

REIT Growth and Income Monitor

Weekly Comments 12/06/2014

REITs maintained positive performance gap of 14% year to date for 2014, outperforming the S&P 500 Index.

Financial Mortgage REITs may see portfolio gains and higher income on exit of Federal Reserve from market for agency Residential MBS.

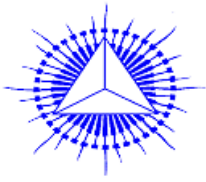
Annaly Capital Management investment in fixed rate agency RMBS provides opportunity for capital gains supporting book value.

Capstead Mortgage delivers stable results and consistent dividends through conservative investment posture in agency ARM securities.

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

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**Weekly REIT Comments**
12/06/2014

REIT positive performance gap was maintained at 14% year to date for 2014, as REITs continued to outperform within the S&P 500 Index. Average gain for all REITs followed by REIT Growth and Income Monitor is 15% year to date for 2014, exceeding 12% gain for the S&P 500 Index. REIT stocks trailed the S&P 500 Index during 2013, with average gain of 8%.

Most REIT earnings slightly exceeded expectations for 3Q 2014, increasing investor confidence. Health Care REITs, Hotel REITs, Industrial REITs and Residential REITs all increased guidance, while Office REITs affirmed conservative guidance indicating modest growth for 2014. Health Care REITs continue to rally as Affordable Care Act is implemented, bringing more patient volume for tenants of Health Care REITs. Hotel REITs demonstrate positive revenue and margin trends, with stock price performance aided by price decline for oil and gasoline. Industrial REITs are gaining occupancy, allowing FFO guidance to increase. Most Residential REITs expect strong FFO growth to continue into 2015, due to tight occupancy and rental rate increases, while portfolio expansion through acquisition and new developments drives long term FFO growth. Performance of Retail REITs should respond to rental rate increases, as well as portfolio expansion and portfolio restructuring sustaining long term FFO growth. Certain Specialty REIT segments, such as Specialty Self-Storage REITs, Specialty Cell Tower REITs and Specialty Data Center REITs, have exceeded earnings expectations, while stocks of Specialty Timber REITs, with portfolios of timberlands and sawlog mills, have been volatile on news of variable home sales. Investors take a cautious stance for Office REITs, due to exposure to financial industry layoffs and continued rent rolldowns in many urban markets

Investor acceptance of the end to Federal Reserve bond market purchases during October 2014 supports positive outlook for Financial Mortgage REITs, as prices for new issues of agency guaranteed Residential MBS are expected to moderate. Financial Mortgage REITs face significant fundamental change, with debate of Fannie Mae reform legislation likely to be delayed by interim elections. Proposals to liquidate Fannie Mae within 5 years face stiff opposition from Democratic Congressmen and Senators, as industry experts and lobbyists warn recession would follow removal of government support from the housing sector. Profits paid by Fannie Mae and Freddie Mac support the Treasury at a time of fiscal austerity, increasing probability that status quo for Fannie Mae will be maintained through the 2016 Presidential election.

REIT stocks normally perform like interest rate sensitive stocks, although none of the 20 REITs in the S&P 500 Index are actually invested in financial assets. Dividend increases for 2013 and 2014 indicate management confidence in continued FFO growth. As dividend payers, REITs may be viewed as income stocks, attracting investors in need of both consistent income and growth

End to Federal Reserve Bond Purchase Program To Benefit Financial Mortgage REITs

End to program of monetary ease through Federal Reserve investment in agency bonds and Residential MBS should prove beneficial to Financial Mortgage REITs. The bond buying program officially ended as of October 31, 2014. As the Federal Reserve was acquiring as much as 70% of all new agency issues during 2013 and 2014, tight supply of agency guaranteed securitizations created challenging conditions for portfolio managers seeking to reinvest portfolio maturities. Less competition for new issues should now enable bond prices to moderate, allowing Financial Mortgage REITs to acquire new issues at lower premiums. Amortization of premiums will decrease, increasing portfolio yield to maturity. Assuming a stable cost of funds, net interest margin should improve, enabling Financial Mortgage REITs to report higher EPS and fund dividend increases.

Long term structural change for Fannie Mae and Freddie Mac looms, causing lingering concern for Financial Mortgage REITs, as well as for all US housing market participants. However, preoccupation with the 2016 elections may keep even those Republican Senators and Congressmen seeking to liquidate Fannie Mae within 5 years from pushing forward legislation on such a sensitive topic prior to the next elections. Financial Mortgage REITs are likely to enjoy a profitable respite from bond market volatility. Investors may accept the status quo and continue to own Financial Mortgage REITs for high dividend yields in income portfolios

Trading Opportunities

Annaly Capital Management is the strongest of the publicly traded Financial Mortgage REITs, with market cap of \$11 billion supporting \$84 billion portfolio of fixed rate agency guaranteed Residential MBS. Stock price increased 15% year to date for 2014, reflecting discount of (11%) to latest book value. Since completing acquisition of related **Crexus Investment** in March, 2013, **Annaly Capital Management** directly participates in the market for non-agency guaranteed Residential MBS and for Commercial MBS. GAAP EPS showed profit of \$0.36 per share for 3Q 2014, including realized and unrealized gains and losses on sale of portfolio securities, while core EPS (excluding net portfolio unrealized gains and losses) of \$0.31 per share exceeded current quarterly dividend of \$0.30 per share. NIM (net interest margin) increased 0.09% to 1.35%, while book value decreased (3%) during 3Q 2014. Quarterly variability in **Annaly Capital Management** dividend distributions is a result of fluctuation in portfolio investment, repayments, portfolio yield and net interest income. Dividends decreased (24%) during 2013, with a further (27%) reduction announced during 2014, reflecting latest portfolio income. **Annaly Capital Management** provides income investors with current dividend yield of 10.5%, above midpoint of the range for Financial Mortgage REITs.

Capstead Mortgage participates as a small cap Financial Mortgage REIT in the market for agency securities, with current market cap of \$1.2 billion supporting \$13.7 billion portfolio of agency ARM securities. Stock price increased 7% year to date for 2014, now trading at premium of 3% to latest book value. Book value decreased slightly, down (1%) during 3Q 2014, indicating stable returns. GAAP EPS for 3Q 2014 was \$0.30 per share, below current quarterly dividend of \$0.34 per share. NIM (net interest margin) decreased (0.13%) to 1.09% for 3Q 2014. Dividends decreased (24%) during 2013, but were increased 10% during 2014. **Capstead Mortgage** provides income investors with current annual dividend yield of 10.5%, above the midpoint of the range for Financial Mortgage REITs



Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITs:		Price	Price	Price	Weekly	2014
		12/31/2013	11/28/2014	12/05/2014	Price Change	Price Change
American Tower	AMT	\$80	\$105	\$101	-4%	26%
Apartment Investment	AIV	\$26	\$37	\$37	-1%	42%
AvalonBay Communities	AVB	\$118	\$161	\$161	-0%	36%
Boston Properties	BXP	\$100	\$130	\$131	1%	31%
Crown Castle	CCI	\$73	\$83	\$79	-5%	8%
Equity Residential	EQR	\$52	\$71	\$70	-1%	36%
Essex Property Trust	ESS	\$144	\$202	\$202	-0%	41%
General Growth Properties	GGP	\$20	\$27	\$27	2%	36%
HCP	HCP	\$36	\$45	\$44	-1%	22%
Health Care REIT	HCN	\$54	\$74	\$74	0%	38%
Host Hotels & Resorts	HST	\$19	\$23	\$24	1%	21%
Kimco Realty	KIM	\$20	\$25	\$25	-0%	28%
Macerich	MAC	\$59	\$79	\$80	1%	36%
Plum Creek Timber	PCL	\$47	\$42	\$42	-0%	-11%
Prologis	PLD	\$37	\$42	\$43	1%	15%
Public Storage	PSA	\$151	\$188	\$185	-2%	23%
Simon Property Group	SPG	\$152	\$181	\$181	0%	19%
Ventas	VTR	\$57	\$72	\$71	-1%	24%
Vornado Realty Trust	VNO	\$89	\$112	\$113	1%	27%
Weyerhaeuser	WY	\$32	\$35	\$36	1%	13%
S&P 500 Index	S&P 500	\$1,848	\$2,068	\$2,075	0%	12%
Average for S&P 500 Index REITs					-0%	26%

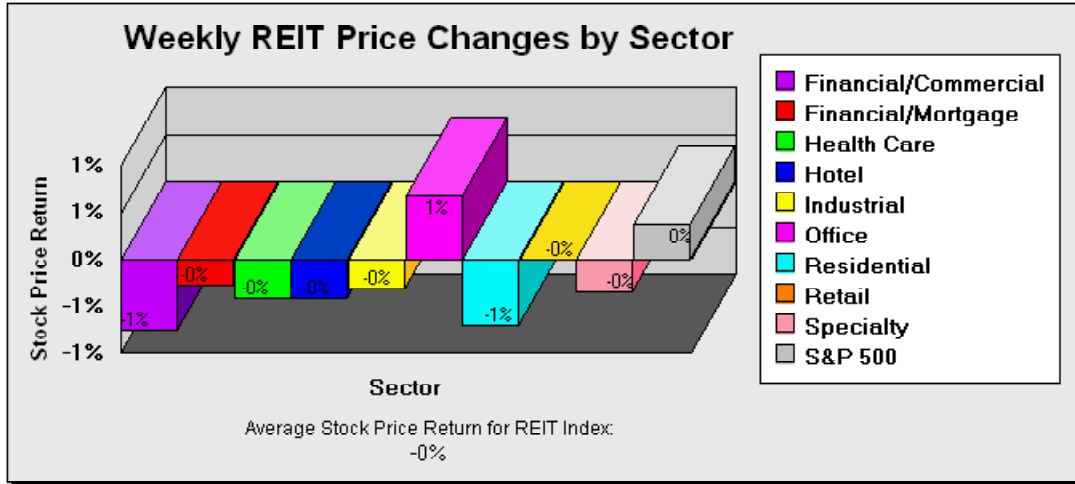
REITs traded unchanged during the week ended December 5, 2014 . REITs matched performance of the S&P 500 Index, also trading unchanged for the week, still showing 12% gain year to date for 2014. Positive performance gap for REITs was maintained at 14% year to date for 2014. REIT stocks trailed the S&P 500 Index during 2013, with average gain of 8%. Outperformance of REIT stocks reflects investor interest in equity yield alternatives to low bond market returns

Almost all of the 20 S&P 500 Index REITs outperformed the S&P 500 Index year to date for 2014, with 18 of the 20 S&P 500 Index REITs trading up more than 12% gain for the S&P 500 Index during 2014. Only 1 of the S&P 500 Index REITs traded down year to date for 2014. Rally for Residential REITs now includes **Apartment Investment and Management** up 42%, **AvalonBay Communities** up 36%, **Equity Residential** up 36% and **Essex Property Trust** up 41%, all reporting strong earnings results. Health Care REITs enjoy sustainable rally, buoyed by news of individual health enrollment under Affordable Care Act, with **Health Care REIT** up 38%, while **HCP** shows gain of 22%, and **Ventas** shows 24% gain. Office REITs also demonstrated strong performance, with **Boston Properties** up 31% and **Vornado Realty Trust** up 27% year to date for 2014. Retail REITs rallied, now lead by **General Growth Properties** up 36% and **Kimco Realty** up 28%, while **Macerich** shows 36% gain, on sudden rally spiked by takeover speculation. **Simon Property Group** gave up a portion of its year to date gain due to recent spin-off of **Washington Prime Group**, with the parent company stock up 19% year to date for 2014. **Host Hotels & Resorts** traded up 21%, helped by plunging oil prices and by higher group bookings during 2014. **Public Storage**, up 23%, and **Prologis**, up 15%, also show good gains for 2014. **American Tower** gained 26% year to date for 2014, with REIT conversion **Crown Castle** up 8% for 2014. In contrast, Specialty Timber REITs traded down on news of variable sales of new and existing homes, with Specialty Timber REIT **Plum Creek Timber** now down (11%) and **Weyerhaeuser** up 13% year to date for 2014.

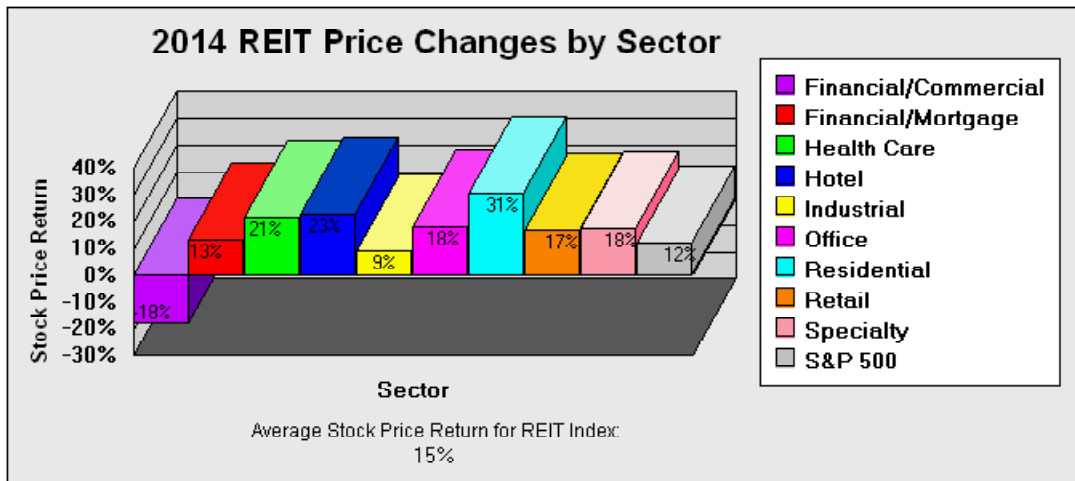
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Weekly REIT Price Changes by Sector



Almost all REIT sectors traded slightly lower for the week ended December 5, 2014. Best performance was shown by Office REITs, trading up 1% for the week. Financial Mortgage REITs, Health Care REITs, Hotel REITs, Industrial REITs, Retail REITs and Specialty REITs all traded unchanged. Lagging REIT sectors were Financial Commercial REITs and Residential REITs, both trading down (1%). On average, stock prices for REIT Growth and Income Monitor traded unchanged for the week ended December 5, 2014.



Stock prices for REITs followed by REIT Growth and Income Monitor traded up 15% on average year to date for 2014, outperforming the S&P 500 Index, still up 12% year to date for 2014. REITs have unique tax structure, with 90% of pretax income required to be distributed to shareholders as dividends, ensuring continuity of dividends. Investors are attracted by consistent dividend income, and REITs have demonstrated ability both to pay and to increase dividends. REITs offer higher yields than S&P 500 stocks, with REIT dividends taxed at the same rate as ordinary income. REIT funds flow demonstrates moderate growth, at a time when other market sectors face adjusted revenue expectations due to currency exposure and variable international economies

Almost all REIT sectors outperformed the S&P 500 Index during 2014. Leading REIT sector for 2014 is Residential REITs, now up 31% due to strong employment trends. Hotel REITs traded up 23% year to date, supported by plunging oil prices. Health Care REITs are up 21% as the Affordable Care Act is implemented, bringing more patient volume to tenants of Health Care REITs. Specialty REITs traded up 18% year to date for 2014, supported by investor interest in Cell Tower REITs, Data Center REITs and Self-Storage REITs, offset by underperformance of Specialty Timber REITs. Office REITs show gain of 18% and Retail REITs show gain of 17% year to date. Financial Mortgage REITs show gain of 13%, as investors respond positively to the outlook for continued low interest rates and the exit of Federal Reserve from bond market purchases. Industrial REITs now show gain of 9% year to date for 2014. Lagging Financial Commercial REITs traded down (18%) year to date for 2014, reflecting investor concern over lower volume of new issues of commercial securitizations, as well as impact of spin-offs on stock prices of Financial Commercial REITs.

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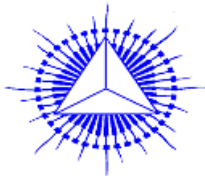


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REIT Comment



Company:	Simon Property Group
Price:	\$181
Recommendation:	BUY
Ranking:	2
Market Cap:	\$65,740
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
SPG \$181

Simon Property Group SPG Thanksgiving weekend sales called disappointing possibly indicating consumer caution

SPG survey report from NRF (National Retail Federation) shows retail sales from Thanksgiving through Sunday evening DOWN (11%) from previous year to \$50.9 billion

SPG report from NRF shows 133.7 million consumers planned to shop during the holiday weekend DOWN (5.2%), with average amount spent per consumer \$381, DOWN (6.4%) from previous year

SPG previous NRF forecast for Holiday 2014 spending projected increase UP +4%

SPG consumers demonstrating cautious stance, possibly indicating belief that prices may decline further over the next 3 weeks

SPG recently increased guidance for FFO for 2014 to indicate growth UP +4%

SPG provides current annual dividend yield of 2.9%

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 \$65.7 billion

SPG an S&P 500 Index REIT

REIT Comment



Company:	Prologis
Price:	\$42
Recommendation:	BUY
Ranking:	2
Market Cap:	\$21,843
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
12/01/2014
PLD \$42

Prologis PLD investors reacting to report of lower China manufacturing activity, causing concern for global economic growth

PLD official report of China PMI from National Bureau of Statistics showed China PMI (purchase managers index) DOWN (0.5%) to 50.3% for November 2014, showing only slight level of economic growth

PLD China PMI expected to show normal seasonal decline for November 2014 of DOWN (0.3%)

PLD index of new orders DOWN (0.7%) to 50.9%, while new export orders DOWN (1.5%) to 48.4%

PLD China PMI decline confirmed by report from Markit showing PMI for smaller factories and manufacturing plants DOWN (0.4%) to 50.0%

PLD slower Asia growth contributing to reduced estimates for global economic growth

PLD management sees consistent demand for bulk distribution space driven by growth in global trade, consumption and e-commerce

PLD total \$29 billion assets under management in institutional funds enables PLD to increase market share in international markets

PLD recently completed new China Logistics Venture 2 to invest \$1.0 billion in bulk distribution centers in China, with institutional equity commitments of \$588 million

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

PLD increased low end of guidance range for 2014 FFO to indicate growth UP +12% - +13%

PLD increased dividend distribution by 18% for 2014, bringing current yield to 3.1%

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

PLD we rank 2 BUY

PLD market cap \$21.8 billion

PLD an S&P 500 Index REIT

REIT Comment



Company:	SL Green Realty
Price:	\$116
Recommendation:	SELL
Ranking:	4
Market Cap:	\$11,554
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
SLG \$116

SL Green Realty SLG increased quarterly dividend distribution by 20% to \$0.60 per share for 1Q 2015

SLG new annual dividend \$2.40 per share

SLG new yield 2.07%

SLG total dividend increase during 2014 UP +82%

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

SLG we rank 4 SELL

SLG market cap \$11.6 billion

REIT Comment



Company:	Alexandria Real Estate Equities
Price:	\$86
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,111
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
ARE \$86

Alexandria Real Estate Equities ARE increased quarterly dividend distribution by 3% to \$0.74 per share for 4Q 2014

ARE new annual dividend \$2.96 per share

ARE new yield 3.45%

ARE total dividend increase during 2014 UP +9%

ARE a Health Care REIT with a portfolio of office and laboratory properties net leased to biotech and pharmaceutical tenants

ARE we rank 2 BUY

ARE market cap \$6.1 billion

REIT Comment



Company:	Crown Castle
Price:	\$83
Recommendation:	BUY
Ranking:	2
Market Cap:	\$27,677
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
CCI \$83

Crown Castle CCI sales contribution by Apple AAPL iPhone6 and iPhone 6+ made clear by online shopping metrics and promotions

CCI smartphones with larger screen size, like Apple iPhone 6+, show higher share of online sales

CCI report from IBM Benchmark showed smartphones generating 34% of online traffic on Black Friday, compared to 13% for tablets, while smartphones represented only 12% of actual online sales, compared to 14% for tablets

CCI Apple AAPL iOS share of online sales 20%, compared to only 6% for Android

CCI Apple AAPL offering free \$50 iTunes giftcard with online purchase of iPhone 6, iPhone 6+, iPhone 5S or 5C

CCI Apple AAPL iPad Air 2 discounted by \$100 to \$399 by Best Buy BBY, while Target TGT offers \$140 store gift card with purchase of iPad Air 2

CCI Cell Tower REITs benefit from penetration of tablets and smartphones into subscriber base increasing demand for data and video streaming

CCI rents for Cell Tower REITs driven by carrier investment to expand capacity increase coverage areas and improve service

CCI guidance for AFFO for 2014 indicates growth UP +15%

CCI recently increased quarterly dividend distribution by 134%, bringing current annual dividend yield to 4.0%

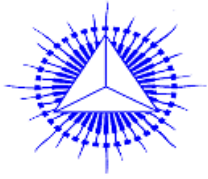
CCI a Specialty Cell Tower REIT with a portfolio of wireless and broadcast communications real estate, with towers in US and Australia

CCI we rank 2 BUY

CCI market cap \$27.7 billion

CCI an S&P 500 Index REIT

REIT Comment



Company:	Duke Realty
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,596
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
DRE \$19

Duke Realty DRE news of slight decline in US manufacturing activity still demonstrates momentum as US economy expands

DRE report from ISM (Institute of Supply Management) showed index of US factory activity DOWN (0.3%) to 58.7% for November 2014 from previous month

DRE seasonal downtrend confirmed by separate report from Markit showing US PMI(Purchase Managers Index) DOWN (1.1%) to 54.8% for November 2014 from previous month

DRE continuing divestitures of non-strategic assets, including suburban office properties and medical office buildings, to concentrate investment in industrial sector

DRE increased low end of guidance range for 2014 FFO to indicate growth UP +6%--+8%

DRE stock price supported by current annual dividend yield of 3.5%

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

DRE we rank 2 BUY

DRE market cap \$6.6 billion

REIT Comment



Company:	Parkway Properties
Price:	\$19
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,957
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
PKY \$19

Parkway Properties PKY traded DOWN (\$0.76) per share to close DOWN (4%) day

PKY stock traded DOWN (3%) year to date for 2014, underperforming Office REITs, trading UP +17% for 2014

PKY investing \$69 million to develop new 10 story office tower in Tempe AZ

PKY 2014 acquisitions total \$307 million, including 5 office properties in Miami, Jacksonville, Orlando and Atlanta

PKY seeking to improve occupancy from low levels in opportunistic office property investments

PKY guidance for FFO for 2014 indicates growth UP +14%-+17%

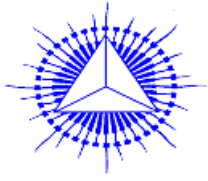
PKY provides current yield of 4.0%

PKY an Office REIT

PKY we rank 3 HOLD

PKY market cap \$2.0 billion

REIT Comment



Company:	Camden Property Trust
Price:	\$74
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,653
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
CPT \$74

Camden Property Trust CPT stock traded DOWN (\$2.80) per share to close DOWN (4%) day

CPT stock traded UP +30% year to date for 2014, underperforming Residential REITs, trading UP +32% for 2014

CPT investing \$1.0 billion to develop 13 new apartment communities, for total portfolio capacity increment of 7%

CPT portfolio concentration includes 16% of apartments located in DC metropolitan area and 10% in Houston

CPT guidance for FFO for 2014 indicates growth UP +6%-+7%

CPT stock price supported by current annual dividend yield of 3.6%

CPT a Residential REIT with a diverse portfolio of apartment communities

CPT we rank 2 BUY

CPT market cap \$6.7 billion

REIT Comment



Company:	EastGroup Properties
Price:	\$66
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,047
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
EGP \$66

EastGroup Properties EGP traded DOWN (\$1.47) per share to close DOWN (2%) day

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

EGP portfolio of industrial bulk distribution properties growing through build-to-suit and company owned developments

EGP total construction pipeline \$89 million for 21 buildings to add 4% to total portfolio capacity

EGP guidance for FFO for 2014 indicates growth UP +7%

EGP provides current annual dividend yield of 3.5%

EGP an Industrial REIT with a portfolio of bulk distribution properties

EGP we rank 2 BUY

EGP market cap \$2.0 billion

REIT Comment



Company:	Sun Communities
Price:	\$57
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,345
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/01/2014
SUI \$57

Sun Communities SUI traded DOWN (\$1.68) per share to close DOWN (3%) day

SUI stock traded UP +34% year to date for 2014, outperforming Residential REITs, trading UP +32% for 2014

SUI reduced guidance 2014 FFO (adjusted) to reflect recent divestitures, now projecting growth UP +4%--6%

SUI pending \$1.32 billion acquisition of American Land Lease properties from Green Courte Partners LLC expected to close by January 2015, renewing portfolio growth

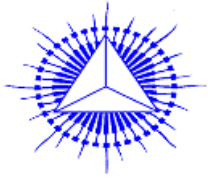
SUI provides current annual dividend yield of 4.5%

SUI a Residential Manufactured Home REIT with a portfolio of manufactured home communities

SUI we rank 2 BUY

SUI market cap \$2.3 billion

REIT Comment



Company:	Host Hotels & Resorts
Price:	\$23
Recommendation:	BUY
Ranking:	2
Market Cap:	\$18,208
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
HST \$23

Host & Hotels HST sliding oil prices provide more liquidity for consumers, supporting spending for Retail REITs and Hotel REITs

HST yesterday's Brent crude oil price of \$67 per barrel shows decline DOWN more than (40%) from \$115 per barrel during June 2014

HST Hotel REITs normally trade inversely to oil prices, as lower price of gasoline enables more spending on extra room nights and ancillary charges increasing occupancy and profitability for hotels

HST increased guidance range for FFO for 2014 to indicate growth UP +12% - +14%

HST recently increased dividend by 33%, bringing current annual dividend yield to 3.5%, above the midpoint of the range for Hotel REITs

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

HST we rank 2 BUY

HST market cap \$18.2 billion

HST an S&P 500 Index REIT

REIT Comment



Company:	DuPont Fabros Technology
Price:	\$32
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,622
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
DFT \$32

DuPont Fabros Technology DFT reports of Cyber Monday sales indicate strong online sales growth supporting trading for Data Center REITs

DFT report from Adobe Systems 2014 Digital Index showed \$2.65 billion online sales for Cyber Monday, UP +16%, with top 25 retailers UP +25% and smaller retailers UP +5%

DFT IBM Digital Analytics real time tracking index of digital shopping showed online sales UP+8.1% for Cyber Monday, UP +9.5% for Black Friday and UP +14.3% for Thanksgiving

DFT Data Center REITs benefit from proliferation of smartphones, tablets, e-readers and wearable data-enabled devices, with many new apps enabling e-commerce

DFT latest guidance for FFO for 2014 indicates growth UP +24%

DFT now providing current annual dividend yield of 4.4%

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

DFT we rank 2 BUY

DFT market cap \$2.6 billion

REIT Comment



Company:	General Growth Properties
Price:	\$27
Recommendation:	BUY
Ranking:	2
Market Cap:	\$25,379
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
GGP \$27

General Growth Properties GGP retailers report "omni-channel strategy" supporting total sales growth for Holiday 2014

GGP key anchor tenants including JC Penney JCP, Macy's M and Sears SHLD all now discuss online sales as key driver for in-store traffic

GGP "omni-channel strategy" enables consumers to make purchases online from PCs, smartphones and tablets, with delivery scheduled at in-store location to avoid shipping charges

GGP online access provided by largest retailers supports smaller tenants as all mall retailers benefit from every Holiday trip to the mall by shoppers

GGP recently increased guidance for FFO for 2014 to indicate growth UP +13%-+15%

GGP provides current yield of 2.5%

GGP a Retail REIT with a portfolio of regional malls

GGP we rank 2 BUY

GGP market cap \$25.4 billion

GGP an S&P 500 Index REIT

REIT Comment



Company:	Kimco Realty
Price:	\$26
Recommendation:	BUY
Ranking:	1
Market Cap:	\$10,598
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
KIM \$26

Kimco Realty KIM merger of online sales with in-store access renews traffic for traditional retail venues, supporting trading in stocks of Retail REITs

KIM online sales now supporting total tenant sales at in-store locations, as "omni-channel" retailing attracts shoppers through dedicated retailer websites

KIM key anchor retailers including Wal-Mart WMT, Target TGT, Best Buy BBY and Staples SPLS all report bringing shoppers to in-store locations in response to online sales promotions

KIM Retail REITs indirectly benefit from higher tenant sales, enabling more positive environment for rent renegotiations

KIM increased guidance for FFO for 2014 to indicate growth UP +5%+6%

KIM recently increased dividend by 7%, bringing current annual dividend yield to 3.7%

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

KIM we rank 1 BUY

KIM market cap \$10.6 billion

KIM an S&P 500 Index REIT

REIT Comment



Company:	Winthrop Realty Trust
Price:	\$17
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$606
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
FUR \$17

Winthrop Realty Trust FUR increased estimate of liquidation value to \$18.35 per share

FUR stock now trading at discount of (8%) to net liquidation value of \$18.35 per share

FUR latest financial statements reported on liquidating basis, with no additional reporting of current revenues or income

FUR liquidating financial statements show total assets of \$1.2 billion with net liquidation value of \$668 million

FUR divestitures during 3Q 2014 included \$24 million for 4 company owned and \$42 million for 4 joint venture assets

FUR 2014 year to date divestitures \$196 million

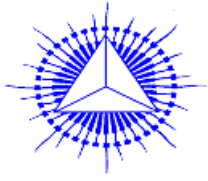
FUR common stock dividends suspended pending liquidation

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 \$606 million

REIT Comment



Company:	Franklin Street Properties
Price:	\$12
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,206
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
FSP \$12

Franklin Street Properties FSP 3Q 2014 FFO \$0.28 v \$0.28 FLAT

FSP increased low end of guidance range 2014 FFO \$1.10-\$1.12 v \$1.07 UP +3%+5%
FSP previous guidance range 2014 FFO \$1.09-\$1.12 per share

FSP implied guidance 4Q 2014 FFO \$0.25-\$0.27 v \$0.29 DOWN (7%)-(14%)

FSP 3Q 2014 portfolio occupancy 93.3%
FSP 3Q 2014 average same property rents UP +2.8%

FSP portfolio concentrated 26% in TX, 22% CO, 14% GA and 38% in 10 other states
FSP portfolio also includes \$80 million investment in non-consolidated REITs

FSP considering sales of properties held by related single-asset REITs
FSP to develop TCF Bank building in Minneapolis MN on December 2015 lease expiration

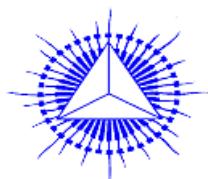
FSP stock price supported by current annual dividend yield of 6.3%

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

FSP we rank 3 HOLD

FSP market cap \$1.2 billion

REIT Comment



Company:	RAIT Financial Trust
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$651
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

12/02/2014

RAS \$7

RAIT Financial Trust RAS 3Q 2014 GAAP EPS loss (\$0.28) v (\$0.24)

RAS 3Q 2014 GAAP EPS loss includes net charge of (\$10) million for unrealized valuation adjustment to portfolio securities and (\$22) million for SEC settlement for legacy Taberna Capital Management

RAS 3Q 2014 CAD (cash available for distribution) \$0.00 (adjusted) v \$0.28 (adjusted)

RAS 3Q 2014 CAD (cash available for distribution) excludes realized gains and losses as well as valuation adjustments for unrealized gains and losses and other items but includes charge of (\$0.26) per share for SEC settlement for legacy Taberna Capital Management

RAS no guidance provided for GAAP EPS or CAD for 2014

RAS 3Q 2014 adjusted book value \$6.18 per share DOWN (5%) due to charges

RAS stock trading at premium of 20% to adjusted book value as of September 2014

RAS 3Q 2014 portfolio \$3.6 billion including 39% commercial mortgages and loans, 39% owned real estate, 16% securities and 7% cash

RAS property portfolio includes 84 properties with 2.3 million square feet of office space, 1.8 million square feet of retail space and 13,516 multi-family units

RAS 3Q 2014 assets under management \$5.4 billion, generating quarterly fee income of \$8 million

RAS 3Q 2014 invested \$246 million in new loans and securities

RAS 3Q 2014 non-performing loans \$41 million, net of (\$16) million loan loss reserve

RAS 3Q 2014 balance sheet cash \$250 million, including \$133 million restricted cash

RAS continues to consolidate IRT results on RAS income statement and balance sheet since completion of August 2013 IPO of Independence Realty Trust IRT, a NYSE listed Residential REIT

RAS earns management fees and receives dividends from IRT as a separate publicly traded entity

RAS 60% owned IRT owns a portfolio of residential investments with 6,500 apartment units

RAS retains 5.8 million shares of IRT valued at \$54 million

RAS increased dividends by 20% year to date for 2014, now providing current annual dividend yield of 9.7%

RAS a Financial Commercial REIT

RAS we rank 2 BUY

RAS market cap \$651 million

REIT Comment



Company:	Universal Health Realty Income Trust
Price:	\$48
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$622
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
UHT \$48

Universal Health Realty Income Trust UHT 3Q 2014 FFO \$0.69 (adjusted) v \$0.69 (adjusted) FLAT
UHT 3Q 2014 FFO (adjusted) excludes net charge of (\$0.02) per share for transaction costs

UHT no guidance provided for FFO for 2014

UHT 3Q 2014 revenues \$15.3 million UP +13%
UHT 3Q 2014 operating income \$4.9 million before non-operating items UP +6%

UHT 2014 acquisition \$7 million to consolidate LLC interests, generating gain of \$25 million for 3Q 2014

UHT provides current annual dividend yield of 5.2%

UHT a Health Care REIT with a portfolio of investments in acute care, psychiatric and specialty care hospitals, many operated by key related tenant Universal Health Services UHS

UHT we rank 3 HOLD

UHT market cap \$622 million

REIT Comment



Company:	UMH Properties
Price:	\$9
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$209
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
UMH \$9

UMH Properties UMH 3Q 2014 core FFO \$0.13 v \$0.10 UP +30%
UMH 3Q 2014 core FFO included net realized gains of \$1.3 million on transactions for REIT portfolio

UMH no guidance provided for FFO for 2014

UMH 3Q 2014 portfolio occupancy 83.3% UP +2.0%
UMH 3Q 2014 occupancy for rental homes 91.3% DOWN (1.3%) from June 2014 due to acquisitions

UMH 3Q 2014 sales of manufactured homes \$2.2 million DOWN (3%)

UMH 3Q 2014 unrealized gains on REIT portfolio total \$2.6 million

UMH year to date 2014 acquisitions \$79 million for 26 manufactured home communities

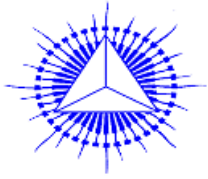
UMH provides current annual dividend yield of 7.6%

UMH a Specialty REIT with a portfolio of manufactured home communities and investments in REIT securities

UMH we rank 3 HOLD

UMH market cap \$209 million

REIT Comment



Company:	American Realty Capital Properties
Price:	\$9
Recommendation:	BUY
Ranking:	2
Market Cap:	\$8,057
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
ARCP \$9

American Realty Capital Properties ARCP may delay announcement of 3Q 2014 financial results to January, 2015

ARCP announced lender waiver for disclosure of current financial results until January 5, 2014

ARCP agreed to voluntary reduction of maximum indebtedness to \$4.0 billion

ARCP also agreed to maintain current unencumbered asset value of \$10.5 billion, with current level of \$13.0 billion

ARCP delayed filing of results for 3Q 2014 a result of pending restatement of non-GAAP results for 1Q and 2Q 2014

ARCP management discussion on conference call indicated expected change to AFFO results for 1Q 2014 and 2Q 2014 is a net reduction of (\$0.02)-(\$0.025) per share for 2014

ARCP previous guidance for FFO for 2014 indicated growth UP more than +30%

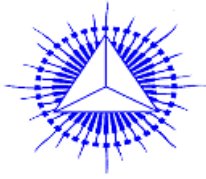
ARCP continues to pay monthly dividends for current annual yield of 10.8%

ARCP a Retail REIT with a portfolio of single tenant net leased properties

ARCP we rank 2 BUY

ARCP market cap \$8.1 billion

REIT Comment



Company:	Crown Castle
Price:	\$80
Recommendation:	BUY
Ranking:	2
Market Cap:	\$26,668
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
CCI \$80

Crown Castle CCI traded DOWN (\$2.19) per share to close DOWN (3%) day

CCI stock traded UP +9% year to date for 2014, underperforming Specialty REITs, trading UP +18% for 2014

CCI success of Holiday 2014 online shopping through smartphones and tablets keeps investors interested in Cell Tower REITs

CCI rents for Cell Tower REITs driven by carrier investment to expand capacity increase coverage areas and improve service

CCI guidance for AFFO for 2014 indicates growth UP +15%

CCI recently increased quarterly dividend distribution by 134%, bringing current annual dividend yield to 4.0%

CCI a Specialty Cell Tower REIT with a portfolio of wireless and broadcast communications real estate, with towers in US and Australia

CCI we rank 2 BUY

CCI market cap \$26.7 billion

CCI an S&P 500 Index REIT

REIT Comment



Company:	Washington REIT
Price:	\$27
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,831
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
WRE \$27

Washington REIT WRE traded UP \$0.67 per share to close UP +3% day

WRE stock traded UP +17% year to date for 2014, in line with Office REITs, also UP +17% for 2014

WRE conversation among Republicans in House of Representatives seeks to limit potential for federal government shutdown during December 2014

WRE existing budget authorization keeps government running only through December 11, 2014

WRE exposure to metropolitan DC area represents entire portfolio of office buildings, residential properties and retail centers

WRE hopes to announce new CFO hire during 4Q 2014

WRE latest guidance for FFO for 2014 indicates decline DOWN (9%)-(11%) due to divestiture of medical office portfolio during 4Q 2013

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

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

WRE we rank 3 HOLD

WRE market cap \$1.8 billion

REIT Comment



Company:	DCT Industrial Trust
Price:	\$34
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,992
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/02/2014
DCT \$34

DCT Industrial Trust DCT traded UP \$0.59 per share to close UP +2% day

DCT stock traded UP +20% year to date for 2014, outperforming Industrial REITs, trading UP +10% for 2014

DCT Industrial REITs see momentum in US economic growth driving demand for bulk distribution space, with higher occupancy and rental rates

DCT recent 1:4 reverse stock split increased stock price per share, dividend per share and EPS per share, while reducing total shares outstanding

DCT latest guidance for FFO for 2014 indicates growth UP +4%-+7%

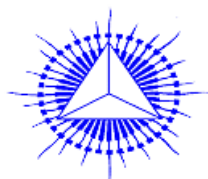
DCT stock price supported by current annual dividend yield of 3.3%

DCT an Industrial REIT with a portfolio of bulk distribution facilities

DCT we rank 2 BUY

DCT market cap \$3.0 billion

REIT Comment



Company:	Government Properties Income Trust
Price:	\$23
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,248
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
GOV \$23

Government Properties Income Trust GOV potential for government shutdown next week may impact trading in stocks of REITs with government agency tenants

GOV conversation among Republicans in House of Representatives seeks to limit potential for federal government shutdown next week

GOV existing budget authorization keeps government running only through December 11, 2014

GOV government tenants including US federal and state agencies represent 97% of total rental revenue for GOV

GOV 4Q 2014 pending vacancy of FDA at Rockville MD to reduce total GOV rents by (1.3%)

GOV recent \$678 million purchase of 43% stake in Select Income REIT SIR may cause shareholder turnover or even litigation among investors concerned over lack of outside bid for block of stock previously controlled by Commonwealth REIT CWH [new name: Equity Commonwealth and new ticker: EQC]

GOV July 2014 share offering increased total GOV shares outstanding by 25%, in order to fund acquisition of equity stake in Select Income REIT SIR

GOV continues under external management by RMR (Reit Management & Research LLC), a privately held real estate management company that previously managed Equity Commonwealth EQC, and still manages Government Properties Income Trust GOV, Hospitality Properties Trust HPT, TravelCenters of America TA and Senior Housing Properties Trust SNH

GOV provides current annual dividend yield of 7.5%

GOV a Specialty REIT with a portfolio of office properties net leased to federal and state agencies

GOV we DOWNGRADE rank to 4 SELL

GOV market cap \$1.2 billion

REIT Comment



Company:	AvalonBay Communities
Price:	\$162
Recommendation:	BUY
Ranking:	2
Market Cap:	\$21,265
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
AVB \$162

AvalonBay Communities AVB news of slower rate of private sector job creation from ADP may indicate seasonality

AVB report this morning from ADP (Automatic Data Processing) found private sector added 208,000 new jobs for November 2014, DOWN (25,000) from revised 233,000 for October 2014

AVB job creation revised upwards for October 2014, but downwards for September 2014, with all recent months DOWN from peak of 297,000 new private sector jobs reported for June 2014

AVB comment from ADP economist indicates continued rate of job creation may be enough to see wage gains accelerate

AVB report expected from Labor Department later this week may vary from ADP report due to inclusion of government jobs

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

AVB latest guidance for FFO for 2014 indicates growth UP +9%--+10%

AVB increased dividends by 8% during 2014, now providing current annual dividend yield of 2.9%

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 \$21.3 billion

AVB an S&P 500 Index REIT

REIT Comment



Company:	DuPont Fabros Technology
Price:	\$32
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,633
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
DFT \$32

DuPont Fabros Technology DFT increasingly optimistic analysis of Cyber Monday sales indicates importance of online contribution to total retail sales

DFT report from comScore showed online sales for Cyber Monday increased UP+17% to \$2.1 billion, representing highest single day for online sales to date

DFT even higher estimate for Cyber Monday sales announced by Forrester with report showing \$3.0 billion total online sales

DFT Forrester analysis shows online sales now 14% of total retail sales for November and first 2 days of December 2014

DFT Data Center REITs benefit from proliferation of smartphones, tablets, e-readers and wearable data-enabled devices, with many new apps enabling e-commerce

DFT latest guidance for FFO for 2014 indicates growth UP +24%

DFT now providing current annual dividend yield of 4.3%

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

DFT we rank 2 BUY

DFT market cap \$2.6 billion

REIT Comment



Company:	Home Properties
Price:	\$65
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$4,404
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
HME \$65

Home Properties HME concern over potential for lower rental rates in DC apartment market a result of new apartment supply

HME recent and planned divestitures, as well as strategic adjustment to development pipeline, may impact near term FFO growth

HME management decision to exit property developments indicates decision that adequate new supply will enable acquisitions of older properties within HME target criteria

HME exposure to DC metropolitan area represents 30% of total rents, expected to be reduced to 25% through divestitures

HME guidance for FFO growth for 2014 indicates growth UP +1%--2%

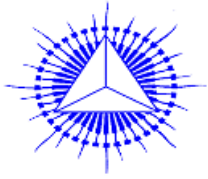
HME provides current annual dividend yield of 4.5%

HME a Residential REIT with a diverse portfolio of apartment communities

HME we DOWNGRADE rank to 3 HOLD

HME market cap \$4.4 billion

REIT Comment



Company:	Corrections Corp of America
Price:	\$37
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$4,312
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
CXW \$37

Corrections Corp of America CXW potential shutdown of federal government over budget negotiations could impact funding for important tenants of Specialty Corrections REITs

CXW Republican opposition to Obama immigration plan preventing progress on budget negotiations, with current funding of federal government authorized only through December 11, 2014, Thursday of next week

CXW proposals to prevent federal government shutdown would authorize current spending levels for all government agencies except DHS (Department of Homeland Security) in effort to isolate immigration issue for future legislative action

CXW current tenants include US Marshals Service 17% of revenue, state of CA 14%, FBOP (Federal Bureau of Prisons) 13%, US Immigrations and Customs Enforcement 12%, as well as states GA 6%, TN 5%, CO 4%, OK 3% and FL 2%

CXW new Family Residential Center under construction for Immigration in TX to add 2,400 people, with opening planned for December 2014, and completion of full construction by 2Q 2015

CXW guidance for FFO for 2014 indicates decline DOWN (2%)

CXW increased dividends 6% during 2014, now providing current annual dividend yield of 5.5%

CXW a Specialty Corrections REIT with a portfolio of corrections facilities leased to federal and state agencies

CXW we rank 3 HOLD

CXW market cap \$4.3 billion

REIT Comment



Company:	Acadia Realty Trust
Price:	\$32
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,917
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
AKR \$32

Acadia Realty Trust AKR increased quarterly dividend distribution by 4% to \$0.25 per share for 1Q 2015

AKR new annual dividend \$0.96 per share

AKR new yield 3.0%

AKR a Retail REIT with a portfolio of grocery and value-anchored retail shopping centers in urban locations

AKR we Rank 2 BUY

AKR market cap \$1.9 billion

REIT Comment



Company:	Acadia Realty Trust
Price:	\$32
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,917
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
12/03/2014
AKR \$32

Acadia Realty Trust AKR 3Q 2014 FFO \$0.33 (adjusted) v \$0.33 (adjusted) FLAT
AKR 3Q 2014 FFO (adjusted) excludes net charges of (\$0.03) per share relating to acquisition cost

AKR made no change to guidance range 2014 FFO (adjusted) \$1.35-\$1.40 (adjusted) v \$1.30 (adjusted) +4%+8%
AKR guidance range 2014 FFO (adjusted) excludes net year to date charges of (\$0.06) per share relating to acquisition cost
AKR guidance range 2014 FFO assumes same property NOI UP +5.0%+5.5%

AKR implied guidance 4Q 2014 FFO \$0.32-\$0.37 v \$0.33 UP +3%+12%

AKR 3Q 2014 same property NOI UP +7.3%
AKR 3Q 2014 portfolio occupancy 96.0%, with same property occupancy 95.9% UP +2.1%

AKR 3Q 2014 cash rents on lease turnover UP +8.7%

AKR year to date 2014 acquisitions \$196 million
AKR pending acquisitions \$144 million

AKR year to date 2014 dispositions \$342 million
AKR pending dispositions \$124 million

AKR benefits from investment by \$1.5 billion institutional funds under management

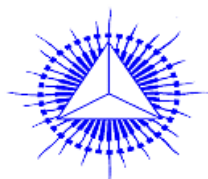
AKR current annual dividend yield 2.9%

AKR a Retail REIT with a portfolio of grocery and value-anchored retail shopping centers in urban locations

AKR we Rank 2 BUY

AKR market cap \$1.9 billion

REIT Comment



Company:	Anworth Mortgage Asset
Price:	\$5
Recommendation:	BUY
Ranking:	2
Market Cap:	\$713
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
12/03/2014
ANH \$5

Anworth Mortgage Asset ANH 3Q 2014 GAAP EPS \$0.15 v \$0.07 UP +114%

ANH 3Q 2014 core EPS \$0.13 v \$0.12 UP +8%
ANH core EPS excludes impairment losses on Residential MBS, as well as gains and losses on interest rate swaps and derivatives

ANH 3Q 2014 book value \$6.34 per share UP +1% from June 2014 due to management decision to continue share repurchase program
ANH stock now trading at discount of (14%) to latest book value
ANH book value includes 2014 year to date accumulated unrealized loss on portfolio securities of (\$46) million, improved by \$7 million from June 2014

ANH 3Q 2014 portfolio \$8.1 billion DOWN (\$0.2) billion from June 2014
ANH 3Q 2014 average portfolio yield 2.58% FLAT

ANH 3Q 2014 NIM (net interest margin) 0.83% UP +0.25%

ANH 3Q 2014 portfolio leverage 8.0X FLAT
ANH 3Q 2014 CPR (constant prepayment rate) 18% UP +4%

ANH 3Q 2014 repurchased 6.8 million shares, representing 13% of total cumulative reduction of outstanding shares, in response to proxy battle with activist shareholder
ANH issued additional share repurchase authorization for 10 million shares

ANH changed dividend determination to exclude cost of hedging leading to dividend increase of 75% to \$0.14 per share per quarter

ANH invested \$12.5 million to acquire 79 single family residential properties in foreclosure

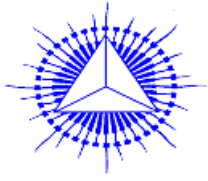
ANH stock price now supported by current annual dividend yield of 10.3%, above the midpoint of the range for Financial Mortgage REITs

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

ANH we rank 2 BUY

ANH market cap \$713 million

REIT Comment



Company:	Hersha Hospitality Trust
Price:	\$7
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,526
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
HT \$7

Hersha Hospitality Trust HT 3Q 2014 increased quarterly dividend distribution by 17% to \$0.07 per share for 4Q 2014

HT new annual dividend \$0.28 per share

HT new yield 3.8%

HT a Hotel REIT with a portfolio concentrated in urban and resort locations

HT we rank 3 HOLD

HT market cap \$1.5 billion

REIT Comment



Company:	Hersha Hospitality Trust
Price:	\$7
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,526
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
12/03/2014
HT \$7

Hersha Hospitality Trust HT 3Q 2014 FFO \$0.14 (adjusted) v \$0.13 UP +8%
HT 3Q 2014 FFO (adjusted) excludes net charges of (\$0.02) per share relating to preferred share redemption, stock based compensation, acquisition cost and non-cash amortization items

HT increased guidance range 2014 FFO \$0.47-\$0.49 v \$0.41 UP +15%+20%
HT previous guidance range 2014 FFO \$0.46-\$0.48 per share
HT guidance range 2014 FFO assumes comparable hotel RevPAR (revenue per available room) UP +7.5%-+8.5%, with hotel EBITA margin UP +1.0%-+1.5%
HT guidance range 2014 FFO assumes EBITDA \$160-\$163 million

HT implied guidance 4Q 2014 FFO \$0.11-\$0.13 v \$0.12 DOWN (8%)-UP +8%

HT 3Q 2014 comparable hotel RevPAR (revenue per available room) \$162 UP +9.4%
HT 3Q 2014 comparable ADR (average daily rate) \$188 UP +5.0%
HT 3Q 2014 comparable hotel occupancy 86.2%
HT 3Q 2014 hotel EBITDA margin 38.5% UP +1.5%

HT increased dividend by 17% bringing current annual dividend yield to 3.8%

HT a Hotel REIT with a portfolio concentrated in urban and resort locations

HT we rank 3 HOLD

HT market cap \$1.5 billion

REIT Comment



Company:	QTS Realty Trust
Price:	\$33
Recommendation:	BUY
Ranking:	2
Market Cap:	\$957
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
QTS \$33

QTS Realty Trust QTS traded UP \$0.48 per share to close UP +1% day

QTS stock traded UP +33% year to date for 2014, outperforming Specialty REITs, trading UP +18% for 2014

QTS smaller Data Center REITs demonstrating rapid FFO growth as capacity expands in response to higher demand

QTS reported FFO for 3Q 2014 increased UP +44%, with backlog of signed not yet commenced leases UP +54%

QTS guidance for FFO for 2014 indicates growth UP +37%-+44%

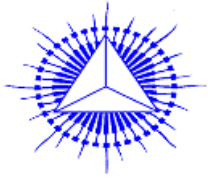
QTS provides current annual dividend yield of 3.5%

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

QTS we rank 2 BUY

QTS market cap \$957 million

REIT Comment



Company:	Equinix
Price:	\$228
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,781
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/2014
EQIX \$228

Equinix EQIX traded UP \$2.64 per share to close UP +1% day

EQIX stock traded UP +28% year to date for 2014, outperforming Specialty REITs, trading UP +18% for 2014

EQIX corporate investment to increase participation in cloud computing supports demand for Data Center REITs

EQIX seeing growth in all Data Center vertical market segments, including mobility, electronic payments and electronic content, as well as corporate cloud applications and retail e-commerce

EQIX increased guidance for FFO for 2014 to indicate growth UP +11%

EQIX made transition to free cash flow following completion of aggressive capital expenditure program, enabling conversion to REIT as dividend paying stock

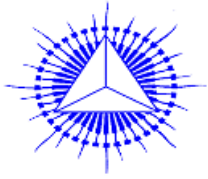
EQIX pending REIT conversion expected to lead to dividend distributions at yield of 1.0%-3.0% during 2015, following special dividend distribution of \$7.57 per share in cash and stock during November 2014

EQIX pending REIT conversion to Specialty Data Center REIT with a portfolio of 75 data centers in global locations

EQIX we rank 2 BUY

EQIX market cap \$11.8 billion

REIT Comment



Company:	Iron Mountain
Price:	\$38
Recommendation:	BUY
Ranking:	1
Market Cap:	\$6,846
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/03/52014
IRM \$38

Iron Mountain IRM traded DOWN (\$0.94) per share to close DOWN (2%) day

IRM stock trading UP +24% year to date for 2014, outperforming Specialty REITs, trading UP +18% for 2014

IRM recent REIT conversion provides vehicle for investors to participate in global growth of records management through storage solutions tailored to corporate tenants

IRM acquisition of Fortis International provides cloud based subscription service for records retention policies and procedures

IRM completed special distribution of \$3.62 per share on REIT conversion in combination of cash and stock during November 2014

IRM recent 76% dividend increase for regular quarterly dividend brings current annual dividend yield to 5.0%

IRM a Specialty Storage REIT with a portfolio of real estate for enterprise data storage and information management services in US and 35 global markets

IRM we rank 1 BUY

IRM market cap \$6.8 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$12
Recommendation:	BUY
Ranking:	1
Market Cap:	\$11,012
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
NLY \$12

Annaly Capital Management NLY declining mortgage application volume signals lower housing sector activity

NLY report from MBA (Mortgage Bankers Association) found mortgage applications decreased DOWN (7.3%) for week ended November 28, 2014 from previous week

NLY mortgage applications for refinance decreased DOWN (13%), while mortgage applications for home purchase increased UP +3%

NLY mortgage applications for home purchase decreased DOWN (4%) from previous year

NLY mortgage refinance applications represented 60% of total mortgage application volume last week, DOWN (3%) from the previous week

NLY report from MBA (Mortgage Bankers Association) found average interest rate on 30 year fixed rate conforming mortgage decreased (DOWN 0.07%) to 4.08%

NLY Financial Mortgage REITs benefit from mortgage application volume, providing opportunities for portfolio repositioning

NLY stock price supported by current annual dividend yield of 10.3%, above the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 1 BUY

NLY market cap \$11.0 billion

REIT Comment



Company:	Health Care REIT
Price:	\$75
Recommendation:	BUY
Ranking:	2
Market Cap:	\$22,314
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
HCN \$75

Health Care REIT HCN divestitures of \$625 million forecast for 2014. offset by more than \$2.5 billion investments

HCN completed \$435 million divestiture of 7 "entrance-fee" senior living communities

HCN completed \$950 million HealthLease Properties REIT acquisition in Canada, including senior housing, post acute and long term care assets

HCN pending \$369 million acquisition of Mainstreet Property Group to close by year end2014, bringing 2014 acquisitions to \$2.5 billion

HCN portfolio now includes international exposure, with US representing 88% of portfolio, UK 7% and Canada 5%

HCN guidance for FFO for 2014 indicates growth UP +6%--9%

HCN providing current annual dividend yield of 4.3%

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

HCN we rank 2 BUY

HCN market cap \$22.3 billion

HCN an S&P 500 Index REIT

REIT Comment



Company:	Kimco Realty
Price:	\$25
Recommendation:	BUY
Ranking:	1
Market Cap:	\$10,520
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
KIM \$25

Kimco Realty KIM report of lower same store sales for Sears Holdings SHLD indicates lagging consumer electronics sales

KIM Sears comp store sales DOWN (0.7%) for quarter ended November 1, 2014, while Kmart comp store sales UP +0.5%

KIM report from Sears Holdings SHLD noted importance of online and "multi-channel" sales UP +9%

KIM key anchor tenant Sears/Kmart represents 1.5% of total rents for KIM

KIM increased guidance for FFO for 2014 to indicate growth UP +5% to +6%

KIM recently increased dividend by 7%, bringing current annual dividend yield to 3.8%

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

KIM we rank 1 BUY

KIM market cap \$10.5 billion

KIM an S&P 500 Index REIT

REIT Comment



Company:	NorthStar Realty Finance
Price:	\$18
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,152
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
NRF \$18

NorthStar Realty Finance NRF completed \$4.0 billion acquisition of Griffin-American Healthcare REIT II

NRF total healthcare portfolio now \$5.8 billion

NRF expansion of health care portfolio overseen by Jay Flaherty previously CEO of HCP Inc HCP, one of the largest publicly traded Health Care REITs

NRF portfolio now concentrated 80% in owned real estate, including health care and hotel assets

NRF continues rapid portfolio growth through acquisition of health care and hotel assets

NRF recent 1:2 reverse stock split stabilized share price while reducing total shares outstanding following June 2014 spin-off of NorthStar Asset Management NSAM

NRF recently reduced quarterly dividend distribution to reflect reduced contribution from spinoff of NorthStar Asset Management NSAM

NRF provides current annual dividend yield of 9.0%

NRF a Financial Commercial REIT

NRF we rank 2 BUY

NRF market cap \$3.2 billion

REIT Comment



Company:	Equity Residential
Price:	\$71
Recommendation:	BUY
Ranking:	2
Market Cap:	\$26,740
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
EQR \$71

Equity Residential EQR slight decline in new unemployment claims indicates some loss of momentum in employment gains

EQR Labor Department reported new claims for unemployment decreased DOWN(17,000) to 297,000 for week ended November 29, 2014 from revised number for previous week

EQR more stable 4 week moving average of new unemployment claims increase, UP +4,750 to 299,000 from revised average for previous week

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

EQR recently increased guidance for FFO for 2014 to indicate growth UP +9%+10% for 2014

EQR provides current annual dividend yield of 2.8%

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

EQR we rank 2 BUY

EQR market cap \$26.7 billion

EQR an S&P 500 Index REIT

REIT Comment



Company:	Host Hotels & Resorts
Price:	\$24
Recommendation:	BUY
Ranking:	2
Market Cap:	\$18,539
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
HST \$24

Host Hotels & Resorts HST announced special dividend for 4Q 2014

HST to distribute regular quarterly dividend of \$0.20 per share for 4Q 2014 on January 15, 2015, supplemented by special dividend of \$0.06 per share

HST increased guidance range for FFO for 2014 to indicate growth UP +12%-+14%

HST recently increased dividend by 33%, bringing current annual dividend yield to 3.4%, above the midpoint of the range for Hotel REITs

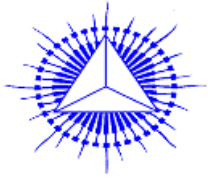
HST a Hotel REIT with a portfolio of upscale hotels and resorts in US, Mexico, Europe and Pacific

HST we rank 2 BUY

HST market cap \$18.5 billion

HST an S&P 500 Index REIT

REIT Comment



Company:	Kimco Realty
Price:	\$25
Recommendation:	BUY
Ranking:	1
Market Cap:	\$10,520
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
KIM \$25

Kimco Realty KIM another financing crisis for small shop tenant Radio Shack may force struggling tenant into bankruptcy sooner than expected

KIM announcement in response to notice from Salus Capital and Cerberus Capital indicates RadioShack under pressure to prepay debt and fees in order to reduce debt in advance of store closings scheduled for 2015

KIM previously received \$535 million financing from equity investor Standard General, requiring Radio Shack RSH to secure additional financing during 1Q 2015

KIM RadioShack RSH reporting iPhone shortages at many store locations indicating cautious inventory control may have curtailed Holiday2014 sales for high end items

KIM tenant RadioShack RSH contributes less than 1% of total rents for KIM and most other Retail REITs

KIM RadioShack RSH stores in KIM strip retail centers are older than average store base indicating low rents

KIM RadioShack RSH locations may prove ideal for small tenants including cell phone stores and other specialty retailers, competing for active turnover small store space

KIM increased guidance for FFO for 2014 to indicate growth UP +5%+6%

KIM provides current annual dividend yield of 3.8%

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

KIM we rank 1 BUY

KIM market cap \$10.5 billion

KIM an S&P 500 Index REIT

REIT Comment



Company:	Hatteras Financial
Price:	\$19
Recommendation:	BUY
Ranking:	1
Market Cap:	\$1,860
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
HTS \$19

Hatteras Financial HTS exit of Federal Reserve from market for new issues of agency guaranteed Residential MBS since end of October 2014 viewed favorably by Financial Mortgage REITs

HTS as Federal Reserve was purchasing as much as 75% of all new issues throughout last 2 years, Financial Mortgage REITs now able to pay lower premiums for new issues reducing required amortization and adding to total portfolio returns

HTS Financial Mortgage REITs benefit from new issues of agency guaranteed Residential MBS enabling portfolio repositioning on reinvestment of funds flow

HTS stock trading at discount of (4%) to latest book value of \$22.30 per share as of September 2014

HTS provides current yield of 10.5%, above the midpoint of the range for Financial Mortgage REITs

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

HTS we rank 1 BUY

HTS market cap \$1.9 billion

REIT Comment



Company:	Capstead Mortgage
Price:	\$13
Recommendation:	BUY
Ranking:	1
Market Cap:	\$1,247
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
CMO \$13

Capstead Mortgage CMO dramatic decline in refinance volume by Fannie Mae FNMA and Freddie Mac FMCC indicates negative impact of new reps and warranty constraints on total mortgage volume

CMO report from FHFA (Federal Housing Finance Agency) shows total number of refinanced conforming loans DOWN (69%) to 1.1 million through first 9 months of 2014

CMO aging population of "baby boomers" particularly hit hard by bank lending requirements

CMO Congressional proposals to liquidate or reduce Fannie Mae FNMA and Freddie Mac FMCC commitment to mortgages threatens permanent disruption to housing sector

CMO Financial Mortgage REITs rely on new issues of agency guaranteed Residential MBS to reinvest portfolio maturities

CMO concentration of \$14 billion portfolio in agency guaranteed Residential MBS ARM securities indicates conservative investment posture

CMO stock trading at premium of 6% to current book value of \$12.60 per share as of September 2014

CMO current annual dividend yield of 10.4%, above 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 1 BUY

CMO market cap \$1.2 billion

REIT Comment



Company:	Alexandria Real Estate Equities
Price:	\$88
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,268
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
ARE \$88

Alexandria Real Estate Equities ARE traded UP \$1.73 per share to close UP +2% day

ARE stock traded UP +39% year to date for 2014, outperforming Health Care REITs, trading UP +22% for 2014

ARE Health Care REITs with portfolios of life science properties seeing renewed investor interest due to biotech rally

ARE recent management comments noted strengthening market for research facilities with rents in Cambridge MA up more than +10%

ARE investing \$1.1 billion to develop new properties for total portfolio capacity increment UP+8%

ARE latest guidance for FFO for 2014 indicates growth UP +9%

ARE increased dividends UP +9% during 2014, bringing current annual dividend yield to 3.4%

ARE a Health Care REIT with a portfolio of office and laboratory properties net leased to biotech and pharmaceutical tenants

ARE we rank 2 BUY

ARE market cap \$6.3 billion

REIT Comment



Company:	CBL & Associates
Price:	\$20
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,941
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/04/2014
CBL \$20

CBL & Associates CBL traded UP \$0.28 per share to close UP +1% day

CBL stock traded UP +10% year to date for 2014, underperforming Retail REITs, trading UP +17% for 2014

CBL investors see Retail REITs able to demand higher rents on lease turnover, enabling long term FFO growth

CBL latest guidance for FFO for 2014 indicates growth UP +1%-+3%

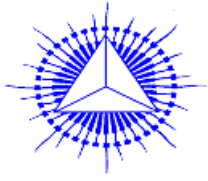
CBL provides current yield of 5.0%

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

CBL we rank 2 BUY

CBL market cap \$3.9 billion

REIT Comment



Company:	Equinix
Price:	\$230
Recommendation:	BUY
Ranking:	2
Market Cap:	\$11,914
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
12/04/2014
EQIX \$230

Equinix EQIX traded UP \$2.57 per share to close UP +1% day

EQIX stock traded UP +30% year to date for 2014, outperforming Specialty REITs, trading UP +18% for 2014

EQIX stock continued to rally as investors see corporate spending on cloud computing increasing potential demand for Data Center REITs

EQIX seeing growth in all Data Center vertical market segments, including mobility, electronic payments and electronic content, as well as corporate cloud applications and retail ecommerce

EQIX increased guidance for FFO for 2014 to indicate growth UP +11%

EQIX made transition to free cash flow following completion of aggressive capital expenditure program, enabling conversion to REIT as dividend paying stock

EQIX distributed special dividend of \$7.57 per share in stock and cash during November 2014

EQIX no previous cash dividends distributed

EQIX pending REIT conversion to Specialty Data Center REIT with a portfolio of 75 data centers in global locations

EQIX we rank 2 BUY

EQIX market cap \$11.9 billion

REIT Comment



Company:	Equity Residential
Price:	\$71
Recommendation:	BUY
Ranking:	2
Market Cap:	\$26,861
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
EQR \$71

Equity Residential EQR news of increased momentum for job creation from Labor Department gives more positive reading than private sector jobs report earlier this week

EQR report from BLS (Bureau of Labor Statistics of US Department of Labor) found total non-farm payrolls increased UP +321,000 for November, 2014, +78,000 from revised 243,000 for October 2014

EQR report earlier this week from ADP (Automatic Data Processing) found private sector added 208,000 new jobs for November 2014, DOWN (25,000) from revised 233,000 for October 2014

EQR report from BLS found private sector jobs UP +314,000 for November 2014, while government jobs UP +7,000, including federal government UP +5,000, state government UP +3,000 and local government DOWN (1,000)

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

EQR recently increased guidance for FFO for 2014 to indicate growth UP +9% - +10% for 2014

EQR provides current annual dividend yield of 2.8%

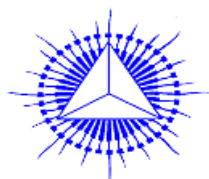
EQR the largest publicly traded Residential REIT with a diverse portfolio of apartment communities

EQR we rank 2 BUY

EQR market cap \$26.9 billion

EQR an S&P 500 Index REIT

REIT Comment



Company:	Realty Income
Price:	\$46
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,203
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

12/05/2014

O \$46

Realty Income O report of slower than expected sales growth for key tenant Dollar General DG indicates changing momentum in value segment of retailing

O report from Dollar General DG showed same store sales UP +2.8% for 3Q 2014 ended October 31, 2014, compared to expectations for growth UP +3.2%

O momentum in US economy with strong job growth may be allowing consumers to shop more expensive venues, as discounting at mall based retailers closes the price gap with value based retailers

O pending shareholder vote on takeover offer for Family Dollar Stores by Dollar Tree DLTR scheduled for December 23, 2014, will keep Dollar General DG in the news this month

O press release from Dollar General DG indicates ongoing conversations with FTC regarding potential anti-competitive impact of unfriendly merger with Family Dollar Stores FDO, with expected announcement of outcome of FTC investigation prior to Family Dollar Stores FDO shareholder vote on proposed merger with Dollar Tree DLTR

O key tenant Family Dollar Stores FDO represents 4% of total O rents, while competitor Dollar General DG represents 2% of total O rents

O latest guidance for FFO for 2014 indicates growth UP +7% - +8%

O regular monthly dividends and consistent pattern of slight increases attract investors for total return

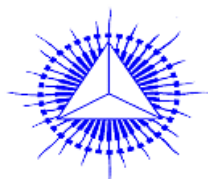
O increased monthly dividend distribution by 0.6%, bringing current annual dividend yield to 4.8%

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

O we rank 2 BUY

O market cap \$10.2 billion

REIT Comment



Company:	The GEO Group
Price:	\$40
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,904
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
GEO \$40

The GEO Group pending House vote on continuing resolution to fund the federal government may impact funding for key GEO tenants

GEO Republican opposition to Obama immigration plan preventing progress on budget negotiations with current funding of federal government authorized only through December 11, 2014, Thursday next week

GEO proposals to prevent federal government shutdown would authorize current spending levels for all government agencies except DHS (Department of Homeland Security) in effort to isolate immigration issue for future legislative action

GEO U.S. immigration agency spends about \$2 billion annually on detention, spending \$120 per day for access to private detention facilities, including those operated by GEO

GEO tenants include US Immigrations and Customs Enforcement representing 16% of revenues, Federal Bureau of Prisons 16%, US Marshals Service 10%, as well as states CA 3%, NM 3%, OK 2%, GA 2%, AK 1% and IL 1%

GEO reported better than expected results for 3Q 2014, with normalized FFO UP +22%

GEO also increased guidance for FFO for 2014 to indicate growth UP +16%-+17%

GEO recently provided 9% dividend increase, bringing current annual dividend yield to 6.2%

GEO a Specialty REIT with a portfolio of correctional facilities leased to federal and state agencies

GEO we rank 2 BUY

GEO market cap \$2.9 billion

REIT Comment



Company:	Corporate Office Properties Trust
Price:	\$28
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,489
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
OFC \$28

Corporate Properties Income Trust OFC passage of DOD (Department of Defense) spending bill by House of Representatives separates DOD budget from remaining budget issues

OFC House of Representatives yesterday approved \$585 billion DOD budget for FY 2015 (ending September 2015), reducing benefits but allowing \$64 billion for "overseas contingency operations"

OFC Senate expected to vote on Defense spending bill next week before holiday adjournment

OFC strategic niche tenants include government defense and intelligence agencies as well as contractors serving them, now representing 70.5% of total rents

OFC guidance for FFO for 2014 indicates decrease DOWN (5%) due to divestitures of suburban office properties, land and other non-core assets

OFC management targets FFO growth UP +3% to +6% from 2015-2019, supported by same property NOI growth UP +2% to +3%, with developments and redevelopments adding +1% to +3% to FFO

OFC expecting additional leases for "cyber" customers in new OFC owned data centers near Ft Meade MD

OFC may be in position to increase dividend following pending preferred share redemption

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

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

OFC we rank 3 HOLD

OFC market cap \$2.5 billion

REIT Comment



Company:	HCP
Price:	\$44
Recommendation:	BUY
Ranking:	1
Market Cap:	\$20,582
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
HCP \$44

HCP Inc HCP traded DOWN (\$1.07) per share to close DOWN (3%) day

HCP stock traded UP +22% year to date for 2014, in line with Health Care REITs, also UP +22% for 2014

HCP Health Care REITs viewed as vulnerable to new legislative challenges to Affordable Care Act during 2015, due to pending Republican control of both House and Senate

HCP invested \$1.2 billion year to date 2014 for acquisitions, renovations and developments

HCP investment still running far behind investment levels for previous years, when FFO growth exceeded 5%

HCP recently increased guidance for FFO for 2014 to indicate a FLAT year

HCP provides current annual dividend yield of 4.9%

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

HCP we rank 1 BUY

HCP market cap \$20.6 billion

HCP an S&P 500 Index REIT

REIT Comment



Company:	CBL & Associates
Price:	\$19
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,853
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
CBL \$19

CBL & Associates CBL traded DOWN (\$0.44) per share to close DOWN (2%) day

CBL stock traded UP +7% year to date for 2014, underperforming Retail REITs, trading UP +17% for 2014

CBL investor concern over pending JC Penney JCP and Sears Holdings SHLD store closings still an issue for 2015

CBL Sears SHLD considering sale-leaseback of as many as 200-300 stores to newly formed REIT

CBL anchor tenants JC Penney JCP represents less than 1.5% of rental revenue, while Sears SHLD represents less than 0.8%

CBL expects eventual retenanting of former JC Penney and Sears locations to permit much higher rents

CBL latest guidance for FFO for 2014 indicates growth UP +1%--3%

CBL provides current yield of 5.1%

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

CBL we rank 2 BUY

CBL market cap \$3.9 billion

REIT Comment



Company:	One Liberty Properties
Price:	\$24
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$382
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
OLP \$24

One Liberty Properties OLP traded UP\$0.62 per share to close UP +3% day

OLP stock traded UP +18% year to date for 2014, outperforming Retail REITs, trading UP +17% for 2014

OLP Retail REITs with portfolios of net leased properties seeing increased interest from investors

OLP prices paid for acquisitions of net leased retail assets still demonstrate good value while current low cap rates on multi-tenant retail properties viewed as exceptionally expensive

OLP investor concern remains over exposure to Office Depot ODP, representing 7% of annualized rents

OLP stock price supported by current annual dividend yield of 6.2%

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

OLP we rank 3 HOLD

OLP market cap \$382 million

REIT Comment



Company:	Ventas
Price:	\$71
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,971
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
VTR \$71

Ventas VTR stock traded DOWN (\$1.50) per share to close DOWN (2%) day

VTR stock traded UP +24% year to date for 2014, outperforming Health Care REITs, trading UP +22% for 2014

VTR Health Care REITs viewed as vulnerable to new legislative challenges to Affordable Care Act during 2015, due to pending Republican control of both House and Senate

VTR renewed challenges to Affordable Care Act unlikely to roll back the gain in Medicaid patient volume, although individual enrollment may be below expectations

VTR narrow margin of Republican control in Senate may prevent reconsideration of Affordable Care Act individual mandate, although delay of implementation may be enacted

VTR latest guidance for FFO for 2014 indicates growth UP +7%-+8%

VTR provides current annual dividend yield of 4.1%

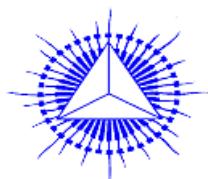
VTR a Health Care REIT with a diverse portfolio of health care properties

VTR we rank 2 BUY

VTR market cap \$21.0 billion

VTR an S&P 500 Index REIT

REIT Comment



Company:	Sunstone Hotel Investors
Price:	\$16
Recommendation:	BUY
Ranking:	2
Market Cap:	\$3,281
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

12/05/2014
SHO \$16

Sunstone Hotel Investors SHO 3Q 2014 AFFO \$0.34 (adjusted) v \$0.30 UP +13%
SHO 3Q 2014 AFFO (adjusted) excludes net gain of \$0.01 per share relating to preferred share redemption and other items

SHO 3Q 2014 adjusted EBITDA \$91 million UP +3%

SHO increased guidance range 2014 AFFO \$1.15-\$1.17 v \$0.93 UP +24%+26%
SHO previous guidance range 2014 AFFO \$1.09-\$1.14 per share
SHO guidance range 2014 AFFO assumes hotel EBITDA margin UP +1.25%+2.0%
SHO guidance range 2014 AFFO assumes adjusted EBITDA \$309-\$313 million

SHO new guidance range 4Q 2014 AFFO \$0.26-\$0.28 v \$0.23 (adjusted) UP +13%

SHO 3Q 2014 RevPAR (revenue per available room) \$171 UP +7.7%
SHO 3Q 2014 ADR \$198 UP +6.9%
SHO 3Q 2014 occupancy 86.4% UP +0.6%
SHO 3Q 2014 hotel EBITDA margin 32.2% UP +1.9%

SHO 3Q 2014 completed \$326 million acquisition of Marriott Wailea
SHO to invest \$60-\$65 million to renovate acquired hotel in HI during 2015 and 2016
SHO to invest \$18-\$19 million to renovate Boston Park Plaza during 4Q 2014
SHO completed renovation of all rooms at Hyatt Regency San Francisco with plans to start renovation of public areas during 4Q 2014

SHO announced "catch-up dividend" of \$0.36 per share to be paid during January 2015 in combination of stock and cash
SHO to maintain quarterly cash dividend at \$0.05 per share throughout 2015

SHO current annual dividend yield 1.2%

SHO a Hotel REIT

SHO rank 2 BUY

SHO market cap \$3.3 billion

REIT Comment



Company:	FelCor Lodging Trust
Price:	\$11
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,326
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
FCH \$11

FelCor Lodging Trust FCH 3Q 2014 FFO \$0.21 (adjusted) v \$0.14 (adjusted) UP +50%

FCH 3Q 2014 adjusted EBITDA \$61 million UP +11%

FCH increased guidance range 2014 FFO \$0.60-\$0.62 v \$0.39 UP +54%+59%
FCH previous guidance range 2014 FFO \$0.56-\$0.60 per share
FCH guidance range 2014 FFO assumes comparable RevPAR (revenue per available room) UP +8.0%+8.25%

FCH implied guidance 4Q 2014 FFO \$0.09-\$0.11 v \$0.05 UP +80%+120%

FCH guidance range 2014 FFO assumes adjusted EBITDA \$217.5-\$219.5 million
FCH outlook for 2015 FFO core adjusted EBITDA \$189-\$191 million DOWN (13%) from 2014 due to recent and planned divestitures

FCH 3Q 2014 RevPAR (revenue per available room) \$136 UP +9.1%
FCH 3Q 2014 ADR (average daily rate) \$172 UP +7.1%
FCH 3Q 2014 occupancy 78.9% UP +1.9%
FCH 3Q 2014 hotel EBITDA margin 28.9% UP +2.4%

FCH year to date divestitures 7 hotels for \$131 million
FCH remaining 9 hotels to be sold, with transactions for 8 hotels to be completed by end of 2014

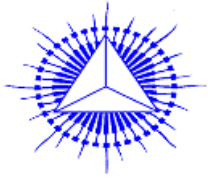
FCH current annual dividend yield 0.8%

FCH a Hotel REIT

FCH we rank 2 BUY

FCH market cap \$1.3 billion

REIT Comment



Company:	SoTHERLY Hotels
Price:	\$7
Recommendation:	BUY
Ranking:	2
Market Cap:	\$96
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
12/05/2014
SOHO \$7

SoTHERLY Hotels SOHO 3Q 2014 AFFO \$0.23 (adjusted) v \$0.16 (adjusted) UP +44%
SOHO 3Q 2014 AFFO (adjusted) excludes net gain of \$0.02 per share relating to deferred tax and other items

SOHO 3Q 2014 adjusted EBITDA \$6.8 billion UP +63%

SOHO made no change to guidance range 2014 AFFO \$1.10-\$1.20 v \$0.84 UP +31%+43%

SOHO implied guidance 4Q 2014 AFFO \$0.16-\$0.26 v \$0.14 UP +14%+86%

SOHO 3Q 2014 RevPAR (revenue per available room) \$90 UP +13.9%

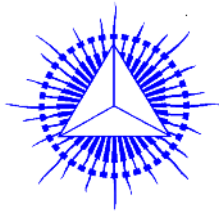
SOHO 3Q 2014 ADR (average daily rate) \$126 UP +7.5%

SOHO 3Q 2014 occupancy 73.1% UP +5.9%

SOHO a Hotel REIT

SOHO we rank 2 BUY

SOHO market cap \$96 million



REIT Growth and Income Monitor posted 59 REIT comments for the week ended December 5, 2014. Comments were issued on REITs in the following sectors:

Financial REITs	6
Health Care REITs	6
Hotel REITs	7
Industrial REITs	4
Office REITs	6
Residential REITs	7
Retail REITs	12
Specialty REITs	11

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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