

## **REIT Growth and Income Monitor**

**Weekly Comments 09/28/2010**

**REITs continue to outperform the S&P 500 Index, with positive price performance gap of 17%.**

**New FDIC rules for securitizations may add to appeal of non-bank securitized issues, creating opportunity for Financial REITs.**

**Redwood Trust is the only Financial Mortgage REIT to complete a non-agency guaranteed securitization of residential MBS since 2008.**

**Annaly Capital Management has sufficient scale and opportunities to participate in securitizations as a non-FDIC insured entity.**

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**Weekly REIT Comments**  
**09/28/2010**

S&P 500 Index REITs show gain of 20% on average year to date for 2010, still dramatically outperforming year to date gain of 3% for the S&P 500 Index. Positive performance gap narrowed slightly to 17% in favor of REITs. S&P 500 Index REITs now match the average gain for all REITs followed by REIT Growth and Income Monitor, up 20% year to date for 2010.

Financial results reported by REITs for 2Q 2010 were almost all better than expected, with many REIT managements increasing guidance for FFO for 2010. Investors remain optimistic, as sustainable economic recovery remains probable, although concerns over potential for a double dip recession and the threat of negative impact of new financial regulation causes some discomfort

Investors still have many opportunities to purchase strong REITs at depressed prices. Capital raised by REITs through equity and debt offerings depresses FFO for 2010, but should drive unusually rapid FFO growth for 2012 and beyond, once funds are reinvested in acquisitions and new developments.

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. Drastic dividend reductions during 2009 have been followed during 2010 by dividend increases and restoration of all cash dividends. As dividend payers, REITs may be viewed as income stocks, with a gradually improving outlook for higher dividend distributions.

**Financial REITs, as Alternative to Banks, May Benefit from New FDIC Rules on Securitizations**

FDIC issued final rules on securitizations, although implementation has been delayed for industry comment and review by the Financial Stability Oversight Council. New rules include a requirement for FDIC insured banks to retain 5% of the risk of any offering, a rule that may require clarification to prevent concentration of retained risk in certain tranches of securitizations. Banks are expected to object to the "safe harbor" provisions, enabling FDIC to take over securitized issues, including credit card debt, residential and commercial mortgages issued by banks, in the event of bank failure. Cash flow from securitizations taken over by FDIC may be applied to repay FDIC or other government agencies for capital extended to failed banks, if the "safe harbor" provision is not changed to "ring-fence" securitizations from banks' other debts. This final FDIC "safe harbor" provision may indirectly benefit competitive offerings by non-bank issuers, as investors may shy away from bank issued securitizations in fear of disruption of scheduled repayments to investors. All securitizations in process before the end of 2010 are permanently grandfathered under new FDIC rules, with the new FDIC securitization rule to take effect in January, 2010.

**Redwood Trust** is an example of a Financial Mortgage REIT that might benefit from the new FDIC rules on securitizations. Through subsidiary Sequoia, **Redwood Trust** is one of the largest non-bank issuers of non-agency guaranteed residential MBS. **Redwood Trust** successfully placed \$238 million of "senior prime" residential MBS in April 2010, rated Aaa by Moody's, representing the only non-agency guaranteed issue of residential MBS since 2008. **Annaly Capital Management** is another Financial Mortgage REIT with adequate scale to participate in the market for non-agency guaranteed securitizations. Although **Annaly Capital Management's** own portfolio is invested primarily in agency guaranteed residential MBS, **Annaly's** ownership of RCap, a registered broker/dealer, as well as its investment in related publicly traded REITs **Chimera Investment Corporation** [Ticker: CIM] and **CreXus** [Ticker: CXS] appear to offer opportunities and sufficient scale to package and sell non-agency guaranteed securitizations as a non-FDIC insured entity. In contrast to **Redwood Trust** and to **Annaly Capital Management**, it appears Financial Commercial REITs are not well positioned at this time to participate in new securitizations, as they continue to struggle with eroding portfolio credit quality and renegotiation of looming debt maturities

**Trading Opportunities**

**Redwood Trust** offers investors a way to participate in non-agency guaranteed securitizations through subsidiary Sequoia. **Redwood Trust's** market cap of \$1.2 billion is adequate to support new issues, as demonstrated by its successful \$238 million issue during 2010. Redwood's portfolio of \$5.1 billion is almost entirely concentrated in non-agency guaranteed jumbo residential loans. Although **Redwood Trust** suspended distribution of year end special dividends in 2008, and also reduced regular quarterly dividends by (67%) during 2009, **Redwood Trust** still provides income investors with current dividend yield of 6.85%.

**Annaly Capital Management** is the strongest of the publicly traded Financial Mortgage REITs, with a market cap of \$11 billion and a \$90 billion portfolio invested primarily in agency guaranteed residential MBS. **Annaly Capital Management's** results for 3Q 2010 will benefit from portfolio investment of \$1.2 billion raised in a public offering during 2Q 2010. Quarterly variability in dividend distributions is a result of fluctuation in portfolio investment, repayments, portfolio yield and net interest income, but the trend in annual dividends has been steadily higher since 2006. **Annaly Capital Management** provides income investors with current dividend yield of 15.58%.

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Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITs:		Price	Price	Price	Price	Price	Weekly	2010
		12/31/2009	09/03/2010	09/10/2010	09/17/2010	09/24/2010	Change	Price Change
Apartment Investment and Management	AIV	\$16	\$22	\$22	\$22	\$22	-1%	38%
AvalonBay Communities	AVB	\$82	\$110	\$107	\$110	\$107	-3%	30%
Boston Properties	BXP	\$67	\$88	\$85	\$87	\$86	-2%	28%
Equity Residential	EQR	\$34	\$49	\$48	\$49	\$49	1%	46%
HCP Inc.	HCP	\$31	\$37	\$36	\$37	\$37	-1%	20%
Health Care REIT	HCN	\$44	\$48	\$47	\$48	\$47	-1%	7%
Host Hotels & Resorts	HST	\$12	\$14	\$14	\$14	\$15	1%	25%
Kimco Realty	KIM	\$14	\$16	\$16	\$16	\$17	3%	23%
Plum Creek Timber	PCL	\$38	\$36	\$36	\$36	\$35	-1%	-7%
ProLogis Trust	PLD	\$14	\$11	\$11	\$11	\$12	4%	-15%
Public Storage	PSA	\$81	\$104	\$102	\$103	\$101	-2%	24%
Simon Property Group	SPG	\$80	\$96	\$95	\$95	\$95	-0%	19%
Ventas	VTR	\$44	\$53	\$52	\$53	\$52	-1%	19%
Vornado Realty Trust	VNO	\$70	\$87	\$85	\$87	\$87	1%	24%
S&P 500 Index	S&P 500	\$1,115	\$1,105	\$1,110	\$1,126	\$1,149	2%	3%
Average for S&P 500 Index REITs							-0%	20%

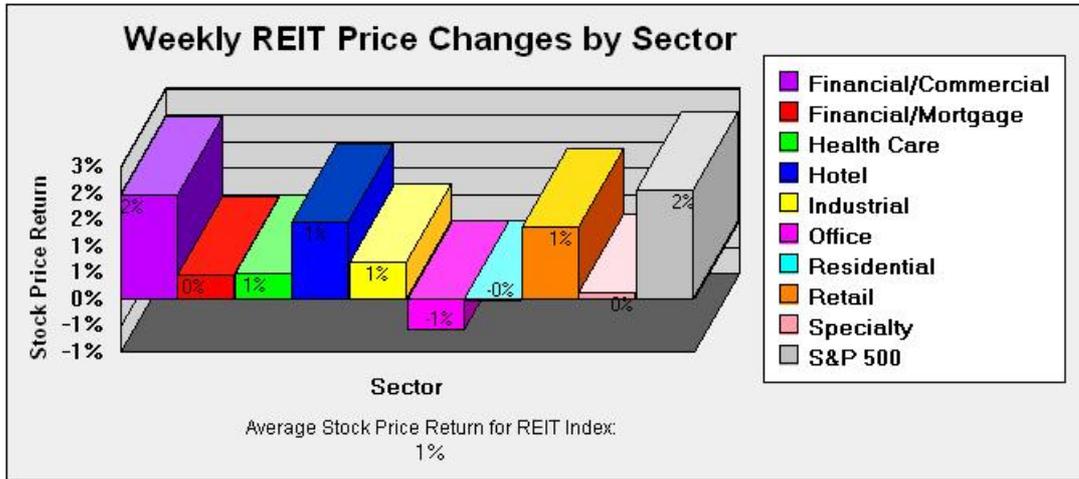
S&P 500 Index REITs were unchanged as the stock market rallied during the third trading week in September, ended September 24, 2010. REITs underperformed the S&P 500 Index, up 2% for the week. The S&P 500 Index now shows a gain of 3% year to date for 2010. REITs included in the S&P 500 Index are up 20% on average year to date for 2010, with positive performance gap of 17%.

Best performing of the S&P 500 Index REITs for 2010 are all the Residential REITs, including **Equity Residential**, up 46%, **Apartment Investment and Management**, up 38% and **AvalonBay Communities**, up 30%. Other strong performers include **Boston Properties**, up 28%, **Host Hotels & Resorts** up 25%, **Public Storage**, up 24% and **Vornado Realty Trust**, up 24%. Health Care REITs also showed solid gains, including **Ventas** up 19%, **HCP**, up 20%, and **Health Care REIT** up 7% year to date. The worst performer among S&P 500 Index REITs for 2010, **ProLogis Trust** rebounded 4% this past week for year to date decline to (15%), while **Plum Creek Timber** decreased (1%) for a year to date decline of (7%).

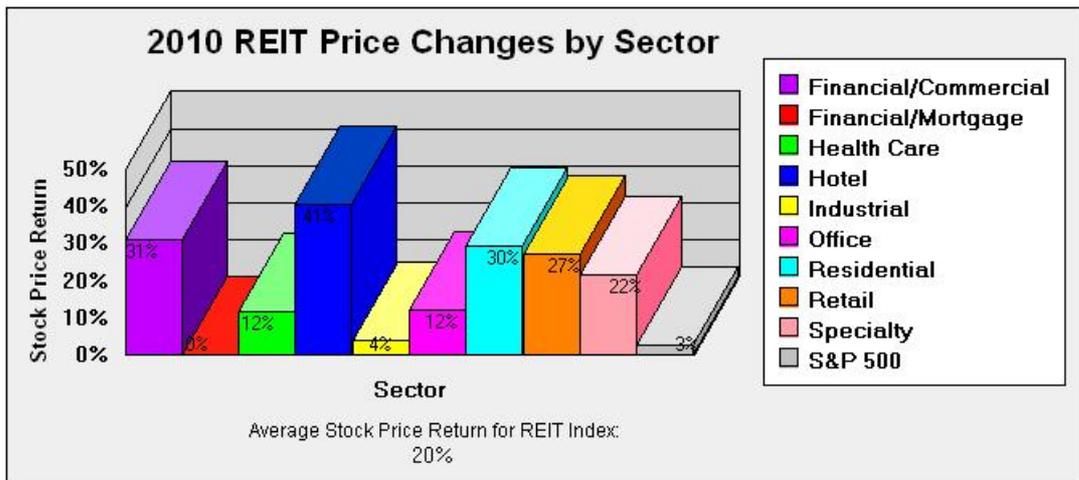
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Weekly REIT Price Changes by Sector



REIT performance was mixed for the third trading week of September, ended September 24, 2010. Best performing sectors included Financial Commercial REITs, up 2%, followed by Health Care REITs, Hotel REITs, Industrial REITs and Retail REITs, all up 1%. Financial Mortgage REITs, Residential REITs and Specialty REITs were unchanged. Office REITs was the only sector to show a slight decline, down (1%). On average, stock prices for **REIT Growth and Income Monitor** increased 1% for the week ended September 24, 2010.

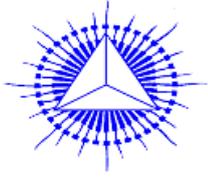


REITs followed by **REIT Growth and Income Monitor** improved slightly to average gain of 20% year to date for 2010 (compared to a gain of 33% through the end of April, 2010), still dramatically outperforming year to date gain of 3% for the S&P 500 Index. Average stock price performance is positively influenced by Hotel REITs, up 41%, and Financial Commercial REITs, up 31%. Residential REITs demonstrate an exceptional gain of 30% for 2010. Retail REITs are up 27% and Specialty REITs are up 22%. Health Care REITs show a healthy gain of 12% for 2010. Office REITs now show a gain of 12% year to date for 2010. Industrial REITs, up 4%, and Financial Mortgage REITs, flat, are the worst performing REIT sectors for 2010.

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REIT Comment



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Company:	Cypress Sharpridge Investments
Price:	\$14
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$407
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:  
09/20/2010  
CYS \$14

Cypress Sharpridge CYS to sell 10 million shares in public offering with estimated proceeds of \$140 million to be invested in portfolio of residential MBS

CYS joint bookrunning managers Barclays, Credit Suisse and Deutsche Bank  
CYS joint lead managers JMP and Stifel Nicolaus  
CYS co-manager Oppenheimer

CYS September 2010 offering to add 34% to total shares outstanding

CYS stock price supported by current yield of 17.53%

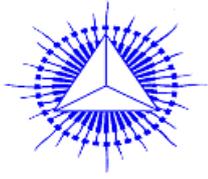
CYS likely to reduce dividend following offering because of magnitude of dilution

CYS a Financial Mortgage REIT with a portfolio of agency guaranteed residential MBS

CYS we rank 3 HOLD

CYS market cap \$407 million

REIT Comment



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Company:	Hatteras Financial
Price:	\$30
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,109
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:  
09/20/2010  
HTS \$30

Hatteras Financial HTS to sell 5 million shares in public offering, with estimated proceeds of \$150 million to be invested in portfolio of residential MBS

HTS joint bookrunning managers BofA Merrill Lynch, Keefe Bruyette & Woods and Deutsche Bank  
HTS co-lead manager JMP

HTS September 2010 offering to add 14% to total shares outstanding

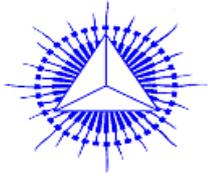
HTS stock price supported by current yield of 14.52%

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

HTS we rank 2 BUY

HTS market cap \$1.1 billion

REIT Comment



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Company:	Cogdell Spencer
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$353
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:  
09/20/2010  
CSA \$7

Cogdell Spenser CSA announced appointment of Raymond Braun as CEO and president effective immediately

CSA Mr. Braun to replace Frank Spencer, Founder, CEO and President, who continues to serve on the Board of Directors

CSA Mr. Braun known to investors as past President of Health Care REIT HCN, an S&P 500 Index REIT

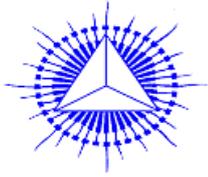
CSA also announced Scott Ransom, currently President and CEO of ERDMAN, is stepping down to serve as Senior Advisor and as member of Board of Directors

CSA a Health Care REIT with a portfolio of hospital-based doctors office buildings and medical clinics

CSA we rank 2 BUY

CSA market cap \$353 million

REIT Comment



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Company:	Health Care REIT
Price:	\$48
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,955
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:  
09/20/2010  
HCN \$48

Health Care REIT HCN to sell 7 million shares in public offering to raise estimated proceeds of \$335 million

HCN proceeds from public offering to be applied to portfolio investment and to repay debt

HCN joint bookrunning managers Deutsche Bank and JP Morgan

HCN September 2010 offering to increase total shares outstanding by 6%

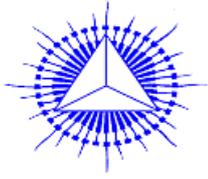
HCN a Health Care REIT with a diverse portfolio of health care properties

HCN we rank 2 BUY

HCN market cap \$6.0 billion

HCN an S&P 500 Index REIT

REIT Comment



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Company:	Home Properties
Price:	\$51
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,504
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:  
09/20/2010  
HME \$51

Home Properties HME increased guidance for FFO for 2010 and for 3Q 2010

HME new guidance for FFO for 2010 \$2.98-\$3.06 v \$3.32 DOWN (7%)-(8%)  
HME previous guidance for FFO for 2010 \$2.95-\$3.03 per share

HME new guidance for FFO for 3Q 2010 \$0.76-\$0.80 v \$0.81 DOWN (1%)-(6%)  
HME previous guidance for FFO for 3Q 2010 \$0.73-\$0.77 per share

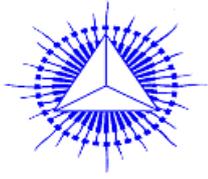
HME sees same property NOI for 3Q 2010 UP +2%

HME a Residential REIT with a diverse portfolio of apartment communities

HME we rank 3 HOLD

HME market cap \$2.5 billion

REIT Comment



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Company:	CommonWealth REIT
Price:	\$27
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,963
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:  
09/20/2010  
CWH \$27

Commonwealth REIT CWH to sell 5 million shares in public offering with estimated proceeds of \$135 million to be applied to repurchase 8.75% preferred stock and to reduce debt

CWH joint bookrunning managers Morgan Stanley, Citi and Wells Fargo  
CWH co-lead managers Jeffries, Morgan Keegan, RBC and UBS  
CWH co-managers BB&T, Janney Montgomery Scott and Oppenheimer

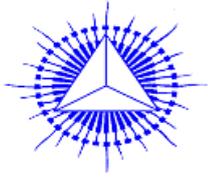
CWH September 2010 offering to increase total shares outstanding by 7%

CWH an Office REIT with a diverse portfolio of office properties

CWH we rank 2 BUY

CWH market cap \$2.0 billion

REIT Comment



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Company:	U-Store-It Trust
Price:	\$9
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$823
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:  
09/20/2010  
YSI \$9

U-Store-It Trust YSI traded UP \$0.21 per share to close UP +2% day

YSI slightly underperformed Specialty REITs, UP +21% year to date for 2010

YSI pending margin rebound on higher average monthly rents

YSI higher occupancy for larger competitor Public Storage PSA provides opportunity for smaller self-storage operators to increase rents on new leases

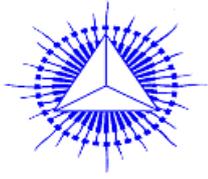
YSI previous guidance for FFO for 2010 indicated potential decline of (38%) due to lower average rental rates and dilution from share offerings

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

YSI we rank 3 HOLD

YSI market cap \$823 million

REIT Comment



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Company:	SL Green Realty Corp.
Price:	\$67
Recommendation:	SELL
Ranking:	4
Market Cap:	\$5,315
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:  
09/20/2010  
SLG \$67

SL Green Realty SLG traded UP \$1.98 per share to close UP +3% day

SLG outperformed Office REITs, UP +33% year to date for 2010

SLG investor concern over exposure to financial industry tenants at more than 20% of NOI

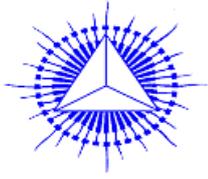
SLG previous guidance for FFO for 2010 indicated potential decline of (12%) on lower average rental rates

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

SLG we rank 4 SELL

SLG market cap \$5.3 billion

REIT Comment



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Company:	Ashford Hospitality Trust
Price:	\$9
Recommendation:	SELL
Ranking:	5
Market Cap:	\$691
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:  
09/20/2010  
AHT \$9

Ashford Hospitality Trust AHT traded UP \$0.60 per share to close UP +7% day

AHT outperformed Hotel REITs, UP +102% year to date for 2010

AHT last week completed an offering of \$76 million in 8.45% Series D preferred stock

AHT to apply proceeds of preferred offering to repay debt

AHT no guidance provided for FFO for 2010

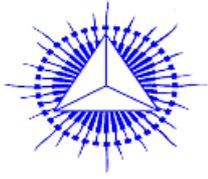
AHT 2Q 2010 comments indicated higher occupancy and improving RevPAR at hotels in key urban markets

AHT a Hotel REIT

AHT we rank 5 SELL

AHT market cap \$691 million

REIT Comment



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Company:	Education Realty Trust
Price:	\$7
Recommendation:	SELL
Ranking:	4
Market Cap:	\$422
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:  
09/20/2010  
EDR \$7

Education Realty Trust EDR traded UP \$0.31 per share to close UP +4% day

EDR outperformed Specialty REITs, UP +53% year to date for 2010

EDR to begin construction on \$74 million project at East Stroudsburg University in PA

EDR announced new project for co-development of \$60 million project at U of CT at Storrs CT with LeylandAlliance LLC

EDR previous guidance for FFO for 2010 indicated potential for (41%) decline on dilution from share offerings

EDR a Specialty REIT with a portfolio of student housing communities

EDR we rank 4 SELL

EDR market cap \$422 million

REIT Comment



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Company:	Equity Residential
Price:	\$50
Recommendation:	BUY
Ranking:	2
Market Cap:	\$15,124
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:  
09/20/2010  
EQR \$50

Equity Residential EQR traded UP \$1.61 per share to close UP +3% day

EQR outperformed Residential REITs, UP +49% year to date for 2010

EQR the best performing stock of the 14 REITs included in the S&P 500 Index for 2010

EQR outlook for Residential REITs positive on improving employment data

EQR cessation of first time homebuyers tax credit a positive for apartment occupancy

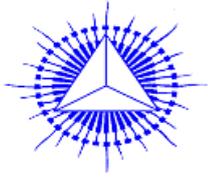
EQR previous guidance for FFO for 2010 indicated potential growth of 4%

EQR a Residential REIT with a diverse portfolio of apartment communities

EQR we rank 2 BUY

EQR market cap \$15.1 billion

REIT Comment



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Company:	Hatteras Financial
Price:	\$31
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,123
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:  
09/21/2010  
HTS \$31

Hatteras Financial HTS sold 6.5 million shares in public offering at \$28.75 per share, with gross proceeds of \$187 million to be invested in portfolio of residential MBS

HTS offering size increased from 5.0 million shares

HTS shares sold at (6%) discount to last night's closing price

HTS joint bookrunning managers BofA Merrill Lynch, Keefe Bruyette & Woods and Deutsche Bank  
HTS co-lead manager JMP

HTS September 2010 offering added 18% to total shares outstanding

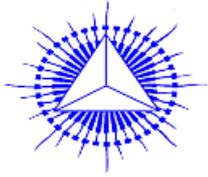
HTS stock price supported by current yield of 14.34%

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

HTS we rank 2 BUY

HTS market cap \$1.1 billion

REIT Comment



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Company:	Cypress Sharpridge Investments
Price:	\$14
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$412
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:  
09/21/2010  
CYS \$14

Cypress Sharpridge CYS sold 13 million shares in public offering at \$12.95 per share with gross proceeds of \$168 million to be invested in portfolio of residential MBS

CYS offering size increased from 10 million shares

CYS shares priced at (7%) discount to last night's closing price

CYS joint bookrunning managers Barclays, Credit Suisse and Deutsche Bank  
CYS joint lead managers JMP and Stifel Nicolaus  
CYS co-manager Oppenheimer

CYS September 2010 offering to add 44% to total shares outstanding

CYS stock price supported by current yield of 17.30%

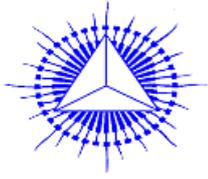
CYS likely to reduce dividend following offering because of magnitude of dilution

CYS a Financial Mortgage REIT with a portfolio of agency guaranteed residential MBS

CYS we rank 3 HOLD

CYS market cap \$412 million

REIT Comment



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Company:	CommonWealth REIT
Price:	\$28
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,013
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:  
09/21/2010  
CWH \$28

Commonwealth REIT CWH sold 7.5 million shares at \$26.75 per share in public offering with gross proceeds of \$200 million to be applied to repurchase 8.75% preferred stock and to reduce debt

CWH offering size increased from 5.0 million shares

CWH shares sold at (5%) discount to last night's closing price

CWH joint bookrunning managers Morgan Stanley, Citi and Wells Fargo  
CWH co-lead managers Jeffries, Morgan Keegan, RBC and UBS  
CWH co-managers BB&T, Janney Montgomery Scott and Oppenheimer

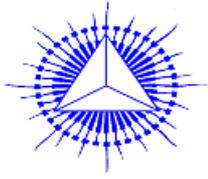
CWH September 2010 offering to increase total shares outstanding by 10%

CWH an Office REIT with a diverse portfolio of office properties

CWH we rank 2 BUY

CWH market cap \$2.0 billion

REIT Comment



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Company:	Health Care REIT
Price:	\$48
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,020
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:  
HCN \$48

Health Care REIT HCN sold 8 million shares in public offering at \$45.75 per share, for gross proceeds of \$366 million

HCN offering size increased from 7 million shares

HCN shares priced at (5%) discount to last night's closing price

HCN proceeds from public offering to be applied to portfolio investment and to repay debt

HCN joint bookrunning managers Deutsche Bank and JP Morgan

HCN September 2010 offering to increase total shares outstanding by 6%

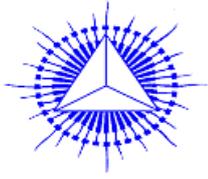
HCN a Health Care REIT with a diverse portfolio of health care properties

HCN we rank 2 BUY

HCN market cap \$6.0 billion

HCN an S&P 500 Index REIT

REIT Comment



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Company:	Plum Creek Timber
Price:	\$36
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,805
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:  
09/21/2010  
PCL \$35

Plum Creek Timber PCL trading DOWN (\$0.31) per share in midday trading to DOWN (1%) day

PCL underperformed Specialty REITs, DOWN (6%) year to date for 2010

PCL rebound in home construction, with construction up 10.5% for August, 2010, a positive signal for lumber prices

PCL building permit applications increased 2% for August 2010

PCL variability in FFO a function of harvest volume and pricing

PCL previous guidance for FFO for 2010 indicated potential for (50%) decline

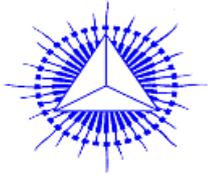
PCL outlook for rebound in FFO for 2011 strong due to positive construction trends and probability of harvest volume increase

PCL we rank 2 BUY

PCL market cap \$5.8 billion

PCL an S&P 500 Index REIT

REIT Comment



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Company:	Redwood Trust
Price:	\$15
Recommendation:	SELL
Ranking:	5
Market Cap:	\$1,184
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:  
09/21/2010  
RWT \$15

Redwood Trust RWT traded DOWN (\$0.09) per share in midday trading to DOWN (1%) day

RWT slightly outperformed Financial Mortgage REITs, UP +3% year to date for 2010

RWT higher new construction starts and permit applications, as well as continued low mortgage rates, are a positive signal for housing sector recovery and volume of new mortgage originations

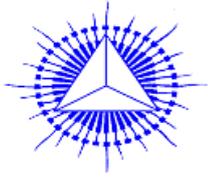
RWT stock supported by current yield of 6.66%

RWT a Financial Mortgage REIT with a portfolio of jumbo residential loans

RWT we rank 5 SELL

RWT market cap \$1.2 billion

REIT Comment



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Company:	iStar Financial
Price:	\$3
Recommendation:	SELL
Ranking:	4
Market Cap:	\$325
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:  
09/21/2010  
SFI \$3

iStar Financial SFI traded DOWN (\$0.53) per share to close DOWN (13%) day

SFI outperformed Financial Commercial REITs, UP +36% year to date for 2010

SFI rumor of pending bankruptcy filing

SFI hired Lazard and Kirkland & Ellis for advice on debt restructuring

SFI seeking to extend debt maturities

SFI facing debt maturities of \$500 million due September 2010 and \$2.6 billion due June 2011

SFI almost all marketable assets are fully pledged to lenders

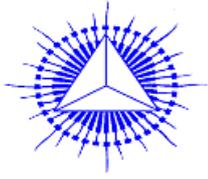
SFI loan loss reserve only 16% of total loans, compared to 40% of loans on non-performing status

SFI a Financial Commercial REIT

SFI we rank 4 SELL

SFI market cap \$325 million

REIT Comment



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Company:	Winthrop Realty Trust
Price:	\$14
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$294
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:  
09/21/2010  
FUR \$14

Winthrop Realty Trust FUR to sell 3 million shares in public offering with estimated proceeds of \$40 million to be applied to portfolio investments

FUR underwriter for offering Barclay's

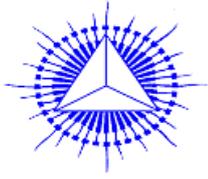
FUR September 2010 offering to increase total shares outstanding by 14%

FUR an Office REIT

FUR we rank 3 HOLD

FUR market cap \$294 million

REIT Comment



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Company:	Alexandria Real Estate Equities
Price:	\$73
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,274
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:  
09/21/2010  
ARE \$73

Alexandria Real Estate Equities ARE to sell 4 million shares with estimated proceeds of \$292 million to be applied to debt repayment

ARE joint bookrunning managers BofA Merrill Lynch, JP Morgan, Goldman Sachs, Barclay's, Citi and RBC

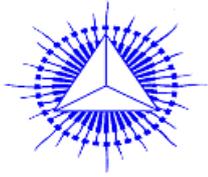
ARE September 2010 offering to increase total shares outstanding by 9%

ARE a Health Care REIT with a portfolio of life science properties leased to biotech and pharmaceutical tenants

ARE we rank 2 BUY

ARE market cap \$3.3 billion

REIT Comment



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Company:	Alexandria Real Estate Equities
Price:	\$69
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,274
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:  
09/22/2010  
ARE \$69

Alexandria Real Estate Equities ARE sold 4.5 million shares with gross proceeds of \$312 million to be applied to debt repayment

ARE offering size increased from 4.5 million shares

ARE shares sold at discount of (5%) from last night's closing price

ARE joint bookrunning managers BofA Merrill Lynch, JP Morgan, Goldman Sachs, Barclay's, Citi and RBC

ARE co-managers RBS and Scotia Capital

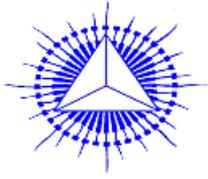
ARE September 2010 offering to increase total shares outstanding by 10%

ARE a Health Care REIT with a portfolio of life science properties leased to biotech and pharmaceutical tenants

ARE we rank 2 BUY

ARE market cap \$3.3 billion

REIT Comment



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Company:	Winthrop Realty Trust
Price:	\$12
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$294
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:  
09/22/2010  
FUR \$12

Winthrop Realty Trust FUR sold 5.0 million shares in public offering with gross proceeds of \$61 million to be applied to portfolio investments

FUR offering size increased from 3.0 million

FUR shares sold at discount of (12%) discount from last night's closing price

FUR underwriter for offering Barclays

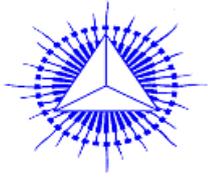
FUR September 2010 offering to increase total shares outstanding by 24%

FUR an Office REIT

FUR we rank 3 HOLD

FUR market cap \$294 million

REIT Comment



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Company:	Annaly Capital Management
Price:	\$18
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,041
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:  
09/22/2010  
NLY \$18

Annaly Capital Management NLY lower mortgage application activity reported by Mortgage Bankers Association indicates impact of cessation of first time homebuyers tax credit

NLY first time homebuyer's tax credit was extended in April, 2010 to closings through September 30, 2010

NLY fewer new mortgage applications will mean fewer new issues of agency guaranteed residential MBS

NLY impact on portfolio may be higher prices for existing issues temporarily lowering portfolio yields

NLY results for 3Q 2010 will benefit from investment of \$1.2 billion raised in new issue of common stock during 2Q 2010

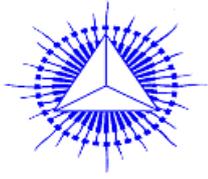
NLY stock supported by current yield of 15.16%

Annaly Capital Management a Financial Mortgage REIT with a portfolio of agency guaranteed residential MBS

NLY we rank 2 BUY

NLY market cap \$10.0 billion

REIT Comment



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Company:	Realty Income
Price:	\$34
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,510
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:

09/22/2010

O \$34

Realty Income O increased monthly dividend by 0.2% to \$0.1439375 per share

O new annual dividend rate \$1.73 per share

O new yield 5.11%

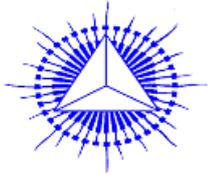
O has an exceptional long term record of gradual dividend increases

O a Specialty REIT with a portfolio of netleased franchised properties

O we rank 2 BUY

O market cap \$3.5 billion

REIT Comment



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Company:	Realty Income
Price:	\$34
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,510
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:

09/22/2010

O \$34

Realty Income O announced plans for public offering of 3.7 million shares for estimated proceeds of \$126 million

O proceeds of offering to be applied to reduce debt and make acquisitions of net leased properties

O joint bookrunning managers BofA Merrill Lynch, Wells Fargo

O co-lead managers Morgan Stanley, Raymond James, RBC, and UBS

O senior co-managers Baird, Citi, Credit Suisse, JP Morgan, Morgan Keegan, Stifel Nicolaus Weisel and Janney Montgomery Scott

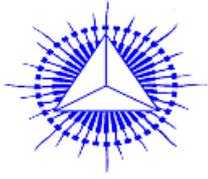
O September 2010 offering to increase total shares outstanding by 4%

O a Specialty REIT with a portfolio of net-leased franchised properties

O we rank 2 BUY

O market cap \$3.5 billion

REIT Comment



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Company:	BioMed Realty Trust
Price:	\$18
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,101
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:  
09/22/2010  
BMR \$18

BioMed Realty Trust BMR announced \$298 million property acquisitions with total of 484,000 square feet in South San Francisco, CA

BMR first of properties to be acquired 100% leased to Elan, and second 70% leased to key tenant Elan, with other tenants Federal Express and Genentech

BMR acquisition includes right to develop 946,000 feet of incremental life science properties

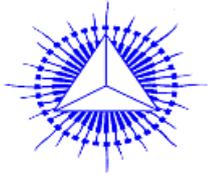
BMR 2010 includes first major acquisitions to be completed since 2008

BMR a Health Care REIT with a portfolio of life science properties leased to pharmaceutical and biotech tenants

BMR we rank 3 HOLD

BMR market cap \$2.1 billion

REIT Comment



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Company:	BioMed Realty Trust
Price:	\$18
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,101
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:  
09/22/2010  
BMR \$18

BioMed Realty Trust BMR to sell 13.5 million shares in public offering to raise estimated proceeds of \$243 million

BMR proceeds of offering to be applied to reduce debt

BMR joint bookrunning managers Wells Fargo, Raymond James, Morgan Stanley, UBS  
BMR co-lead managers Deutsche Bank, KeyBanc

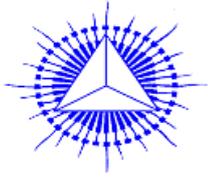
BMR September 2010 offering to increase total shares outstanding by 12%

BMR a Health Care REIT with a portfolio of life science properties leased to pharmaceutical and biotech tenants

BMR we rank 3 HOLD

BMR market cap \$2.1 billion

REIT Comment



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Company:	Digital Realty Trust
Price:	\$61
Recommendation:	BUY
Ranking:	1
Market Cap:	\$6,466
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:  
09/22/2010  
DLR \$61

Digital Realty Trust DLR traded DOWN (\$1.10) per share to close DOWN (2%) day

DLR outperformed Office REITs, UP +21% year to date for 2010

DLR stock may benefit from discussion of Obama proposal for new business investment tax credit

DLR well positioned to benefit from trend to cloud computing for corporations to achieve lower cost and higher productivity

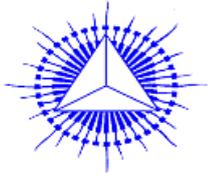
DLR previous guidance for FFO for 2010 indicated potential for 16% growth

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

DLR we rank 1 BUY

DLR market cap \$6.5 billion

REIT Comment



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Company:	iStar Financial
Price:	\$3
Recommendation:	SELL
Ranking:	5
Market Cap:	\$276
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:  
09/22/2010  
SFI \$3

iStar Financial SFI traded DOWN (\$0.53) per share to close DOWN (15%) day, following (13%) decline yesterday

SFI underperformed Financial Commercial REITs, UP +15% year to date for 2010

SFI investors reacting to news spreading of probable bankruptcy filing

SFI seeking to extend debt maturities, while intransigent lenders prevent loan restructuring

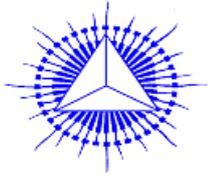
SFI all saleable assets previously pledged to lenders while loan portfolio credit quality continues to deteriorate

SFI a Financial Commercial REIT

SFI we rank DOWNGRADE to 5 SELL

SFI market cap \$276 million

REIT Comment



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Company:	Boston Properties
Price:	\$87
Recommendation:	SELL
Ranking:	4
Market Cap:	\$12,098
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:  
09/22/2010  
BXP \$87

Boston Properties BXP traded DOWN (\$1.47) per share to close DOWN (2%) day

BXP outperformed Office REITs, UP +29% year to date for 2010

BXP stock may be impacted by negative impact of new regulation on financial industry tenants

BXP investor concern over exposure to financial industry tenants at more than 20% of NOI

BXP previous guidance for FFO for 2010 indicated potential decline of (8%)

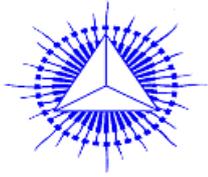
BXP an Office REIT with a portfolio of upscale office properties in NY, Boston, DC and San Francisco

BXP we rank 4 SELL

BXP market cap \$12.1 billion

BXP an S&P 500 Index REIT

REIT Comment



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Company:	FelCor Lodging Trust
Price:	\$4
Recommendation:	SELL
Ranking:	5
Market Cap:	\$297
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:  
09/22/2010  
FCH \$4

FelCor Lodging Trust FCH traded DOWN (\$0.14) per share to close DOWN (3%) day

FCH underperformed Hotel REITs, UP +24% year to date for 2010

FCH seeing improvement in occupancy at hotels in key urban centers

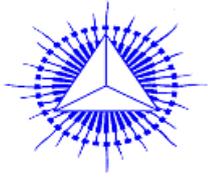
FCH expects negative FFO to continue throughout 2010

FCH a Hotel REIT

FCH we rank 5 SELL

FCH market cap \$297 million

REIT Comment



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Company:	Realty Income
Price:	\$34
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,510
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:

09/23/2010

O \$34

Realty Income O sold 5.39 million shares in public offering at \$33.40 per share for net proceeds of \$171 million

O offering size increased from 3.7 million shares

O shares priced at (1%) discount to last night's closing price

O proceeds of offering to be applied to reduce debt and make acquisitions of net leased properties

O joint bookrunning managers BofA Merrill Lynch, Wells Fargo

O co-lead managers Morgan Stanley, Raymond James, RBC, and UBS

O senior co-managers Baird, Citi, Credit Suisse, JP Morgan, Morgan Keegan, Stifel Nicolaus Weisel and Janney Montgomery Scott

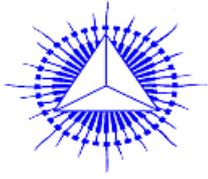
O September 2010 offering increased total shares outstanding by 5%

O a Specialty REIT with a portfolio of net-leased franchised properties

O we rank 2 BUY

O market cap \$3.5 billion

REIT Comment



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Company:	BioMed Realty Trust
Price:	\$18
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,101
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  
09/23/2010  
BMR \$18

BioMed Realty Trust BMR sold 15.0 million shares in public offering at \$17.50 per share, raising gross proceeds of \$263 million

BMR offering size increased from 13.5 million shares

BMR shares sold at discount of (5%) from last night's closing price

BMR proceeds of offering to be applied to reduce debt

BMR joint bookrunning managers Wells Fargo, Raymond James, Morgan Stanley, UBS  
BMR co-lead managers Deutsche Bank, KeyBanc

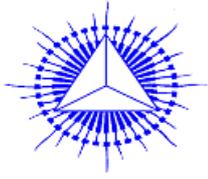
BMR September 2010 offering increased total shares outstanding by 13%

BMR a Health Care REIT with a portfolio of life science properties leased to pharmaceutical and biotech tenants

BMR we rank 3 HOLD

BMR market cap \$2.1 billion

REIT Comment



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Company:	Capstead Mortgage Corporation
Price:	\$11
Recommendation:	BUY
Ranking:	2
Market Cap:	\$787
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:  
09/23/2010  
CMO \$11

Capstead Mortgage CMO better than expected report from National Association of Realtors indicated existing homes sales increased 7.6% in August 2010 from previous month July 2010

CMO report existing home sales down (19%) from year ago August

CMO sales of existing homes still supported by extension of first time homebuyers tax credit to closings through end of September 2010

CMO probable decline in new offerings of agency guaranteed residential MBS during 4Q 2010 may increase prices for existing issues, slightly depressing portfolio yield

CMO recent dividend reduction indicates quarterly variability in net interest income

CMO stock supported by current yield of 9.27%, at low end of 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 \$787 million

REIT Comment



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Company:	AMB Property
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,303
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:  
09/23/2010  
AMB \$25

AMB Property AMB better than expected gain of 0.3% for Conference Board leading indicators during August 2010 highlights potential improvement for Industrial REITs

AMB in outlook as presented to investors at this month's Analyst Day sees steadily improving occupancy and average rental rates since low during 1Q 2010

AMB sees potential FFO growth of UP +8% - +11% for 2011, after (43%) decline during 2010 due to lower average rental rates and dilution from share offerings

AMB sees potential to double FFO per share by 2016

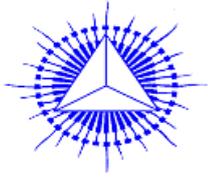
AMB calculates NAV (net asset value) in range of \$32-\$36, up 28%-44% from today's price

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

AMB we rank 2 BUY

AMB market cap \$4.3 billion

REIT Comment



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Company:	Brandywine Realty Trust
Price:	\$12
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,531
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:  
09/23/2010  
BDN \$12

Brandywine Realty Trust BDN traded DOWN (\$0.42) per share to close DOWN (3%) day

BDN underperformed Office REITs, UP +2% year to date for 2010

BDN recent transactions with Blackstone and with Thomas Properties Group for properties in Philadelphia PA provides new capacity for portfolio expansion in downtown business district

BDN occupancy still low at 86% as of 2Q 2010

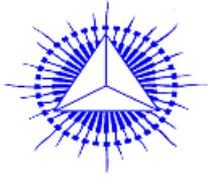
BDN previous guidance for FFO for 2010 indicated potential for (30%) decline due to lower average rental rates and dilution from share offerings

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



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Company:	Camden Property Trust
Price:	\$47
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,356
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:  
09/23/2010  
CPT \$47

Camden Property Trust CPT traded DOWN (\$1.32) per share to close DOWN (3%) day

CPT underperformed Residential REITs, UP +12% year to date for 2010

CPT Residential REITs to benefit from improving employment trends through higher occupancy and lower tenant concessions

CPT previous guidance for FFO for 2010 indicated potential for (15%) decline

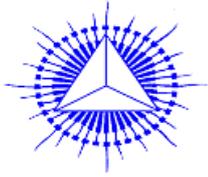
CPT occupancy strong as of 2Q 2010 at 94%

CPT a Residential REIT with a diverse portfolio of apartment communities

CPT we rank 3 HOLD

CPT market cap \$3.4 billion

REIT Comment



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Company:	Equity Residential
Price:	\$48
Recommendation:	BUY
Ranking:	2
Market Cap:	\$14,321
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:  
09/23/2010  
EQR \$48

Equity Residential EQR traded DOWN (\$1.24) per share to close DOWN (3%) day

EQR outperformed Residential REITs, UP +42% year to date for 2010

EQR the best performing of the 14 REITs included in the S&P 500 Index

EQR management comments signal potential for apartment shortage starting in 2012, with potential for record average rental rates, due to cessation of new developments during 2008 and 2009

EQR occupancy strong at 95% as of 2Q 2010

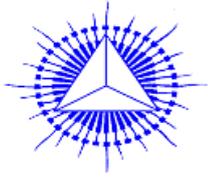
EQR recent guidance for FFO for 2010 indicates potential for as much as 4% growth

EQR we rank 2 BUY

EQR market cap \$14.3 billion

EQR an S&P 500 Index REIT

REIT Comment



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Company:	Macerich Company
Price:	\$42
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,702
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:  
09/23/2010  
MAC \$42

Macerich MAC traded DOWN (\$1.79) per share to close DOWN (4%) day

MAC underperformed Retail REITs, UP +17% year to date for 2010

MAC management comments signal higher tenant sales for 3Q 2010 on strong back-to-school shopping season

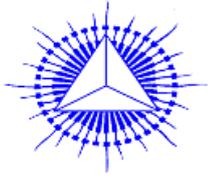
MAC recent guidance for FFO for 2010 indicated potential for (30%) decline due to dilution from share offerings

MAC a Retail REIT with a portfolio of regional malls in western states

MAC we rank 2 BUY

MAC market cap \$5.7 billion

REIT Comment



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Company:	Taubman Centers
Price:	\$44
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,680
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:  
09/23/2010  
TCO \$44

Taubman Centers TCO traded DOWN (\$1.35) per share to close DOWN (3%) day

TCO underperformed Retail REITs, UP +24% year to date for 2010

TCO previous guidance for FFO for 2010 indicated potential for (13%) decline

TCO signaling tenant sales showing gain for back-to-school shopping season

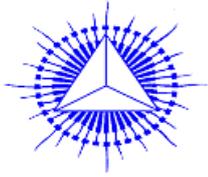
TCO occupancy at 91% as of 2Q 2010

TCO a Retail REIT with a portfolio of upscale regional malls

TCO we rank 2 BUY

TCO market cap \$3.7 billion

REIT Comment



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Company:	SL Green Realty Corp.
Price:	\$61
Recommendation:	SELL
Ranking:	4
Market Cap:	\$4,855
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:  
09/24/2010  
SLG \$61

SL Green Realty SLG increased guidance for FFO for 2010 to \$4.75 per share due to pending gain on sale of 510 Madison Avenue by Macklowe to Boston Properties BXP

SLG to report \$69 million gain on investment in debt of 510 Madison Avenue, representing a total of \$0.85 per share

SLG excluding gain, SLG 2010 FFO to be within previous guidance range of \$3.90-\$4.10 per share

SLG guidance for 2010 FFO including gain \$4.75 v \$4.43 UP +7%

SLG proceeds of gain to be applied to reduce debt and reinvested in portfolio of office properties and related structured investments

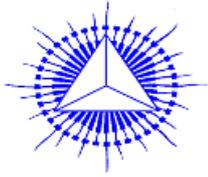
SLG reports seeing improved leasing activity in Manhattan and suburban NY markets

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

SLG we rank 4 SELL

SLG market cap \$4.9 billion

REIT Comment



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Company:	DuPont Fabros Technology
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,871
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:  
09/24/2010  
DFT \$25

DuPont Fabros Technology DFT accelerating sales reported by Oracle ORCL and by Linux systems software company Red Hat RHT a positive signal for accelerating growth of cloud computing expenditures

DFT spending by corporations on cloud computing should benefit from Obama administration proposal for a business investment tax credit

DFT existing pipeline of development projects ensures FFO growth for 2010 and 2011

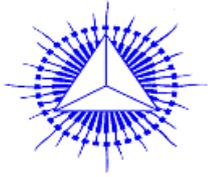
DFT previous guidance for FFO for 2010 indicated growth of 21% (excluding unusual writeoff from 2009 FFO)

DFT an Office REIT with a portfolio of "wholesale" turnkey data centers

DFT we rank 1 BUY

DFT market cap \$1.9 billion

REIT Comment



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Company:	Potlatch Corp.
Price:	\$33
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,317
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:  
09/24/2010  
PCH \$33

Potlatch PCH Commerce Department report of unchanged sales of new homes in August 2010 a signal that cessation of first time homebuyers tax credit with closings through September 2010 may impact residential construction

PCH more positive news for housing sector includes slight price increases and higher sales of existing homes

PCH prices for sawlogs and wood products impacted by demand from housing sector

PCH variability in FFO also determined by harvest volume and impact of inventories and supply shortages on prices for lumber

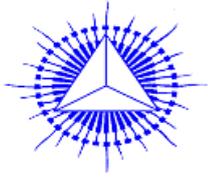
PCH previous guidance 2011 indicated harvest volume to increase more than 10% from depressed level of 2009 and 2010

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

PCH we rank 2 BUY

PCH market cap \$1.3 billion

REIT Comment



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Company:	American Campus Communities
Price:	\$31
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,559
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:  
09/24/2010  
ACC \$31

American Campus Communities ACC traded UP \$1.13 per share to close UP +4% day

ACC underperformed Specialty REITs, UP +9% year to date for 2010

ACC positive outlook for demand growth for student housing driven by impact of economy as more students extend their university years and unemployed go back to school

ACC no guidance provided for FFO for 2010

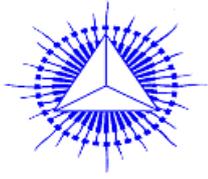
ACC occupancy 93% as of 2Q 2010, normally a seasonal high

ACC a Specialty REIT with a portfolio of student housing communities

ACC we rank 3 HOLD

ACC market cap \$1.6 billion

REIT Comment



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Company:	Cousins Properties
Price:	\$7
Recommendation:	SELL
Ranking:	4
Market Cap:	\$726
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:  
09/24/2010  
CUZ \$7

Cousins Properties CUZ traded UP \$0.34 per share to close UP +5% day

CUZ underperformed Office REITs, DOWN (6%) year to date for 2010

CUZ no guidance provided for FFO for 2010

CUZ latest management comments indicated improving leasing environment in Atlanta market

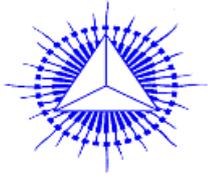
CUZ occupancy as of 2Q 2010 steady at 89% for office portfolio and 86% for retail portfolio

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

CUZ we rank 4 SELL

CUZ market cap \$726 million

REIT Comment



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Company:	First Industrial
Price:	\$5
Recommendation:	SELL
Ranking:	4
Market Cap:	\$322
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:  
09/24/2010  
FR \$5

First Industrial FR traded UP \$0.35 per share to close UP +7% day

FR underperformed Industrial REITs, DOWN (2%) year to date for 2010

FR guidance for FFO for 2010 indicated potential for (33%) decline on lower average rental rates and dilution from share offerings

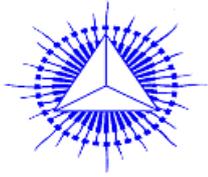
FR latest results for 2Q 2010 showed rental rates DOWN (16%) from previous year with occupancy showing slight decline to 82%

FR an Industrial REIT

FR we rank 4 SELL

FR market cap \$322 million

REIT Comment



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Company:	Sun Communities
Price:	\$31
Recommendation:	BUY
Ranking:	2
Market Cap:	\$659
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:  
09/24/2010  
SUI \$31

Sun Communities SUI traded UP +\$1.59 per share to close UP +5% day

SUI outperformed Specialty REITs, UP +57% year to date for 2010

SUI results for 3Q 2010 may see higher sales of manufactured homes, supported by extension of first time homebuyers tax credit for closings through September, 2010

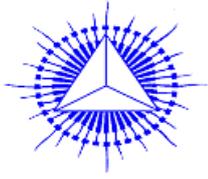
SUI sales of manufactured homes a variable but significant supplement to rental income from manufactured home communities

SUI a Specialty REIT with a portfolio of manufactured home communities

SUI we rank 2 BUY

SUI market cap \$659 million

REIT Comment



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Company:	Regency Centers Corporation
Price:	\$39
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,271
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:  
09/24/2010  
REG \$39

Regency Centers REG traded UP\$1.17 per share to close UP +3% day

REG underperformed Retail REITs, UP +12% year to date for 2010

REG occupancy 93% as of 2Q 2010

REG already reserved for Blockbuster bankruptcy, with Blockbuster at 1% of annualized rents

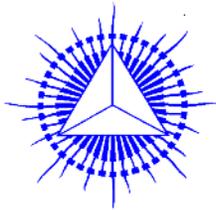
REG consumer spending at grocery-anchored shopping centers normally steady through economic downturns as consumers continue to spend on daily necessities

REG previous guidance for FFO for 2010 indicated potential for (18%) decline

REG a Retail REIT with a portfolio of grocery anchored shopping centers

REG we rank 3 HOLD

REG market cap \$3.3 billion



**REIT Growth and Income Monitor** posted 48 REIT comments for the week ended September 24, 2010. Comments were issued on REITs in the following sectors:

Financial REITs	8
Health Care REITs	9
Hotel REITs	2
Industrial REITs	2
Office REITs	11
Residential REITs	4
Retail REITs	3
Specialty REITs	9

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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