

## **REIT Growth and Income Monitor**

### **Weekly Comments 02/25/2014**

**REITs maintain positive performance gap of 7% year to date for 2014, as REIT gains outperform S&P 500 Index.**

**Specialty Timber REITs face stock market reversal due to lower sales of new and existing homes.**

**Plum Creek Timber looks to export markets for growth, while share repurchase supports stock price.**

**Portfolio expansion drives growth for Weyerhaeuser, while pending spin-out of homebuilder subsidiary WRECO captures shareholder focus.**

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 2014 Atlantis Investment

**Weekly REIT Comments**  
**02/25/2014**

REIT stocks in the S&P 500 Index traded unchanged during the week ended February 21, 2014, as positive performance gap was maintained at 7% year to date for 2014. Average gain for all REITs followed by REIT Growth and Income Monitor remains 5% year to date for 2014, compared to decline of (1%) for the S&P 500 Index. REIT stocks trailed the S&P 500 Index during 2013, with average gain of 8%.

Investors see conservative REIT guidance indicating modest growth for 2014, as earnings are reported for 4Q 2013. Residential REITs expect strong FFO growth to continue through 2014, driven by tight occupancy and rental rate increases. Health Care REITs rally as Affordable Care Act is implemented, bringing more patient volume for tenants of Health Care REITs. Industrial REITs are gaining occupancy and increasing guidance. Performance of Retail REITs should respond to rental rate increases sustaining long term FFO growth. Certain Specialty REIT segments, such as Specialty Self-Storage REITs, have exceeded earnings expectations, while Specialty Timber REITs, with portfolios of timberlands and sawlog mills, traded lower on news of slower home sales for the past 3 months. Hotel REITs still demonstrate positive revenue and margin trends, with stock price performance impeded by investor focus on negative impact of weather related travel disruptions and Federal government shutdown in October 2013. Investors still take a cautious stance for Office REITs, due to exposure to financial industry layoffs and continued rent roll downs

Investor acceptance of eventual Federal Reserve tapering supports outlook for Financial Mortgage REITs, while renewed investor interest in CMBS and non-agency securities provides a lift for Financial Commercial REITs. Impact of bond market volatility on portfolio valuations and book value of Financial REITs will be clarified by earnings reports for 4Q 2013. Financial Mortgage REITs face significant fundamental change, with debate of reform legislation delayed by 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 recession would follow removal of government support from the housing sector. Profits paid by Fannie Mae and Freddie Mac support the Treasury at a time of fiscal austerity, increasing probability that status quo for Fannie Mae will be maintained through 2016 elections.

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

**Specialty Timber REITs Face Reversal Due to Lower Sales of New and Existing Homes**

News of lower sales of new and existing homes may cause sustained reversal for stock prices of Specialty Timber REITs. Latest report from NAR (National Association of Realtors) found existing home sales down (5%) from December 2013 to seasonally adjusted annual rate of 4.62 million homes for January 2014, now also showing (5%) decline from January, 2013. The report from NAR cites "weather disruption, tight credit, limited inventory, higher prices and higher mortgage interest rates" as reasons for the decline in existing home sales. Similar sales decline is now evident for new homes, as well. The latest report of homebuilder sentiment index from NAHB (National Association of Home Builders) found a sharp decline in confidence, down (10%) to 46% for January 2014 from previous month. This change in homebuilder sentiment is an immediate response to sharp decline in homebuyer traffic, as potential buyers postpone home buying decisions during bad weather. Although Specialty Timber REITs keep their focus on construction starts, rather than home sales, updates on pace of construction of new homes also shows loss of momentum. Latest report from US Census Bureau and HUD (US Department of Housing and Urban Development) found US housing starts at seasonally adjusted annual rate of 880,000 for January 2014, down (16%) from revised number for December 2013.

These metrics indicate the housing sector remains healthy, but such a sudden deceleration causes concern for investors. Prices for sawlogs and lumber will soon reflect lower demand from homebuilding and home repairs. Even plans for higher harvest volume may not lead to EPS growth for Specialty Timber REITs during 2014. Stocks of **Plum Creek Timber**, as well as other Specialty Timber REITs **Potlatch**, **Rayonier** and **Weyerhaeuser**, have already started to reflect this change in investor confidence

**Trading Opportunities**

**Plum Creek Timber**, with market cap of \$7 billion as a Specialty Timber REIT with a portfolio of timberlands and sawlog mills, may see additional stock price decline due to variable housing demand. **Plum Creek Timber** stock traded down (7%) year to date for 2014, lagging performance of the S&P 500 Index. **Plum Creek Timber** reported EPS for 2013 up 11%, due to improved harvest in northwestern states and renewed demand for lumber exports. Management expects 2014 harvest volume to increase 15%-20%, due to recently completed \$1.1 billion acquisition of timberlands and other assets from MeadWestvaco. **Plum Creek Timber** follows a strategy of maintaining shareholder value through asset sales to fund dividend distributions and share repurchases. Dividends increased 4% during 2013. **Plum Creek Timber** currently offers income investors annual dividend yield of 4.2%.

**Weyerhaeuser** like all Specialty Timber REITs sees stock price action driven by US housing sector demand, although earnings are also supported by growing export markets for US Douglas fir, fluff products, and cellulose specialties. With market cap of \$18 billion, **Weyerhaeuser** operates a portfolio of timberlands, wood products manufacturing plants, fluff pulp and fiber processing mills. Stock price decreased (7%) year to date for 2014, underperforming the S&P 500 Index. **Weyerhaeuser** recently completed \$2.7 billion acquisition of Longview Timber, adding 10% to total timberlands. Investors focus on pending spin-off of WRECO homebuilder subsidiary to a simultaneous merger with Tri-Pointe Homes, a 2013 homebuilder IPO backed by Starwood Capital Group. EPS increased 4% for 4Q 2013, with export log volume up more than 40%. **Weyerhaeuser's** new CEO promises \$400 million EBITDA growth, up 22%, by end of 2014 from acquisitions, divestitures, and cost savings, although lower US housing demand may obscure this goal. Dividends increased 31% for 2013, now providing income investors with 2.9% yield.

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 2014 Atlantis Investment



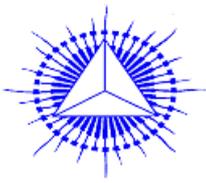
Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITs:		Price	Price	Price	Price	Price	Weekly	2014
		12/31/2013	01/31/2014	02/07/2014	02/14/2014	02/21/2014	Price Change	Price Change
American Tower Corp	AMT	\$80	\$81	\$80	\$83	\$84	1%	5%
Apartment Investment and Management	AIV	\$26	\$28	\$30	\$30	\$29	-1%	14%
AvalonBay Communities	AVB	\$118	\$124	\$128	\$129	\$129	-0%	9%
Boston Properties	BXP	\$100	\$108	\$109	\$111	\$111	-0%	11%
Equity Residential	EQR	\$52	\$55	\$57	\$59	\$59	0%	13%
HCP Inc	HCP	\$36	\$39	\$38	\$38	\$37	-2%	2%
Health Care REIT	HCN	\$54	\$58	\$57	\$57	\$57	-0%	6%
Host Hotels & Resorts	HST	\$19	\$18	\$18	\$19	\$20	3%	1%
Kimco Realty	KIM	\$20	\$21	\$21	\$22	\$22	1%	10%
Macerich	MAC	\$59	\$57	\$59	\$61	\$61	-0%	3%
Plum Creek Timber	PCL	\$47	\$43	\$43	\$43	\$42	-1%	-9%
Prologis, Inc	PLD	\$37	\$39	\$40	\$41	\$41	-0%	10%
Public Storage	PSA	\$151	\$158	\$160	\$166	\$166	0%	11%
Simon Property Group	SPG	\$152	\$155	\$157	\$160	\$160	-0%	5%
Ventas	VTR	\$57	\$62	\$62	\$62	\$61	-1%	6%
Vornado Realty Trust	VNO	\$89	\$92	\$92	\$96	\$95	-1%	7%
Weyerhaeuser	WY	\$32	\$30	\$30	\$30	\$30	-1%	-4%
S&P 500 Index	S&P 500	\$1,848	\$1,783	\$1,797	\$1,839	\$1,836	-0%	-1%
Average for S&P 500 Index REITs							-0%	6%

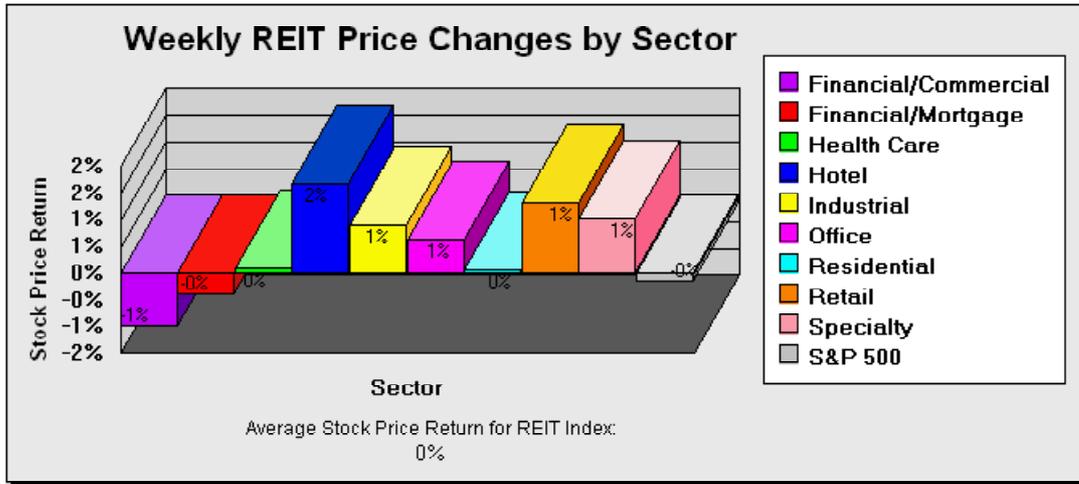
REIT stocks traded unchanged for the third week of February, 2014, the week ended February 21, 2014. REITs matched performance of the S&P 500 Index, also unchanged for the week, still showing decline of (1%) year to date. Positive performance gap for REITs was maintained at 7% year to date for 2014. REIT stocks trailed the S&P 500 Index during 2013, with average gain of 8%. As investors become accustomed to the idea of higher interest rates, REIT stocks should continue to rally, recouping most of the 2013 underperformance.

Almost all of the S&P 500 Index REITs outperformed the S&P 500 Index year to date for 2014, with 15 of the 17 S&P 500 Index REITs trading up, while the S&P 500 Index declined (1%). Only 2 of the S&P 500 Index REITs traded down year to date for 2014. We note that REIT rally for 2014 was started by Health Care REITs, then surpassed by Residential REITs. Rally for Residential REITs now includes **Apartment Investment and Management** up 14%, **AvalonBay Communities** up 9%, and **Equity Residential** up 13%, all reporting strong earnings results for 4Q 2013, with guidance for additional FFO growth for 2014. Office REITs have demonstrated sudden rally, with **Boston Properties** trading up 11% year to date for 2014, followed by **Vornado Realty Trust**, up 7%. Both **Public Storage**, up 11%, and **Prologis Inc**, up 10%, show solid gains for 2014. Health Care REITs now show moderate gains, following initial rally in response to implementation of Affordable Care Act, with **HCP Inc** up 2%, **Health Care REIT** up 6%, and **Ventas** up 6%. Retail REITs show moderate gains, lead by **Kimco**, up 10%, with **Simon Property Group** up 5% and **Macerich** up 3%. **American Tower Corp** now shows 5% gain year to date for 2014. **Host Hotels & Resorts**, now up 1%, sees rebounding stock price following new guidance for continued growth during 2014. In contrast, Specialty Timber REITs traded down on news of lower sales of new and existing homes over the past 3 months. Specialty Timber REIT **Plum Creek Timber** declined (9%) year to date for 2014, while **Weyerhaeuser** traded down (4%).

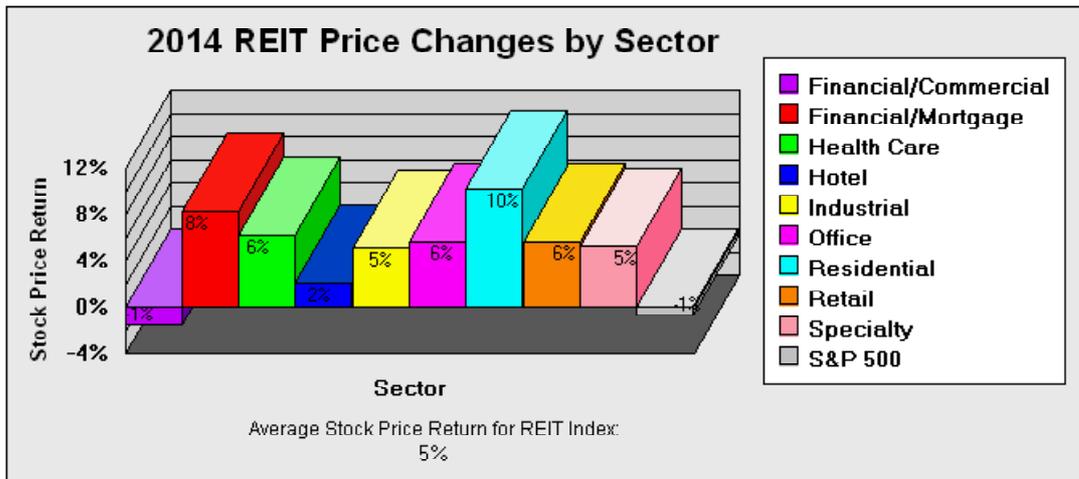
Note: This report is for information only. It is not a solicitation or an offer to buy or sell securities of any company mentioned herein. Atlantis Investment does not make markets in the securities mentioned herein and does not have investment banking relationships with any company mentioned herein. 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 2014 Atlantis Investment



Weekly REIT Price Changes by Sector

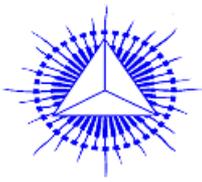


REIT sectors demonstrated mixed performance for the third week of February, 2014, the week ended February 21, 2014. Best performance was shown by Hotel REITs, trading up 2% for the week, as recovery continues on positive earnings reports. Industrial REITs, Office REITs, Retail REITs and Specialty REITs all traded up 1%. Health Care REITs and Residential REITs were unchanged. Lagging REIT sector Financial Commercial REITs traded down (1%), while Financial Mortgage REITs also traded lower, down less than (1%) for the week. On average, stock prices for REIT Growth and Income Monitor were unchanged for the week ended February 21, 2014.



Prices for REITs followed by REIT Growth and Income Monitor achieved gain of 5% on average year to date for 2014, outperforming the S&P 500 Index, trading down (1%) year to date for 2014. Investors are attracted by dividend income, and REITs have demonstrated ability both to pay and to increase dividends. 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 2014 is Residential REITs, trading up 10% (more than recouping decline during 2013), due to stable employment trends. Financial Mortgage REITs traded up 8%, as investors respond to appointment of Janet Yellen as new Federal Reserve Chairman. Health Care REITs rallied up 6% year to date for 2014, as the Affordable Care Act is implemented, bringing more patient volume to tenants of Health Care REITs. Office REITs and Retail REITs now show 6% gain, while Industrial REITs and Specialty REITs show 5% gain. Lagging Hotel REITs traded up 2% year to date for 2014, reflecting investor concern over travel disruption and negative impact of government shutdown on results to be reported for 4Q 2013. Financial Commercial REITs show (1%) decline year to date for 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 2014 Atlantis Investment

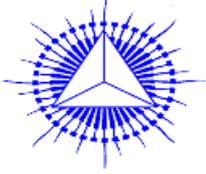


INDEX TO DAILY REIT COMMENTS  
Week from 02/15/2014 to 02/21/2014

Ramco-Gershenson Properties	RPT	page 6
Glimcher Realty Trust	GRT	page 7
Anworth Mortgage Asset	ANH	page 8
Cousins Properties	CUZ	page 9
Cousins Properties	CUZ	page 10
Kite Realty Group	KRG	page 11
Newcastle Investment	NCT	page 12
Kite Realty Group	KRG	page 13
Education Realty Trust	EDR	page 14
Omega Healthcare Investors	OHI	page 15
CYS Investments	CYS	page 16
Associated Estates Realty	AEC	page 17
Plum Creek Timber	PCL	page 18
Weyerhaeuser	WY	page 19
General Growth Properties	GGP	page 20
Annaly Capital Management	NLY	page 21
Host Hotels & Resorts	HST	page 22
Health Care REIT	HCN	page 23
Host Hotels & Resorts	HST	page 24
Health Care REIT	HCN	page 25
Pennsylvania REIT	PEI	page 26
National Health Investors	NHI	page 27
National Health Investors	NHI	page 28
CommonWealth REIT	CWH	page 29
Ashford Hospitality Trust	AHT	page 30
Pennsylvania REIT	PEI	page 31
Host Hotels & Resorts	HST	page 32
QTS Realty Trust	QTS	page 33
LaSalle Hotel Properties	LHO	page 34
QTS Realty Trust	QTS	page 35
Sun Communities	SUI	page 36
Equity Residential	EQR	page 37
Prologis Inc	PLD	page 38
PS Business Parks	PSB	page 39
PS Business Parks	PSB	page 40
Healthcare Realty Trust	HR	page 41
Sun Communities	SUI	page 42
QTS Realty Trust	QTS	page 43
Apartment Investment and Management	AIV	page 44
Washington REIT	WRE	page 45
First Potomac Realty Trust	FPO	page 46
Hatteras Financial	HTS	page 47
Annaly Capital Management	NLY	page 48
Gladstone Commercial	GOOD	page 49
Equity One	EQY	page 50
Public Storage	PSA	page 51
Washington REIT	WRE	page 52
HCP Inc	HCP	page 53
QTS Realty Trust	QTS	page 54
PS Business Parks	PSB	page 55

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 2014 Atlantis Investment

REIT Comment



---

Company:	Ramco-Gershenson Properties
Price:	\$16
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,160
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>

---

Additional Text  
02/17/2014  
RPT \$16

Ramco-Gershenson Properties RPT 4Q 2013 operating FFO \$0.29 (adjusted) v \$0.27 (adjusted) UP +7%

RPT 4Q 2013 operating FFO (adjusted) excludes net charges of (\$0.01) per share relating to impairment and debt extinguishment

RPT 2013 operating FFO \$1.17 (adjusted) v \$1.04 (adjusted) UP +13%

RPT 2013 operating FFO (adjusted) excludes net charges of (\$0.01) per share relating to impairment and debt extinguishment

RPT affirmed guidance 2014 operating FFO \$1.20-\$1.26 v \$1.17 UP +3%--8%

RPT guidance 2014 operating FFO assumes same property NOI UP +3%--4%, with occupancy 95%-96%

RPT 4Q 2013 same property NOI UP +3.8%

RPT 4Q 2013 portfolio occupancy 96.0% UP +1.4%

RPT 4Q 2013 core portfolio average annualized base rent per square foot \$12.35 UP +7%

RPT 2013 total acquisitions \$567 million for 17 retail properties

RPT 2013 total divestitures \$35 million

RPT investing \$35 million in 5 redevelopment projects

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

RPT increased dividend by 10% during 4Q 2013, bringing current annual dividend yield to 4.6%

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

RPT we rank 3 HOLD

RPT market cap \$1.2 billion

REIT Comment



---

Company:	Glimcher Realty Trust
Price:	\$9
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,389
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>

---

Additional Text  
02/18/2014  
GRT \$9

Glimcher Realty Trust GRT 4Q 2013 FFO \$0.20 (adjusted) v \$0.18 UP +11%  
GRT 4Q 2013 FFO (adjusted) excludes net charge of (\$0.02) per share relating to debt extinguishment

GRT 2013 FFO \$0.71 (adjusted) v \$0.65 (adjusted) UP +9%  
GRT 2013 FFO (adjusted) excludes net charges of (\$0.03) per share relating to debt extinguishment and other items  
GRT reported 2013 FFO (adjusted) within previous guidance range \$0.68-\$0.72 per share

GRT guidance 2014 FFO \$0.74-\$0.78 v \$0.71 (adjusted) UP +7%+10%  
GRT guidance 2014 FFO assumes same property NOI UP +3%+4%

GRT new guidance 1Q 2014 FFO \$0.15-\$0.17 v \$0.16 (adjusted) DOWN (6%)-UP +6%

GRT 4Q 2013 same property NOI UP +3.4%  
GRT 4Q 2013 core portfolio occupancy 95.6% UP +0.3%

GRT 4Q 2013 average annualized tenant sales per square foot \$468 UP +7.6%

GRT 4Q 2013 average rents \$34.88 UP +0.4%  
GRT 4Q 2013 rents on lease turnover UP +14%

GRT stock price supported by current annual dividend yield of 4.2%

GRT a Retail REIT with a portfolio of regional malls

GRT we rank HOLD

GRT market cap \$1.4 billion

REIT Comment



---

Company:	Anworth Mortgage Asset
Price:	\$5
Recommendation:	BUY
Ranking:	2
Market Cap:	\$733
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>

---

Additional Text  
02/18/2014  
ANH \$5

Anworth Mortgage Asset ANH 4Q 2013 GAAP EPS \$0.07 v \$0.15 DOWN (53%)  
ANH 4Q 2013 core EPS \$0.07 v \$0.12 FLAT DOWN (42%)  
ANH core EPS excludes impairment losses on Residential MBS

ANH 2013 GAAP EPS \$0.49 v \$0.67 DOWN (27%)  
ANH 2013 core EPS \$0.49 v \$0.68 DOWN (28%)  
ANH core EPS excludes impairment losses on Residential MBS

ANH 4Q 2013 book value \$5.98 per share UP +2% from September 2013  
ANH stock now trading at discount of (16%) to latest book value  
ANH book value includes 2013 year to date accumulated unrealized loss on portfolio securities of (\$92) million

ANH 4Q 2013 portfolio \$8.2 billion DOWN (2%) from September 2013  
ANH 4Q 2013 average portfolio yield 2.65% UP +0.6%

ANH 4Q 2013 NIM (net interest margin) 0.57% DOWN (0.25%)

ANH 4Q 2013 portfolio leverage 8.1X UP +0.1X from September 2013  
ANH 4Q 2013 CPR (constant prepayment rate) 15% DOWN (8%)

ANH 4Q 2013 repurchased 3.0 million shares at \$4.41 per share for investment of \$13 million  
ANH 1Q 2014 repurchased 1.6 million shares at \$4.68 per share for investment of \$7 million

ANH reduced quarterly dividend distribution by (33%) for 1Q 2014, in second consecutive quarterly dividend reduction

ANH stock price supported by current annual dividend yield of 6.4%, 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 \$733 million

REIT Comment



---

Company:	Cousins Properties
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,816
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>

---

Additional Text:  
02/18/2014  
CUZ \$11

Cousins Properties CUZ increased quarterly dividend distribution by 67% to \$0.075 per share for 1Q 2014

CUZ new annual dividend \$0.30 per share

CUZ new yield 2.7%

CUZ an Office REIT with a portfolio of office and retail properties in southern states

CUZ we rank 3 HOLD

CUZ market cap \$1.8 billion

REIT Comment



---

Company:	Cousins Properties
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,816
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>

---

Additional Text:  
02/18/2014  
CUZ \$11

Cousins Properties CUZ 4Q 2013 FFO \$0.18 v \$0.14 UP +29%

CUZ 2013 FFO \$0.53 v \$0.64 DOWN (17%)  
CUZ no previous guidance provided for FFO for 2013

CUZ no guidance provided for FFO for 2014

CUZ 4Q 2013 same property NOI UP +3.7%  
CUZ 4Q 2013 same property occupancy 90.4% UP +1.4%

CUZ 4Q 2013 rents on lease turnover UP +11.3%

CUZ increased quarterly dividend by 67%, now providing annual dividend yield of 2.7%

CUZ an Office REIT with a portfolio of office and retail properties in southern states

CUZ we rank 3 HOLD

CUZ market cap \$1.8 billion

REIT Comment



---

Company:	Kite Realty Group
Price:	\$6
Recommendation:	BUY
Ranking:	2
Market Cap:	\$631
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>

---

Additional Text  
02/18/2014  
KRG \$6

Kite Realty Group KRG announced \$2.1 billion merger with non-traded REIT Inland Diversified Real Estate Trust, adding scale in community shopping centers

KRG to issue 1.707 shares for each share of Inland Diversified, valuing equity portion of Inland Diversified at \$10.85 per share

KRG shareholders to own 41% of combined company, with Inland Diversified shareholders to own 59%

KRG to assume \$784 million debt of Inland Diversified

KRG combined companies to own 131 community shopping centers with 20.3 million square feet of retail space

KRG transaction expected to close during 3Q 2014

KRG properties of Inland Diversified include 57 retail centers now 95.3% leased, including 20% power centers. with 20% of shopping centers grocery anchored

KRG acquired portfolio extends KRG presence to NY, NJ, NV, UT, VA and FL

KRG expects synergy savings of \$17-19 million on termination of external management contracts and other items

KRG existing CEO, President and COO, and CFO to continue to serve in same roles at combined companies

KRG to accept 3 trustees from Inland Diversified on KRG Board of Trustees

KRG combined companies to retain name of Kite Realty Group and continue to trade under NYSE ticker symbol KRG

KRG concentration of retail properties in midwest, with 45% of total retail space located in IN and IL, differentiates KRG from other Retail REITs

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

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

KRG we rank 2 BUY

KRG market cap \$631 million

REIT Comment



---

Company:	Newcastle Investment
Price:	\$5
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,472
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>

---

Additional Text  
02/18/2014  
NCT \$5

Newcastle Investment NCT announced completion of spin-off of New Media Investment Group effective February 13, 2014

NCT New Media Investment Group now trading on NYSE under ticker symbol NEWM at price of \$12.80 per share

NCT shareholders received 0.07219 shares for each share of NCT owned

NCT New Media Investment Group NEWM owns holdings in media properties previously known as GateHouse Media (Liberty Group Publishing), as well as daily and weekly newspapers in small metropolitan areas acquired from Dow Jones Local Media Group in September 2013

NCT New Media Investment Group NEWM now a publicly traded publisher with a diverse portfolio of local media assets focused on paid subscription local newspapers online advertising and digital marketing, including online portal RadarFrog featuring local and national coupons and special deals

NCT presentation on spin-off of New Media Investment Group NEWM discloses latest 12 month revenues of more than \$470 million for GateHouse Media, while revenues and profits of recent acquisition Local Media Group not yet disclosed

NCT New Media Investment Group NEWM expected to distribute dividends to shareholders with C-Corp status

NCT to concentrate remaining portfolio in senior housing assets and commercial real estate debt as well as opportunistic investments

NCT expected to report results for 4Q 2013 next week

NCT provides current dividend yield of 8.2%

NCT a Financial Commercial REIT

NCT we rank 2 BUY

NCT market cap \$1.5 billion

REIT Comment



---

Company:	Kite Realty Group
Price:	\$6
Recommendation:	BUY
Ranking:	2
Market Cap:	\$631
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>

---

Additional Text  
02/18/2014  
KRG \$6

Kite Realty Group KRG 4Q 2013 FFO \$0.11 (adjusted) v \$0.10 UP +10%  
KRG 4Q 2013 FFO (adjusted) excludes net charge of (\$0.01) per share relating to acquisition costs

KRG 2013 FFO \$0.48 (adjusted) v \$0.43 (adjusted) UP +12%  
KRG 2013 FFO (adjusted) excludes net charges of (\$0.01) per share relating to acquisition costs, offsetting gain on debt extinguishment and other items  
KRG reported 2013 FFO at high end of previous guidance range \$0.47-\$0.48 per share

KRG guidance 2014 FFO \$0.48-\$0.52 v \$0.48 (adjusted) FLAT - +8%  
KRG guidance 2014 FFO assumes same property NOI UP +3.0%-+4.0%

KRG 4Q 2013 same property NOI UP +4.9%  
KRG 4Q 2013 portfolio occupancy 95.3%  
KRG 4Q 2013 average rents UP +15.6%

KRG 4Q 2013 acquisitions \$304 million for 9 retail properties  
KRG 4Q 2013 divestiture \$5 million for 1 land parcel

KRG investing \$210 million to develop 2 retail projects and redevelop 2 properties

KRG pending \$2.1 billion stock-for-stock merger with non-traded REIT Inland Diversified Real Estate Trust to double KRG portfolio size, expected to close during 3Q 2014

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

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

KRG we rank 2 BUY

KRG market cap \$631 million

REIT Comment



---

Company:	Education Realty Trust
Price:	\$9
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,079
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>

---

Additional Text  
02/18/2014  
EDR \$9

EdR EDR 4Q 2013 core FFO \$0.20 (adjusted) v \$0.16 (adjusted) UP +25%  
EDR 4Q 2013 core FFO (adjusted) excludes net charges of (\$0.01) per share relating to acquisition cost and other non-cash and non-recurring items

EDR 2013 core FFO \$0.55 (adjusted) v \$0.47 (adjusted) UP +17%  
EDR 2013 core FFO (adjusted) excludes net charges of (\$0.07) per share relating to acquisition cost and other non-cash and non-recurring items  
EDR reported 2013 core FFO in line with previous guidance range \$0.53-\$0.57 per share

EDR new guidance 2014 core FFO \$0.62 (adjusted)-\$0.68 (adjusted) v \$0.55 (adjusted) UP +13%+24%  
EDR new guidance 2014 core FFO excludes net charges of (\$0.08) per share for non-cash and non-recurring items

EDR new guidance 2014 core FFO assumes same property NOI UP +4%-+5%  
EDR new guidance 2014 core FFO assumes same property rents UP +2%

EDR 4Q 2013 same property NOI UP +4.1%  
EDR 4Q 2013 same property economic occupancy 94.6% UP +2.5%  
EDR 4Q 2013 same property RevPAB (revenue per available bed) \$613 UP +9.7%

EDR same property communities now 45.4% pre-leased for 2014/2015 academic year

EDR 1Q 2014 pending divestiture \$63 million

EDR investing \$469 million in 10 development projects with a total of 5,972 beds for 2014-2015 academic year, to add 20% to owned portfolio capacity  
EDR development projects now 45.4% pre-leased

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

EDR a Specialty REIT with a portfolio of educational housing communities

EDR we rank 3 HOLD

EDR market cap \$1.1 billion

REIT Comment



---

Company:	Omega Healthcare Investors
Price:	\$31
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,651
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>

---

Additional Text:  
02/18/2014  
OHI \$31

Omega Healthcare Investors OHI traded DOWN (\$0.59) per share to close DOWN (2%) day

OHI stock traded UP +3% year to date for 2014, underperforming Health Care REITs, trading UP +6% for 2014  
OHI stock traded UP +25% during 2013

OHI rally for Health Care REITs a results of 2014-2017 implementation of Affordable Care Act, expanding market of insured patients for tenants of Health Care REITs

OHI reported FFO growth UP +16% for 2013, due to acquisitions

OHI guidance for FFO for 2014 indicating growth UP +8%

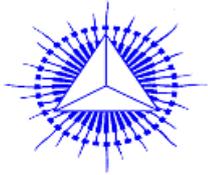
OHI provides current dividend yield of 6.2%

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

OHI we rank 2 BUY

OHI market cap \$3.7 billion

REIT Comment



---

Company:	CYS Investments
Price:	\$9
Recommendation:	BUY
Ranking:	1
Market Cap:	\$1,470
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>

---

Additional Text:  
02/18/2014  
CYS \$9

CYS Investments CYS traded UP +\$0.22 per share to close UP +3% day

CYS stock traded UP +19% year to date for 2014, outperforming Financial Mortgage REITs, trading UP +9% for 2014

CYS stock traded DOWN (37%) during 2013 due to book value decline on bond market volatility

CYS stock now trading at (5%) discount to book value of \$9.24 per share as of December 2013

CYS results for 4Q 2013 showed improved NIM (net interest margin) due to lower net operating expenses

CYS management comments noted positive impact of Janet Yellen appointment as Federal Reserve Chairman for 2014, with bond market volatility immediately lessened

CYS share repurchase supports stock price

CYS stock price supported by current annual dividend yield of 14.5%, 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 1 BUY

CYS market cap \$1.5 billion

REIT Comment



---

Company:	Associated Estates Realty
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$868
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>

---

Additional Text:  
02/18/2014  
AEC \$17

Associated Estates Realty AEC stock traded UP\$0.36 per share to close UP +2% day

AEC stock traded UP +8% year to date for 2014, underperforming Residential REITs, trading UP +10% for 2014  
AEC stock traded unchanged during 2013

AEC rally for Residential REITs during 2014 erases stock price underperformance during 2013

AEC stable employment trends contribute to positive outlook for Residential REITs

AEC reported FFO growth UP +9% for 2013, with guidance for FFO for 2014 indicating continued growth UP +3%

AEC provides annual dividend yield of 4.4%

AEC a Residential REIT with a diverse portfolio of apartment communities

AEC we rank 2 BUY

AEC market cap \$868 million

REIT Comment



---

Company:	Plum Creek Timber
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$7,002
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>

---

Additional Text:  
02/19/2014  
PCL \$43

Plum Creek Timber PCL news of sudden decline in homebuilder confidence indicates negative impact of cold winter weather throughout US

PCL report from NAHB (National Association of Home Builders) found homebuilder sentiment index DOWN (10%) to 46% for January 2014 from previous month

PCL index of sales expectations for next6 months DOWN (6%) to 54% for January 2014

PCL homebuyer traffic sharply down, as potential buyers postpone home buying decisions during bad weather

PCL trading in stocks of Specialty Timber REITs susceptible to news of homebuilder trends

PCL current quarter 1Q 2014 EPS expected to decline due to lower real estate transactions

PCL 2014 harvest volume to increase due to recent\$1.1 billion acquisition of timberlands and other assets from MeadWestvaco

PCL stock price supported by current annual dividend yield of4.1%

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

PCL we rank 2 BUY

PCL market cap \$7.0 billion

PCL an S&P 500 Index REIT

## REIT Comment



---

Company:	Weyerhaeuser
Price:	\$31
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,915
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>

---

Additional Text  
02/19/2014  
WY \$31

Weyerhaeuser WY report of lower construction of new homes consistent with decline in homebuilder confidence, also impacted by cold winter weather throughout US

WY report from US Census Bureau and HUD (US Department of Housing and Urban Development) found US housing starts at seasonally adjusted annual rate of 880,000 for January 2014, DOWN (16%) from revised number for December 2013

WY new US housing starts still UP +2% from previous year

WY higher number of home completions indicates homebuilder inventories must be reduced with US home completions UP +13% from previous year to seasonally adjusted annual rate of 814,000 for January 2014

WY latest results for WRECO homebuilder subsidiary showed 4Q 2013 homebuilding backlog UP +14% with average sale price UP +29%

WY 4Q 2013 WRECO saw higher cancellation rate at 21% compared to 16% for previous year

WY pending spin-off of WRECO homebuilder operation to merger with Tri-Pointe Homes TPH may enable investors to choose to own a homebuilder stock or to concentrate investment in remaining WY operations

WY provides current annual dividend yield of 2.9%

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

WY we rank 2 BUY

WY market cap \$17.9 billion

WY an S&P 500 Index REIT

REIT Comment



---

Company:	General Growth Properties
Price:	\$22
Recommendation:	BUY
Ranking:	2
Market Cap:	\$21,655
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>

---

Additional Text:  
02/19/2014  
GGP \$22

General Growth Properties GGP news of significant retail jewelry merger may signal consolidation among mall tenants

GGP pending \$1.4 billion merger of Signet Jewelers SIG with Zale Corp ZLC will combine the 2 largest vendors of jewelry in mall locations

GGP merger of Zale's 1,680 mall locations with 1,400 locations for Jared and Kay brands of Signet Jewelers may force rationalization of store positioning

GGP jewelry sales during 2013 showed strong growth UP +8%, exceeding average performance for specialty mall retailers

GGP reported 2013 FFO within previous guidance range, indicating FFO growth UP +18%

GGP new guidance 2014 FFO indicates growth to continue UP +9%-+13% this year

GGP increased dividend distribution by 8% for 1Q 2014, now providing current yield of 2.5%

GGP a Retail REIT with a portfolio of regional malls

GGP we rank 2 BUY

GGP market cap \$21.7 billion

REIT Comment



---

Company:	Annaly Capital Management
Price:	\$11
Recommendation:	BUY
Ranking:	1
Market Cap:	\$10,493
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>

---

Additional Text  
02/19/2014  
NLY \$11

Annaly Capital Management NLY lower mortgage application volume may indicate temporary impact of bad weather as well as restrictive lending requirements

NLY report from MBA (Mortgage Bankers Association) found mortgage applications DOWN (4.1%) for week ended February 14, 2014

NLY mortgage applications for refinance DOWN (3%), while mortgage applications for home purchase DOWN (6%)

NLY report from MBA (Mortgage Bankers Association) found average interest rate on 30 year fixed rate conforming mortgage increased slightly UP 0.05% to 4.50%

NLY improved profitability of both Fannie Mae FNMA and Freddie Mac FMCC provides important support for US Treasury at time of fiscal austerity, providing additional reason to delay previously planned liquidation of Fannie Mae FNMA and Freddie Mac FMCC

NLY status quo for Financial Mortgage REITs now appears likely to be maintained through 2016 elections

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

NLY stock price supported by current annual dividend yield of 12.8%, above the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 1 BUY

NLY market cap \$10.5 billion

REIT Comment



---

Company:	Host Hotels & Resorts
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$14,139
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>

---

Additional Text  
02/19/2014  
HST \$19

Host Hotels & Resorts HST 4Q 2013 FFO \$0.33 v \$0.30 (adjusted) UP +10%

HST 4Q 2013 adjusted EBITDA \$322 million UP +3%

HST 2013 FFO \$1.31 (adjusted) v \$1.10 (adjusted) UP +19%  
HST 2013 FFO (adjusted) excludes net charges of (\$0.05) per share relating to debt extinguishment and acquisition cost, partially offset by deferred gain  
HST reported 2013 FFO within previous guidance range \$1.28-\$1.32 per share

HST 2013 adjusted EBITDA \$1.3 billion UP +10%

HST guidance 2014 FFO \$1.40-\$1.44 per share UP +7%+10%  
HST new guidance 2013 FFO assumes comparable hotel RevPAR UP 5.0%+6.0%, with hotel operating margin UP +0.6%+1.1%  
HST new guidance 2014 adjusted EBITDA \$1.35-\$1.39 billion UP +3%+6%

HST 4Q 2013 comparable hotel RevPAR (revenue per available room) \$150 UP +6.6%  
HST 4Q 2013 comparable hotel ADR (average daily rate) \$205 UP +4.4%  
HST 4Q 2013 comparable hotel occupancy 73.0% UP +1.4%  
HST 4Q 2013 comparable hotel operating margin 25.6% UP +1.3%

HST management commented hotels in DC impacted by federal government shutdown, with same hotel RevPAR UP +1%

HST increased dividend distribution by 8%, now providing annual dividend yield of 3.0%

HST a Hotel REIT with a portfolio of upscale hotels and resorts in US, Mexico, Europe and Pacific

HST we rank 2 BUY

HST market cap \$14.1 billion

HST an S&P 500 Index REIT

REIT Comment



---

Company:	Health Care REIT
Price:	\$57
Recommendation:	BUY
Ranking:	2
Market Cap:	\$16,406
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>

---

Additional Text:  
02/19/2014  
HCN \$57

Health Care REIT HCN increased quarterly dividend distribution by 4% to \$0.795 per share for 1Q 2014

HCN new annual dividend \$3.18 per share

HCN new yield 5.6%

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

HCN we rank 2 BUY

HCN market cap \$16.4 billion

HCN an S&P 500 Index REIT

REIT Comment



---

Company:	Host Hotels & Resorts
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$14,139
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>

---

Additional Text:  
02/19/2014  
HST \$19

Host Hotels & Resorts HST increased quarterly dividend distribution by 8% to \$0.14 per share for 2Q 2014

HST new annual dividend \$0.56 per share

HST new yield 3.0%

HST a Hotel REIT with a portfolio of upscale hotels and resorts in US, Mexico, Europe and Pacific

HST we rank 2 BUY

HST market cap \$14.1 billion

HST an S&P 500 Index REIT

REIT Comment



---

Company:	Health Care REIT
Price:	\$57
Recommendation:	BUY
Ranking:	2
Market Cap:	\$16,406
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>

---

Additional Text  
02/19/2014  
HCN \$57

Health Care REIT HCN 4Q 2013 normalized FFO \$0.99 (adjusted) v \$0.85 (adjusted) UP +16%  
HCN 4Q 2013 normalized FFO (adjusted) excludes net charges of (\$0.07) per share relating to debt extinguishment and loan loss provision

HCN 2013 normalized FFO \$3.81 (adjusted) v \$3.52 (adjusted) UP +8%  
HCN 2013 normalized FFO (adjusted) excludes net charges of (\$0.75) per share relating to debt extinguishment, loan loss provision and loss on derivatives  
HCN reported 2013 normalized FFO exceeded previous guidance range \$3.74-\$3.80 per share

HCN new guidance 2014 normalized FFO \$3.93-\$4.03 v \$3.81 UP +3%+6%  
HCN new guidance 2014 normalized FFO assumes same property NOI UP +3.0%+3.5%

HCN 4Q 2013 same property NOI UP +3.1%

HCN 4Q 2013 same property NOI for senior housing operating segment UP+6.2%  
HCN 4Q 2013 same property occupancy for senior housing operating segment 89.4% DOWN (0.7%)

HCN 4Q 2013 same property NOI for medical office segment UP +1.3%  
HCN 4Q 2013 same property NOI for life science segment DOWN (1.8%)

HCN 2013 investments \$5.7 billion, including \$5.2 billion acquisitions (\$4.3 billion for Sunrise Senior Living and \$1.35 billion joint venture acquisition with Revera of senior housing properties in Canada) and \$500 million investment in new health care facilities, as well as expansions of existing properties  
HCN 2013 dispositions of non-core assets \$519 million

HCN management commented acquisition focus remains on diversity and size to maintain portfolio diversification

HCN increased dividend by 4% for 2014, now providing current annual dividend of 5.6%

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

HCN we rank 2 BUY

HCN market cap \$16.4 billion

HCN an S&P 500 Index REIT

REIT Comment



---

Company:	Pennsylvania REIT
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,326
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>

---

Additional Text  
02/19/2014  
PEI \$19

Pennsylvania REIT PEI 4Q 2013 FFO \$0.59 v \$0.60 (adjusted) DOWN (2%)

PEI 2013 FFO \$1.92 (adjusted) v \$1.83 (adjusted) UP +5%  
PEI 2013 FFO (adjusted) excludes net charges of (\$0.11) per share relating to severance, loss on hedging activity and deferred financing  
PEI reported 2013 FFO (adjusted) exceeded previous guidance range \$1.87-\$1.91 per share

PEI new guidance 2014 FFO \$2.01-\$2.06 v \$1.92 (adjusted) UP +5%+7%  
PEI new guidance 2014 FFO assumes same property NOI UP +2.6%+3.2%, excluding lease termination revenue

PEI 4Q 2013 same property NOI UP +1.6%, UP +0.3% excluding lease termination revenue  
PEI 4Q 2013 same property mall occupancy 93.5% UP +1.5%  
PEI 4Q 2013 portfolio occupancy 95.0% UP +0.6%

PEI 4Q 2013 trailing 12 month tenant sales per square foot \$380 UP +2.2%

PEI 2013 dispositions \$219 million for 6 retail properties

PEI announced 100% of dividend distributions for 2013 represented non-taxable return of capital

PEI provides current annual dividend yield of 4.3%

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

PEI we rank 2 BUY

PEI market cap \$1.3 billion

REIT Comment



---

Company:	National Health Investors
Price:	\$61
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,694
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

---

Additional Text:  
02/19/2014  
NHI \$61

National Health Investors NHI increased quarterly dividend by 5% to \$0.77 per share for 2Q 2014

NHI new annual dividend \$3.08 per share

NHI new yield 5.1%

NHI has increased dividend by 10% over last 12 months

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

NHI we rank 2 BUY

NHI market cap \$1.7 billion

REIT Comment



---

Company:	National Health Investors
Price:	\$61
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,694
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>

---

Additional Text:  
02/19/2014  
NHI \$61

National Health Investors NHI 4Q 2013 normalized FFO \$0.90 (adjusted) v \$0.84 (adjusted) UP +7%  
NHI 4Q 2013 normalized FFO (adjusted) excludes net gains of \$0.10 per share relating to non-recurring gains and loan recoveries

NHI 2013 normalized FFO \$3.55 (adjusted) v \$3.18 (adjusted) UP +12%  
NHI 2013 normalized FFO (adjusted) excludes net gains of \$0.03 per share relating to non-recurring gains, partially offset by loan impairments and other items  
NHI reported 2013 normalized FFO (adjusted) exceeded previous guidance range \$3.53-\$3.54 per share

NHI new guidance 2014 normalized FFO \$3.92-\$4.00 v \$3.55 (adjusted) UP +10%+13%  
NHI new guidance 2014 normalized FFO assumes no incremental acquisitions, only growth for recently completed investments

NHI results for 2013 benefitted from \$752 million new investments  
NHI management commented cap rates on properties to be offered for sale expected to moderately increase

NHI increased dividend distribution by 5%, bringing current annual dividend yield to 5.1%

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

NHI we rank 2 BUY

NHI market cap \$1.7 billion

REIT Comment



---

Company:	CommonWealth REIT
Price:	\$27
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,394
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>

---

Additional Text:  
02/19/2014  
CWH \$27

CommonWealth REIT CWH traded DOWN (\$0.43) per share to close DOWN (2%) day

CWH stock traded UP +16% year to date for 2014, outperforming Office REITs, trading UP +5% for 2014

CWH stock traded UP +47% during 2013

CWH investors await outcome of pending proxy battle with Corvex and Related seeking replacement of entire board of trustees of CWH

CWH management believes shareholders should be placated by CWH efforts to restructure portfolio through divestitures, add independent directors, and adjust terms of management fee to RMR

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

CWH announced that entire 2013 dividend distribution of \$1.00 per share qualified as untaxed return of capital

CWH stock price supported by current annual dividend yield of 3.7%

CWH an Office REIT with a diverse portfolio of office and commercial properties

CWH we rank 3 HOLD

CWH market cap \$3.4 billion

REIT Comment



---

Company:	Ashford Hospitality Trust
Price:	\$11
Recommendation:	BUY
Ranking:	1
Market Cap:	\$1,042
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>

---

Additional Text:  
02/19/2014  
AHT \$11

Ashford Hospitality Trust AHT traded UP \$0.86 per share to close UP +9% day

AHT stock traded UP +27% year to date for 2014, outperforming Hotel REITs, trading unchanged for 2014

AHT stock traded DOWN (21%) during 2013, as a result of spin-out of Ashford Hospitality Prime AHP in November 2013

AHT positive results reported today by larger Hotel REIT Host Hotels & Resorts HST ignited rally for other Hotel REITs

AHT to discuss results for 4Q 2013 next week on Friday, February 28, 2014 with a conference call for investors scheduled at 11:00 AM

AHT following spin-out of Ashford Hospitality Prime AHP, remaining portfolio of hotels demonstrating strong growth characteristics, expected to generate higher net operating income as renovations are completed

AHT provides current dividend yield of 4.6%

AHT a Hotel REIT

AHT we rank 2 BUY

AHT market cap \$1.0 billion

REIT Comment



---

Company:	Pennsylvania REIT
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,367
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>

---

Additional Text:  
02/19/2014  
PEI \$19

Pennsylvania REIT PEI traded UP \$0.58 per share to close UP +3% day

PEI stock traded UP +2% during 2014, outperforming Retail REITs, trading UP +4% during 2014  
PEI stock traded UP +8% during 2013

PEI earlier today reported FFO for 2013 UP +5%, exceeding previous guidance range

PEI guidance for FFO for 2014 indicates FFO growth to continue UP +7%

PEI management unconcerned over exposure to troubled anchor tenants JC Penney and Sears seeing potential to increase rents on lease terminations

PEI provides current annual dividend yield of 4.1% on today's closing price

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

PEI we rank 2 BUY

PEI market cap \$1.4 billion

REIT Comment



---

Company:	Host Hotels & Resorts
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$14,432
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>

---

Additional Text:  
02/19/2014  
HST \$19

Host Hotels & Resorts HST traded UP \$0.39 per share to close UP +2% day

HST stock traded DOWN (1%) year to date for 2014, underperforming Hotel REITs, trading unchanged for 2014  
HST stock traded UP +24% during 2013

HST earlier today reported FFO growth UP +19%, within previous guidance range

HST provided guidance for FFO for 2014 indicating growth to continue UP +10% this year

HST management comments noted improving RevPAR (revenue per available room) in almost all urban areas with exception of DC, due to negative impact of federal government shutdown in October 2013

HST increased dividend distribution by 8%, now providing annual dividend yield of 2.9% on closing price

HST a Hotel REIT with a portfolio of upscale hotels and resorts in US, Mexico, Europe and Pacific

HST we rank 2 BUY

HST market cap \$14.4 billion

HST an S&P 500 Index REIT

REIT Comment



---

Company:	QTS Realty Trust
Price:	\$24
Recommendation:	BUY
Ranking:	2
Market Cap:	\$831
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>

---

Additional Text:  
02/20/2014  
QTS \$24

QTS Realty Trust QTS 4Q 2013 operating FFO \$0.47 per share  
QTS reported 4Q 2013 operating FFO at high end of previous guidance range  
QTS 4Q 2013 adjusted EBITDA \$21.2 million UP +45%

QTS 2013 operating FFO \$1.42 per share  
QTS 2013 adjusted EBITDA \$75.4 million UP +36%

QTS new guidance 2014 operating FFO \$1.95-\$2.05 v \$1.42 UP +37%+44%  
QTS new guidance 2014 adjusted EBITDA \$94-\$99 million UP +25%+32%

QTS 4Q 2013 data center occupancy 91.9%  
QTS 4Q 2013 portfolio NOI UP +23%

QTS expanding data center capacity in Atlanta and Richmond and commencing development of new capacity in Dallas  
QTS current portfolio 10 data centers with 390 MW capacity  
QTS portfolio includes 3.8 million square feet of space, with 1.8 million square feet of raised floor space

QTS management noted 61% of net incremental leasing comes from existing customer base  
QTS management confident of rapid expansion of cloud service for federal agency tenants

QTS stock should rally after this first earnings report as a publicly traded REIT, as investors now avidly following stocks of Specialty Data Center REITs

QTS increased dividend distribution by 21%, now providing annual dividend yield of 4.9%

QTS a Specialty Data Center REIT with a portfolio of data centers leased to corporate telecom and government tenants

QTS we rank 2 BUY

QTS market cap \$831 million

REIT Comment



---

Company:	LaSalle Hotel Properties
Price:	\$30
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,891
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>

---

Additional Text  
02/20/2014  
LHO \$30

LaSalle Hotel Properties LHO 4Q 2013 FFO \$0.55 (adjusted) v \$0.47 UP +17%  
LHO 4Q 2013 FFO (adjusted) excludes net charges of (\$0.05) per share relating to preopening, transition, severance, acquisition and other items

LHO 4Q 2013 adjusted EBITDA \$73 million UP +17%

LHO 2013 FFO \$2.30 (adjusted) v \$2.08 (adjusted) UP +11%  
LHO 2013 FFO (adjusted) excludes net charges of (\$0.09) per share relating to preopening, transition, severance, acquisition and other items  
LHO 2013 reported FFO (adjusted) within previous guidance range \$2.28-\$2.31 per share

LHO 2013 adjusted EBITDA \$300 million UP +14%

LHO new guidance 2014 FFO \$2.28-\$2.48 v \$2.30 (adjusted) FLAT - UP +8%  
LHO new guidance 2014 FFO assumes RevPAR UP +5.0%-+8.5% with hotel EBITDA margin 32.5%-33.5%

LHO new guidance 1Q 2014 FFO \$0.29-\$0.32 v \$0.27 UP +7%-+19%  
LHO new guidance 1Q 2014 FFO assumes RevPAR (revenue per available room) UP +2%-+5%

LHO 4Q 2013 RevPAR (revenue per available room) \$164 UP +3.3%  
LHO 4Q 2013 ADR (average daily rate) \$219 UP +2.5%  
LHO 4Q 2013 occupancy 75.0% UP +0.7%  
LHO 4Q 2013 hotel EBITDA margin 30.6% UP +0.2%

LHO 2013 acquisitions \$304 million for 4 hotels

LHO 2014 FFO should benefit from higher contribution from New York Park Central Hotel, due to completion of renovation

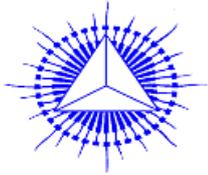
LHO provides annual dividend yield of 3.7%

LHO a Hotel REIT

LHO we rank 3 HOLD

LHO market cap \$2.9 billion

REIT Comment



---

Company:	QTS Realty Trust
Price:	\$24
Recommendation:	BUY
Ranking:	2
Market Cap:	\$831
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>

---

Additional Text:  
02/20/2014  
QTS \$24

QTS Realty Trust QTS increased quarterly dividend distribution by 21% to \$0.29 per share for 2Q 2014

QTS new annual dividend \$1.16 per share

QTS new yield 4.9%

QTS a Specialty Data Center REIT with a portfolio of data centers leased to corporate telecom and government tenants

QTS we rank 2 BUY

QTS market cap \$831 million

REIT Comment



---

Company:	Sun Communities
Price:	\$47
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,858
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>

---

Additional Text:  
02/20/2014  
SUI \$47

Sun Communities SUI 4Q 2013 FFO \$0.78 (adjusted) v \$0.80 (adjusted) DOWN (3%)  
SUI 4Q 2013 FFO (adjusted) excludes net charges of (\$0.03) per share relating to transaction costs

SUI 2013 FFO \$3.22 (adjusted) v \$3.19 (adjusted) UP +1%  
SUI 2013 FFO (adjusted) excludes net charges of (\$0.11) per share relating to transaction costs  
SUI reported 2013 FFO within previous guidance range \$3.19-\$3.23 per share

SUI new guidance 2014 FFO \$3.52-\$3.62 v \$3.22 UP +9%+12%  
SUI new guidance 2014 FFO assumes homes sales UP +14%

SUI new guidance 1Q 2014 FFO \$0.92-\$0.94 v \$0.93 DOWN (1%)-UP +1%

SUI 4Q 2013 same property NOI UP +7.2%  
SUI 4Q 2013 portfolio occupancy 89.7% UP +0.4%

SUI 4Q 2013 home sales \$14.7 million UP +7%

SUI announced plan to increase annual dividend by 3% to \$2.60 per share, but has not yet declared higher dividend distribution  
SUI announced total dividend distributions of \$2.52 per share for 2013 were allocated 65% to untaxed return of capital

SUI stock price supported by current dividend yield of 5.3%

SUI a Specialty REIT with a portfolio of manufactured home communities

SUI we rank 2 BUY

SUI market cap \$1.9 billion

REIT Comment



---

Company:	Equity Residential
Price:	\$58
Recommendation:	BUY
Ranking:	2
Market Cap:	\$21,985
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>

---

Additional Text:  
02/20/2014  
EQR \$58

Equity Residential EQR slight fluctuation of new unemployment claims creates uncertainty over direction of employment trends

EQR Labor Department reported new claims for unemployment DOWN(3,000) to 336,000 for week ended February 15, 2014 from unrevised number for previous week

EQR more stable 4 week moving average of new unemployment claims increased UP +1,750 to 338,500 from unrevised 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 reported FFO for 4Q 2013 and for 2013 UP +3%, while providing guidance indicating FFO growth UP +6%-+10% for 2014

EQR now past the impact of dilution from 1Q 2013 \$9.4 billion acquisition of 60% of Archstone portfolio

EQR holdings of EQR by Lehman reduced from 9.6% on closing of Archstone acquisition to 1.5% currently, indicating an end to selling pressure on the stock

EQR declared dividends increased UP +4% for 2013, with outlook for dividend growth during 2014 UP +3%

EQR increased regular quarterly dividend by 25%, bringing current annual dividend yield to 3.4%

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

EQR we rank 2 BUY

EQR market cap \$22.0 billion

EQR an S&P 500 Index REIT

REIT Comment



---

Company:	Prologis Inc
Price:	\$41
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,559
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>

---

Additional Text:  
02/20/2014  
PLD \$41

Prologis Inc PLD news of continued decline in China manufacturing trends unlikely to derail growth for PLD international markets

PLD Markit flash report of China PMI (Purchase Managers Index) showed decline DOWN (0.8%) to 48.3% for February 2013, partly impacted by China lunar New Year holidays

PLD final Markit report, as well as official China manufacturing PMI for February 2014, to be released during first week of March 2014

PLD has much greater exposure to Japan than to China manufacturing sector

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 investing \$1.8-\$2.2 billion in new construction starts for 2014

PLD reported 4Q 2013 core FFO UP +2%, while core FFO for 2013 decreased DOWN (5%) due to divestitures to institutional property funds

PLD new guidance for core FFO for 2014 indicates growth UP +5%+10%

PLD provides current yield of 2.8%

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

PLD we rank 2 BUY

PLD market cap \$20.6 billion

PLD an S&P 500 Index REIT

REIT Comment



---

Company:	PS Business Parks
Price:	\$81
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,592
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>

---

Additional Text:  
02/20/2014  
PSB \$81

PS Business Parks PSB 4Q 2013 FFO \$1.26 (adjusted) v \$1.24 (adjusted) UP +2%  
PSB 4Q 2013 FFO (adjusted) excludes net gains of \$0.28 per share relating to amortization and other non-cash and non-recurring items

PSB 2013 FFO \$4.95 (adjusted) v \$4.86 (adjusted) UP +2%  
PSB 2013 FFO (adjusted) excludes net gains of \$0.20 per share relating to amortization and other non-cash and non-recurring items  
PSB no previous guidance provided for FFO for 2013

PSB no guidance provided for FFO for 2014

PSB 4Q 2013 same property NOI UP +2.1%  
PSB 4Q 2013 same property occupancy 92.0% DOWN (0.2%)

PSB 4Q 2013 same property average annualized rent per square foot \$15.29 UP +0.7%

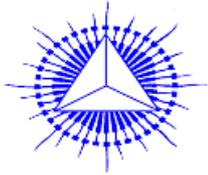
PSB increased dividend by 14%, bringing current annual dividend yield to 2.5%

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

PSB we rank 3 HOLD

PSB market cap \$2.6 billion

REIT Comment



---

Company:	PS Business Parks
Price:	\$81
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,592
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>

---

Additional Text:  
02/20/2014  
PSB \$81

PS Business Parks PSB increased quarterly dividend distribution by 14% to \$0.50 per share for 1Q 2014

PSB new annual dividend \$2.00 per share

PSB new yield 2.5%

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

PSB we rank 3 HOLD

PSB market cap \$2.6 billion

REIT Comment



---

Company:	Healthcare Realty Trust
Price:	\$22
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,121
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>

---

Additional Text  
02/20/2014  
HR \$22

Healthcare Realty Trust HR 4Q 2013 normalized FFO \$0.36 (adjusted) v \$0.31 (adjusted) UP +16%  
HR 4Q 2013 normalized FFO (adjusted) excludes net gain of \$0.01 per share, partially offset by acquisition costs

HR 2013 FFO \$1.32 (adjusted) v \$1.40 (adjusted) DOWN (6%)  
HR 2013 normalized FFO (adjusted) excludes net charges of (\$0.37) per share relating to acquisition costs and other items  
HR 2013 no previous guidance provided for normalized FFO for 2013

HR no guidance provided for normalized FFO for 2014  
HR expects same property NOI for multi-tenant properties to increase UP +2%-+4% during 2014

HR 4Q 2013 same property NOI for multi-tenant medical office buildings UP +1.1%  
HR 4Q 2013 portfolio occupancy 85.1%

HR stock price supported by current dividend yield of 5.3%

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

HR we rank 2 BUY

HR market cap \$2.1 billion

REIT Comment



---

Company:	Sun Communities
Price:	\$46
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,817
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>

---

Additional Text:  
02/20/2014  
SUI \$46

Sun Communities SUI traded DOWN (\$1.06) per share to close DOWN (2%) day

SUI stock traded UP +8% during 2014, outperforming Specialty REITs, trading UP +4% during 2014  
SUI stock traded UP +7% during 2013

SUI investors demonstrating more interest in manufactured home communities, due to recent transactions

SUI earlier today reported FFO for 2013 UP +1%, in line with previous guidance

SUI optimistic guidance for FFO for 2014 indicates growth UP +12%, with guidance for new home sales for 2014 indicating growth UP +14%

SUI stock price supported by current dividend yield of 5.5%

SUI a Specialty REIT with a portfolio of manufactured home communities

SUI we rank 2 BUY

SUI market cap \$1.8 billion

REIT Comment



---

Company:	QTS Realty Trust
Price:	\$24
Recommendation:	BUY
Ranking:	2
Market Cap:	\$854
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>

---

Additional Text:  
02/20/2014  
QTS \$24

QTS Realty Trust QTS traded UP \$0.67 per share to close UP +3% day

QTS stock traded DOWN (1%) year to date for 2014, underperforming Specialty REITs, trading UP +4% during 2014  
QTS stock traded UP +8% during 2013 after October 2013 IPO

QTS earlier today reported strong results for 2013, with adjusted EBITDA UP +32% on portfolio lease-up

QTS guidance for adjusted EBITDA for 2014 indicates continued growth UP +30% this year

QTS increased dividend distribution by 21%, now providing annual dividend yield of 4.7% on closing price

QTS a Specialty Data Center REIT with a portfolio of data centers leased to corporate telecom and government tenants

QTS we rank 2 BUY

QTS market cap \$854 million

REIT Comment



---

Company:	Apartment Investment and Management
Price:	\$29
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,262
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>

---

Additional Text:  
02/20/2014  
AIV \$29

Apartment Investment and Management AIV traded DOWN(2%) day

AIV stock traded UP +13% year to date for 2014, outperforming Residential REITs, trading UP +10% for 2014

AIV stock traded DOWN (4%) during 2013

AIV like other Residential REITs seeing strong rally on stable employment trends and rental rate increases

AIV new guidance for FFO for 2014 indicates growth UP +3%

AIV increased quarterly dividend distribution by 8%, bringing current annual dividend yield to 3.6%

AIV a Residential REIT with a diverse portfolio of conventional and affordable apartment communities

AIV we rank 2 BUY

AIV market cap \$4.3 billion

AIV an S&P 500 Index REIT

REIT Comment



---

Company:	Washington REIT
Price:	\$24
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,613
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>

---

Additional Text  
02/21/2014  
WRE \$24

Washington REIT WRE 4Q 2013 FFO core FFO \$0.42 (adjusted) v \$0.47 (adjusted) DOWN (11%)  
WRE 4Q 2013 core FFO (adjusted) excludes net charges of (\$0.08) per share relating to severance expense, debt extinguishment, acquisition costs and impairments

WRE 2013 core FFO \$1.79 v \$1.90 DOWN (6%)  
WRE reported 2013 core FFO exceeded previous guidance range \$1.76-\$1.78 per share  
WRE 2013 core FFO (adjusted) excludes net charges of (\$0.10) per share relating to severance expense, debt extinguishment, acquisition costs and impairments

WRE new guidance 2014 core FFO \$1.56-\$1.64 v \$1.79 DOWN (8%)-(13%) due to divestitures  
WRE guidance for lower core FFO for 2014 a result of divestitures  
WRE guidance for 2014 core FFO assumes reinvestment of \$250-\$350 million in property acquisitions

WRE 4Q 2013 total portfolio same property NOI DOWN (0.4%)  
WRE 4Q 2013 total portfolio same property occupancy 89.4% UP +0.3%  
WRE 4Q 2013 total portfolio same property rents UP +2.2%

WRE 4Q 2013 office portfolio represents 56% of total NOI  
WRE 4Q 2013 office portfolio same property NOI DOWN (0.2%)  
WRE 4Q 2013 office portfolio same property occupancy 86.6% UP 1.4%  
WRE 4Q 2013 office portfolio same property rents UP +2.2%

WRE 4Q 2013 retail portfolio represents 25% of total NOI  
WRE 4Q 2013 retail portfolio same property NOI UP +3.9%  
WRE 4Q 2013 retail portfolio same property occupancy 91.3% UP 0.1%  
WRE 4Q 2013 retail portfolio same property rents UP +3.6%

WRE 4Q 2013 multifamily portfolio represents 19% of NOI  
WRE 4Q 2013 multifamily portfolio same property NOI DOWN (6.1%)  
WRE 4Q 2013 multifamily portfolio same property occupancy 94.1% DOWN (0.7%)  
WRE 4Q 2013 multifamily portfolio rents UP +1.2%

WRE completed \$501 million divestiture of medical office portfolio, previously representing 15% of NOI

WRE began strategic review of portfolio, with new CEO Paul T McDermott bringing former experience as SVP of the Rockefeller Group, PNC Realty Investors and Freddie Mac

WRE stock price supported by current annual dividend yield of 5.0%

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

WRE we rank 3 HOLD

WRE market cap \$1.6 billion

REIT Comment



---

Company:	First Potomac Realty Trust
Price:	\$13
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$776
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>

---

Additional Text:  
02/21/2014  
FPO \$13

First Potomac Realty Trust FPO 4Q 2013 core FFO \$0.23 (adjusted) v \$0.32 (adjusted) DOWN (28%)  
FPO 4Q 2013 core FFO (adjusted) excludes net charges of (\$0.03) per share relating to debt extinguishment and acquisition costs

FPO 2013 core FFO \$1.03 (adjusted) v \$1.20 (adjusted) DOWN (14%)  
FPO 2013 core FFO (adjusted) excludes net charges of (\$0.13) per share relating to debt extinguishment, acquisition costs and other items  
FPO reported 2013 core FFO in line with previous guidance range \$1.02-\$1.04 per share

FPO new guidance 2014 FFO \$0.92-\$1.00 v \$1.03 (adjusted) DOWN (3%)-(11%)

FPO 4Q 2013 same property NOI UP +0.6% on GAAP basis and DOWN (1.1%) on cash basis  
FPO 4Q 2013 portfolio leased occupancy 88.1% UP +3.2%

FPO 4Q 2013 tenant retention 59%  
FPO 4Q 2013 cash rents on renewed leases DOWN (10.6%), with no change for rents on new leases

FPO focusing new investment on office sector, following \$259 million divestiture of industrial properties to an affiliate of Blackstone  
FPO during 4Q 2013 invested \$30 million to acquire 540 Gaither Road, a 6 story office building 100% leased to HHS  
FPO following 4Q 2013 acquisition, US government now largest FPO tenant, representing 12% of total rents  
FPO continuing to divest non-core assets

FPO provides current annual dividend yield of 4.7%

FPO we reclassify from Industrial REIT to Office REIT effective February 2014, due to divestiture of industrial properties

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

FPO we rank 3 HOLD

FPO market cap \$776 million

REIT Comment



---

Company:	Hatteras Financial
Price:	\$19
Recommendation:	BUY
Ranking:	1
Market Cap:	\$1,893
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>

---

Additional Text:  
02/21/2014  
HTS \$19

Hatteras Financial HTS news of lower sales of existing homes may reflect impact of poor weather as well as restriction of higher home prices

HTS report from NAR (National Association of Realtors) found existing home sales DOWN (5.1%) from December 2013 to seasonally adjusted annual rate of 4.62 million homes for January 2014

HTS existing home sales also DOWN (5.1%) from previous year

HTS report from NAR cites "weather disruption, tight credit, limited inventory, higher prices and higher mortgage interest rates" as reasons for the decline in existing home sales

HTS median home price UP +10.7% from previous year

HTS existing homes available for sale now at 4.9 months supply at current sales pace

HTS Financial Mortgage REITs benefit from active sales of existing homes through higher mortgage volume, with home purchase representing 35%-40% of normal mortgage application volume

HTS yield 10.4%, near the midpoint of the range for Financial Mortgage REITs

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

HTS we rank 1 BUY

HTS market cap \$1.9 billion

REIT Comment



---

Company:	Annaly Capital Management
Price:	\$11
Recommendation:	BUY
Ranking:	1
Market Cap:	\$10,369
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>

---

Additional Text:  
02/21/2014  
NLY \$11

Annaly Capital Management NLY news of Fannie Mae full bailout recovery supports improving outlook for Financial Mortgage REITs

NLY Fannie Mae reported annual profit of \$84 billion for 2013, enabling \$7 billion payment to US Treasury during March 2014

NLY total Fannie Mae and Freddie Mac payments to US Treasury on preferred stock now total \$192.5 billion, exceeding \$187.5 billion 2008 bailout

NLY Fannie Mae reform long delayed by Congress and Senate focus on budget and debt ceiling issues

NLY passage of Fannie Mae reform legislation now appears likely to be delayed beyond 2016 elections

NLY like other Financial Mortgage REITs seeing stock rally on lower bond market volatility

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

NLY expected to report results for 4Q 2013 next week on Wednesday, February 26, 2014

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

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

NLY we rank 1 BUY

NLY market cap \$10.4 billion

REIT Comment



---

Company:	Gladstone Commercial
Price:	\$18
Recommendation:	BUY
Ranking:	2
Market Cap:	\$254
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>

---

Additional Text:  
02/21/2014  
GOOD \$18

Gladstone Commercial GOOD 4Q 2013 FFO \$0.38 v \$0.38 FLAT

GOOD 2013 FFO \$1.49 v \$1.48 UP +1%  
GOOD no previous guidance provided for FFO for 2013

GOOD no guidance provided for FFO for 2014

GOOD 4Q 2013 portfolio occupancy 96.8% UP +0.1%

GOOD acquired 7 properties for \$131 million during 2013, and is seeking to acquire additional net leased properties

GOOD pays monthly dividends for current yield of 8.5%

GOOD 81.7% of 2013 dividends totaling \$1.50 per share represented non-taxable return of capital

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

GOOD we rank 2 BUY

GOOD market cap \$254 million

REIT Comment



---

Company:	Equity One
Price:	\$23
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,737
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>

---

Additional Text  
02/21/2014  
EQY \$23

Equity One EQY 4Q 2013 recurring FFO \$0.30 (adjusted) v \$0.30 (adjusted) FLAT  
EQY 4Q 2013 recurring FFO (adjusted) excludes net charges of (\$0.02) per share relating to transaction costs, impairment, debt extinguishment and other items

EQY 2013 recurring FFO \$1.23 (adjusted) v \$1.14 (adjusted) UP +8%  
EQY 2013 recurring FFO (adjusted) excludes net charges of (\$0.02) per share relating to transaction costs, impairment, debt extinguishment and other items  
EQY reported 2013 recurring FFO at high end of previous guidance range \$1.22-\$1.23 per share

EQY guidance 2014 recurring FFO \$1.23-\$1.28 v \$1.23 FLAT -UP +4%  
EQY guidance 2014 recurring FFO assumes same property NOI UP +2.5% - +3.5% with occupancy UP +1.0%

EQY 4Q 2013 same property NOI UP +2.9%  
EQY 4Q 2013 portfolio occupancy 92.4% UP +0.3%

EQY 4Q 2013 average annualized base rent per square foot \$16.16 UP +10.8%

EQY 2013 acquisitions \$88 million with pending \$86 million acquisitions for 2014  
EQY 2013 divestitures \$295 million for 36 properties, with pending \$52 million divestitures for 2014

EQY investing \$139 million in development and redevelopment projects

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

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:	Public Storage
Price:	\$167
Recommendation:	BUY
Ranking:	2
Market Cap:	\$28,806
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>

---

Additional Text:  
02/21/2014  
PSA \$167

Public Storage PSA 4Q 2013 core FFO \$2.18 (adjusted) v \$1.86 (adjusted) UP +17%  
PSA 4Q 2013 core FFO (adjusted) excludes net charges of (\$0.05) per share relating to foreign exchange

PSA 2013 core FFO \$7.44 (adjusted) v \$6.68 (adjusted) UP +11%  
PSA 2013 core FFO (adjusted) excludes net charges of (\$0.11) per share relating to foreign exchange and other items  
PSA no previous guidance provided for core FFO for 2013

PSA no guidance provided for core FFO for 2014

PSA 4Q 2013 same property NOI UP +8.0%  
PSA 4Q 2013 same property occupancy 93.0% UP +1.0%

PSA 4Q 2013 realized annual rent per occupied square foot \$14.41 UP +4.2%

PSA 4Q 2013 Shurgard Europe contribution \$19 million, supplemented by foreign exchange gain of \$8 million

PSA 4Q 2013 Shurgard Europe same property NOI DOWN (2.4%) with occupancy 82.8% UP +0.8%  
PSA 4Q 2013 Shurgard Europe realized annual rent per occupied square foot \$27.04 DOWN (1.2%)

PSA provides current dividend yield of 3.4% on common shares

PSA a Specialty REIT with a portfolio of self-storage facilities in US and Europe

PSA we rank 3 HOLD

PSA market cap \$28.8 billion

PSA an S&P 500 Index REIT

REIT Comment



---

Company:	Washington REIT
Price:	\$24
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,580
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>

---

Additional Text:  
02/21/2014  
WRE \$24

Washington REIT WRE traded DOWN (\$0.50) per share to close DOWN (2%) day

WRE stock traded UP +2% year to date for 2014, underperforming Office REITs, trading UP +5% during 2014  
WRE stock traded DOWN (11%) during 2013

WRE lower guidance for FFO for 2014 indicates negative impact of divestitures prior to reinvestment of proceeds from divestiture of medical properties

WRE guidance for FFO for 2014 indicates decline DOWN (13%) this year, while management seeks as much as \$350 million acquisitions to reverse FFO decline

WRE new CEO seeking to optimize portfolio performance of remaining office, retail and multifamily residential properties

WRE stock price supported by current annual dividend yield of 5.0%

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

WRE we rank 3 HOLD

WRE market cap \$1.6 billion

REIT Comment



---

Company:	HCP Inc
Price:	\$37
Recommendation:	BUY
Ranking:	1
Market Cap:	\$17,148
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>

---

Additional Text:  
02/21/2014  
HCP \$37

HCP Inc HCP traded DOWN (\$0.73) per share to close DOWN (2%) day

HCP stock traded UP +2% year to date for 2014, underperforming Health Care REITs, trading UP +6% for 2014  
HCP stock traded DOWN (20%) during 2013

HCP rally for Health Care REITs moderating slightly as health care service providers such as Kindred Healthcare KND provide updates indicating tight reimbursement restrictions as expansion of Medicaid enrollment drives higher patient revenues

HCP announced results for 2013 within previous guidance range, with FFO growth UP +8%, while conservative guidance for FFO for 2014 indicates a FLAT year

HCP investors disappointed that 2013 total investments of less than \$600 million decreased drastically from previous years

HCP increased quarterly dividend by 4%, bringing current annual dividend yield to 5.9%

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

HCP we rank 1 BUY

HCP market cap \$17.1 billion

HCP an S&P 500 Index REIT

REIT Comment



---

Company:	QTS Realty Trust
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$880
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>

---

Additional Text:  
02/21/2014  
QTS \$25

QTS Realty Trust QTS traded UP \$0.74 per share to close UP +3% day

QTS stock traded UP +2% year to date for 2014, underperforming Specialty REITs, trading UP +4% for 2014  
QTS stock traded UP +8% year to date for 2013

QTS stock continuing to rally after yesterday's positive earnings report for 4Q 2013, first earnings report as a publicly traded REIT, as investors now avidly following stocks of Specialty Data Center REITs

QTS management confident of rapid expansion of cloud service for federal agency tenants

QTS provided new guidance for EBITDA for 2014 indicating growth UP +30% this year

QTS increased dividend distribution by 21%, now providing annual dividend yield of 4.6%

QTS a Specialty Data Center REIT with a portfolio of data centers leased to corporate telecom and government tenants

QTS we rank 2 BUY

QTS market cap \$880 million

REIT Comment



---

Company:	PS Business Parks
Price:	\$83
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,659
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>

---

Additional Text:  
02/21/2014  
PSB \$83

PS Business Parks PSB traded UP \$1.66 per share to close UP +2% day

PSB stock traded UP +9% year to date for 2014, outperforming Industrial REITs, trading UP +4% for 2014

PSB stock traded UP +18% during 2013

PSB trading higher due to 14% dividend increase announced for 1Q 2014

PSB reported stable rents for 4Q 2013, with FFO UP +2%

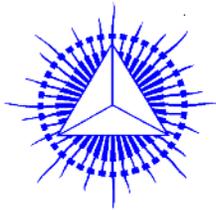
PSB stable portfolio delivered FFO growth UP +2% for 2013

PSB stock 42% owned by larger Specialty Storage REIT Public Storage PSA

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

PSB we rank 3 HOLD

PSB market cap \$2.7 billion



**REIT Growth and Income Monitor** posted 50 REIT comments for the week ended February 21, 2014. Comments were issued on REITs in the following sectors:

Financial REITs	6
Health Care REITs	7
Hotel REITs	5
Industrial REITs	6
Office REITs	5
Residential REITs	3
Retail REITs	8
Specialty REITs	10

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)

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 2014 Atlantis Investment