

REIT Growth and Income Monitor

Weekly Comments 07/03/2012

Positive performance gap now stands at 3% in favor of REITs year to date for 2012, compared to S&P 500 Index.

Health Care REITs rallied on surprise news of Supreme Court approval of the Affordable Care Act.

Tenants of Health Care REIT expect higher demand due to expansion of insured population under the Affordable Care Act.

Ventas has seen rapid portfolio expansion due to acquisitions, with diversified investments in senior living, assisted living, skilled nursing, hospitals and medical office buildings.

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**Weekly REIT Comments**
07/03/2012

REIT stocks saw a late month rally during June, 2012, as investors responded to relief in the eurozone and consider the beneficial impact of lower oil prices. REITs included in the S&P 500 Index are now up 11% year to date for 2012, exceeding performance of the S&P 500 Index, up 8% for 2012. Positive performance gap for 2012 expanded to 3% year to date for 2012. Average gain for all REITs followed by REIT Growth and Income Monitor improved to 14% year to date for 2012, outperforming the S&P 500 Index.

Investors attending NAREIT during June 2012 sought out REIT sectors most likely to continue to outperform, despite concerns over high US unemployment and slowing international economies. Residential REITs see record growth underway for 2012 and 2013, driven by tight occupancy and rental rate increases. Retail REITs comment on better than expected tenant sales gains. Investors remain skittish over Office REITs, due to exposure to financial industry layoffs and continued rent roll-downs, lagging economic recovery. Industrial REITs are gaining occupancy while their stocks trade in line with economic indicators. Hotel REITs have begun to respond favorably to lower gasoline prices. Health Care REITs rallied sharply on the surprise Supreme Court decision in favor of the Affordable Care Act

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

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

Health Care REITs Up on Surprise Supreme Court Approval of Affordable Care Act

Health Care REITs raced higher to join a broad based REIT rally on surprise Supreme Court approval of the Affordable Care Act. The decision allows the government to tax individuals who refrain from purchasing individual health care insurance if they are not covered by an employer health plan. The decision also upholds the right of the federal government to expand Medicaid coverage to include young adults, although states may choose to participate in the expanded program without penalty. This decision helps tenants of Health Care REITs (including hospitals, assisted living, skilled nursing, home care and medical practices) by providing coverage for the uninsured and by incentivizing individuals to participate in health care insurance exchanges. Insurance reform, including elimination of the right to exclude claims based on pre-existing conditions and setting mandatory claims underwriting standards, will also help tenants of Health Care REITs by eliminating much bad debt. Health Care REITs should see improved coverage of fixed charges as their tenants experience increased demand, and may also see investment opportunities driven by tenant expansion to serve higher patient traffic

Health Care REITs rallied 4% on average last week, and now show 10% year to date gain for 2012. Investors may choose to participate through the 3 Health Care REITs included in the S&P 500 Index, **HCP Inc.**, **Health Care REIT** and **Ventas**, or may choose to invest in smaller cap Health Care REITs with less portfolio diversification. Smaller cap Health Care REITs include **Omega Healthcare Investors**, **National Health Investors** and **LTC Properties**, all focused on skilled nursing facilities, **Healthcare Realty Trust** focused on medical office buildings, **Medical Properties Trust** focused on specialty hospitals, and **Senior Housing Properties Trust** focused on senior housing and assisted living properties. Yields are high for Health Care REITs, in a range of 3.9% for **Ventas** to as high as 8.2% for **Medical Properties Trust**, appealing to income investors.

Trading Opportunities

Ventas, now with second largest market cap among Health Care REITs at \$18 billion, traded up 14% year to date for 2012. **Ventas** owns senior living and assisted living properties in US and Canada, as well as specialty hospitals, skilled nursing properties, and medical office buildings. **Ventas** has also invested in financial assets, including mortgages on health care facilities. Portfolio expansion for **Ventas** has been driven primarily by acquisition. Completion of \$770 million acquisition of **Cogdell Spenser** during 2Q 2012 brought **Ventas** medical office building segment contribution to 15% of total NOI. Normalized FFO increased 17% for 2011, exceeding previous guidance range, supported by \$3.1 billion acquisition of privately held Atria Senior Living and \$7.4 billion merger with Nationwide Health Properties during 2011. Normalized FFO increased 21% for 1Q 2012. Guidance for 2012 indicates potential for 9% FFO growth. **Ventas** increased dividends 7% for 2011 and 8% for 2012, now providing 4.0% yield for income investors.

Health Care REIT has risen in stature to third largest of the Health Care REITs as measured by market cap at \$12 billion, as the stock price increased 7% year to date for 2012. Portfolio expansion by acquisition drives growth for **Health Care REIT**. Following \$2.4 billion acquisition of 47 post-acute, skilled nursing and assisted living facilities from Genesis Health Care in April, 2011, **Health Care REIT** continued to acquire smaller portfolios of health care assets. During 2012, **Health Care REIT** announced \$1.3 billion acquisitions, including \$963 million to acquire Canadian properties with Chartwell Seniors Housing REIT, adding significant equity income with little risk. Normalized FFO increased 24% for 1Q 2012, and FFO growth of 11% for 2011 exceeded previous guidance. Most recent guidance for normalized FFO for 2012 indicates potential for 6% FFO growth. **Health Care REIT** increased dividends by 3% for 1Q 2012, now providing 5.2% yield for income investors, with 50% of total dividends for 2011 untaxed as return of capital and 9% taxed as capital gains.

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Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITS:		Price	Price	Price	Weekly	2012
		12/30/2011	06/29/2012	07/06/2012	Change	Price Change
Apartment Investment and Management	AIV	\$23	\$27	\$27	1%	19%
AvalonBay Communities	AVB	\$131	\$141	\$145	2%	11%
Boston Properties	BXP	\$100	\$108	\$110	2%	11%
Equity Residential	EQR	\$57	\$62	\$63	1%	11%
HCP Inc.	HCP	\$41	\$44	\$44	1%	7%
Health Care REIT	HCN	\$55	\$58	\$59	1%	8%
Host Hotels & Resorts	HST	\$15	\$16	\$16	1%	8%
Kimco Realty	KIM	\$16	\$19	\$19	1%	19%
Plum Creek Timber	PCL	\$37	\$40	\$40	1%	9%
Prologis, Inc	PLD	\$29	\$33	\$33	-0%	16%
Public Storage	PSA	\$134	\$144	\$145	0%	8%
Simon Property Group	SPG	\$129	\$156	\$157	1%	22%
Ventas	VTR	\$55	\$63	\$63	0%	15%
Vornado Realty Trust	VNO	\$77	\$84	\$85	1%	10%
S&P 500 Index	S&P 500	\$1,258	\$1,362	\$1,355	-1%	8%
Average for S&P 500 Index REITs					1%	12%

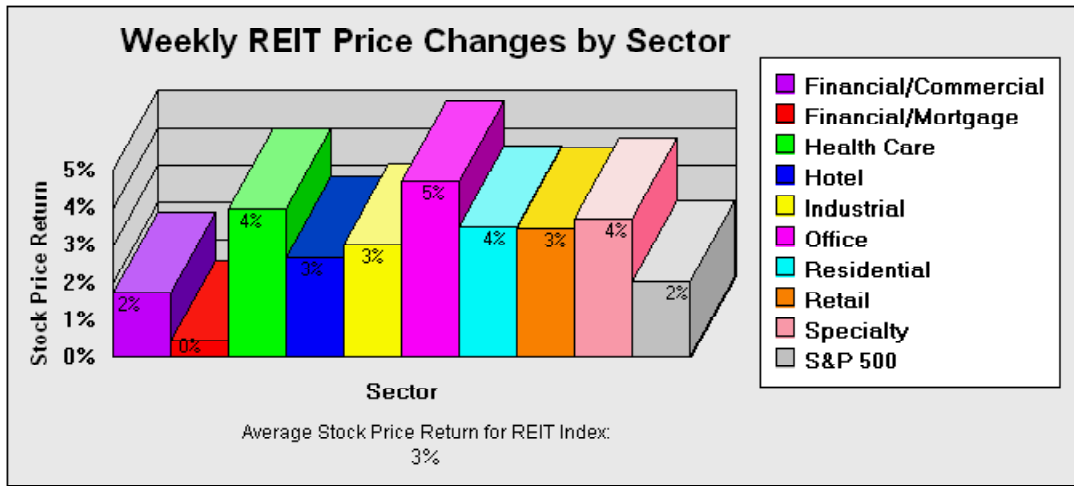
REIT stocks continued to rally on news of central bank measures to calm the eurozone, as REIT stock prices traded up 1% on average for the week ended July 6, 2012. REITs exceeded performance of the S&P 500 Index, down (1%). The S&P 500 Index is now up 8% year to date for 2012, trailing REIT performance, up 12%. Positive performance gap for S&P 500 Index REITs expanded to 4% year to date for 2012.

Leaders among S&P 500 Index REITs for 2012 include Retail REITs **Simon Property Group**, up 22%, and **Kimco Realty**, up 19%. Residential REITs traded higher, with **Apartment Investment and Management** up 19% and both **AvalonBay Communities** and **Equity Residential** up 11% year to date for 2012. Office REITs rebounded, despite investor fears over the financial sector, with **Boston Properties** up 11% and **Vornado Realty Trust** up 10% year to date for 2012. Health Care REITs edged higher after last week's sprint up on news of surprise Supreme Court approval of the Affordable Care Act, with **HCP Inc** up 7%, **Health Care REIT** up 8% and **Ventas** up 15% year to date for 2012. Industrial REIT **Prologis, Inc** shows 16% gain for 2012. Specialty REIT **Plum Creek Timber** now shows gain of 9% year to date, as investors responded to news of higher applications for building permits and improved contracts for sale of existing homes. **Public Storage** now shows gain of 8% year to date for 2012. **Host Hotels & Resorts** traded up to show 8% gain year to date for 2012, as investors consider the benefit of lower gasoline prices on travel related stocks.

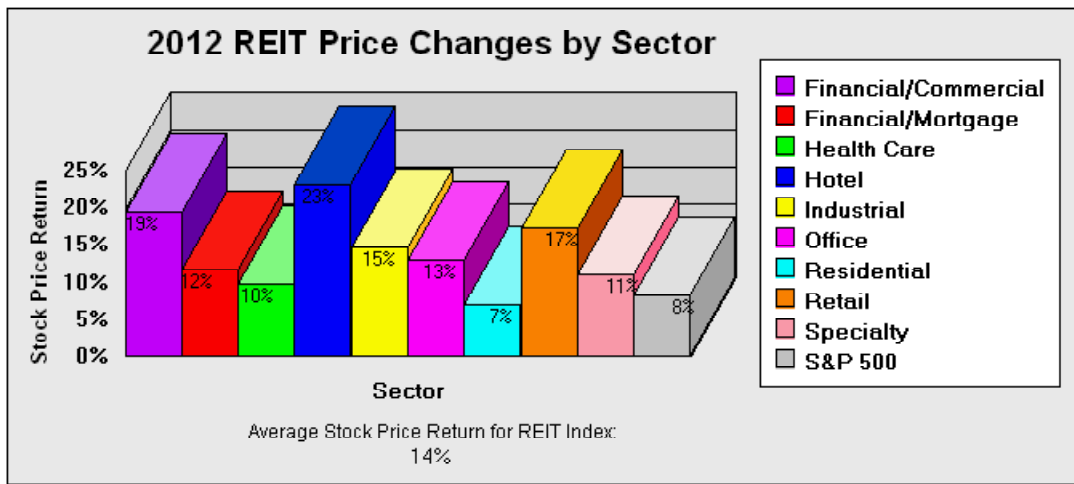
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Weekly REIT Price Changes by Sector



Almost all REIT sectors saw a sudden lift during the last week of June, ended June 29, 2012, with almost all REIT sectors outperforming the S&P 500 Index, trading up 2% for the week. Best performing sector was Office REITs, up 5%, followed by Health Care REITs, Residential REITs, and Specialty REITs, all up 4% for the week, exceeding performance of the S&P 500 Index. Hotel REITs, Industrial REITs and Retail REITs gained 3% on average. Lagging sectors were Financial Commercial REITs, up 2%, and Financial Mortgage REITs, up less than 1%. On average, stock prices for REIT Growth and Income Monitor rallied 3% for the week ended June 29, 2012.



Stock prices for REITs followed by REIT Growth and Income Monitor traded up 14% on average year to date for 2012, exceeding performance of the S&P 500 Index, now up 8%. REITs rebounded on news of relief for the eurozone. Leading sectors year to date are Hotel REITs, up 23%, and Financial Commercial REITs, up 19%. Also demonstrating strength are Retail REITs, up 17%, followed by Industrial REITs, up 15%. Office REITs rebounded to show 13% gain year to date for 2012. Financial Mortgage REITs held steady at 12% gain for 2012. Specialty REITs show gain of 11%, still exceeding performance of the S&P 500 Index. Health Care REITs are now up 10% year to date for 2012, responding to surprise news of Supreme Court approval of the Affordable Care Act. Lagging sector is Residential REITs, up only 7% year to date for 2012, slightly underperforming the S&P 500 Index. We expect Residential REITs to be a best performing sector for 2012 as they were during 2011, with strong profit gains driving another year of exceptional FFO growth during 2012. Investors should look forward to earnings announcements for 2Q 2012, to start in July, 2012, as REIT funds flow is unlikely to disappoint, at a time when other market sectors may see adjusted expectations.

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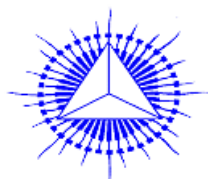


INDEX TO DAILY REIT COMMENTS
Week from 06/23/2012 to 06/29/2012

Plum Creek Timber	PCL	page 7
General Growth Properties	GGP	page 8
CommonWealth REIT	CWH	page 9
AvalonBay Communities	AVB	page 10
Ventas	VTR	page 11
Glimcher Realty Trust	GRT	page 12
Camden Property Trust	CPT	page 13
Ashford Hospitality Trust	AHT	page 14
Brandywine Realty Trust	BDN	page 15
Host Hotels & Resorts	HST	page 16
Weingarten Realty	WRI	page 17
Annaly Capital Management	NLY	page 18
Hatteras Financial	HTS	page 19
Brandywine Realty Trust	BDN	page 20
Brookfield Properties Corp .	BPO	page 21
Liberty Property Trust	LRY	page 22
Simon Property Group	SPG	page 23
Health Care REIT	HCN	page 24
SL Green Realty Corp .	SLG	page 25
Public Storage	PSA	page 26
Post Properties	PPS	page 27
Medical Properties Trust	MPW	page 28
Apartment Investment and Management	AIV	page 29
Annaly Capital Management	NLY	page 30
Capstead Mortgage Corporation	CMO	page 31
Host Hotels & Resorts	HST	page 32
HCP Inc.	HCP	page 33
SL Green Realty Corp .	SLG	page 34
LaSalle Hotel Properties	LHO	page 35
Brookfield Properties Corp .	BPO	page 36
Pennsylvania REIT	PEI	page 37
Ashford Hospitality Trust	AHT	page 38
CommonWealth REIT	CWH	page 39
Highwoods Properties	HIW	page 40
UDR, Inc.	UDR	page 41
Ventas	VTR	page 42
DuPont Fabros Technology	DFT	page 43
Kimco Realty	KIM	page 44
Prologis Inc	PLD	page 45
HCP Inc.	HCP	page 46
Omega Healthcare Investors	OHI	page 47
Medical Properties Trust	MPW	page 48
Healthcare Realty Trust	HR	page 49
Medical Properties Trust	MPW	page 50
Health Care REIT	HCN	page 51
Omega Healthcare Investors	OHI	page 52
Healthcare Realty Trust	HR	page 53
Simon Property Group	SPG	page 54
Host Hotels & Resorts	HST	page 55
LTC Properties , Inc.	LTC	page 56
National Health Investors	NHI	page 57
Realty Income	O	page 58
UDR, Inc.	UDR	page 59
Prologis Inc	PLD	page 60

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REIT Comment



Company:	Plum Creek Timber
Price:	\$38
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,182
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
PCL \$38

Plum Creek Timber PCL news of higher sales of new homes during May2012 may signal pent-up demand driving growth for US housing sector

PCL Commerce Department reported sales of new homes for May2012 UP +7.6% from the previous month to seasonally adjusted annual rate of 369,000 homes

PCL new home sales UP 19.8% from previous year

PCL average home price UP +5.6%, and inventory of unsold new homes DOWN to 4.7 months supply

PCL Specialty REITs with portfolios of timberlands and sawlog mills should see improved demand for lumber as US home construction recovers

PCL reported 2011 EPS decline of (4%) and provided guidance for EPS for 2012 indicating FLAT year at best, with potential for decline of as much as (16%), due to current low prices for sawlogs and lumber

PCL stock price supported by current annual dividend yield of 4.4%

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

PCL we rank 2 BUY

PCL market cap \$6.2 billion

PCL an S&P 500 Index REIT

REIT Comment



Company:	General Growth Properties
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,271
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
GGP \$17

General Growth Properties GGP recent management comments at NAREIT conference noted achievement of planned divestitures and earnings targets

GGP divested \$2.5 billion non-core properties during 2011, including 10.6 million square feet of retail space in 30 regional malls, 2.0 million square feet of retail space in strip centers, and 1.6 million square feet of office buildings

GGP investing \$1.6 billion in redevelopments at remaining regional malls, expecting to generate 9%-11% ROI

GGP leasing spreads unusually positive, with rents on lease turnover UP +7%

GGP improved occupancy is key to FFO growth with current "permanent occupancy" at 84.8%, supplemented by 6% seasonal leases and 2% signed but not occupied

GGP goal to achieve 88% "permanent occupancy" by 2013

GGP reported FFO growth for 1Q 2012 UP +7%, with guidance for FFO for 2012 indicating potential for growth as much as UP +12%

GGP a Retail REIT with a portfolio of regional malls

GGP we rank 3 HOLD

GGP market cap \$17.3 billion

REIT Comment



Company:	CommonWealth REIT
Price:	\$18
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,654
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
CWH \$18

CommonWealth REIT CWH management noted portfolio restructuring in comments at recent NAREIT presentation

CWH divested \$1.3 billion of suburban office properties to reinvest in office properties in central business districts in urban areas

CWH now generating 47% of NOI from office properties located in central business district, 37% from suburban office properties and 16% industrial properties

CWH retains 70.5% ownership in publicly traded stock of Select Income REIT SIR following IPO and still consolidates property income from SIR

CWH public offering of SIR driven by desire to highlight benefit of pending rent roll-up in properties located in HI

CWH hoping to divest \$50 million remaining net-leased industrial and corporate office properties, including some vacant properties

CWH rental rates in suburban office market still trending down, with up to 1 year rent offered as tenant concession on new leases

CWH reported FFO growth UP +6% for 1Q 2012, with no guidance provided for FFO for 2012

CWH stock price supported by current annual dividend yield of 11.0%

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

CWH we rank 2 BUY

CWH market cap \$1.7 billion

REIT Comment



Company:	AvalonBay Communities
Price:	\$137
Recommendation:	BUY
Ranking:	2
Market Cap:	\$13,139
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
AVB \$137

AvalonBay Communities AVB recent management comments at NAREIT conference highlighted "value-added development program"

AVB one of the most active developers in multi-family business, with \$1.6 billion projects now under construction

AVB started \$1.2 billion new apartment projects during 2012, with another \$2.0 billion to start during 2013 and 2014

AVB rental growth exceptionally strong due to high occupancy

AVB seeing accelerating rental rate increases, UP +6.5%--+7.0% for July and August on lease renewals

AVB noted Seattle as strongest market, with rents on lease renewals UP +10%

AVB affordability may become a concern as rental rates climb with average rent to total income now 19%, down from 21%-22% normal range

AVB reported 1Q 2012 FFO UP +19%, while providing guidance for FFO for 2012 indicating UP +21% growth

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

AVB we rank 2 BUY

AVB market cap \$13.1 billion

AVB an S&P 500 Index REIT

REIT Comment



Company:	Ventas
Price:	\$60
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,559
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
VTR \$60

Ventas VTR decision from Supreme Court on Affordable Care Act expected this week

VTR pending decision may stimulate trading in Health Care REITs, as tenants would benefit if Medicaid expansion is upheld

VTR reported better than expected FFO growth for 1Q 2012, UP +21%

VTR guidance for FFO for 2012 indicates growth UP +9%

VTR recently completed acquisition of 16 senior living properties for \$362 million, expected to be accretive to 2Q 2012

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

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

VTR we rank 2 BUY

VTR market cap \$17.6 billion

VTR an S&P 500 Index REIT

REIT Comment



Company:	Glimcher Realty Trust
Price:	\$10
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,174
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
GRT \$10

Glimcher Realty Trust GRT management comments at recent NAREIT conference highlighted improvements in portfolio and balance sheet due to divestitures and redevelopment investment

GRT annual tenant sales per square foot running UP more than +10%, now \$414 as of 1Q 2012

GRT investing \$60 million in renovations at 2 retail centers, in Jersey Gardens and in Seattle, to be repositioned as brand outlet centers

GRT noted 2 retailers aggressively seeking more space, H&M and Dick's Sporting Goods

GRT reported 1Q 2012 FFO FLAT, and provided guidance for FFO for 2012 in range of DOWN (5%)-UP +3%

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

GRT a Retail REIT with a portfolio of regional malls

GRT we upgrade to 3 HOLD

GRT market cap \$1.2 billion

REIT Comment



Company:	Camden Property Trust
Price:	\$66
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,470
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
CPT \$66

Camden Property Trust CPT management comments at recent NAREIT conference noted accelerating rental rates and exceptionally high occupancy in key urban markets

CPT top markets for portfolio of apartment communities include DC and TX, with growing exposure to southern CA

CPT monthly rental rates UP +8% on lease renewal and UP +6% for new leases

CPT current occupancy 95.3%

CPT while job creation in DC has slowed, job growth in TX accelerating

CPT not concerned about apartment rental affordability, as tenant median annual income UP +11% over last 12 months to \$70,000

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

CPT recently announced dividend increase UP +14% for current yield of 3.4%

CPT a Residential REIT with a diverse portfolio of apartment communities

CPT we rank 2 BUY

CPT market cap \$5.5 billion

REIT Comment



Company:	Ashford Hospitality Trust
Price:	\$8
Recommendation:	BUY
Ranking:	2
Market Cap:	\$689
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
AHT \$8

Ashford Hospitality Trust AHT traded DOWN (\$0.26) per share to close DOWN (3%) day

AHT stock traded UP +2% year to date for 2012, underperforming Hotel REITs, UP +20%

AHT lower gasoline prices should aid travel related stocks including hotels and airlines

AHT total of 15 upscale hotel properties now under renovation expected to add significant FFO growth as projects are completed

AHT recent acquisitions of 72% owned Highland Hospitality for \$1.3 billion and CNL Hotels for \$2.4 billion provide upside to 40% EBITDA growth forecast for portfolio of established hotels

AHT stock price supported by current annual dividend yield of 5.4%, with 100% of dividend untaxed as return of capital for 2011

AHT a Hotel REIT

AHT we rank 2 BUY

AHT market cap \$689 million

REIT Comment



Company:	Brandywine Realty Trust
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,625
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
BDN \$11

Brandywine Realty Trust BDN traded DOWN (\$0.11) per share to close DOWN (1%) day

BDN stock traded UP +17% year to date for 2012, outperforming Office REITs, UP +8%

BDN to invest \$121 million in 3 office properties located in Silver Spring MD

BDN occupancy for pending acquisition at 93%

BDN investment in downtown Philadelphia properties adds higher average rents to portfolio of suburban office properties

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

BDN stock price supported by current dividend yield of 5.4%

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

BDN we rank 3 HOLD

BDN market cap \$1.6 billion

REIT Comment



Company:	Host Hotels & Resorts
Price:	\$15
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$10,781
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
HST \$15

Host Hotels & Resorts HST traded DOWN (\$0.44) per share to close DOWN (3%) day

HST stock traded UP +1% year to date for 2012, underperforming Hotel REITs, UP +20%

HST announced plans to invest \$72 million to develop 2 hotels in Rio de Janeiro, Brazil, as well as \$46 million for joint venture development of a hotel in Nashville TN

HST lower gasoline prices should benefit travel related stocks, including hotels and airlines

HST gasoline prices now DOWN more than (10%) in first month of summer driving season, while airlines are offering discounted fares

HST airline travelers enjoying lower airfares may have more money to spend at hotels allowing longer stays and more ancillary purchases

HST reported 1Q 2012 FFO UP +27%, and increased guidance for FFO for 2012 to indicate growth of as much as UP +15%

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

HST we rank 3 HOLD

HST market cap \$10.8 billion

HST an S&P 500 Index REIT

REIT Comment



Company:	Weingarten Realty
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,080
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/25/2012
WRI \$25

Weingarten Realty WRI traded DOWN (\$0.13) per share to close DOWN (1%) day

WRI stock traded UP +16% year to date for 2012, outperforming Retail REITs, UP +13%

WRI pending \$382 million divestiture of wholly owned industrial portfolio to DRA Advisors LLC with proceeds to be applied to reduce debt

WRI reported FFO UP +10% for 1Q 2012, with guidance for FFO for 2012 indicating FFO decline of (3%) due to pending divestiture of industrial properties

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

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

WRI we rank 2 BUY

WRI market cap \$3.1 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,301
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
NLY \$17

Annaly Capital Management NLY news from FHFA of lowest mortgage rates on record highlights appeal for homeowners to refinance

NLY report from FHFA indicated average mortgage ARM rates at 3.78% for May 2012, DOWN (0.15%) from previous month to the lowest level during survey history

NLY availability of low mortgage rates should stimulate mortgage refinance and home purchase

NLY Financial Mortgage REITs benefit from higher mortgage volume, enabling opportunities for portfolio repositioning

NLY reported FLAT EPS for 1Q 2012, and indicated Federal Reserve and FHFA are supporting a stable market for agency guaranteed Residential MBS, at least through the Fall 2012 presidential election

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 2 BUY

NLY market cap \$17.3 billion

REIT Comment



Company:	Hatteras Financial
Price:	\$29
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,272
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
HTS \$29

Hatteras Financial HTS news of slower price decline for existing homes may signal bottoming of US housing sector demand

HTS report from Case-Shiller shows home price index DOWN (1.9%) from previous year, a slower rate of decline than during all of 2011

HTS Case-Shiller index finds greatest home price improvement in Phoenix UP+8.6%, Minneapolis UP +3.8% and Miami UP +3.2%

HTS markets showing greatest price decline include Atlanta DOWN (17.0%), Las Vegas DOWN (5.8%) and Chicago DOWN (5.6%)

HTS reported NIM (net interest margin) almost FLAT for 1Q 2012, with EPS DOWN (3%) from previous year

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

HTS stock price supported by current annual dividend yield of 12.3%, near the midpoint of the range for Financial Mortgage REITs

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

HTS we rank 2 BUY

HTS market cap \$2.3 billion

REIT Comment



Company:	Brandywine Realty Trust
Price:	\$11
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,625
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
BDN \$11

Brandywine Realty Trust BDN announced divestiture of non-core property in CA

BDN sold office property in Carlsbad CA for \$29 million

BDN dispositions total \$175 million year to date for 2012, with proceeds applied to develop and acquire new properties in mid-Atlantic states

BDN yesterday announced investment of \$121 million in 3 office properties located in Silver Spring MD

BDN investment in downtown Philadelphia properties adds higher average rents to portfolio of suburban office properties

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

BDN stock price supported by current dividend yield of 5.4%

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

BDN we rank 3 HOLD

BDN market cap \$1.6 billion

REIT Comment



Company:	Brookfield Properties Corp.
Price:	\$16
Recommendation:	SELL
Ranking:	4
Market Cap:	\$8,365
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
BPO \$16

Brookfield Properties BPO announced \$106 million acquisition of 799 Ninth Avenue NW in DC
BPO acquired property, now 96% occupied, is adjacent to other office properties owned by BPO
BPO expanding portfolio by acquisition and new developments

BPO investors concerned that demand for office space in New York may be reduced by new regulation impacting banks and financial firms, while DC office portfolio impacted by federal government spending decline

BPO reported FFO growth better than expected for 1Q 2012, UP +8%, while providing guidance for FFO for 2012 UP +4%

BPO an Office REIT with a portfolio of upscale office properties in US and Canada

BPO we rank 4 SELL

BPO market cap \$8.4 billion

REIT Comment



Company:	Liberty Property Trust
Price:	\$35
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,133
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
LRY \$35

Liberty Property Trust LRY growth in demand for build-to-suit projects attracting more investment for net-leased office and industrial properties

LRY at recent NAREIT conference, management offered tantalizing comment on pending competition for large warehouse developments, now revealed as Amazon.com plans to invest in 2 million square feet of warehouse space in NJ

LRY NAREIT presentation focused on diversity of net leased portfolio of industrial office and flex properties

LRY expected yield on current portfolio 9.8%

LRY stock price supported by current annual dividend yield of 5.4%

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

LRY we rank 2 BUY

LRY market cap \$4.1 billion

REIT Comment



Company:	Simon Property Group
Price:	\$150
Recommendation:	BUY
Ranking:	2
Market Cap:	\$53,169
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
SPG \$150

Simon Property Group SPG news of lower consumer confidence belied by continued gains in spending at SPG regional malls

SPG management discussion at NAREIT conference during June2012 focused on durability of consumer demand for retail experience

SPG indicated no change in tenant sales trends UP more than +11% for 1Q 2012

SPG reported stronger than expected results for 1Q 2012, with FFO UP +13%, and increased guidance for FFO for 2012 to indicate as much as UP +10% growth

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

SPG we rank 2 BUY

SPG market cap \$53.2 billion

SPG an S&P 500 Index REIT

REIT Comment



Company:	Health Care REIT
Price:	\$56
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,363
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
HCN \$56

Health Care REIT HCN decision from Supreme Court on Affordable Care Act expected this week

HCN tenants of Health Care REITs, particularly tenants in medical office buildings, would benefit if Medicaid expansion is allowed due to pending Supreme Court decision on Affordable Care Act

HCN NAREIT presentation highlighted importance of "relationship investment strategy" to achieve successful investments

HCN expects to divest \$300 million properties during 2012, primarily skilled nursing facilities dominated by Medicaid reimbursement

HCN reported much better than expected results for 1Q 2012, with FFO UP +24%

HCN slightly decreased guidance for FFO for 2012 due to higher than previously announced divestitures, now indicating FFO growth UP 6%

HCN stock price supported by current dividend yield of 5.3%

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

HCN we rank 2 BUY

HCN market cap \$11.4 billion

HCN an S&P 500 REIT

REIT Comment



Company:	SL Green Realty Corp.
Price:	\$76
Recommendation:	SELL
Ranking:	4
Market Cap:	\$6,720
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
06/26/2012
SLG \$76

SL Green Realty SLG traded UP \$1.78 per share to close UP +2% day

SLG stock traded UP +14% year to date for 2012, outperforming Office REITs, UP +8%

SLG bank downsizing may accelerate as Dodd-Frank restrictions on proprietary trading take hold

SLG exposure to financial industry tenants includes Citi at 11% of rental revenue, Credit Suisse 5%, AIG 3%, Societe Generale 1% and Travelers 1%

SLG recent management comments noted slow leasing environment in midtown NYC

SLG reported FFO decline of more than (30%) 1Q 2012, while making no change to guidance 2012 FFO, indicating decline of DOWN (8%)

SLG current yield of only 1.3% offers little to attract income investors

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

SLG we rank 4 SELL

SLG market cap \$6.7 billion

REIT Comment



Company:	Public Storage
Price:	\$140
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$24,007
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
PSA \$140

Public Storage PSA traded UP \$2.30 per share to close UP +2% day

PSA stock traded UP +4% year to date for 2012, underperforming Specialty REITs, UP +7%

PSA management comments at NAREIT highlighted outlook for portfolio growth as self storage industry consolidates

PSA 49% owned Shurgard Europe bought in majority interest of joint venture partners adding to expected equity income

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

PSA we rank 3 HOLD

PSA market cap \$24.0 billion

PSA an S&P 500 Index REIT

REIT Comment



Company:	Post Properties
Price:	\$48
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,555
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
PPS \$48

Post Properties PPS stock traded UP \$0.72 per share to close UP +2% day

PPS stock traded UP +9% year to date for 2012, outperforming Residential REITs, UP +3%

PPS like all Residential REITs seeing higher profitability on improved rental rates

PPS reported higher than expected results for 1Q 2012, with FFO UP +84%, supplemented by guidance increase for FFO for 2012, to deliver growth of as much as UP +19%

PPS portfolio expansion with 6 apartment communities under construction seeks to capitalize on apartment shortage in key urban areas

PPS a Residential REIT with a diverse portfolio of apartment communities concentrated in southeastern states

PPS we rank 2 BUY

PPS market cap \$2.6 billion

REIT Comment



Company:	Medical Properties Trust
Price:	\$9
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,119
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/26/2012
MPW \$9

Medical Properties Trust MPW traded UP \$0.10 per share to close UP +1% day

MPW stock traded DOWN (9%) year to date for 2012, underperforming Health Care REITs, UP +6%

MPW decision from Supreme Court on Affordable Care Act expected this week

MPW asset allocation following Earnest Health acquisition now 51% general acute care hospitals, 27% LTAC and 21% IRF (inpatient rehabilitation facilities)

MPW reported FLAT "normalized FFO" for 1Q 2012, and provided guidance for "normalized FFO" for 2012 indicating as much as UP +20%

MPW stock price supported by current yield of 8.9%

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

MPW we rank 2 BUY

MPW market cap \$1.1 billion

REIT Comment



Company:	Apartment Investment and Management
Price:	\$27
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,203
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
AIV \$27

Apartment Investment and Management AIV completed 11.0 million common share offering
AIV offering included 2 million shares sold by selling shareholder Terry Considine, CEO of AIV
AIV offering priced at \$26.74 per share
AIV net proceeds of \$240 million to be used to redeem preferred shares
AIV joint bookrunning managers Citi and Morgan Stanley
AIV June 2012 offering increased total shares outstanding by 7%
AIV a Residential REIT with a diverse portfolio of apartment communities
AIV we rank 2 BUY
AIV market cap \$3.2 billion
AIV an S&P 500 Index REIT

REIT Comment



Company:	Annaly Capital Management
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,291
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
NLY \$17

Annaly Capital Management NLY news of lower mortgage applications indicates banks discouraging borrowers despite low interest rates

NLY report from MBA (Mortgage Bankers Association) indicates mortgage applications DOWN (7.1%) for week ended June 22, 2012

NLY refinance applications DOWN (8%), with applications for home purchase DOWN (1%)

NLY mortgage interest rates are at record lows, according to FHFA

NLY Financial Mortgage REITs benefit from higher mortgage volume, enabling opportunities for portfolio repositioning

NLY reported FLAT EPS for 1Q 2012, and indicated Federal Reserve and FHFA are supporting a stable market for agency guaranteed Residential MBS, at least through the Fall 2012 presidential election

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 2 BUY

NLY market cap \$17.3 billion

REIT Comment



Company:	Capstead Mortgage Corporation
Price:	\$14
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,254
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/24/2012
CMO \$14

Capstead Mortgage CMO news of higher contract signings to purchase existing homes supports yesterday's news of slower price decline for existing homes

CMO report from National Association of Realtors indicates index of pending home resales UP +5.9% for May 2012, reversing (5.5%) decline previously reported for April 2012

CMO demand for home purchase may be trending higher

CMO mortgage rates at record lows, according to FHFA survey

CMO reported EPS for 1Q 2012 UP +7%, while NIM increased only slightly from December, 2011

CMO stock price supported by current annual dividend yield of 11.5%, below the midpoint of the range for Financial Mortgage REITs

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

CMO we rank 2 BUY

CMO market cap \$1.3 billion

REIT Comment



Company:	Host Hotels & Resorts
Price:	\$15
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$10,875
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
HST \$15

Host Hotels & Resorts HST lower gasoline prices should benefit travel related stocks, including airlines and hotels

HST gasoline prices now DOWN more than (10%) in first month of summer driving season, while airlines are offering discounted fares

HST airline travelers enjoying lower airfares may have more money to spend at hotels allowing longer stays and more ancillary purchases

HST reported 1Q 2012 FFO UP +27%, and increased guidance for FFO for 2012 to indicate growth of as much as UP +15%

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

HST we rank 3 HOLD

HST market cap \$10.9 billion

HST an S&P 500 Index REIT

REIT Comment



Company:	HCP Inc.
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,799
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
HCP \$43

HCP Inc HCP decision by Supreme Court on Affordable Health Act expected this week

HCP most tenants of Health Care REITs would benefit from improved demand if Affordable Care Act is upheld

HCP management comments at NAREIT highlighted projection for 6% growth rate in FAD (funds available for distribution)

HCP reported FFO growth UP +20% for 1Q 2012, while providing guidance for FFO for 2012 indicating UP +3% growth

HCP stock price supported by current annual dividend rate of 4.7%

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

HCP we rank 2 BUY

HCP market cap \$17.8 billion

HCP an S&P 500 Index REIT

REIT Comment



Company:	SL Green Realty Corp.
Price:	\$76
Recommendation:	SELL
Ranking:	4
Market Cap:	\$6,720
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
SLG \$76

SL Green Realty SLG certain Office REITs subject to investor concern over exposure to financial industry tenants

SLG completion of liquidation plans by major banks highlights uncertainty as plans could replace ordinary bankruptcy process, in event of emergency

SLG bank downsizing may accelerate as Dodd-Frank restrictions on proprietary trading take hold

SLG exposure to financial industry tenants includes Citi at 11% of rental revenue, Credit Suisse 5%, AIG 3%, Societe Generale 1% and Travelers 1%

SLG recent management comments noted slow leasing environment in midtown NYC

SLG reported FFO decline of more than (30%) 1Q 2012, while making no change to guidance 2012 FFO, indicating decline of DOWN (8%)

SLG current yield of only 1.3% offers little to attract income investors

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

SLG we rank 4 SELL

SLG market cap \$6.7 billion

REIT Comment



Company:	LaSalle Hotel Properties
Price:	\$28
Recommendation:	SELL
Ranking:	4
Market Cap:	\$2,354
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
LHO \$28

LaSalle Hotel Properties LHO impact of government spending reductions may be great on hotels concentrated in DC area

LHO federal spending reduction may exceed (10%) on group hotel stays and entertaining in wake of GSA scandal

LHO hotel portfolio concentrated in metropolitan DC area, representing more than 30% of NOI

LHO reported FFO (adjusted) for 1Q 2012 UP +62%

LHO previously increased optimistic guidance for FFO for 2012 to indicate growth of as much as UP +40%

LHO a Hotel REIT

LHO we rank 4 SELL

LHO market cap \$2.4 billion

REIT Comment



Company:	Brookfield Properties Corp.
Price:	\$17
Recommendation:	SELL
Ranking:	4
Market Cap:	\$8,462
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
BPO \$17

Brookfield Properties BPO certain Office REITs subject to investor concern over exposure to financial industry tenants

BPO completion of liquidation plans by major banks highlights uncertainty as plans could replace ordinary bankruptcy process, in event of emergency

BPO largest exposure to financial tenant is Bank of America/Merrill Lynch representing 7% of total rental revenue (including 3% subtenants)

BPO additional financial industry tenants include foreign banks CIBC, Bank of Montreal and Societe Generale

BPO layoffs due to downsizing impact demand for office space while potential losses over European debt increase risk for financial tenants

BPO investors concerned that demand for office space in New York may be reduced by new regulation impacting banks and financial firms, while DC office portfolio impacted by federal government spending decline

BPO reported FFO growth better than expected for 1Q 2012, UP +8%, while providing guidance for FFO for 2012 UP +4%

BPO an Office REIT with a portfolio of upscale office properties in US and Canada

BPO we rank 4 SELL

BPO market cap \$8.5 billion

REIT Comment



Company:	Pennsylvania REIT
Price:	\$14
Recommendation:	BUY
Ranking:	2
Market Cap:	\$814
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
PEI \$14

Pennsylvania REIT PEI traded UP \$0.32 per share to close UP +2% day

PEI stock traded UP +35% year to date for 2012, outperforming Retail REITs, UP +13%

PEI management discussion at NAREIT focused on leverage reduction driven by improved profitability

PEI reported better than expected results for 1Q 2012, with FFO UP +16%

PEI guidance for FFO for 2012 now indicates decline of as much as DOWN (7%)

PEI stock price supported by current dividend yield of 4.6%

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

PEI we rank 2 BUY

PEI market cap \$814 million

REIT Comment



Company:	Ashford Hospitality Trust
Price:	\$8
Recommendation:	BUY
Ranking:	2
Market Cap:	\$692
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
AHT \$8

Ashford Hospitality Trust AHT traded UP \$0.14 per share to close UP +2% day

AHT stock traded UP +3% year to date for 2012, underperforming Hotel REITs, UP +20%

AHT lower gasoline prices should aid travel related stocks including hotels and airlines

AHT total of 15 upscale hotel properties now under renovation expected to add significant FFO growth as projects are completed

AHT recent acquisitions of 72% owned Highland Hospitality for \$1.3 billion and CNL Hotels for \$2.4 billion provide upside to 40% EBITDA growth forecast for portfolio of established hotels

AHT stock price supported by current annual dividend yield of 5.4%, with 100% of dividend untaxed as return of capital for 2011

AHT a Hotel REIT

AHT we rank 2 BUY

AHT market cap \$692 million

REIT Comment



Company:	CommonWealth REIT
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,685
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
CWH \$19

CommonWealth REIT CWH traded UP \$0.23 per share to close UP +1% day

CWH stock traded UP +11% year to date for 2012, outperforming Office REITs, UP +8%

CWH consolidated results reported for CWH still include properties divested to Select Income REIT SIR, now 70.5% owned by CWH since public offering of SIR completed during March 2012

CWH reported FFO growth UP +6% for 1Q 2012, with no guidance provided for FFO for 2012

CWH stock price supported by current annual dividend yield of 10.8%

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

CWH we rank 2 BUY

CWH market cap \$1.7 billion

REIT Comment



Company:	Highwoods Properties
Price:	\$33
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,523
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/27/2012
HIW \$33

Highwoods Properties HIW traded UP \$0.30 per share to close UP +1% day

HIW stock traded UP +11% year to date for 2012, outperforming Office REITs, UP +8%

HIW recent presentation at NAREIT conference highlighted changing portfolio mix and development of "build-do-suit" business

HIW reported FFO growth UP +15% for 2Q 2012, and provided guidance for FFO for 2012 indicating as much as UP +7% growth

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

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

HIW we rank 3 HOLD

HIW market cap \$2.5 billion

REIT Comment



Company:	UDR, Inc.
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,879
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
06/28/2012
UDR \$25

UDR Inc UDR slight decrease in new unemployment claims makes no change to positive outlook for Residential REITs

UDR Labor Department reported new unemployment claims DOWN (6,000) to 386,000 for week ended June 23, 2012, although claims were DOWN only due to restatement of prior weeks numbers

UDR more importantly, 4 week moving average of new unemployment claims marginally DOWN (750) to 387,500

UDR lack of momentum in job market not a concern for Residential REITs, given high occupancy in all key urban areas

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

UDR increasing profitability results from high occupancy and rental rate increases

UDR reported FFO for 1Q 2012 UP +13%, while making no change to guidance for FFO for 2012 to increase as much as UP +11%

UDR a Residential REIT with a diverse portfolio of apartment communities

UDR we rank 2 BUY

UDR market cap \$5.9 billion

REIT Comment



Company:	Ventas
Price:	\$61
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,737
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
VTR \$61

Ventas VTR unexpected news of Supreme Court upholding Affordable Care Act should drive renewed interest in Health Care REITs

VTR Supreme Court upheld voluntary insurance mandate as reason for a constitutionally supported tax, and also upheld expansion of Medicaid coverage to young adults

VTR tenants of Health Care REITs should benefit from higher demand for medical services as coverage is expanded to include previously uninsured individuals and Medicaid beneficiaries

VTR reported better than expected FFO growth for 1Q 2012, UP +21%

VTR guidance for FFO for 2012 indicates growth UP +9%

VTR recently completed acquisition of 16 senior living properties for \$362 million, expected to be accretive to 2Q 2012

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

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

VTR we rank 2 BUY

VTR market cap \$17.7 billion

VTR an S&P 500 Index REIT

REIT Comment



Company:	DuPont Fabros Technology
Price:	\$27
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,267
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
DFT \$27

DuPont Fabros Technology DFT announcement of new Nexus7 tablet from Google should drive additional growth in demand for mobile Internet service

DFT Lexus 7 tablet design, with Android software used for popular mobile phones, appears priced to compete with Amazon Kindle Fire tablet at \$199 price point

DFT demand for wholesale data centers driven by proliferation of mobile Internet devices as well as by corporate investment in cloud computing

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

DFT previously reported FFO for 1Q 2012 decreased DOWN (11%), while new guidance for FFO for 2012 indicates potential decline in a range of DOWN (4%)-(11%), as new data centers impact results before full stabilization achieved

DFT restored investor confidence reflects 25% dividend increase for 2Q 2012, as well as higher guidance for FFO for 2012

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

DFT we rank 2 BUY

DFT market cap \$2.3 billion

REIT Comment



Company:	Kimco Realty
Price:	\$18
Recommendation:	BUY
Ranking:	1
Market Cap:	\$7,486
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
KIM \$18

Kimco Realty KIM slight reduction to consumer spending for 1Q 2012 should not concern investors in Retail REITs

KIM Commerce Department revised previous estimate of consumer spending DOWN (0.2%) to indicate growth of UP +2.5% for 1Q 2012

KIM strip malls of the type owned by KIM provide daily necessities that attract consumers even during times of economic contraction

KIM Retail REITs benefit from diversity of tenants, as some tenants expand, while others, such as Sears, Gap and Best Buy, contract their total retail space

KIM reported recurring FFO increased UP +5% for 2011, while guidance for recurring FFO for 2012 indicates growth of as much as UP +5%

KIM stock price supported by current dividend yield of 4.2%

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

KIM we rank 1 BUY

KIM market cap \$7.5 billion

KIM an S&P 500 Index REIT

REIT Comment



Company:	Prologis Inc
Price:	\$31
Recommendation:	BUY
Ranking:	2
Market Cap:	\$14,898
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
PLD \$31

Prologis Inc PLD news of no positive revision to US GDP growth for 1Q 2012 should not shake investor confidence in Industrial REITs

PLD Commerce Department confirmed previously issued estimate of US GDP growth UP+1.9% for 1Q 2012

PLD best coincident indicators for Industrial REITs are retail sales and international freight shipments

PLD management comments at NAREIT focused on international expansion and progress in effecting synergies after successful merger in June 2011

PLD made no change to guidance for core FFO for 2012 indicating growth of as much as UP +8%

PLD management now expects to achieve \$115 million in cost synergies since completion of merger of AMB Property AMB with ProLogis Trust PLD, effective June, 2011

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

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

PLD we rank 2 BUY

PLD market cap \$14.9 billion

PLD an S&P 500 Index REIT

REIT Comment



Company:	HCP Inc.
Price:	\$43
Recommendation:	BUY
Ranking:	2
Market Cap:	\$17,891
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
HCP \$45

HCP Inc HCP positive surprise of Supreme Court upholding Affordable Care Act should drive renewed interest in Health Care REITs

HCP both individual mandate to purchase health care insurance and expansion of Medicaid upheld by Supreme Court decision

HCP tenants of Health Care REITs should benefit from higher demand for medical services as coverage is expanded to include previously uninsured individuals and Medicaid beneficiaries

HCP unlikely to change strategic decision to divest health care properties wholly dependent on Medicaid reimbursement

HCP largest health care sector exposure is to senior living properties followed by LTACs (long term acute care facilities)

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

HCP management comments at NAREIT highlighted projection for 6% growth rate in FAD (funds available for distribution)

HCP reported FFO growth UP +20% for 1Q 2012, while providing guidance for FFO for 2012 indicating UP +3% growth

HCP stock price supported by current annual dividend rate of 4.7%

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

HCP we rank 2 BUY

HCP market cap \$17.9 billion

HCP an S&P 500 Index REIT

REIT Comment



Company:	Omega Healthcare Investors
Price:	\$22
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,278
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
OHI \$22

Omega Healthcare Investors OHI tenants of Health Care REITs to benefit from surprise Supreme Court decision upholding Affordable Care ACT

OHI expansion of Medicaid is most important provision for OHI

OHI tenants of portfolio of skilled nursing and senior living facilities to be helped by expansion of Medicaid coverage to young adults through higher demand for medical services and lower bad debt expense

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

OHI dividend for 2012 increased UP +5% from previous year

OHI stock price supported by current annual dividend yield of 7.7%

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

OHI we rank 2 BUY

OHI market cap \$2.3 billion

REIT Comment



Company:	Medical Properties Trust
Price:	\$9
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,134
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
MPW \$9

Medical Properties Trust MPW Health Care REITs should trade higher on surprise Supreme Court decision upholding Affordable Care Act

MPW hospital and specialty care tenants of MPW should see more demand for medical services and lower bad debt expense as individuals and Medicare beneficiaries receive insurance coverage

MPW asset allocation following Earnest Health acquisition now 51% general acute care hospitals, 27% LTAC and 21% IRF (inpatient rehabilitation facilities)

MPW reported FLAT "normalized FFO" for 1Q 2012, and provided guidance for "normalized FFO" for 2012 indicating as much as UP +20%

MPW stock price supported by current yield of 8.8%

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

MPW we rank 2 BUY

MPW market cap \$1.1 billion

REIT Comment



Company:	Healthcare Realty Trust
Price:	\$23
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,837
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
HR \$23

Healthcare Realty Trust HR should rally along with other Health Care REITs due to surprise Supreme Court decision upholding Affordable Care Act

HR tenants of portfolio of medical office buildings should see increased office visits as individuals and Medicare beneficiaries are added to insurance rolls

HR reported FFO growth UP +10% for 1Q 2012, although no guidance provided for FFO for 2012

HR stock price supported by current dividend yield of 5.2%

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

HR we rank 2 BUY

HR market cap \$1.8 billion

REIT Comment



Company:	Medical Properties Trust
Price:	\$9
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,174
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
MPW \$9

Medical Properties Trust MPW traded UP \$0.32 per share to close UP +4% day

MPW stock traded DOWN (5%) year to date for 2012, underperforming Health Care REITs, UP +6%

MPW reacting to positive surprise on Supreme Court approval of Affordable Care Act

MPW hospital and specialty care tenants of MPW should see more demand for medical services and lower bad debt expense as individuals and Medicare beneficiaries receive insurance coverage

MPW stock price supported by current yield of 8.5%

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

MPW we rank 2 BUY

MPW market cap \$1.2 billion

REIT Comment



Company:	Health Care REIT
Price:	\$57
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,575
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
HCN \$57

Health Care REIT HCN traded UP \$0.81 per share to close UP +1% day

HCN stock traded UP +5% year to date for 2012, slightly underperforming Health Care REITs, UP +6%

HCN surprise approval of Affordable Care Act by Supreme Court reflected in today's positive performance for Health Care REITs

HCN tenants of Health Care REITs, particularly tenants in medical office buildings, to benefit on expansion of Medicaid program to include young adults

HCN stock price supported by current dividend yield of 5.1%

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

HCN we rank 2 BUY

HCN market cap \$11.6 billion

HCN an S&P 500 REIT

REIT Comment



Company:	Omega Healthcare Investors
Price:	\$23
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,355
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
OHI \$23

Omega Healthcare Investors OHI traded UP \$0.74 per share to close UP +3% day

OHI stock traded UP +17% year to date for 2012, outperforming Health Care REITs, UP +6%

OHI Health Care REITs reacting to positive surprise on Supreme Court approval of Affordable Care Act

OHI expansion of Medicaid is most important provision for OHI, providing tenants of portfolio of skilled nursing and senior living facilities with higher demand for medical services and lower bad debt expense

OHI stock price supported by current annual dividend yield of 7.4%

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

OHI we rank 2 BUY

OHI market cap \$2.4 billion

REIT Comment



Company:	Healthcare Realty Trust
Price:	\$24
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,879
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/28/2012
HR \$24

Healthcare Realty Trust HR traded UP \$0.53 per share to close UP +2% day

HR stock traded UP +27% year to date for 2012, outperforming Health Care REITs, UP +6%

HR positive surprise on Supreme Court approval of Affordable Care Act pushing stocks of Health Care REITs higher

HR tenants of portfolio of medical office buildings should see increased office visits as individuals and Medicare beneficiaries are added to insurance rolls

HR stock price supported by current dividend yield of 5.1%

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

HR we rank 2 BUY

HR market cap \$1.9 billion

REIT Comment



Company:	Simon Property Group
Price:	\$152
Recommendation:	BUY
Ranking:	2
Market Cap:	\$53,800
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
SPG \$152

Simon Property Group SPG lower gasoline prices should benefit Retail REITs

SPG impact of lower gasoline prices on consumer spending clear in latest report

SPG Commerce Department reported consumer spending FLAT for May2012, with spending on non-durable goods DOWN (0.8%) due to lower gasoline prices

SPG next week key tenant retailers to provide updated same store sales for June 2012

SPG management discussion at NAREIT conference during June2012 focused on durability of consumer demand

SPG indicated no change in tenant sales trends, UP more than +11% for 1Q 2012

SPG reported stronger than expected results for 1Q 2012, with FFO UP +13%, and increased guidance for FFO for 2012 to indicate as much as UP +10% growth

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

SPG we rank 2 BUY

SPG market cap \$53.8 billion

SPG an S&P 500 Index REIT

REIT Comment



Company:	Host Hotels & Resorts
Price:	\$15
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$10,954
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
HST \$15

Host Hotels & Resorts HST lower gasoline prices stimulate positive outlook for Hotel REITs

HST beneficial effect of lower daily commuting and travel costs to be seen over next few months not just 2Q 2012

HST gasoline prices now DOWN more than (10%) in first month of summer driving season, while airlines are offering discounted fares

HST airline travelers enjoying lower airfares may have more money to spend at hotels allowing longer stays and more ancillary purchases

HST reported 1Q 2012 FFO UP +27%, and increased guidance for FFO for 2012 to indicate growth of as much as UP +15%

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

HST we rank 3 HOLD

HST market cap \$11.0 billion

HST an S&P 500 Index REIT

REIT Comment



Company:	LTC Properties, Inc.
Price:	\$35
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,152
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
LTC \$35

LTC Properties LTC yesterday's positive surprise of Supreme Court approval for Affordable Care Act benefits all Health Care REITs, including LTC

LTC acceptance of "individual mandate" and expansion of Medicaid to include young adults as beneficiaries should drive increased demand for services by tenants of LTCs skilled nursing properties

LTC reported FFO growth UP +8% for 1Q 2012

LTC stock price supported by current dividend yield of 4.9%

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

LTC we rank 3 HOLD

LTC market cap \$1.2 billion

REIT Comment



Company:	National Health Investors
Price:	\$50
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,396
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
NHI \$50

National Health Investors NHI yesterday's positive surprise of Supreme Court approval for Affordable Care Act benefits all Health Care REITs, including NHI

NHI individual health coverage and expansion of Medicaid to include young adults as beneficiaries should drive increased demand for services by tenants of LTCs skilled nursing properties

NHI reported FFO growth UP +18% for 1Q 2012, and provided guidance for FFO for 2012 indicating growth UP +9%

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

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

NHI we rank 2 BUY

NHI market cap \$1.4 billion

REIT Comment



Company:	Realty Income
Price:	\$41
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,471
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
O \$41

Realty Income O lower gasoline prices should benefit retail and restaurant tenants in portfolio of net-leased properties

O restaurants represent 16% of rental revenue and convenience stores 17%

O low risk triple net leases cited by investors at NAREIT as reason to prefer certain REITs such as O over other rental structures

O reported FFO growth UP +2% for 1Q 2012, while slightly increasing guidance for FFO for 2012 to indicate growth of as much as UP +4%

O exceptional long term record of monthly dividends with gradual increases

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

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

O we rank 2 BUY

O market cap \$5.5 billion

REIT Comment



Company:	UDR, Inc.
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,924
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
UDR \$25

UDR Inc UDR completed previously announced \$477 million divestiture of 15 apartment communities

UDR exited Phoenix AZ and Jacksonville FL with these divestitures

UDR like all Residential REITs reporting occupancy firm and rental rate increases more than UP +5%

UDR reported FFO for 1Q 2012 UP +13%, while making no change to guidance for FFO for 2012 to increase as much as UP +11%

UDR a Residential REIT with a diverse portfolio of apartment communities

UDR we rank 2 BUY

UDR market cap \$5.9 billion

REIT Comment



Company:	Prologis Inc
Price:	\$33
Recommendation:	BUY
Ranking:	2
Market Cap:	\$15,887
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
PLD \$33

Prologis Inc PLD traded UP \$1.67 per share to close UP +5% day

PLD stock traded UP +16% year to date for 2012, outperforming Industrial REITs, UP +11%

PLD market relief over Euro plan to stabilize banks viewed as supporting all REITs with economic exposure to Europe

PLD management comments at NAREIT focused on international expansion and progress in effecting synergies after successful merger in June 2011

PLD made no change to guidance for core FFO for 2012 indicating growth of as much as UP +8%

PLD management now expects to achieve \$115 million in cost synergies since completion of merger of AMB Property AMB with ProLogis Trust PLD, effective June, 2011

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

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

PLD we rank 2 BUY

PLD market cap \$15.9 billion

PLD an S&P 500 Index REIT

REIT Comment



Company:	CBL & Associates
Price:	\$20
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,719
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
CBL \$20

CBL & Associates CBL traded UP \$0.78 per share to close UP +4% day

CBL stock traded UP +24% year to date for 2012, outperforming Retail REITs, UP +13%

CBL lower gasoline prices should support US retail sales, maintaining positive outlook for Retail REITs

CBL management discussion at NAREIT highlighted growth of investment in outlet centers and availability of financing, both for refinance of existing properties and new developments

CBL made no change to guidance for FFO for 2012, indicating potential for FFO decline of DOWN (5%) due to higher shares outstanding

CBL stock price supported by current annual dividend yield of 4.5%

CBL a Retail REIT with a portfolio of regional malls in southeastern and mid-Atlantic states

CBL we rank 2 BUY

CBL market cap \$3.7 billion

REIT Comment



Company:	Potlatch Corp.
Price:	\$32
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,289
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
PCH \$32

Potlatch PCH traded UP \$1.00 per share to close UP +3% day

PCH stock traded UP +3% year to date for 2012, underperforming Specialty REITs, UP +7%

PCH news this week of higher contracts for existing home sales supports gradually improving demand for US homes

PCH Specialty REITs with portfolios of timberland and sawlog mills would benefit from higher lumber prices as building resumes

PCH reported EPS DOWN (32%) for 1Q 2012, while guidance for lower harvest volume for 2012 assumed US housing starts FLAT

PCH stock price supported by current dividend yield of 3.9%

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

PCH we rank 2 BUY

PCH market cap \$1.3 billion

REIT Comment



Company:	Digital Realty Trust
Price:	\$75
Recommendation:	BUY
Ranking:	1
Market Cap:	\$9,420
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
06/29/2012
DLR \$75

Digital Realty Trust DLR traded UP \$1.46 per share to close UP +2% day

DLR stock traded UP +13% year to date for 2012, outperforming Office REITs, UP +8%

DLR announcements of new tablets from Microsoft and Google support growth in demand for Internet services delivered through turnkey data centers

DLR recent NAREIT meeting highlighted demand trends and international expansion for portfolio of turnkey data centers

DLR reported FFO for 1Q 2012 increased UP +4%

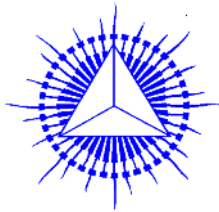
DLR made no change to guidance for FFO for 2012 indicating as much as UP +10% growth, with FFO expected to be higher by the end of 2012

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

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

DLR we rank 1 BUY

DLR market cap \$9.4 billion



REIT Growth and Income Monitor posted 57 REIT comments for the week ended June 29, 2012. Comments were issued on REITs in the following sectors:

Financial REITs	4
Health Care REITs	15
Hotel REITs	6
Industrial REITs	2
Office REITs	12
Residential REITs	6
Retail REITs	8
Specialty REITs	4

Information on REIT sectors may be found using this link:

http://www.reitmonitor.net/REIT_Resources

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

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

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