

REIT & Lodging Weekly Review No. 2

The Horse is Out of the Barn

RMZ—The Horse is Out of the Barn. This week, the RMZ peaked at a level not seen since early 2008—and 1.3% over our 12-month target of 915. Recall, our “Positive” stance on the sector was based upon fairly straightforward outperformance expectations for the year. YTD, the RMZ has returned 14.3%, versus 9.5% for the S&P. So where do we go from here? We remain “Positive” at these levels, but only barely—as precious little else has changed in the world to alter our macro view, yet the stocks have surged on yield and flow. Early last week, we rotated into a few relative value names that have traded poorly in recent months. That said, the landscape is increasingly picked over and pricey. We advocate some caution at current levels.

The Broker Corner—Atlanta. This week, we spoke with Dale Karrh, Managing Principal of Newmark Grubb Knight Frank, for a detailed overview of the Atlanta office market. Overall, Atlanta office fundamentals continue to drag along the bottom, but Mr. Karrh expects that an inflection point is near. Additionally, there continues to be significant distress in the market as the smaller landlords struggle to refinance assets, and we expect the access to capital of the REITs will pave the way for relative outperformance in Atlanta as fundamentals turn a corner.

Steady State, Surging Stock—Updating Estimates; Reiterate BUY. ELS recently reported results in-line with our expectations; the market appears to have been pleasantly surprised, however, or it has awakened to the attractive relative value proposition—regardless of the cause, the stock has surged in recent days and has outperformed the REITs overall by 330 bps (MTD). We reiterate our BUY rating and increase our price target to \$77.50 from \$75.50.

From The Concierge—Lodging Earnings Seasons Kick-Off. Earnings seasons started with Marriott and Host Hotels & Resorts. Marriott was in-line with the Street and beat us by a penny. Host beat the Street by a penny but was in-line with our estimates. While both spoke positively about U.S. lodging fundamentals and raised guidance, the Street’s reaction varied significantly. Marriott lost 6% as minor downward adjustment to its international guidance trumped a strong domestic outlook. Host rose 1% on its bullish U.S. outlook. We reiterated our BUY on Marriott and our HOLD on Host.

Tickers in Focus: CUZ, HIW, PKY, ELS, MAR, HST

Index Performance Summary (Priced As of July 19, 2012)

	WTD	MTD	QTD	YTD
NAREIT Total Return	0.29%	2.37%	2.37%	17.63%
RMZ	(0.58)%	1.24%	1.24%	14.29%
S&P 500	1.55%	1.15%	1.15%	9.56%
Russell 2000	0.15%	0.46%	0.46%	8.27%
10 Yr. UST Yield	0.14%	(8.95)%	(8.95)%	(19.34)%
10 Yr. UST Yield (bps)		(15.52)	(15.52)	(37.84)

Source: Bloomberg and Cantor Fitzgerald research

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Calendar

Data/Earnings Releases

- July 23: Earnings Release—MPG
- July 24: Earnings Release—LRY, SPG, ACC, AEC, AKR, RPT
- July 25: U.S. Single Home Sales, Earnings Release—DLR, DRH, FCH, WYN, AVB, BDN, DFT, DRE, EQR, FR, SLG
- July 26: U.S. Durable Goods, U.S. Jobless Claims, Earnings Release—CLI, CLP, COR, HOT, O, OFC, PLD, SUI, VTR, CBL, EDR, EPR, HIW, TCO, WRE
- July 27: U.S. GDP, University of Michigan Consumer Confidence

Special Events

- **Broker Call:** “*Retail Redux*,” July 24, with Newmark Grubb Knight Frank and Cantor Commercial Real Estate
- **Broker Call:** “*London Calling*,” August 22, with Newmark Grubb Knight Frank and Cantor Commercial Real Estate
- **Cantor Fitzgerald Healthcare Real Estate Panel:** New York City, September 18, 2012
- **Cantor Fitzgerald Commercial Real Estate Conference:** New York City, October 2, with Keynote Speakers, Newmark Grubb Knight Frank, Cantor Commercial Real Estate and BGC Commercial Real Estate
- **REITWorld (NAREIT):** San Diego, CA, November 13-15

Analyst and Corporate Marketing

- Analyst marketing: Boston, September 12-13
- Prologis Investor/Analyst Forum, NYC, September 14 (company sponsored)
- Mid-America Realty Corp. NDRS: Location TBD, September 20-21
- Analyst Marketing: Chicago & Minneapolis, September 26-27
- Sovran Self Storage analyst day, October 4 (company sponsored)
- Analyst marketing: Mid-Atlantic, October 10-11
- Analyst marketing: New York-New Jersey-Connecticut, October 16-18

Cantor Fitzgerald Affiliate Events

- CREFC Conference—Miami, FL, January 2013

Coverage

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Multifamily	Associated Estates Realty Corp.	AEC	Office	BioMed Realty Trust Inc.	BMR
	AvalonBay Communities Inc.	AVB		Boston Properties Inc.	BXP
	Equity Lifestyle Properties Inc.	ELS		Brandywine Realty Trust	BDN
	Equity Residential	EQR		Kilroy Realty Corp.	KRC
	Essex Property Trust Inc.	ESS		Parkway Properties Inc.	PKY
	Home Properties Inc.	HME		SL Green Realty Corp.	SLG
	MAA	MAA			
	Post Properties Inc.	PPS	Industrial	EastGroup Properties Inc.	EGP
Self Storage	UDR Inc.	UDR		First Potomac Realty Trust	FPO
	CubeSmart	CUBE		ProLogis	PLD
	Extra Space Storage Inc.	EXR		STAG Industrial, Inc.	STAG
	Public Storage	PSA	Data Centers	CoreSite Realty Corporation	COR
	Sovran Self Storage Inc.	SSS		Digital Realty Trust Inc.	DLR
Diversified	Cousins Properties Inc.	CUZ		Dupont Fabros Technology Inc.	DFT

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Lodging	Ashford Hospitality Trust	AHT
	Host Hotels & Resorts	HST
	Hyatt Hotels Corporation	H
	Marriott International	MAR
	Marriott Vacations Worldwide	VAC
	Starwood Hotels & Resorts	HOT
	Wyndham Worldwide	WYN
Gaming	Las Vegas Sands	LVS
	MGM Resorts International	MGM
	Wynn Resorts	WYNN

We remain “Positive” at these levels, but only barely—as precious little has changed in the world to alter our macro view, yet the stocks have surged on yield and flow.

RMZ: The Horse Is Out of the Barn

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This week, the RMZ peaked at a level not seen since early 2008—and some 1.3% over our 12-month forward index target of 915.¹ Recall, our current “Positive” stance on the sector was primarily based upon fairly straightforward outperformance expectations for the year. We launched on the sector on January 30, 2012, with an RMZ target of 900 (the index was at 842 at the time). Our assumptions at that time included a forward S&P 500 Index return of 2.0%. YTD, the RMZ has returned 14.3%, versus 9.5% for the S&P. *So where do we go from here?*

We remain “Positive” at these levels, but only barely—as precious little has changed in the world to alter our macro view, yet the stocks have surged on yield and flow. In fact, the group has traded off 1.7% since that peak, suggesting the horse is out of the barn, and running. Early last week, we rotated into a few relative value names that have traded poorly in recent months. In our basket of BUY-rated stocks, we largely concentrate on discounted real estate, aka value names, along with select stocks with powerful core growth. That said, the landscape is increasingly picked over and pricey. We advocate some caution at current levels and disaggregate our overall thesis below.

- **Yield.** With the REITs bearing 3.4% dividend yields, the group remains relatively attractive in a “no-yield” world. Bear in mind, these yields also have upside and are better covered than in past cycles, meaning they are “safer.” Spreads are at compressed levels across the board—including the Russell 2000, S&P 500 Index, 10-year U.S. Treasuries, and BBB corporate. Overall, spreads are touching historic lows, in addition to benchmarking to artificially low rates—creating somewhat of a head-fake as to the “normalness” of the spreads and suggesting over-valuation. **We expect current yields to remain somewhat attractive to global investors, even in the context of excess compression.**
- **Flow.** A direct function of yield is fund flow. As widely telegraphed, fund flows have been positive for quite some time, due to the aforementioned yield play, as well as the “sheltering” aspect of REITs at a time of global turbulence (balance sheet, resilient cash flows, hard assets, etc.). Recent comments by the Fed have not helped, although investors may have run for safer investments after the commentary, as evidenced by a drop in the 10-year yield. **The real driver of REIT performance has been fund flow, and any shudder in the flows is a key risk to the group overall.**
- **Geography.** North America is not Europe, and that’s a good thing. Flow has continued into the REIT space as global investors seek shelter, as well as alternatives to pricey U.S. Treasuries. As concerns over the EU situation ebb and flow, REITs continue to provide a safe-haven for global investors concerned about global macro uncertainty. Fortunately, these global worries override (for now) our own domestic problems, such as stubborn unemployment, dubious GDP growth, and a looming fiscal cliff.
- **Earnings.** As a mentor once noted, “REIT earnings are like watching paint dry.” We will be watching the paint over the next few weeks and largely expect in-line results with the key themes being: continued top-line demand weakness, relative strength in the short-lease space, a few guidance increases on sandbagged numbers, stable overall margins, and mixed messages between the “haves” (coastal, high-growth markets) and the “have-nots” (everyone else).

¹ For more detail on the current set of macroeconomic assumptions that underpin our call, please see “Our Spruce Goose Economy: Lowered Assumptions, Staying ‘Positive,’” published on June 6, 2012.

This week, we provide color on the Atlanta office market from Dale Karrh, Managing Principal of Newmark Grubb Knight Frank.

The Broker Corner

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This week we introduce our weekly recurring “Broker Corner.” This weekly feature will include content from our Newmark Grubb Knight Frank, BGC Real Estate, Cantor Commercial Real Estate, and Landauer affiliates. Content will generally include on-the-ground views on market activities, asset pricing trends, rent movement, concession activity, investment flow, etc. Additionally, we will selectively feature specific markets or real estate sub-sectors from week to week. Over time, we plan to add recurring rent indices and asset value trend data for key REIT markets. The commentary herein is proprietary to Cantor Fitzgerald and not widely available through other publications. Content has been scrubbed of details that could risk identification. We welcome your ideas for expansion and improvement.

This week, we spoke with Dale Karrh, Managing Principal of Newmark Grubb Knight Frank, for a detailed overview of the Atlanta office market.

- **Atlanta fundamentals continue to drag along the bottom.** Vacancy among all Atlanta submarkets remains around 15-20%, making it difficult for landlords to push rental rates or reduce concessions. However, Mr. Karrh indicated that he believes fundamentals are currently at or near an inflection point, with expectations for slow yet positive growth in the coming quarters. Leasing to healthcare and technology tenants is expected to drive the recovery in fundamentals, while leasing from financial services and law firms continues to lag. Per CoStar, Vacancy across Atlanta at the end of 2Q:12 totaled 16.1%, an improvement of 30bps from the prior quarter. Further, quoted asking rental rates averaged \$18.47 per square foot in the second quarter, which compares to \$18.46 in the prior quarter.
- **Concession creativity may point tenants to the REIT landlords.** As concession levels remain at peak levels, Mr. Karrh indicated that lower credit landlords have been offering free rent in place of tenant improvements, in an effort to preserve capital. We believe that the implied instability of the landlords offering free rent in place of tenant improvements will bode well for the REIT owners in Atlanta, as better informed tenants will favor better capitalized and more stable asset owners. Currently, concessions being offered today average 1-1.5 months of free rent per year of lease term.
- **Acquisitions are in play, developments are not.** The substantial vacancy in the market does not currently provide for attractive development yields. However, there is a significant amount of dry powder currently on the sidelines looking for value-add acquisition opportunities. We expect that there is potential for attractive lease-up opportunities, though Mr. Karrh warned that forward underwriting assumptions should remain very conservative for some time. According to Real Capital Analytics, \$174.1 million of office assets transacted in 2Q:12, representing 1.3% of the total volume across the U.S. in the quarter, at an average price per square foot of \$145 and an average cap rate of 7.0%. Additionally, CoStar indicates that there is currently 1.58 million square feet of inventory under construction across the Atlanta market.
- **Challenging market fundamentals plague refinancing, yet provide distressed opportunities.** The refinancing of assets within the Atlanta market remains a challenge due to the continued weakness in fundamentals, as well as the slow growth expectations. While the top-tier landlords are managing to stay afloat, there continues to be a substantial amount of distressed assets in the market. We expect that these assets will provide select opportunities as they are picked off by the better capitalized player.
- **REIT Office Exposure to Atlanta.** Cousins Properties (NYSE: CUZ, SELL) – 59% of NOI, Parkway Properties (NYSE: PKY, BUY) – 25.4% of square feet, and Highwoods Properties (NYSE: HIW, NC) – 11% of annualized revenues.

Steady State, Surging Stock—Updating Estimates; Reiterate BUY

In a low-growth economy, the company's business lines are models of stable, predictable performance. While vacancy remains stubborn, growing rental operations should continue to provide an occupancy bolster.

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The following is an excerpt from our full report titled "Steady State, Surging Stock—Updating Estimates; Reiterate BUY" published this morning.

ELS recently reported results in-line with our expectations; the market appears to have been pleasantly surprised, however, or it has awakened to the attractive relative value proposition—regardless of the cause, the stock has surged in recent days and has outperformed the REITs overall by 330 bps (MTD). We are updating our net asset value (NAV), earnings estimates (FFO and AFFO), and price target for Equity Lifestyle Properties. The changes are predicated upon the inclusion of second quarter of 2012 reported financials, some tweaks to our growth assumptions for right-to-use contracts, and the growing rental home program.

- **We reiterate our BUY rating on Equity Lifestyle.** In a low-growth economy, the company's business lines are models of stable, predictable performance. While vacancy remains stubborn, growing rental operations should continue to provide an occupancy bolster. We expect rental home income to grow significantly over the next few years. Other initiatives include pursuing lower price point products and strengthening the RV business segment by expanding relationships with distribution channels (e.g., RV dealers), a program that has been underway for some time. Valuation remains attractive. ELS is trading with an implied cap rate of 5.9% vs. 4.9%/5.7% for multifamily/REIT peers overall. Recall that we upgraded Equity Lifestyle to BUY from HOLD on June 6 in our note titled "*Upgrading to BUY; A Bargain in the Housing Bin.*"
- **Adjustments.** We adjust our 2012/2013 FFO/sh. estimates to \$4.58 and \$4.84, respectively, on higher utility income and lower interest expense. We adjust our 2012/2013 AFFO/sh. estimates to \$3.97 and \$4.18, respectively. Our NAV/sh. estimate is revised up to \$69.80, from \$67.90 previously (growing rental NOI, stronger core growth). Unlevered/levered 10-yr IRRs are 7.2%/9.0%. We increase our price target to \$77.50 from \$75.50 on the higher underlying NAV.
- **2Q:12 Results.** Equity Lifestyle reported 2Q:12 FFO/sh. of \$1.05 vs. the company's guidance of \$1.01 (at the midpoint). Included in the results was accelerated revenue recognition (\$2.1 million) as a result of the early termination of cable programs. On a yoy basis, pro-forma core NOI (excluding right-to-use contracts) increased 3.2% vs. 2.6% in 1Q:12 (yoy), core property revenues increased 2.5% vs. 2.4% in 1Q:12 and core property expenses increased 1.7% vs. 2.2% in 1Q:12. Core occupancy in the manufactured home portfolio increased 50bps to 91.3% vs. a 60bps increase in 1Q:12, while core monthly base rent/site increased 2.3% vs. 2.4% in 1Q:12. Notably, the rental program continues to grow at a rapid clip—with new home rental inventory up 49% yoy and used home rentals up 92%. For additional details, please refer to our note titled "*An Island of Value Amidst the Rental Froth*" published on July 17.
- **Valuation.** Our ELS price target is \$77.50. Our current NAV/share estimate is \$69.80. The underlying applied cap rate is 6.0%; this cap rate is a product of our 10-year internal rate of return analysis. In this analysis, we solve for a cap rate based on the assumption of unlevered and levered returns of 7.2% and 9.0%, respectively. We apply an 11.3% premium to our NAV estimate; this compares somewhat unfavorably to the average applied multifamily sector premium of 16.8% for our coverage universe, as determined by our premium/(discount) model.

From The Concierge: Lodging Earnings Seasons Kick-Off

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Host Hotels & Resorts

2Q Street Beat and Guidance Boost Still Can't Get Us Off the Sidelines

Host met our 2Q expectations and offered higher 2012 guidance as upside from acquisitions and stronger fundamentals offset the drag of dispositions and capex disruption. Stronger group business boosted occupancies and led to higher banquet volumes, which helped boost margins. In fact, 2Q:12's occupancy of 77.6% topped the prior cycle peak. As group volumes build, Host can also push rates for the transient business that now must compete for a shrinking pool of available rooms. While the Host story remains compelling, we still think valuation fully reflects this, and we continue to look for a better entry point.

- **What happened?** Host reported 2Q:12 FFO of \$0.34, a penny above the Street and in line with our estimate. Adjusted EBITDA of \$348 million topped us by \$7 million. Same-store EBITDA margin was 27.3%, +120 bps and 50 bps higher than we were expecting. RevPAR was +6.1% and came in at \$151 versus our \$148. The bottom range of RevPAR guidance increased 50 bps, and it is now up 5.5-7.0%. Same-store EBITDA margin guidance is now up 90-130 bps from up 50-100 bps. Adjusted 2012 FFO guidance range increased to \$1.04-1.09 from \$1.01-1.08 and 2012 EBITDA guidance is now \$1.135-1.170 billion versus \$1.120-1.165 billion. Our estimates were already in-line with new guidance.
- **What did we do?** We have made very minor changes to our RevPAR, EBITDA, and adjusted FFO estimates. Our 2012 FFO goes up a penny to \$1.09 and our EBITDA remains steady at \$1.16 billion. Likewise, our 2013 FFO estimate increases a penny to \$1.25, but our EBITDA remains \$1.32 billion. We kept our target multiple at 12.5x 2013 EBITDA.
- **What does it mean?** Based on our 2013 EBITDA estimate, our target remains \$16. As such, we believe HST provides only modest return potential and a HOLD rating remains appropriate.

Marriott International

Give a Little, Take a Little—2012 Fee Guidance Down Slightly, EPS Guidance Up

2Q:12 EPS of \$0.42 beat us by a penny, matched the Street, and was near the top of guidance. Worldwide RevPAR was up 6.7%, below our 8% and the guidance midpoint. International RevPAR was +7.2% in local currency, but up only +4.9% in U.S. dollars. Domestic RevPAR was +6.5% on good pricing.

- **Earnings in a Nutshell:** Fees missed our estimate on softer RevPAR. 30% of hotels paid IMFs, up 500 bps YOY. House profit margins increased 110 bps. Owned/other results beat on strength in leased portfolio and one-timers. SG&A was \$10 million high, also reflecting one-timers. 10.5 million shares repurchased helped boost EPS.
- **How's Business?** Domestic fundamentals remain strong. Group and corporate demand firmed in 2Q:12. Low supply helped too. D.C. remains soft; renovations hurt. Hawaii lagged as occupancy maxes out at many hotels there. U.S., Russian, and Chinese in-bound travel to Europe helped stem local softness. Asia Pacific was strong too. Construction delays will push some openings into 2013, but will still average 30,000-35,000 rooms openings per year through 2014.
- **Outlook:** 2012 domestic RevPAR guidance is unchanged at +6-8%. International RevPAR guidance is now +5-7%, down 100 bps points from previous on a softer outlook for certain Middle East/Asian markets and a stronger dollar. Fee guidance drops to \$1.41-1.44 billion from \$1.43-1.47 billion on revised overseas RevPAR/ currency assumptions, sale of corporate housing business, and delayed openings. That said, 2012 EPS guidance increases to \$1.65-1.75

In the past week, Marriott and Host Hotels & Resorts kicked off earnings seasons. Marriott was in-line with the Street and beat us by a penny. Host beat the Street by a penny but was in-line with our estimates.

from \$1.58-1.69 as higher owned/leased, the Courtyard JV sale gain, and lower share count offsets fee revisions.

- **What We've Done:** Our 2012 EPS estimate goes to \$1.70 from \$1.67 and 2013 goes up to \$2.26 from \$2.16. Our target price remains \$43 as share count changes and balance sheet true-up offset modest 2013 EBITDA revision to \$1.38 billion from previous \$1.4 billion. Maintain BUY.

What's Working, What's Not

Exhibit 1: Performance Tracker Summary

Name	Ticker	Sector	Cantor Rating	Rating Effective	Total Returns Since Rating Effective		Performance vs. Benchmark	Remarks
					Portfolio	Benchmark		
BOSTON PROPERTIES	BXP	Office	BUY	3/29/2012	7.46%	7.30%	0.2%	Working
SL GREEN REALTY	SLG	Office	BUY	3/29/2012	3.67%	7.30%	-3.6%	Not Working
BIOMED REALTY TRUST	BMR	Office	BUY	7/10/2012	0.16%	2.20%	-2.0%	Not Working
KILROY REALTY	KRC	Office	SELL	3/29/2012	7.38%	7.30%	0.1%	Not Working
BRANDYWINE REALTY TRUST	BDN	Office	BUY	3/29/2012	8.96%	7.30%	1.7%	Working
PARKWAY PROPERTIES	PKY	Office	BUY	3/29/2012	11.21%	7.30%	3.9%	Working
PROLOGIS	PLD	Industrial	BUY	2/23/2012	-0.12%	10.45%	-10.6%	Not Working
STAG INDUSTRIAL	STAG	Industrial	HOLD	2/23/2012	26.43%	10.45%	16.0%	Not Working
EASTGROUP PROPERTIES	EGP	Industrial	SELL	2/23/2012	11.69%	10.45%	1.2%	Not Working
FIRST POTOMAC REALTY TRUST	FPO	Industrial	BUY	2/23/2012	-13.41%	10.45%	-23.9%	Not Working
CORESITE REALTY CORPORATION	COR	Diversified	BUY	2/6/2012	31.26%	8.17%	23.1%	Working
DIGITAL REALTY TRUST	DLR	Diversified	SELL	2/6/2012	9.31%	8.17%	1.1%	Not Working
DUPONT FABROS TECHNOLOGY	DFT	Diversified	HOLD	7/10/2012	-4.01%	2.20%	-6.2%	Not Working
AVALONBAY COMMUNITIES	AVB	Apartments	BUY	1/31/2012	12.22%	10.66%	1.6%	Working
EQUITY RESIDENTIAL	EQR	Apartments	HOLD	1/31/2012	10.29%	10.66%	-0.4%	Working
ESSEX PROPERTY TRUST	ESS	Apartments	HOLD	1/31/2012	12.01%	10.66%	1.3%	Working
UDR	UDR	Apartments	HOLD	7/9/2012	2.71%	1.01%	1.7%	Working
HOME PROPERTIES	HME	Apartments	SELL	1/31/2012	12.64%	10.66%	2.0%	Not Working
MAA	MAA	Apartments	BUY	1/31/2012	11.45%	10.66%	0.8%	Working
ASSOCIATED ESTATES REALTY	AEC	Apartments	BUY	1/31/2012	-9.32%	10.66%	-20.0%	Not Working
POST PROPERTIES	PPS	Apartments	BUY	2/15/2012	17.30%	10.60%	6.7%	Working
EQUITY LIFESTYLE PROPERTIES	ELS	Manufactured Homes	BUY	6/6/2012	8.45%	7.05%	1.4%	Working
SOVRAN SELF STORAGE	SSS	Self Storage	HOLD	2/2/2012	18.48%	9.38%	9.1%	Not Working
EXTRA SPACE STORAGE	EXR	Self Storage	SELL	2/2/2012	21.94%	9.38%	12.6%	Not Working
CUBESMART	CUBE	Self Storage	BUY	2/2/2012	7.59%	9.38%	-1.8%	Not Working
PUBLIC STORAGE	PSA	Self Storage	SELL	2/2/2012	7.96%	9.38%	-1.4%	Working
COUSINS PROPERTIES	CUZ	Diversified	SELL	7/9/2012	1.15%	1.01%	0.1%	Not Working

Source: Bloomberg and Cantor Fitzgerald Research

Pricing effective July 18, 2012

Notes:

Definition of Working /Not Working. We compare total return for the covered companies to the total return for the BBREIT Index, since the rating effective date. This is reflected in "performance vs. benchmark".

SELL. We define our call as "working" if performance vs. benchmark is less than 0%. We define our call as "not working" if performance vs. benchmark is greater than 0%.

HOLD. We define our call as "working" if performance vs. benchmark is within a range of (2.5%)-2.5%. We define our call as "not working" if performance vs. benchmark is outside a range of (2.5%)-2.5%.

BUY. We define our call as "working" if performance vs. benchmark is greater than 0%. We define our call as "not working" if performance vs. benchmark is less than 0%.

Recent Real Estate Team Publications

- “*Steady State, Surging Stock—Updating Estimates; Reiterate BUY*” published on July 20
- “*A Multifamily Supply Review—Counterintuitive & Boring*” published on July 18
- “*An Island of Value Amidst the Rental Froth*” published on July 17
- “*Adjusting Estimates for Recent Issuance; Lowering PT to \$20.50*” published on July 16

Valuation Summary—Methodology and Current Forecasts

Valuation Methodology

The Cantor Fitzgerald REIT equity research team maintains four primary research goals: (1) apply a rigorous methodology that reduces subjective inputs, (2) clearly outline macroeconomic backdrop assumptions, (3) produce a dynamic, high conviction call that minimizes neutrality, and (4) clearly track and telegraph our stock call performance.

Cantor Fitzgerald RMZ forecast: 915. This 12-month forward target was established on June 6, 2012.

Cantor Fitzgerald REIT sector view: “Positive.” The current projected REIT sector return of 1.5%-6.5% (4.0% midpoint) is somewhat in-line with the current consensus S&P 500 return of approximately 6.5% (per our assumed Moody’s Economy.com forecast scenario).

Cantor Fitzgerald macroeconomic assumptions. Our core projections are framed by the following assumptions: Below-trend long-term growth (100%).² This scenario best capture our expectation for (a) slow U.S. GDP growth, (b) low interest rates, (c) heightened exogenous risk, (d) capital bifurcation, and (e) lingering uncertainty around government intervention.

We use three proprietary econometric models in our forecasts:

1. **The RMZ forecasting model.** We start with an estimate for overall REIT (index) returns, which we then may benchmark to other asset class returns. Our forecast is determined by the relationship between private and public real estate returns. The relationship between the two is represented by the lagged unsmoothed NCREIF quarterly returns and NAREIT returns as proxies. We utilize a vector-auto-regression model to predict the NAREIT returns from unsmoothed NCREIF returns, with macroeconomic and overall stock market conditions added as exogenous variables.
2. **The “synthetic transaction” cap rate forecasting model.** We value the underlying real estate in each REIT portfolio in three ways, including (1) applying a “synthetic” transaction-based capitalization rate to a standard NAV model, (2) estimating a price per square foot/unit based on sales of similar properties with similar conditions, and (3) a 10-year IRR-based cash flow analysis. We employ a regression model that fits the real estate value (dollar/ square foot) to property attributes, rental expectations, and the prevailing historical interest rates at transaction time.³ Based on the output, cap rates are then determined for each asset in each REIT portfolio. Composite cap rates feed into our NAV models for all REITs under coverage.
3. **The stock-specific excess return model.** We contend that premium/(discount) adjustments should be made to the individual stock. We also believe there are better proxies to the “above-average” qualitative nature of such securities, in both past and expected future operating metrics and returns. Using a panel regression framework, we studied a variety of fundamental factors, and compared their influence on excess returns for more than 60 REITs using data from 1999–2010. We therefore conclude that four factors have largely influenced excess returns and have a direct explanatory relationship to the “premium/expertise” qualitative factors above, with their normalized weights in parentheses:

² Sources: Moody’s Economy.com

³ Sources: RCA, REIS, CoStar, Cantor Fitzgerald research

- a. **FFOYR0.** Earnings growth as estimated by operating FFO growth in the current year versus prior year (11%).
- b. **PFFOYR1.** Price/FFO multiple for the next year (23%).
- c. **CFO/EV.** Cash flow from operations to enterprise value (13%).
- d. **EBITDA/EV.** EBITDA to enterprise value (14%).

Note that these factor weights do not add up to 100%, and the regression fits are sometimes acceptable but not very significant at 1-5% probability levels. As the weights are averaged out, it is likely that some stocks are subject to a higher degree of error in the estimation than others.

Exhibit 2: Cantor REITs Current Macroeconomic Assumptions

	2Q:12	3Q:12	4Q:12	1Q:13	2012	2013	2014	2015
GDP	13,541.6	13,593.4	13,640.6	13,677.3	13,566.6	13,793.3	14,234.5	14,690.4
Change	1.5%	1.5%	1.4%	1.1%	1.9%	1.7%	3.2%	3.2%
Total Employment	132.8	133.0	133.4	133.7	133.0	134.4	136.9	140.2
Change	0.30%	0.60%	1.10%	1.00%	1.20%	1.10%	1.90%	2.40%
Unemployment Rate	8.2%	8.3%	8.4%	8.5%	8.3%	8.4%	7.5%	6.7%
Federal Funds Rate	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	1.0%	2.7%
Treasury Yield 10 Year	1.60%	1.73%	1.71%	2.12%	1.77%	2.71%	4.25%	4.34%
BAA Corp 10 YR	3.5%	3.7%	3.9%	3.8%	3.6%	3.6%	2.8%	2.6%
S&P 500	1,285.3	1,274.5	1,266.6	1,257.4	1,293.5	1,290.9	1,342.0	1,352.5
Change	-2.6%	3.8%	3.3%	-6.7%	1.9%	-0.2%	4.0%	0.8%

Source: Moody's Economy.com and Cantor Fitzgerald research

Cantor REITs Rating System

Given our current REIT sector return expectations of 1.5-6.5%, our REIT stock rating system may then be simply explained as follows:

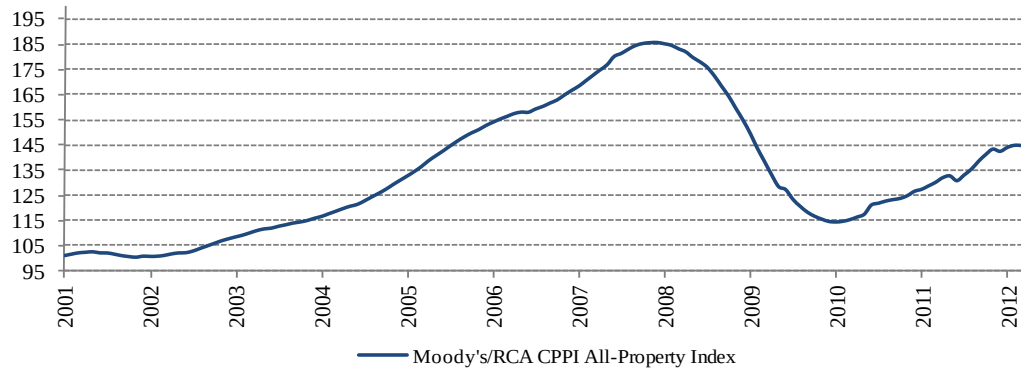
- (1) **BUY rating:** If the Cantor price target for the common stock implies a total return (price appreciation plus dividend yield) of about 2.5 percentage points above the midpoint of our REIT sector forecasts over the next 12 months, currently 4.0%, we rate the common stock a “BUY.” Said another way, any stock with total returns of 6.5% or more over the next 12 months is currently rated a “BUY.”
- (2) **SELL rating:** If the Cantor price target for the common stock implies a total return (price appreciation plus dividend yield) of about 2.5 percentage points below the midpoint of our REIT sector forecasts over the next 12 months, currently 4.0%, we rate the common stock a “SELL.” Said another way, any stock with total returns of 1.5% or less over the next 12 months is currently rated a “SELL.”
- (3) **HOLD rating:** If the Cantor price target for the common stock implies a total return (price appreciation plus dividend yield) that lies within 2.5 percentage points of the sector forecast of 4.6% on either side over the next 12 months, we rate the common stock a “HOLD.” Said another way, any stock with total returns between 1.5% and 6.5% over the next 12 months is currently rated a “HOLD.”

Readers should note that the percentage point spread and the midpoint of total sector returns used for our rating may change from time to time, depending on our forecasted risk and return environment for the overall REIT sector. We intend to revisit the risk and return forecasts from time to time as macroeconomic events unfold. We also intend to maintain our distribution of BUY, HOLD and SELL ratings regardless of the total sector return expectations; that is, our ratings will remain relative to the REIT sector, not on an absolute total return basis.

Macroeconomic Data

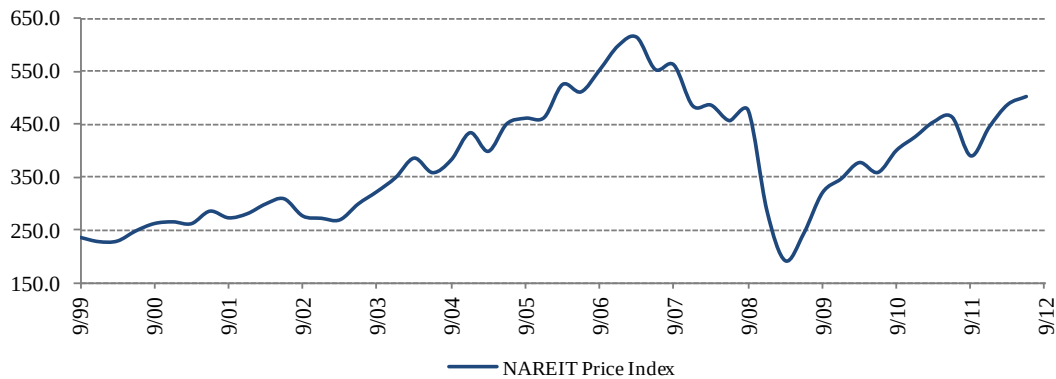
Property Indices

Exhibit 3: Moody's/RCA CPPI All-Property Index



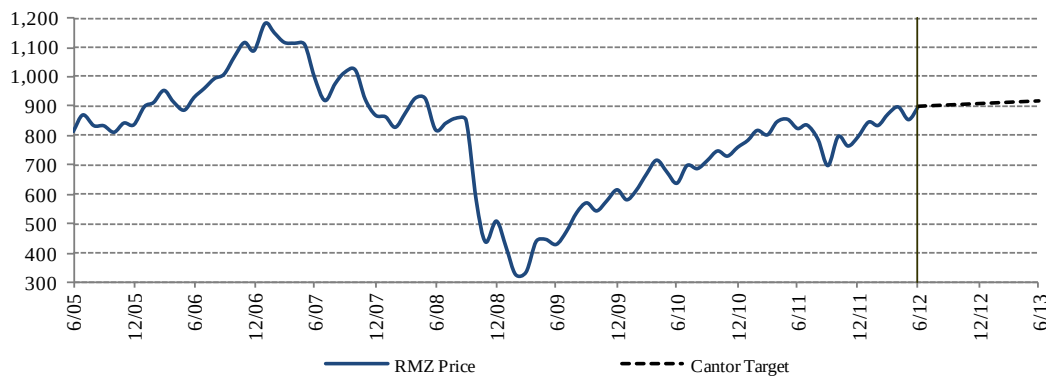
Source: Bloomberg and Cantor Fitzgerald Research

Exhibit 4: NAREIT Price Index



Source: Bloomberg and Cantor Fitzgerald Research

Exhibit 5: RMZ Returns and Cantor Fitzgerald Forecasts

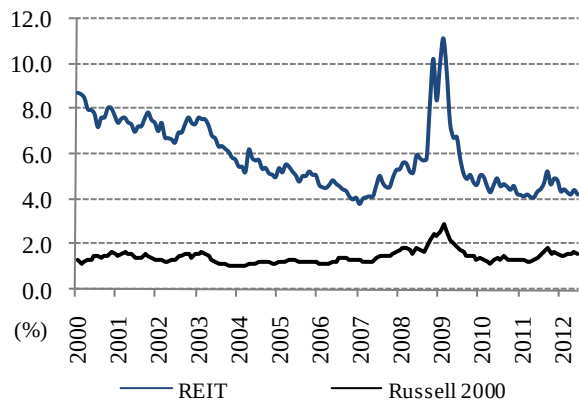


Source: Bloomberg and Cantor Fitzgerald Research

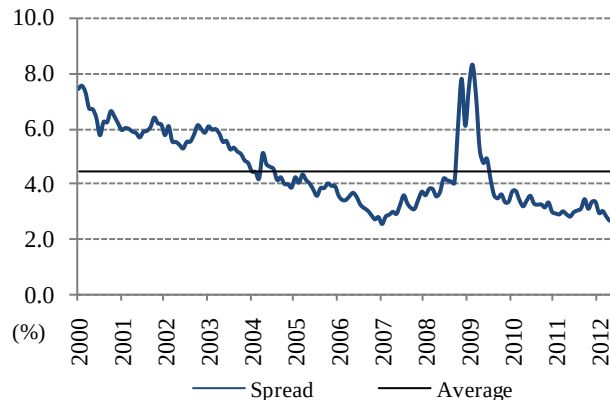
Yields and Indices

Exhibit 6:

REIT Yield versus Russell 2000



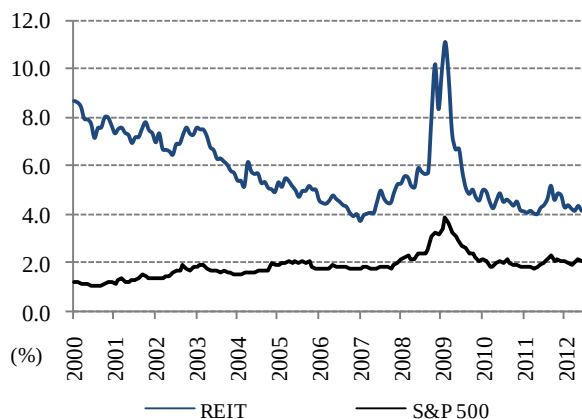
REIT Yield versus Russell 2000, Spread



Source: Bloomberg and Cantor Fitzgerald Research

Exhibit 7:

REIT Yield versus S&P 500



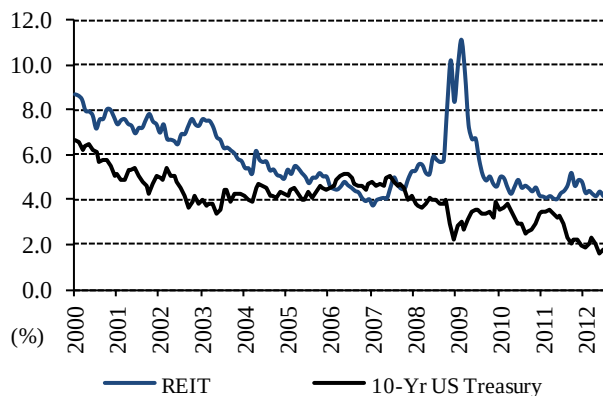
REIT Yield versus S&P 500, Spread



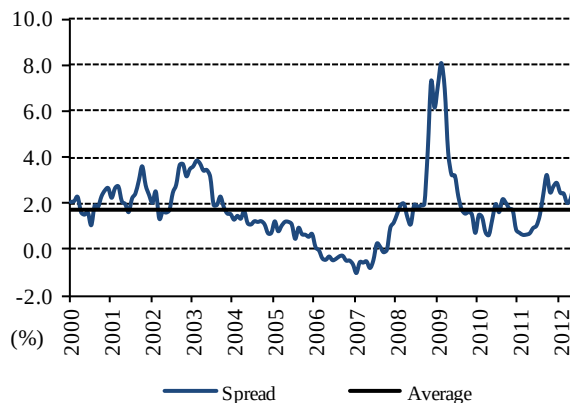
Source: Bloomberg and Cantor Fitzgerald Research

Exhibit 8:

REIT Yield versus the 10-Year U.S. Treasury



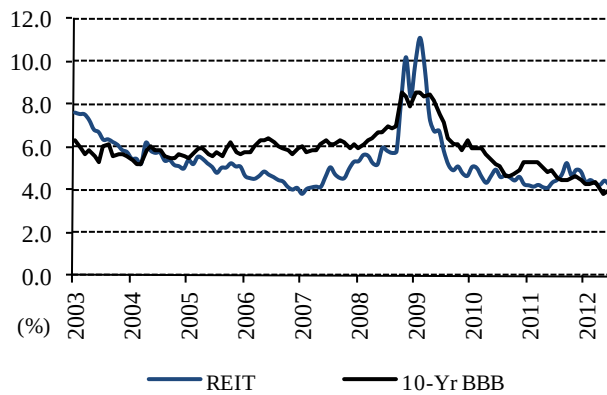
REIT Yield versus the 10-Year U.S. Treasury Spread



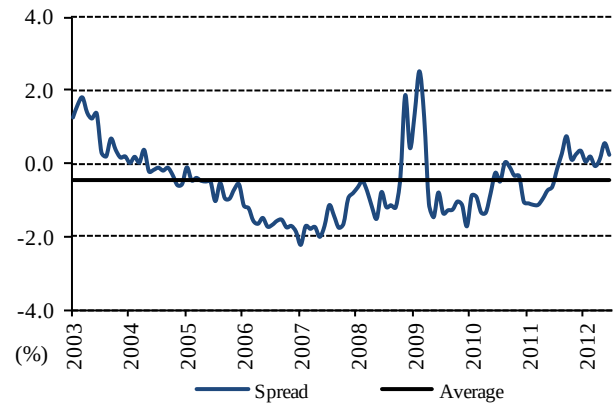
Source: Bloomberg and Cantor Fitzgerald Research

Exhibit: 9

REIT Yield versus BBB Corporate Yield



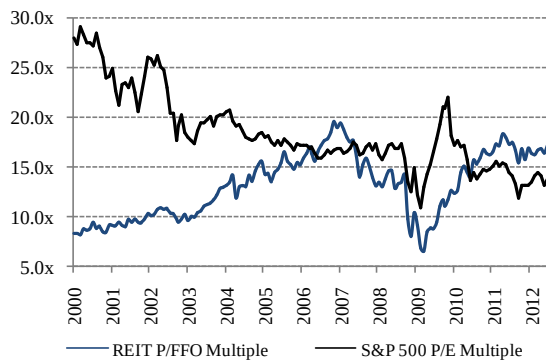
REIT Yield versus BBB Corporate Yield Spread



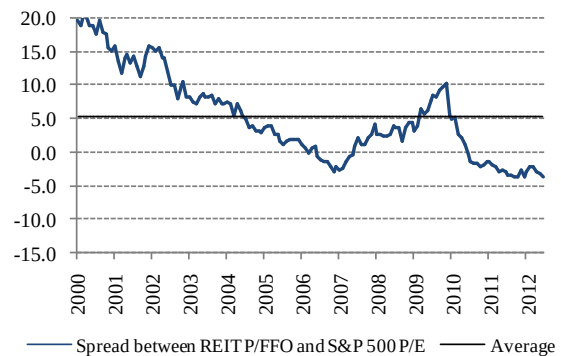
Source: Bloomberg and Cantor Fitzgerald Research

Exhibit 10:

REIT P/FFO Multiple vs. S&P 500 P/E

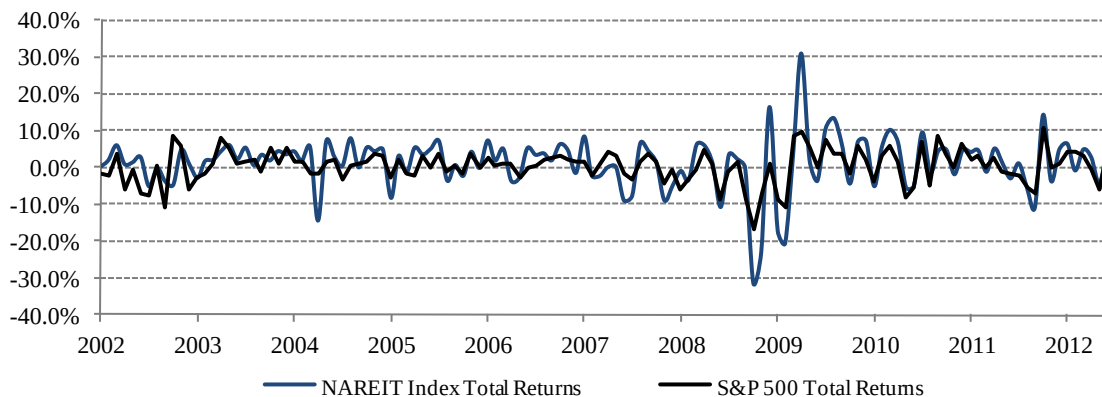


REIT P/FFO Multiple vs. S&P 500 P/E, Spread



Source: NAREIT, Bloomberg and Cantor Fitzgerald Research

Exhibit 11: Overall REIT Performance versus S&P 500 Performance

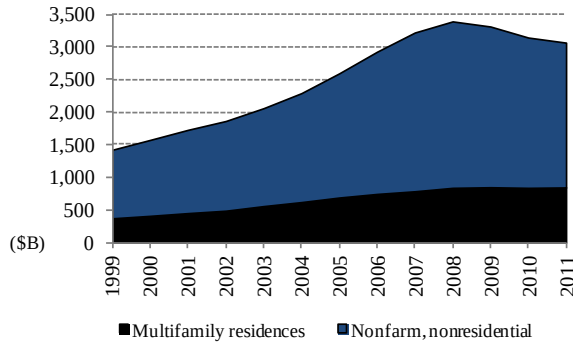


Source: Bloomberg and Cantor Fitzgerald Research

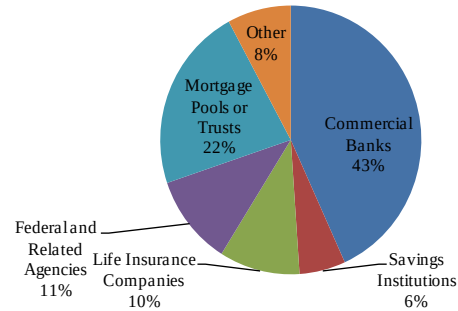
Commercial Real Estate Debt and Interest Rates with Forecasts

Exhibit 12:

CRE Debt – Absolute Outstanding



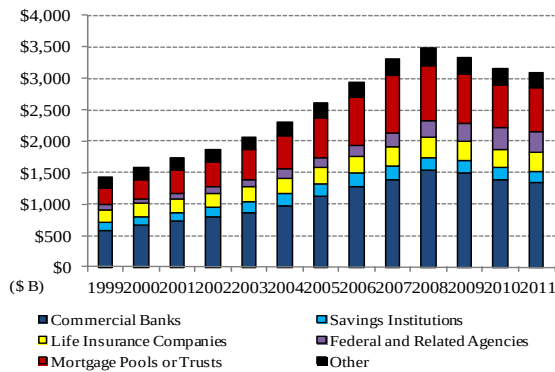
CRE Debt Holders (as of 1Q 2012)



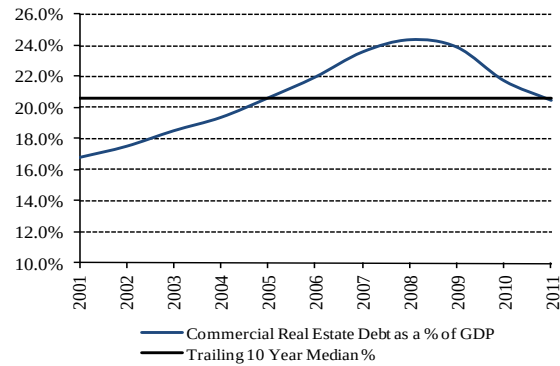
Source: Federal Reserve Board and Cantor Fitzgerald Research

Exhibit 13:

CRE Debt – Historical Composition



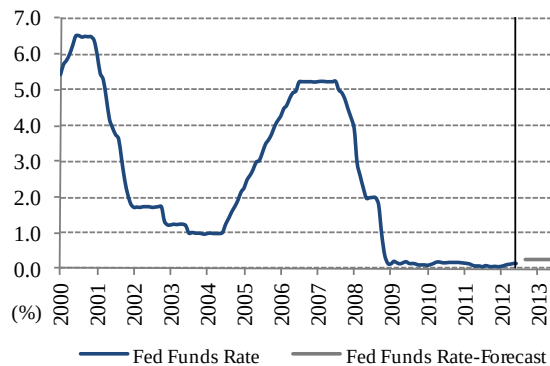
CRE Debt – Percent GDP



Source: Federal Reserve Board and Cantor Fitzgerald Research

Exhibit 14:

Federal Funds Rate and Forecasts



3m USD LIBOR Rates and Forecasts

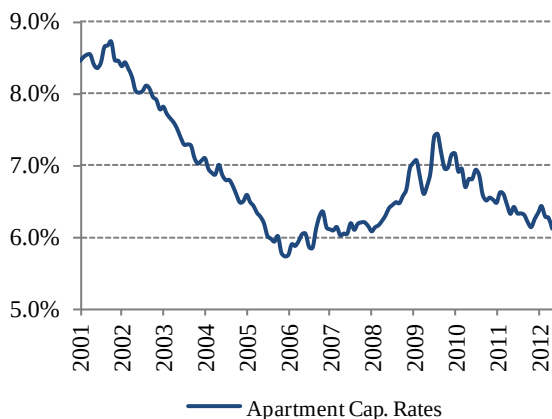


Source: Federal Reserve Bank, British Bankers' Association, Bloomberg and Cantor Fitzgerald Research

Capitalization Rate Data

Exhibit 15:

Apartment Cap Rates



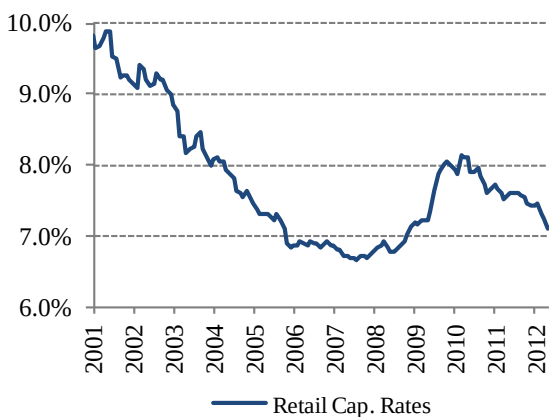
Industrial Cap Rates



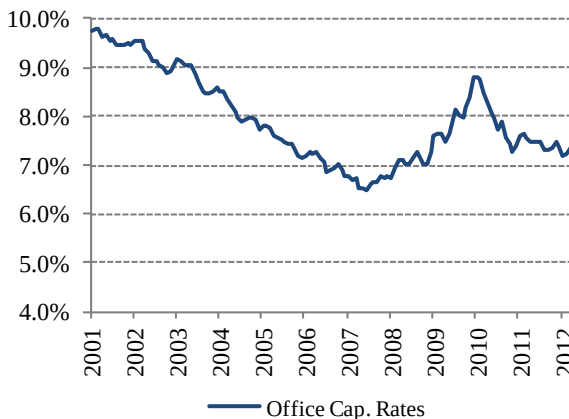
Source: Real Capital Analytics and Cantor Fitzgerald Research

Exhibit 16:

Retail Cap Rates



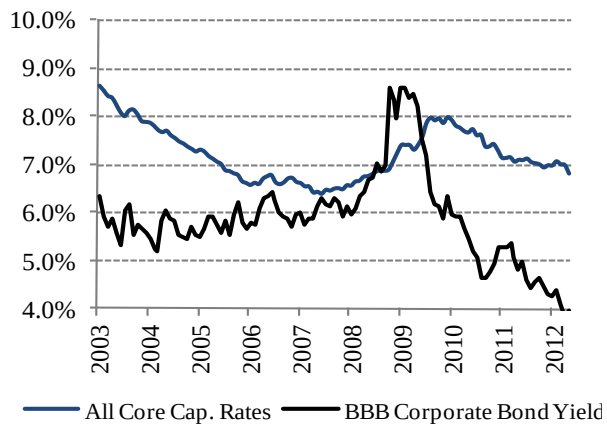
Office Cap Rates



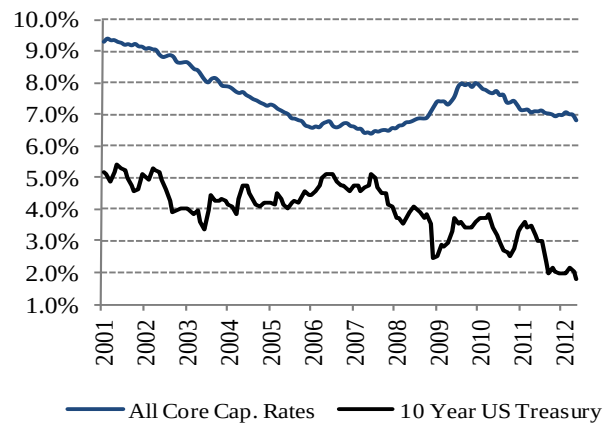
Source: Real Capital Analytics and Cantor Fitzgerald Research

Exhibit 17:

All Core Cap Rates vs. BBB Corporate Bond Yield



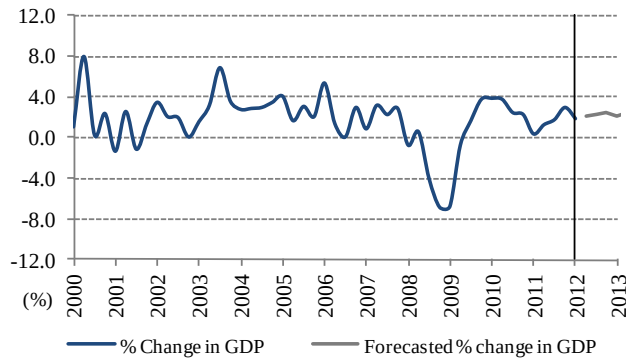
All Core Cap Rates vs. 10-Yr U.S. Treasury



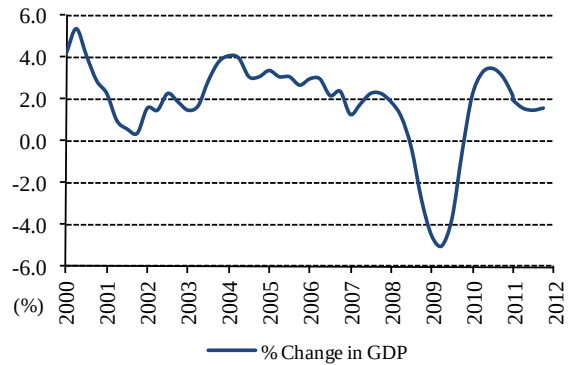
Source: Real Capital Analytics and Cantor Fitzgerald Research

Exhibit 18:

% Change in GDP Quarter over Quarter, w/ Forecast



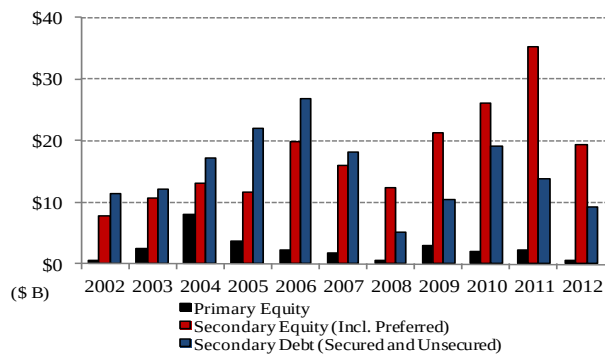
% Change in GDP Year over Year



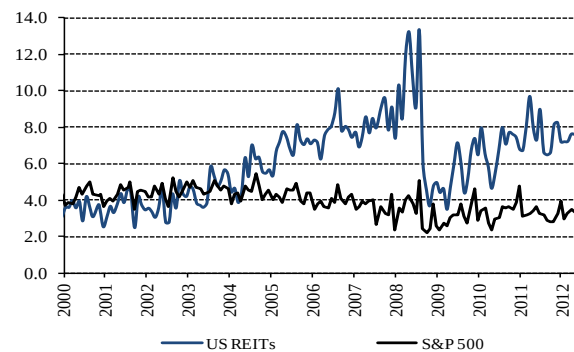
Source: Bureau of Economic Analysis, Bloomberg and Cantor Fitzgerald Research

Exhibit 19:

REIT Debt and Equity Historical Issuance



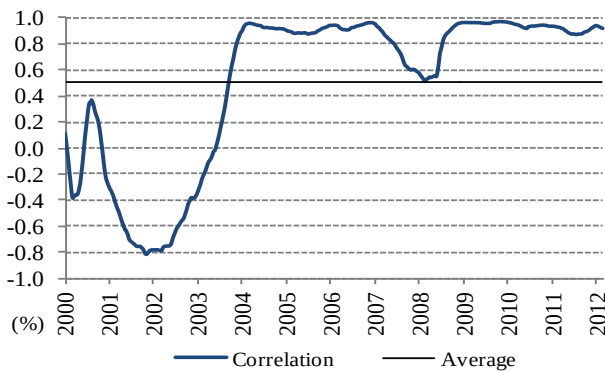
REIT Short Interest Ratio Levels



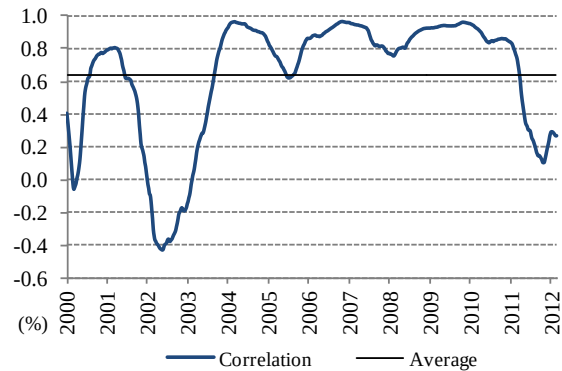
Source: NAREIT, Bloomberg and Cantor Fitzgerald Research

Exhibit 20:

REIT Correlation with S&P 500



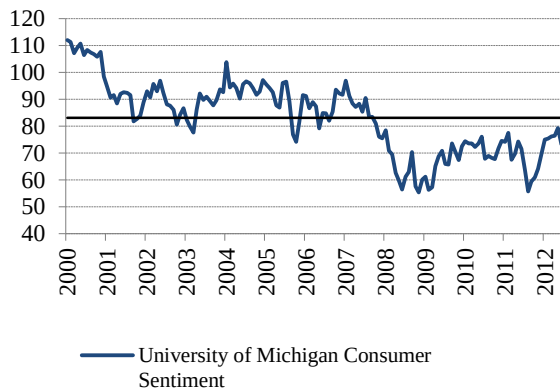
REIT Correlation with S&P Financials



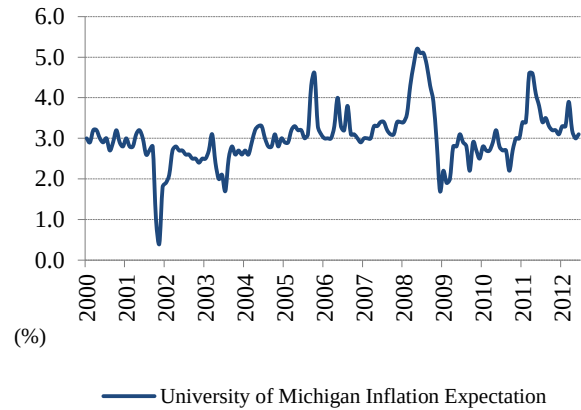
Source: NAREIT, Bloomberg and Cantor Fitzgerald Research

Exhibit 21:

University of Michigan Consumer Sentiment

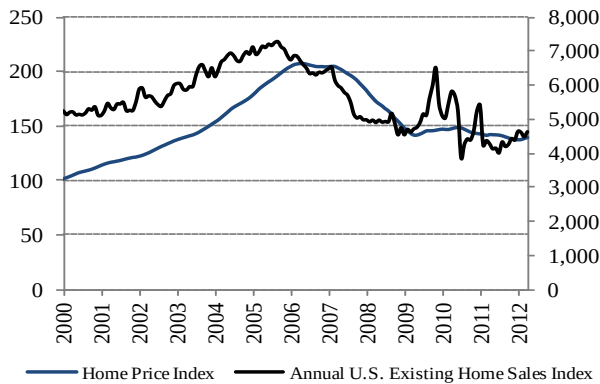


University of Michigan Inflation Expectations



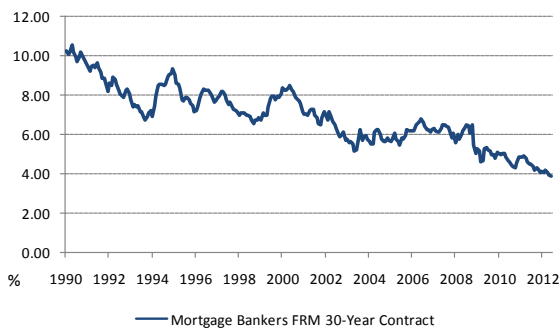
Source: University of Michigan Survey Research, Bloomberg and Cantor Fitzgerald Research

Exhibit 22: Single Family House Pricing and Sales



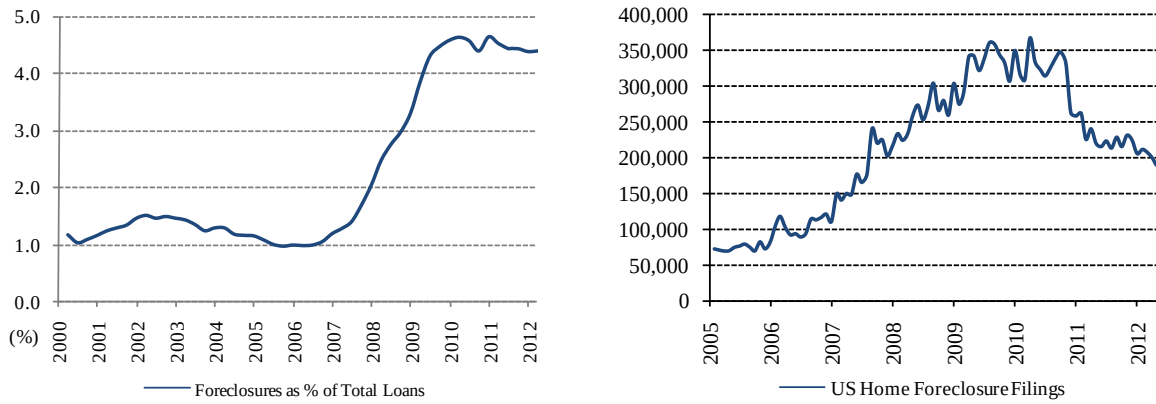
Source: Bloomberg (S&P Case/Shiller), National Association of Realtors, and Cantor Fitzgerald research

Exhibit 23: Mortgage Rates and Applications



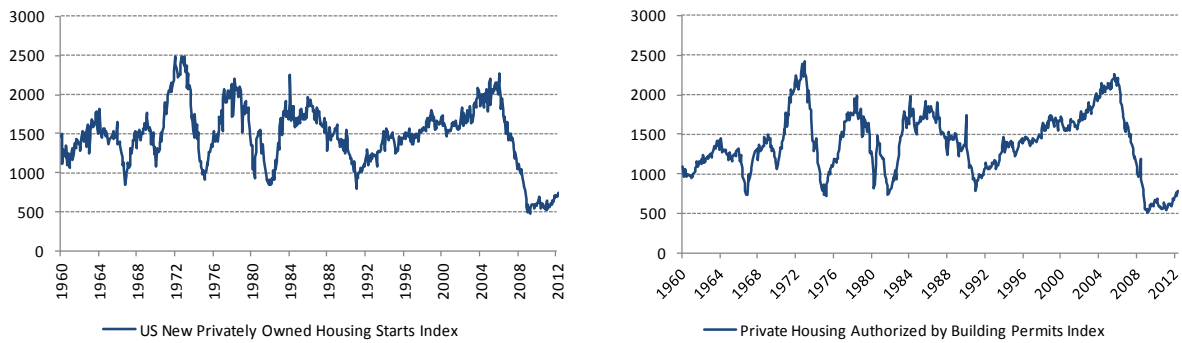
Source: Mortgage Bankers Association, Bloomberg and Cantor Fitzgerald

Exhibit 24: Foreclosure Rates and Filings



Source: Bloomberg, Mortgage Bankers Association and Cantor Fitzgerald

Exhibit 25: US Privately Owned Housing



Source: US Census Bureau, Bloomberg, and Cantor Fitzgerald

Macroeconomic Data

Exhibit 26: Comparative Valuation Metrics—Equity REITs

					7/18/2012													Funds From Operations					
Ticker	Company	Rating	Exchange	Current Price	Price Target	Div. Yield	Projected Return		Total Return Performance						2011A	2012 Est.	2013 Est.	Growth		Multiples			
							Price	Total	Day	MTD	QTD	YTD	Pr. 12M	CF/ST.	CF/ST.	CF/ST.	2012	2013	2012	2013			
BXP	Boston Properties Inc.	BUY	NYSE	\$111.02	\$120.00	2.0%	8.1%	10.1%	-0.8%	2.4%	2.4%	12.6%	2.0%	\$4.84	\$4.87	\$5.29	0.6%	8.6%	22.8x	21.0x			
KRC	Kilroy Realty Corp.	SELL	NYSE	\$48.89	\$47.50	2.9%	-2.8%	0.0%	-1.7%	1.0%	1.0%	30.3%	23.0%	\$2.29	\$2.33	\$2.66	1.7%	14.2%	21.0x	18.4x			
SLG	SL Green Realty Corp.	BUY	NYSE	\$79.52	\$91.00	1.2%	14.4%	15.6%	-0.8%	-0.9%	-0.9%	20.1%	-6.9%	\$4.80	\$4.53	\$4.72	-5.6%	4.2%	17.6x	16.8x			
ARE	Alexandria Real Estate Equities Inc.	NC	NYSE	\$73.61		2.7%	-	-	-0.7%	1.2%	1.2%	8.2%	-8.8%	\$4.39	\$4.29	\$4.80	-2.3%	12.0%	17.2x	15.3x			
DEI	Douglas Emmett Inc.	NC	NYSE	\$24.10		2.5%	-	-	-1.5%	4.3%	4.3%	33.8%	25.4%	\$1.38	\$1.38	\$1.44	0.0%	4.6%	17.5x	16.7x			
BMR	BioMed Realty Trust Inc.	BUY	NYSE	\$18.82	\$20.50	4.6%	8.9%	13.5%	-1.6%	0.7%	0.7%	6.5%	-1.9%	\$1.19	\$1.14	\$1.33	-4.2%	16.7%	16.5x	14.2x			
HPP	Hudson Pacific Properties, Inc.	NC	NYSE	\$18.20		2.7%	-	-	0.1%	4.5%	4.5%	30.3%	20.4%	\$1.08	\$0.87	\$0.95	-19.8%	10.0%	21.0x	19.1x			
PDM	Piedmont Office Realty Trust Inc.	NC	NYSE	\$17.29		4.6%	-	-	-0.7%	0.5%	0.5%	3.8%	-12.4%	\$1.57	\$1.38	\$1.39	-12.0%	0.8%	12.5x	12.4x			
HIW	Highwoods Properties Inc.	NC	NYSE	\$34.40		5.0%	-	-	-0.8%	2.2%	2.2%	18.8%	6.4%	\$2.58	\$2.70	\$2.71	4.8%	0.1%	12.7x	12.7x			
OFC	Corporate Office Properties Trust	NC	NYSE	\$22.80		4.8%	-	-	-0.8%	-3.0%	-3.0%	9.8%	-20.3%	\$0.76	\$2.09	\$2.08	NA	-0.3%	10.9x	10.9x			
GOV	Government Properties Income Trust	NC	NYSE	\$23.48		7.2%	-	-	0.1%	3.8%	3.8%	7.8%	-6.2%	\$2.07	\$2.14	\$2.16	3.5%	0.8%	11.0x	10.9x			
CLI	Mack-Cali Realty Corp.	NC	NYSE	\$29.05		6.2%	-	-	-1.0%	1.5%	1.5%	13.9%	-9.4%	\$2.80	\$2.59	\$2.57	-7.4%	-0.7%	11.2x	11.3x			
BDN	Brandywine Realty Trust	BUY	NYSE	\$12.10	\$13.00	5.0%	7.4%	12.4%	-0.9%	-0.7%	-0.7%	32.1%	6.6%	\$1.39	\$1.32	\$1.42	-5.0%	7.6%	9.2x	8.5x			
PKY	Parkway Properties Inc.	BUY	NYSE	\$11.43	\$12.00	2.9%	5.0%	7.9%	-0.7%	-0.1%	-0.1%	17.4%	-32.9%	\$2.09	\$1.25	\$1.30	-40.2%	4.0%	9.1x	8.8x			
CWH	CommonWealth REIT	NC	NYSE	\$19.27		10.4%	-	-	-0.5%	0.8%	0.8%	21.8%	-13.0%	\$3.38	\$3.38	\$3.34	-0.1%	-1.1%	5.7x	5.8x			
Office	Office Weighted Average* / Total						3.4%	8.6%	10.9%	-0.9%	1.6%	1.6%	17.0%	-1.7%	\$1.09	\$1.04	\$1.09	-2.2%	4.8%	15.9x	14.6x		
	Office Straight Average / Total						4.2%	6.8%	9.9%	-0.8%	2.0%	2.0%	17.3%	-4.6%	\$2.12	\$1.95	\$2.02	-5.4%	2.5%	12.9x	11.8x		
	PLD	ProLogis	BUY	NYSE	\$33.05	\$38.50	3.4%	16.5%	19.9%	0.0%	-0.5%	-0.5%	17.6%	-2.6%	\$1.65	\$1.67	\$1.73	1.2%	3.6%	19.8x	19.1x		
	EGP	EastGroup Properties Inc.	SELL	NYSE	\$54.26	\$47.00	3.8%	-13.4%	-9.5%	-0.8%	1.8%	1.8%	27.2%	27.6%	\$2.95	\$3.12	\$3.34	5.8%	7.1%	17.4x	16.2x		
	DCT	DCT Industrial Trust Inc.	NC	NYSE	\$6.33		4.4%	-	-	0.0%	1.6%	1.6%	26.4%	23.1%	\$0.40	\$0.41	\$0.43	3.5%	3.4%	15.3x	14.8x		
	FR	First Industrial Realty Trust, Inc.	NC	NYSE	\$12.94		1.9%	-	-	-0.4%	2.5%	2.5%	26.5%	11.5%	\$0.89	\$1.02	\$1.06	14.6%	3.4%	12.7x	12.3x		
	FPO	First Potomac Realty Trust	BUY	NYSE	\$11.87	\$14.00	6.7%	17.9%	24.7%	0.5%	0.8%	0.8%	-6.0%	-22.2%	\$1.03	\$1.08	\$1.17	4.9%	8.3%	11.0x	10.1x		
	STAG	STAG Industrial, Inc.	HOLD	NYSE	\$15.11	\$14.50	7.1%	-4.0%	3.0%	0.1%	3.6%	3.6%	36.4%	28.6%	NE	\$1.18	\$1.24	NA	5.1%	12.8x	12.2x		
	Industrial Weighted Average / Total						3.6%	13.9%	17.5%	-0.1%	0.2%	0.2%	19.1%	2.3%	\$0.11	\$0.13	\$0.13	3.0%	4.0%	18.2x	17.5x		
	Industrial Straight Average / Total						4.6%	4.3%	9.5%	-0.1%	1.6%	1.6%	21.3%	11.0%	\$0.65	\$0.72	\$0.74	6.0%	5.1%	14.8x	14.1x		
Mixed C	PSB	PS Business Parks Inc.	NC	NYSE	\$71.05		2.5%	-	-	0.1%	4.9%	4.9%	29.8%	25.9%	\$4.69	\$4.42	\$4.85	-5.7%	9.7%	16.1x	14.6x		
	LRY	Liberty Property Trust	NC	NYSE	\$37.15		5.1%	-	-	-1.2%	0.8%	0.8%	23.4%	15.0%	\$2.61	\$2.59	\$2.68	-0.8%	3.4%	14.4x	13.9x		
	DRE	Duke Realty Corp.	NC	NYSE	\$14.78		4.6%	-	-	-0.2%	1.0%	1.0%	25.5%	8.7%	\$1.15	\$1.02	\$1.11	-11.7%	8.8%	14.5x	13.4x		
	Mixed Office Weighted Average / Total						4.5%	-	-0.6%	1.6%	1.6%	24.7%	13.9%	\$2.25	\$2.14	\$2.28	-6.6%	6.9%	14.8x	13.8x			
Sp. Off.	Mixed Office Straight Average / Total						4.8%	-	-0.6%	1.9%	1.9%	19.8%	14.6%	\$2.26	\$2.13	\$2.30	-7.2%	7.6%	15.5x	14.4x			
	DFT	Dupont Fabros Technology Inc.	HOLD	NYSE	\$27.26	\$29.50	2.1%	8.2%	10.3%	-2.5%	-4.0%	-4.0%	13.7%	4.4%	\$1.61	\$1.49	\$1.96	-7.5%	31.5%	18.3x	13.9x		
	DLR	Digital Realty Trust Inc.	SELL	NYSE	\$76.31	\$71.50	3.8%	-6.3%	-2.5%	-5.0%	1.7%	1.7%	16.6%	25.2%	\$4.06	\$4.46	\$4.98	9.9%	11.7%	17.1x	15.3x		
	COR	CoreSite Realty Corporation	BUY	NYSE	\$27.11	\$28.00	2.7%	3.3%	6.0%	-2.4%	5.0%	5.0%	54.2%	59.0%	\$1.24	\$1.43	\$1.61	15.3%	12.6%	19.0x	16.8x		
	Specialty Office Weighted Average / Total						3.5%	-3.7%	-0.2%	-4.5%	0.9%	0.9%	17.8%	23.5%	\$0.00	\$0.00	\$0.00	7.5%	14.7%	17.4x	15.2x		
	Specialty Office Straight Average / Total						2.9%	1.7%	4.6%	-3.3%	0.9%	0.9%	28.2%	29.5%	NA	NA	NA	5.9%	18.6%	18.1x	15.4x		
Shopping Centers	FRT	Federal Realty Investment Trust	NC	NYSE	\$107.56		2.6%	-	-	-0.7%	3.3%	3.3%	20.0%	24.1%	\$4.00	\$4.26	\$4.54	6.5%	6.6%	25.2x	23.7x		
	AKR	Acadia Realty Trust	NC	NYSE	\$23.80		3.1%	-	-	0.0%	2.7%	2.7%	20.0%	13.6%	\$0.97	\$1.03	\$1.20	5.8%	17.3%	23.2x	19.8x		
	SKT	Tanger Factory Outlet Centers Inc.	NC	NYSE	\$32.40		2.6%	-	-	-1.0%	1.1%	1.1%	11.9%	16.7%	\$1.44	\$1.63	\$1.77	13.0%	9.0%	19.9x	18.3x		
	EQY	Equity One Inc.	NC	NYSE	\$21.77		4.0%	-	-	-0.9%	2.7%	2.7%	30.8%	15.4%	\$1.12	\$1.09	\$1.17	-2.9%	7.1%	20.0x	18.7x		
	REG	Regency Centers Corp.	NC	NYSE	\$48.11		3.9%	-	-	-0.5%	1.1%	1.1%	30.3%	5.6%	\$2.48	\$2.49	\$2.60	0.4%	4.6%	19.3x	18.5x		
	BFS	Saul Centers Inc.	NC	NYSE	\$42.54		3.4%	-	-	-0.9%	0.1%	0.1%	23.2%	9.1%	\$2.03	\$2.35	\$2.55	15.8%	8.5%	18.1x	16.7x		
	UBA	Urstadt Biddle Properties Inc.	NC	NYSE	\$19.80		5.0%	-	-	0.7%	1.4%	4.2%	13.6%	9.4%	\$1.23	\$1.17	\$1.23	-4.9%	5.1%	16.9x	16.1x		
	KIM	Kimco Realty Corp.	NC	NYSE	\$19.40		3.9%	-	-	-0.8%	2.9%	2.9%	21.8%	2.2%	\$1.27	\$1.24	\$1.32	-2.3%	6.2%	15.6x	14.7x		
	DDR	Developers Diversified Realty Corp.	NC	NYSE	\$14.95		3.2%	-	-	-0.3%	2.1%	2.1%	24.8%	3.9%	\$0.75	\$1.01	\$1.11	34.4%	10.0%	14.8x	13.5x		
	WRI	Weingarten Realty Investors	NC	NYSE	\$27.09		4.3%	-	-	-0.6%	2.8%	2.8%	26.8%	9.4%	\$1.81	\$1.81	\$1.82	-0.3%	1.0%	15.0x	14.9x		
	RPT	Ramco-Gershenson Properties Trust	NC	NYSE	\$12.33		5.3%	-	-	-1.4%	-1.9%	-1.9%	28.8%	4.7%	\$1.01	\$1.00	\$1.04	-0.7%	4.1%	12.3x	11.8x		
	KRG	Kite Realty Group Trust	NC	NYSE	\$5.15		4.7%	-	-	0.4%	4.4%	4.4%	18.2%	12.3%	\$0.44	\$0.42	\$0.47	-3.6%	9.7%	12.1x	11.1x		
	CDR	Cedar Shopping Centers Inc.	NC	NYSE	\$5.20		3.8%	-	-	-0.6%	3.0%	3.0%	23.0%	5.4%	\$0.38	\$0.41	\$0.44	8.4%	5.8%	12.6x	11.9x		
	IRC	Inland Real Estate Corp.	NC	NYSE	\$8.55		6.7%	-	-	-0.8%	2.0%	2.0%	16.1%	-0.7%	\$0.82	\$0.86	\$0.91	5.2%	5.8%	9.9x	9.4x		
	Shopping Center Weighted Average / Total						3.7%	-	-0.6%	2.3%	2.4%	23.1%	9.5%	\$1.75	\$1.85	\$1.96	7.1%	6.8%	17.9x	16.7x			
	Shopping Center Straight Average / Total						4.0%	-	-0.5%	2.0%	2.2%	22.1%	9.4%	\$1.41	\$1.48	\$1.58	5.3%	7.2%	16.8x	15.6x			
	REAL ESTATE WEIGHTED AVERAGE / TOTAL						3.4%	4.2%	7.0%	-0.7%	2.5%	2.4%	19.1%	12.9%	\$2.15	\$2.27	\$2.40	7.2%	6.2%	18.2x	17.0x		
	REAL ESTATE STRAIGHT AVERAGE / TOTAL						3.9%	2.8%	6.0%	-0.7%	2.9%	2.8%	21.4%	14.1%	\$2.38	\$2.45	\$2.61	6.7%	8.0%	16.4x	15.1x		

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 27: Comparative Valuation Metrics—Equity REITs (cont'd)

7/18/2012										Total Return Performance					2011A	2012 Est.	Funds From Operations			Multiples		
Ticker	Company	Rating	Exchange	Current Price	Price Target	Div. Yield	Projected Return		Day	MTD	QTD	YTD	Pr. 12M	CF/St.	2012 Est. CF/St.	2013 Est. CF/St.	Growth		2012	2013	2012	2013
Regional Malls	TCO	Taubman Centers Inc.	NC	NYSE	\$76.94		2.5%	-	-	-0.8%	-0.3%	-0.3%	25.4%	26.2%	\$2.84	\$3.23	\$3.48	13.9%	7.5%	23.8x	22.1x	
	SPG	Simon Property Group Inc.	NC	NYSE	\$159.26		2.5%	-	-	-0.4%	2.3%	2.3%	25.0%	35.7%	\$6.89	\$7.62	\$8.12	10.5%	6.6%	20.9x	19.6x	
	GGP	General Growth Properties, Inc	NC	NYSE	\$17.85		2.3%	-	-	-1.2%	-0.8%	-0.8%	23.7%	11.8%	\$0.95	\$0.94	\$1.04	-0.6%	10.0%	18.9x	17.2x	
	MAC	Macerich Co.	NC	NYSE	\$58.23		3.8%	-	-	-0.9%	-1.4%	-1.4%	17.3%	11.4%	\$2.79	\$3.14	\$3.33	12.6%	6.0%	18.5x	17.5x	
	GRT	Glimcher Realty Trust	NC	NYSE	\$10.40		3.8%	-	-	-0.8%	1.8%	1.8%	15.2%	9.8%	\$0.64	\$0.62	\$0.72	-3.0%	16.4%	16.7x	14.4x	
	CBL	CBL & Associates Properties Inc.	NC	NYSE	\$19.49		4.5%	-	-	-0.4%	-0.3%	-0.3%	26.9%	10.5%	\$2.22	\$2.06	\$2.13	-7.2%	3.2%	9.5x	9.2x	
	PEI	Pennsylvania Real Estate Investment Trust	NC	NYSE	\$15.14		4.0%	-	-	-2.1%	1.1%	1.1%	48.0%	-0.2%	\$1.84	\$1.79	\$1.87	-2.6%	4.3%	8.4x	8.1x	
	Regional Mall Weighted Average/Total						2.8%	-	-	-0.7%	0.9%	0.9%	24.5%	24.5%	\$4.37	\$4.78	\$5.10	6.6%	7.4%	19.4x	18.0x	
Regional Mall Straight Average/Total						3.4%	-	-	-0.9%	0.3%	0.3%	25.9%	15.0%	\$2.60	\$2.77	\$2.95	3.4%	7.7%	16.7x	15.4x		
Multifamily	AVB	AvalonBay Communities Inc.	BUY	NYSE	\$150.50	\$155.50	2.6%	3.3%	5.9%	-0.3%	6.4%	6.4%	16.7%	13.9%	\$4.57	\$5.46	\$6.07	19.5%	11.2%	27.6x	24.8x	
	EDR	Education Realty Trust Inc.	NC	NYSE	\$11.69		2.5%	-	-	-0.5%	5.5%	5.5%	15.6%	32.3%	\$0.43	\$0.49	\$0.58	12.8%	20.4%	24.1x	20.0x	
	ESS	Essex Property Trust Inc.	HOLD	NYSE	\$158.93	\$158.50	2.7%	-0.3%	2.5%	-0.9%	3.3%	3.3%	14.7%	15.6%	\$5.74	\$6.73	\$7.42	17.2%	10.3%	23.6x	21.4x	
	ACC	American Campus Communities Inc.	NC	NYSE	\$47.11		2.9%	-	-	0.0%	4.7%	4.7%	13.9%	30.5%	\$1.81	\$2.01	\$2.28	10.9%	13.4%	23.5x	20.7x	
	EQR	Equity Residential	HOLD	NYSE	\$64.95	\$67.50	2.7%	3.9%	6.6%	-0.8%	4.2%	4.2%	15.1%	7.0%	\$2.41	\$3.20	\$3.01	32.8%	-5.9%	20.3x	21.6x	
	BRE	BRE Properties Inc.	NC	NYSE	\$52.69		2.9%	-	-	-1.1%	5.3%	5.3%	5.9%	2.2%	\$2.14	\$2.36	\$2.58	10.3%	9.1%	22.3x	20.5x	
	PPS	Post Properties Inc.	BUY	NYSE	\$51.28	\$53.50	1.8%	4.3%	6.1%	-2.0%	4.8%	4.8%	18.4%	18.7%	\$1.83	\$2.36	\$2.41	29.0%	2.1%	21.7x	21.3x	
	CPT	Camden Property Trust	NC	NYSE	\$71.29		3.0%	-	-	-0.4%	5.3%	5.3%	16.3%	8.3%	\$2.73	\$3.53	\$3.85	29.2%	9.1%	20.2x	18.5x	
	UDR	UDR Inc.	HOLD	NYSE	\$26.87	\$27.00	3.3%	0.5%	3.8%	-0.7%	4.8%	4.8%	9.7%	4.4%	\$1.28	\$1.39	\$1.48	8.6%	6.5%	19.3x	18.2x	
	CLP	Colonial Properties Trust	NC	NYSE	\$22.89		3.1%	-	-	-1.1%	3.4%	3.4%	11.5%	9.4%	\$1.15	\$1.26	\$1.40	9.9%	10.5%	18.1x	16.4x	
	HME	Home Properties Inc.	SELL	NYSE	\$65.68	\$60.50	4.0%	-7.9%	-3.9%	-0.1%	7.0%	7.0%	16.4%	3.7%	\$3.54	\$3.99	\$4.32	12.7%	8.3%	16.5x	15.2x	
	MAA	MAA	BUY	NYSE	\$69.85	\$71.00	3.8%	1.6%	5.4%	-0.3%	3.3%	3.3%	14.8%	0.5%	\$3.98	\$4.46	\$4.80	12.1%	7.6%	15.7x	14.6x	
	AIV	Apartment Investment & Management Co.	NC	NYSE	\$27.97		2.7%	-	-	-1.1%	3.5%	3.5%	23.7%	5.3%	\$1.52	\$1.77	\$2.02	16.3%	14.0%	15.8x	13.9x	
	AEC	Associated Estates Realty Corp.	BUY	NYSE	\$14.80	\$20.50	4.8%	38.5%	43.3%	-0.1%	0.2%	0.2%	-3.9%	-13.3%	\$1.03	\$1.21	\$1.35	17.5%	11.6%	12.2x	11.0x	
	Multifamily Weighted Average/Total						2.9%	2.6%	5.5%	-0.7%	4.7%	4.7%	14.8%	9.5%	\$0.55	\$0.66	\$0.73	20.5%	5.9%	21.0x	19.9x	
Multifamily Straight Average/Total						3.1%	5.5%	8.7%	-0.7%	4.4%	4.4%	13.5%	9.9%	\$1.63	\$1.90	\$2.12	17.0%	9.2%	20.1x	18.4x		
M.H.	ELS	Equity Lifestyle Properties Inc.	BUY	NYSE	\$72.99	\$75.50	2.4%	3.4%	5.8%	0.5%	5.8%	5.8%	10.8%	13.1%	\$3.66	\$4.52	\$4.84	23.5%	7.1%	16.1x	15.1x	
	SUI	Sun Communities Inc.	NC	NYSE	\$46.57		5.4%	-	-	0.0%	6.7%	6.7%	30.9%	26.7%	\$3.13	\$3.29	\$3.55	5.0%	8.1%	14.2x	13.1x	
	Manufactured Housing Weighted Average/Total						3.4%	3.4%	5.8%	0.3%	6.1%	6.1%	17.3%	17.5%	\$1.01	\$1.06	\$1.15	17.5%	7.4%	15.5x	14.4x	
	Manufactured Housing Straight Average/Total						3.9%	3.4%	5.8%	0.2%	6.3%	6.3%	20.8%	19.9%	\$3.13	\$3.29	\$3.55	14.2%	7.6%	15.2x	14.1x	
Diversified	ALX	Alexander's Inc.	NC	NYSE	\$440.62		N/A	-	-	0.2%	2.2%	2.2%	21.1%	7.4%	\$22.11	\$22.37	\$23.53	1.2%	5.2%	19.7x	18.7x	
	VNO	Vornado Realty Trust	NC	NYSE	\$85.59		3.3%	-	-	-1.0%	1.9%	1.9%	13.2%	-5.9%	\$5.27	\$5.06	\$5.09	-4.0%	0.6%	16.9x	16.8x	
	WRE	Washington Real Estate Investment Trust	NC	NYSE	\$28.63		6.1%	-	-	-0.7%	0.6%	0.6%	7.9%	-7.8%	\$1.88	\$1.90	\$1.97	1.2%	3.4%	15.0x	14.5x	
	AAT	American Assets Trust	NC	NYSE	\$25.21		3.4%	-	-	-0.3%	4.0%	4.0%	25.0%	17.3%	\$1.11	\$1.23	\$1.31	10.4%	7.2%	20.6x	19.2x	
	FCE.A	Forest City Enterprises	NC	NYSE	\$14.49		0.0%	-	-	-0.4%	-0.8%	-9.2%	22.6%	-20.1%	\$1.59	\$1.61	\$1.44	1.3%	-10.9%	9.0x	10.1x	
	CUZ	Cousins Properties Inc.	SELL	NYSE	\$7.89	\$8.00	2.3%	1.4%	3.7%	-0.5%	1.8%	1.8%	24.5%	-8.7%	-\$0.74	\$0.54	\$0.61	NA	13.0%	14.6x	12.9x	
	LXP	Lexington Realty Trust	NC	NYSE	\$9.16		5.7%	-	-	0.4%	8.1%	8.1%	25.6%	7.1%	\$0.95	\$0.94	\$0.96	-1.1%	2.6%	9.7x	9.5x	
	Diversified Weighted Average/Total						2.7%	1.4%	3.7%	-0.7%	1.8%	0.2%	16.8%	-6.1%	\$4.99	\$4.90	\$4.98	-1.4%	-0.3%	15.1x	15.1x	
Diversified Straight Average/Total						3.4%	1.4%	3.7%	-0.3%	2.6%	1.4%	20.0%	-1.5%	\$5.49	\$5.52	\$5.72	1.5%	3.0%	15.1x	14.5x		
Self Stor.	PSA	Public Storage	SELL	NYSE	\$147.88	\$140.00	3.0%	-5.3%	-2.4%	-0.7%	2.4%	2.4%	11.6%	26.5%	\$5.67	\$6.24	\$6.90	10.1%	10.6%	23.7x	21.4x	
	EXR	Extra Space Storage Inc.	SELL	NYSE	\$32.13	\$29.50	2.5%	-8.2%	-5.7%	-0.3%	5.0%	5.0%	34.3%	49.1%	\$1.20	\$1.46	\$1.68	21.7%	15.1%	22.0x	19.1x	
	SSS	Sovran Self Storage Inc.	HOLD	NYSE	\$55.53	\$51.50	3.3%	-7.3%	-4.0%	-0.9%	11.8%	11.8%	33.3%	37.4%	\$2.43	\$3.12	\$3.37	28.4%	8.0%	17.8x	16.5x	
	CUBE	CubeSmart	BUY	NYSE	\$12.11	\$13.00	2.6%	7.3%	10.0%	-0.4%	3.8%	3.8%	16.1%	15.2%	\$0.56	\$0.73	\$0.84	30.4%	15.1%	16.6x	14.4x	
Self Storage Weighted Average/Total						2.9%	-5.0%	-2.1%	-0.7%	3.4%	3.4%	16.1%	29.3%	\$0.00	\$0.00	\$0.00	14.0%	11.3%	22.7x	20.4x		
Self Storage Straight Average/Total						2.8%	-3.4%	-0.5%	-0.6%	5.7%	5.7%	23.8%	32.1%	NA	NA	NA	22.6%	12.2%	20.0x	17.9x		
Healthcare	MPW	Medical Properties Trust Inc.	NC	NYSE	\$9.94		8.1%	-	-	-0.1%	3.3%	3.3%	4.8%	-12.2%	\$0.71	\$0.85	\$1.02	19.9%	19.6%	11.7x	9.8x	
	HR	Healthcare Realty Trust Inc.	NC	NYSE	\$24.39		4.9%	-	-	-0.4%	2.3%	2.3%	34.4%	25.4%	\$1.15	\$1.35	\$1.42	17.0%	5.6%	18.1x	17.2x	
	SBRA	Sabra Health Care REIT	NC	NASDAQ	\$18.53		7.2%	-	-	0.1%	8.3%	8.3%	58.7%	25.0%	\$1.31	\$1.53	\$1.74	16.6%	14.1%	12.1x	10.6x	
	OHI	Omega Healthcare Investors Inc.	NC	NYSE	\$24.30		6.8%	-	-	-0.2%	8.0%	8.0%	29.9%	22.4%	\$1.89	\$2.10	\$2.15	11.3%	2.3%	11.6x	11.3x	
	VTR	Ventas Inc.	NC	NYSE	\$65.75		3.8%	-	-	-0.2%	4.2%	4.2%	21.5%	26.0%	\$3.37	\$3.72	\$3.94	10.4%	5.9%	17.7x	16.7x	
	NHI	National Health Investors Inc.	NC	NYSE	\$54.21		4.8%	-	-	-0.3%	6.5%	6.5%	26.2%	22.4%	\$2.88	\$3.12	\$3.27	8.2%	5.0%	17.4x	16.6x	
	LTC	LTC Properties Inc.	NC	NYSE	\$36.50		4.8%	-	-	-0.9%	0.6%	0.6%	21.1%	36.9%	\$2.15	\$2.28	\$2.43	6.2%	6.3%	16.0x	15.0x	
	SNH	Senior Housing Properties Trust	NC	NYSE	\$23.20		6.6%	-	-	-1.1%	3.9%	3.9%	6.8%	0.4%	\$1.73	\$1.83	\$1.92	5.7%	4.9%	12.7x	12.1x	
	HCN	Health Care REIT Inc.	NC	NYSE	\$60.85		4.9%	-	-	-1.1%	4.4%	4.4%	14.3%	19.6%	\$3.41	\$3.60	\$3.92	5.7%	8.9%	16.9x	15.5x	
	HCP	HCP Inc.	NC	NYSE	\$46.05		4.4%	-	-	0.0%	4.3%	4.3%	13.6%	28.0%	\$2.69	\$2.74	\$2.89	1.9%	5.4%	16.8x	15.9x	
	Healthcare Weighted Average/Total						4.7%	-	-	-0.4%	4.4%	4.4%	17.6%	22.6%	\$2.81	\$3.00	\$3.20	7.1%	6.6%	16.4x	15.4x	
	Healthcare Straight Average/Total						5.6%	-	-	-0.4%	4.6%	4.6%	23.1%	19.4%	\$2.13	\$2.31	\$2.47	10.3%	7.8%	15.1x	14.1x	
REAL ESTATE WEIGHTED AVERAGE / TOTAL						3.4%	4.2%	7.0%	-0.7%	2.5%	2.4%	19.1%	12.9%	\$2.15	\$2.27	\$2.40	7.2%	6.2%	18.2x	17.0x		
REAL ESTATE STRAIGHT AVERAGE / TOTAL						3.9%	2.8%	6.0%	-0.7%	2.9%	2.8%	21.4%	14.1%	\$2.38	\$2.45	\$2.61	6.7%	8.0%	16.4x	15.1x		

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 28: Comparative Valuation Metrics—Equity REITs (cont'd)

	Ticker	Company	Dividend		Adjusted Funds From Operations					Multiples		Funds from Operations			Valuation		
			Annualized	2012 AFFO	2011A	2012 Est.	2013 Est.	Growth		2012	2013	2012	2013	10 Year Historic Multiple	NAV/Sh	\$	
			(\$)	Coverage	CF/St.	CF/St.	CF/St.							High	Low	Average	
Office	BXP	Boston Properties Inc.	2.20	1.8x	\$3.73	\$3.98	\$4.64	6.7%	16.6%	27.9x	23.9x	40.8x	7.7x	16.1x	\$100.00	\$519	
	KRC	Kilroy Realty Corp.	1.40	1.1x	\$1.34	\$1.60	\$1.58	19.4%	-1.3%	30.6x	30.9x	69.9x	4.9x	14.6x	\$41.50	\$276	
	SLG	SL Green Realty Corp.	1.00	2.9x	\$2.57	\$2.85	\$2.96	10.9%	3.9%	27.9x	26.9x	33.1x	1.7x	13.7x	\$79.00	\$546	
	ARE	Alexandria Real Estate Equities Inc.	N/A	N/A	\$4.06	\$4.12	\$4.53	1.6%	9.9%	17.8x	16.2x	22.2x	4.1x	14.1x			
	DEI	Douglas Emmett Inc.	0.60	1.8x	\$1.01	\$1.06	\$1.12	4.7%	5.8%	22.7x	21.5x	24.2x	4.4x	13.9x			
	BMR	BioMed Realty Trust Inc.	0.86	1.3x	\$1.14	\$1.12	\$1.28	-1.8%	14.3%	16.8x	14.7x	24.5x	3.8x	14.5x	\$18.50	\$422	
	HPP	Hudson Pacific Properties, Inc.	0.50	1.3x	\$0.61	\$0.67	\$0.77	9.8%	14.2%	27.2x	23.8x	23.5x	9.5x	16.0x			
	PDM	Piedmont Office Realty Trust Inc.	N/A	N/A	\$1.12	\$0.93	\$0.95	-17.1%	1.8%	18.6x	18.3x	21.3x	10.0x	12.2x			
	HIW	Highwoods Properties Inc.	1.70	1.1x	\$2.57	\$1.79	\$2.19	-30.5%	22.7%	19.3x	15.7x	34.4x	5.5x	11.2x			
	OFC	Corporate Office Properties Trust	1.10	1.4x	\$1.68	\$1.57	\$1.60	-6.1%	1.9%	14.5x	14.2x	68.6x	6.7x	15.1x			
	GOV	Government Properties Income Trust	1.68	1.1x	\$1.89	\$1.85	\$1.95	-2.1%	5.1%	12.7x	12.1x	19.6x	6.4x	13.9x			
	CLI	Mack-Cali Realty Corp.	1.80	1.2x	\$2.30	\$2.10	\$2.02	-8.7%	-4.0%	13.8x	14.4x	16.4x	3.5x	10.2x			
	BDN	Brandywine Realty Trust	0.60	1.1x	\$0.53	\$0.65	\$0.60	22.6%	-7.7%	18.6x	20.2x	27.5x	1.0x	8.9x	\$13.00	\$163	
	PKY	Parkway Properties Inc.	0.30	1.8x	\$0.62	\$0.54	\$0.80	-12.9%	48.1%	21.2x	14.3x	54.6x	2.6x	9.2x	\$13.00	\$70	
	CWH	CommonWealth REIT	2.00	1.0x	\$2.08	\$1.93	\$1.93	-7.2%	0.0%	10.0x	10.0x	N/A	N/A	N/A			
Industrial	Office Weighted Average*/Total		1.25	1.4x	\$0.93	\$0.78	\$0.83	2.6%	8.5%	21.3x	19.6x	33.7x	4.7x	13.2x			
	Office Straight Average/Total		1.10	1.4x	\$1.90	\$1.50	\$1.59	-0.7%	9.3%	18.6x	17.2x	34.1x	5.0x	13.2x			
	PLD	ProLogis	1.12	1.2x	\$1.19	\$1.32	\$1.42	10.9%	7.6%	25.0x	23.3x	48.1x	4.3x	15.8x	\$35.00	\$71	
	EGP	EastGroup Properties Inc.	N/A	N/A	\$2.16	\$2.73	\$2.81	26.4%	2.9%	19.9x	19.3x	20.5x	6.2x	12.7x	\$41.00	\$63	
	DCT	DCT Industrial Trust Inc.	0.28	0.9x	\$0.27	\$0.25	\$0.28	-6.0%	12.0%	25.3x	22.6x	22.1x	4.5x	13.1x			
	FR	First Industrial Realty Trust, Inc.	0.00	N/A	\$0.25	\$0.43	\$0.49	NA	14.7%	30.1x	26.2x	21.1x	0.4x	9.2x			
	FPO	First Potomac Realty Trust	0.80	1.0x	\$0.74	\$0.78	\$0.82	5.4%	5.1%	15.2x	14.5x	28.1x	3.7x	14.3x	\$14.00	\$132	
	STAG	STAG Industrial, Inc.	1.04	1.1x	NE	\$1.15	\$1.17	NA	1.7%	13.1x	12.9x	9.5x	7.6x	8.7x	\$13.50	\$39	
	Industrial Weighted Average/Total		0.87	1.0x	\$0.04	\$0.06	\$0.07	9.2%	8.1%	24.6x	22.7x	40.4x	4.1x	14.6x			
	Industrial Straight Average/Total		0.65	1.0x	\$0.26	\$0.34	\$0.39	9.2%	7.3%	21.4x	19.8x	24.9x	4.4x	12.3x			
	Mixed C	PSB	PS Business Parks Inc.	1.76	1.7x	\$3.31	\$3.05	\$3.22	-7.8%	5.4%	23.3x	22.1x	20.8x	4.1x	11.8x		
		LRY	Liberty Property Trust	1.90	1.0x	\$1.98	\$1.95	\$1.99	-1.7%	2.1%	19.1x	18.7x	17.3x	4.0x	11.1x		
		DRE	Duke Realty Corp.	0.68	1.2x	\$0.90	\$0.80	\$0.88	-10.4%	10.0%	18.4x	16.7x	18.5x	1.5x	11.2x		
		Mixed Office Weighted Average/Total		1.31	1.2x	\$1.68	\$1.59	\$1.66	-6.4%	6.2%	19.4x	18.3x	18.6x	3.0x	11.3x		
		Mixed Office Straight Average/Total		1.22	1.2x	\$1.68	\$1.58	\$1.66	-4.8%	6.1%	19.4x	18.3x	20.0x	3.3x	11.8x		
Sp. Off.	DFT	Dupont Fabros Technology Inc.	0.48	2.5x	\$1.23	\$1.18	\$1.52	-4.1%	28.8%	23.1x	17.9x	22.9x	1.3x	13.0x	\$26.50	\$1,231	
	DLR	Digital Realty Trust Inc.	2.92	1.2x	\$3.13	\$3.52	\$3.96	12.5%	12.5%	21.7x	19.3x	24.1x	7.8x	16.8x	\$59.50	\$560	
	COR	CoreSite Realty Corporation	0.72	1.8x	\$1.05	\$1.27	\$1.52	21.0%	19.7%	21.3x	17.8x	N/A	N/A	N/A	\$26.50	\$694	
	Specialty Office Weighted Average/Total		2.46	1.4x	\$0.00	\$0.00	\$0.00	10.4%	15.3%	21.9x	19.0x	22.9x	6.5x	15.5x			
	Specialty Office Straight Average/Total		1.37	1.8x	NA	NA	NA	9.8%	20.3%	22.0x	18.3x	23.5x	4.6x	14.9x			
Shopping Centers	FRT	Federal Realty Investment Trust	2.76	1.3x	\$3.34	\$3.61	\$3.85	8.2%	6.7%	29.8x	27.9x	30.5x	7.3x	16.8x			
	AKR	Acadia Realty Trust	0.72	1.2x	\$0.78	\$0.88	\$1.04	12.3%	18.3%	27.2x	23.0x	39.8x	4.3x	14.4x			
	SKT	Tanger Factory Outlet Centers Inc.	0.80	1.7x	\$1.13	\$1.40	\$1.57	24.0%	12.2%	23.2x	20.7x	28.0x	4.8x	13.3x			
	EQY	Equity One Inc.	0.88	1.0x	\$1.08	\$0.92	\$1.00	-14.4%	9.1%	23.7x	21.7x	49.6x	4.1x	13.7x			
	REG	Regency Centers Corp.	1.85	1.1x	\$1.94	\$2.11	\$2.27	9.2%	7.5%	22.8x	21.2x	42.8x	5.3x	14.2x			
	BFS	Saul Centers Inc.	N/A	N/A	\$1.36	\$2.04	\$2.25	NA	10.5%	20.9x	18.9x	27.1x	7.3x	14.6x			
	UBA	Urstadt Biddle Properties Inc.	0.99	1.1x	\$1.02	\$1.11	\$1.16	8.8%	4.5%	17.8x	17.1x	18.0x	5.4x	12.0x			
	KIM	Kimco Realty Corp.	0.76	1.3x	\$1.01	\$1.01	\$1.07	-0.2%	6.1%	19.2x	18.1x	69.3x	4.1x	14.1x			
	DDR	Developers Diversified Realty Corp.	0.48	1.9x	\$0.69	\$0.91	\$0.98	31.7%	8.6%	16.5x	15.2x	40.6x	0.8x	12.3x			
	WRI	Weingarten Realty Investors	1.16	1.4x	\$1.66	\$1.61	\$1.68	-2.8%	4.6%	16.8x	16.1x	29.3x	3.6x	12.8x			
	RPT	Ramco-Gershenson Properties Trust	0.65	1.2x	\$0.83	\$0.79	\$0.85	-5.1%	8.1%	15.6x	14.5x	23.5x	1.5x	9.7x			
	KRG	Kite Realty Group Trust	0.24	1.4x	\$0.31	\$0.34	\$0.36	7.0%	6.3%	15.4x	14.5x	27.3x	2.0x	11.6x			
	CDR	Cedar Shopping Centers Inc.	0.20	1.6x	\$0.45	\$0.31	\$0.33	-31.1%	6.5%	16.8x	15.8x	55.3x	1.4x	14.7x			
	IRC	Inland Real Estate Corp.	0.57	1.1x	\$0.60	\$0.63	\$0.67	6.2%	6.3%	13.5x	12.7x	34.0x	0.0x	11.3x			
	Shopping Center Weighted Average/Total		1.14	1.4x	\$1.45	\$1.57	\$1.69	7.2%	7.7%	21.1x	19.5x	42.7x	4.1x	13.8x			
Shopping Center Straight Average/Total		0.93	1.3x	\$1.16	\$1.26	\$1.36	4.1%	8.2%	19.9x	18.4x	36.8x	3.7x	13.2x				
REAL ESTATE WEIGHTED AVERAGE / TOTAL		1.99	1.4x	\$1.84	\$1.90	\$2.03	6.7%	8.3%	22.1x	20.4x	33.5x	4.4x	13.2x				
REAL ESTATE STRAIGHT AVERAGE / TOTAL		1.45	1.5x	\$1.93	\$2.00	\$2.15	8.0%	9.4%	20.0x	18.3x	31.8x	4.2x	13.6x				

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 29: Comparative Valuation Metrics—Equity REITs (cont'd)

	Ticker	Company	Dividend		2011A CF/St.	Adjusted Funds From Operations			Funds from Operations			Valuation				
			Annualized (\$)	2012 AFFO Coverage		2012 Est. CF/St.	2013 Est. CF/St.	Growth		Multiples		10 Year Historic Multiple			NAV/Sh	\$ Sq. Ft (Unit)
								2012	2013	2012	2013	High	Low	Average		
Regional Malls	TCO	Taubman Centers Inc.	1.85	1.4x	\$2.34	\$2.63	\$2.85	12.3%	8.6%	29.3x	27.0x	27.3x	5.8x	14.6x		
	SPG	Simon Property Group Inc.	3.80	1.7x	\$6.24	\$6.58	\$7.06	5.4%	7.3%	24.2x	22.6x	29.5x	3.5x	13.4x		
	GGP	General Growth Properties, Inc	0.40	1.9x	\$0.83	\$0.76	\$0.85	-8.6%	12.7%	23.6x	20.9x	N/A	N/A	N/A		
	MAC	Macerich Co.	2.20	1.2x	\$2.39	\$2.65	\$2.77	10.7%	4.9%	22.0x	21.0x	28.4x	0.7x	13.0x		
	GRT	Glimcher Realty Trust	0.40	1.1x	\$0.36	\$0.45	\$0.53	25.0%	18.4%	23.1x	19.5x	51.6x	0.4x	10.0x		
	CBL	CBL & Associates Properties Inc.	0.88	1.9x	\$1.60	\$1.66	\$1.74	3.6%	4.9%	11.7x	11.2x	22.1x	0.6x	9.1x		
	PEI	Pennsylvania Real Estate Investment Trust	0.60	2.4x	\$1.13	\$1.46	\$1.50	28.9%	3.0%	10.4x	10.1x	15.1x	0.6x	8.6x		
	Regional Mall Weighted Average/Total		2.42	1.7x	\$3.89	\$4.09	\$4.39	3.7%	8.4%	23.1x	21.3x	21.9x	2.3x	9.8x		
	Regional Mall Straight Average/Total		1.45	1.7x	\$2.13	\$2.31	\$2.47	11.0%	8.5%	20.6x	18.9x	29.0x	1.9x	11.4x		
Multifamily	AVB	AvalonBay Communities Inc.	3.88	1.2x	\$3.97	\$4.69	\$5.41	18.1%	15.4%	32.1x	27.8x	51.2x	8.4x	19.8x	\$123.90	\$297,734
	EDR	Education Realty Trust Inc.	0.28	1.6x	\$0.38	\$0.45	\$0.56	19.2%	22.7%	25.7x	21.0x	53.9x	3.8x	16.0x		
	ESS	Essex Property Trust Inc.	4.40	1.3x	\$4.62	\$5.80	\$6.49	25.5%	11.9%	27.4x	24.5x	30.8x	5.7x	16.8x	\$129.60	\$226,730
	ACC	American Campus Communities Inc.	1.35	1.4x	\$1.67	\$1.84	\$2.07	10.3%	12.5%	25.6x	22.8x	54.1x	9.9x	22.3x		
	EQR	Equity Residential	1.35	1.9x	\$2.32	\$2.58	\$2.83	11.2%	9.7%	25.2x	23.0x	32.9x	8.3x	15.8x	\$57.80	\$235,190
	BRE	BRE Properties Inc.	1.54	1.4x	\$2.02	\$2.13	\$2.34	5.5%	9.7%	24.7x	22.5x	37.3x	6.5x	16.9x		
	PPS	Post Properties Inc.	0.88	1.9x	\$1.45	\$1.70	\$2.08	17.2%	22.4%	30.2x	24.7x	39.1x	7.5x	17.6x	\$44.30	\$163,710
	CPT	Camden Property Trust	2.24	1.3x	\$2.54	\$2.91	\$3.23	14.5%	11.1%	24.5x	22.1x	42.4x	5.3x	14.9x		
	UDR	UDR Inc.	0.88	1.2x	\$1.01	\$1.09	\$1.14	7.9%	4.6%	24.7x	23.6x	23.6x	4.8x	13.8x	\$25.20	\$201,550
	CLP	Colonial Properties Trust	0.72	1.4x	\$0.84	\$1.04	\$1.14	24.6%	9.3%	22.0x	20.1x	26.8x	1.8x	11.1x		
	HME	Home Properties Inc.	2.64	1.3x	\$3.04	\$3.43	\$3.71	12.8%	8.2%	19.1x	17.7x	26.9x	6.1x	14.4x	\$57.30	\$144,540
	MAA	MAA	2.64	1.4x	\$3.48	\$3.79	\$4.14	8.9%	9.2%	18.4x	16.9x	21.8x	6.2x	12.8x	\$64.00	\$90,770
	AIV	Apartment Investment & Management Co.	0.72	1.7x	\$1.01	\$1.20	\$1.43	19.0%	18.9%	23.2x	19.5x	41.3x	2.4x	13.1x		
	AEC	Associated Estates Realty Corp.	0.72	1.6x	\$0.86	\$1.14	\$1.24	32.6%	8.8%	13.0x	11.9x	28.5x	2.5x	10.7x	\$19.40	\$110,500
	Multifamily Weighted Average/Total		1.99	1.5x	\$0.48	\$0.54	\$0.61	14.5%	11.7%	25.5x	22.8x	36.8x	6.6x	16.1x		
Multifamily Straight Average/Total		1.73	1.5x	\$1.41	\$1.60	\$1.79	16.2%	12.4%	24.0x	21.3x	36.5x	5.7x	15.4x			
M.H.	ELS	Equity Lifestyle Properties Inc.	1.75	2.2x	\$3.62	\$3.90	\$4.15	7.7%	6.4%	18.7x	17.6x	26.7x	6.8x	15.3x	\$67.90	\$37,570
	SUI	Sun Communities Inc.	0.00	N/A	\$2.54	\$2.74	\$3.01	7.7%	9.9%	17.0x	15.5x	24.3x	3.2x	11.4x		
	Manufactured Housing Weighted Average/Total		1.18	1.5x	\$0.82	\$0.88	\$0.97	7.7%	7.5%	18.2x	16.9x	25.9x	5.6x	14.0x		
Manufactured Housing Straight Average/Total		0.88	2.2x	\$2.54	\$2.74	\$3.01	7.7%	8.1%	17.9x	16.5x	25.5x	5.0x	13.4x			
Diversified	ALX	Alexander's Inc.	15.00	1.3x	\$17.52	\$18.82	\$19.99	7.4%	6.2%	23.4x	22.0x	70.0x	2.8x	18.5x		
	VNO	Vornado Realty Trust	2.76	1.3x	\$4.04	\$3.50	\$3.62	-13.4%	3.6%	24.5x	23.6x	34.8x	6.3x	14.2x		
	WRE	Washington Real Estate Investment Trust	1.74	0.9x	\$1.55	\$1.58	\$1.63	1.8%	3.7%	18.2x	17.5x	32.9x	6.6x	14.4x		
	AAT	American Assets Trust	0.84	1.3x	\$0.90	\$1.07	\$1.28	19.2%	19.6%	23.5x	19.6x	N/A	N/A	N/A		
	FCE.A	Forest City Enterprises	0.00	N/A	\$1.18	\$1.30	\$1.25	10.2%	-3.8%	11.1x	11.6x	N/A	N/A	N/A		
	CUZ	Cousins Properties Inc.	0.18	2.3x	\$0.29	\$0.42	\$0.39	44.8%	-7.1%	18.8x	20.2x	50.7x	5.1x	17.8x	\$7.60	\$163
	LXP	Lexington Realty Trust	0.50	1.4x	\$0.78	\$0.70	\$0.85	-10.6%	20.7%	13.1x	10.8x	27.0x	1.4x	10.6x		
	Diversified Weighted Average/Total		2.77	1.0x	\$3.87	\$3.70	\$3.86	-3.2%	3.8%	20.6x	19.8x	29.3x	4.3x	11.2x		
	Diversified Straight Average/Total		3.00	1.4x	\$4.33	\$4.49	\$4.77	8.5%	6.1%	18.9x	17.9x	43.1x	4.4x	15.1x		
Self Stor.	PSA	Public Storage	4.40	1.4x	\$5.61	\$6.11	\$6.49	8.9%	6.2%	24.2x	22.8x	37.4x	7.9x	16.4x	\$114.30	\$148
	EXR	Extra Space Storage Inc.	0.80	1.8x	\$1.19	\$1.44	\$1.62	21.0%	12.5%	22.3x	19.8x	40.0x	3.4x	17.7x	\$24.80	\$138
	SSS	Sovran Self Storage Inc.	1.80	1.4x	\$2.29	\$2.60	\$2.83	13.5%	8.8%	21.4x	19.6x	34.5x	5.5x	13.1x	\$46.50	\$66
	CUBE	CubeSmart	0.32	2.1x	\$0.57	\$0.68	\$0.76	19.3%	11.8%	17.8x	15.9x	37.0x	1.5x	15.4x	\$12.00	\$110
	Self Storage Weighted Average/Total		3.52	1.5x	\$0.00	\$0.00	\$0.00	11.4%	7.5%	23.4x	21.8x	37.6x	6.8x	16.3x		
Self Storage Straight Average/Total		1.83	1.7x	NA	NA	NA	15.7%	9.8%	21.4x	19.5x	37.2x	4.6x	15.7x			
Healthcare	MPW	Medical Properties Trust Inc.	0.80	1.1x	\$0.71	\$0.85	\$0.98	19.9%	15.3%	11.7x	10.2x	51.3x	3.9x	17.2x		
	HR	Healthcare Realty Trust Inc.	1.20	1.0x	\$1.07	\$1.21	\$1.29	13.6%	6.1%	20.1x	19.0x	35.9x	5.8x	14.3x		
	SBRA	Sabra Health Care REIT	1.32	1.3x	\$1.47	\$1.73	\$1.83	17.7%	5.5%	10.7x	10.2x	N/A	N/A	N/A		
	OHI	Omega Healthcare Investors Inc.	1.64	1.2x	\$1.78	\$2.03	\$2.10	13.7%	3.5%	12.0x	11.6x	68.8x	1.6x	14.4x		
	VTR	Ventas Inc.	2.48	1.4x	\$3.17	\$3.44	\$3.66	8.6%	6.3%	19.1x	18.0x	24.6x	2.0x	13.1x		
	NHI	National Health Investors Inc.	2.60	1.2x	\$2.88	\$3.01	\$3.19	4.3%	6.0%	18.0x	17.0x	18.7x	1.8x	11.2x		
	LTC	LTC Properties Inc.	1.74	1.3x	\$2.11	\$2.24	\$2.40	6.2%	7.1%	16.3x	15.2x	29.2x	2.0x	10.8x		
	SNH	Senior Housing Properties Trust	1.52	1.2x	\$1.64	\$1.80	\$1.89	9.4%	5.0%	12.9x	12.3x	17.1x	3.1x	11.1x		
	HCN	Health Care REIT Inc.	2.96	1.1x	\$3.05	\$3.35	\$3.61	9.8%	7.7%	18.2x	16.9x	41.2x	5.0x	14.0x		
	HCP	HCP Inc.	2.00	1.2x	\$2.25	\$2.42	\$2.53	7.5%	4.5%	19.1x	18.2x	69.9x	4.4x	14.3x		
	Healthcare Weighted Average/Total		2.24	1.2x	\$2.54	\$2.76	\$2.93	9.3%	6.1%	17.9x	16.9x	43.8x	3.6x	13.5x		
	Healthcare Straight Average/Total		1.83	1.2x	\$2.01	\$2.21	\$2.35	11.1%	6.7%	15.8x	14.8x	39.6x	3.3x	13.4x		
	REAL ESTATE WEIGHTED AVERAGE / TOTAL		1.99	1.4x	\$1.84	\$1.90	\$2.03	6.7%	8.3%	22.1x	20.4x	33.5x	4.4x	13.2x		
	REAL ESTATE STRAIGHT AVERAGE / TOTAL		1.45	1.5x	\$1.93	\$2.00	\$2.15	8.0%	9.4%	20.0x	18.3x	31.8x	4.2x	13.6x		

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 30: Comparative Valuation Metrics—Equity REITs (cont'd)

	Ticker	Company	Valuation					Short Interest	Interest Ratio	Balance Sheet							
			Applied Cap. Rate	Implied Cap. Rate	Applied Prem. (Disc)	Current Prem. (Disc)	Unlevered IRR			Total Mkt. Cap (\$ Bil)	Equity Mkt. Cap (\$ Bil)	Total Debt (\$ Bil)	Float (%)	Dil. Shares (Mil)	Volume (Daily)	Beta 1Yr	Beta 3Yr
Office	BXP	Boston Properties Inc.	5.2%	4.9%	20.0%	11.0%	9.1%	7.3	4.89%	\$24.6	\$16.6	\$8.0	98.9%	148.7	702,232	1.0	1.2
	KRC	Kilroy Realty Corp.	6.0%	5.3%	14.5%	17.8%	9.0%	3.2	4.67%	\$5.3	\$3.3	\$1.9	99.1%	63.6	667,374	1.1	1.3
	SLG	SL Green Realty Corp.	4.9%	4.9%	15.2%	0.7%	8.4%	6.3	6.49%	\$13.4	\$7.3	\$6.1	99.2%	90.2	522,790	1.7	1.8
	ARE	Alexandria Real Estate Equities Inc.			-	-		0.9	1.26%	\$7.5	\$4.7	\$2.8	99.2%	61.5	276,740	1.2	1.3
	DEI	Douglas Emmett Inc.			-	-		9.1	6.50%	\$6.6	\$3.4	\$3.3	92.8%	171.8	849,756	1.1	1.4
	BMR	BioMed Realty Trust Inc.	7.0%	7.0%	10.8%	1.7%	11.3%	3.8	2.47%	\$4.7	\$2.9	\$1.8	99.7%	152.7	1,149,363	1.2	1.4
	HPP	Hudson Pacific Properties, Inc.			-	-		1.9	3.93%	\$1.2	\$0.9	\$0.4	97.1%	33.3	347,052	1.0	N/A
	PDM	Piedmont Office Realty Trust Inc.			-	-		4.4	2.55%	\$3.0	\$3.0	\$0.0	99.7%	N/A	809,381	0.9	N/A
	HIW	Highwoods Properties Inc.			-	-		6.9	9.37%	\$4.5	\$2.5	\$1.9	96.5%	76.7	579,182	1.2	1.2
	OFC	Corporate Office Properties Trust			-	-		3.4	4.25%	\$4.3	\$1.8	\$2.4	98.5%	71.5	331,974	1.5	1.3
	GOV	Government Properties Income Trust			-	-		1.7	3.57%	\$1.6	\$1.1	\$0.4	78.7%	47.1	367,265	1.0	0.7
	CLI	Mack-Cali Realty Corp.			-	-		4.8	5.44%	\$4.5	\$2.6	\$1.9	98.5%	100.1	476,497	1.1	1.3
	BDN	Brandywine Realty Trust	7.3%	7.4%	0.0%	-6.9%	9.8%	9.7	6.50%	\$4.6	\$1.9	\$2.7	99.0%	142.8	1,104,992	1.6	1.4
	PKY	Parkway Properties Inc.	8.1%	8.6%	-7.7%	-12.1%	11.8%	2.1	6.26%	\$1.1	\$0.5	\$0.6	97.2%	21.6	75,402	1.5	1.5
	CWH	CommonWealth REIT			-	-		1.6	1.93%	\$5.3	\$1.6	\$3.7	99.3%	91.0	284,220	1.1	1.1
		Office Weighted Average / Total	5.6%	5.4%	15.2%	6.3%	9.2%	5.4	4.85%	\$96.7	\$55.3	\$41.4				1.2	1.3
		Office Straight Average / Total	6.4%	6.4%	8.8%	2.0%	9.9%	4.3	4.68%	\$96.7	\$55.3	\$41.4				1.2	1.4
Industrial	PLD	ProLogis	6.5%	6.7%	10.0%	-5.6%	10.0%	18.71	3.98%	\$27.8	\$15.5	\$12.4	99.0%	476.1	1,732,666	1.6	1.6
	EGP	EastGroup Properties Inc.	6.8%	5.7%	14.6%	32.3%	9.2%	1.67	5.86%	\$2.4	\$1.6	\$0.8	96.9%	27.7	149,329	1.1	1.0
	DCT	DCT Industrial Trust Inc.			-	-		19.88	8.02%	\$2.8	\$1.6	\$1.3	99.3%	246.4	2,886,251	1.2	1.4
	FR	First Industrial Realty Trust, Inc.			-	-		4.44	3.33%	\$3.7	\$2.3	\$1.4	92.1%	86.6	488,279	1.7	2.1
	FPO	First Potomac Realty Trust	7.5%	8.0%	0.0%	-15.2%	10.6%	3.98	7.81%	\$1.5	\$0.6	\$0.9	98.8%	49.8	169,989	1.1	1.0
	STAG	STAG Industrial, Inc.	8.5%	7.9%	7.4%	11.9%	11.1%	0.89	3.31%	\$0.8	\$0.4	\$0.3	99.3%	15.8	194,032	0.9	N/A
		Industrial Weighted Average / Total	6.6%	6.7%	9.8%	-2.8%	10.0%	15.47	4.46%	\$39.1	\$21.9	\$17.2				1.5	1.6
	Industrial Straight Average / Total	7.3%	7.1%	8.0%	5.9%	10.2%	8.26	5.39%	\$39.1	\$21.9	\$17.2				1.3	1.4	
Mixed C	PSB	PS Business Parks Inc.			-	-		0.79	1.70%	\$2.9	\$2.3	\$0.6	74.9%	24.2	71,740	0.9	0.9
	LRY	Liberty Property Trust			-	-		4.51	3.85%	\$6.7	\$4.4	\$2.4	99.3%	116.7	623,281	1.1	1.1
	DRE	Duke Realty Corp.			-	-		10.73	3.97%	\$7.9	\$4.0	\$3.8	99.7%	258.4	2,428,499	1.5	1.5
		Mixed Office Weighted Average / Total						6.50	3.52%	\$18.0	\$10.9	\$7.2				1.2	1.3
		Mixed Office Straight Average / Total						4.17	3.10%	\$18.0	\$10.9	\$7.2				1.2	1.1
Sp. Off.	DFT	Dupont Fabros Technology Inc.	7.1%	6.8%	11.3%	2.9%	11.9%	11.21	17.73%	\$2.4	\$1.7	\$0.7	99.1%	63.5	1,399,891	1.1	1.0
	DLR	Digital Realty Trust Inc.	7.0%	5.8%	20.2%	28.3%	9.2%	11.26	8.11%	\$13.0	\$9.7	\$3.3	93.3%	107.6	4,703,027	0.8	0.8
	COR	CoreSite Realty Corporation	7.5%	7.2%	5.7%	2.3%	11.4%	1.17	5.58%	\$0.7	\$0.6	\$0.1	99.6%	20.7	178,837	1.0	N/A
		Specialty Office Weighted Average / Total	7.0%	6.0%	18.2%	23.3%	9.7%	10.81	9.45%	\$16.1	\$12.0	\$4.1				0.9	0.8
		Specialty Office Straight Average / Total	7.2%	6.6%	12.4%	11.1%	10.8%	7.88	10.47%	\$16.1	\$12.0	\$4.1				1.0	0.9
Shopping Centers	FRT	Federal Realty Investment Trust			-	-		2.33	3.64%	\$9.0	\$6.9	\$2.1	99.4%	63.6	247,827	0.7	0.8
	AKR	Acadia Realty Trust			-	-		2.73	6.22%	\$1.9	\$1.0	\$0.8	91.8%	42.8	179,385	0.8	1.0
	SKT	Tanger Factory Outlet Centers Inc.			-	-		2.23	2.41%	\$4.0	\$3.0	\$1.0	97.5%	90.8	436,534	0.8	0.9
	EQY	Equity One Inc.			-	-		7.42	6.47%	\$3.9	\$2.5	\$1.4	51.6%	112.8	196,816	1.2	1.2
	REG	Regency Centers Corp.			-	-		6.38	6.86%	\$6.4	\$4.4	\$2.0	100.0%	89.5	825,725	1.3	1.3
	BFS	Saul Centers Inc.			-	-		0.30	1.30%	\$1.8	\$0.9	\$0.8	58.2%	19.4	27,104	0.8	0.8
	UBA	Urstadt Biddle Properties Inc.			-	-		0.84	2.57%	\$0.9	\$0.7	\$0.2	76.1%	31.9	29,309	0.9	0.8
	KIM	Kimco Realty Corp.			-	-		17.56	4.09%	\$12.4	\$8.5	\$3.9	97.2%	407.3	4,906,563	1.4	1.5
	DDR	Developers Diversified Realty Corp.			-	-		25.46	8.57%	\$8.7	\$4.6	\$4.1	76.3%	275.2	2,300,556	1.5	1.9
	WRI	Weingarten Realty Investors			-	-		11.60	9.13%	\$6.0	\$3.5	\$2.5	92.4%	121.4	620,135	1.3	1.5
	RPT	Ramco-Gershenson Properties Trust			-	-		2.69	5.75%	\$1.1	\$0.6	\$0.5	98.3%	38.9	141,198	1.4	1.1
	KRG	Kite Realty Group Trust			-	-		1.73	2.70%	\$1.0	\$0.3	\$0.6	91.9%	63.7	92,735	1.3	1.7
	CDR	Cedar Shopping Centers Inc.			-	-		3.73	4.94%	\$1.4	\$0.5	\$0.9	98.0%	67.5	116,154	1.5	1.5
	IRC	Inland Real Estate Corp.			-	-		2.61	2.94%	\$1.5	\$0.8	\$0.8	99.7%	88.9	205,081	1.1	1.0
		Shopping Center Weighted Average / Total						10.50	5.47%	\$59.9	\$38.2	\$21.7				1.2	1.3
		Shopping Center Straight Average / Total						6.26	4.83%	\$59.9	\$38.2	\$21.7				1.2	1.2
	REAL ESTATE WEIGHTED AVERAGE / TOTAL	6.1%	5.7%	14.4%	10.4%	8.5%	7.03	3.70%	\$669.0	\$428.2	\$240.7				1.1	1.2	
	REAL ESTATE STRAIGHT AVERAGE / TOTAL	6.7%	6.3%	10.7%	8.6%	8.9%	4.88	4.44%	\$669.0	\$428.2	\$240.7				1.1	1.2	

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 31: Comparative Valuation Metrics—Equity REITs (cont'd)

	Ticker	Company	Valuation				Short		Balance Sheet								Beta 1Yr	Beta 3Yr
			Applied Cap. Rate	Implied Cap. Rate	Applied Prem. (Disc)	Current Prem. (Disc)	Unlevered IRR	Short Interest	Interest Ratio	Total Mkt. Cap (\$ Bil)	Equity Mkt. Cap (\$ Bil)	Total Debt (\$ Bil)	Float (%)	Dil. Shares (Mil)	Volume (Daily)			
Regional Malls	TCO	Taubman Centers Inc.	-	-	-	-	2.1	3.42%	\$7.6	\$4.6	\$2.9	97.8%	59.9	506,383	1.0	1.3		
	SPG	Simon Property Group Inc.	-	-	-	-	5.3	1.73%	\$71.2	\$48.4	\$22.8	98.2%	295.7	860,323	1.0	1.1		
	GGP	General Growth Properties, Inc	-	-	-	-	10.7	1.14%	\$33.1	\$16.9	\$16.2	80.7%	937.3	2,847,207	1.5	1.9		
	MAC	Macerich Co.	-	-	-	-	4.6	3.50%	\$12.0	\$7.7	\$4.3	99.1%	132.3	899,565	1.2	1.5		
	GRT	Glimcher Realty Trust	-	-	-	-	5.5	3.63%	\$2.9	\$1.8	\$1.2	98.9%	117.5	942,812	1.4	1.7		
	CBL	CBL & Associates Properties Inc.	-	-	-	-	11.7	6.73%	\$8.0	\$3.5	\$4.5	94.8%	148.5	2,811,199	1.7	1.9		
	PEI	Pennsylvania Real Estate Investment Trust	-	-	-	-	3.4	6.02%	\$3.0	\$0.9	\$2.2	93.5%	54.9	321,202	2.1	2.3		
Multifamily	Regional Mall Weighted Average / Total		6.7	2.26%	\$137.8	\$83.8	\$54.0	6.7	2.26%	\$137.8	\$83.8	\$54.0			1.20	1.44		
	Regional Mall Straight Average / Total		6.2	3.74%	\$137.8	\$83.8	\$54.0	6.2	3.74%	\$137.8	\$83.8	\$54.0			1.42	1.68		
	AVB	AvalonBay Communities Inc.	5.0%	4.2%	25.5%	21.5%	6.8%	6.2	6.55%	\$17.7	\$14.4	\$3.4	99.2%	95.7	464,781	0.9	1.0	
	EDR	Education Realty Trust Inc.	-	-	-	-	-	3.1	3.22%	\$1.4	\$1.1	\$0.3	99.6%	93.9	928,713	0.8	1.0	
	ESS	Essex Property Trust Inc.	5.0%	4.4%	22.3%	22.6%	6.9%	2.1	5.68%	\$8.0	\$5.6	\$2.3	98.6%	34.2	118,401	1.0	1.0	
	ACC	American Campus Communities Inc.	-	-	-	-	-	0.9	1.03%	\$5.8	\$4.3	\$1.5	99.8%	74.9	1,253,857	0.7	0.8	
	EQR	Equity Residential	5.3%	4.9%	16.8%	12.4%	7.4%	9.3	3.02%	\$29.1	\$19.7	\$9.4	97.9%	315.2	1,660,437	0.8	1.0	
	BRE	BRE Properties Inc.	-	-	-	-	-	2.3	2.89%	\$5.8	\$4.2	\$1.7	99.5%	76.4	355,216	1.1	1.1	
	PPS	Post Properties Inc.	5.9%	5.2%	20.8%	15.8%	6.9%	1.5	2.68%	\$3.7	\$2.8	\$0.9	98.4%	53.5	736,425	1.0	1.2	
	CPT	Camden Property Trust	-	-	-	-	-	2.2	2.82%	\$8.1	\$5.6	\$2.4	98.2%	82.9	426,749	1.0	1.1	
	UDR	UDR Inc.	5.2%	5.0%	7.1%	6.6%	7.0%	5.5	2.21%	\$10.6	\$6.7	\$3.9	98.8%	221.5	1,443,564	1.0	1.1	
	CLP	Colonial Properties Trust	-	-	-	-	-	4.6	5.27%	\$3.8	\$2.0	\$1.8	92.4%	87.0	904,396	1.1	1.3	
	HME	Home Properties Inc.	6.3%	5.8%	5.6%	14.6%	7.3%	1.2	2.38%	\$5.9	\$3.2	\$2.7	98.6%	49.0	722,135	0.9	1.0	
	MAA	MAA	6.4%	6.0%	10.9%	9.1%	7.4%	0.7	1.67%	\$4.4	\$2.9	\$1.5	98.4%	39.6	133,267	0.9	0.9	
	AIV	Apartment Investment & Management Co.	-	-	-	-	-	9.9	7.40%	\$8.9	\$3.7	\$5.2	98.6%	120.5	1,548,493	1.2	1.5	
	AEC	Associated Estates Realty Corp.	6.5%	7.6%	5.7%	-23.7%	7.6%	1.7	3.55%	\$1.4	\$0.7	\$0.7	96.9%	42.3	306,543	0.9	0.9	
	M.H.	Multifamily Weighted Average / Total		5.4%	4.9%	16.8%	14.1%	7.2%	5.4	3.88%	\$114.7	\$76.9	\$37.8			0.96	1.08	
		Multifamily Straight Average / Total		5.7%	5.4%	14.3%	9.9%	7.2%	3.7	3.60%	\$114.7	\$76.9	\$37.8			0.97	1.08	
ELS		Equity Lifestyle Properties Inc.	6.0%	5.8%	11.2%	7.5%	7.2%	0.3	0.62%	\$5.3	\$3.0	\$2.3	97.6%	45.4	591,242	0.8	0.9	
SUI		Sun Communities Inc.	-	-	-	-	-	1.2	4.62%	\$2.5	\$1.2	\$1.3	91.2%	25.6	160,162	1.0	1.0	
Diversified	Manufactured Housing Weighted Average / Total		6.0%	5.8%	11.2%	7.5%	7.2%	0.6	1.91%	\$7.8	\$4.2	\$3.6			0.87	0.97		
	Manufactured Housing Straight Average / Total		6.0%	5.8%	11.2%	7.5%	7.2%	0.7	2.62%	\$7.8	\$4.2	\$3.6			0.90	0.98		
	ALX	Alexander's Inc.	-	-	-	-	-	0.1	1.46%	\$3.6	\$2.2	\$1.3	40.3%	5.1	1,956	1.3	1.3	
	VNO	Vornado Realty Trust	-	-	-	-	-	3.5	1.80%	\$26.6	\$16.3	\$10.3	90.2%	191.9	602,854	1.2	1.3	
	WRE	Washington Real Estate Investment Trust	-	-	-	-	-	5.0	7.47%	\$3.1	\$1.9	\$1.2	99.4%	66.3	342,139	1.0	1.0	
	AAT	American Assets Trust	-	-	-	-	-	1.4	3.52%	\$2.0	\$1.0	\$1.0	86.0%	57.1	62,140	0.9	N/A	
	FCE.A	Forest City Enterprises	-	-	-	-	-	6.0	3.51%	\$9.2	\$2.5	\$6.7	81.4%	187.5	264,813	1.8	1.9	
	CUZ	Cousins Properties Inc.	7.6%	7.2%	5.3%	3.8%	9.4%	3.1	2.77%	\$1.5	\$1.0	\$0.5	87.1%	104.0	208,131	1.5	1.4	
	LXP	Lexington Realty Trust	-	-	-	-	-	13.3	8.55%	\$3.1	\$1.4	\$1.7	8.7%	154.1	675,684	1.6	1.7	
Self Stor.	Diversified Weighted Average / Total		7.6%	7.2%	5.3%	3.8%	9.4%	4.4	2.97%	\$49.1	\$26.4	\$22.7			1.33	1.37		
	Diversified Straight Average / Total		7.6%	7.2%	5.3%	3.8%	9.4%	4.6	4.15%	\$49.1	\$26.4	\$22.7			1.33	1.43		
	PSA	Public Storage	6.1%	4.8%	22.5%	29.4%	7.3%	2.0	0.94%	\$27.6	\$26.7	\$0.8	83.9%	171.4	547,914	1.0	0.9	
	EXR	Extra Space Storage Inc.	6.7%	5.7%	19.0%	29.6%	7.5%	1.4	1.37%	\$4.7	\$3.3	\$1.4	93.6%	99.9	663,033	1.1	1.2	
	SSS	Sovran Self Storage Inc.	7.3%	6.5%	10.8%	19.4%	8.4%	0.9	3.26%	\$2.3	\$1.6	\$0.6	98.1%	28.9	280,314	0.9	1.0	
	CUBE	CubeSmart	6.7%	6.9%	8.3%	0.9%	8.2%	5.1	4.01%	\$2.4	\$1.6	\$0.8	92.5%	122.3	549,349	1.3	1.3	
	Self Storage Weighted Average / Total		6.3%	5.2%	20.4%	26.9%	7.4%	2.1	1.34%	\$36.9	\$33.2	\$3.7			1.02	1.00		
Healthcare	Self Storage Straight Average / Total		6.7%	6.0%	15.1%	19.8%	7.9%	2.4	2.39%	\$36.9	\$33.2	\$3.7			1.07	1.12		
	MPW	Medical Properties Trust Inc.	-	-	-	-	-	5.7	4.19%	\$2.2	\$1.3	\$0.9	97.7%	124.9	667,217	1.1	1.1	
	HR	Healthcare Realty Trust Inc.	-	-	-	-	-	3.8	4.90%	\$3.3	\$1.9	\$1.4	99.4%	77.6	547,903	0.9	1.0	
	SBRA	Sabra Health Care REIT	-	-	-	-	-	1.5	4.12%	\$1.1	\$0.7	\$0.4	99.2%	37.1	301,386	1.5	N/A	
	OHI	Omega Healthcare Investors Inc.	-	-	-	-	-	6.0	5.64%	\$4.1	\$2.6	\$1.5	98.6%	104.0	950,584	1.2	1.1	
	VTR	Ventas Inc.	-	-	-	-	-	7.9	2.68%	\$25.8	\$19.3	\$6.4	99.4%	290.8	1,828,251	1.0	0.9	
	NHI	National Health Investors Inc.	-	-	-	-	-	0.8	2.78%	\$1.6	\$1.5	\$0.1	81.2%	27.8	59,432	0.8	0.9	
	LTC	LTC Properties Inc.	-	-	-	-	-	1.4	4.57%	\$1.3	\$1.1	\$0.2	96.6%	30.2	147,403	0.9	1.0	
	SNH	Senior Housing Properties Trust	-	-	-	-	-	2.7	1.57%	\$5.9	\$4.1	\$1.9	99.7%	162.6	1,992,668	0.9	0.9	
	HCN	Health Care REIT Inc.	-	-	-	-	-	10.5	4.90%	\$20.0	\$13.2	\$6.9	99.6%	201.7	1,529,595	1.0	0.9	
	HCP	HCP Inc.	-	-	-	-	-	12.4	2.90%	\$27.4	\$19.7	\$7.7	99.8%	411.7	2,236,226	0.9	1.0	
	Healthcare Weighted Average / Total		8.9	3.4%	\$92.8	\$65.4	\$27.4	8.9	3.4%	\$92.8	\$65.4	\$27.4			1.0	0.9		
	Healthcare Straight Average / Total		5.3	3.8%	\$92.8	\$65.4	\$27.4	5.3	3.8%	\$92.8	\$65.4	\$27.4			1.0	1.0		
REAL ESTATE WEIGHTED AVERAGE / TOTAL		6.1%	5.7%	14.4%	10.4%	8.5%	7.0	3.7%	\$669.0	\$428.2	\$240.7			1.1	1.2			
REAL ESTATE STRAIGHT AVERAGE / TOTAL		6.7%	6.3%	10.7%	8.6%	8.9%	4.9	4.4%	\$669.0	\$428.2	\$240.7			1.1	1.2			

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 32: Comparative Valuation Metrics—Equity REITs (cont'd)

Ticker	Company	Balance Sheet							Liquidity		
		Pref. Eq.	Debt/	EV/	Net Debt/	Debt/	Debt/	Fixed	Development		
		(\$ Mil)	Mkt. Cap	EBITDA (Est.)	EBITDA (Est.)	GAV	Equity	Cov.	GAV (Mil)	Land/CIP (Mil)	% of GAV
Office	BXP Boston Properties Inc.	0	32.2%	22.4x	6.6x	35.1%	1.6x	2.7x	\$1,341	\$1,138	84.9%
	KRC Kilroy Realty Corp.	96	37.9%	18.9x	5.6x	34.9%	1.2x	2.5x	\$5,131	\$446	8.7%
	SLG SL Green Realty Corp.	442	42.9%	19.6x	8.1x	49.7%	1.1x	4.0x	\$15,580	\$0	0.0%
	ARE Alexandria Real Estate Equities Inc.	380	36.2%	20.5x	7.1x		0.9x	5.6x			-
	DEI Douglas Emmett Inc.	0	47.2%	19.0x	8.5x		1.6x	4.1x			-
	BMR BioMed Realty Trust Inc.	198	36.6%	15.9x	5.8x	34.5%	0.8x	3.2x	\$5,294	\$172	3.2%
	HPP Hudson Pacific Properties, Inc.	157	25.7%	19.7x	4.6x		0.7x	3.4x			-
	PDM Piedmont Office Realty Trust Inc.	N/A	0.0%	10.2x	N/A		N/A	N/A			-
	HIW Highwoods Properties Inc.	29	42.0%	15.3x	6.3x		2.0x	2.9x			-
	OFC Corporate Office Properties Trust	216	55.9%	16.1x	8.9x		2.7x	1.2x			-
	GOV Government Properties Income Trust	0	28.9%	13.0x	3.7x		0.5x	8.1x			-
	CLI Mack-Cali Realty Corp.	0	41.0%	12.5x	5.0x		1.0x	3.2x			-
	BDN Brandywine Realty Trust	0	64.1%	12.6x	7.2x	52.0%	1.5x	2.5x	\$5,073	\$109	2.2%
	PKY Parkway Properties Inc.	129	46.8%	12.1x	5.4x	70.2%	2.5x	1.7x	\$791	\$0	0.0%
	CWH CommonWealth REIT	805	60.6%	11.9x	6.8x		1.4x	2.5x			-
Industrial	<i>Office Weighted Average / Total</i>	\$2,696	41.8%	18.0x	6.9x	40.8%	1.2x	3.2x			
	<i>Office Straight Average / Total</i>	\$2,696	43.2%	15.9x	6.8x	46.1%	1.1x	3.4x			
	PLD ProLogis	582	N/A	N/A	N/A	37.6%	0.9x	1.6x	\$29,803	\$1,959	6.6%
	EGP EastGroup Properties Inc.	0	35.2%	19.1x	6.7x	41.2%	2.0x	3.3x	\$2,022	\$85	4.2%
	DCT DCT Industrial Trust Inc.	0	42.2%	17.5x	7.3x		1.1x	2.5x			-
	FR First Industrial Realty Trust, Inc.	275	49.6%	14.6x	7.2x		1.9x	2.0x			-
	FPO First Potomac Realty Trust	160	54.0%	15.4x	8.0x	49.2%	1.7x	2.3x	\$1,921	\$66	3.4%
	STAG STAG Industrial, Inc.	69	N/A	N/A	N/A	36.9%	2.2x	N/A	\$805	\$0	0.0%
	<i>Industrial Weighted Average / Total</i>	\$1,086	12.0%	4.4x	1.9x	38.4%	1.2x	1.8x			
	<i>Industrial Straight Average / Total</i>	\$1,086	45.3%	16.7x	7.3x	41.2%	1.6x	2.3x			
Mixed C	PSB PS Business Parks Inc.	664	20.0%	14.7x	2.9x		1.1x	34.7x			-
	LRY Liberty Property Trust	0	34.3%	16.5x	5.5x		1.1x	3.5x			-
	DRE Duke Realty Corp.	626	45.4%	15.6x	7.1x		1.9x	2.4x			-
	<i>Mixed Office Weighted Average / Total</i>	\$1,290	36.9%	15.7x	5.7x		1.5x	8.1x			
Sp. Off.	<i>Mixed Office Straight Average / Total</i>	\$1,290	33.9%	14.9x	5.0x		1.6x	11.1x			
	DFT Dupont Fabros Technology Inc.	351	21.8%	15.6x	3.1x	20.9%	0.8x	6.2x	\$3,337	\$143	4.3%
	DLR Digital Realty Trust Inc.	590	24.9%	17.9x	4.4x	25.1%	1.7x	4.2x	\$10,988	\$543	4.9%
	COR CoreSite Realty Corporation	0	12.3%	14.2x	1.6x	7.9%	0.6x	11.9x	\$7	\$0	0.0%
	<i>Specialty Office Weighted Average / Total</i>	\$941	23.9%	17.4x	4.1x	23.7%	1.5x	4.8x			
	<i>Specialty Office Straight Average / Total</i>	\$941	19.7%	15.9x	3.0x	17.9%	1.0x	7.4x			
	FRT Federal Realty Investment Trust	10	23.6%	22.8x	5.2x		1.7x	3.6x			-
Shopping Centers	AKR Acadia Realty Trust	0	36.8%	30.5x	10.3x		2.0x	2.2x			-
	SKT Tanger Factory Outlet Centers Inc.	0	25.6%	19.5x	4.9x		2.2x	4.0x			-
	EQY Equity One Inc.	0	34.0%	19.9x	6.7x		1.0x	2.6x			-
	REG Regency Centers Corp.	325	30.5%	19.8x	5.9x		1.3x	2.5x			-
	BFS Saul Centers Inc.	179	44.0%	14.7x	6.4x		11.1x	2.4x			-
	UBA Urstadt Biddle Properties Inc.	157	23.1%	13.0x	2.9x		0.7x	7.0x			-
	KIM Kimco Realty Corp.	1,210	30.0%	19.1x	5.3x		1.0x	2.5x			-
	DDR Developers Diversified Realty Corp.	375	N/A	N/A	N/A		1.6x	1.8x			-
	WRI Weingarten Realty Investors	498	38.9%	18.5x	7.1x		2.2x	2.1x			-
	RPT Ramco-Gershenson Properties Trust	100	42.4%	17.9x	7.4x		1.5x	0.9x			-
	KRG Kite Realty Group Trust	103	58.3%	16.8x	9.6x		1.9x	2.7x			-
	CDR Cedar Shopping Centers Inc.	160	60.9%	17.4x	10.3x		2.6x	1.7x			-
	IRC Inland Real Estate Corp.	110	47.4%	15.4x	7.2x		2.4x	2.2x			-
	<i>Shopping Center Weighted Average / Total</i>	\$3,227	27.9%	16.9x	5.3x		1.8x	2.6x			
	<i>Shopping Center Straight Average / Total</i>	\$3,227	38.1%	18.9x	6.9x		2.4x	2.7x			
	REAL ESTATE WEIGHTED AVERAGE / TOTAL	\$17,780	30.2%	16.8x	5.2x	34.5%	2.3x	4.9x			
	REAL ESTATE STRAIGHT AVERAGE / TOTAL	\$17,780	36.5%	17.2x	5.9x	35.3%	4.7x	5.2x			

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 33: Comparative Valuation Metrics—Equity REITs (cont'd)

Ticker	Company	Balance Sheet							Liquidity		
		Pref. Eq. (\$ Mil)	Debt/ Mkt. Cap	EV/ EBITDA (Est.)	Net Debt/ EBITDA (Est.)	Debt/ GAV	Debt/ Equity	Fixed Cov.	Development		
									GAV (Mil)	Land/CIP (Mil)	% of GAV
Regional Malls	TCO	Taubman Centers Inc.	0	38.8%	18.2x	7.0x	N/A	2.9x			-
	SPG	Simon Property Group Inc.	45	31.8%	20.3x	6.2x	3.8x	3.3x			-
	GGP	General Growth Properties, Inc.	0	N/A	N/A	N/A	2.0x	1.9x			-
	MAC	Macerich Co.	0	35.8%	24.4x	8.1x	1.6x	2.0x			-
	GRT	Glimcher Realty Trust	282	42.5%	16.0x	5.9x	2.7x	1.9x			-
	CBL	CBL & Associates Properties Inc.	569	52.3%	12.5x	6.5x	6.6x	2.6x			-
	PEI	Pennsylvania Real Estate Investment Trust	0	71.4%	13.0x	9.2x	4.1x	1.4x			-
Regional Mall Weighted Average/Total		\$896	27.2%	15.0x	5.0x	3.1x	2.7x				
Regional Mall Straight Average/Total		\$896	45.4%	17.4x	7.2x	3.4x	2.3x				
Multifamily	AVB	AvalonBay Communities Inc.	0	19.3%	26.8x	4.7x	21.3%	0.8x	\$15,887	\$986	6.2%
	EDR	Education Realty Trust Inc.	0	23.4%	23.1x	5.0x	0.6x	1.9x			-
	ESS	Essex Property Trust Inc.	78	29.2%	22.9x	6.4x	31.1%	1.7x	\$7,346	\$46	0.6%
	ACC	American Campus Communities Inc.	0	25.5%	26.3x	6.4x	1.0x	3.3x			-
	EQR	Equity Residential	200	31.8%	22.1x	6.9x	33.2%	1.7x	\$27,896	\$361	1.3%
	BRE	BRE Properties Inc.	54	28.6%	23.0x	6.5x	1.0x	2.8x			-
	PPS	Post Properties Inc.	43	25.2%	21.7x	5.4x	26.7%	0.9x	\$3,519	\$51	1.4%
	CPT	Camden Property Trust	0	30.1%	19.7x	5.8x	1.1x	2.8x			-
	UDR	UDR Inc.	128	35.8%	23.6x	8.4x	32.4%	1.6x	\$10,960	\$148	1.4%
	CLP	Colonial Properties Trust	0	45.6%	19.1x	8.5x	1.5x	2.2x			-
	HME	Home Properties Inc.	0	44.1%	16.4x	7.1x	43.6%	2.3x	\$6,080	\$0	0.0%
	MAA	MAA	4	35.3%	17.3x	5.9x	35.2%	1.8x	\$4,298	\$1	0.0%
	AIV	Apartment Investment & Management Co.	667	55.7%	15.9x	8.4x	26.7x	1.8x			-
	AEC	Associated Estates Realty Corp.	0	49.1%	15.7x	7.5x	38.4%	2.3x	\$1,560	\$21	1.4%
Multifamily Weighted Average/Total		\$1,175	32.4%	22.0x	6.6x	30.9%	3.4x	2.8x			
Multifamily Straight Average/Total		\$1,175	34.2%	21.0x	6.6x	32.7%	3.2x	2.7x			
M.H.	ELS	Equity Lifestyle Properties Inc.	200	41.7%	16.4x	6.5x	39.9%	3.1x	\$5,700	\$80	1.4%
	SUI	Sun Communities Inc.	0	51.0%	15.2x	7.6x	63.8x	2.1x			-
	Manufactured Housing Weighted Average/Total		\$200	44.7%	16.0x	6.9x	39.9%	22.8x	2.4x		
Manufactured Housing Straight Average/Total		\$200	46.4%	15.8x	7.1x	39.9%	33.5x	2.3x			
Diversified	ALX	Alexander's Inc.	0	44.8%	N/A	N/A	3.7x	3.2x			-
	VNO	Vornado Realty Trust	1,022	37.3%	17.6x	5.6x	1.8x	2.9x			-
	WRE	Washington Real Estate Investment Trust	0	39.0%	16.1x	6.1x	1.4x	2.5x			-
	AAT	American Assets Trust	0	N/A	N/A	N/A	1.6x	N/A			-
	FCE.A	Forest City Enterprises	220	75.0%	13.7x	9.2x	5.3x	1.4x			-
	CUZ	Cousins Properties Inc.	170	34.2%	19.2x	6.5x	41.0%	1.3x	\$1,692	\$54	3.2%
	LXP	Lexington Realty Trust	320	48.8%	12.8x	6.0x	2.0x	1.8x			-
Diversified Weighted Average/Total		\$1,731	44.2%	14.5x	5.7x	41.0%	2.5x	2.3x			
Diversified Straight Average/Total		\$1,731	46.5%	15.9x	6.7x	41.0%	2.4x	2.4x			
Self Stor.	PSA	Public Storage	3,200	2.9%	23.1x	0.2x	15.2%	0.2x	\$21,597	\$0	0.0%
	EXR	Extra Space Storage Inc.	0	29.2%	21.5x	6.0x	33.5%	1.3x	\$4,001	\$0	0.0%
	SSS	Sovran Self Storage Inc.	0	28.5%	18.3x	5.1x	31.6%	1.0x	\$1,993	\$0	0.0%
	CUBE	CubeSmart	0	N/A	N/A	N/A	33.4%	0.9x	\$2,463	\$0	0.0%
	Self Storage Weighted Average/Total		\$3,200	7.7%	21.1x	1.2x	19.7%	0.4x	36.4x		
Self Storage Straight Average/Total		\$3,200	20.2%	21.0x	3.8x	28.4%	0.8x	14.0x			
Healthcare	MPW	Medical Properties Trust Inc.	0	42.4%	13.2x	4.8x	0.9x	1.9x			-
	HR	Healthcare Realty Trust Inc.	0	42.8%	18.8x	8.0x	1.4x	2.2x			-
	SBRA	Sabra Health Care REIT	0	N/A	N/A	N/A	1.2x	2.3x			-
	OHI	Omega Healthcare Investors Inc.	0	37.5%	12.9x	4.7x	1.7x	2.8x			-
	VTR	Ventas Inc.	0	24.9%	17.7x	4.3x	0.7x	4.3x			-
	NHI	National Health Investors Inc.	0	6.0%	17.5x	0.8x	0.2x	33.0x			-
	LTC	LTC Properties Inc.	39	13.3%	15.8x	2.1x	0.4x	11.8x			-
	SNH	Senior Housing Properties Trust	0	31.7%	14.0x	4.4x	0.8x	3.7x			-
	HCN	Health Care REIT Inc.	1,298	33.0%	17.5x	5.3x	1.0x	2.9x			-
	HCP	HCP Inc.	0	28.3%	17.6x	4.7x	0.8x	3.1x			-
	Healthcare Weighted Average/Total		\$1,336	29.0%	16.9x	4.7x	0.9x	4.0x			
Healthcare Straight Average/Total		\$1,336	28.9%	16.1x	4.4x	0.9x	6.8x				
REAL ESTATE WEIGHTED AVERAGE / TOTAL		\$17,780	30.2%	16.8x	5.2x	34.5%	2.3x	4.9x			
REAL ESTATE STRAIGHT AVERAGE / TOTAL		\$17,780	36.5%	17.2x	5.9x	35.3%	4.7x	5.2x			

*Weighted averages by total market capitalization

**Figures in 000's, except where noted and per share amounts

Source: Thomson ONE and Cantor Fitzgerald Research

Exhibit 34: Comparative Valuation Metrics—Gaming & Lodging

Type	Company	Ticker	CF Rating	Exch.	Price 7/18/12	Price Target	Market Cap	Enterprise Value			EBITDA			EV/EBITDA			10-Year Avg. (FY1)		
								2011	2012E	2013E	2011	2012E	2013E	2011E	2012E	2013E	Avg.	High	Low
C-Corps	Marriott International	MAR	BUY	NYSE	36.70	43	13,249	14,963	15,230	14,541	992	1,147	1,375	15.1x	13.3x	10.6x	12.7x	16.8x	7.6x
	Wyndham Worldwide	WYN	BUY	NYSE	50.84	63	8,452	10,417	8,912	8,275	976	1,062	1,145	10.7x	8.4x	7.2x	8.7x	11.2x	5.5x
	Hyatt Hotels Corporation	H	HOLD	NYSE	34.73	40	5,876	7,079	7,064	6,974	538	634	707	13.2x	11.1x	9.9x	11.9x	17.4x	6.3x
	Starwood Hotels & Resorts	HOT	HOLD	NYSE	51.11	59	9,966	11,908	11,337	11,775	1,032	1,191	1,314	11.5x	9.5x	9.0x	11.3x	14.2x	8.6x
	Marriott Vacations Worldwide	VAC	BUY	NYSE	30.83	39	1,039	972	935	856	99	125	150	9.8x	7.5x	5.7x	-	-	-
	Choice Hotels International	CHH	NC	NYSE	38.66	-	2,247	2,393	2,373	2,325	183	202	214	13.0x	11.8x	10.9x	13.6x	23.8x	9.2x
	Gaylord Entertainment	GET	NC	NYSE	37.26	-	1,823	2,852	2,775	2,764	211	239	267	13.5x	11.6x	10.4x	11.0x	30.9x	2.0x
	Morgans Hotel Group	MHGC	NC	NASDAQ	4.80	-	149	657	600	586	33	30	41	19.7x	19.9x	14.3x	16.5x	25.5x	10.6x
	Orient Express Hotels	OEH	NC	NYSE	8.77	-	902	1,433	1,431	1,380	102	109	130	14.0x	13.1x	10.6x	15.3x	25.1x	7.7x
Simple Average - Lodging C-Corps														13.4x	11.8x	9.8x	12.6x	20.6x	7.2x
Weighted Average - Lodging C-Corps														12.6x	10.7x	9.3x	11.4x	16.5x	7.0x
REITs	Ashford Hospitality Trust	AHT	BUY	NYSE	7.99	10	644	3,898	3,928	3,936	282	320	356	13.8x	12.3x	11.1x	12.0x	26.0x	7.2x
	Host Hotels & Resorts Inc.	HST	HOLD	NYSE	15.39	16	11,016	16,393	16,200	16,003	1,018	1,159	1,322	16.1x	14.0x	12.1x	13.0x	19.8x	7.3x
	Chatham Lodging Trust	CLDT	NC	NYSE	28.67	-	2,455	3,386	3,609	3,579	204	271	301	16.6x	13.3x	11.9x	13.0x	25.9x	4.7x
	Chesapeake Lodging Trust	CHSP	NC	NYSE	17.73	-	1,892	2,924	2,940	2,943	234	264	298	12.5x	11.1x	9.9x	-	-	-
	DiamondRock Hospitality	DRH	NC	NYSE	4.72	-	586	2,088	1,985	2,018	208	199	202	10.1x	10.0x	10.0x	13.4x	20.4x	7.4x
	Felcor Lodging Trust	FCH	NC	NYSE	10.12	-	1,373	2,793	2,842	2,785	209	241	267	13.4x	11.8x	10.4x	11.4x	14.9x	8.5x
	Hersha Hospitality Trust	HT	NC	NYSE	6.26	-	1,279	2,257	2,581	2,577	155	177	200	14.5x	14.6x	12.9x	12.4x	17.9x	9.4x
	Lasalle Hotel Properties	LHO	NC	NYSE	16.93	-	544	930	1,002	983	44	74	92	21.0x	13.6x	10.6x	13.5x	19.5x	6.9x
	Pebblebrook Hotel Trust	PEB	NC	NYSE	23.19	-	1,315	1,501	1,903	1,964	70	110	136	21.4x	17.3x	14.5x	15.8x	19.7x	11.9x
	RLJ Lodging Trust	RLJ	NC	NYSE	9.90	-	1,861	2,878	2,619	2,635	167	191	220	17.2x	13.7x	12.0x	-	-	-
	Strategic Hotels & Resorts	BEE	NC	NYSE	5.08	-	1,008	1,742	1,769	1,732	131	146	164	13.3x	12.1x	10.6x	14.8x	31.2x	8.8x
	Summit Hotel Properties	INN	NC	NYSE	8.16	-	249	456	568	555	41	47	58	11.2x	12.0x	9.5x	-	-	-
	Sunstone Hotel Investors	SHO	NC	NYSE	14.41	-	200	424	421	411	24	42	48	17.9x	10.1x	8.6x	12.2x	18.4x	7.6x
Simple Average - Lodging REITs														15.3x	12.8x	11.1x	13.2x	21.4x	8.0x
Weighted Average - Lodging REITs														15.0x	13.1x	11.5x	11.1x	18.1x	6.5x

Note: Estimates for non-covered companies reflect current First Call Consensus

Source: Thomson Reuters, Cantor Research, First Call

Exhibit 35: Comparative Valuation Metrics—Gaming & Lodging (cont'd)

Type	Company	Ticker	CF Rating	Price 7/18/12	Price Target	Market Cap	EPS/FFO			P/E of FFO Multiple		
							2011	2012E	2013E	2011E	2012E	2013E
C-Corps	Marriott International	MAR	BUY	\$36.70	\$43	\$13,249	\$1.32	\$1.70	\$2.26	27.9x	21.5x	16.2x
	Wyndham Worldwide	WYN	BUY	\$50.84	\$63	\$8,452	\$2.48	\$3.15	\$3.46	20.5x	16.2x	14.7x
	Hyatt Hotels Corporation	H	HOLD	\$34.73	\$40	\$5,876	\$0.81	\$0.51	\$0.86	nm	nm	nm
	Starwood Hotels & Resorts	HOT	HOLD	\$51.11	\$59	\$9,966	\$1.94	\$2.44	\$2.92	26.4x	21.0x	17.5x
	Marriott Vacations Worldwide	VAC	BUY	\$30.83	\$39	\$1,039	\$0.68	\$1.17	\$1.56	nm	26.4x	19.8x
	Choice Hotels International	CHH	NC	\$38.66	-	\$2,247	\$1.89	\$2.05	\$2.17	20.5x	18.9x	17.8x
	Gaylord Entertainment	GET	NC	\$37.26	-	\$1,823	\$0.27	\$0.78	\$1.10	nm	nm	34.0x
	Morgans Hotel Group	MHGC	NC	\$4.80	-	\$149	-\$2.69	-\$1.43	-\$0.89	nm	nm	nm
	Orient Express Hotels	OEH	NC	\$8.77	-	\$902	\$0.00	\$0.14	\$0.32	nm	nm	27.2x
Simple Average - Lodging C-Corps										23.8x	20.8x	21.0x
REITs	Ashford Hospitality Trust	AHT	BUY	\$7.99	\$10	\$644	\$1.86	\$1.63	\$1.77	4.3x	4.9x	4.5x
	Host Hotels & Resorts Inc.	HST	HOLD	\$15.39	\$16	\$11,016	\$0.89	\$1.06	\$1.27	17.3x	14.6x	12.1x
	Chatham Lodging Trust	CLDT	NC	\$14.41	-	\$200	\$0.94	\$1.38	\$1.62	15.3x	10.5x	8.9x
	Chesapeake Lodging Trust	CHSP	NC	\$16.93	-	\$544	\$1.12	\$1.64	\$1.98	15.1x	10.3x	8.5x
	DiamondRock Hospitality	DRH	NC	\$9.90	-	\$1,861	\$0.64	\$0.77	\$0.88	15.5x	12.9x	11.3x
	Felcor Lodging Trust	FCH	NC	\$4.72	-	\$586	\$0.18	\$0.25	\$0.31	26.2x	18.7x	15.1x
	Hersha Hospitality Trust	HT	NC	\$5.08	-	\$1,008	\$0.38	\$0.40	\$0.48	13.4x	12.7x	10.6x
	Lasalle Hotel Properties	LHO	NC	\$28.67	-	\$2,455	\$1.55	\$2.20	\$2.50	18.5x	13.1x	11.4x
	Pebblebrook Hotel Trust	PEB	NC	\$23.19	-	\$1,315	\$0.98	\$1.24	\$1.54	23.7x	18.7x	15.1x
	RLJ Lodging Trust	RLJ	NC	\$17.73	-	\$1,892	\$1.30	\$1.69	\$1.97	13.6x	10.5x	9.0x
	Strategic Hotels & Resorts	BEE	NC	\$6.26	-	\$1,279	\$0.13	\$0.28	\$0.38	nm	22.4x	16.3x
	Summit Hotel Properties	INN	NC	\$8.16	-	\$249	\$0.71	\$0.80	\$0.98	11.5x	10.2x	8.3x
	Sunstone Hotel Investors	SHO	NC	\$10.12	-	\$1,373	\$0.82	\$1.01	\$1.19	12.3x	10.0x	8.5x
Simple Average - Lodging REITs										15.6x	13.0x	10.7x

Note: Estimates for non-covered companies reflect current First Call Consensus

Source: Thomson Reuters, Cantor Research, First Call

Commonly Used REIT Terms

\$/square foot (unit). The value assigned by square foot or unit is derived from our net asset value (NAV) model assumptions.

Adjusted funds from operations (AFFO). Our calculation of AFFO consists of taking FFO, described below, and subtracting the REIT's recurring capital expenditures, share of straight-line rents, net lease termination fees, and amortization of lease intangibles.

AFFO multiples. A valuation ratio based on a REIT's current price divided by its AFFO in order to compare its relative price to our estimate of operating performance to other equities.

Applied capitalization rate. Our applied capitalization rate is used to calculate a REIT's private value of real estate assets. The applied capitalization rate is blended based on our assumed capitalization rate for a REIT's rental assets and an assumed capitalization rate on management services.

Average interest rate (WACD). The weighted average cost of debt that a company incurs.

Beta. The correlation between an investment's historical returns and the overall financial market's returns.

CIP/GAV. The ratio of future properties of a REIT compared to its total property gross asset value.

Construction in progress (CIP). Measures the cost of construction that has yet to be completed.

Debt market capitalization. Measures the market value of a company based on its level of debt outstanding.

Debt maturities. The amount of debt a company has that will have to be repaid to lenders.

Debt/equity. Measure of leverage within a company, which represents the ratio of debt to equity.

Debt/RE. Another measure of leverage within a company as the ratio of debt to the company's gross asset value (debt plus net asset value) of its real estate.

Diluted shares outstanding. The full number of shares that would be outstanding if all sources of conversion, including convertible bonds, stock options, and operating partnership units were exercised.

Dividend yield. A company's dividend payments divided by the share price.

Equity market capitalization. The value of a company based only on the current market price of its common shares and operating partner units outstanding.

Ex-date. An investor who purchases a company's stock before this date will receive the company's next dividend payment.

FFO estimates. Our forward estimates of funds from operations are based on fundamental and capital sourcing financial modeling for each company.

FFO multiples. Valuation ratio based on a REIT's current price divided by its FFO in order to compare its relative price to operating performance to other equities.

Fixed charge coverage ratio. This is calculated as $(\text{EBIT} + \text{fixed charge (before tax)}) / (\text{fixed charge (before tax)} + \text{interest})$. It depicts a company's ability to satisfy fixed financing expenses.

Floating-rate debt. Debt that incurs a floating interest rate, usually based on the federal funds rate or LIBOR.

Funds from operations (FFO). A NAREIT-defined term to measure operating performance of REITs; FFO equals a REIT's net income, excluding gains or losses from sales of property, adding back real estate depreciation.

Implied capitalization rate. The current yield on a REIT's real estate portfolio. The implied cap rate is based on the private market value of a REIT's assets divided by its adjusted net operating income.

Line of credit. A source of financing that a company has that may be utilized during any period of time within its covenant agreement up to a specified amount. Interest is paid only on the amount outstanding.

Net asset value (NAV). Net asset value is the net market value of the REIT's assets, less all of its obligations and liabilities. We calculate NAV by using the company's NOI in conjunction with estimated capitalization rates to calculate a stabilized real estate value. This figure is added to the net present value of real estate development to determine the company's gross real estate market value. The net value of assets and liabilities is then added to (or subtracted from) the gross real estate value in order to derive the private net market value of assets. This amount is divided by common shares and OP units outstanding to determine an NAV per share, which we compare to the current stock price to calculate the premium (discount).

Preferred equity. A source of capital that is senior to common stock but subordinate to bonds a company has issued. Preferreds typically carry an interest-like dividend payment and may be converted to common stock.

Price performance. A stock's capital appreciation through changes in stock prices measured over a period of time.

Short interest. The number of shares of a stock sold short that are outstanding.

Total market capitalization. The aggregate market value of a company based on its current market price of common shares and operating partner units outstanding, in addition to preferred stock and debt.

Unlevered IRR. A project's internal rate of return based on projected cash flows, which does not take into account the financing decisions made for the particular project.

Volume. The quantity of shares traded on an exchange during a particular period of time.

REITs 101

What is a REIT?

Definition:

- A Real Estate Investment Trust (REIT) is a public corporation or trust that pools capital to operate, manage, develop, acquire, and/or finance real estate
- The REIT structure was created to allow smaller investors the opportunity to invest in real estate through publicly traded instruments
- REITs are not obligated to pay corporate income tax to the IRS

REIT Provisions:

- Must be an entity that is taxable as a corporation
- Must be managed by a board of directors or trustees
- 90% of taxable income must be distributed to the shareholders
- 75% of gross income must be from rental income from real estate properties or interest on mortgages on real property
- 75% of the company's total assets must be invested in real estate
- No more than 50% of shares may be held by 5 or fewer investors during the last half year
- A minimum of 100 shareholders
- All shares must be fully transferable
- No more than 25% of assets may consist of stock in taxable REIT subsidiaries

Industry Risks

Below, we highlight key risks that could impact our positive sector view relative to our estimates and valuation projections.

- Capital markets (e.g., liquidity, credit, interest rates)
- CRE mortgage maturities (e.g., the lifespan of “blend & extend”)
- Economic growth change (e.g., a move outside of the Goldilocks environment, a.k.a. slower or faster GDP growth)
- Global economies (e.g., Europe instability, changes in Asian GDP growth)
- Inflation, deflation and stagflation
- Interest rates and monetary policy (e.g., Fed policies, borrowing capacity, debt ratings)
- Supply
- U.S. political & economic disruption (e.g., election headlines, housing stimulus, tax regulation, U.S. fiscal risk)
- Valuation changes (especially within the private market)

Disclosures Appendix

Analyst Certification

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<https://cantor2.bluematrix.com/sellside/Disclosures.action>

Cantor Fitzgerald's rating system

BUY: We have a positive outlook on the stock based on our expected 12 month return relative to its risk. The expected return is based on our view of the company and industry fundamentals, catalysts, and valuation. We recommend investors add to their position.

HOLD: We have a neutral outlook on the stock based on our expected 12 month return relative to its risk. The expected return is based on our view of the company and industry fundamentals, catalysts, and valuation.

SELL: We have a negative outlook on the stock based on our expected 12 month return relative to its risk. The expected return is based on our view of the company and industry fundamentals, catalysts, and valuation. We recommend investors reduce their position.

NC: Not Covered. Cantor Fitzgerald does not provide an investment opinion or does not provide research coverage on this stock.

Prior to September 12, 2006, Cantor Fitzgerald had the below ratings:

BUY - denotes stocks that we expect will provide a total return (price appreciation plus yield) of 15% or more over a 12-month period. A BUY rated stock is expected to outperform the total average return of analyst's industry coverage universe on a risk adjusted basis.

HOLD - denotes stocks that we suggest will provide a total return or total negative return of up to 15% over 12-month period. A HOLD rated stock is expected to perform in-line with the total average return of the analyst's industry coverage universe on a risk adjusted basis.

SELL - denotes stocks that we expect to provide a total negative return of more than 15% over a 12 month period. A SELL rated stock is expected to underperform the total average return of the analyst's industry coverage universe on a risk adjusted basis.

NC - Not Covered. Cantor Fitzgerald does not provide research coverage on this company.

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Distribution of Ratings/Investment Banking Services (IB) as of 07/20/12

Rating	Cantor		IB Serv./Past 12 Mos.	
	Count	Percent	Count	Percent
BUY [B]	74	55.64	12	16.22
HOLD [H]	47	35.34	4	8.51
SELL [S]	12	9.02	0	0.00