

## **REIT Growth and Income Monitor**

### **Weekly Comments 08/30/2011**

**REIT stocks rallied, continuing to outperform the S&P 500 Index, with positive performance gap expanded further to 8%.**

**Hurricane Irene is expected to stimulate spending on the east coast for storm preparations and clean up.**

**CBL & Associates, with a portfolio of regional malls in southeastern and mid-Atlantic states, may see incremental demand.**

**Extra Space Storage expects east coast self-storage properties to see sudden occupancy gain in the wake of the storm.**

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**Weekly REIT Comments**  
**08/30/2011**

REITs rallied as they continue to outperform during the last full week of August, ended August 26, 2011. REITs included in the S&P 500 Index now show loss of less than (1%) on average for 2011, outperforming loss of (8%) for the S&P 500 Index. Positive performance gap expanded further to 8% for 2011. Average loss for all REITs followed by REIT Growth and Income Monitor now stands at (8%) year to date for 2011.

Certain REIT sectors demonstrated ability to increase guidance for FFO for 2011, while others seem to be headed for disappointment during 3Q 2011 and 4Q 2011. Residential REITs exceeded guidance for FFO for 2Q 2011, with many increasing guidance for FFO for 2011. Most Residential REITs now indicate FFO growth for 2011 of 10% or more. Retail REITs report continued tenant sales gains to support occupancy and rental growth. Investors appear to be pulling back from Office REITs, due to continued rent roll-downs, lagging economic recovery. Industrial REITs trade in line with economic indicators, less positive now than during the spring of 2011. Hotel REITs demonstrate through disastrous stock performance investor fears that a softer economy will erode gains in profitability during the first 6 months of 2011.

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. Congressional attempts to close the budget gap have delayed Fannie Mae reform, with most Congressmen 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. Drastic dividend reductions during 2009 were followed during 2010 by restoration of all cash dividends and by dividend increases that continue into 2011. As dividend payers, REITs may be viewed as income stocks, with a gradually improving outlook for higher dividend distributions.

**East Coast Storm Warning Highlights Consumer Spending on Hurricane Preparations and Clean-Up**

East coast dwellers face the wrath of Hurricane Irene this weekend, expected to cause major floods and power outages from North Carolina as far north as Vermont and Maine. We note that certain retailers may benefit from consumer spending on hurricane preparations, as homeowners flock to Home Depot, Lowe's and Tru-Value hardware stores to purchase plywood, plastic coverings, batteries, generators, rakes, electric saws and clean-up supplies. Grocery stores and drug stores will also benefit from spending on food and necessities in advance of the storm. Once the storm damage is known, power outages may drive stricken consumers to regional malls in search of air conditioning and entertainment while the power is out at home. Longer term benefit will accrue to contractors and hardware stores as homeowners spend to repair their homes and vacation dwellings. Demand for self-storage space will increase as contractors called from out-of-area respond to opportunities for revenue, and as homeowners temporarily move furniture and belongings due to home repairs and forced relocations.

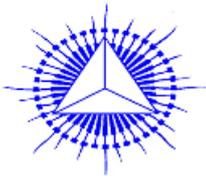
Trading in certain REIT stocks already appears to anticipate the hurricane spending. Retail REITs rallied, as did Specialty REITs with portfolios of timberlands and sawlog mills, with earnings sensitive to price and demand for lumber. **Simon Property Group** rallied 4% and **Kimco** 3%, while **Plum Creek Timber** stock increased 5% last week on the benefit of storm spending. Self-storage stock **Public Storage**, trading up 7%, reflected investor optimism for self-storage properties in the wake of the storm. We highlight below 2 small cap REITs with significant exposure to east coast areas, Retail REIT **CBL & Associates**, owner of regional malls in southeastern and mid-Atlantic states (including NC, SC, and VA), as well as Specialty REIT **Extra-Space Storage**, owner and operator of self-storage properties, with one third of properties located in areas to be impacted by Hurricane Irene

**Trading Opportunities**

**CBL & Associates** provides investors with an appealing opportunity among smaller cap Retail REITs, with a market cap of \$3 billion and a portfolio of 85 million square feet of regional malls located in southeastern and mid-Atlantic states. **CBL & Associates** appears well financed and able to deliver accelerating FFO growth, as recently opened malls are stabilized and as accretive expansions are completed. **CBL & Associates** reported FFO growth of 2% for 2Q 2011, with same property NOI up 1.4% and occupancy up 1.0% to 91%. Guidance for FFO for 2011 indicates potential for as much as 2% growth. **CBL & Associates** partially restored dividends during 2010 and recently increased the quarterly distribution by 5% for 2Q 2011, now providing income investors with yield of 6.2%.

**Extra Space Storage**, with market cap of \$2 billion, offers small cap investors a way to participate in the expected growth in demand for self-storage facilities. **Extra Space Storage** is the second largest owner and operator of self storage space, with 62 million square feet of properties located in 33 states and the metropolitan DC area. **Extra Space Storage** reported FFO growth of 23% for 2Q 2011, as more than 8% increase in average rental rates drove 7.8% NOI growth. Occupancy at 89% as of 2Q 2011 should attract tenants, as occupancy of more than 92% at larger competitor Public Storage leaves less room for incremental demand. Guidance for FFO for 2011 was increased to indicate potential for growth in a range of 15%-18%. Dividends were partially restored during 2011 with a 40% increase, now providing income investors with yield of 2.7%.

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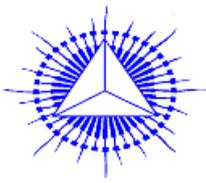
Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITs:		Price	Price	Price	Price	Price	Price	Weekly	2011
		12/31/2010	07/29/2011	08/05/2011	08/12/2011	08/19/2011	08/26/2011	Change	Price Change
Apartment Investment and Management	AIV	\$26	\$27	\$24	\$25	\$24	\$25	4%	-3%
AvalonBay Communities	AVB	\$113	\$134	\$121	\$129	\$126	\$131	4%	16%
Boston Properties	BXP	\$86	\$107	\$97	\$100	\$99	\$101	2%	17%
Equity Residential	EQR	\$52	\$62	\$56	\$59	\$56	\$59	4%	13%
HCP Inc.	HCP	\$37	\$37	\$32	\$33	\$33	\$36	8%	-3%
Health Care REIT	HCN	\$48	\$53	\$46	\$46	\$46	\$49	6%	2%
Host Hotels & Resorts	HST	\$18	\$16	\$14	\$12	\$11	\$11	-1%	-41%
Kimco Realty	KIM	\$18	\$19	\$16	\$17	\$16	\$17	3%	-8%
Plum Creek Timber	PCL	\$37	\$38	\$37	\$36	\$35	\$36	5%	-3%
Prologis, Inc	PLD	\$32	\$36	\$29	\$28	\$27	\$25	-6%	-21%
Public Storage	PSA	\$101	\$120	\$110	\$117	\$114	\$120	5%	18%
Simon Property Group	SPG	\$99	\$121	\$109	\$114	\$110	\$115	4%	16%
Ventas	VTR	\$52	\$54	\$48	\$48	\$48	\$51	7%	-3%
Vornado Realty Trust	VNO	\$83	\$94	\$81	\$83	\$79	\$82	4%	-2%
S&P 500 Index	S&P 500	\$1,258	\$1,292	\$1,199	\$1,179	\$1,124	\$1,158	3%	-8%
Average for S&P 500 Index REITs								3%	-0%

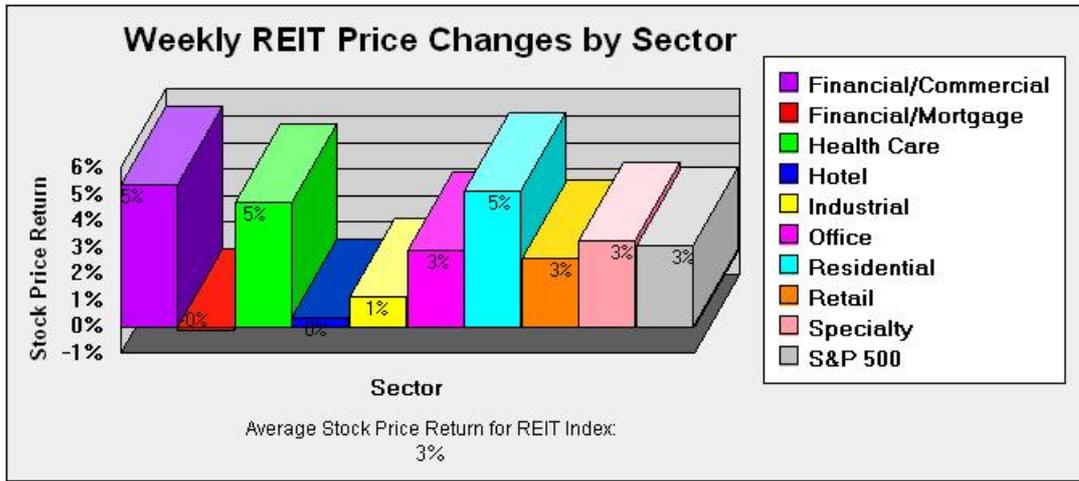
Strong rally started to reverse August losses, with average REIT stock prices up 3% for the last full week of August, ended August 26, 2011. REITs matched the performance of the S&P 500 Index, also up 3% for the week. The S&P 500 Index rebounded to show loss of (8%) year to date for 2011, underperforming year to date REIT performance, now flat with average loss of less than (1%). Positive performance gap for S&P 500 Index REITs expanded further to 8%.

Best performing of the S&P 500 Index REITs for 2011 is **Public Storage**, up 18%, followed closely by **Boston Properties**, up 17%. Other leading performers include **AvalonBay Communities** and **Simon Property Group**, up 16%, as well as **Equity Residential**, up 13%. **Plum Creek Timber**, the only S&P 500 REIT to decline during 2010, rebounded on news of the pending east coast storm, up 5% to show decline of (3%) for 2011. Health Care REITs traded down starting in the last week of July, 2011, on news of pending Medicare reimbursement changes for skilled nursing facilities, with **HCP** down (3%), **Health Care REIT** up 2% and **Ventas** down (3%) for 2011. **Prologis** traded down (6%) last week on news of slower growth in US manufacturing activity, for year to date loss of (21%). Fluctuations in gasoline prices and concern over US and international economies makes Hotel REIT **Host Hotels & Resorts** the most volatile stock among S&P 500 Index REITs, trading down further to show year to date decrease of (41%) for 2011.

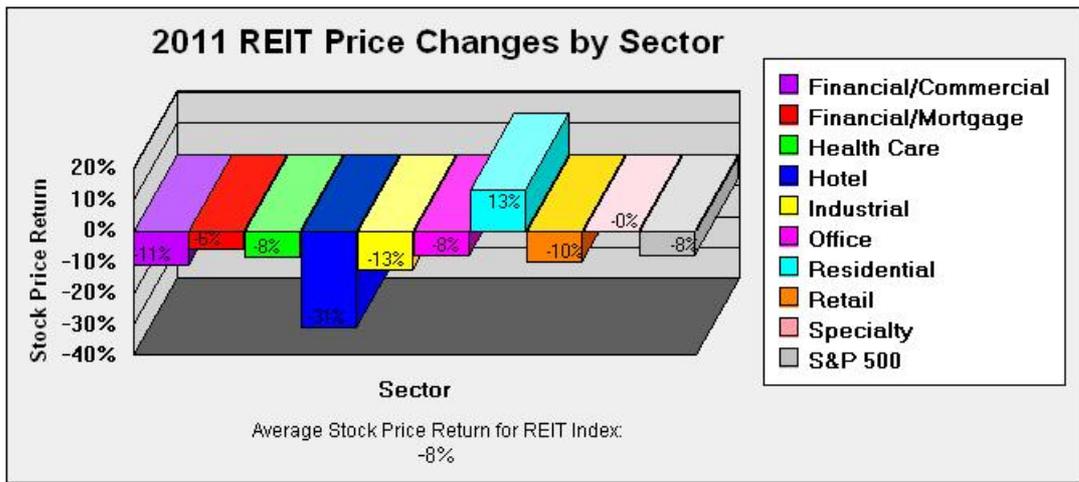
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Weekly REIT Price Changes by Sector

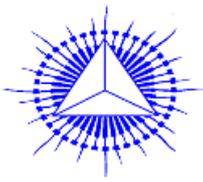


Almost all REIT sectors rebounded smartly during the last full week of August, ended August 26, 2011. Best performing sectors were Financial Commercial REITs, Health Care REITs and Residential REITs, all up 5%. Office REITs, Retail REITs and Specialty REITs gained 3%. Industrial REITs showed a slight gain of 1%. Worst performing sectors were Financial Mortgage REITs and Hotel REITs, trading flat. On average, stock prices for REIT Growth and Income Monitor increased 3% for the week ended August 26, 2011.



Stock prices for REITs followed by REIT Growth and Income Monitor rallied to show year to date loss of (8%) on average for 2011 (matching loss of (8%) for the S&P 500 Index), following average gain of 35% for 2010. Residential REITs saw outperformance expand, now up 13% on better than expected earnings results and higher guidance for 2011. Specialty REITs also outperform, trading flat year to date for 2011. Financial Mortgage REITs eroded to show decrease of (6%). Office REITs and Health Care REITs decreased (8%), followed by Retail REITs down (10%). Industrial REITs now show loss of (13%) for 2011, while Financial Commercial REITs now show decrease of (11%). Volatile Hotel REITs are now down (37%) for 2011, in the worst performance of any REIT sector for 2011.

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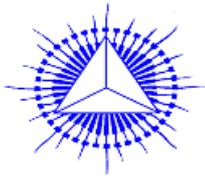
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REIT Comment



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Company:	Simon Property Group
Price:	\$110
Recommendation:	BUY
Ranking:	2
Market Cap:	\$38,966
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
SPG \$110

Simon Property Group SPG news of strong sales gains from specialty retailers a positive signal for Retail REITs

SPG positive same store sales growth of UP +12% reported by Foot Locker, Loft UP +11%. Ann Taylor UP +5%, and Wet Seal UP +6.0%

SPG lower same store sales reported by Gap with Gap stores DOWN (3%), Banana Republic DOWN (2%) and Old Navy FLAT

SPG Aeropostale in trouble with same store sales DOWN (14%) for 2Q 2011 on heavy discounting to eliminate merchandise

SPG important back-to-school season sales to be by key retailers at the end of August 2011

SPG trailing 12 month tenant sales showing growth of more than 9%

SPG during July 2011 reported much better than expected results for 2Q 2011, with FFO UP +22%, while increasing guidance range for FFO for 2011 to indicate growth of as much as 12%

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

SPG we rank 2 BUY

SPG market cap \$39.0 billion

SPG an S&P 500 Index REIT

REIT Comment



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Company:	Macerich Company
Price:	\$45
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,452
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
MAC \$45

Macerich MAC news of strong sales gains from specialty retailers a positive signal for Retail REITs

MAC significant same store sales gains reported by Foot Locker, Loft, Ann Taylor and Wet Seal

MAC same store sales for Gap and Banana Republic DOWN, while Old Navy FLAT, and Aeropostale DOWN more than (10%) on heavy discounting to eliminate merchandise

MAC during July, 2011 reported FFO for 2Q 2011 UP +26%, while guidance for FFO for 2011 increased to indicate growth in a range of UP+7%-+10%

MAC tenant sales for trailing 12 months UP +9%

MAC important back-to-school season sales to be reported by key retailers at the end of August 2011

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

MAC we rank 2 BUY

MAC market cap \$6.5 billion

REIT Comment



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Company:	Brookfield Properties Corp.
Price:	\$16
Recommendation:	SELL
Ranking:	4
Market Cap:	\$8,207
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
BPO \$16

Brookfield Properties BPO bank layoffs cause concern for investors in Office REITs

BPO major layoffs announced in August 2011, by Bank of America, Bank of New York Mellon, Citi and Goldman Sachs, as well as by international banks Credit Suisse, HSBC, Royal Bank of Scotland and UBS highlight changing needs for office space by financial industry tenants

BPO list of financial industry tenants includes BofA Merrill Lynch Bank of Montreal, CIBC, Goldman Sachs, JP Morgan Chase, RBC and Wells Fargo/Wachovia

BPO Office REITs seeing continued rent roll downs on lease turnovers

BPO management estimates financial industry tenants represent more than 50% of NOI

BPO loss of Wellington, key tenant in Boston, to impact results during last months of 2011

BPO during August 2011 reported FFO FLAT for 2Q 2011, and left guidance unchanged for FFO for 2011, indicating potential for decline of as much as (23%)

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

BPO we rank 4 SELL

BPO market cap \$8.2 billion

REIT Comment



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Company:	Agree Realty
Price:	\$21
Recommendation:	SELL
Ranking:	4
Market Cap:	\$210
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
ADC \$21

Agree Realty ADC pending Borders lease auction by bankruptcy court appointed real estate liquidator may not assist ADC for properties already in default on mortgage debt where ADC is seeking forfeiture to lenders

ADC, as disclosed in 10-Q filing, ADC has mortgages on 6 former Borders properties in default on mortgage debt, including Borders Group corporate headquarters in Ann Arbor, MI

ADC total amount owed on non-recourse loans is \$17 million, with book value of properties shown as \$24 million

ADC besides mortgage debt now in default, ADC faces current debt maturities of \$55 million credit facility with Bank of America and \$5 million line of credit, both maturing in November, 2011

ADC current credit facility and line of credit bear very low interest rates(1.23% and 2.50%) that are likely to dramatically increase when extended

ADC still has not recognized charge to stockholder's equity for non-cash portion of Borders rents previously recognized as revenue since October, 2010

ADC it appears from statements in 10Q filing that as much as half of Borders rental revenue recognized during 2011 is non-cash

ADC still no guidance provided for FFO for 2011

ADC a Retail REIT with a portfolio of net leased properties

ADC we rank 4 SELL

ADC market cap \$210 million

REIT Comment



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Company:	Host Hotels & Resorts
Price:	\$11
Recommendation:	SELL
Ranking:	4
Market Cap:	\$7,320
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
HST \$11

Host Hotels & Resorts HST potential for another FAA shutdown before the end of September 2011 may impact air travel when provisional funding for FAA runs out

HST while gasoline prices were previously a concern for Hotel REITs investor focus has shifted to economic weakness in US and Europe

HST decline in oil price unlikely to cause rebound in Hotel REIT stocks

HST management cited lower bookings in DC market during 3Q 2011, during conference call to discuss results for 2Q 2011 with investors in late July, 2011

HST reported 30% growth for 2Q 2011 FFO, while slightly lowering guidance for FFO for 2011 to indicate growth of as much as 23%

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

HST we rank 4 SELL

HST market cap \$7.3 billion

HST an S&P 500 Index REIT

REIT Comment



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Company:	Pennsylvania REIT
Price:	\$10
Recommendation:	BUY
Ranking:	2
Market Cap:	\$540
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
PEI \$19

Pennsylvania REIT PEI traded DOWN (\$0.32) per share to close DOWN (3%) day

PEI stock traded DOWN (35%) year to date for 2011, underperforming Retail REITs, DOWN (12%)

PEI sales and earnings reports from specialty retailers support positive outlook for Retail REITs

PEI reported FFO decline of (11%) for 2Q 2011, while increasing the low end of the guidance range of FFO for 2011

PEI annual tenant sales for trailing 12 months increased 4.4% through June, 2011

PEI a Retail REIT with a portfolio of regional malls and power centers

PEI we rank 2 BUY

PEI market cap \$540 million

REIT Comment



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Company:	DuPont Fabros Technology
Price:	\$21
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,713
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
DFT \$21

DuPont Fabros Technology DFT traded DOWN (\$0.24) per share to close DOWN (1%) day

DFT stock traded DOWN (2%) year to date for 2011, outperforming Office REITs, DOWN (11%)

DFT portfolio of wholesale data centers enjoys best growth prospects among all Office REITs due to increasing demand for cloud computing services and proliferation of devices providing mobile Internet access

DFT reported 27% FFO growth for 2Q 2011 and refined guidance for FFO for 2011 to indicate growth of as much as 23%

DFT management committed to add sufficient capacity to deliver at least 20% FFO growth annually for the next 4 years

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

DFT we rank 2 BUY

DFT market cap \$1.7 billion

REIT Comment



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Company:	Weingarten Realty
Price:	\$22
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,679
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
WRI \$22

Weingarten Realty WRI traded UP \$0.26 per share to close UP +1% day

WRI stock traded DOWN (7%) year to date for 2011, outperforming Retail REITs, DOWN (12%)

WRI investors seeking to benefit from food price inflation may consider Retail REITs with grocery anchored shopping centers

WRI portfolio includes grocery tenants Kroger, Safeway, Publix and Whole Foods

WRI reported recurring FFO increased 5% for 2Q 2011, and reaffirmed guidance indicating FFO growth in a range of UP +1%-+7%

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

WRI we rank 2 BUY

WRI market cap \$2.7 billion

REIT Comment



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Company:	Anworth Mortgage Asset
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$892
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/22/2011  
ANH \$7

Anworth Mortgage ANH traded UP\$0.12 per share to close UP +2% day

ANH stock traded UP +1% year to date for 2011, outperforming Financial Mortgage REITs, DOWN (6%)

ANH probable delay of Fannie Mae reform until after the 2012 elections preserves the status quo for Financial Mortgage REITs with portfolios of agency guaranteed Residential MBS

ANH stock price supported by current annual dividend yield of 14.1%, near the midpoint 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 \$892 million

REIT Comment



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Company:	Prologis Inc
Price:	\$26
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,819
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
PLD \$26

Prologis Inc PLD news of US economic activity still favorable for Industrial REITs

PLD Chicago Federal Reserve index of economic activity still in negative zone indicating slower pace of growth, although 3 month moving average increased slightly, indicating improving trend continues

PLD Industrial REITs benefit from manufacturing activity and retail sales, while air freight volumes and factory orders are important coincident indicators

PLD back-to-school shopping season happening now may present additional confirmation of consumer spending trends, when key retailer same store sales are announced for the month of August, 2011

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

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

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

PLD we rank 2 BUY

PLD market cap \$11.8 billion

PLD an S&P 500 Index REIT

REIT Comment



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Company:	First Industrial
Price:	\$8
Recommendation:	SELL
Ranking:	4
Market Cap:	\$510
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
FR \$8

First Industrial FR news of US economic activity still favorable for Industrial REITs

FR Chicago Federal Reserve index of economic activity announced this morning indicates slower pace of growth, although improving trend continues

FR Industrial REITs benefit from manufacturing activity and retail sales, while air freight volumes and factory orders are important coincident indicators

FR reported FFO growth of 31% for 2Q 2011, while reaffirming guidance for 2011 FFO indicating decline of as much as (33%), on improving occupancy but lower average rental rates

FR expecting greater FFO decline than other Industrial REITs due to low tenant retention and steep rental rate decline

FR an Industrial REIT

FR we rank 4 SELL

FR market cap \$510 million

REIT Comment



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Company:	Plum Creek Timber
Price:	\$35
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,639
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
PCL \$35

Plum Creek Timber PCL news of lower new US home sales continues slack demand trend

PCL Commerce Department reported new homes sales fell (1%) during July, 2011, from the previous month, to a seasonally adjusted annual rate of 298,000

PCL sales of previously occupied homes fell to annual rate of 4.91 million, the lowest since 1997

PCL Specialty REITs with portfolios of timberlands and sawlog mills would benefit from US housing sector recovery through higher demand for lumber and wood products

PCL recent management comments indicate west coast export markets remain strong particularly China and Japan

PCL stock price supported by current annual dividend yield of 4.8%, as well as by management commitment to repurchase stock

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

PCL we rank 2 BUY

PCL market cap \$5.6 billion

PCL an S&P 500 Index REIT

REIT Comment



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Company:	Potlatch Corp.
Price:	\$31
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,262
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
PCH \$31

Potlatch PCH news of lower new US home sales continues slack demand trend

PCH Specialty REITs with portfolios of timberlands and sawlog mills would benefit from US housing sector recovery through higher demand for lumber and wood products

PCH news of improving orders in China supports demand for US lumber to serve industrial activity

PCH during July, 2011, reported lower than expected results for 2Q 2011, while indicating confidence in long term trend for increasing demand

PCH stock price supported by current annual dividend yield of 6.5%

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

PCH we rank 2 BUY

PCH market cap \$1.3 billion

REIT Comment



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Company:	HCP Inc.
Price:	\$34
Recommendation:	BUY
Ranking:	2
Market Cap:	\$12,555
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
HCP \$34

HCP Inc HCP to pay \$102 million settlement to Ventas pending next trial in February, 2011

HCP while judgement ordering the payment was upheld on appeal a second trial on punitive damages now set for February 2012

HCP no financial impact expected from payment of settlement as the full amount already reserved against earnings under line of credit

HCP trading in Health Care REITs impacted during last week of July, 2011, by news of Medicare lower pending reimbursement for skilled nursing properties, tenants of Health Care REITs

HCP Health Care REITs now expecting slower growth but no rent decline, from skilled nursing tenants

HCP portfolio diversification limits exposure to CMS reimbursement changes

HCP reported better than expected results for 2Q 2011, with FFO UP +40%, and increased guidance for FFO for 2011 to indicate growth of as much as 21%

HCP stock price supported by current annual dividend yield of 5.7%

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

HCP we rank 2 BUY

HCP market cap \$12.6 billion

HCP an S&P 500 Index REIT

REIT Comment



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Company:	Annaly Capital Management
Price:	\$18
Recommendation:	BUY
Ranking:	2
Market Cap:	\$14,278
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
NLY \$18

Annaly Capital Management NLY decline in new home sales has little impact on total US housing sector or volume of mortgage originations

NLY Commerce Department reported new homes sales fell (1%) during July, 2011, from the previous month, to a seasonally adjusted annual rate of 298,000

NLY with price of a new home now 30% higher than a comparable existing home, new homes attracting fewer buyers

NLY slow pace of new home sales not a great concern as most mortgage applications (more than 75% for most recent month) are refinance applications

NLY higher volume of mortgage applications enables reinvestment of funds raised from portfolio run-off

NLY stock price supported by current annual dividend yield of 14.6%

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

NLY we rank 2 BUY

NLY market cap \$14.3 billion

REIT Comment



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Company:	Winthrop Realty Trust
Price:	\$10
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$262
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
FUR \$10

Winthrop Realty Trust FUR traded UP \$0.82 per share to close UP +9% day

FUR stock traded DOWN (25%) year to date for 2011, underperforming Office REITs, DOWN (11%)

FUR Office REITs face investor concern over continued rent rolldown on lease turnovers

FUR reported FFO decline of (33%) for 2Q 2011, with rental revenues UP +19%

FUR no guidance provided for FFO for 2011

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

FUR we rank 3 HOLD

FUR market cap \$262 million

REIT Comment



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Company:	Sovran Self Storage
Price:	\$39
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,079
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
SSS \$39

Sovran Self Storage SSS traded UP \$1.93 per share to close UP +5% day

SSS stock traded UP +6% year to date for 2011, outperforming Specialty REITs, DOWN (3%)

SSS reporting unusually strong growth in NOI UP +8.5% for 2Q 2011, on higher average rents

SSS reported 2Q 2011 FFO UP +9%, while increasing guidance for FFO for 2011 to indicate growth of as much as 8%

SSS a Specialty REIT with a portfolio of self storage properties

SSS we rank 2 BUY

SSS market cap \$1.1 billion

REIT Comment



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Company:	Digital Realty Trust
Price:	\$57
Recommendation:	BUY
Ranking:	1
Market Cap:	\$6,591
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
DLR \$57

Digital Realty Trust DLR traded UP \$2.47 per share to close UP +5% day

DLR stock traded UP +10% year to date for 2011, outperforming Office REITs, DOWN (11%)

DLR announced it has fully leased the first redeveloped building at Datacenter Park in Dallas TX

DLR during July 2011 reported 36% growth in operating revenues, with EBITDA UP +43%

DLR most recent guidance for FFO for 2011 indicated potential for 16% growth

DLR same property NOI benefitting from conversion of office properties to turnkey data centers

DLR 2Q 2011 same property NOI UP +11.1%

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

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

DLR we rank 1 BUY

DLR market cap \$6.6 billion

REIT Comment



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Company:	Medical Properties Trust
Price:	\$10
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,116
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
MPW \$10

Medical Properties Trust MPW traded UP \$0.39 per share to close UP +4% day

MPW stock traded DOWN (7%) year to date for 2011, outperforming Health Care REITs, DOWN (13%)

MPW reported FFO growth of UP +7% for 2Q 2011, while increasing guidance for FFO for 2011 to indicate growth of as much as 15%

MPW portfolio of acute and specialty care hospitals positively impacted by pending Medicare reimbursement changes

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



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Company:	Realty Income
Price:	\$33
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,966
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
O \$33

Realty Income O traded UP \$1.00 per share to close UP +3% day

O stock traded DOWN (3%) year to date for 2011, FLAT with Specialty REITs, DOWN (3%)

O portfolio of net leased properties on long term leases provides stability

O reported FFO increased UP +7% for 2Q 2011, while slightly reducing guidance to indicate growth in a range of UP +8%-+10%

O a Specialty REIT with a portfolio of net leased properties

O we rank 2 BUY

O market cap \$4.0 billion

REIT Comment



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Company:	Cypress Sharpridge Investments
Price:	\$13
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,109
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
CYS \$13

Cypress Sharpridge Investments CYS news of lower mortgage origination volume may be a result of seasonality

CYS report from MBA (Mortgage Bankers Association) indicated mortgage applications DOWN (2.4%) for week ended August 19, 2011

CYS mortgage refinance applications also declined, DOWN (1.7%), representing almost 80% of total applications

CYS volume of new mortgage originations normally a positive signal for Financial Mortgage REITs

CYS new mortgages provide opportunities for portfolio reinvestment as existing portfolio securities mature

CYS selective in acquiring new mortgage securities, with most purchases concentrated in 15 year maturities

CYS stock price supported by current annual dividend yield of 17.8%, at the high end of the range for Financial Mortgage REITs

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

CYS we rank 3 HOLD

CYS market cap \$1.1 billion

REIT Comment



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Company:	Redwood Trust
Price:	\$12
Recommendation:	SELL
Ranking:	4
Market Cap:	\$980
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
RWT \$12

Redwood Trust RWT news of lower mortgage origination volume may be a result of seasonality

RWT report from MBA (Mortgage Bankers Association) indicated mortgage applications DOWN (2.4%) for week ended August 19, 2011

RWT applications for jumbo loans DOWN (15%) to unusually low level

RWT one of the largest issuers of securitized non-agency MBS through Sequoia subsidiary

RWT lack of incentives for investors to participate in market for non-agency guaranteed Residential MBS limits upside for RWT stock

RWT delay in Fannie Mae reform preserves status quo in favor of agency guaranteed issues

RWT stock price supported by current annual dividend yield of 8.1%, at the low end of the range for Financial Mortgage REITs

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

RWT we rank 2 BUY

RWT market cap \$1.0 billion

REIT Comment



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Company:	Getty Realty
Price:	\$17
Recommendation:	SELL
Ranking:	5
Market Cap:	\$561
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
GTY \$17

Getty Realty GTY received delayed payment of rent from key tenant Getty Petroleum Marketing Services for month of August 2011

GTY previous contact with key tenant Getty Petroleum Marketing Services indicated inadequate liquidity and low margins impacting ability to make rental payments

GTY previously in contact with new owner for Getty Petroleum Marketing Services Cambridge Petroleum Holdings, regarding potential for reduced rents

GTY seeking more acquisitions to provide diversification from key tenant Getty Petroleum Marketing now representing 60% of total portfolio

GTY impairments to properties leased to Getty Petroleum Marketing Services may be required

GTY no guidance provided for FFO for 2011

GTY annual dividend may be reduced due to reduction in rents to be paid by Getty Petroleum Marketing Services

GTY a Specialty REIT with a portfolio of gasoline stations and convenience stores

GTY we rank 5 SELL

GTY market cap \$561 million

REIT Comment



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Company:	Hospitality Properties Trust
Price:	\$22
Recommendation:	SELL
Ranking:	5
Market Cap:	\$2,702
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
HPT \$22

Hospitality Properties Trust HPT survey by AAA projects number of US travelers on Labor Day to decline by (2.4%) from last year

HPT key tenant TravelCenters of America TA may see lower volume of gasoline sales

HPT does not benefit from changes in gasoline prices at service stations operated by key tenant TA

HPT lower negotiated rents for key tenant TA to impact FFO for 2011

HPT announced settlement of contracts with Marriott and InterContinental Group tenants formerly out of compliance on minimum rent agreements during August 2011

HPT no guidance provided for FFO for 2011

HPT a Hotel REIT

HPT we rank 5 SELL

HPT market cap \$2.7 billion

REIT Comment



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Company:	LaSalle Hotel Properties
Price:	\$16
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,188
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/23/2011  
LHO \$16

LaSalle Hotel Properties LHO yesterday's earthquake near DC causing closings of some national monuments

LHO potential loss of tourist traffic during Labor Day holiday, normally a high volume weekend for DC hotels, may impact results for 3Q 2011

LHO investor concern over slower than expected bookings for DC hotels starting during 3Q 2011

LHO also facing investor concern over potential impact of FAA shutdown on travel related stocks including airlines and hotels

LHO exposure to metropolitan DC area (one third of LHO hotels) a risk, given pending "supercommittee" negotiations to reduce federal spending

LHO new guidance for FFO for 2011 indicates potential for as little as 4% or as much as 11% growth

LHO a Hotel REIT

LHO we rank 4 SELL

LHO market cap \$1.2 billion

REIT Comment



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Company:	Washington Real Estate Investment Trust
Price:	\$29
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,943
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
WRE \$29

Washington Real Estate Investment Trust WRE yesterday's earthquake near DC causing closings of some national monuments

WRE potential loss of tourism may impact results for REITs with portfolios exposed to local metropolitan DC economy

WRE pending "supercommittee" negotiations to reduce federal spending from September to November 2011 may dampen tenant plans to expand in DC area

WRE previously discussed with investors impact of federal budget and debt negotiations indicating tenants delay lease decisions during such periods of uncertainty

WRE reported FLAT FFO for 2Q 2011, while reaffirming guidance for FFO for 2011 in range of FLAT - UP +6%

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

WRE we rank 3 HOLD

WRE market cap \$1.9 billion

REIT Comment



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Company:	Annaly Capital Management
Price:	\$18
Recommendation:	BUY
Ranking:	2
Market Cap:	\$14,452
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
NLY \$18

Annaly Capital Management NLY rush by fixed income investors to short term Treasuries bringing yields to exceptionally low level

NLY this week's auction of 2 year Treasuries priced to yield only 0.22%, while 10-year Treasuries now trading at 2.14%, up from 1.97% during last week's auction

NLY yield spread of agency guaranteed Residential MBS versus Treasuries may push portfolio holdings to higher premiums, enabling gains on sales of securities

NLY low mortgage application volume for last week may be a result of seasonality

NLY stock price supported by current annual dividend yield of 14.2%, 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 \$14.5 billion

REIT Comment



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Company:	Redwood Trust
Price:	\$12
Recommendation:	SELL
Ranking:	4
Market Cap:	\$953
Link:	<a href="http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
RWT \$12

Redwood Trust RWT traded DOWN (\$0.36) per share to close DOWN (3%) day

RWT stock traded DOWN (20%) year to date for 2011, underperforming Financial Mortgage REITs, DOWN (6%)

RWT stock impacted by news of last week's (15%) decline in applications for jumbo loans, according to MBA (Mortgage Bankers Association)

RWT one of the largest issuers of securitized non-agency MBS through Sequoia subsidiary

RWT lack of incentives for investors to participate in market for non-agency guaranteed Residential MBS limits upside for RWT stock

RWT delay in Fannie Mae reform preserves status quo in favor of agency guaranteed issues

RWT stock price supported by current annual dividend yield of 8.1%, at the low end of the range for Financial Mortgage REITs

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

RWT we rank 2 BUY

RWT market cap \$1.0 billion

REIT Comment



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Company:	Vornado Realty Trust
Price:	\$82
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$16,714
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
VNO \$80

Vornado Realty Trust VNO traded DOWN (\$0.89) per share to close DOWN (1%) day

VNO stock traded DOWN (2%) year to date for 2011, outperforming Office REITs, DOWN (11%)

VNO investor concern as Office REITs face continuing rent roll downs on lease turnover:

VNO additional risk from DC office portfolio, with more than 25% of total NOI generated in metropolitan DC area

VNO US government as key tenant, representing 8% of total rental revenue

VNO reported FFO (adjusted) increase of 6% for 2Q 2011

VNO no guidance provided for FFO for 2011

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

VNO we rank 3 HOLD

VNO market cap \$16.7 billion

VNO an S&P 500 Index REIT

REIT Comment



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Company:	Brandywine Realty Trust
Price:	\$10
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,406
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>

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Additional Text:  
08/24/2011  
BDN \$10

Brandywine Realty Trust BDN traded UP\$0.14 per share to close UP +1% day

BDN stock traded DOWN (17%) year to date for 2011, underperforming Office REITs, DOWN (11%)

BDN reported FFO decline of (6%) for 2Q 2011, and increased guidance for FFO for 2011 to indicate a FLAT year

BDN Office REITs seeing continued rent rolldown on lease turnovers

BDN net operating income benefitting from upscale office acquisitions in downtown Philadelphia PA

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

BDN we rank 3 HOLD

BDN market cap \$1.4 billion

REIT Comment



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Company:	Tanger Factory Outlet Centers
Price:	\$27
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,488
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
SKT \$27

Tanger Factory Outlet Center SKT traded UP\$0.18 per share to close UP +1% day

SKT stock traded UP +5% year to date for 2011, outperforming Retail REITs, DOWN (12%)

SKT important back-to-school shopping season happening now may positively impact Retail REITs when sales reports are issued by key retailers during first full week of September, 2011

SKT reported 3% increase in FFO for 2Q 2011 and increased guidance for FFO for 2011 to indicate growth of as much as 17%

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

SKT we rank 2 BUY

SKT market cap \$2.5 billion

REIT Comment



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Company:	Capstead Mortgage Corporation
Price:	\$13
Recommendation:	BUY
Ranking:	2
Market Cap:	\$924
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/24/2011  
CMO \$13

Capstead Mortgage CMO traded DOWN (\$0.30) per share to close DOWN (2%) day

CMO stock traded UP +2% year to date for 2011, outperforming Financial Mortgage REITs, DOWN (6%)

CMO Financial Mortgage REITs marked down today by news of lower mortgage applications for most recent week

CMO volume of new mortgage applications important to Financial Mortgage REITs providing opportunities to reinvest funds raised from portfolio repayments and maturities

CMO stock price supported by current annual dividend yield of 14.9%, above the midpoint of the range for Financial Mortgage REITs

CMO we rank 2 BUY

CMO market cap \$924 million

REIT Comment



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Company:	Prologis Inc
Price:	\$26
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,678
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
8/25/2011  
PLD \$26

Prologis Inc PLD news of July truck volume signals slower growth but continued economic expansion for Industrial REITs

PLD American Trucking Associations reported truck tonnage UP +3.9% for July, 2011, compared to July 2010, slower growth than for June, 2011 UP +6.5%

PLD shift of truck volume to railroads favors Industrial REITs with distribution facilities located close to ports and bi-modal shipment centers

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

PLD reported core FFO UP +25% for 2Q 2011

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

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

PLD we rank 2 BUY

PLD market cap \$11.7 billion

PLD an S&P 500 Index REIT

REIT Comment



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Company:	Duke Realty Corporation
Price:	\$11
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,944
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
DRE \$11

Duke Realty DRE news of continued retail sales growth and year over year gains in freight shipments still positive signals for Industrial REITs

DRE American Trucking Associations reported truck tonnage UP +3.9% for July, 2011, compared to last year, slower growth than for June, 2011, UP +6.5%

DRE reported FLAT FFO for 2Q 2011 and made no change to guidance for FFO for 2011 indicating potential for decline of as much as (8%) or growth of as much as 3%

DRE portfolio concentration 69% bulk distribution facilities, 28% suburban office space, and 3% service center and other properties

DRE stock price supported by current annual dividend yield of 6.1%

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

DRE we rank 2 BUY

DRE market cap \$2.9 billion

REIT Comment



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Company:	Regency Centers Corporation
Price:	\$40
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,647
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
REG \$40

Regency Centers REG appears to be the best vehicle for higher food prices among Retail REITs with the greatest exposure to grocery retailers

REG portfolio of shopping centers includes tenants Kroger, Safeway, Publix, SuperValu and Whole Foods

REG higher food costs should lead to higher tenant sales for grocery oriented tenants

REG consumer reaction to higher food costs is usually to prioritize purchases of necessities while limiting non-essential purchases

REG some consumers react to higher food costs by buying larger sizes for volume discounts and stockpiling frequently purchased items in advance of additional price increases

REG higher tenant sales should enable more favorable lease negotiations

REG most recent guidance for FFO for 2011 indicated a FLAT year

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

REG we rank 2 BUY

REG market cap \$3.6 billion

REIT Comment



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Company:	Developers Diversified Realty
Price:	\$11
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,015
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
DDR \$11

Developers Diversified DDR investors seeking to benefit from food price inflation may consider Retail REITs with grocery anchored shopping centers

DDR portfolio largest tenant Wal-Mart/Sam's Club at 5% of total revenues

DDR higher food costs should lead to higher tenant sales for grocery oriented Sam's Club

DDR 2009 investment by Otto family (with 20% of DDR equity now held by Otto) provided new capital to fund DDR portfolio expansion

DDR reported 2Q 2011 FFO (adjusted) decline of (8%)

DDR current guidance range for FFO for 2011 indicates potential decline in range of (2%)-(11%)

DDR a Retail REIT with a portfolio of grocery anchored shopping centers in US Brazil, Canada and Puerto Rico

DDR we rank 2 BUY

DDR market cap \$3.0 billion

REIT Comment



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Company:	LaSalle Hotel Properties
Price:	\$16
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,195
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
LHO \$16

LaSalle Hotel Properties LHO lingering impact of this week's earthquake in DC as national monuments remain closed

LHO hurricane weather may prevent expected turnout for planned dedication of Martin Luther King memorial this weekend, while Labor Day weekend may see additional cancellations

LHO investor concern over slower than expected bookings for DC hotels starting during 3Q 2011

LHO also facing investor concern over potential impact of FAA shutdown on travel related stocks including airlines and hotels

LHO exposure to metropolitan DC area (one third of LHO hotels) a risk, given pending "supercommittee" negotiations to reduce federal spending

LHO new guidance for FFO for 2011 indicates potential for as little as 4% or as much as 11% growth

LHO a Hotel REIT

LHO we rank 4 SELL

LHO market cap \$1.2 billion

REIT Comment



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Company:	Saul Centers
Price:	\$34
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$833
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
BFS \$34

Saul Centers BFS impact of lower than expected tourism due to earthquake and stormy weather may impact Retail REITs with exposure to metropolitan DC area

BFS pending "supercommittee" negotiations to reduce federal spending from September to November 2011 may dampen tenant plans to expand in DC area

BFS tenants may delay lease decisions due to uncertainty surrounding local economy on federal spending decline

BFS reported 17% FFO growth for 2Q 2011, but provided no guidance for FFO for 2011

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

BFS we rank 3 HOLD

BFS market cap \$833 million

REIT Comment



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Company:	Ashford Hospitality Trust
Price:	\$8
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$615
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
AHT \$8

Ashford Hospitality Trust AHT exposure to metropolitan DC area viewed as a negative by nervous investors

AHT tourism may be impacted by stormy weather and this week's earthquake forcing closure of national monuments

AHT recent investor concern over negative booking trends for DC metropolitan area impacting stock price performance for certain Hotel REITs

AHT portfolio includes 18 of total 130 hotels located in metropolitan DC area, including MD and VA

AHT recent FAA shutdown may occur again in September, 2011, causing additional concern over travel related stocks

AHT a Hotel REIT

AHT we rank 4 SELL

AHT market cap \$615 million

REIT Comment



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Company:	Equity Residential
Price:	\$59
Recommendation:	BUY
Ranking:	2
Market Cap:	\$18,329
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
EQR \$59

Equity Residential EQR news of slightly higher unemployment claims unlikely to derail outperformance of Residential REITs

EQR Labor Department reported 417,000 jobless claims for week ended August 20, 2011, up from revised 412,000 for previous week

EQR following sudden stock price declines during first 3 weeks of August, 2011, investors returning to Residential REITs as offering the strongest fundamental outlook for FFO growth

EQR Residential REITs seeing significant profit improvement, as apartment shortage will enable record monthly rental rates for 2011-2013

EQR guidance for FFO for 2011 indicates 5%-7% growth

EQR a Residential REIT with a diverse portfolio of apartment communities

EQR we rank 2 BUY

EQR market cap \$18.3 billion

EQR an S&P 500 Index REIT

REIT Comment



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Company:	Apartment Investment and Management
Price:	\$25
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,981
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
AIV \$25

Apartment Investment and Management AIV news of slightly higher unemployment claims unlikely to derail outperformance of Residential REITs

AIV Labor Department reported 417,000 jobless claims for week ended August 20, 2011, impacted by claims filed by laid off and striking Verizon workers

AIV reported recurring FFO growth of 5% for 2Q 2011, while increasing guidance for recurring FFO for 2011 to indicate growth of as much as 10%

AIV management citing accelerating rental rate increases, as tight occupancy and apartment shortage signals improving profitability for Residential REITs

AIV a Residential REIT with a diverse portfolio of apartment communities

AIV we rank 2 BUY

AIV market cap \$3.0 billion

AIV an S&P 500 Index REIT

REIT Comment



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Company:	DuPont Fabros Technology
Price:	\$21
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,716
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
DFT \$21

DuPont Fabros Technology DFT traded DOWN (\$0.86) per share to close DOWN (4%) day

DFT stock traded DOWN (2%) year to date for 2011, outperforming Office REITs, DOWN (11%)

DFT portfolio of wholesale data centers enjoys best growth prospects among all Office REITs due to increasing demand for cloud computing services and proliferation of devices providing mobile Internet access

DFT reported 27% FFO growth for 2Q 2011 and refined guidance for FFO for 2011 to indicate growth of as much as 23%

DFT management committed to add sufficient capacity to deliver at least 20% FFO growth annually for the next 4 years

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

DFT we rank 2 BUY

DFT market cap \$1.7 billion

REIT Comment



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Company:	Glimcher Realty Trust
Price:	\$8
Recommendation:	SELL
Ranking:	4
Market Cap:	\$785
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
GRT \$8

Glimcher Realty Trust GRT traded DOWN (\$0.55) per share to close DOWN (7%) day

GRT stock traded DOWN (8%) year to date for 2011, outperforming Retail REITs, DOWN (12%)

GRT key retailer sales for back-to-school shopping season to be reported for month of August 2011 may provide upside for Retail REITs

GRT reported FFO decline of (7%) for 2Q 2011, while reducing guidance for FFO for 2011 to indicate decline in range of (11%)-(14%)

GRT 2Q 2011 same property tenant sales for trailing 12 months UP +6.8%

GRT a Retail REIT with a portfolio of regional malls located in midwestern states

GRT we rank 4 SELL

GRT market cap \$785 million

REIT Comment



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Company:	Colonial Properties Trust
Price:	\$20
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,718
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
CLP \$20

Colonial Properties Trust CLP traded DOWN (\$0.21) per share to close DOWN (1%) day

CLP stock traded UP +10% year to date for 2011, outperforming Residential REITs, UP +8%

CLP variability in weekly unemployment claims unlikely to derail long term rally for Residential REITs

CLP apartment shortage in key urban areas to drive record monthly rental rates from 2011-2013

CLP reported 19% FFO growth for 2Q 2011 and increased guidance for FFO for 2011 to indicate growth of as much as 9%

CLP a Residential REIT with a diverse portfolio of residential and retail properties

CLP we rank 2 BUY

CLP market cap \$1.7 billion

REIT Comment



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Company:	Realty Income
Price:	\$33
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,968
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/25/2011  
O \$33

Realty Income O traded DOWN (\$0.70) per share to close DOWN (2%) day

O stock traded DOWN (3%) year to date for 2011, in line with Specialty REITs, DOWN (3%)

O has exceptional record of long term dividend increases, now providing income investors with yield of 5.2%

O portfolio of net leased properties on long term leases provides stability

O reported FFO increased UP +7% for 2Q 2011, while slightly reducing guidance to indicate growth in a range of UP +8%-+10%

O a Specialty REIT with a portfolio of net leased properties

O we rank 2 BUY

O market cap \$4.0 billion

REIT Comment



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Company:	Essex Property Trust
Price:	\$136
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,587
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
ESS \$136

Essex Property Trust ESS proposal from CA Governor Jerry Brown to reallocate state taxes in favor of job creation may benefit Residential REITs with portfolios of apartment communities located in CA

ESS Governor Brown's proposal would redirect \$1 billion in business taxes to expand employee tax credits, seen as a significant benefit to small and medium sized employers

ESS unemployment in CA almost the highest in US at 12%

ESS properties located in CA represent almost 80% of total ESS portfolio

ESS 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

ESS reported 15% FFO growth for 2Q 2011 and increased guidance for FFO for 2011 to indicate as much as 14% growth

ESS like other Residential REITs seeing rapid improvement in profitability on higher average monthly rental rates

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

ESS we rank 2 BUY

ESS market cap \$4.6 billion

REIT Comment



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Company:	BRE Properties
Price:	\$47
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$3,114
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
BRE \$47

BRE Properties BRE proposal from CA Governor Jerry Brown to reallocate state taxes in favor of job creation may benefit Residential REITs with portfolios of apartment communities located in CA

BRE Governor Brown's proposal would redirect \$1 billion in business taxes to expand employee tax credits, seen as a significant benefit to small and medium sized employers

BRE more than 80% of total NOI represented by apartment properties located in CA

BRE reported 8% FFO growth (adjusted) for 2Q 2011, and increased guidance for FFO (adjusted) for 2011 to indicate as much as 17% growth

BRE seeing improved profitability on higher average monthly rental rates

BRE a Residential REIT with a diverse portfolio of apartment communities concentrated in western states

BRE we UPGRADE to 2 BUY

BRE market cap \$3.1 billion

REIT Comment



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Company:	Host Hotels & Resorts
Price:	\$11
Recommendation:	SELL
Ranking:	4
Market Cap:	\$7,211
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
HST \$11

Host Hotels & Resorts HST investor concern over impact of bad weather on travel related stocks compounding previous fears of slowing economy

HST airlines cancelling flights on east coast, disrupting business and personal travel

HST additional concern over potential of another FAA shutdown when provisional funding ends during September, 2011

HST during July reported 30% growth for 2Q 2011 FFO, while slightly lowering guidance for FFO for 2011

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

HST we rank 4 SELL

HST market cap \$7.2 billion

HST an S&P 500 Index REIT

REIT Comment



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Company:	Corporate Office Properties Trust
Price:	\$25
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,788
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
OFC \$25

Corporate Office Properties Trust OFC news of pending Pentagon spending reductions to impact trading in OFC stock for the last months of 2011

OFC threatened "doomsday cuts" of up to \$500 billion, in addition to already announced Pentagon spending reductions of \$350 billion, may hit by Thanksgiving, 2011, if no progress is made by 12 member Congressional deficit spending "supercommittee" meetings planned for September - November 2011

OFC tenants hesitant to make new lease commitments during federal budget negotiations

OFC has highest exposure of any publicly traded REIT to defense and intelligence agencies already at more than 60% of total rental revenues, to increase to more than 70% as a result of pending strategic divestiture of suburban office properties

OFC in August, 2011, reported FFO growth of 6% for 2Q 2011, and narrowed guidance range for FFO for 2011 to indicate a FLAT year

OFC an Office REIT with a portfolio of office properties concentrated in metropolitan DC area

OFC we rank 4 SELL

OFC market cap \$1.8 billion

REIT Comment



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Company:	Agree Realty
Price:	\$21
Recommendation:	SELL
Ranking:	4
Market Cap:	\$210
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
ADC \$21

Agree Realty ADC pending Borders lease auction by bankruptcy court appointed real estate liquidator may not assist ADC for properties already in default on mortgage debt where ADC is seeking forfeiture to lenders

ADC, as disclosed in 10-Q filing, ADC has mortgages on 6 former Borders properties in default on mortgage debt, including Borders Group corporate headquarters in Ann Arbor, MI

ADC total amount owed on non-recourse loans is \$17 million, with book value of properties shown as \$24 million

ADC besides mortgage debt now in default, ADC faces current debt maturities of \$55 million credit facility with Bank of America and \$5 million line of credit, both maturing in November, 2011

ADC current credit facility and line of credit bear very low interest rates(1.23% and 2.50%) that are likely to dramatically increase when extended

ADC still has not recognized charge to stockholder's equity for non-cash portion of Borders rents previously recognized as revenue since October, 2010

ADC it appears from statements in 10Q filing that as much as half of Borders rental revenue recognized during 2011 is non-cash

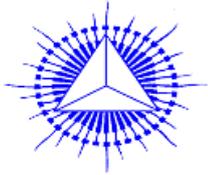
ADC still no guidance provided for FFO for 2011

ADC a Retail REIT with a portfolio of net leased properties

ADC we rank 4 SELL

ADC market cap \$210 million

REIT Comment



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Company:	Simon Property Group
Price:	\$113
Recommendation:	BUY
Ranking:	2
Market Cap:	\$40,054
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
SPG \$113

Simon Property Group SPG east coast hurricane causing power outages may prove beneficial to Retail REITs with portfolios including east coast regional malls

SPG power outages often bring consumers to the mall for entertainment and air conditioning when power is out at home

SPG back-to-school shopping season happening now may provide upside for Retail REITs when key retailer sales are reported for the month of August, 2011

SPG trailing 12 month tenant sales showing growth of more than 9%

SPG during July 2011 reported much better than expected results for 2Q 2011, with FFO UP +22%, while increasing guidance range for FFO for 2011 to indicate growth of as much as 12%

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

SPG we rank 2 BUY

SPG market cap \$40.1 billion

SPG an S&P 500 Index REIT

REIT Comment



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Company:	CBL & Associates
Price:	\$14
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,687
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
CBL \$14

CBL & Associates CBL traded UP \$0.18 per share to close UP +1% day

CBL stock traded DOWN (19%) year to date for 2011, underperforming Retail REITs, DOWN (12%)

CBL east coast hurricane causing power outages may prove beneficial to Retail REITs with portfolios including east coast regional malls

CBL power outages often bring consumers to the mall seeking entertainment and air conditioning when power is out at home

CBL back-to-school shopping season happening now may provide upside for Retail REITs when key retailer sales are reported during the first full week of September, 2011

CBL reported FFO increase of 2% for 2Q 2011, while slightly reducing guidance, despite steadily improving operating metrics

CBL stock price supported by current annual dividend yield of 5.6%

CBL a Retail REIT with a portfolio of regional malls concentrated in southeastern states

CBL we rank 2 BUY

CBL market cap \$2.7 billion

REIT Comment



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Company:	Pennsylvania REIT
Price:	\$10
Recommendation:	BUY
Ranking:	2
Market Cap:	\$576
Link:	<a href="http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
PEI \$10

Pennsylvania REIT PEI stock traded UP \$0.27 per share to close UP +3% day

PEI stock traded DOWN (31%) year to date for 2011, underperforming Retail REITs, DOWN (12%)

PEI, like other Residential REITs with regional malls in east coast states, may benefit from power outages due to hurricane weather

PEI reported FFO decline of (11%) for 2Q 2011, while increasing the low end of the guidance range of FFO for 2011

PEI annual tenant sales for trailing 12 months increased 4.4% through June, 2011

PEI a Retail REIT with a portfolio of regional malls and power centers

PEI we rank 2 BUY

PEI market cap \$576 million

REIT Comment



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Company:	Ventas
Price:	\$51
Recommendation:	BUY
Ranking:	2
Market Cap:	\$13,515
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
VTR \$51

Ventas VTR traded UP \$0.64 per share to close UP +1% day

VTR stock traded DOWN (3%) year to date for 2011, outperforming Health Care REITs, DOWN (13%)

VTR Health Care REITs with portfolio exposure to skilled nursing facilities expect tenants to feel impact of reduced Medicare reimbursement starting October, 2011

VTR diversified portfolio of health care properties concentrated in senior housing and assisted living properties, with hospitals and medical office properties also providing portfolio expansion

VTR reported better than expected results for 2Q 2011, with FFO UP +13%, and increased guidance for FFO for 2011 to indicate as much as 12% growth

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

VTR we rank 2 BUY

VTR market cap \$13.5 billion

VTR an S&P 500 Index REIT

REIT Comment



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Company:	Associated Estates Realty Corp.
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$699
Link:	<a href="http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT">http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&amp;REIT</a>

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Additional Text:  
08/26/2011  
AEC \$17

Associated Estates AEC traded UP \$0.24 per share to close UP +1% day

AEC stock traded UP +11% year to date for 2011, outperforming Residential REITs, UP +11% day

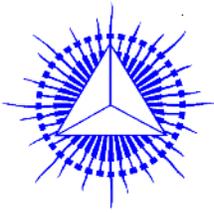
AEC reported much better than expected results for 2Q 2011, with FFO UP +29%, and increased guidance for FFO for 2011 to indicate growth of as much as 22%

AEC expects higher profitability throughout the last 6 months of 2011

AEC a Residential REIT with a portfolio of apartment communities in midwestern and east coast states

AEC we rank 2 BUY

AEC market cap \$699 million



**REIT Growth and Income Monitor** posted 55 REIT comments for the week ended August 26, 2011. Comments were issued on REITs in the following sectors:

Financial REITs	7
Health Care REITs	3
Hotel REITs	6
Industrial REITs	4
Office REITs	9
Residential REITs	6
Retail REITs	14
Specialty REITs	6

Information on REIT sectors may be found using this link:

[http://www.reitmonitor.net/REIT\\_Resources](http://www.reitmonitor.net/REIT_Resources)

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

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

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