

REIT Growth and Income Monitor

Weekly Comments 11/19/2013

REIT stocks rallied, still underperforming the S&P 500 Index, as negative performance gap expanded to (24%), worst since 3Q 2009.

Marketing with social media, proliferation of mobile Internet devices and cloud computing drive demand for REITs with portfolios of data centers.

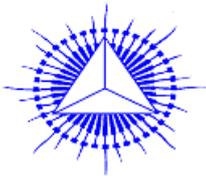
Digital Realty Trust traded down on a one time prior period adjustment, providing an attractive valuation for opportunistic investors.

DuPont Fabros Technology is selling out space in data centers previously in excess capacity, indicating strong demand growth from key tenants, large Internet companies.

For information, call Anne Anderson CFA, Atlantis Investment
(973) 263-2333
aanderson@atlantisinvestment.com

REIT Weekly Comments, as well as REIT Growth and Income Monitor, REITMonitor.net and associated REIT reports, are products of Atlantis Investment. Research involves analysis of fundamental issues and discussion of critical variables that will determine stock price performance. Particular attention is paid to potential negative trends in business or in a company's accounting practices. BUY, SELL, and HOLD recommendations are provided with a ranking system of 1 to 5. Assignment of a 1 rank indicates expected stock price appreciation of 50% within 18 months, a 2 indicates expected stock price appreciation of more than 25%, a 3 indicates stock price performance in line with the market, a 4 indicates an expected stock price decline of more than 15%, and a 5 indicates expected stock price decline of more than 25%.

Note: This report is for information only. It is not a solicitation or an offer to buy or sell securities of any company mentioned herein. Atlantis Investment does not make markets in the securities mentioned herein and does not have investment banking relationships with any company mentioned herein. The views expressed are those of the authors, and are based on a diligent review of available information. The report is based on information which is believed to be accurate, but we do not guarantee its accuracy or completeness. Atlantis Investment, its officers, employees, and stockholders (and members of their families) and its customers may have long/short positions or holdings in the securities mentioned, and they may at any time hold, increase or decrease these positions. Neither the authors of this report nor any related household members are officers, directors, or advisory board members of any company mentioned herein. Atlantis Investment or any of its employees do not own shares equal to 1% or more of any company mentioned herein. Copyright 2013 Atlantis Investment

**Weekly REIT Comments**
11/19/2013

REIT stocks rallied, trading up 1% during the week ended November 15, 2013. REIT stocks are now up 2% year to date for 2013, far behind performance of the S&P 500 Index, up 26%, as negative performance gap expanded to (24%) year to date for 2013. REITs now show the worst underperformance seen since 3Q 2009, when fears of collapsing US economy dominated the news. Average gain for all REITs followed by REIT Growth and Income Monitor is 8% for 2013, trailing 26% gain for the S&P 500 Index.

Investors are reacting to cautious REIT guidance on earnings reports for 3Q 2013, although certain REIT segments, such as Specialty Self-Storage REITs, have exceeded expectations. Specialty Timber REITs, with portfolios of timberlands and sawlog mills, benefit from improving environment for homebuilders. Industrial REITs are gaining occupancy and increasing guidance. Hotel REITs rallied on lower oil prices, as better than expected FFO growth restores confidence. Residential REITs expect exceptional FFO growth to continue through 2013, driven by tight occupancy and rental rate increases. Health Care REITs should rebound as threat to Affordable Care Act has been averted. Performance of Retail REITs is impacted by slowing tenant sales growth, although rental rate increases sustain long term FFO growth. Investors take a cautious stance for Office REITs, due to exposure to financial industry layoffs and continued rent roll-downs, lagging economic recovery.

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

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

Data Center REITs Offer Growth Potential Through Portfolio Expansion

Both **DuPont Fabros Technology** and **Digital Realty Trust** own data centers, providing attractive vehicles to participate in the growth of social media marketing and cloud computing, driven by proliferation of mobile Internet devices. New corporate demand for "big data" applications and storage requirements also stimulates demand for external data centers. **Digital Realty Trust** reports as much as 25% of rent is drawn from tenants reselling Internet services to consumers and small businesses, while the majority of rental revenue relates to corporate IT services and to direct corporate investment in cloud computing and websites, including turnkey and co-location services. In contrast, the wholesale data centers owned by **DuPont Fabros Technology** support all Internet based activities, including email, social networking, online retail sales and corporate cloud computing. Key tenants for **DuPont Fabros Technology** include the largest Internet websites and online service providers, such as Facebook, Google, Microsoft and Yahoo!, as well as managed hosting services such as Rackspace and AboveNet (providing Amazon cloud web service).

The list of REITs operating data centers is growing, providing more vehicles for investors seeking long term growth in this dynamic sector. In addition to **Digital Realty Trust** and **DuPont Fabros Technology**, **Corporate Office Properties Trust** is developing a data center portfolio to serve DOD and intelligence agencies, with 1 data center now open and several more under development near military and Cyber Command locations. **CoreSite Realty**, a small cap publicly traded REIT since 2010, was a spin-off from Carlyle Group that has built and acquired a portfolio of 14 data centers, with an aggressive expansion program for future growth. **Equinix**, both a global competitor and a key US tenant for **Digital Realty Trust**, has filed for IRS approval for conversion to REIT status during 2014. Recent REIT IPO **QTS Realty Trust** raised \$257 million in October, 2013, with the goal of expanding a portfolio that now includes 10 data centers.

Trading Opportunities

Digital Realty Trust, with market cap of \$6.6 billion and a total property portfolio of 21.0 million square feet, provides growth and income oriented REIT investors with exceptional potential for long term FFO growth. The stock traded down (29%) year to date for 2013, including decline of (20%) at the end of October, 2013, on disappointment over a one-time prior period adjustment recognized for 3Q 2013. Conservative guidance now appears to offer upside on renewed leasing volume. Portfolio expansion is driven both by acquisitions and new construction, with focus on establishing new data centers for US and international markets. **Digital Realty Trust** has committed more than \$900 million to investments to serve the \$20 billion international market for cloud based services delivered from data centers, including \$700 million new developments, as well as \$200 million redevelopments at existing properties. Acquisition pipeline exceeds \$1.0 billion. Investments are targeted at high demand areas in US and international markets, including London and Singapore, with 19% of revenue now drawn from data centers in Europe and 2% from Asia. Core FFO for 3Q 2013 increased 3%, while guidance for FFO for 2013 indicates 4%-5% growth. Initial guidance for core FFO for 2014 indicates 4%-6% growth. Dividends increased 7% for 2013, now providing income investors with annual dividend yield of 6.5%.

Investors should also consider an opportunistic investment in small cap **DuPont Fabros Technology**, now that lease-up of recent developments drives rapid FFO growth. **DuPont Fabros Technology**, with market cap of \$1.9 billion, owns and operates a portfolio of 2.5 million square feet of wholesale data centers that is leased to the largest Internet service providers, including Google, Facebook, Yahoo! and Microsoft MSN. Like most of its tenants, **DuPont Fabros Technology** enjoyed rapid revenue growth since its IPO in October, 2007. Portfolio capacity increased 20% for 2012, while \$160 million investment in 2013 provides 19% capacity increment. FFO for 3Q 2013 increased 42%, while guidance for FFO for 2013 indicates as much as 30% growth. Initial guidance for FFO for 2014 indicates a minimum of 17% growth. Dividends increased 67% for 2013, now providing income investors with annual dividend yield of 4.2%.



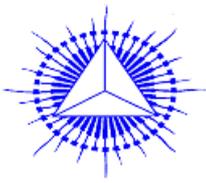
Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITs:		Price	Price	Price	Price	Weekly	2013
		12/31/2012	11/01/2013	11/08/2013	11/15/2013	Price Change	Price Change
American Tower Corp	AMT	\$77	\$79	\$78	\$79	2%	3%
Apartment Investment and Management	AIV	\$27	\$28	\$27	\$26	-1%	-3%
AvalonBay Communities	AVB	\$136	\$126	\$122	\$120	-1%	-11%
Boston Properties	BXP	\$106	\$104	\$100	\$103	3%	-3%
Equity Residential	EQR	\$57	\$53	\$52	\$51	-1%	-9%
HCP Inc.	HCP	\$45	\$42	\$40	\$40	0%	-12%
Health Care REIT	HCN	\$61	\$65	\$60	\$61	0%	-1%
Host Hotels & Resorts	HST	\$16	\$19	\$19	\$19	2%	21%
Kimco Realty	KIM	\$19	\$22	\$21	\$21	1%	10%
Macerich	MAC	\$58	\$60	\$57	\$59	4%	1%
Plum Creek Timber	PCL	\$44	\$46	\$45	\$44	-1%	-1%
Prologis, Inc	PLD	\$36	\$41	\$39	\$39	1%	7%
Public Storage	PSA	\$145	\$169	\$160	\$162	2%	12%
Simon Property Group	SPG	\$158	\$157	\$153	\$154	0%	-3%
Ventas	VTR	\$65	\$66	\$62	\$61	-1%	-5%
Vornado Realty Trust	VNO	\$80	\$90	\$88	\$90	2%	12%
Weyerhaeuser	WY	\$28	\$30	\$29	\$30	2%	8%
S&P 500 Index	S&P 500	\$1,426	\$1,762	\$1,771	\$1,798	2%	26%
Average for S&P 500 Index REITs						1%	2%

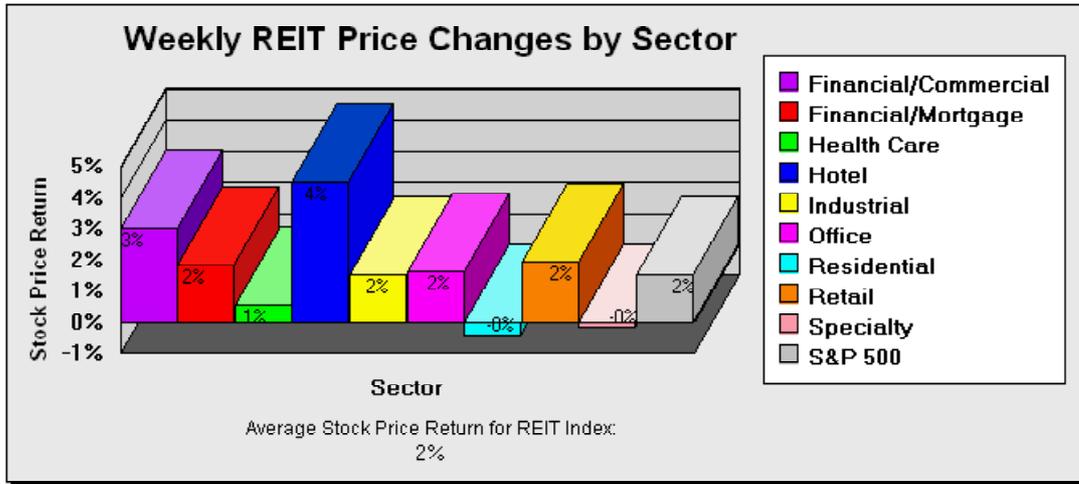
REIT stocks enjoyed a slight rally, trading up 1% during the second week of November, the week ended November 15, 2013, as investors saw value in REIT underperformance compared to the broad market average. REITs underperformed the S&P 500 Index, trading up 2% during the week. REITs now show gain of 2% year to date for 2013, trailing performance of the S&P 500 Index, up 26% for 2013. Negative performance gap expanded to (24%). REITs now show the worst underperformance since 3Q 2009, when fears of collapsing US economy dominated the news.

None of the 17 REITs included in the S&P 500 Index is up the same or more than 24% gain for the S&P 500 Index, while 8 REITs are up less than the S&P 500 Index. A total of 9 of the S&P 500 REITs traded down year to date for 2013. Leading performers among REITs are **Host Hotels & Resorts**, up 21%, and **Public Storage** up 12%, both underperforming the S&P 500 Index. Specialty Timber REITs **Plum Creek Timber**, down (1%), and **Weyerhaeuser**, now up 8%, indicate continued optimism over strength of US housing sector, despite negative impact of higher mortgage interest rates. Office REITs show disappointing performance, with **Boston Properties** down (3%) and **Vornado Realty Trust** up 12%, as rental rates decline in many urban areas. Economically sensitive Industrial REIT **Prologis Inc** shows gain of 7% for 2013. Retail REITs **Kimco Realty**, up 10% for 2013, as well as **Macerich**, up 1%, and **Simon Property Group**, now down (3%) for 2013, demonstrate disappointment over lower tenant sales trends, although rental rate increases still support long term FFO growth. Gains previously achieved by Health Care REITs eroded, although efforts to defund or delay Affordable Care Act have been averted, with **HCP** now down (12%), impacted by investor caution over management transition, while **Health Care REIT** is down (1%) and **Ventas** is down (5%) for 2013. Residential REITs also underperform, including **Apartment Investment and Management**, down (3%), **AvalonBay Communities** down (11%), and **Equity Residential**, down (9%), as investors consider eventual impact of multifamily housing starts on occupancy for Residential REITs. **American Tower**, newcomer to REIT status, now shows gain of 3% year to date for 2013.

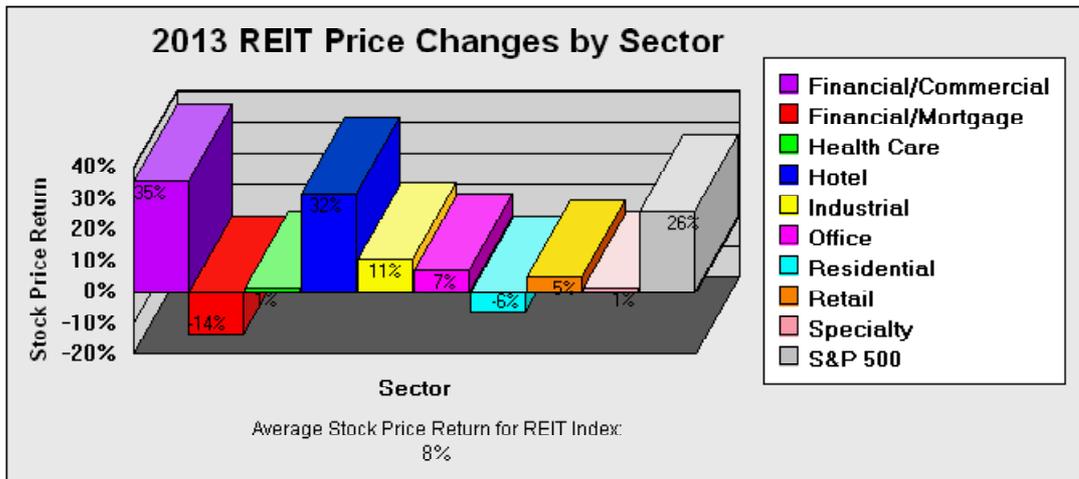
Note: This report is for information only. It is not a solicitation or an offer to buy or sell securities of any company mentioned herein. Atlantis Investment does not make markets in the securities mentioned herein and does not have investment banking relationships with any company mentioned herein. The views expressed are those of the authors, and are based on a diligent review of available information. The report is based on information which is believed to be accurate, but we do not guarantee its accuracy or completeness. Atlantis Investment, its officers, employees, and stockholders (and members of their families) and its customers may have long/short positions or holdings in the securities mentioned, and they may at any time hold, increase or decrease these positions. Neither the authors of this report nor any related household members are officers, directors, or advisory board members of any company mentioned herein. Atlantis Investment or any of its employees do not own shares equal to 1% or more of any company mentioned herein. Copyright 2013 Atlantis Investment



Weekly REIT Price Changes by Sector

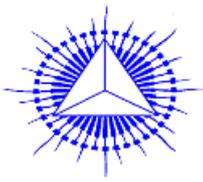


Most REIT sectors traded higher for the second week of November, the week ended November 15, 2013, as investors saw value in REIT underperformance compared to the broad market average. Best performance was demonstrated by Hotel REITs, up 4% on lower oil prices, and Financial Commercial REITs, up 3%. Financial Mortgage REITs, Industrial REITs, Office REITs and Retail REITs all rallied 2% for the week, while Health Care REITs gained 1%. Lagging REIT sectors were Residential REITs and Specialty REITs, both unchanged for the week. On average, stock prices for REIT Growth and Income Monitor traded up 2% for the week ended November 15, 2013.



Prices for REITs followed by REIT Growth and Income Monitor show gain of 8% on average year to date for 2013, far behind performance of the S&P 500 Index, now up 26% year to date for 2013. REITs previously outperformed, as investors sought dividend income. REITs offer higher yields than S&P 500 stocks, with REIT dividends taxed at the same rate as ordinary income. REIT funds flow demonstrates moderate growth, at a time when other market sectors face adjusted revenue expectations due to currency exposure and variable international economies. Leading sector for 2013 is Financial Commercial REITs, up 35%, as investor interest in non-agency securities revives. Hotel REITs show 32% gain, due to decline in oil prices. Industrial REITs are up 11%, while Office REITs show 7% gain. Retail REITs are up 5% and Specialty REITs are up 1%, as investors express concern over consumer confidence. Health Care REITs are now up only 1% year to date for 2013, although Congressional efforts to defund and to delay Affordable Care Act have been averted. Residential REITs show decrease of (6%) year to date for 2013, although guidance indicates rapid FFO growth through the middle of 2014. Lagging Financial Mortgage REITs show loss of (14%), as investors consider impact of Federal Reserve tapering on the bond market during 2014.

Note: This report is for information only. It is not a solicitation or an offer to buy or sell securities of any company mentioned herein. Atlantis Investment does not make markets in the securities mentioned herein and does not have investment banking relationships with any company mentioned herein. The views expressed are those of the authors, and are based on a diligent review of available information. The report is based on information which is believed to be accurate, but we do not guarantee its accuracy or completeness. Atlantis Investment, its officers, employees, and stockholders (and members of their families) and its customers may have long/short positions or holdings in the securities mentioned, and they may at any time hold, increase or decrease these positions. Neither the authors of this report nor any related household members are officers, directors, or advisory board members of any company mentioned herein. Atlantis Investment, or any of its employees do not own shares equal to 1% or more of any company mentioned herein. Copyright 2013 Atlantis Investment

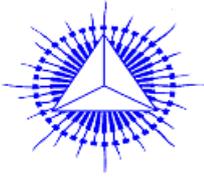


INDEX TO DAILY REIT COMMENTS
Week from 11/09/2013 to 11/15/2013

Lexington Realty Trust	LXP	page 7
LTC Properties	LTC	page 8
Senior Housing Properties Trust	SNH	page 9
Saul Centers	BFS	page 10
Agree Realty	ADC	page 11
Anworth Mortgage Asset	ANH	page 12
DuPont Fabros Technology	DFT	page 13
Duke Realty	DRE	page 14
CubeSmart	CUBE	page 15
Boston Properties	BXP	page 16
Highwoods Properties	HIW	page 17
Federal Realty Investment Trust	FRT	page 18
New Residential Investment	NRZ	page 19
iStar Financial	SFI	page 20
New Residential Investment	NRZ	page 21
Digital Realty Trust	DLR	page 22
First Potomac Realty Trust	FPO	page 23
Pennsylvania REIT	PEI	page 24
Tanger Factory Outlet Centers	SKT	page 25
Pennsylvania REIT	PEI	page 26
Simon Property Group	SPG	page 27
Kilroy Realty	KRC	page 28
Annaly Capital Management	NLY	page 29
Prologis Inc	PLD	page 30
Strategic Hotels & Resorts	BEE	page 31
Sunstone Hotel Investors	SHO	page 32
Healthcare Realty Trust	HR	page 33
Annaly Capital Management	NLY	page 34
Simon Property Group	SPG	page 35
FelCor Lodging Trust	FCH	page 36
Glimcher Realty Trust	GRT	page 37
Sovran Self Storage	SSS	page 38
FelCor Lodging Trust	FCH	page 39
Strategic Hotels & Resorts	BEE	page 40
Essex Property Trust	ESS	page 41
Omega Healthcare Investors	OHI	page 42
Taubman Centers	TCO	page 43
Equity Residential	EQR	page 44
General Growth Properties	GGP	page 45
Kimco Realty	KIM	page 46
Equity One	EQY	page 47
PS Business Parks	PSB	page 48
PS Business Parks	PSB	page 49
Extra Space Storage	EXR	page 50
Extra Space Storage	EXR	page 51
Rayonier	RYN	page 52
Potlatch	PCH	page 53
Mack-Cali Realty	CLI	page 54
CYS Investments	CYS	page 55
Annaly Capital Management	NLY	page 56
DCT Industrial Trust	DCT	page 57
Regency Centers	REG	page 58
Prologis Inc	PLD	page 59
One Liberty Properties	OLP	page 60

Note: This report is for information only. It is not a solicitation or an offer to buy or sell securities of any company mentioned herein. Atlantis Investment does not make markets in the securities mentioned herein and does not have investment banking relationships with any company mentioned herein. The views expressed are those of the authors, and are based on a diligent review of available information. The report is based on information which is believed to be accurate, but we do not guarantee its accuracy or completeness. Atlantis Investment, its officers, employees, and stockholders (and members of their families) and its customers may have long/short positions or holdings in the securities mentioned, and they may at any time hold, increase or decrease these positions. Neither the authors of this report nor any related household members are officers, directors, or advisory board members of any company mentioned herein. Atlantis Investment or any of its employees do not own shares equal to 1% or more of any company mentioned herein. Copyright 2013 Atlantis Investment

REIT Comment



Company:	Lexington Realty Trust
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,281
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/11/2013
LXP \$11

Lexington Realty Trust LXP3Q 2013 FFO \$0.25 (adjusted) v \$0.25 (adjusted) FLAT
LXP 3Q 2013 FFO (adjusted) excludes net charges of (\$0.02) per share relating to net debt transactions

LXP made no change to guidance 2013 FFO \$1.01-\$1.04 v \$0.98 UP +3%+6%

LXP implied guidance 4Q 2013 FFO \$0.27-\$0.30 v \$0.25 UP +8%+25%

LXP 3Q 2013 portfolio occupancy 98.1%, UP +0.2% from June 2013
LXP rents on renewed leases UP 4.3%

LXP year to date 2013 acquisitions \$532 million
LXP to invest \$99 million in additional build-to-suit contracts, with \$138 million in build-to-suit contracts now under construction at 5 properties
LXP recent \$302 million land acquisition in NYC includes 3 parcels underlying 3 high rise hotels, including DoubleTree Financial District, Sheraton Tribeca and Element NY Times Square West

LXP increased quarterly dividend by 10% for 1Q 2014, now providing current annual dividend yield of 6.1%

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

LXP we rank 3 HOLD

LXP market cap \$2.3 billion

REIT Comment



Company:	LTC Properties
Price:	\$38
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,350
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

11/11/2013

LTC \$38

LTC Properties LTC 3Q 2013 normalized FFO \$0.57 v \$0.57 FLAT

LTC no guidance provided for FFO for 2013

LTC 3Q 2013 revenues \$26 million UP +10% due to acquisitions

LTC 3Q 2013 operating income \$14 million UP +18%

LTC completed \$11 million assisted living center in Kansas, now leased to Oxford Senior Living

LTC provides current annual dividend yield of 5.3%

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 \$1.4 billion

REIT Comment



Company:	Senior Housing Properties Trust
Price:	\$23
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,402
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

11/11/2013

SNH \$23

Senior Housing Properties Trust SNH 3Q 2013 normalized FFO \$0.42 (adjusted) v \$0.43 (adjusted) DOWN (2%)

SNH 2Q 2013 normalized FFO excludes net charge of (\$0.02) per share relating to acquisition costs, debt extinguishment, and other non-cash and non-recurring items

SNH no guidance provided for normalized FFO for 2013

SNH 3Q 2013 revenues \$187 million UP +20% due to acquisitions

SNH 3Q 2013 operating income \$66 million UP +7%

SNH pending acquisitions 4 properties for \$27 million

SNH 3Q 2013 acquisitions 5 properties for \$101 million

SNH pending disposition of 2 rehabilitation hospitals for \$90 million, expected to close mid-2014

SNH plans to divest 17 properties now held for sale as discontinued operations, including 10 senior living and skilled nursing properties with \$14 million current book value and 7 medical office buildings with \$27 million current book value

SNH investors considering upside for all related companies to Commonwealth REIT CWH in light of unfriendly shareholder attempt to gain control of CWH

SNH continues under external management by RMR (Reit Management & Research LLC), a privately held real estate management company that also manages Commonwealth REIT CWH, Select Income REIT SIR, Hospitality Properties Trust HPT and TravelCenters of America TA

SNH stock price supported by current annual dividend yield of 6.7%

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

SNH we rank 2 BUY

SNH market cap \$4.4 billion

REIT Comment



Company:	Saul Centers
Price:	\$48
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,298
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/11/2013
BFS \$48

Saul Centers BFS 3Q 2013 FFO \$0.69 v \$0.55 UP +25%

BFS no guidance provided for FFO for 2013

BFS 3Q 2013 same property NOI UP +5.1%, with same property NOI for shopping centers UP +3.8% and mixed use properties UP +9.4%
BFS 3Q 2013 portfolio occupancy 94.2%

BFS bearing expenses of redevelopment for Van Ness Square
BFS redeveloping the property to include apartments as well as street level retail space
BFS timing of recognition of capitalized predevelopment expenses and costs of lease termination not yet clear, due to amortization

BFS provides current yield of 3.0%

BFS a Retail REIT with a diverse portfolio of retail and commercial assets located in metropolitan DC area

BFS we rank 3 HOLD

BFS market cap \$1.3 billion

REIT Comment



Company:	Agree Realty
Price:	\$32
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$427
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/11/2013
ADC \$32

Agree Realty ADC 3Q 2013 FFO \$0.56 (adjusted) v \$0.52 (adjusted) UP +8%
ADC 3Q 2013 FFO (adjusted) excludes net charge of (\$0.02) per share for acquisition costs

ADC no guidance provided for 2013 FFO

ADC 3Q 2013 portfolio occupancy 98%

ADC year to date acquisitions \$70 million for 16 properties

ADC key tenants include Walgreens, representing 26% of total rents, Kmart 6%, CVS 6%, Wal-mart 5% and Wawa 5%

ADC investing in acquisitions and new build-to-suit retail developments for portfolio expansion and diversification

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

ADC a Retail REIT with a portfolio of net leased retail properties

ADC we rank 3 HOLD

ADC market cap \$427 million

REIT Comment



Company:	Anworth Mortgage Asset
Price:	\$4
Recommendation:	BUY
Ranking:	2
Market Cap:	\$656
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/11/2013
ANH \$4

Anworth Mortgage Asset ANH 3Q 2013 GAAP EPS \$0.12 v \$0.15 DOWN (20%)
ANH 3Q 2013 GAAP EPS include net realized gains of \$2 million on sales of portfolio securities

ANH 3Q 2013 core EPS \$0.12 v \$0.15 FLAT

ANH no guidance provided for core or GAAP EPS for 2013

ANH 3Q 2013 book value \$5.89 per share DOWN (2%) from June 2013
ANH stock now valued at discount of (25%) to latest book value
ANH book value includes 2013 year to date accumulated unrealized loss on portfolio securities of (\$101) million

ANH 3Q 2013 portfolio \$8.8 billion DOWN (7%) from June 2013
ANH 3Q 2013 average portfolio yield 2.59% DOWN (0.05%)

ANH 3Q 2013 NIM (net interest margin) 0.82% DOWN (0.18%)

ANH 3Q 2013 portfolio leverage 8.0X DOWN (0.7X) from June 2013
ANH 3Q 2013 CPR (constant prepayment rate) 23% DOWN (1%)

ANH 3Q 2013 repurchased 1.5 million shares at \$4.53 per share for investment of \$7 million

ANH stock price supported by current annual dividend yield of 10.8%, below the midpoint of the range for Financial Mortgage REITs

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

ANH we rank 2 BUY

ANH market cap \$656 million

REIT Comment



Company:	DuPont Fabros Technology
Price:	\$23
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,866
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/11/2013
DFT \$23

DuPont Fabros Technology DFT traded UP\$0.29 per share to close UP +1% day

DFT stock traded DOWN (5%) year to date for 2013, underperforming Office REITs, trading UP +5% for 2013

DFT now selling out existing data center capacity in markets recently in oversupply

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

DFT provided guidance range for FFO for 2014 indicating growth UP +18% next year

DFT now providing current annual dividend yield of 4.4%

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

DFT we rank 2 BUY

DFT market cap \$1.9 billion

REIT Comment



Company:	Duke Realty
Price:	\$16
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,232
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/11/2013
DRE \$16

Duke Realty DRE trading UP \$0.16 per share to close UP +1% day

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

DRE lower vacancy for bulk distribution facilities likely to lead to higher rental rates for Industrial REITs

DRE reported FFO growth UP +8% for 3Q 2013, with portfolio occupancy UP +1.5% to 87.2%

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

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

DRE an Industrial REIT with a diverse portfolio of distribution, industrial, commercial and office properties

DRE we rank 2 BUY

DRE market cap \$5.2 billion

REIT Comment



Company:	CubeSmart
Price:	\$17
Recommendation:	BUY
Ranking:	1
Market Cap:	\$2,294
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/11/2013
CUBE \$17

CubeSmart CUBE traded DOWN (\$0.16) per share to close DOWN (1%) day

CUBE stock traded UP +15% year to date for 2013, outperforming Specialty REITs, trading UP +2% for 2013

CUBE same property NOI UP +10% for 3Q 2013, indicating powerful occupancy gains UP +4.8%

CUBE reported better than expected results for 3Q 2013 with FFO growth UP +32%

CUBE increased guidance for FFO for 2013 to indicate growth UP +23%

CUBE stock price supported by current annual dividend yield of 2.6%

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

CUBE we rank 1 BUY

CUBE market cap \$2.3 billion

REIT Comment



Company:	Boston Properties
Price:	\$101
Recommendation:	SELL
Ranking:	4
Market Cap:	\$15,527
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/11/2013
BXP \$101

Boston Properties BXP traded UP \$0.82 per share to close UP +1% day

BXP stock traded DOWN (5%) year to date for 2013, underperforming Office REITs, trading UP +5% for 2013

BXP considering distribution of special dividend due to \$684 million divestiture of majority ownership of Times Square Tower

BXP leasing of high end office space in NYC faces negative impact of financial tenant consolidation with significant vacancies pending in downtown NYC properties

BXP reported FFO growth FLAT for 3Q 2013

BXP guidance for FFO for 2013 indicates a FLAT year, with preliminary guidance for FFO for 2014 indicating growth UP +9% next year

BXP provides current annual dividend yield of 2.6%

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 \$15.5 billion

BXP an S&P 500 Index REIT

REIT Comment



Company:	Highwoods Properties
Price:	\$36
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,127
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/12/2013
HIW \$36

Highwoods Properties HIW 3Q 2013 FFO \$0.71 (adjusted) v \$0.66 (adjusted) UP +8%
HIW 3Q 2013 FFO (adjusted) excludes net charges of (\$0.01) per share relating to acquisition costs and debt extinguishment

HIW narrowed guidance range 2013 FFO \$2.76-\$2.81 v \$2.73 UP +2%+3%
HIW previous guidance range 2013 FFO \$2.76-\$2.84 per share
HIW update guidance 2013 FFO assumes same property NOI UP +1.0%+2.0% with occupancy 89%-90%

HIW 3Q 2013 same property NOI UP +1.1% on cash basis excluding lease termination fees
HIW 3Q 2013 same property occupancy 90.2% UP +0.3%

HIW 3Q 2013 rents on lease turnover DOWN (5.6%) on cash basis

HIW total development pipeline \$262 million, adding 3% portfolio capacity increment

HIW 2013 year to date acquisitions \$549 million
HIW year to date dispositions \$188 million

HIW stock price supported by current annual dividend yield of 4.7%

HIW an Office REIT with a diverse portfolio of office, industrial and retail properties concentrated in southeastern states

HIW we rank 3 HOLD

HIW market cap \$3.1 billion

REIT Comment



Company:	Federal Realty Investment Trust
Price:	\$105
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,862
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
FRT \$105

Federal Realty Investment Trust FRT 3Q 2013 FFO \$1.16 v \$1.11 UP +5%

FRT increased guidance 2013 FFO \$4.60-\$4.61 v \$4.31 UP +7%
FRT previous guidance 2013 FFO \$4.56-\$4.60 per share

FRT new guidance 2013 FFO \$4.84-\$4.92 v \$4.60-\$4.61 UP +5%+7%

FRT 3Q 2013 same property NOI UP +5.7%
FRT 3Q 2013 portfolio occupancy 95.3% UP +0.2%

FRT 3Q 2013 average same property base rent \$24.39

FRT 2013 year to date rents on lease turnover UP +18%

FRT investing \$455 million in 2 mixed use projects in MA and MD
FRT also investing \$234 million in 14 redevelopment projects

FRT 2013 year to date acquisitions \$47 million
FRT 2013 year to date dispositions \$36 million

FRT increased dividend by 7% for 4Q 2013, now providing annual yield of 3.0%

FRT a Retail REIT with a diverse portfolio of retail, commercial and residential properties

FRT we rank 2 BUY

FRT market cap \$6.9 billion

REIT Comment



Company:	New Residential Investment
Price:	\$6
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,526
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
 11/12/2013
 NRZ \$6

New Residential Investment NRZ 3Q 2013 GAAP EPS \$0.24 v \$0.05
 NRZ 3Q 2013 GAAP EPS includes gain of \$11 million on sale of securities and gain of \$21 million from non-cash valuation adjustment on MSR

NRZ 3Q 2013 core EPS \$0.15 v \$0.04
 NRZ 3Q 2013 core EPS excludes non-cash mark-to-market valuation adjustments and other items

NRZ has already achieved previously disclosed expectation for annual portfolio earnings of \$0.61 per share from spin-off NRZ portfolio, to be supplemented by acquisitions

NRZ GAAP book value \$4.98 per share UP +1% from June 2013
 NRZ stock now trading at premium of 18% to latest GAAP book value

NRZ 3Q 2013 invested \$244 million, including \$216 million in portfolio of excess MSR and \$28 million in non-agency RMBS
 NRZ pending investments \$195 million, including \$100 million in NPL (non-performing loans), as well as \$55 million excess MSR and \$37 million RMBS

NRZ 3Q 2013 portfolio \$3.2 billion, including \$1.0 billion RMBS, \$900 million consumer loans, \$641 million excess MSR, \$488 million non-agency RMBS and \$35 million residential mortgage loans

NRZ management sees opportunity to acquire additional portfolios of MSR as well as NPLs (non-performing loans) to be acquired at deep discount

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

NRZ providing current annual dividend yield of 11.9%

NRZ a Financial Mortgage REIT

NRZ we rank 2 BUY

NRZ market cap \$1.5 billion

REIT Comment



Company:	iStar Financial
Price:	\$12
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,048
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/12/2013
SFI \$12

iStar Financial SFI 3Q 2013 GAAP EPS loss from continuing operations (\$0.46) v (\$0.81) per share
SFI 3Q 2013 EPS loss includes gain of \$10 million for reversal of prior loan loss provision and (\$6) million loss on impairment

SFI 3Q 2013 adjusted EPS loss (\$0.09) v (\$0.31)
SFI 3Q 2013 adjusted EPS loss excludes (\$0.40) per share non-cash charges for depreciation and impairments, partially offset by gain on debt extinguishment, loan loss accounting, and stock-based compensation expense

SFI no guidance provided for 2013 EPS

SFI 3Q 2013 adjusted EBITDA from continuing operations \$85 million
SFI 3Q 2013 adjusted EBITDA is direct segment profit before interest expense and allocated overhead

SFI 3Q 2013 new investments \$116 million
SFI pending investments \$412 million under letters of intent

SFI 3Q 2013 cash \$736 million
SFI 3Q 2013 received \$239 million on loan repayments and loan sales, as well as \$108 million received from sales of other assets

SFI 3Q 2013 portfolio \$5.2 billion, including \$1.4 billion loans and investments, \$1.3 billion net leased properties, \$1.0 billion operating commercial properties and \$1.1 billion land and other assets

SFI 3Q 2013 portfolio leverage 1.9X DOWN (0.1X) from June 2013
SFI 3Q 2013 administrative expense 1.7% of average assets FLAT

SFI 3Q 2013 non-performing loans \$235 million book value, with \$566 million face value
SFI 3Q 2013 total loan loss reserve \$380 million, 24% of book value of total loans

SFI 3Q 2013 portfolio occupancy for net leased assets 94.6%

SFI 3Q 2013 condo sales \$61 million for 109 condominiums, generating \$15 million gains, offset by (\$6) million impairment

SFI has not paid dividends on common stock since 2008

SFI a Financial Commercial REIT

SFI we rank 3 HOLD

SFI market cap \$1.0 billion

REIT Comment



Company:	New Residential Investment
Price:	\$6
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,526
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
NRZ \$6

New Residential Investment NRZ added senior management talent

NRZ new CEO Michael Nierenberg joins NRZ with experience as head of Global Mortgages and Securitized Products at Bank of America Merrill Lynch

NRZ new CFO Susan Givens joins NRZ with previous experience as Managing Director of Fortress Private Equity Group

NRZ a Financial Mortgage REIT

NRZ we rank 2 BUY

NRZ market cap \$1.5 billion

REIT Comment



Company:	Digital Realty Trust
Price:	\$46
Recommendation:	BUY
Ranking:	1
Market Cap:	\$6,393
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/12/2013
DLR \$46

Digital Realty Trust DLR Investor Day provided forum to highlight buying opportunity in stock of DLR an Office REIT with growing data center portfolio in US and global locations

DLR recognition of one-time accounting adjustment to prior period as of 3Q 2013 brought stock DOWN (20%) to buying range for value oriented investors

DLR management estimates current NAV (net asset value) at \$54-\$63 per share, assuming 6.25%-6.85% cap rate
DLR stock now trading at discount of (14)%-(26%) to estimated NAV per share

DLR tenants responding to relationship marketing appeal, with 60% of 2013 lease commitments received from multi-site tenants
DLR investing in development markets of northern VA, Dallas and London
DLR expects to add \$0.30 per share to FFO from co-location opportunities

DLR expects to achieve \$1.0 billion NOI by 2015
DLR in-place rents include 2.5%-3.0% annual cash rental increments
DLR lease renewals for 2014 and 2015 expected to be FLAT on cash basis but UP +15% on GAAP basis, reflecting accruals and expense pass-throughs
DLR average remaining lease maturity now 6.9 years

DLR backlog of contractual obligations indicates 3%-4% NOI growth for 2014 and 2015, assuming no new leases signed

DLR previous management comments noted "lag in commencement of signed leases", indicating corporate customers may be adding leased capacity in fear of encountering shortage of space in data centers, with no plans for immediate occupancy

DLR stock price supported by current annual dividend yield of 6.7%

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

DLR we rank 1 BUY

DLR market cap \$6.4 billion

REIT Comment



Company:	First Potomac Realty Trust
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$632
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
FPO \$11

First Potomac Realty Trust FPO 3Q 2013 core FFO \$0.22 (adjusted) v \$0.29 (adjusted) DOWN (24%) due to divestitures
FPO 3Q 2013 FFO (adjusted) excludes net charges of (\$0.03) per share relating to severance, debt extinguishment and acquisition costs

FPO increased low end of guidance range 2013 core FFO \$1.02-\$1.04 (adjusted) v \$1.20 (adjusted) DOWN (13%)-(15%)

FPO previous guidance range 2013 core FFO (adjusted) \$1.00-\$1.04 per share
FPO updated guidance 2013 FFO (adjusted) excludes net charges of (\$0.10) per share relating to non-recurring items

FPO updated guidance 2013 FFO (adjusted) assumes same property NOI UP +1.5%+2.5% with occupancy 85%-86%

FPO implied guidance 4Q 2013 FFO \$0.22-\$0.24 v \$0.32 (adjusted) DOWN (25%)-(31%)

FPO 3Q 2013 same property NOI UP +2.3% on cash basis
FPO 3Q 2013 portfolio leased occupancy 87.4% UP +2.5%, with physical occupancy 85.1% UP +1.9%

FPO pending acquisition \$30 million October 2013
FPO 3Q 2013 dispositions \$6 million for 2 properties

FPO focusing new investment on office sector, following \$259 million divestiture of industrial properties to an affiliate of Blackstone

FPO provides current annual dividend yield of 5.4%

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

FPO we rank 3 HOLD

FPO market cap \$632 million

REIT Comment



Company:	Pennsylvania REIT
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,139
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
PEI \$17

Pennsylvania REIT PEI increased quarterly dividend distribution by 11% to \$0.20 per share for 4Q 2013

PEI new annual dividend \$0.80 per share

PEI new yield 4.7%

PEI a Retail REIT with a portfolio of regional malls in mid-Atlantic states

PEI we rank 2 BUY

PEI market cap \$1.1 billion

REIT Comment



Company:	Tanger Factory Outlet Centers
Price:	\$33
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,309
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
SKT \$33

Tanger Factory Outlet Centers SKT 3Q 2013 FFO \$0.49 (adjusted) v \$0.42 UP +17%
SKT 3Q 2013 FFO (adjusted) excludes net gain of \$0.08 per share relating to joint venture adjustments and acquisition costs

SKT increased guidance range 2013 FFO \$1.84-\$1.86 v \$1.63 UP +13%--14%
SKT previous guidance 2013 FFO \$1.78-\$1.81 per share

SKT 3Q 2013 same property NOI UP +4.0%
SKT 3Q 2013 portfolio occupancy 98.7% UP +0.1%

SKT 3Q 2013 trailing 12 month annualized tenant sales per square foot \$384 UP +1%

SKT year to date 2013 average increase in rents on lease turnover UP +23%

SKT plans to open 2 new outlet centers annually, with focus for this year on Washington Harbor project in DC, to open Holiday 2013, and new ground-up development in Toronto and Ottawa, Canada

SKT additional portfolio developments include Foxwoods resort in CT, and Scottsdale, AZ, as well as 2 joint venture development projects with Simon Property Group SPG in Charlotte NC and in Columbus, OH

SKT provides current annual dividend yield of 2.7%

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

SKT we rank 2 BUY

SKT market cap \$3.3 billion

REIT Comment



Company:	Pennsylvania REIT
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,139
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/12/2013
PEI \$17

Pennsylvania REIT PEI 3Q 2013 FFO \$0.45 (adjusted) v \$0.43 (adjusted) UP +14%
PEI 3Q 2013 FFO (adjusted) excludes net charge of (\$0.01) per share relating to hedging loss

PEI increased guidance 2013 FFO \$1.89-\$1.93 v \$1.83 UP +3%+5%
PEI previous guidance 2013 FFO (adjusted) \$1.87-\$1.91 (adjusted)
PEI updated guidance 2013 FFO (adjusted) excludes net charge of (\$0.01) per share relating to hedging loss
PEI updated guidance 2013 FFO assumes same property NOI UP +2%+3%

PEI implied guidance 4Q 2013 FFO \$0.55-\$0.59 v \$0.60 (adjusted) DOWN (2%)-(8%)

PEI 3Q 2013 same property NOI UP +2.1%
PEI 3Q 2013 portfolio occupancy 93.5% UP +0.6%

PEI 3Q 2013 trailing 12 month tenant sales per square foot \$381 UP +1%

PEI 3Q 2013 rents on lease turnover UP +6.5%

PEI increased quarterly dividend by 11%, now providing current annual dividend yield of 4.7%

PEI a Retail REIT with a portfolio of regional malls in mid-Atlantic states

PEI we rank 2 BUY

PEI market cap \$1.1 billion

REIT Comment



Company:	Simon Property Group
Price:	\$150
Recommendation:	BUY
Ranking:	2
Market Cap:	\$54,296
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
SPG \$150

Simon Property Group SPG traded DOWN (\$2.68) per share to close DOWN (2%) day

SPG stock traded DOWN (5%) year to date for 2013, underperforming Retail REITs, trading UP +3% for 2013

SPG investor interest in Retail REITs may rekindle with early selling season for Holiday2013

SPG investing for portfolio expansion with outlet centers and international retail acquisitions while focus for US properties is redevelopment

SPG increased guidance for FFO for 2013 to indicate growth UP +10%

SPG increased dividend by 4%, bringing current annual dividend yield to 3.2%

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

SPG we rank 2 BUY

SPG market cap \$54.3 billion

SPG an S&P 500 Index REIT

REIT Comment



Company:	Kilroy Realty
Price:	\$50
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,059
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
KRC \$50

Kilroy Realty KRC traded DOWN (\$0.73) per share to close DOWN (1%) day

KRC stock traded UP +6% year to date for 2013, outperforming Office REITs, trading UP +5% for 2013

KRC management sees strong demand for office space in San Francisco, while Los Angeles and San Diego still in recovery

KRC reported FFO growth UP +21% for 3Q 2013

KRC narrowed guidance range for FFO for 2013 to indicate growth UP +16%

KRC provides current yield of 2.8%

KRC an Office REIT with a portfolio of properties concentrated in southern and northern CA with new investment in Seattle

KRC we rank 2 BUY

KRC market cap \$4.1 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$11
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,460
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/12/2013
NLY \$11

Annaly Capital Management NLY traded UP\$0.13 per share to close UP +1% day

NLY stock traded DOWN (25%) year to date for 2013, underperforming Financial Mortgage REITs, trading DOWN (15%) for 2013

NLY investors in Financial Mortgage REITs reassessing upside based on portfolio and dividend growth in environment of lower bond market volatility

NLY still has room to increase profitability by adding commercial assets as loans acquired from CreXus CXS now represent only 11% of equity, compared to target 25% of equity

NLY results for 3Q 2013 in line with expectations, with NIM (net interest margin) stable and book value DOWN only (3%)

NLY proposals for Fannie Mae reform delayed by Congressional focus on federal budget and debt ceiling issues

NLY stock price supported by current annual dividend yield of 13.3%, near the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 2 BUY

NLY market cap \$10.5 billion

REIT Comment



Company:	Prologis Inc
Price:	\$39
Recommendation:	BUY
Ranking:	2
Market Cap:	\$19,414
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/12/2013
PLD \$39

Prologis Inc PLD traded DOWN (\$0.45) per share to close DOWN (1%) day

PLD stock traded UP +6% year to date for 2013, underperforming Industrial REITs, trading UP +9% for 2013

PLD announced new China Logistics Venture2 to invest \$1.0 billion in bulk distribution centers in China, with institutional equity commitments of \$588 million

PLD last week reported 3Q 2013 core FFO FLAT excluding unusual items

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

PLD guidance for core FFO for 2013 indicates decline DOWN (6%), reflecting property divestitures to institutional joint venture funds

PLD provides current yield of 2.9%

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

PLD we rank 2 BUY

PLD market cap \$19.4 billion

PLD an S&P 500 Index REIT

REIT Comment



Company:	Strategic Hotels & Resorts
Price:	\$9
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,923
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/13/2013
BEE \$9

Strategic Hotels & Resorts BEE 3Q 2013 FFO \$0.14 (adjusted) v \$0.08 (adjusted) UP +75%
BEE 3Q 2013 FFO (adjusted) excludes net gain of \$0.01 per share relating to non-cash gain on interest rate swaps

BEE increased guidance range 2013 FFO \$0.38-\$0.43 (adjusted) v \$0.26 (adjusted) UP +46%-+65%

BEE previous guidance 2013 FFO \$0.35-\$0.40 (adjusted) per share
BEE guidance 2013 FFO (adjusted) assumes North American RevPAR (revenue per available room) UP +7.5%-+8.0%, with hotel EBITDA margin UP +1.25%-+1.50%

BEE increased guidance 2013 comparable EBITDA \$205-\$215 million
BEE 3Q 2013 comparable EBITDA \$60 million UP +24%

BEE 3Q 2013 same property RevPAR (revenue per available room) \$224 UP +11%
BEE 3Q 2013 same property ADR (average daily rate) \$276 UP +7%
BEE 3Q 2013 same property occupancy 81.2% UP +2.7%

BEE 3Q 2013 portfolio hotel EBITDA margin 25.8% UP +4.0%

BEE 2013 group night bookings UP +2.8%, with ADR (average daily rate) UP +4.2%, for RevPAR (revenue per available room) UP +7.1%

BEE seeking to divest Marriott Grosvenor Square London
BEE remaining international properties include Four Seasons Resort in Punta Mita Mexico and Marriott Hamburg, Germany

BEE has not yet restored common stock dividends

BEE a Hotel REIT with a portfolio of upscale and resort hotels in US Europe and Mexico

BEE we rank 3 HOLD

BEE market cap \$1.9 billion

REIT Comment



Company:	Sunstone Hotel Investors
Price:	\$13
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,122
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/13/2013
SHO \$13

Sunstone Hotel Investors SHO 3Q 2013 FFO \$0.30 (adjusted) v \$0.23 (adjusted) UP +30%
SHO 3Q 2013 FFO (adjusted) excludes net charges of (\$0.01) per share relating to acquisition costs and other items

SHO reduced guidance range 2013 FFO \$0.90-\$0.93 (adjusted) v \$1.01 (adjusted) DOWN (8%)-(11%)

SHO previous guidance 2013 FFO \$0.91-\$0.97 per share

SHO guidance reduction 2013 FFO reflects issuance of new shares to complete acquisition during 4Q 2013

SHO new guidance 4Q 2013 FFO \$0.21-\$0.23 v \$0.30 DOWN (23%)-(30%)

SHO 3Q 2013 adjusted EBITDA \$68 million \$70 million UP +16%

SHO guidance 2013 adjusted EBITDA \$238-\$242 million

SHO 3Q 2013 comparable hotel RevPAR (revenue per available room) \$152 UP +7.6%

SHO 3Q 2013 comparable hotel ADR (average daily rate) \$179 UP +3.2%

SHO 3Q 2013 comparable hotel occupancy 84.9% UP 3.5%

SHO 3Q 2013 hotel EBITDA margin 30.6% UP +2.2%

SHO pending \$263 million acquisition of Hyatt Regency San Francisco, with renovation expected to begin during 2014

SHO completed acquisition of Boston Park Plaza Hotel in July 2013 for \$250 million

SHO year to date 2013 invested \$87 million to renovate 4 hotels

SHO previously re-instated common dividend at \$0.05 per quarter, now providing current annual yield of 1.6%

SHO a Hotel REIT

SHO we rank 3 HOLD

SHO market cap \$2.1 billion

REIT Comment



Company:	Healthcare Realty Trust
Price:	\$22
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,030
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
HR \$22

Healthcare Realty Trust HR 3Q 2013 normalized FFO \$0.32 v \$0.33 DOWN (3%)

HR no guidance provided for FFO for 2013
HR indicated same property NOI expected UP+2.0%-+4.0% for multi-tenant properties with re-leasing spreads UP +0.5%-+3.0%

HR 3Q 2013 same property NOI UP +1.9%
HR 3Q 2013 portfolio occupancy 91.0%

HR 3Q 2013 tenant retention 81%

HR 3Q 2013 occupancy for properties in lease-up at 72%

HR 78% of medical office properties located adjacent to hospital campuses

HR stock price supported by current dividend yield of 5.4%

HR a Health Care REIT with a portfolio concentrated in medical office properties

HR we rank 2 BUY

HR market cap \$2.0 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$11
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,460
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
NLY \$11

Annaly Capital Management NLY slight decrease to mortgage application volume may reflect seasonality, as mortgage interest rates move in narrow band

NLY report from MBA (Mortgage Bankers Association) found mortgage applications DOWN (1.8%) for week ended November 8, 2013

NLY mortgage applications for refinance DOWN (2.3%), while mortgage applications for home purchase DOWN only (0.5%)

NLY report from MBA (Mortgage Bankers Association) found average interest rate on 30 year fixed rate conforming mortgage UP +0.12% to 4.44%

NLY proposals for Fannie Mae reform delayed by Congressional focus on federal budget and debt ceiling issues

NLY stock price supported by current annual dividend yield of 13.3%, near the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 2 BUY

NLY market cap \$10.5 billion

REIT Comment



Company:	Simon Property Group
Price:	\$150
Recommendation:	BUY
Ranking:	2
Market Cap:	\$54,296
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
SPG \$150

Simon Property Group SPG trading in Retail REITs aided by positive sales and earning report from Macy's M for 3Q 2013

SPG key anchor tenant Macys M reported comp store sales UP +3.5% for 3Q 2013

SPG Macy's CEO Terry Lundgren made upbeat comments re Holiday2013 expectations, indicating plans to hire 83,000 seasonal workers

SPG key anchor tenant Macys M represents only 1% of total rents, while important mall tenants such as Gap GPS represent as much as 3% of total rents

SPG increased guidance for FFO for 2013 to indicate growth UP +10%

SPG increased dividend by 4%, bringing current annual dividend yield to 3.2%

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

SPG we rank 2 BUY

SPG market cap \$54.3 billion

SPG an S&P 500 Index REIT

REIT Comment



Company:	FelCor Lodging Trust
Price:	\$7
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$828
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
FCH \$7

FelCor Lodging Trust FCH restored common stock dividend, with payment of \$0.02 per share pending for 1Q 2014

FCH previous common stock dividend payment suspended during 2008

FCH new annual dividend rate \$0.08 per share

FCH current annual dividend yield 1.2%

FCH a Hotel REIT

FCH we UPGRADE to 3 HOLD

FCH market cap \$828 million

REIT Comment



Company:	Glimcher Realty Trust
Price:	\$10
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,431
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
GRT \$10

Glimcher Realty Trust GRT 3Q 2013 FFO \$0.17 v \$0.17 (adjusted) FLAT

GRT narrowed guidance range for FFO for 2013 \$0.69-\$0.71 v \$0.58 UP +19%--22%
GRT previous guidance 2013 FFO \$0.68-\$0.72 per share

GRT implied guidance 4Q 2013 FFO \$0.18-\$0.20 v \$0.20 FLAT-DOWN (10%)

GRT 3Q 2013 same property NOI UP +4.7%
GRT 3Q 2013 same property occupancy 95.0% UP +0.3%

GRT 3Q 2013 trailing 12 month tenant sales per square foot \$465 UP +8%

GRT 3Q 2013 average annual rents per square foot \$34.76 for core malls FLAT
GRT 3Q 2013 rents on lease turnover UP +19% for mall tenants

GRT stock price supported by current annual dividend yield of 4.1%

GRT a Retail REIT with a portfolio of regional malls

GRT we rank HOLD

GRT market cap \$1.4 billion

REIT Comment



Company:	Sovran Self Storage
Price:	\$69
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,193
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
SSS \$71

Sovran Self-Storage SSS 3Q 2013 FFO \$1.01 (adjusted) v \$0.85 (adjusted) UP +19%
SSS 3Q 2013 FFO (adjusted) excludes net charges of (\$0.03) per share relating to acquisition costs

SSS increased guidance 2013 FFO \$3.77-\$3.79 (adjusted) v \$3.28 (adjusted) UP +15%+16%
SSS previous guidance 2013 FFO \$3.70-\$3.74 per share

SSS new guidance 4Q 2013 FFO \$0.98-\$1.00 v \$0.83 (adjusted) UP +18%+20%

SSS 3Q 2013 same property NOI UP +9.3%
SSS 3Q 2013 same property occupancy 90.9% UP +2.5%

SSS 3Q 2013 average rent per occupied square foot \$11.07 UP +4%

SSS pending acquisitions 2 properties for \$15 million

SSS provides annual yield of 3.1%

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

SSS we rank 2 BUY

SSS market cap \$2.2 billion

REIT Comment



Company:	FelCor Lodging Trust
Price:	\$7
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$828
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/13/2013
FCH \$7

FelCor Lodging Trust FCH 3Q 2013 FFO from continuing operations \$0.14 (adjusted) v \$0.08 (adjusted) UP +75%
FCH 3Q 2013 FFO from continuing operations (adjusted) excludes net charges of (\$0.01) per share relating to severance expense and other items

FCH narrowed guidance range 2013 FFO from continuing operations \$0.37-\$0.38 (adjusted) v \$0.23 (adjusted) UP +61%+65%
FCH previous guidance 2013 FFO from continuing operations \$0.36-\$0.41 per share
FCH updated guidance 2013 FFO from continuing operations (adjusted) excludes net charges of (\$0.05) per share relating to severance expense and other items
FCH updated guidance 2013 FFO from continuing operations (adjusted) assumes same property RevPAR (revenue per available room) UP +6.5%+7.0%

FCH implied guidance 4Q 2013 FFO from continuing operations \$0.03-\$0.04 v loss (\$0.01)

FCH guidance 2013 adjusted EBITDA from continuing operations \$200 million
FCH 3Q 2013 adjusted EBITDA from continuing operations \$55 million UP +3%

FCH 3Q 2013 comparable hotel RevPAR (revenue per available room) \$117 UP +7.1%
FCH 3Q 2013 comparable hotel ADR \$152 (average daily rate) UP +4.0%
FCH 3Q 2013 comparable hotel occupancy 77.3% UP +3.0%

FCH 3Q 2013 hotel EBITDA margin 25.4% UP +1.2%

FCH 2013 year to date dispositions \$103 million for 5 hotels
FCH seeking to divest 6 wholly owned non-strategic hotels, with 3 sales pending

FCH investing \$65 million during 2013 for capital expenditures and renovations, while also investing \$55 million year to date to renovate recently acquired Kickerbocker Hotel
FCH planning \$40 million redevelopments to reposition Wyndham hotels

FCH proceeds of divestitures of non-strategic hotels to be applied to repurchase debt

FCH restored common stock dividend, with payment of \$0.02 per share pending for 1Q 2014

FCH current annual dividend yield 1.2%

FCH a Hotel REIT

FCH we UPGRADE to 3 HOLD

FCH market cap \$828 million

REIT Comment



Company:	Strategic Hotels & Resorts
Price:	\$8
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,861
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
BEE \$8

Strategic Hotels & Resorts BEE traded DOWN (\$0.28) per share to close DOWN (3%) day

BEE stock traded UP +33% year to date for 2013, outperforming Hotel REITs, trading UP +26% for 2013

BEE stock gave up yesterday's gains on solid earnings report for 3Q 2013

BEE additional asset sales, including plan to divest Marriott Grosvenor Square Hotel in London help to establish value for Hotel REIT investors

BEE high level of debt may have impeded efforts to find acquiror through strategic review earlier during 2013

BEE FFO for 3Q 2013 increased UP +75%, with 3Q 2013 comparable EBITDA UP +24%

BEE increased guidance for FFO for 2013, reflecting higher profitability of luxury hotels

BEE has not yet restored common stock dividends

BEE a Hotel REIT with a portfolio of upscale and resort hotels in US Europe and Mexico

BEE we rank 3 HOLD

BEE market cap \$1.9 billion

REIT Comment



Company:	Essex Property Trust
Price:	\$161
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,388
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
ESS \$161

Essex Property Trust ESS traded UP \$4.57 per share to close UP +3% day

ESS stock traded UP +10% year to date for 2013, outperforming Residential REITs, trading DOWN (6%) for 2013

ESS like all Residential REITs benefits from positive employment trends, with concentration of portfolio in western states of CA, WA and OR benefitting from rapid employment growth of technology sector

ESS reported FFO for 3Q 2013 increased UP +12%

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

ESS providing annual dividend yield of 3.0%

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

ESS we rank 2 BUY

ESS market cap \$6.4 billion

REIT Comment



Company:	Omega Healthcare Investors
Price:	\$32
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,769
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
OHI \$32

Omega Healthcare Investors OHI traded UP \$0.63 per share to close UP +2% day

OHI stock traded UP +35% year to date for 2013, outperforming Health Care REITs, trading UP +1% for 2013

OHI Health Care REITs should see improved performance, as efforts to defund or delay Obamacare have been averted

OHI reported FFO for 3Q 2013 increased UP +17%

OHI made no change to guidance for FFO for 2013, indicating growth UP +15%

OHI increased dividend by 2%, bringing current dividend yield to 6.0%

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

OHI we rank 2 BUY

OHI market cap \$3.8 billion

REIT Comment



Company:	Taubman Centers
Price:	\$66
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,173
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/13/2013
TCO \$66

Taubman Centers TCO traded UP \$0.47 per share to close UP +1% day

TCO stock traded DOWN (16%) year to date for 2013, outperforming Retail REITs, trading UP +3% for 2013

TCO Retail REITs rallied on news of positive earnings report from Macy's M, with management comments projecting strong sales for Holiday 2013

TCO traded down after last week's conference call for 3Q 2013, as investors expressed disappointment over delays and higher than expected development cost for new Mall of Puerto Rico

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

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

TCO providing current yield of 3.0%

TCO a Retail REIT with a portfolio of upscale regional malls

TCO we rank 2 BUY

TCO market cap \$10.2 billion

REIT Comment



Company:	Equity Residential
Price:	\$52
Recommendation:	BUY
Ranking:	2
Market Cap:	\$19,378
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
EQR \$52

Equity Residential EQR more good news of better than expected new unemployment claims should support rally for Residential REITs

EQR Labor Department reported new claims for unemployment DOWN(2,000) to 339,000 for week ended November 9, 2013 from revised number for previous week

EQR more stable 4 week moving average of new unemployment claims also decreased DOWN (5,750) to 344,000 from revised number for previous week

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

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

EQR stock supported by current annual dividend yield of 3.5%

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

EQR we rank 2 BUY

EQR market cap \$19.4 billion

EQR an S&P 500 Index REIT

REIT Comment



Company:	General Growth Properties
Price:	\$21
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,565
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
GGP \$21

General Growth Properties GGP yesterday's positive surprise from Macy's M may re-ignite investor interest in Retail REITs

GGP Macy's CEO Terry Lundgren made upbeat comments re Holiday2013 expectations, indicating plans to hire 83,000 seasonal workers

GGP key anchor tenant Macy's M reported comp store sales UP +3.5% for 3Q 2013

GGP key tenant Macy's M represents 2% of total rents for GGP

GGP special promotions by anchor tenants draw shoppers to the mall enabling smaller mall tenants to benefit from shopper traffic

GGP reported better than expected results for 3Q 2013, with FFO growth UP +12%

GGP increased guidance for FFO for 2013 to indicate growth UP +18%

GGP share repurchase supports stock price, with investment of \$567 million during 3Q 2013 to repurchase 28.3 million shares at \$20 per share

GGP increased dividend distribution by 8% for 1Q 2014, now providing current yield of 2.7%

GGP a Retail REIT with a portfolio of regional malls

GGP we rank 2 BUY

GGP market cap \$20.6 billion

REIT Comment



Company:	Kimco Realty
Price:	\$21
Recommendation:	BUY
Ranking:	1
Market Cap:	\$8,618
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
KIM \$21

Kimco Realty KIM news of disappointing sales at Wal-Mart WMT, presented to investors same day as better than expected results from Macys M, may indicate some potential weakness in consumer sales among economy shoppers

KIM key tenant Wal-Mart WMT reported same store sales DOWN (0.3%) for quarter ended October 2013, for third consecutive quarterly sales decline

KIM key tenant Wal-Mart WMT represents 3% of annual base rents for KIM

KIM rents on lease turnover for 3Q 2013 UP 7.3%, supporting long term FFO growth for KIM

KIM updated guidance for FFO for 2013 indicates growth UP +6%

KIM increased dividend by 7%, bringing current dividend yield to 4.3%

KIM a Retail REIT with a diverse portfolio of retail properties including neighborhood and community shopping centers and big box retail, as well as grocery anchored shopping centers

KIM we rank 1 BUY

KIM market cap \$8.6 billion

KIM an S&P 500 Index REIT

REIT Comment



Company:	Equity One
Price:	\$23
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,687
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/14/2013
EQY \$23

Equity One EQY 3Q 2013 recurring FFO \$0.30 v \$0.28 (adjusted) UP +7%

EQY increased low end of guidance range 2013 FFO \$1.22-\$1.23 v \$1.14 UP +7%+8%
EQY previous guidance 2013 FFO \$1.20-\$1.23 per share

EQY implied guidance 4Q 2013 FFO \$0.29-\$0.30 v \$0.30 FLAT-DOWN (3%)

EQY 3Q 2013 same property NOI UP +3.7%
EQY 3Q 2013 core portfolio occupancy 92.4% UP +0.9%

EQY 3Q 2013 annualized adjusted base rent \$15.52 per square foot UP +1.7%

EQY 3Q 2013 acquisitions \$108 million for 3 properties, as well as \$48 million for 30% owned joint venture investments
EQY target 2013 acquisitions \$100-\$200 million

EQY year to date 2013 dispositions 29 non-core assets for \$236 million
EQY target 2013 dispositions \$300 million

EQY development pipeline \$250 million for 3 new properties, as well as 6 redevelopments for \$46 million

EQY stock price supported by current annual dividend yield of 3.9%

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

EQY we rank 3 HOLD

EQY market cap \$2.7 billion

REIT Comment



Company:	PS Business Parks
Price:	\$79
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,503
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
PSB \$79

PS Business Parks PSB completed public offering of 1.5 million shares at \$79.25 per share, as well as placement of 950,000 shares with Public Storage PSA at the same price

PSB Public Storage PSA owns 42% of PSB equity

PSB offering priced at discount of (3%) from previous closing price

PSB offering size increased from previous 1.3 million shares

PSB net proceeds of \$193 million to be applied to repay debt and to acquire industrial properties

PSB sole underwriter Goldman Sachs

PSB November 2013 offering increased total shares outstanding by 9%

PSB stock price supported by current annual dividend yield of 2.2%

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

PSB we rank 3 HOLD

PSB market cap \$2.5 billion

REIT Comment



Company:	PS Business Parks
Price:	\$79
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,503
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
PSB \$79

PS Business Parks PSB 3Q 2013 FFO \$1.21 (adjusted) v \$1.19 (adjusted) UP +2%
PSB 3Q 2013 FFO (adjusted) excludes net charges of (\$0.01) per share relating to acquisition costs

PSA no guidance provided for FFO for 2013

PSB 3Q 2013 same property NOI UP +2.2%
PSB 3Q 2013 same property occupancy 92.0% UP +0.4%

PSB 3Q 2013 portfolio average occupancy 90.9%

PSB average annualized rent per square foot \$15.28 UP +1.2%

PSB stock price supported by current annual dividend yield of 2.2%

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

PSB we rank 3 HOLD

PSB market cap \$2.5 billion

REIT Comment



Company:	Extra Space Storage
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,966
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
EXR \$43

Extra Space Storage EXR to sell 4.5 million shares in public offering

EXR expected proceeds of \$195 million to be used to fund pending \$250 million acquisitions

EXR sole bookrunning manager Citi

EXR November 2013 offering to increase total shares outstanding by 4%

EXR providing annual dividend yield of 3.7%

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

EXR we rank 2 BUY

EXR market cap \$5.0 billion

REIT Comment



Company:	Extra Space Storage
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,966
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
EXR \$43

Extra Space Storage EXR 3Q 2013 FFO \$0.57 (adjusted) v \$0.46 (adjusted) UP +24%
EXR 3Q 2013 FFO (adjusted) excludes net charges of (\$0.11) per share relating to debt extinguishment and acquisition cost

EXR increased guidance 2013 FFO \$2.09-\$2.11 (adjusted) v \$1.64 (adjusted) UP +27%+29%
EXR previous guidance 2013 FFO \$2.01-\$2.06 (adjusted) per share
EXR updated guidance 2013 FFO (adjusted) excludes net charges of (\$0.12) per share relating to debt extinguishment and acquisition cost
EXR updated guidance 2013 FFO assumes same property NOI UP +9.5%+10.0%

EXR implied guidance 4Q 2013 FFO \$0.56-\$0.59 v \$0.45 (adjusted) UP +24%+31%

EXR 3Q 2013 same property NOI UP +9.7%
EXR 3Q 2013 same property occupancy 90.6% UP +1.7%

EXR 3Q 2013 acquisitions 22 properties for \$215 million, with pending \$250 million acquisitions
EXR previous target 2013 acquisitions \$400 million to be exceeded

EXR providing annual yield of 3.7%

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

EXR we rank 2 BUY

EXR market cap \$5.0 billion

REIT Comment



Company:	Rayonier
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,645
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
RYN \$43

Rayonier RYN traded DOWN (\$1.13) per share to close DOWN (3%) day

RYN stock traded DOWN (17%) year to date for 2013, underperforming Specialty REITs, trading UP +2% for 2013

RYN stock impacted by recent comments regarding capacity pressure on volume of specialty cellulose fiber production

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

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

RYN provides current annual dividend yield to 4.5%

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

RYN we rank 2 BUY

RYN market cap \$5.6 billion

REIT Comment



Company:	Potlatch
Price:	\$39
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,591
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
PCH \$39

Potlatch PCH traded DOWN (\$0.63) per share to close DOWN (2%) day

PCH stock traded unchanged year to date for 2013, underperforming Specialty REITs, trading UP +2% for 2013

PCH expects higher new home starts to support higher prices for sawlogs and lumber during 2014

PCH to provide guidance for harvest volume for 2014 during 1Q 2014

PCH provides current dividend yield of 3.2%

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

PCH we rank 2 BUY

PCH market cap \$1.6 billion

REIT Comment



Company:	Mack-Cali Realty
Price:	\$20
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,980
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
CLI \$20

Mack-Calli Realty CLI traded UP \$0.49 per share to close UP +3% day

CLI stock traded DOWN (24%) year to date for 2013, underperforming Office REITs, trading UP +5% for 2013

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

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

CLI guidance for FFO for 2013 indicates decline DOWN (12%)

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

CLI provides current annual dividend yield of 6.1%

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

CLI we rank 3 HOLD

CLI market cap \$2.0 billion

REIT Comment



Company:	CYS Investments
Price:	\$8
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,443
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/14/2013
CYS \$8

CYS Investment CYS traded UP \$0.17 per share to close UP +2% day

CYS stock traded DOWN (29%) year to date for 2013, underperforming Financial Mortgage REITs, trading DOWN (15%) for 2013

CYS Janet Yellen viewed as likely to maintain a steady course for Federal Reserve mitigating bond market volatility

CYS reduced portfolio holdings during 3Q 2013 to limit risk

CYS 3Q 2013 showed no further erosion in book value, assuaging nervous investors

CYS now trading at discount of (17%) to current book value of \$10.10 per share as of September 2013

CYS hint of impending dividend reduction may limit further upside until next quarterly dividend is announced

CYS stock price supported by current annual dividend yield of 16.3%, at the high end of the range for Financial Mortgage REITs

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

CYS we rank 3 HOLD

CYS market cap \$1.4 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$11
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,768
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
NLY \$11

Annaly Capital Management NLY testimony by pending Federal Reserve Chairman Janet Yellen indicates interest rates likely to stay low due to monetary ease

NLY interest of private investors in acquisition of portions of Fannie Mae and Freddie Mac indicates reform may take novel turn for non-agency portion of mortgage market

NLY continuity of existing structure for conforming loans expected to continue under new federal agency, if not through Fannie Mae

NLY results for 3Q 2013 in line with expectations, with NIM (net interest margin) stable and book value DOWN only (3%)

NLY proposals for Fannie Mae reform delayed by Congressional focus on federal budget and debt ceiling issues

NLY stock price supported by current annual dividend yield of 12.9%, near the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 2 BUY

NLY market cap \$10.8 billion

REIT Comment



Company:	DCT Industrial Trust
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,340
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
DCT \$7

DCT Industrial Trust DCT news of better than expected industrial output for October 2013 indicates federal government shutdown did not have lingering impact on US economy

DCT report from Federal Reserve found factory production UP +0.3% for October 2013, increasing from growth UP +0.1% for September 2013

DCT Industrial REITs seeing higher demand as US businesses add to inventories

DCT management expects occupancy to increase through the end of 2013

DCT recent dispositions provide capital for new investments

DCT guidance for FFO for 2013 indicates growth UP +7%

DCT stock price supported by current annual dividend yield of 3.8%

DCT an Industrial REIT

DCT we rank 2 BUY

DCT market cap \$2.3 billion

REIT Comment



Company:	Regency Centers
Price:	\$49
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,520
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
REG \$49

Regency Centers REG news of US consumer price index indicates inflation remains under control

REF food price index, although FLAT for September 2013, increased UP +1.4% over latest 12 months, according to Bureau of Labor Statistics

REG consumer price index excluding food and energy increased UP+0.1% for September 2013

REG consumers finding good value at the grocery anchored shopping centers owned by REG

REG reported FFO for 3Q 2013 increased UP +8%, while guidance for FFO for 2013 was increased to indicate growth UP +3%

REG stock price supported by current annual dividend yield of 3.8%

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

REG we rank 2 BUY

REG market cap \$4.5 billion

REIT Comment



Company:	Prologis Inc
Price:	\$39
Recommendation:	BUY
Ranking:	2
Market Cap:	\$19,625
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/15/2013
PLD \$39

Prologis PLD news of lower import prices supports outlook for strong sales during Holiday2013

PLD lower priced imports enable US retailers to attract Holiday shoppers with low priced merchandise

PLD report from BLS (Bureau of Labor Statistics) found import prices decreased DOWN (0.7%) for October 2013

PLD import prices DOWN (2.0%) for latest 12 months, with China DOWN (0.9%) and Japan DOWN (3.2%)

PLD portfolio concentration now 69% US, EU 25% and Asia 6%, while focus of development spending overweights Asia at 39% of total investment

PLD total \$23.4 billion assets under management in institutional funds enables PLD to increase market share in international markets

PLD reported 3Q 2013 core FFO FLAT excluding unusual items

PLD guidance for core FFO for 2013 indicates decline DOWN (6%), reflecting property divestitures to institutional joint venture funds

PLD provides current yield of 2.9%

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

PLD we rank 2 BUY

PLD market cap \$19.6 billion

PLD an S&P 500 Index REIT

REIT Comment



Company:	One Liberty Properties
Price:	\$20
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$311
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
OLP \$20

One Liberty Properties OLP 3Q 2013 FFO \$0.40 v \$0.41 DOWN (2%)

OLP no guidance provided for FFO for 2013

OLP 3Q 2013 revenue \$13 million UP +17% due to acquisitions
OLP 3Q 2013 operating income \$7 million UP +10% due to acquisitions

OLP 2013 year to date acquisitions \$115 million for 9 properties

OLP stock price supported by current annual dividend yield of 6.9%

OLP a Retail REIT with a diversified portfolio of net leased retail, office and industrial properties

OLP we rank 3 HOLD

OLP market cap \$311 million

REIT Comment



Company:	Franklin Street Properties
Price:	\$13
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,189
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
FSP \$13

Franklin Street Properties FSP 3Q 2013 \$0.27 v \$0.24 UP +13%

FSP no guidance provided for FFO for 2013

FSP 3Q 2013 portfolio occupancy 93.8% DOWN (0.6%) from 2Q 2013

FSP 2013 year acquisitions expected to exceed \$500 million
FSP invested \$341 million to acquire 2 office properties in Denver and Atlanta

FSP considering sales of properties held by related single-asset REITs

FSP stock price supported by current annual dividend yield of 5.9%

FSP an Office REIT with a portfolio of suburban office properties, related debt, and commercial leases

FSP we rank 3 HOLD

FSP market cap \$1.2 billion

REIT Comment



Company:	First Industrial
Price:	\$18
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,046
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
FR \$18

First Industrial FR traded UP \$0.40 per share to close UP +2% day

FR stock traded UP +27% year to date for 2013, outperforming Industrial REITs, trading UP +9% for 2013

FR news of higher than expected manufacturing activity a positive signal for Industrial REITs

FR updated guidance for FFO for 2013 indicates growth UP +9%

FR provides current annual dividend yield of 1.9%

FR an Industrial REIT

FR we rank 3 HOLD

FR market cap \$2.0 billion

REIT Comment



Company:	MFA Financial
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,671
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
11/15/2013
MFA \$7

MFA Financial MFA traded DOWN (\$0.13) per share to close DOWN (2%) day

MFA stock traded DOWN (9%) year to date for 2013, underperforming Financial Mortgage REITs, trading DOWN (15%) for 2013

MFA stock trading at discount of (10%) to latest book value of \$8.19 per share

MFA news of hedge fund activity in stock of Fannie Mae may support trading in Financial Mortgage REITs

MFA investor interest piqued by need to develop private market solutions for nonagency mortgage securitizations

MFA better than expected loan loss performance for non-agency portfolio of RMBS enables MFA to reverse previous loan loss reserves while maintaining conservative valuations

MFA 3Q 2013 earnings contribution 65% from non-agency portfolio and 35% from agency securities

MFA provides current annual dividend yield of 11.9%, below 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 \$2.7 billion

REIT Comment



Company:	Medical Properties Trust
Price:	\$13
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,989
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
MPW \$13

Medical Properties Trust MPW traded UP \$0.21 per share to close UP +2% day

MPW stock traded UP +10% year to date for 2013, outperforming Health Care REITs, trading UP +1% for 2013

MPW acquisitions of more than \$500 million for 4Q 2013 concludes exceptional 2 years of portfolio expansion

MPW Affordable Care Act expected to benefit tenants of Health Care REITs through higher patient volume from 2014-2017

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

MPW stock price supported by current yield of 6.1%

MPW a Health Care REIT with a portfolio of acute care and specialty hospitals

MPW we rank 2 BUY

MPW market cap \$2.0 billion

REIT Comment



Company:	Macerich
Price:	\$59
Recommendation:	BUY
Ranking:	2
Market Cap:	\$8,802
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
11/15/2013
MAC \$59

Macerich MAC traded UP \$0.88 per share to close UP +2% day

MAC stock traded UP +1% year to date for 2013, underperforming Retail REITs, trading UP +3% for 2013

MAC trading in Retail REITs buoyed by positive comments from Macys M earlier this week

MAC recent \$1.25 billion acquisition of 2 high volume retail properties in NY from Vornado Realty Trust VNO provides significant portfolio expansion

MAC additional portfolio expansion provided by \$800 million development projects, including 3 retail properties in Tysons Corner, Chicago and Niagara Falls

MAC increased guidance for FFO for 2013 to indicate growth UP +11%

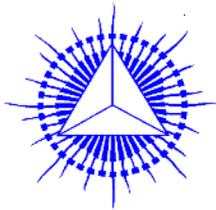
MAC increased dividend by 7%, bringing current annual dividend yield to 4.2%

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

MAC we rank 2 BUY

MAC market cap \$8.8 billion

MAC an S&P 500 Index REIT



REIT Growth and Income Monitor posted 59 REIT comments for the week ended November 15, 2013. Comments were issued on REITs in the following sectors:

Financial REITs	9
Health Care REITs	5
Hotel REITs	5
Industrial REITs	8
Office REITs	8
Residential REITs	2
Retail REITs	16
Specialty REITs	6

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)

Note: This report is for information only. It is not a solicitation or an offer to buy or sell securities of any company mentioned herein. Atlantis Investment does not make markets in the securities mentioned herein and does not have investment banking relationships with any company mentioned herein. The views expressed are those of the authors, and are based on a diligent review of available information. The report is based on information which is believed to be accurate, but we do not guarantee its accuracy or completeness. Atlantis Investment, its officers, employees and stockholders (and members of their families) and its customers may have long/short positions or holdings in the securities mentioned, and they may at any time hold, increase or decrease these positions. Neither the authors of this report nor any related household members are officers, directors, or advisory board members of any company mentioned herein. Atlantis Investment or any of its employees do not own shares equal to 1% or more of any company mentioned herein. Copyright 2013 Atlantis Investment