2011, UP +2%, while providing guidance for
FLAT FFO for 2012

BDN portfolio occupancy increasing, to be aided by acquisition and development of properties in
downtown Philadelphia

BDN stock price supported by current dividend yield of 5.5%

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

BDN we rank 3 HOLD

BDN market cap \$1.5 billion

REIT Comment



Company:	Extra Space Storage
Price:	\$27
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,659
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/27/2012
EXR \$27

Extra Space Storage EXR traded UP \$0.24 per share to close UP +1% day

EXR stock traded UP +11% year to date for 2012, outperforming Specialty REITs, UP +6%
EXR stock traded UP +39% during 2011, significantly exceeding performance of Specialty REITs,
UP +8%

EXR Specialty REITs with portfolios of self-storage properties benefitting from occupancy gains and higher rental rates

EXR reported FFO growth for 2011 of UP +28%, exceeding high end of previous guidance range while providing new guidance for FFO for 2012 indicating potential for growth of as much as UP +18%

EXR also dramatically increased dividend, UP +43% to annual rate of \$0.80 per share

EXR a Specialty REIT with a portfolio of self-storage properties concentrated in east coast states

EXR we rank 2 BUY

EXR market cap \$2.7 billion

REIT Comment



Company:	Redwood Trust
Price:	\$12
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$942
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
02/28/2012
RWT \$12

Redwood Trust RWT 4Q 2011 EPS loss (\$0.03) v profit \$0.18
RWT 4Q 2011 EPS loss included net charges of (\$22) million for loan loss, impairments, and non-cash market valuation adjustments
RWT 4Q 2011 taxable EPS loss (\$0.02) per share

RWT 2011 EPS \$0.31 v \$1.36
RWT 2011 EPS included net charges of (\$60) million for loan loss, impairments, and non-cash market valuation adjustments
RWT no previous guidance provided for EPS for 2011

RWT no guidance provided for EPS for 2012

RWT 4Q 2011 GAAP book value \$11.36 per share, DOWN (\$0.86) per share from September, 2011
RWT 4Q 2011 adjusted economic book value \$12.45 per share

RWT portfolio of interest earning assets \$5.6 billion

RWT management plans to acquire \$2 billion in non-agency guaranteed loans for securitization during 2012
RWT completed \$416 million securitization during January 2012
RWT to make direct investment of \$200 million in securitizations during 2012

RWT management commented seeing improved prices for non-agency guaranteed RMBS during 1Q 2012
RWT expects to expand investment in Commercial MBS during 2012

RWT stock price supported by current annual dividend yield of 8.3%, at the low end of the range for Financial Mortgage REITs

RWT a Financial Mortgage REIT with a portfolio of jumbo residential loans and non-agency guaranteed Residential MBS

RWT we rank 3 HOLD

RWT market cap \$942 million

REIT Comment



Company:	Ramco-Gershenson Properties
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$433
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/28/2012
RPT \$11

Ramco-Gershenson Properties RPT 4Q 2011 FFO \$0.22 (adjusted) v \$0.20 (adjusted) UP +10%
RPT 4Q 2011 FFO (adjusted) excludes net charges of (\$0.25) per share for impairments and other non-recurring items

RPT 2011 FFO \$1.01 (adjusted) v \$1.05 (adjusted) DOWN (4%)
RPT 2011 FFO (adjusted) excludes net charges of (\$0.30) per share for impairments and other non-recurring items
RPT exceeded high end of previous guidance 2011 FFO in range of \$0.95-\$0.98 per share

RPT affirmed guidance 2012 FFO \$0.94-\$1.02 v \$1.01 FLAT - DOWN (7%)

RPT 4Q 2011 same property NOI UP +2.3%
RPT 4Q 2011 portfolio occupancy 93.5% UP +0.7% from September, 2011

RPT 4Q 2011 average rents on new leases UP +1.3%

RPT stock price supported by current dividend yield of 5.3%

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

RPT we rank 3 HOLD

RPT market cap \$433 million

REIT Comment



Company:	Vornado Realty Trust
Price:	\$84
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$15,671
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/28/2012
VNO \$84

Vornado Realty Trust VNO 4Q 2011 FFO \$1.15 (adjusted) v \$1.15 (adjusted) FLAT
VNO 4Q 2011 FFO (adjusted) excludes net gains of \$0.31 per share relating to non-recurring items

VNO 2011 FFO \$5.27 (adjusted) v \$5.27 (adjusted) FLAT
VNO 2011 FFO (adjusted) excludes net gains of \$1.15 per share relating to non-recurring items
VNO no previous guidance provided for FFO for 2011

VNO no guidance provided for FFO for 2012

VNO 4Q 2011 revenues \$742 million UP +6%
VNO 4Q 2011 income from continuing operations \$98 million DOWN (65%)

VNO 4Q 2011 same property NOI for NY office properties UP +5.6%
VNO 4Q 2011 same property NOI for DC office properties DOWN (2.5%)
VNO 4Q 2011 same property NOI for retail properties UP +6.0%

VNO 4Q 2011 occupancy for NY office properties 95.6% FLAT
VNO 4Q 2011 occupancy for DC office properties 90.0% DOWN (4.3%)
VNO 4Q 2011 occupancy for retail properties 93.0% UP +0.7%

VNO 4Q 2011 EBITDA for NY office properties UP +16.0%
VNO 4Q 2011 EBITDA for DC office properties DOWN (35.1%)
VNO 4Q 2011 EBITDA for retail properties DOWN (16.0%)

VNO an Office REIT with a diverse portfolio of office and retail properties

VNO we rank 3 HOLD

VNO market cap \$15.7 billion

VNO an S&P 500 Index REIT

REIT Comment



Company:	Health Care REIT
Price:	\$55
Recommendation:	BUY
Ranking:	2
Market Cap:	\$9,727
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/28/2012
HCN \$55

Health Care REIT HCN completed offering of 20.7 million shares at \$53.50 per share

HCN offering size increased from previous 18.0 million shares

HCN offering priced at discount of only (1.3%) to previous night's closing price

HCN gross proceeds of \$1.1 billion to be applied to repay debt and to fund acquisitions and developments

HCN joint bookrunning managers BofA Merrill Lynch, Deutsche Bank, JP Morgan, UBS and Wells Fargo

HCN February 2012 offering increased total shares outstanding by 11%

HCN a Health Care REIT with a diverse portfolio of health care and life science properties

HCN we rank 2 BUY

HCN market cap \$9.7 billion

HCN an S&P 500 Index REIT

REIT Comment



Company:	Redwood Trust
Price:	\$12
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$918
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/28/2012
RWT \$12

Redwood Trust RWT traded DOWN (\$0.30) per share to close DOWN (3%) day

RWT stock traded UP +15% year to date for 2012, outperforming Financial Mortgage REITs, UP +8%

RWT stock traded DOWN (32%) during 2011, while Financial Mortgage REITs retreated DOWN (12%)

RWT earlier today reported small EPS loss for 4Q 2011, far below current dividend level of \$0.25 per share

RWT successfully completed \$465 million securitization of non-agency guaranteed Residential MBS during January, 2012

RWT management expects to complete \$2 billion in securitizations of non-agency guaranteed Residential MBS during 2012

RWT stock price supported by current annual dividend yield of 8.6%, at the low end of the range for Financial Mortgage REITs

RWT a Financial Mortgage REIT with a portfolio of jumbo residential loans and non-agency guaranteed Residential MBS

RWT we rank 3 HOLD

RWT market cap \$918 million

REIT Comment



Company:	Omega Healthcare Investors
Price:	\$21
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,131
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/28/2012
OHI \$21

Omega Healthcare Investors OHI traded DOWN (\$0.38) per share to close DOWN (2%) day

OHI stock traded UP +7% year to date for 2012, outperforming Health Care REITs, UP +2%
OHI stock traded DOWN (14%) during 2011, while Health Care REITs were DOWN (2%)

OHI Supreme Court review of Affordable Care Act pending for April 2012, may impact trading in Health Care REITs during 2012

OHI announced 2011 FFO increase UP +14% for 2011, exceeding high end of previous guidance range, with guidance for FFO for 2012 with potential for UP +12% growth

OHI also increased dividend for 2012 by 3%

OHI a Health Care REIT with a portfolio concentrated in skilled nursing and assisted living properties

OHI we rank 2 BUY

OHI market cap \$2.1 billion

REIT Comment



Company:	Vornado Realty Trust
Price:	\$82
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$15,314
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/28/2012
VNO \$82

Vornado Realty Trust VNO traded DOWN (\$1.92) per share to close DOWN (2%) day

VNO stock traded UP +7% year to date for 2012, underperforming Office REITs, UP +11%
VNO stock traded DOWN (8%) during 2011, exceeding performance of Office REITs, DOWN (10%)

VNO investors appear disappointed by FLAT FFO for 4Q 2011 and for full year 2011, despite improvement in office same property NOI in New York City

VNO impacted by lower same property NOI for Washington DC properties, including current and pending vacancies forced by Pentagon relocations and budget cutbacks

VNO an Office REIT with a diverse portfolio of office and retail properties

VNO we rank 3 HOLD

VNO market cap \$15.3 billion

VNO an S&P 500 Index REIT

REIT Comment



Company:	Host Hotels & Resorts
Price:	\$16
Recommendation:	SELL
Ranking:	4
Market Cap:	\$11,349
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/28/2012
HST \$16

Host Hotels & Resorts HST traded DOWN (\$0.16) per share to close DOWN (1%) day

HST stock traded UP +7% year to date for 2012, underperforming Hotel REITs, UP +11%
HST stock traded DOWN (17%) during 2011, while Hotel REITs traded DOWN (15%)

HST investor concern over higher oil prices on travel related stocks, including airlines and hotels

HST higher transportation costs may force travelers to curtail length of stay

HST last week reported FFO growth for 2011 UP +24%, exceeding high end of previous guidance range

HST guidance for FFO growth of 2012 at a slower rate, UP 5%-+13%

HST absence of acquisitions expected to reduce growth rate for 2012, while dispositions of \$100-\$115 million during the first 6 months of 2012 will depress operating income

HST a Hotel REIT with a portfolio of upscale hotels in US and international markets

HST we rank 4 SELL

HST market cap \$11.3 billion

HST an S&P 500 Index REIT

REIT Comment



Company:	Gladstone Commercial Corp.
Price:	\$18
Recommendation:	BUY
Ranking:	2
Market Cap:	\$201
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
GOOD \$18

Gladstone Commercial GOOD 4Q 2011 FFO \$0.34 v \$0.35 DOWN (3%)
GOOD 4Q 2011 FFO growth impacted by share issuance, with total shares outstanding UP +26%

GOOD 2011 FFO \$1.53 v \$1.64 DOWN (7%)
GOOD 2011 FFO growth impacted by share issuance, with total shares outstanding UP +20%
GOOD no previous guidance provided for FFO for 2011

GOOD no guidance provided for FFO for 2012

GOOD 4Q 2011 portfolio occupancy 98.7%

GOOD 4Q 2011 revenues \$11.5 million UP +13%
GOOD 4Q 2011 operating income \$5.2 million UP +16%

GOOD 2011 total acquisitions \$55 million
GOOD 2012 year to date acquisitions \$11 million

GOOD an Industrial REIT with a portfolio of net leased industrial and commercial properties

GOOD we rank 2 BUY

GOOD market cap \$201 million

REIT Comment



Company:	FelCor Lodging Trust
Price:	\$4
Recommendation:	SELL
Ranking:	5
Market Cap:	\$458
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
FCH \$4

FelCor Lodging Trust FCH 4Q 2011 FFO loss (\$0.03) (adjusted) v (\$0.04) (adjusted)
FCH 4Q 2011 FFO loss (adjusted) excludes net charges of less than (\$0.01) per share for acquisition cost and debt extinguishment

FCH 2011 FFO profit \$0.14 (adjusted) v loss (\$0.09) (adjusted)
FCH 2011 FFO (adjusted) excludes net charges of (\$0.22) per share for acquisition cost and debt extinguishment
FCH missed low end of previous guidance 2011 FFO (adjusted) in range of \$0.17-\$0.19 per share

FCH new guidance 2012 FFO \$0.23-\$0.30 (adjusted) v \$0.14 (adjusted) UP +64%+114%
FCH new guidance 2012 FFO assumes same property RevPAR (revenue per available room) UP +4%+6%
FCH new guidance 2012 FFO assumes adjusted EBITDA \$205-\$214 million FLAT - UP +5%

FCH 4Q 2011 same property RevPAR (revenue per available room) \$93 UP +4.8%
FCH 4Q 2011 same property ADR (average daily rate) \$139 UP +4.5%
FCH 4Q 2011 same property occupancy 66.9% UP +0.7%

FCH 4Q 2011 hotel EBITDA margin 21.6% UP +0.8%

FCH plans to divest 16 non-core hotels during 2012, with proceeds to be applied to debt reduction and capital investment
FCH total divestitures during 2011 8 hotels for \$138 million

FCH renovation program to impact hotel occupancies during 2012

FCH no plans announced to reinstate dividends on common stock

FCH a Hotel REIT

FCH we rank 5 SELL

FCH market cap \$458 million

REIT Comment



Company:	Prologis Inc
Price:	\$34
Recommendation:	BUY
Ranking:	2
Market Cap:	\$15,932
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
PLD \$34

Prologis Inc PLD news of higher manufacturing activity supports outlook for additional demand for Industrial REITs with bulk distribution properties

PLD ISM (Institute for Supply Management) announced PMI (purchase managers index) showed January 2012 gain of 1.0%, with new orders UP +4.8%, and employment UP +7.6%

PLD Industrial REITs normally see demand for bulk distribution space expand in response to manufacturing sector plans for economic expansion

PLD reported Core FFO UP +7% for 4Q 2011, bringing full year 2011 Core FFO growth to UP +24%

PLD new guidance for Core FFO growth for 2012 indicates potential for growth of as much as UP +8%

PLD management working to achieve \$90 million in cost synergies on completion of merger of AMB Property AMB with ProLogis Trust PLD, effective July, 2011

PLD the largest publicly traded Industrial REIT, following July 2011 merger

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

PLD we rank 2 BUY

PLD market cap \$15.9 billion

PLD an S&P 500 Index REIT

REIT Comment



Company:	Capstead Mortgage Corporation
Price:	\$13
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,133
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
CMO \$13

Capstead Mortgage CMO news of lower home prices underscores need for refinance program to stimulate recovery in US housing sector

CMO Case-Shiller national home price index indicated average (4%) decline for 4Q 2011 from the previous year

CMO Case-Shiller reported only year over year gain in Detroit UP +0.5%

CMO markets with largest year-over-year home price declines included Atlanta DOWN (12.8%), Las Vegas DOWN (8.8%), Chicago DOWN (6.5%) and Seattle DOWN (5.6%)

CMO President Obama requested Congress vote on proposal for home refinance program to offer mortgage holders current on their mortgage loans opportunity to refinance at low interest rates whether or not loans are currently held or guaranteed by Fannie Mae or Freddie Ma, and whether or not current mortgage exceeds home value

CMO Fannie Mae reform appears to be delayed until after the 2012 elections, maintaining the status quo for Financial Mortgage REITs with portfolios of agency guaranteed Residential MBS

CMO stock price supported by current annual dividend yield of 12.8%, above 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



Company:	Hospitality Properties Trust
Price:	\$25
Recommendation:	SELL
Ranking:	4
Market Cap:	\$3,096
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
HPT \$25

Hospitality Properties Trust HPT 4Q 2011 normalized FFO \$0.78 (adjusted) v \$0.85 (adjusted)
DOWN (8%)
HPT 4Q 2011 normalized FFO (adjusted) excludes net gain of \$0.01 per share relating to
non-recurring items

HPT 2011 normalized FFO \$3.30 (adjusted) v \$3.24 (adjusted) UP +2%
HPT 2011 normalized FFO (adjusted) excludes net charges of \$0.05 per share relating to acquisition
costs
HPT no previous guidance provided for normalized FFO for 2011

HPT no guidance provided for FFO for 2012

HPT 4Q 2011 RevPAR (revenue per available room) \$64 UP +6.9%
HPT 4Q 2011 ADR (average daily rate) \$95 UP +4.9%
HPT 4Q 2011 occupancy 67.2% UP +1.2%

HPT continues to receive payments below contractual minimum rents from Marriott and
InterContinental, offset by security deposits
HPT successful in selling only 1 of 21 Marriott hotels held for sale, and 0 of 42 InterContinental
hotels held for sale

HPT to discuss results for 4Q 2011 in a conference call with investors this afternoon at 1:00 PM

HPT stock price supported by current annual dividend yield of 7.2%

HPT a Hotel REIT with a portfolio concentrated in highway hotels and travel centers

HPT we rank 5 SELL

HPT market cap \$3.1 billion

REIT Comment



Company:	LaSalle Hotel Properties
Price:	\$27
Recommendation:	SELL
Ranking:	4
Market Cap:	\$2,262
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
LHO \$27

LaSalle Hotel Properties LHO traded DOWN (\$0.57) per share to close DOWN (2%) day

LHO stock traded UP +12% year to date for 2012, in line with Hotel REITs, UP +12%
LHO stock traded DOWN (8%) during 2011, while Hotel REITs traded DOWN (15%)

LHO investor concern over potential negative impact of higher gasoline prices on travel-related stocks, including airlines and hotels

LHO higher transportation costs may force travelers to curtail length of stay

LHO reported FFO for 2011 UP +11%, at the high end of previous guidance range, and provided guidance for FFO for 2012 indicating potential for FFO growth of as much as UP+30%

LHO a Hotel REIT

LHO we rank 4 SELL

LHO market cap \$2.3 billion

REIT Comment



Company:	Tanger Factory Outlet Centers
Price:	\$29
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,864
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
SKT \$29

Tanger Factory Outlet Centers SKT traded UP \$0.29 per share to close UP +1% day

SKT stock traded DOWN (1%) year to date for 2012, underperforming Retail REITs, UP +11%
SKT stock traded UP +15% during 2011, far exceeding performance of Retail REITs, DOWN (4%)

SKT expanding portfolio through development of new outlet centers in US and Canada with next center opening in Glendale AZ in March, 2012

SKT reported FFO for 4Q 2011 UP +8%, with guidance for potential FFO growth of UF +13% for 2012

SKT a Retail REIT with a portfolio of brand name outlet centers

SKT we rank 2 BUY

SKT market cap \$2.9 billion

REIT Comment



Company:	MFA Financial
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,599
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
MFA \$7

MFA Financial MFA traded DOWN (\$0.16) per share to close DOWN (2%) day

MFA stock traded UP +11% during 2012, outperforming Financial Mortgage REITs, UP +8%
MFA stock traded DOWN (18%) during 2011, while Financial Mortgage REITs retreated DOWN (12%)

MFA increasing contribution for higher yielding non-agency guaranteed Residential MBS drives portfolio return

MFA stock supported by current annual dividend yield of 13.7%, above the midpoint of the range for Financial Mortgage REITs

MFA a Financial Mortgage REIT with a portfolio of agency guaranteed and nonagency guaranteed Residential loans and MBS

MFA we rank 2 BUY

MFA market cap \$2.6 billion

REIT Comment



Company:	Essex Property Trust
Price:	\$140
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,956
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
02/29/2012
ESS \$140

Essex Property Trust ESS traded UP \$1.38 per share to close UP +1% day

ESS stock traded DOWN (1%) during 2012, slightly underperforming Residential REITs, UP +2%
ESS stock traded UP +23% during 2011, far exceeding performance of Residential REITs, UP +8%

ESS Residential REITs occupancy supported by positive employment trends enabling rental rate increases

ESS reported FFO growth of UP +12% for 2011, while providing guidance for FFO growth for 2012 of as much as +21%

ESS development pipeline provides 4% portfolio expansion, taking advantage of current apartment shortage

ESS a Residential REIT with a diverse portfolio of apartment communities in west coast states

ESS we rank 2 BUY

ESS market cap \$5.0 billion

REIT Comment



Company:	Weingarten Realty
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,998
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
03/01/2012
WRI \$25

Weingarten Realty WRI 4Q 2011 recurring FFO \$0.48 (adjusted) v \$0.43 (adjusted) UP +12%
WRI 4Q 2011 recurring FFO (adjusted) excludes (\$0.02) per share in impairments

WRI 2011 recurring FFO \$1.81 (adjusted) v \$1.70 (adjusted) UP +6%
WRI 2011 FFO (adjusted) excludes (\$0.36) per share in impairments
WRI 2011 exceeded high end of guidance 2011 recurring FFO in range of \$1.75-\$1.79 per share

WRI new guidance 2012 recurring FFO \$1.81-\$1.91 v \$1.81 (adjusted) FLAT - UP +6%
WRI new guidance 2012 recurring FFO (adjusted) assumes same property NOI UP +4%-+5%
WRI new guidance 2012 recurring FFO (adjusted) assumes \$300-\$400 million divestitures

WRI 4Q 2011 same property NOI UP +1.4%

WRI 4Q 2011 portfolio occupancy 92.1% UP +0.5% from September, 2011
WRI 4Q 2011 retail segment occupancy 93.0% UP +0.2% from September, 2011
WRI 4Q 2011 industrial segment occupancy 89.5% UP +0.2% from September, 2011

WRI focused on portfolio occupancy improvement to 93%, with improvement for retail and flat occupancy for industrial properties
WRI management commented divestitures to be concentrated in smaller assets
WRI management made no comment on timing of potential divestiture of 75 industrial properties

WRI also announced 6% dividend increase

WRI a Retail REIT with a diverse portfolio of grocery anchored shopping centers and industrial properties

WRI we rank 2 BUY

WRI market cap \$3.0 billion

REIT Comment



Company:	Weingarten Realty
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,998
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/01/2012
WRI \$25

Weingarten Realty WRI increased quarterly dividend distribution by 6% to \$0.29 per share for 1Q 2012

WRI new annual dividend \$1.16 per share

WRI new yield 4.7%

WRI a Retail REIT with a diverse portfolio of grocery anchored shopping centers and industrial properties

WRI we rank 2 BUY

WRI market cap \$3.0 billion

REIT Comment



Company:	UDR, Inc.
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,700
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
03/01/2012
UDR \$25

UDR Inc UDR news of lower unemployment claims continues positive employment trends favorable to Residential REITs

UDR Labor Department reported new unemployment claims of 351,000 for week ended February 25, 2012, DOWN (2,000) from revised 353,000 for previous week

UDR more important 4 week moving average of new unemployment claims DOWN (5,500) to 354,000

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

UDR apartment shortage in key urban areas to drive record rental rates for 2011-2013

UDR well positioned to exploit apartment shortage in key urban markets with \$674 million pipeline of new developments, as well as \$319 million redevelopment projects

UDR reported FFO growth of UP +21% for 4Q 2011, while reporting FFO for 2011 near the midpoint of previous guidance range

UDR new guidance for 2012 indicates FFO growth in range of UP +7%-+11%

UDR a Residential REIT with a diverse portfolio of apartment communities

UDR we rank 2 BUY

UDR market cap \$5.7 billion

REIT Comment



Company:	Newcastle Investment
Price:	\$5
Recommendation:	SELL
Ranking:	4
Market Cap:	\$438
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/01/2012
NCT \$5

Newcastle Investment NCT 4Q 2011 core EPS \$0.30 v \$0.43 DOWN (30%)
NCT 4Q 2011 core EPS excludes gains and losses and non-cash portfolio investments
NCT 4Q 2011 GAAP EPS \$0.18 v \$3.18

NCT 2011 core EPS \$1.44 v \$1.52 DOWN (5%)
NCT 4Q 2011 core EPS excludes gains and losses and non-cash portfolio investments
NCT 2011 GAAP EPS \$3.09 v \$10.96
NCT no previous guidance provided for 2011 EPS

NCT no guidance provided for 2012 EPS

NCT 4Q 2011 GAAP book value \$1.24 per share UP \$0.22 per share from September, 2011

NCT portfolio \$3.8 billion face value, \$2.9 billion carrying value
NCT \$2.9 billion portfolio includes CMBS 38%, other commercial 25%, residential loans and MBS 25%, corporate debt and loans 10%

NCT 4Q 2011 invested \$55 million in unrestricted assets and \$138 million in restricted cash to reacquire previously issued CDOs

NCT stock price supported by current annual dividend yield of 11.0%, at the top end of the range for Financial Commercial REITs

NCT a Financial Commercial REIT

NCT we rank 4 SELL

NCT market cap \$438 million

REIT Comment



Company:	Winthrop Realty Trust
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$375
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/1/2012
FUR \$11

Winthrop Realty Trust FUR 4Q 2011 FFO \$0.49 v \$0.31 UP +58%
FUR 4Q 2011 FFO excludes net impairments of (\$0.66) per share

FUR 2011 FFO \$1.85 v \$1.53 UP +21%
FUR 2011 FFO excludes net impairments of (\$0.90) per share
FUR no previous guidance 2011 FFO

FUR no guidance provided for FFO for 2012

FUR 4Q 2011 revenues \$17 million UP +8%
FUR 4Q 2011 operating income (excluding impairments) DOWN (70%) due to higher expenses and property taxes

FUR invested \$19 million to acquire 7% stake in Cedar Realty Trust CDR during 4Q 2011

FUR stock price supported by current dividend yield of 5.7%

FUR an Office REIT with a diverse portfolio of office and commercial properties, as well as related debt and equity interests

FUR we rank 3 HOLD

FUR market cap \$375 million

REIT Comment



Company:	Weingarten Realty
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,045
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/01/2012
WRI \$25

Weingarten Realty WRI traded UP \$0.39 per share to close UP +2% day

WRI stock traded UP +16% year to date for 2012, slightly outperforming Retail REITs, UP +11%
WRI stock traded DOWN (8%) during 2011, lagging Retail REITs, DOWN (4%)

WRI earlier today announced FFO growth of UP +6% for 2011, exceeding previous guidance, and provided guidance indicating potential for FFO growth of UP+6% for 2012

WRI also announced 6% dividend increase for 2012, with current dividend yield of 4.6%

WRI a Retail REIT with a diverse portfolio of grocery anchored shopping centers and industrial properties

WRI we rank 2 BUY

WRI market cap \$3.0 billion

REIT Comment



Company:	AvalonBay Communities
Price:	\$131
Recommendation:	BUY
Ranking:	2
Market Cap:	\$12,454
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
03/01/2012
AVB \$131

AvalonBay Communities AVB traded UP \$1.42 per share to close UP +1% day

AVB stock traded unchanged year to date for 2012, underperforming Residential REITs, UP +2%
AVB stock traded UP +16% during 2011, exceeding performance of Residential REITs, UP +8%

AVB news of lower new unemployment claims supports positive outlook for Residential REITs

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

AVB apartment shortage in key urban areas to drive record rental rates for 2011-2013

AVB well positioned to take advantage of apartment shortage in key urban areas with \$1 billion
development pipeline

AVB previously reported 4Q 2011 FFO increased UP +18% and announced dividend increase of UP
+9%

AVB new guidance 2012 FFO indicates potential for FFO growth of as much as UP +21%

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 \$12.5 billion

AVB an S&P 500 Index REIT

REIT Comment



Company:	First Potomac Realty Trust
Price:	\$13
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$663
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/01/2012
FPO \$13

First Potomac Realty Trust FPO traded DOWN (\$0.43) per share to close DOWN (3%) day

FPO stock traded DOWN (2%) year to date for 2012, underperforming Industrial REITs, UP +13%
FPO stock traded DOWN (22%) during 2011, significantly lagging performance of Industrial REITs,
DOWN (3%)

FPO Industrial REITs report seeing higher demand due to increased manufacturing activity but
rental rates on new leases still lower than expiring leases

FPO reported FFO for 2011 DOWN (11%), while guidance for FFO for 2012 indicates growth of no
more than UP +6%, with possibility for slight decline

FPO stock price supported by current dividend yield of 6.3%

FPO an Industrial REIT with a portfolio of industrial, commercial and office properties concentrated
in metropolitan DC area

FPO we rank 3 HOLD

FPO market cap \$663 million

REIT Comment



Company:	HCP Inc.
Price:	\$40
Recommendation:	BUY
Ranking:	2
Market Cap:	\$16,493
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/01/2012
HCP \$40

HCP Inc HCP traded UP \$0.28 per share to close UP +1% day

HCP traded DOWN (4%) year to date for 2012, underperforming Health Care REITs, UP +2%
HCP stock traded UP +13% during 2011, significantly exceeding performance of Health Care REITs,
DOWN (2%)

HCP Supreme Court review of Affordable Care Act pending for April, 2012, may impact trading in
Health Care REITs during 2012

HCP reported FFO growth of UP +21% for 2011, while indicating potential for FFO growth of UP
+4% for 2012

HCP since 2011 acquisition, HCR ManorCare (post acute and skilled nursing) now represents 32%
of NOI

HCP stock price supported by current annual dividend rate of 4.8%

HCP a Health Care REIT with a diverse portfolio of health care and life science properties

HCP we rank 2 BUY

HCP market cap \$16.5 billion

HCP an S&P 500 Index REIT

REIT Comment



Company:	Arbor Realty Trust
Price:	\$5
Recommendation:	SELL
Ranking:	5
Market Cap:	\$120
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
03/02/2012
ABR \$5

Arbor Realty Trust ABR 4Q 2011 FFO loss (\$1.03) v (\$1.67)
ABR 4Q 2011 EPS loss continuing operations (\$1.11) v (\$1.65)
ABR 4Q 2011 EPS loss continuing operations included \$24 million loan loss provisions and loss on sale or restructuring of loans

ABR 2011 FFO loss (\$1.30) v profit \$4.36
ABR 4Q 2011 EPS loss continuing operations included \$44 million loan loss provisions and loss on sale or restructuring of loans
ABR 2011 EPS loss continuing operations (\$1.50) v \$4.46
ABR no previous guidance 2011 FFO loss

ABR no guidance provided for FFO for 2012
ABR sees 2012 "run rate" \$30-\$35 million net interest income, generating as much as \$0.30 per share in FFO, to be offset by potential credit losses and supplemented by additional loan originations

ABR 4Q 2011 GAAP book value \$7.04 per share
ABR 4Q 2011 adjusted book value \$11.32 per share

ABR 4Q 2011 portfolio \$1.6 billion
ABR 4Q 2011 portfolio yield 4.69%, offset by cost of funds at 3.56% (excluding swaps)
ABR 4Q 2011 NIM (net interest margin) 1.13% UP +0.15% from September, 2011

ABR 4Q 2011 total loan loss reserve \$185 million against \$285 million face value of loans
ABR 4Q 2011 non-performing loans \$15 million, net of loan loss reserve, for total \$58 million face value

ABR 4Q 2011 originated \$103 million new loans, including \$92 million for 13 bridge loans and \$11 million for a preferred equity investment
ABR 4Q 2011 new loan originations funded by \$102 million cash from portfolio run-off

ABR repurchased 1.5 million shares during 2011 under 2.0 million repurchase authorization

ABR management hopes to return to dividend payments later during 2012

ABR a Financial Commercial REIT

ABR we rank 5 SELL

ABR market cap \$120 million

REIT Comment



Company:	DuPont Fabros Technology
Price:	\$23
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,889
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/02/2012
DFT \$23

DuPont Fabros Technology DFT today's successful IPO of Internet company Yelp YELP highlights importance of mobile Internet access providing local information

DFT ad-driven Yelp serving local business reviews to 66 million unique visitors per month, while mobile application serving 5.7 million users

DFT growth in demand for Internet services from proliferation of mobile and home Internet devices a key driver for DFT data centers

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 reported 2011 FFO at high end of guidance range for 2011, UP +21%

DFT guidance for FFO for 2012 indicates decline of at least (6%), due to cost of carrying data centers still in lease-up

DFT cash flows from stabilized properties still very strong with 99% occupancy, although properties in lease-up are impacting total DFT profitability

DFT potential for build-to-suit properties now under consideration should add upside to FFO for 2013 and 2014

DFT investors may look across FFO decline during next 6 months to buy the stock for exceptional long term FFO growth potential

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 \$1.9 billion

REIT Comment



Company:	Agree Realty
Price:	\$24
Recommendation:	SELL
Ranking:	5
Market Cap:	\$242
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
03/02/2012
ADC \$24

Agree Realty ADC 4Q 2011 FFO continuing operations \$0.48 v \$0.63 DOWN (24%)
ADC 4Q 2011 FFO appears to include accrued non-cash rent on former Borders headquarters through December, 2011, now forfeited to lenders

ADC 2011 FFO from continuing operations \$2.20 v \$2.54 DOWN (13%)
ADC 2011 FFO excludes net gains of \$0.80 per share for non-cash items relating to Borders bankruptcy
ADC no previous guidance provided for FFO for 2011

ADC no guidance provided for FFO for 2012

ADC 4Q 2011 portfolio occupancy 92.7%

ADC former Borders headquarters building in Ann Arbor MI forfeited to lenders in December, 2011, for \$5.5 million debt forgiveness
ADC currently marketing for sale 4 former Borders locations unencumbered by debt

ADC 2011 acquisitions \$39 million for 10 properties net leased to Kohls, Walgreen's, Wawa and CVS
ADC 2012 year to date acquisitions \$6 million for 3 properties net leased to National Tire & Battery, JPMChase Bank, and Advance AutoParts

ADC no clarity yet on disposition of remaining debt associated with former Borders properties with ADC probably still in default on \$15 million debt related to Borders properties and facing probable unsuccessful litigation with lenders

ADC continuity of the dividend questionable when proper accounting for Borders nonpayment of rents is applied to revenues, net income and shareholder's equity

ADC stock supported by current annual dividend yield of 6.6%

ADC a Retail REIT with a portfolio of net leased properties

ADC we rank 5 SELL

ADC market cap \$242 million

REIT Comment



Company:	Kilroy Realty
Price:	\$45
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,725
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/02/2012
KRC \$45

Kilroy Realty KRC completed \$162 million acquisition in Silicon Valley, south of San Francisco

KRC Menlo Park Corporate Center with 7 buildings and 374,000 square feet now 79% leased to 10 tenants include Allstate Insurance, E*Trade and Lucile Packard Children's Hospital at Stanford

KRC has invested \$877 million for more than 2 million square feet of office space in San Francisco area since 2010

KRC reported FFO increase of UP +22% for 4Q 2011 and provided guidance for FFO for 2012 indicating potential for growth of as much as UP +13%

KRC management caution that funds to be devoted to portfolio growth through acquisitions preventing dividend increase before 2013

KRC an Office REIT with a portfolio of office and industrial properties concentrated in southern and northern CA

KRC we rank 2 BUY

KRC market cap \$2.7 billion

REIT Comment



Company:	LTC Properties, Inc.
Price:	\$31
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$924
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/02/2012
LTC \$31

LTC Properties LTC 4Q normalized FFO \$0.55 v \$0.49 (adjusted) UP +12%

LTC 2011 normalized FFO \$2.15 v \$1.94 UP +11%
LTC 2011 normalized FFO excludes net charges of (\$0.14) per share for redemption of preferred shares and other non-recurring items
LTC no previous guidance provided for normalized FFO for 2011

LTC no guidance provided for FFO for 2012

LTC 4Q 2011 revenues \$22 million UP +12%, with rental income UP +21% and mortgage income DOWN (13%)
LTC 4Q 2011 operating income UP +8%

LTC stock price supported by current dividend yield of 5.5%

LTC a Health Care REIT with a portfolio concentrated in skilled nursing and assisted living properties and related debt

LTC we rank 3 HOLD

LTC market cap \$924 million

REIT Comment



Company:	iStar Financial
Price:	\$7
Recommendation:	SELL
Ranking:	5
Market Cap:	\$631
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
03/02/2012
SFI \$7

iStar Financial SFI 4Q 2011 EPS loss from continuing operations (\$0.45) v (\$0.72)
SFI 4Q 2011 EPS loss includes charges of (\$24) million for loan loss provision and impairments
SFI 4Q 2011 adjusted EBITDA \$100 million DOWN (3%)

SFI 2011 EPS loss from continuing operations (\$0.94) v profit \$2.58
SFI 2011 EPS loss includes charges of (\$69) million for loan loss provision and impairments
SFI no previous guidance 2011 EPS

SFI no guidance 2012 EPS

SFI 2011 adjusted EBITDA \$377 million DOWN (51%)

SFI 4Q 2011 portfolio \$7.0 billion, including \$2.9 billion loans and investments, \$1.7 billion net leased properties, \$1.9 billion OREO (other real estate owned) and \$0.5 billion other earning assets
SFI 4Q 2011 portfolio leverage 2.1X

SFI 4Q 2011 non-performing loans \$771 million book value, with \$1.3 billion face value
SFI 4Q 2011 watch list loans \$182 million

SFI 4Q 2011 total loan loss reserve \$647 million, 18.5% of book value of total loans

SFI 4Q 2011 portfolio occupancy for net leased assets 92%

SFI a Financial Commercial REIT

SFI we rank 5 SELL

SFI market cap \$631 million

REIT Comment



Company:	Hersha Hospitality Trust
Price:	\$5
Recommendation:	SELL
Ranking:	4
Market Cap:	\$899
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
03/02/2012
HT \$5

Hersha Hospitality Trust HT 4Q 2011 FFO \$0.09 (adjusted) v \$0.07 (adjusted) UP +29%
HT 4Q 2011 FFO (adjusted) excludes net charges of (\$0.03) per share for non-cash charges and other non-recurring items

HT 2011 FFO \$0.38 (adjusted) v \$0.34 (adjusted) UP +12%
HT 2011 FFO (adjusted) excludes net charges of (\$0.08) per share for non-cash charges and other non-recurring items
HT no previous guidance provided for FFO for 2011

HT no guidance provided for FFO for 2012
HT management expects RevPAR (revenue per available room) for 2012 to increase UP +6%+8%, with hotel EBITDA margin FLAT

HT 4Q 2011 RevPAR (revenue per available room) \$117 UP +8.8%
HT 4Q 2011 ADR (average daily rate) \$162 UP +4.1%
HT 4Q 2011 occupancy 71.9% UP +3.1%

HT 4Q 2011 hotel EBITDA margin 39.3% UP +2.8%
HT 4Q 2011 hotel EBITDA margin impacted by (0.2%) for bad debt charge for 2 hotels at JFK airport, relating to American Airlines bankruptcy

HT continuing efforts to sell 18 hotels in discontinued operations, for expected valuation of more than \$150 million, with expected net cash proceeds of \$55 million

HT a Hotel REIT

HT we rank 4 SELL

HT market cap \$899 million

REIT Comment



Company:	Ventas
Price:	\$57
Recommendation:	BUY
Ranking:	2
Market Cap:	\$16,259
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/02/2012
VTR \$57

Ventas VTR traded UP \$0.61 per share to close UP +1% day

VTR stock closed UP +3% year to date for 2012, outperforming Health Care REITs, UP +2%
VTR stock traded UP +5% during 2011, while Health Care REITs declined DOWN (2%)

VTR Supreme Court review of Affordable Care Act pending for April, 2012, may impact trading in Health Care REITs during 2012

VTR reported normalized FFO for 2011 increased UP +17%, while providing new guidance for normalized FFO for 2012 indicating growth of UP +8%-+9%

VTR also increased dividends by 8%, providing current yield of 4.3%

VTR a Health Care REIT with a diverse portfolio of health care properties

VTR we rank 2 BUY

VTR market cap \$16.3 billion

VTR an S&P 500 Index REIT

REIT Comment



Company:	Brandywine Realty Trust
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,486
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/02/2011
BDN \$11

Brandywine Realty Trust BDN traded UP\$0.17 per share to close UP +2% day

BDN stock traded UP +16% during 2012, outperforming Office REITs, UP +11%
BDN stock traded DOWN (18%) during 2011, lagging performance of Office REITs, DOWN (10%)

BDN portfolio occupancy increasing, to be aided by acquisition and development of properties in downtown Philadelphia

BDN reported FFO at high end of guidance range for 2011, UP +2%, while providing guidance for FLAT FFO for 2012

BDN stock price supported by current dividend yield of 5.5%

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

BDN we rank 3 HOLD

BDN market cap \$1.5 billion

REIT Comment



Company:	Agree Realty
Price:	\$24
Recommendation:	SELL
Ranking:	5
Market Cap:	\$242
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/02/2011
ADC \$24

Agree Realty ADC traded DOWN (\$0.67) per share to close DOWN (3%) day

ADC stock traded DOWN (4%) year to date for 2012, significantly underperforming Retail REITs, UP +11%

ADC stock traded DOWN (7%) during 2011, while Retail REITs decreased, DOWN (4%)

ADC news of lower FFO for 4Q 2011 impacted trading in the stock

ADC reported FFO DOWN (13%) for 2011, and provided no guidance for FFO for 2012

ADC no clarity yet on disposition of remaining debt associated with former Borders properties with ADC probably still in default on \$15 million debt related to Borders properties and facing probable unsuccessful litigation with lenders

ADC continuity of the dividend questionable when proper accounting for Borders nonpayment of rents is applied to revenues, net income and shareholder's equity

ADC stock supported by current annual dividend yield of 6.6%

ADC a Retail REIT with a portfolio of net leased properties

ADC we rank 5 SELL

ADC market cap \$242 million

REIT Comment



Company:	Mack-Cali Realty
Price:	\$29
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,859
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
03/02/2012
CLI \$28

Mack-Cali Realty CLI traded DOWN (\$0.29) per share to close DOWN (1%) day

CLI stock traded UP +6% during 2012, while Office REITs traded UP +11%
CLI stock traded DOWN (19%) during 2011, significantly underperforming Office REITs, DOWN (10%)

CLI investor concern over Office REITs facing continued rental rate decline

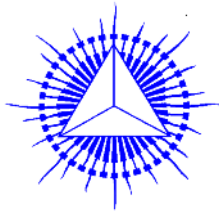
CLI rent rolldown for 4Q 2011 was more than (7%) on lease turnovers

CLI reported FLAT FFO for 2011, and affirmed guidance for FFO for 2012 indicating FFO decline of as much as DOWN (11%)

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

CLI we rank 3 HOLD

CLI market cap \$2.9 billion



REIT Growth and Income Monitor posted 49 REIT comments for the week ended March 2, 2012. Comments were issued on REITs in the following sectors:

Financial REITs	9
Health Care REITs	6
Hotel REITs	6
Industrial REITs	3
Office REITs	10
Residential REITs	4
Retail REITs	7
Specialty REITs	4

Information on REIT sectors may be found using this link:

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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