

REIT Growth and Income Monitor

Weekly Comments 05/13/2014

Positive performance gap for REITs expanded to 13% year to date for 2014, as REITs continued to outperform the S&P 500 Index.

Office supply retailers are consolidating stores, raising issues of tenant turnover for Retail REITs.

Kimco Realty sees divestitures and redevelopments drive improving profitability.

One Liberty Properties has greatest exposure to Office Depot of any Retail REIT.

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**Weekly REIT Comments**
05/13/2014

REIT stocks in the S&P 500 Index traded up 1% for the week ended May 9, 2014, as positive performance gap expanded to 13% year to date for 2014. Average gain for all REITs followed by REIT Growth and Income Monitor is 9% year to date for 2014, exceeding 1% gain for the S&P 500 Index. REIT stocks trailed the S&P 500 Index during 2013, with average gain of 8%.

Investors saw some REIT sectors increasing guidance, particularly Residential and Health Care REITs, while other REIT sectors affirmed conservative guidance indicating modest growth for 2014. Residential REITs expect strong FFO growth to continue through 2014, driven by tight occupancy and rental rate increases. Health Care REITs rally as Affordable Care Act is implemented, bringing more patient volume for tenants of Health Care REITs. Industrial REITs are gaining occupancy, allowing FFO guidance to increase. Performance of Retail REITs should respond to rental rate increases and portfolio expansion sustaining long term FFO growth. Certain Specialty REIT segments, such as Specialty Self-Storage REITs, have exceeded earnings expectations, while Specialty Timber REITs, with portfolios of timberlands and sawlog mills, traded lower on news of slower home sales for the past 4 months. Hotel REITs demonstrate positive revenue and margin trends, with stock price performance aided by price decline for oil and gasoline. Investors take a cautious stance for Office REITs, due to exposure to financial industry layoffs and continued rent roll-downs.

Investor acceptance of eventual Federal Reserve tapering supports outlook for Financial Mortgage REITs, as bond market volatility moderates. Financial Mortgage REITs face significant fundamental change, with debate of 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 19 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.

Office Supply Retail Consolidation Raises Issue of Tenant Turnover for Retail REITs

Investors should focus on the issue of tenant turnover for Retail REITs, as another segment of retail trade moves to online shopping. Catalyst for this concern is announcement of plans by Office Depot to close 400 stores (representing 20% of current store base since acquisition of rival OfficeMax during 2013). This Office Depot announcement follows previous disclosure by Staples earlier this year of plans to shrink retail footprint by closing 225 stores by the end of 2015 (representing 15% of total US Staples stores). Staples was driven to this decision by lower comp store sales, down (7%) for the most recent quarter. Staples management surprised investors by disclosing nearly 50% of total sales are now generated online, much higher than most investors expected.

Investors have seen "bricks and mortar" retailers give way to online shopping before. In fact, office supplies is the the fifth retail segment to suffer from the shift to online sales. The first was computer retailers, pressured by online computer sales by Dell, Gateway and others. Investors saw liquidation of CompUSA starting in 2006, followed eventually by liquidation of Circuit City in 2009. Next came music retailers, as success of Apple's iTunes stole market share from CDs. Investors saw Sam Goody go bankrupt in 2006, a year that also saw liquidation of Tower Records. Video retailers came next, as investors watched Blockbuster file for bankruptcy during 2010, pressured by successful online and mail DVD rental distribution by Netflix and Wal-Mart, as well as online sales by Amazon. Most recently, Amazon's success with the Kindle series of e-readers delivering best selling books online drove the 2011 bankruptcy of Borders and caused well publicized problems for Barnes & Noble.

Now office supply retailers struggle to maintain sales at in-store locations. Both Staples and Office Depot plan to focus on smaller, more productive stores while offering membership programs that discount online sales. As there has been so much experience with this issue of tenant turnover, Retail REITs should be expected to weather the storm. Retail REITs normally benefit from releasing of space vacated by bankrupt or consolidating retailers by signing leases with new tenants at higher rents. Office Depot and Staples lease terminations may prove a boon for specialty grocery chains, sports and casual apparel and other retailers seeking to expand.

Trading Opportunities

Kimco Realty, with market cap of \$9 billion, traded up 15% year to date for 2014. **Kimco Realty** owns and manages 125 million square feet of retail space concentrated in neighborhood and community shopping centers, as well "big box" retailers, and grocery anchored shopping centers in North America. **Kimco Realty's** stable occupancy at 94.5% as of 1Q 2014, with same property NOI up 2.0%, provides recurring cash flow enabling investment in acquisitions and developments, as well as redevelopments to improve profitability of existing portfolio. **Kimco Realty** reported FFO growth of 6% for 1Q 2014, while guidance for FFO for 2014 indicates growth of as much as 5%. Dividends were increased 11% for 2013 and another 10% for 2014, now providing income investors with current yield of 4.0%.

One Liberty Properties, a small cap Retail REIT at \$345 million market cap, has the greatest single tenant exposure of any Retail REIT to office supply retailers, with 7% of rental revenue concentrated in Office Depot stores. Portfolio of 109 net leased properties includes 5.6 million square feet of retail space. Stock price increased 9% year to date for 2014. Portfolio growth is driven by acquisition of net leased properties. FFO for 1Q 2014 increased 2%, while revenues increased 21%, supported by acquisitions. Dividends were increased 6% for both 2013 and for 2014, now providing income investors with current annual yield of 6.7%.

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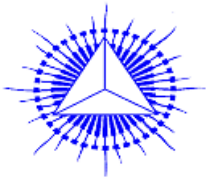
Weekly Price Change for S&P 500 Index REITs

S&P 500 Index REITs:		Price	Price	Price	Weekly	2014
		12/31/2013	05/02/2014	05/09/2014	Price Change	Price Change
American Tower	AMT	\$80	\$87	\$89	2%	11%
Apartment Investment	AIV	\$26	\$31	\$32	0%	22%
AvalonBay Communities	AVB	\$118	\$137	\$139	2%	18%
Boston Properties	BXP	\$100	\$118	\$119	1%	19%
Equity Residential	EQR	\$52	\$60	\$62	3%	19%
Essex Property Trust	ESS	\$144	\$176	\$180	3%	26%
General Growth Properties	GGP	\$20	\$23	\$24	2%	18%
HCP	HCP	\$36	\$42	\$42	0%	16%
Health Care REIT	HCN	\$54	\$63	\$64	2%	20%
Host Hotels & Resorts	HST	\$19	\$21	\$21	-0%	10%
Kimco Realty	KIM	\$20	\$23	\$23	-1%	15%
Macerich	MAC	\$59	\$65	\$66	1%	12%
Plum Creek Timber	PCL	\$47	\$44	\$44	1%	-5%
Prologis	PLD	\$37	\$41	\$41	1%	12%
Public Storage	PSA	\$151	\$171	\$172	1%	14%
Simon Property Group	SPG	\$152	\$173	\$176	1%	15%
Ventas	VTR	\$57	\$67	\$68	2%	18%
Vornado Realty Trust	VNO	\$89	\$103	\$105	2%	19%
Weyerhaeuser	WY	\$32	\$30	\$30	1%	-4%
S&P 500 Index	S&P 500	\$1,848	\$1,881	\$1,876	-0%	1%
Average for S&P 500 Index REITs					1%	14%

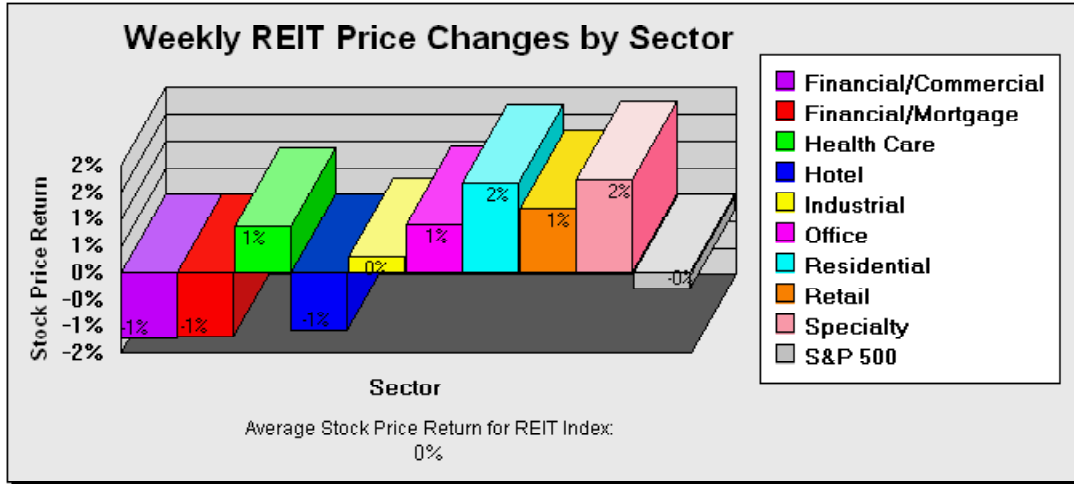
REIT stocks traded up 1% for the first full trading week of May, the week ended May 9, 2014. REITs outperformed the S&P 500 Index, trading down less than (1%) for the week, once again showing only 1% gain year to date for 2014. Positive performance gap for REITs expanded to 13% year to date for 2014. REIT stocks trailed the S&P 500 Index during 2013, with average gain of 8%. As investors become accustomed to the idea of higher interest rates, REIT stocks should continue to rally, maintaining positive performance gap.

Almost all of the S&P 500 Index REITs outperformed the S&P 500 Index year to date for 2014, with 17 of the S&P 500 Index REITs trading up more than 1% gain for the S&P 500 Index during 2014. Only 2 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 22%, **AvalonBay Communities** up 18%, **Equity Residential** up 19% and **Essex Property Trust** up 26%, all reporting strong earnings results for 1Q 2014. Office REITs demonstrated strong performance, with both **Boston Properties** and **Vornado Realty Trust** up 19% year to date for 2014. **Public Storage**, up 14%, and **Prologis Inc**, up 12%, both show solid gains for 2014. Health Care REITs enjoy sustainable rally, buoyed by news of individual health enrollment under Affordable Care Act, with **Health Care REIT** up 20%, while **HCP** shows 16% gain and **Ventas** shows 18% gain. Retail REITs show more moderate gains, now lead by **General Growth Properties** up 18%, with **Kimco Realty** and **Simon Property Group** both up 15% and **Macerich** up 12%. **Host Hotels & Resorts**, now up 10%, fluctuates along with oil prices during the spring of 2014. **American Tower Corp** rallied to show 11% gain year to date for 2014, outperforming the S&P 500 Index. In contrast, Specialty Timber REITs traded down on news of lower sales of new and existing homes over the past 4 months, with Specialty Timber REIT **Plum Creek Timber** now down (5%) and **Weyerhaeuser** down (4%) year to date for 2014.

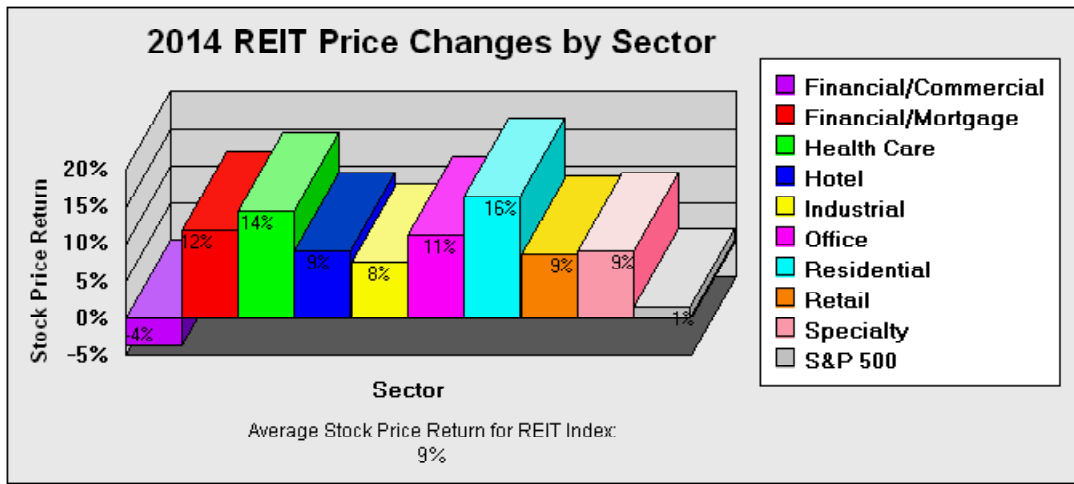
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Weekly REIT Price Changes by Sector



REIT sectors traded higher during the first full trading week in May, the week ended May 9, 2014. Best performance was shown by Residential REITs and Specialty REITs, both trading up 2%, followed by Health Care REITs, Office REITs and Retail REITs trading up 1%. Industrial REITs traded up less than 1%. Lagging REIT sectors included Financial Commercial REITs, Financial Mortgage REITs and Hotel REITs, all showing decline of (1%). On average, stock prices for REIT Growth and Income Monitor were unchanged for the week ended May 9, 2014.



Stock prices for REITs followed by REIT Growth and Income Monitor achieved gain of 9% on average year to date for 2014, outperforming the S&P 500 Index, trading up only 1% year to date for 2014. Investors are attracted by dividend income, and REITs have demonstrated ability both to pay and to increase dividends REITs offer higher yields than S&P 500 stocks, with REIT dividends taxed at the same rate as ordinary income. REIT funds flow demonstrates moderate growth, at a time when other market sectors face adjusted revenue expectations due to currency exposure and variable international economies. Leading sector for 2014 is Residential REITs, up 16%, due to stable employment trends and high occupancy. Also showing strong performance are Health Care REITs, up 14% as the Affordable Care Act is implemented, bringing more patient volume to tenants of Health Care REITs. Financial Mortgage REITs show gain of 12%, as investors respond positively to appointment of Janet Yellen as new Federal Reserve Chairman. Office REITs traded up 11% year to date for 2014, followed by Hotel REITs, Retail REITs and Specialty REITs, all showing 9% gain for 2014. Industrial REITs now show 8% gain for 2014. Lagging Financial Commercial REITs traded down (4%) year to date for 2014, reflecting investor concern over lower volume of new issues of commercial securitizations.

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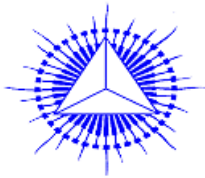


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REIT Comment



Company:	Associated Estates Realty
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,006
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
AEC \$17

Associated Estates Realty AEC 1Q 2014 FFO \$0.30 v \$0.31 DOWN (3%)

AEC made no change to guidance 2014 FFO \$1.27-\$1.31 v \$1.27 FLAT - UP +3%

AEC 1Q 2014 same property NOI UP +1.8%
AEC 1Q 2014 same property occupancy 96.2% UP +0.5%
AEC 1Q 2014 same property average monthly rent \$1,220 UP +2.6%

AEC 1Q 2014 rents on new leases DOWN (1.2%) with renewed leases UP +3.5%

AEC 2014 year to date divestitures 3 apartment communities for \$152 million

AEC management comments noted rent increases for 2Q 2014 expected to exceed 1Q 2014, with April same property rents UP +3.8% and new leases UP +1.3%
AEC results for 1Q 2014 impacted by weather, with unusual expenses relating to snow removal and other items
AEC although no official change to guidance for FFO for 2014, management sees low end of guidance range as most probable

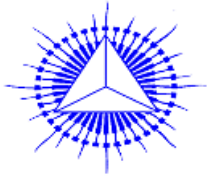
AEC provides annual dividend yield of 4.4%

AEC a Residential REIT with a diverse portfolio of apartment communities

AEC we rank 2 BUY

AEC market cap \$1.0 billion

REIT Comment



Company:	Prologis
Price:	\$41
Recommendation:	BUY
Ranking:	2
Market Cap:	\$20,548
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
PLD \$41

Prologis Inc PLD news of continued contraction in China manufacturing output still in line with official growth projections for 2014

PLD report of HSBC PMI (Purchase Managers Index) indicated April 2014 index at 48.1%, slightly improved from 48.0% for March 2014, but still indicating contraction

PLD official survey report of China PMI released last week by National Bureau of Statistics indicates PMI at 50.4% for April 2014, slightly improved from March 2014 50.3%

PLD China forecast of GDP UP +7.5% for 2014 appears reasonable in light of 1Q 2014 China GDP growth UP +7.4%

PLD Industrial REITs see demand for bulk distribution facilities driven by growth in global trade, consumption and e-commerce

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

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 dividend distribution by 18% for 2014, bringing current yield to 3.2%

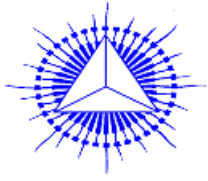
PLD an Industrial REIT with a portfolio of bulk distribution facilities in US, Europe and Asia

PLD we rank 2 BUY

PLD market cap \$20.5 billion

PLD an S&P 500 Index REIT

REIT Comment



Company:	Kilroy Realty
Price:	\$60
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,059
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
KRC \$60

Kilroy Realty KRC 1Q 2014 FFO \$0.66 v \$0.62 UP +6%

KRC increased guidance range 2014 FFO \$2.66-\$2.80 v \$2.66 FLAT-UP +5%
KRC previous guidance 2014 FFO \$2.55-\$2.75 per share
KRC new guidance 2014 FFO assumes occupancy at 93% by December 2014

KRC 1Q 2014 same property NOI UP +9.3% on cash basis (excluding lease termination fees)
KRC 1Q 2014 portfolio stabilized occupancy 92.4%

KRC 1Q 2014 rents on lease turnover UP +3% on cash basis

KRC 2014 year to date divestitures \$328 million for 12 office properties and a land parcel in San Diego

KRC management comments noted strong demand in San Francisco and Seattle
KRC impact of growth for technology companies driving employment throughout west coast markets

KRC expanding office portfolio to northern CA and to Seattle, while divesting office properties in southern CA

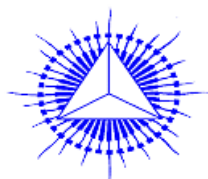
KRC provides current yield of 2.3%

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

KRC we rank 2 BUY

KRC market cap \$5.1 billion

REIT Comment



Company:	National Health Investors
Price:	\$62
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,851
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
NHI \$62

National Health Investors NHI 1Q 2014 normalized FFO \$1.05 (adjusted) v \$0.86 (adjusted) UP +22%
NHI 1Q 2014 normalized FFO (adjusted) excludes net charges of (\$0.07) per share relating to cost of debt issuance

NHI increased guidance 2014 normalized FFO \$4.14-\$4.20 v \$3.55 (adjusted) UP +17%--18%
NHI guidance 2014 normalized FFO assumes contribution from Bickford joint venture UP +3%--6%

NHI 1Q 2014 Bickford joint venture senior housing same property NOI UP +3.0%
NHI 1Q 2014 Bickford joint venture senior housing occupancy 85.5% UP +0.3%

NHI revenue contribution 54% skilled nursing facilities, 41% senior housing, 4% hospitals, and 1% medical office buildings and other assets

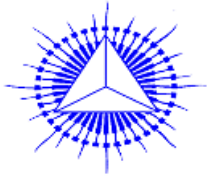
NHI increased dividend distribution by 5%, bringing current annual dividend yield to 5.1%

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

NHI we rank 2 BUY

NHI market cap \$1.9 billion

REIT Comment



Company:	Home Properties
Price:	\$62
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,166
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
05/05/2014
HME \$62

Home Properties HME 1Q 2014 FFO \$1.00 v \$1.05 DOWN (5%)

HME decreased guidance 2014 FFO \$4.42-\$4.54 v \$4.37 UP +1%+4%
HME previous guidance range 2014 FFO \$4.44-\$4.60 per share

HME new guidance 2014 FFO \$1.09-\$1.13 v \$1.11 FLAT - DOWN (2%)
HME guidance 2Q 2014 FFO assumes same property UP +2.8%

HME 1Q 2014 same property NOI DOWN (0.8%)
HME 1Q 2014 same property occupancy 95.0% DOWN (0.5%)

HME 1Q 2014 same property average monthly rents \$1,311 UP +2.8%
HME 1Q 2014 same property rents on new leases DOWN (0.2%) with renewed leases UP +2.9%

HME 1Q 2014 divested an apartment community in DC for \$110 million
HME plans to divest properties in DC area to reduce portfolio weighting to 25%

HME disappointing results for 1Q 2014 FFO a result of unexpected costs of (\$0.04) per share relating to unusual weather-related expenses

HME management noted higher rents on new leases UP +2.3% for April 2014 and renewed leases UP +3.1% for April 2014, indicating improving results during remainder of 2014
HME rents for DC communities DOWN (2.3%) for 1Q 2014, improving to DOWN (0.7%) for April 2014, with new leases for May 2014 UP +0.9% and renewed leases for May 2014 UP +3.0%

HME recently increased quarterly dividend distribution by 4%, bringing current annual dividend yield to 4.7%

HME a Residential REIT with a diverse portfolio of apartment communities

HME we rank 2 BUY

HME market cap \$4.2 billion

REIT Comment



Company:	BioMed Realty Trust
Price:	\$21
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,362
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
BMR \$21

BioMed Realty Trust BMR 1Q 2014 core FFO \$0.41 (adjusted) v \$0.42 (adjusted) DOWN (2%)
BMR 1Q 2014 core FFO (adjusted) excludes net charge of (\$0.01) per share relating to acquisition cost
BMR growth in 2Q 2014 core FFO impacted by recent equity offering with total shares outstanding UP +24%

BMR increased guidance 2014 core FFO \$1.46-\$1.54 v \$1.59 DOWN (2%)-UP +3%
BMR previous guidance 2014 core FFO \$1.37-\$1.47 per share

BMR 1Q 2014 same property NOI UP +6.8% on cash basis
BMR 1Q 2014 portfolio occupancy 91.5%

BMR 1Q 2014 development portfolio pre-leasing 81.7%

BMR invested \$308 million to acquire 2 medical and research facilities at Yale School of Medicine in New Haven CT, adding 6% portfolio capacity increment
BMR expanded portfolio by 20% through acquisitions completed during 2013

BMR favorable IPO environment drives higher stock prices for biotech companies, enabling secondary offerings to raise equity capital, improving tenant credit quality

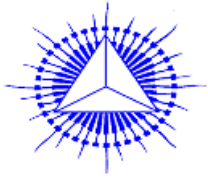
BMR recently increased quarterly dividend distribution by 6%, bringing current annual dividend yield to 4.9%

BMR a Health Care REIT with a portfolio of life science office and laboratory properties leased to biotech and pharmaceutical tenants

BMR we rank 2 BUY

BMR market cap \$4.4 billion

REIT Comment



Company:	American Campus Communities
Price:	\$39
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$4,098
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
ACC \$39

American Campus Communities ACC increased quarterly dividend distribution by 6% to \$0.38 per share for 2Q 2014

ACC new annual dividend \$1.52 per share

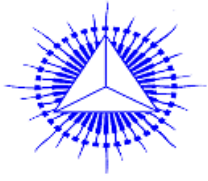
ACC new yield 3.9%

ACC a Specialty Educational REIT with a portfolio of student housing communities

ACC we Rank 3 HOLD

ACC market cap \$4.1 billion

REIT Comment



Company:	Agree Realty
Price:	\$30
Recommendation:	BUY
Ranking:	2
Market Cap:	\$407
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
ADC \$30

Agree Realty ADC 1Q 2014 FFO \$0.52 v \$0.49 UP +6%

ADC no guidance provided for FFO for 2014

ADC 1Q 2014 portfolio occupancy 97%
ADC 1Q 2014 weighted average remaining lease term 11.4 years

ADC 2014 year to date acquisitions \$22 million for 9 net leased properties, including first portfolio investment in O'Reilly Auto Parts, Sherwin Williams and Michaels Stores
ADC investing in acquisitions and new build-to-suit retail developments for portfolio expansion and diversification

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

ADC increased dividend by 5%, bringing current annual dividend yield to 5.8%

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

ADC we UPGRADE RANK to 2 BUY

ADC market cap \$407 million

REIT Comment



Company:	Agree Realty
Price:	\$30
Recommendation:	BUY
Ranking:	2
Market Cap:	\$407
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
ADC \$30

Agree Realty ADC increased quarterly dividend distribution by 5% to \$0.43 per share for 2Q 2014

ADC new annual dividend \$1.72 per share

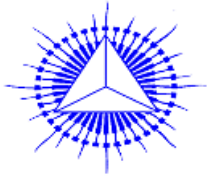
ADC new yield 5.8%

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

ADC we UPGRADE RANK to 2 BUY

ADC market cap \$407 million

REIT Comment



Company:	Government Properties Income Trust
Price:	\$25
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,391
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
GOV \$25

Government Properties Income Trust GOV 1Q 2014 normalized FFO \$0.53 v \$0.56 (adjusted)
DOWN (5%)

GOV no guidance provided for FFO for 2014

GOV 1Q 2014 same property NOI DOWN (7.6%)
GOV 1Q 2014 portfolio occupancy 95.1% UP +1.5%

GOV 1Q 2014 average rents for new and renewed leases DOWN(2.3%) on cash basis

GOV 2014 year to date completed and pending acquisitions\$133 million
GOV 2014 year to date completed and pending dispositions\$18 million, including sale of vacant FBI
building in Phoenix AZ for \$5 million

GOV portfolio rents concentrated 74% with federal agencies, 23% state agencies, 2% UN and 1%
non-government tenants

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

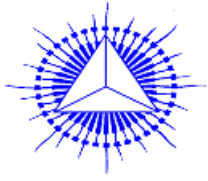
GOV provides current annual dividend yield of 6.8%

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

GOV we rank 3 HOLD

GOV market cap \$1.4 billion

REIT Comment



Company:	CubeSmart
Price:	\$18
Recommendation:	BUY
Ranking:	1
Market Cap:	\$2,599
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
CUBE \$18

CubeSmart CIBE traded DOWN (\$0.45) per share to close DOWN (2%) day

CUBE stock traded UP +14% year to date for 2014, outperforming Specialty REITs, trading UP +7% for 2014

CUBE stock traded UP +9% for 2013

CUBE increased target 2014 acquisitions to \$250-\$350 million, following \$187 million acquisitions during 1Q 2014

CUBE increased guidance for FFO for 2014 to indicate growth UP +12%

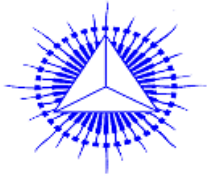
CUBE increased quarterly dividend distribution by 18%, bringing current annual dividend yield to 2.9%

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

CUBE we rank 1 BUY

CUBE market cap \$2.6 billion

REIT Comment



Company:	Mack-Cali Realty
Price:	\$20
Recommendation:	SELL
Ranking:	4
Market Cap:	\$2,024
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
C:I \$20

Mack-Cali Realty CLITraded DOWN (\$0.32) per share to close DOWN (2%) day

CLI stock traded DOWN (6%) year to date for 2014, underperforming Office REITs, trading UP +10% for 2014

CLI stock traded DOWN (18%) during 2013

CLI management faces challenge to release space in soft office market in suburban NJ

CLI impact of new office capacity with recently constructed buildings in downtown NYC negative for Harborside rents

CLI may reduce dividend again on expected FFO decline

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

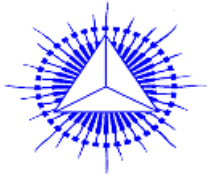
CLI provides current annual dividend yield of 5.9%

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

CLI we rank 4 SELL

CLI market cap \$2.0 billion

REIT Comment



Company:	American Tower
Price:	\$88
Recommendation:	BUY
Ranking:	2
Market Cap:	\$35,237
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
AMT \$88

American Tower AMT traded UP \$1.40 per share to close UP +2% day

AMT stock traded UP +11% year to date for 2014, outperforming Specialty REITs, trading UP +7% for 2014

AMT stock traded UP +3% during 2013

AMT carrier spending to expand 4G coverage and density drives expenditures on new cell towers

AMT recent \$4.8 billion merger with Global Tower Partners during 4Q 2013 driving domestic revenue growth

AMT increased guidance for FFO for 2014 to indicate growth UP +20%

AMT provides current annual dividend yield of 1.5%

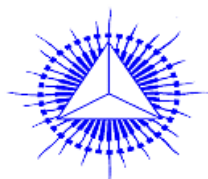
AMT a Specialty REIT with a portfolio of wireless and broadcast communications real estate with towers in US, Europe, South America, Africa and India

AMT we rank 2 BUY

AMT market cap \$35.2 billion

AMT an S&P 500 Index REIT

REIT Comment



Company:	Redwood Trust
Price:	\$21
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,799
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/05/2014
RWT \$21

Redwood Trust RWT stock traded DOWN (\$0.35) per share to close DOWN (2%) day

RWT stock traded UP +10% year to date for 2014, underperforming Financial Mortgage REITs, trading UP +13% for 2014
RWT stock traded UP +15% during 2013

RWT reported sharply lower GAAP EPS for 1Q 2014 due to lower NIM (net interest margin) and fewer securitizations

RWT drastic decline in securitizations of non-conforming Residential MBS a result of tight liquidity, as well as reduction in mortgage application volume

RWT pressure to maintain profitability through expansion of portfolio limits ability to invest in additional earning assets

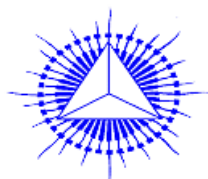
RWT provides current annual dividend yield of 5.3%, at the low end of the range for Financial Mortgage REITs

RWT a Financial Mortgage REIT with a portfolio of non-agency residential loans and securities

RWT we rank DOWNGRADE to 4 SELL

RWT market cap \$1.8 billion

REIT Comment



Company:	Redwood Trust
Price:	\$21
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,799
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text

05/06/2014

RWT \$21

Redwood Trust RWT 1Q 2014 GAAP EPS \$0.14 v \$0.69 DOWN (80%)

RWT 1Q 2014 taxable EPS \$0.19 v \$0.20 DOWN (5%)

RWT 1Q 2014 GAAP EPS includes loan loss provision of (\$1) million, offsetting \$1 million realized gains on portfolio sales

RWT 1Q 2014 GAAP EPS includes unrealized loss on portfolio mark-to-market valuation adjustments of (\$6) million

RWT no guidance provided for GAAP EPS or taxable EPS for 2014

RWT 1Q 2014 book value \$15.14 per share, UP +0.3% from December 2013

RWT stock now trading at premium of 41% to current book value

RWT 1Q 2014 annualized GAAP return on equity 4%

RWT 1Q 2014 portfolio \$4.8 billion jumbo loans and investments, including 51% jumbo residential loans, 36% Residential MBS securities, 10% commercial loans and 3% other assets

RWT 1Q 2014 NIM (net interest margin) 3.20%, DOWN (0.19%) from December 2013

RWT 1Q 2014 operating expenses per average assets 1.63% DOWN (0.03%) from December 2013

RWT year to date 2014 Sequoia subsidiary completed only 1 securitization for total \$340 million, with next securitization not expected until June 2014

RWT management comments noted continued weakness in private market non-agency securitizations

RWT now hopes to complete only \$1.0 billion securitizations during 2014, drastically reduced from \$5.5 billion for 2013

RWT including conforming mortgage loans in new securitization offerings to broaden market appeal

RWT market share of non-conforming Residential MBS originations 44% of total \$17.8 billion issuance since January 2012

RWT added to loan purchase volume, acquiring \$1.1 billion loans for 1Q 2014, including \$794 million jumbo loans and \$299 million conforming loans

RWT divested \$722 million loans during 1Q 2014

RWT management concerned over total industry lower mortgage originations DOWN (23%) for 1Q 2014

RWT still adding to commercial loan portfolio, now \$491 million, although prices have moved higher

RWT current investment capacity only \$110 million

RWT provides current annual dividend yield of 5.3%, at the low end of the range for Financial Mortgage REITs

RWT a Financial Mortgage REIT with a portfolio of non-agency residential loans and securities

RWT we rank DOWNGRADE to 4 SELL

RWT market cap \$1.6 billion

REIT Comment



Company:	HCP
Price:	\$42
Recommendation:	BUY
Ranking:	1
Market Cap:	\$19,523
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
HCP \$42

HCP Inc HCP 1Q 2014 FFO \$0.75 v \$0.74 UP +1%

HCP made no change to guidance 2014 FFO \$2.96-\$3.02 v \$3.01 FLAT - DOWN (2%)

HCP 1Q 2014 same property NOI UP +4.0% on cash basis

HCP 2014 year to date investments totaled \$162 million, including 3 acquisitions for \$100 million and \$53 million construction projects

HCP announced \$1.2 billion 49% owned joint venture with Brookdale to invest in 14 CCRC (Continuing Care Retirement Communities) with a total of 7,000 units

HCP 2014 year to date divestitures \$39 million for 2 properties

HCP recently increased quarterly dividend by 4%, bringing current annual dividend yield to 5.2%

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

HCP we rank 1 BUY

HCP market cap \$19.5 billion

HCP an S&P 500 Index REIT

REIT Comment



Company:	Medical Properties Trust
Price:	\$13
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,170
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
MPW \$13

Medical Properties Trust MPW 1Q 2014 normalized FFO \$0.26 (adjusted) v \$0.25 (adjusted) UP +4%
MPW 4Q 2013 normalized FFO (adjusted) excludes net charges of (\$0.13) per share relating to loan impairment and other items

MPW increased guidance 2014 normalized FFO \$1.10-\$1.14 v \$0.96 UP +15%--19%
MPW previous guidance 2014 normalized FFO \$1.08-\$1.12 per share

MPW 2014 year to date acquisitions \$167 million, including acquisition and leaseback of Hackensack Medical Center in Montclair NJ for \$115 million and 9 FirstChoice emergency rooms for \$52 million
MPW pending acquisition \$150 million for acute care hospital
MPW targets \$500 million acquisitions during 2014

MPW commitment to invest \$205 million in development of emergency room facilities

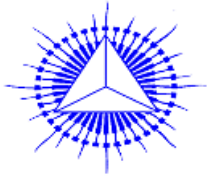
MPW stock price supported by current yield of 6.3%

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

MPW we rank 2 BUY

MPW market cap \$2.2 billion

REIT Comment



Company:	Vornado Realty Trust
Price:	\$104
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$19,373
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
VNO \$104

Vornado Realty Trust VNO seeks to create shareholder value with pending spin-off of retail properties

VNO to spin-off 81 strip shopping centers and 4 malls (total 16.1 million square feet of retail space) to new publicly traded REIT in tax-free transaction for shareholders

VNO malls include Bergen Town Center in Paramus NJ, Monmouth Mall in Easton NJ and 2 malls in Puerto Rico

VNO total retail spin-off properties show annual operating income of \$200 million, with occupancy of 85.5%

VNO new CEO hire Jeffrey S Olson (currently CEO of Retail REIT EquityOne EQY) to serve with VNO CEO Steven Roth on the board of new spin-off REIT

VNO to retain \$100 million smaller retail assets for disposition, while continuing to develop NYC street retail assets

VNO remaining portfolio of office properties concentrated in NYC and DC

VNO provides current annual dividend yield of 2.8%

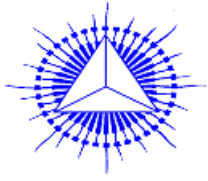
VNO an Office REIT with a diverse portfolio of office and retail properties

VNO we rank 3 HOLD

VNO market cap \$19.4 billion

VNO an S&P 500 Index REIT

REIT Comment



Company:	Vornado Realty Trust
Price:	\$104
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$19,373
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
VNO \$104

Vornado Realty Trust VNO 1Q 2014 FFO \$1.20 (adjusted) v \$1.13 (adjusted) UP +6%
VNO 1Q 2014 FFO (adjusted) excludes net gains of \$0.11 per share relating to net gains on condominium sales and contribution from discontinued operations, partially offset by other items

VNO no guidance provided for FFO for 2014

VNO 1Q 2014 adjusted EBITDA \$397 million UP +2%
VNO 1Q 2014 adjusted EBITDA contribution from NY properties \$234 million UP +9%
VNO 1Q 2014 adjusted EBITDA contribution from DC properties \$84 million DOWN (2%)
VNO 1Q 2014 adjusted EBITDA contribution from retail properties \$52 million UP +3%

VNO 1Q 2014 office rents on lease turnover UP +15% for NYC and DOWN (3%) for DC on cash basis

VNO 1Q 2014 occupancy for NY properties 97.0% UP +0.9%
VNO 1Q 2014 occupancy for DC properties 83.3% DOWN (0.5%)
VNO 1Q 2014 occupancy for retail properties 94.2% DOWN (0.1%)

VNO metropolitan DC area now represents 23% of EBITDA, compared to 74% for NYC
VNO US government tenants now represent 6% of rents

VNO announced decision to spin-off retail properties to concentrate new investments in portfolio of office properties
VNO year to date 2014 completed and pending divestitures \$819 million

VNO provides current annual dividend yield of 2.8%

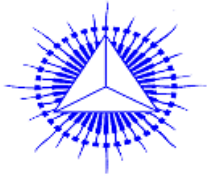
VNO an Office REIT with a diverse portfolio of office and retail properties

VNO we rank 3 HOLD

VNO market cap \$19.4 billion

VNO an S&P 500 Index REIT

REIT Comment



Company:	Equity One
Price:	\$22
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,912
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
EQY \$22

Equity One EQY 1Q 2014 recurring FFO \$0.35 v \$0.32 UP +9%

EQY made no change to guidance range 2014 FFO \$1.23-\$1.28 v \$1.23 FLAT-UP +4%
EQY guidance 2014 FFO assumes same property NOI UP 2.5%-+3.5%

EQY 1Q 2014 same property NOI +2.4%
EQY 1Q 2014 core portfolio occupancy 93.9% UP +1.5%

EQY 1Q 2014 average annualized base rents per square foot \$16.37 UP +9% due to divestitures of non-core properties
EQY 1Q 2014 rents on lease turnover UP +0.9%

EQY year to date 2014 completed and pending acquisitions \$103 million
EQY target 2014 acquisitions \$100-200 million

EQY year to date 2014 completed and pending divestitures \$123 million
EQY target 2014 divestitures \$125-\$175 million

EQY investing \$140 million in development and redevelopment projects to add 2% portfolio capacity increment, while renewing 10% of portfolio space

EQY pending CEO transition, with current CEO to depart for spin-off REIT of retail properties from Vornado Realty Trust VNO

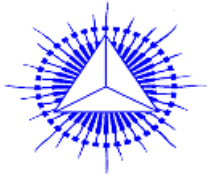
EQY stock price supported by current annual dividend yield of 3.9%

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

EQY we rank 3 HOLD

EQY market cap \$2.9 billion

REIT Comment



Company:	Equity One
Price:	\$22
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,912
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
EQY \$22

Equity One EQY pending management transition brings new CEO to drive developments and portfolio repositioning

EQY current CEO Jeffrey S Olson under contract as CEO through 2014, with expected departure during summer 2014 to become CEO of pending spin-off of retail properties owned by Vornado Realty Trust VNO to new publicly traded REIT

EQY new hire David Lukes to join EQY as EVP and to become CEO on departure of Mr Olson

EQY Mr Lukes brings previous experience with Sears Holdings SHLD affiliate Seritage Realty Trust Kimco Realty KIM and Mall Properties Inc

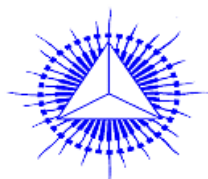
EQY stock price supported by current annual dividend yield of 3.9%

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

EQY we rank 3 HOLD

EQY market cap \$2.9 billion

REIT Comment



Company:	One Liberty Properties
Price:	\$22
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$347
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
0/06/2014
OLP \$22

One Liberty Properties OLP has greatest exposure of any REIT to Office Depot ODP, now seeking to close stores

OLP key tenant Office Depot ODP announced plans to close 400 stores (representing 20% of current store base), following acquisition of OfficeMax during 2013

OLP Office Depot ODP represents 7% of total OLP annual rents

OLP no guidance provided for FFO for 2014

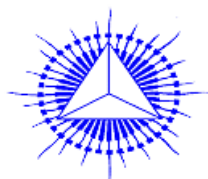
OLP stock price supported by current annual dividend yield of 6.7%

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

OLP we rank 3 HOLD

OLP market cap \$347 million

REIT Comment



Company:	Kimco Realty
Price:	\$23
Recommendation:	BUY
Ranking:	1
Market Cap:	\$9,449
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

05/06/2014

KIM \$23

Kimco Realty KIM news of office supply retailer consolidation already well understood by investors

KIM announcement by Office Depot ODP of plans to close 400 stores (representing 20% of current store base since acquisition of rival OfficeMax during 2013) follows previous disclosure by Staples SPLS earlier this year of plans to shrink retail footprint

KIM in March 2014 Staples SPLS announced plans to close 225 stores by the end of 2015 (representing 15% of total US stores), while reporting comparable store sales DOWN (7%) for 4Q 2014

KIM Staples also disclosed nearly 50% of total sales now generated online, much higher than most investors expected

KIM total exposure to office supply retailers represents 2.2% of total rents, including Staples SPLS at 0.9%, Office Depot ODP 0.7% and OfficeMax 0.6%

KIM office supplies is fifth major retail category to move to primarily online sales, following book retailers (with well publicized problems of Barnes & Noble BKS and 2011 bankruptcy of Borders, pressured by online retailer Amazon.com AMZN), video retailers (including 2010 bankruptcy of Blockbuster, pressured by Netflix NFLX), music retailers (including 2006 bankruptcy of Sam Goody and liquidation of Tower Records, pressured by success of Apple AAPL iTunes) and computer retailers (including liquidation of CompUSA starting in 2006, followed by liquidation of Circuit City in 2009, pressured by online computer sales by Dell, Gateway and others)

KIM Retail REITs normally benefit from releasing of space vacated by bankrupt or consolidating retailers by signing leases with new tenants at higher rents

KIM divestitures and redevelopments drive improving profitability through portfolio restructuring

KIM to discuss results for 1Q 2014 this week on Thursday May 6, 2014, with a conference call for investors scheduled at 10:00 am

KIM reported FFO for 2013 increased UP +6%, while guidance for FFO for 2014 indicates growth UP +5%

KIM increased quarterly dividend by 2%, bringing current annual dividend yield to 4.1%

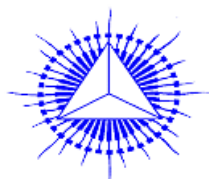
KIM a Retail REIT with a diverse portfolio of retail properties, including neighborhood and community shopping centers and big box retail, as well as grocery anchored shopping centers

KIM we rank 1 BUY

KIM market cap \$9.4 billion

KIM an S&P 500 Index REIT

REIT Comment



Company:	Redwood Trust
Price:	\$20
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,679
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
RWT \$20

Redwood Trust RWT traded DOWN (\$1.43) per share to close DOWN (7%) day

RWT stock traded UP +3% year to date for 2014, underperforming Financial Mortgage REITs, trading UP +13% for 2014
RWT stock traded UP +15% during 2013

RWT stock hammered as investors respond to management comments on almost non-existent demand for securitizations of non-conforming Residential MBS

RWT management now expects only \$1.0 billion new issues for 2014, compared to RWT achievement of \$5.5 billion securitizations during 2013

RWT portfolio gains on loan sales supported EPS for 1Q 2014, but liquidity constraints will hamper future growth

RWT stock now trading at premium of 31% to current book value of \$15.14 per share as of March 2014

RWT dividend reduction appears likely

RWT currently provides annual dividend yield of 5.6%, at the low end of the range for Financial Mortgage REITs

RWT a Financial Mortgage REIT with a portfolio of non-agency residential loans and securities

RWT we DOWNGRADED to 4 SELL

RWT market cap \$1.7 billion

REIT Comment



Company:	iStar Financial
Price:	\$14
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$1,201
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
STAR \$14

iStar Financial STAR traded DOWN (\$0.52) per share to close DOWN (4%) day

STAR stock traded unchanged year to date for 2014, outperforming Financial Commercial REITs, trading DOWN (2%) for 2014
STAR stock traded UP +75% during 2013

STAR results for 1Q 2014 still showing operating loss, although reserve position now much improved

STAR sales of condos still providing gains, although impairment limited contribution from condo sales for 1Q 2014

STAR looks to new joint venture with sovereign wealth fund to invest \$1.25 billion in portfolio of net leased assets to drive higher results for portfolio of operating real estate

STAR \$5.2 billion portfolio concentration now 21% land, 14% office, 13% industrial, 11% mixed use, 11% entertainment, 9% hotel, 7% retail, 6% condominium and 7% other

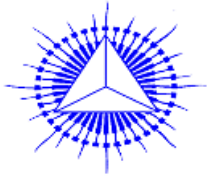
STAR has not paid dividends on common stock since 2008

STAR a Financial Commercial REIT

STAR we rank 3 HOLD

STAR market cap \$1.2 billion

REIT Comment



Company:	EastGroup Properties
Price:	\$62
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,901
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
EGP \$62

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

EGP stock traded UP +7% year to date for 2014, in line with Industrial REITs, also trading UP +7% for 2014

EGP stock traded UP +8% during 2013

EGP was the first Industrial REIT to report financial results for 1Q 2014, with FFO UP +8% due to higher occupancy and improved rental rates

EGP increased guidance for FFO for 2014 to indicate growth UP +5%-+8%

EGP investing to expand portfolio of bulk distribution facilities

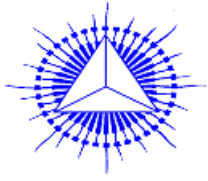
EGP provides current annual dividend yield of 3.5%

EGP an Industrial REIT with a portfolio of bulk distribution properties

EGP we rank 2 BUY

EGP market cap \$1.9 billion

REIT Comment



Company:	HCP
Price:	\$42
Recommendation:	BUY
Ranking:	1
Market Cap:	\$19,416
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/06/2014
HCP \$42

HCP Inc HCP traded DOWN (\$0.23) per share to close DOWN (1%) day

HCP stock traded UP +16% year to date for 2014, outperforming Health Care REITs, trading UP +13% for 2014

HCP stock traded DOWN (20%) during 2013 following departure of previous CEO James Flaherty from board of directors

HCP results for 1Q 2014 almost FLAT

HCP made no change to guidance for FFO for 2014 indicating growth UP +2%

HCP management comments noted high return expected on joint venture investment with Brookdale to develop CCRC (Continuing Care Retirement Communities)

HCP recently increased quarterly dividend by 4%, bringing current annual dividend yield to 5.2%

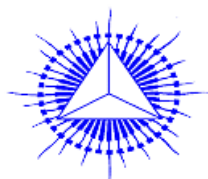
HCP a Health Care REIT with a diverse portfolio of health care and life science properties

HCP we rank 1 BUY

HCP market cap \$19.4 billion

HCP an S&P 500 Index REIT

REIT Comment



Company:	Starwood Property Trust
Price:	\$24
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,722
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

05/07/2014
STWD \$24

Starwood Property Trust STWD 1Q 2014 GAAP EPS \$0.60 v \$0.43 UP +40%
STWD 1Q 2014 core EPS \$0.60 v \$0.46 UP +30%

STWD made no change to guidance range 2014 core EPS \$2.00-\$2.20 v \$2.24 (adjusted) DOWN (2%)-(11%)

STWD guidance for lower 2014 core EPS reflects spin-off of Starwood Waypoint Residential Trust SWAY at the end of January 2014

STWD 1Q 2014 GAAP book value \$16.57 per share DOWN (24%) from December 2013, reflecting spin-off of Starwood Waypoint Residential Trust SWAY
STWD stock trading at premium of 46% to GAAP book value as of 1Q 2014

STWD 1Q 2014 lending segment portfolio \$5.3 billion, including 50% first mortgage commercial loans, 33% subordinate and mezzanine, 5% preferred securities, 5% RMBS, 4% CMBS and 3% other

STWD 1Q 2014 investments \$1.7 billion loans to commercial properties
STWD current investment capacity \$450 million-\$725 million, to be funded by a combination of cash, equity in RMBS and available credit on financing facilities

STWD 1Q 2014 LNR contribution to core EPS \$0.31 per share, representing 52% of total STWD core EPS

STWD 1Q 2014 remaining LNR investments \$1.1 billion, including deep discount CMBS, special servicing and conduit loans

STWD dividend distribution not impeded by distribution of Starwood Waypoint Residential Trust SWAY at the end of January 2014

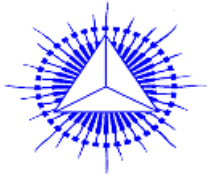
STWD stock price supported by current annual dividend yield to 8.0%

STWD a Financial Commercial REIT

STWD we rank 2 BUY

STWD market cap \$4.7 billion

REIT Comment



Company:	Alexandria Real Estate Equities
Price:	\$75
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,302
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
ARE \$70

Alexandria Real Estate Equities ARE increased quarterly dividend distribution by 3% to \$0.70 per share for 2Q 2014

ARE new annual dividend \$2.70 per share

ARE new yield 3.75%

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 \$5.3 billion

REIT Comment



Company:	Starwood Property Trust
Price:	\$24
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,722
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
STWD \$22

Starwood Property Trust STWD transition of CFO role highlights increasing importance of LNR subsidiary

STWD former CFO Perry Stewart Ward departed, replaced by Rina Paniry, previously CFO of LNR subsidiary

STWD completed \$843 million acquisition of LNR Property during 2Q 2013

STWD LNR Property brought to STWD significant position as special servicer of commercial loans, as well as commercial mortgage originations, financial servicing, and 50% interest in Auction.com

STWD LNR named as special servicer on \$15.7B commercial loans, indicating 36% market share position

STWD LNR portfolio, carried at \$1.1 billion valuation for \$4.1 billion face value of commercial loans in special servicing, provides source of future gains for STWD on loan workouts

STWD LNR contribution increased to 52% of total core and GAAP EPS for 1Q 2014

STWD stock price supported by current annual dividend yield to 8.0%

STWD a Financial Commercial REIT

STWD we rank 2 BUY

STWD market cap \$4.7 billion

REIT Comment



Company:	Alexandria Real Estate Equities
Price:	\$75
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,302
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
ARE \$70

Alexandria Real Estate Equities ARE 1Q 2014 FFO \$1.17 v \$1.11 UP +5%

ARE 1Q 2014 same property NOI UP +4.3% on cash basis

ARE 1Q 2014 portfolio occupancy for North American properties 95.1% UP 3.3%

ARE 4Q 2013 rents on lease turnover UP +10.4% on cash basis

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

ARE increased dividend by 3%, bringing current annual dividend yield to 3.8%

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 \$5.3 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$12
Recommendation:	BUY
Ranking:	1
Market Cap:	\$11,579
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
NLY \$12

Annaly Capital Management NLY last weeks higher mortgage application volume for home purchase not enough to offset year to date decline

NLY report from MBA (Mortgage Bankers Association) found mortgage applications increased UP +5.3% for week ended May 2, 2014

NLY mortgage applications for refinance increased UP +2%, while mortgage applications for home purchase UP +9% from previous week

NLY mortgage applications for home purchase DOWN (16%) from previous year

NLY mortgage refinance applications only 49% of total mortgage application volume

NLY report from MBA (Mortgage Bankers Association) found average interest rate on 30 year fixed rate conforming mortgage DOWN (0.06%) to 4.43%

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

NLY to discuss results for 1Q 2014 tomorrow May 8, 2014, with a conference call for investors scheduled at 10:00 AM

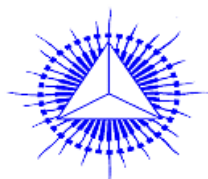
NLY stock price supported by current annual dividend yield of 10.3%, above the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 1 BUY

NLY market cap \$11.6 billion

REIT Comment



Company:	DDR Corp
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,549
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
DDR \$17

DDR Corp DDR 1Q 2014 operating FFO \$0.28 (adjusted) v \$0.27 (adjusted) UP +4%
DDR 1Q 2014 operating FFO (adjusted) excludes net charges of (\$0.04) per share relating to impairment, transaction expense, loss on debt extinguishment and other items

DDR made no change to guidance range 2014 operating FFO \$1.14-\$1.18 v \$1.11 UP +5%+9%
DDR guidance 2014 operating FFO assumes same property NOI UP +2.5%-+3.5%, with occupancy UP +0.75%

DDR 1Q 2014 same property NOI UP +3.1%
DDR 1Q 2014 portfolio occupancy 95.1% UP +0.9%

DDR 1Q 2014 rents UP +15% on new leases and UP +7% on renewed leases

DDR year to date 2014 divestitures \$198 million "non-prime assets" from consolidated portfolio, and divestiture of 50% joint venture interest in Brazilian retail assets for \$344 million

DDR results for 2014 supported by recent \$1.5 billion acquisition of 30 shopping centers from Blackstone

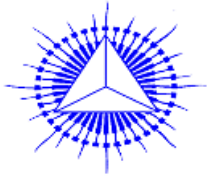
DDR recently increased quarterly dividend distribution by 15%, bringing current annual dividend yield to 3.6%

DDR a Retail REIT with a diverse portfolio of retail properties in US, Puerto Rico and Brazil

DDR we rank 2 BUY

DDR market cap \$5.5 billion

REIT Comment



Company:	LTC Properties
Price:	\$39
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,444
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
LTC \$38

LTC Properties LTC 1Q 2014 normalized FFO \$0.63 v \$0.61 (adjusted) UP +3%

LTC no guidance provided for FFO for 2014

LTC 1Q 2014 revenues \$29 million UP +15% due to acquisitions
LTC 1Q 2014 operating income \$17 million UP 31%

LTC portfolio growth achieved through small acquisitions of operating skilled nursing properties as well as investment in related debt

LTC pays monthly dividends, now providing annual dividend yield of 5.2%

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

LTC we rank 2 BUY

LTC market cap \$1.4 billion

REIT Comment



Company:	Senior Housing Properties Trust
Price:	\$23
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,370
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
SNH \$23

Senior Housing Properties Trust SNH 1Q 2014 normalized FFO \$0.43 v \$0.43 FLAT
SNH 4Q 2013 normalized FFO excludes net charges of \$0.02 per share relating to non-cash items

SNH no guidance provided for FFO for 2014

SNH 1Q 2014 senior living same property NOI UP +4.8%
SNH 1Q 2014 senior living same property portfolio occupancy 88.6% UP +1.5%

SNH 1Q 2014 medical office building same property NOI DOWN (1.4%)
SNH 1Q 2014 medical office building same property occupancy 94.8% UP +0.5%

SNH 1Q 2014 medical office building cash rents on lease turnover DOWN (11%), with new leases DOWN (1%) and renewed leases DOWN (13%)

SNH 1Q 2014 acquisition \$33 million for 1 medical office building
SNH 1Q 2014 pending \$1.125 billion acquisition of Vertex life sciences buildings in Boston MA Seaport District

SNH year to date 2014 divestitures \$7 million for 1 assisted living and 1 medical office building
SNH seeking to divest 9 senior living communities and 3 medical office buildings, now recorded as discontinued operations

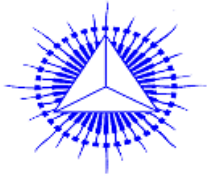
SNH stock price supported by current annual dividend yield of 6.7%

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

SNH we rank 2 BUY

SNH market cap \$4.4 billion

REIT Comment



Company:	Camden Property Trust
Price:	\$70
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,177
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
CPT \$70

Camden Property Trust CPT 1Q 2014 FFO \$1.05 v \$0.97 UP +8%

CPT 1Q 2014 EBITDA \$118 million UP +7%

CPT made no change to guidance range 2014 FFO \$4.10-\$4.30 v \$4.03 (adjusted) UP +2% - +7%
CPT guidance 2014 FFO assumes same property NOI UP +3.25% - +5.25%

CPT new guidance 2Q 2014 FFO \$1.02-\$1.06 v \$1.02 FLAT-UP +4%

CPT 1Q 2014 same property NOI UP +6.3%
CPT 1Q 2014 same property occupancy 95.6% UP +0.7%
CPT 1Q 2014 average monthly rent \$1,175 UP +4.1%

CPT investing \$1.0 billion to develop 14 new communities, representing 7% portfolio capacity expansion

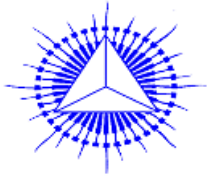
CPT stock price supported by current annual dividend yield of 3.8%

CPT a Residential REIT with a diverse portfolio of apartment communities

CPT we rank 2 BUY

CPT market cap \$6.2 billion

REIT Comment



Company:	Camden Property Trust
Price:	\$70
Recommendation:	BUY
Ranking:	2
Market Cap:	\$6,177
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
CPT \$20

Camden Property Trust CPT traded UP \$0.22 per share to close UP +1% day

CPT stock traded UP +25% year to date for 2014, outperforming Residential REITs, trading UP +14% for 2014
CPT stock traded DOWN (17%) during 2013

CPT reported strong results for 1Q 2014, with FFO UP +8% on higher occupancy and rental rate increases

CPT new portfolio developments should drive long term portfolio growth as many apartment renters have chosen to forego home ownership under new strict lending standards

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

CPT a Residential REIT with a diverse portfolio of apartment communities

CPT we rank 2 BUY

CPT market cap \$6.2 billion

REIT Comment



Company:	DDR Corp
Price:	\$17
Recommendation:	BUY
Ranking:	2
Market Cap:	\$5,549
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
DDR \$17

DDR Corp DDR traded UP \$0.17 per share to close UP +1% day

DDR stock traded UP +12% year to date for 2014, outperforming Retail REITs, trading UP +7% for 2014

DDR stock traded DOWN (2%) during 2013

DDR demonstrated steady growth for 1Q 2014, with FFO UP +4% despite planned divestitures

DDR made no change to guidance for FFO for 2014, indicating growth as much as UP +9%

DDR results for 2014 to be driven by recent \$1.5 billion acquisition of 30 shopping centers from Blackstone

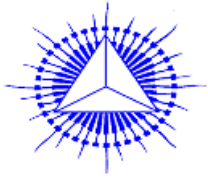
DDR recently increased quarterly dividend distribution by 15%, bringing current annual dividend yield to 3.6%

DDR a Retail REIT with a diverse portfolio of retail properties in US, Puerto Rico and Brazil

DDR we rank 2 BUY

DDR market cap \$5.5 billion

REIT Comment



Company:	Digital Realty Trust
Price:	\$55
Recommendation:	BUY
Ranking:	1
Market Cap:	\$7,515
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/07/2014
DLR \$56

Digital Realty Trust DLR traded UP \$1.28 per share to close UP +2% day

DLR stock traded UP +14% for 2014, outperforming Specialty REITs, trading UP +7% for 2014
DLR stock traded DOWN (28%) during 2013

DLR recent departure of CEO Foust may be a delayed outcome of 2013 disappointment over one time prior period adjustment reported for 3Q 2013

DLR investors attracted to Data Center REITs for growth supported by corporations investing in cloud computing applications, as well as big data and demand for Internet services from proliferation of mobile Internet devices

DLR slightly increased low end of guidance range FFO for 2014 to indicate growth FLAT-UP +3% this year

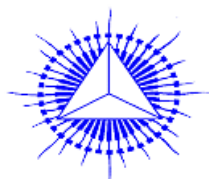
DLR stock price supported by current annual dividend yield of 6.1%

DLR the largest publicly traded Data Center REIT with a portfolio of turnkey data centers and office properties

DLR we rank 1 BUY

DLR market cap \$7.5 billion

REIT Comment



Company:	CyrusOne
Price:	\$20
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,288
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
05/08/2014
CONE \$20

CyrusOne CONE 1Q 2014 normalized FFO \$0.42 v \$0.27 (adjusted) UP +56%

CONE made no change to guidance range 2014 normalized FFO \$1.55-\$1.65 v \$1.22 (adjusted) UP +27% - +35%

CONE guidance 2014 normalized FFO assumes revenues of \$305-315 million, with adjusted EBITDA \$160-\$165 million

CONE 1Q 2014 revenues \$78 million UP +29%
CONE 1Q 2014 adjusted EBITDA \$42 million UP +32%
CONE 1Q 2014 adjusted EBITDA margin 53.8%

CONE 1Q 2014 same property NOI UP +25%
CONE 1Q 2014 co-location square foot capacity utilization 89% UP +8%

CONE 1Q 2014 leasing totaled 100,000 square feet of co-location space, representing 16.1MW of power load
CONE 1Q 2014 churn 1.3%

CONE added 25 cloud customers over the past year, expected to use Open IX for distributed cloud access, interconnection and media streaming
CONE clients include 135 of Fortune 1000 companies
CONE energy industry tenants represent 34% of total revenues, including 6 major oil and gas companies

CONE former parent Cincinnati Bell retains 66% equity interest in CONE with intention of liquidating holdings over a period of years
CONE Cincinnati Bell now represents 9% of total annualized CONE revenue

CONE management comments highlighted conservative forecast for FFO, assuming almost no net growth from current leased occupancy, with assumption of 5% churn

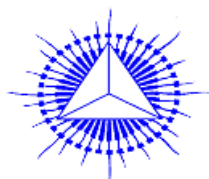
CONE recently increased dividend by 31% for 2014, bringing current annual dividend yield to 4.2%

CONE a Specialty Data Center REIT with a portfolio of data centers primarily providing colocation services to corporate customers

CONE we rank 2 BUY

CONE market cap \$1.3 billion

REIT Comment



Company:	Digital Realty Trust
Price:	\$55
Recommendation:	BUY
Ranking:	1
Market Cap:	\$7,515
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

05/08/2014

DLR \$55

Digital Realty Trust DLR 1Q 2014 FFO \$1.22 v \$1.16 UP +5%

DLR increased low end of guidance range 2014 FFO \$4.80-\$4.90 v \$4.78 (adjusted) FLAT-UP +3%
DLR previous guidance 2014 FFO \$4.75-\$4.90 per share
DLR guidance 2014 FFO assumes same property NOI UP +4.0%--5.0% with occupancy 92%-93%

DLR 1Q 2014 revenues \$391 million UP +9%
DLR 1Q 2014 adjusted EBITDA \$234 million UP +9%

DLR 1Q 2014 added \$47 million annualized GAAP revenue with signed leases adding 9% to current revenue run rate when leases commence
DLR normal time to commence new leases at least 6 months
DLR 1Q 2014 backlog of current signed not yet commenced leases \$115 million

DLR 1Q 2014 renewal leases signed at FLAT rates on cash basis and UP+13.5% on GAAP basis

DLR 2014 target acquisitions \$0-\$400 million

DLR 1Q 2014 contributed 1 NJ property to Prudential 20% owned joint venture at 7.1% cap rate
DLR considering joint ventures opportunities for Asia portfolio expansion

DLR 1Q 2014 divested 1 single tenant property for \$38 million

DLR management comments noted "stable pricing" in US markets with rental rate growth in Asian markets
DLR acknowledged incremental supply has become a factor, particularly in Ashburn VA market
DLR calculates available supply at 221 MW across various US markets, with greatest availability in Silicon Valley and northern VA
DLR pricing by type of service evolving from greatest value placed on data storage to reflect greater value placed on interconnection services

DLR started external search for new CEO

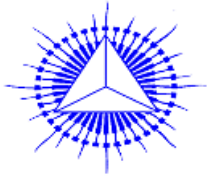
DLR stock price supported by current annual dividend yield of 6.1%

DLR the largest publicly traded Data Center REIT with a portfolio of turnkey data centers and office properties

DLR we rank 1 BUY

DLR market cap \$7.5 billion

REIT Comment



Company:	Equity Residential
Price:	\$61
Recommendation:	BUY
Ranking:	2
Market Cap:	\$22,570
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/08/2014
EQR \$61

Equity Residential EQR news of lower new unemployment claims indicates little change in employment outlook, benefitting Residential REITs

EQR Labor Department reported new claims for unemployment decreased DOWN (26,000) to 319,000 for week ended May 3, 2014 from revised number for previous week

EQR more stable 4 week moving average of new unemployment claims increased UP +4,500 to 324,750 from revised number for previous week

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

EQR guidance for FFO for 2014 indicates growth UP +6%-+10% for 2014

EQR recently increased regular quarterly dividend by 25%, bringing current annual dividend yield to 3.3%

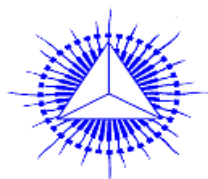
EQR the largest publicly traded Residential REIT with a diverse portfolio of apartment communities

EQR we rank 2 BUY

EQR market cap \$22.6 billion

EQR an S&P 500 Index REIT

REIT Comment



Company:	Health Care REIT
Price:	\$63
Recommendation:	BUY
Ranking:	2
Market Cap:	\$18,355
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/08/2014
HCN \$63

Health Care REIT HCN 1Q 2014 normalized FFO \$1.00 (adjusted) v \$0.91 (adjusted) UP +10%
HCN 1Q 2014 normalized FFO (adjusted) excludes net charges of (\$0.01) per share relating to transaction costs, partially offset by gain on debt extinguishment

HCN increased guidance range 2014 FFO \$4.03-\$4.13 v \$3.81 (adjusted) UP +6%--8%
HCN previous guidance range 2014 FFO \$3.93-\$4.03 per share

HCN 1Q 2014 same property NOI UP +4.4%
HCN 1Q 2014 same property NOI for senior living segment UP +8.1%

HCN 1Q 2014 investments \$542 million, including \$386 million joint venture investment, \$59 million acquisitions and \$64 million development spending
HCN 1Q 2014 joint venture investment with Public Sector Pension Investment Board of Canada for 47% equity stake in 10 high end independent living properties managed by Senior Resource Group in southwestern US

HCN providing current annual dividend yield of 5.0%

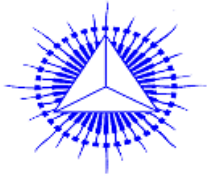
HCN a Health Care REIT with a diverse portfolio of health care and life science properties

HCN we rank 2 BUY

HCN market cap \$18.4 billion

HCN an S&P 500 Index REIT

REIT Comment



Company:	Kimco Realty
Price:	\$23
Recommendation:	BUY
Ranking:	1
Market Cap:	\$9,420
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
05/08/2014
KIM \$23

Kimco Realty KIM 1Q 2014 FFO \$0.34 v \$0.32 (adjusted) UP +6%

KIM made no change to guidance range 2014 FFO \$1.36-\$1.40 v \$1.32 (adjusted) UP +2%--5%
KIM guidance 2014 FFO assumes same property NOI UP +2.5%--3.5%, with occupancy UP +0.5%--0.75%

KIM 1Q 2014 same property NOI UP +2.0%
KIM 1Q 2014 portfolio occupancy 94.5% UP +0.9%
KIM 1Q 2014 occupancy for US shopping center portfolio 94.7% UP +1.0%

KIM 1Q 2014 rents on lease turnover UP +8.8%, with new leases UP +50% and renewed leases UP +4.6%

KIM 2014 year to date and pending acquisitions \$900 million
KIM emphasizing acquisition of joint venture interests for 2014

KIM 2014 year to date and pending dispositions \$650 million
KIM emphasizing divestiture of Mexican and Latin American properties as well as smaller US properties with below portfolio average NOI
KIM remaining 60 US assets available for sale

KIM cautiously optimistic that office supply retailer closures will enable higher rents on turnover to specialty grocery chains and other retail concepts
KIM expects 6 store lease termination decisions by Office Depot ODP and OfficeMax in 2014 and 13 in 2015
KIM considering total portfolio office supply exposure, as closings by Office Depot ODP to influence store decisions by Staples SPLS

KIM provides current annual dividend yield of 3.9%

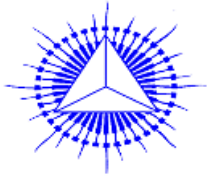
KIM a Retail REIT with a diverse portfolio of retail properties, including neighborhood and community shopping centers and big box retail, as well as grocery anchored shopping centers

KIM we rank 1 BUY

KIM market cap \$9.4 billion

KIM an S&P 500 Index REIT

REIT Comment



Company:	Annaly Capital Management
Price:	\$12
Recommendation:	BUY
Ranking:	1
Market Cap:	\$11,579
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
05/08/2014
NLY \$12

Annaly Capital Management NLY 1Q 2014 GAAP EPS loss (\$0.23) v profit \$0.90
NLY 1Q 2014 GAAP EPS includes net realized losses of (\$267) million on interest rate swaps and net losses of (\$146) million on trading assets, as well as realized gains of \$80 million on sale of investments
NLY 1Q 2014 GAAP EPS also includes non-cash unrealized portfolio valuation adjustments relating to loss of (\$349) million on interest rate swaps and (\$21) million on Residential MBS

NLY 1Q 2014 core EPS \$0.23 (adjusted) v \$0.29 (adjusted) DOWN (21%)
NLY 1Q 2014 core EPS excludes net realized and unrealized gains and losses on portfolio sales and valuation adjustments

NLY no guidance provided for FFO for 2014

NLY 1Q 2014 GAAP book value \$12.30 per share UP +1% from December 2013
NLY stock now trading at discount of (4%) to current book value

NLY 1Q 2013 annualized adjusted ROE 7.7% on core EPS

NLY 1Q 2014 NIM (net interest margin) 0.90% DOWN (0.53%) from December 2013

NLY 1Q 2014 portfolio \$80 billion, concentrated 90% in fixed rate agency guaranteed Residential MBS

NLY 1Q 2014 weighted average portfolio yield 3.2% DOWN (0.3%) from December 2013
NLY 1Q 2014 average portfolio purchase price 105.2% UP 0.2% from December 2013

NLY 1Q 2014 portfolio CPR (constant prepayment rate) 6% DOWN (1%) from December 2013
NLY 1Q 2014 portfolio leverage 5.2X UP +0.2X from December 2013

NLY Chairman of Federal Reserve Janet Yellen expected to continue to taper program of monetary ease, subject to economic variability
NLY expects higher net earnings contribution from \$1.6 billion investment in commercial real estate assets, now at 12% of net equity, representing 14% earnings contribution
NLY completed first securitization of commercial loans at \$250 million, representing reduction of (2%) of total equity invested in commercial loan assets

NLY status quo for Fannie Mae and Freddie Mac now appears likely to continue through 2016 elections

NLY stock price supported by current annual dividend yield of 10.3%, above the midpoint of the range for Financial Mortgage REITs
NLY management expressed confidence in ability to maintain quarterly dividend at \$0.30 per share if bond market stability continues

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

NLY we rank 1 BUY

NLY market cap \$11.6 billion

REIT Comment



Company:	Regency Centers
Price:	\$53
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,862
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/08/2014
REG \$53

Regency Centers REG 1Q 2014 core FFO \$0.69 (adjusted) v \$0.64 UP +8%
REG 1Q 2014 core FFO (adjusted) excludes net gain of \$0.02 per share relating to gain on land sale, partially offset by transaction and development costs

REG increased guidance range 2014 core FFO \$2.68-\$2.74 (adjusted) v \$2.63 UP +2%+4%
REG previous guidance 2014 core FFO \$2.66-\$2.72 (adjusted) per share

REG 1Q 2014 same property NOI UP +2.9% excluding lease termination fees
REG 1Q 2014 same property occupancy 94.9%
REG 1Q 2014 portfolio occupancy 94.5%

REG 1Q 2014 rents on lease turnover UP +11.6%, with new leases UP +21.7% and renewed leases UP +8.7% on cash basis

REG target 2014 acquisitions \$130-\$240 million
REG 1Q 2014 acquisitions \$172 million

REG target 2014 dispositions \$90-\$165 million
REG 1Q 2014 dispositions \$4 million

REG investing \$228 million to develop 7 new retail projects
REG investing \$84 million in 18 redevelopment projects

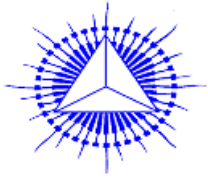
REG increased dividend by 2%, bringing current annual dividend yield to 3.6%

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

REG we rank 2 BUY

REG market cap \$4.9 billion

REIT Comment



Company:	Essex Property Trust
Price:	\$176
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,807
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text
05/08/2014
ESS \$176

Essex Property Trust ESS 1Q 2014 core FFO \$2.02 (adjusted) v \$1.87 (adjusted) UP +8%
ESS 1Q 2014 core FFO excludes net charges of (\$0.34) per share relating to merger costs and other items, partially offset by gains on sale of assets

ESS increased guidance range 2014 core FFO \$8.15-\$8.45 v \$7.60 (adjusted) UP +7%--11%
ESS previous guidance range 2014 core FFO \$8.10-\$8.40 per share
ESS guidance 2014 core FFO assumes same property NOI UP +5.5%--7.5%

ESS new guidance 2Q 2014 FFO \$1.96-\$2.04 v \$1.91 UP +3%--7%

ESS 1Q 2014 same property NOI UP +7.3%
ESS 1Q 2014 same property occupancy 96.5% FLAT
ESS 1Q 2014 same property average monthly rent \$1,678 UP +6.8%

ESS 1Q 2014 rents on lease renewals UP +5.6%, exceeded by April renewals UP +6.0%
ESS 1Q 2014 rents on lease renewals for BRE communities also UP +5.6%

ESS completed \$6.5 billion merger with BRE Properties BRE effective April 1, 2014
ESS expects merger to be accretive, adding \$0.05-\$0.08 per share to annual core FFO
ESS combined portfolio includes 307 apartment communities with 57,640 apartments concentrated 50% in southern CA, 33% in northern CA and 16% in Seattle
ESS former BRE shareholders now own 37% of ESS total shares outstanding

ESS investing \$1.4 billion in combined development pipeline to provide 7% combined portfolio capacity increment
ESS also investing \$125 million in redevelopment projects

ESS providing annual dividend yield of 2.7%

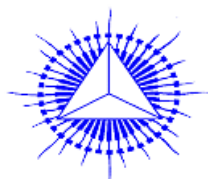
ESS a Residential REIT with a diverse portfolio of apartment communities in west coast states

ESS we rank 2 BUY

ESS market cap \$10.8 billion

ESS an S&P 500 Index REIT

REIT Comment



Company:	Anworth Mortgage Asset
Price:	\$5
Recommendation:	BUY
Ranking:	2
Market Cap:	\$782
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

05/08/2014

ANH \$5

Anworth Mortgage Asset ANH fighting proxy battle against Western Investment LLC activist investor claiming ownership of only 4% of ANH shares

ANH stockholder meeting scheduled for vote on proxy May22, 2014

ANH activist hedge fund investor Western Investment LLC seeking to replace 5 board nominees of ANH

ANH objects to \$12 million annual payments to "external manager", Anworth Management LLC, closely held by ANH management, including 50% ownership for ANH CEO Lloyd McAdams

ANH SEC filings disclose ANH subleases space from and reimburses personnel expenses to Pacific Income Advisors (PIA), also owned and managed by ANH insiders

ANH top management previously associated with Security Pacific Investment Managers

ANH previous announcements by Western Investment LLC indicated proposed plan to liquidate ANH, now replaced by plan to seek strategic alternatives

ANH in response to proxy battle, ANH accelerated share repurchase, now having completed repurchase of 13 million shares, representing 9% of total outstanding shares

ANH also changed dividend determination to exclude cost of interest rate hedging leading to increase of 75% to \$0.14 per share quarterly dividend for 2Q 2014

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

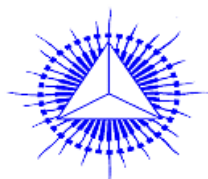
ANH stock price now supported by current annual dividend yield of10.4%, above the midpoint of the range for Financial Mortgage REITs

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

ANH we rank 2 BUY

ANH market cap \$782 million

REIT Comment



Company:	Anworth Mortgage Asset
Price:	\$5
Recommendation:	BUY
Ranking:	2
Market Cap:	\$782
Link:	http://www.reitmonitor.net/atlantis/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

05/08/2014

ANH \$5

Anworth Mortgage Asset ANH 1Q 2014 GAAP EPS \$0.09 v \$0.16 DOWN (44%)

ANH 1Q 2014 core EPS \$0.09 v \$0.07 UP +30%

ANH core EPS excludes impairment losses on Residential MBS

ANH 1Q 2014 book value \$6.13 per share UP +3% from December 2013 due to (4%) decline in total shares outstanding, a result of management decision to repurchase shares

ANH stock now trading at discount of (12%) to latest book value

ANH book value includes 2013 year to date accumulated unrealized loss on portfolio securities of (\$71) million, improved by \$21 million from December 2014

ANH 1Q 2014 portfolio \$8.6 billion FLAT with December 2013

ANH 1Q 2014 average portfolio yield 2.65% FLAT

ANH 1Q 2014 NIM (net interest margin) 0.62% UP +0.05%

ANH 1Q 2014 portfolio leverage 8.1X FLAT

ANH 1Q 2014 CPR (constant prepayment rate) 13% DOWN (2%)

ANH repurchased 13 million shares, representing 9% of total outstanding shares, in response to proxy battle with activist shareholder

ANH changed dividend determination to exclude cost of hedging leading to dividend increase of 75% to \$0.14 per share for 2Q 2014

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

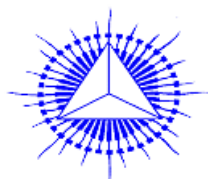
ANH stock price now supported by current annual dividend yield of10.4%, above the midpoint of the range for Financial Mortgage REITs

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

ANH we rank 2 BUY

ANH market cap \$782 million

REIT Comment



Company:	Annaly Capital Management
Price:	\$12
Recommendation:	BUY
Ranking:	1
Market Cap:	\$11,460
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/08/2014
NLY \$12

Annaly Capital Management NLY traded DOWN (\$0.33) per share to close DOWN (3%) day

NLY stock traded UP +15% year to date for 2014, outperforming Financial Mortgage REITs, trading UP +13% for 2014

NLY stock traded DOWN (29%) during 2013 on book value erosion due to bond market volatility

NLY although NIM (net interest margin) for 1Q 2014 was disappointing at 0.90%, book value showed modest increase, UP +1% from December, reflecting portfolio gains

NLY stock now trading at discount of (6%) to current book value of \$12.30 per share as of March 2014

NLY management expressed confidence in ability to maintain quarterly dividend at \$0.30 per share if bond market stability continues

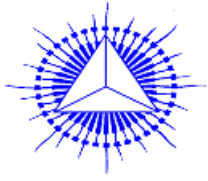
NLY stock price supported by current annual dividend yield of 10.4%, above the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 1 BUY

NLY market cap \$11.5 billion

REIT Comment



Company:	CyrusOne
Price:	\$21
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,359
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/08/2014
CONE \$21

CyrusOne CONE traded UP \$0.94 per share to close UP +5% day

CONE stock traded DOWN (6%) year to date for 2014, underperforming Specialty REITs, trading UP +7% for 2014

CONE stock traded UP +5% during 2013 from January 2013 IPO price

CONE last night reported better than expected results for 1Q 2014, with FFO UP +56%

CONE conservative guidance for FFO for 2014 indicates continued growth UP +35%

CONE customer concentration among major oil companies indicates favorable market positioning for co-location services

CONE investors eager to participate in rapid growth for Data Center REITs with smaller cap Data Center REITs now outperforming the sector

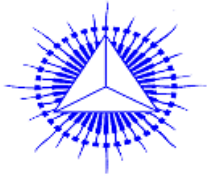
CONE recently increased dividend by 31% for 2014, bringing current annual dividend yield to 4.0%

CONE a Specialty Data Center REIT with a portfolio of data centers primarily providing colocation services to corporate customers

CONE we rank 2 BUY

CONE market cap \$1.4 billion

REIT Comment



Company:	Health Care REIT
Price:	\$64
Recommendation:	BUY
Ranking:	2
Market Cap:	\$18,631
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/08/2014
HCN \$64

Health Care REIT HCN traded UP +\$1.47 per share to close UP +2% day

HCN stock traded UP +20% year to date for 2014, outperforming Health Care REITs, trading UP +13% for 2014

HCN stock traded DOWN (13%) during 2013

HCN reported FFO increase UP +10% for 1Q 2014

HCN increased guidance for FFO for 2014 to indicate growth UP +8%

HCN announced new joint venture in upscale independent living assets in southwestern US

HCN providing current annual dividend yield of 4.9%

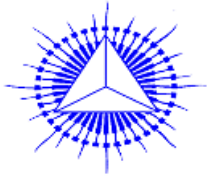
HCN a Health Care REIT with a diverse portfolio of health care and life science properties

HCN we rank 2 BUY

HCN market cap \$18.6 billion

HCN an S&P 500 Index REIT

REIT Comment



Company:	Regency Centers
Price:	\$54
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,981
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/08/2014
REG \$54

Regency Centers REG traded UP \$0.51 per share to close UP +1% day

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

REG stock traded DOWN (2%) during 2013

REG reported FFO growth UP +8% for 1Q 2014, exceeding expectations

REG increased conservative guidance for FFO for 2014 to increase growth UP +4%

REG management comments highlighted increased rental rates in new leases as specialty retailers seek to expand

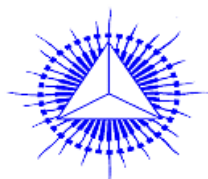
REG recently increased dividend by 2%, bringing current annual dividend yield to 3.5%

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

REG we rank 2 BUY

REG market cap \$5.0 billion

REIT Comment



Company:	NorthStar Realty Finance
Price:	\$16
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,041
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

05/09/2014

NRF \$16

NorthStar Realty Finance 1Q 2014 GAAP EPS loss (\$0.42) v profit \$0.20

NRF 1Q 2014 GAAP EPS includes (\$46) million realized loss on portfolio securities and \$3 million gain on deconsolidation of CDO

NRF 1Q 2014 GAAP EPS includes unrealized losses of (\$142) million on portfolio securities

NRF 1Q 2014 CAD \$0.28 per share

NRF 1Q 2014 CAD excludes realized and unrealized gains and losses on portfolio as well as depreciation and amortization, bond discounts and loan loss provision

NRF 1Q 2014 CAD excludes gain of \$3 million on deconsolidation of CDO

NRF 1Q 2014 adjusted book value \$7.09 per share DOWN (2%) from December 2013, due to 28% increase in total shares outstanding

NRF stock trading at premium of 126% to adjusted book value, reflecting rapid portfolio expansion

NRF 1Q 2014 portfolio \$6.0 billion includes \$2.3 billion operating real estate, \$1.2 billion commercial debt and \$1.0 billion CDOs and CMBS securities

NRF 1Q 2014 occupancy 99% for net leased portfolio, 100% for health care properties, and 87% for manufactured home communities

NRF 1Q 2014 no loans on non-performing status

NRF 2014 year to date investments \$1.7 billion, including \$1.1 billion health care assets, \$213 million Innkeepers joint venture acquisition with Chatham Lodging Trust CLDT, \$167 million equity in portfolio of net leased industrial assets, \$176 million commercial loans and \$70 million for minority interest in Aerium Group

NRF pending spin-off of NorthStar Asset Management NSAM to separate publicly traded vehicle with NYSE listing expected to be completed during 2Q 2014

NRF 1Q 2014 NASM assets under management \$12.0 billion including 52% operating real estate (including equity interests), 11% commercial real estate debt, 7% commercial loan securities, 18% assets of non-traded REITs and 13% assets underlying deconsolidated CDOs

NRF NorthStar Asset Management NSAM to own broker-dealer platform of NRF and manage non-traded REIT businesses

NRF portfolio to be managed by NorthStar Asset Management NSAM under 20 year contract, generating annual \$137 million fee revenue for new company

NRF 2014 year to date invested \$518 million in NorthStar non-traded REITs (including NorthStar Income, NorthStar Income II and NorthStar Healthcare) and raised \$234 million equity for the non-traded REITs

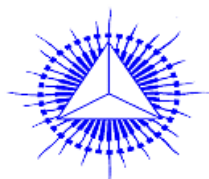
NRF increased quarterly dividend distribution by 19%, now providing current annual dividend yield of 6.4%

NRF a Financial Commercial REIT

NRF we rank 2 BUY

NRF market cap \$4.0 billion

REIT Comment



Company:	Annaly Capital Management
Price:	\$12
Recommendation:	BUY
Ranking:	1
Market Cap:	\$11,460
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
NLY \$12

Annaly Capital Management NLY group of Democratic Senators opposed to proposed Fannie Mae reform expect to block efforts for committee vote on bill

NLY group of 6 Democratic Senators on Senate Banking Committee (including Senators Schumer, Brown, Merkley, Warren, Menendez and Reed) met and made statements indicating bill from Senator Crapo and Senator Johnson viewed as incomplete providing inadequate protection for affordable housing

NLY without bipartisan backing, proposed Fannie Mae reform bill has little chance for Senate floor vote

NLY preservation of Fannie Mae likely to become a campaign issue during 2014 mid-term Congressional elections

NLY contentious vote on Fannie Mae reform may be possible during 2015, but unlikely to be a vote on the bill in current form

NLY status quo for Fannie Mae and Freddie Mac now appears likely to continue beyond 2016 Presidential election

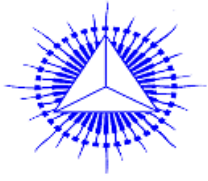
NLY stock price supported by current annual dividend yield of 10.4%, above the midpoint of the range for Financial Mortgage REITs

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

NLY we rank 1 BUY

NLY market cap \$11.5 billion

REIT Comment



Company:	Ashford Hospitality Trust
Price:	\$10
Recommendation:	BUY
Ranking:	2
Market Cap:	\$1,031
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
AHT \$10

Ashford Hospitality Trust AHT 1Q 2014 AFFO \$0.25 v \$0.35 DOWN (29%)

AHT 1Q 2014 adjusted EBITDA \$80 million DOWN (4%)

AHT no guidance provided for FFO for 2014

AHT 1Q 2014 RevPAR (revenue per available room) \$102 UP +7.5%

AHT 1Q 2014 ADR (average daily rate) \$138 UP +3.4%

AHT 1Q 2014 occupancy 73.4% UP +4.0%

AHT hotel EBITDA margin 31.3% UP +1.27%

AHT Highland Hospitality portfolio showed operating profit UP+14%, with hotel EBITDA margin UP +1.8% to 27.6%

AHT following pending spin-off hotel management business, to be known as Ashford Inc, AHT and AHP will be bound by 20 year advisory agreements with Ashford Inc

AHT provides current dividend yield of 4.7%

AHT a Hotel REIT

AHT we rank 2 BUY

AHT market cap \$1.0 billion

REIT Comment



Company:	Ashford Hospitality Prime
Price:	\$15
Recommendation:	BUY
Ranking:	2
Market Cap:	\$384
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
AHP \$15

Ashford Hospitality Prime AHP 1Q 2014 AFFO \$0.18 V \$0.16 up +13%

AHP 1Q 2014 adjusted EBITDA \$14 million UP +17%

AHP no guidance provided for FFO for 2014

AHP 1Q 2014 RevPAR (revenue per available room) \$148 UP +5.5%

AHP 1Q 2014 ADR (average daily rate) \$199 UP +4.4%

AHP 1Q 2014 occupancy 74.2% UP +1.1%

AHP hotel EBITDA margin 29.2% FLAT

AHP hotel EBITDA margin impacted by revenue decline of(9%) for Capital Hilton due to comparison to Presidential Inauguration during 2013 and Philadelphia Courtyard Downtown(13%) revenue decline due to renovations

AHP 2014 acquisitions include \$93 million acquisition of Pier House Resort from Ashford Hospitality Trust AHT, as well as \$153 million acquisition of Sofitel Chicago Water Tower

AHP \$152 million stock offering in offering January 2014 increased total shares outstanding by 58%

AHP initial quarterly dividend of \$0.05 per share exceeded previous indications

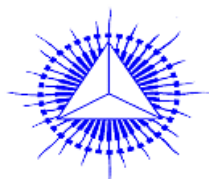
AHP provides current annual dividend yield of 1.3%

AHP a Hotel REIT

AHP we rank 2 BUY

AHP market cap \$384 million

REIT Comment



Company:	Federal Realty Investment Trust
Price:	\$120
Recommendation:	BUY
Ranking:	2
Market Cap:	\$10,339
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
FRT \$120

Federal Realty Investment Trust FRT 1Q 2014 FFO \$1.21 v \$1.14 UP +6%

FRT made no change to guidance range 2014 FFO \$4.86-\$4.93 v \$4.61 UP +5% - +7%

FRT 1Q 2014 same proeprty NOI UP +3.4%

FRT 1Q 2014 portfolio occupancy 95.6% UP +0.5%

FRT 1Q 2014 rents on new leases UP +18%

FRT investing \$455 million in 2 mixed use projects in MA and MD with opening of first retail phase expected during 2014, to be followed by office openings during 2015
FRT also investing \$233 million in 14 redevelopment projects

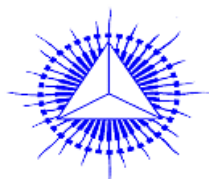
FRT providing annual yield of 2.8%

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

FRT we rank 2 BUY

FRT market cap \$10.3 billion

REIT Comment



Company:	Getty Realty
Price:	\$19
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$648
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:

05/09/214

GTY \$19

Getty Realty GTY 1Q 2014 FFO \$0.27 (adjusted) v \$0.18 (adjusted) UP +50%
GTY 1Q 2014 FFO (adjusted) excludes net charges of (\$0.04) per share relating to revenue recognition adjustments and other items

GTY no guidance provided for FFO for 2014

GTY 1Q 2014 rental revenues \$24 million UP +6%

GTY 1Q 2014 operating income excluding provisions and impairments \$12 million UP +39%

GTY litigation continues with sub-tenants of Lukoil at certain properties where non-cash allowances have been recognized to reduce deferred rent receivable

GTY 2014 year to date divestitures \$13 million for 45 properties

GTY additional 89 properties classified as "held for sale" in discontinued operations

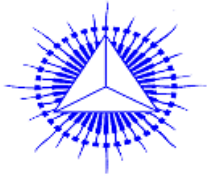
GTY now providing current annual dividend yield of 4.1%

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

GTY we rank 3 HOLD

GTY market cap \$648 million

REIT Comment



Company:	Entertainment Properties Trust
Price:	\$54
Recommendation:	HOLD
Ranking:	3
Market Cap:	\$2,858
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
EPR \$54

Entertainment Properties EPR 1Q 2014 FFO \$0.94 (adjusted) v \$0.94 (adjusted) FLAT
EPR 1Q 2014 FFO (adjusted) excludes net gain of \$0.06 per share relating to non-recurring items

EPR reduced guidance range 2014 FFO \$4.00-\$4.10 v \$3.90 UP +3% -+5%
EPR previous guidance 2013 FFO \$4.12-\$4.22 per share
EPR 2014 FFO guidance reduction reflects dispositions of educational assets

EPR 2014 year to date acquisitions \$118 million for 11 theatres

EPR 2014 year to date dispositions \$47 million for 4 charter schools and 1 land parcel

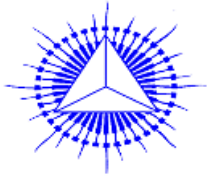
EPR recently increased monthly dividend by 8%, bringing current annual dividend yield to 6.3%

EPR a Specialty REIT with a portfolio of net leased cinemas, entertainment and recreational properties, and public charter schools

EPR we rank 2 BUY

EPR market cap \$2.9 billion

REIT Comment



Company:	Sovran Self Storage
Price:	\$76
Recommendation:	BUY
Ranking:	2
Market Cap:	\$2,437
Link:	http://www.reitmonitor.net/atlantiss/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/20014
SSS \$76

Sovran Self Storage SSS 1Q 2014 FFO \$0.98 (adjusted) v \$0.84 (adjusted) UP +17%
SSS 1Q 2014 FFO (adjusted) excludes net charges of (\$0.10) per share relating to acquisition costs and other items

SSS increased guidance range 2014 FFO \$4.25-\$4.29 v \$3.83 (adjusted) UP +11%+12%
SSS previous guidance range 2014 FFO \$4.19-\$4.23 per share
SSS new guidance 2014 FFO assumes same property NOI UP +6.5%+7.5%

SSS new guidance 2Q 2014 FFO \$1.03-\$1.05 v \$0.94 UP +10%+12%

SSS 1Q 2014 same property NOI UP +9.3%
SSS 1Q 2014 portfolio occupancy 88.7% UP +3.1%
SSS 1Q 2014 average annualized rent per occupied square foot \$11.75 UP +9.2%

SSS 2014 year to date completed and pending acquisitions \$176 million for 24 properties

SSS recently increased dividend by 28% for 1Q 2014, now providing current annual dividend yield of 3.6%

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

SSS we rank 2 BUY

SSS market cap \$2.4 billion

REIT Comment



Company:	Redwood Trust
Price:	\$20
Recommendation:	SELL
Ranking:	4
Market Cap:	\$1,651
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
RWT \$20

Redwood Trust RWT traded DOWN (\$0.32) per share to close DOWN (2%) day

RWT stock traded UP +1% year to date for 2014, underperforming Financial Mortgage REITs, trading UP +13% for 2014
RWT stock traded UP +15% during 2013

RWT lower NIM (net interest margin) for 1Q 2014 disappointed investors

RWT drastic decline in securitizations of non-conforming Residential MBS a result of tight liquidity, as well as reduction in mortgage application volume

RWT pressure to maintain profitability through expansion of portfolio limits ability to invest in additional earning assets

RWT provides current annual dividend yield of 5.7%, at the low end of the range for Financial Mortgage REITs

RWT a Financial Mortgage REIT with a portfolio of non-agency residential loans and securities

RWT we rank DOWNGRADE to 4 SELL

RWT market cap \$1.7 billion

REIT Comment



Company:	Agree Realty
Price:	\$30
Recommendation:	BUY
Ranking:	2
Market Cap:	\$418
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
ADC \$30

Agree Realty ADC traded UP \$0.95 per share to close UP +3% day

ADC stock traded UP +5% year to date for 2014, underperforming Retail REITs, trading UP +7% for 2014

ADC stock traded UP +8% during 2013

ADC investors seeking to expand exposure to net leased assets

ADC acquisitions and new build-to-suit retail developments provide portfolio expansion and diversification

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

ADC increased dividend by 5%, bringing current annual dividend yield to 5.8%

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

ADC we rank 2 BUY

ADC market cap \$418 million

REIT Comment



Company:	Ashford Hospitality Trust
Price:	\$10
Recommendation:	BUY
Ranking:	1
Market Cap:	\$1,051
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
AHT \$10

Ashford Hospitality Trust AHT traded UP \$0.20 per share to close UP +2% day

AHT stock traded UP +26% year to date for 2014, outperforming Hotel REITs, trading UP +10% for 2014

AHT stock traded DOWN (21%) during 2013, reflecting transfer of value to spin-off Ashford Hospitality Prime AHP in November 2013

AHT reported lower FFO for 1Q 2014 due to spin-off of Ashford Hospitality Prime AHP in November 2013

AHT RevPAR growth and occupancy gain indicate profitability potential for remaining hotel portfolio

AHT following pending spin-off hotel management business, to be known as Ashford Inc, AHT and AHP will be bound by 20 year advisory agreements with Ashford Inc

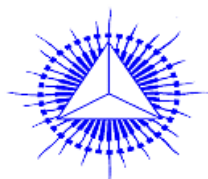
AHT provides current dividend yield of 4.6%

AHT a Hotel REIT

AHT we rank 2 BUY

AHT market cap \$1.1 billion

REIT Comment



Company:	NorthStar Realty Finance
Price:	\$16
Recommendation:	BUY
Ranking:	2
Market Cap:	\$4,005
Link:	http://www.reitmonitor.net/atlantia/REITWebRpt.nsf/PayBuy?OpenForm&REIT

Additional Text:
05/09/2014
NRF \$16

NorthStar Realty Finance NRF traded DOWN (\$0.14) per share to close DOWN (1%) day

NRF stock traded UP +15% year to date for 2014, outperforming Financial Commercial REITs, trading DOWN (2%) day
NRF stock traded UP +91% during 2013, reflecting rapid portfolio expansion

NRF acquisitions and new investments underline commitment to expand portfolio of operating real estate through non-traded REIT entities

NRF stock trading at premium of 119% to adjusted book value of \$7.09 per share as of March 2014

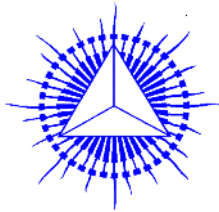
NRF pending spin-off of NorthStar Asset Management NSAM to separate publicly traded vehicle with NYSE listing expected to be completed during 2Q 2014

NRF increased quarterly dividend distribution by 19%, now providing current annual dividend yield of 6.4%

NRF a Financial Commercial REIT

NRF we rank 2 BUY

NRF market cap \$4.0 billion



REIT Growth and Income Monitor posted 65 REIT comments for the week ended May 9, 2014. Comments were issued on REITs in the following sectors:

Financial REITs	15
Health Care REITs	11
Hotel REITs	3
Industrial REITs	2
Office REITs	4
Residential REITs	6
Retail REITs	13
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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