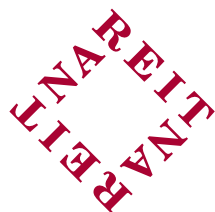


PRESS RELEASE



For Immediate Release
September 6, 2002

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NATIONAL
ASSOCIATION
OF
REAL ESTATE
INVESTMENT
TRUSTS®

NET INCOME RISES FOR REAL ESTATE COMPANIES IN SECOND QUARTER *Funds From Operations Down Slightly*

Washington, D.C. — Earnings per share of real estate investment trusts (REITs) and other publicly traded real estate companies posted gains in the second quarter of 2002 when compared to the same period last year, according to data assembled by the National Association of Real Estate Investment Trusts® (NAREIT).

Earnings are measured by net income per share as reported under generally accepted accounting principles (GAAP). This measure, commonly known as "bottom-line" GAAP net income, includes extraordinary items, results of discontinued operations and cumulative effects of changes in accounting principles (all defined by GAAP). Net income per share for all reporting equity REITs increased 21.9 percent on average in the second quarter when compared with the same period last year. Net income per share growth for all equity REITs and other non-REIT publicly traded real estate companies combined was 22.5 percent on average in the second quarter.

Complete second quarter results are based on data for 128 publicly traded real estate companies with a combined equity market capitalization of \$180.7 billion. Average earnings per share growth rates are weighted by equity market capitalization. Excluding the lodging/resorts sector, which was still affected by a slowdown in travel and tourism linked in part to September 11, net income per share for all equity REITs and other publicly traded real estate companies combined increased 24.8 percent on average in the second quarter.

"On balance, net income per share growth in the second quarter was encouraging, although a good bit of the strength owed to gains on property sales in the retail sector," said Michael R. Grupe, NAREIT Senior Vice President for Research and Investment Affairs. "Nevertheless, pockets of weakness are evident in some sectors, reflecting the tepid pace of economic recovery."

(more)



Funds from operations (FFO) per share for all reporting equity REITs edged down 0.3 on average in the second quarter 2002 when compared to the year earlier period. When lodging/resort companies are removed, FFO per share advanced 1.1 percent.

Complete second quarter FFO results are based on data for 122 publicly traded companies with a combined equity market capitalization of \$158.8 billion. Average FFO per share growth rates are weighted by equity market capitalization.

Approximately 65 percent of the companies tracked by industry analysts met or exceeded their consensus FFO per share estimates for the second quarter. Fifty-nine percent of the companies exceeded their expected level of FFO per share, while another 5.9 percent of the companies met their consensus estimates.

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The National Association of Real Estate Investment Trusts, (NAREIT) is the national trade association for REITs and publicly traded real estate companies. Members are real estate investment trusts (REITs) and other businesses that own, operate and finance income-producing real estate, as well as those firms and individuals who advise, study and service those businesses. Visit our web sites at www.nareit.com and www.investinreits.com.



Exhibit 1
Year-over-Year Net Income per Share (EPS) Growth for Real Estate Stocks
(Net Income by Property Sector; Second Quarter 2002)

Sector	Number of Companies	Equity Market Capitalization (Jun 2002) ¹	Year-over-Year Percent Change ²	
			2002:Q1	2002:Q2
Property Sector				
Industrial/Office	31	53,739,275	13.39	1.33
Office	17	33,167,480	21.36	2.75
Industrial	7	10,622,029	3.11	9.44
Mixed Industrial/Office	7	9,949,766	-1.58	-12.06
Retail	26	31,938,315	6.06	93.82
Shopping Centers	17	16,528,920	10.94	5.91
Regional Malls	6	13,272,874	5.73	216.45
Free Standing	3	2,136,520	-21.67	12.04
Residential	21	32,705,745	-6.69	10.33
Apartments	16	30,104,781	-4.37	13.32
Manufactured Homes	5	2,600,964	-31.96	-24.23
Diversified	7	10,622,178	-17.23	-6.35
Lodging/Resorts	8	8,090,417	NA	-47.15
Health Care	7	6,799,354	22.46	39.78
Self Storage	3	5,793,912	124.00	11.43
Specialty	4	6,854,700	-2.47	19.65
Equity Totals by Property Sector	107	156,543,895	9.53	21.90
Public Real Estate Companies	7	14,697,700	67.39	28.42
Equity REIT and Public Real Estate Totals	114	171,241,595	16.82	22.46
(Adjusted for Lodging/Resorts)	102	155,727,378	21.03	24.83
Commercial Property Financing	3	938,277	28.58	44.46
Home Property Financing	8	4,809,211	148.64	83.27
Mortgage Totals	11	5,747,488	129.91	76.93
Hybrid Totals	3	3,727,939	-2.65	-24.44
Industry Totals	128	180,717,021	19.69	23.22

Notes:

¹ Equity market capitalization in thousands of dollars including only those companies for which data are available.

² Weighted average growth rates using end-of-period equity market capitalizations.

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Exhibit 2

Year-over-Year FFO per Share Growth for Real Estate Stocks

(Funds from Operations by Property Sector; Second Quarter 2002)

Sector	Number of Companies	Equity Market Capitalization (Jun 2002) ¹	Year-over-Year Percent Change ²	
			2002:Q1	2002:Q2
Property Sector				
Industrial/Office	31	53,739,275	5.18	2.31
Office	17	33,167,480	6.60	0.75
Industrial	7	10,622,029	3.92	13.02
Mixed Industrial/Office	7	9,949,766	1.92	-3.91
Retail	33	36,724,210	1.87	5.05
Shopping Centers	20	16,835,292	3.12	5.06
Regional Malls	9	17,456,024	1.11	4.97
Free Standing	4	2,432,894	-0.96	5.54
Residential	22	33,244,360	0.97	-4.82
Apartments	17	30,643,396	0.82	-5.09
Manufactured Homes	5	2,600,964	3.01	-1.63
Diversified	8	11,048,718	6.90	0.66
Lodging/Resorts	11	8,657,811	-34.13	-24.50
Health Care	7	6,799,354	-2.09	1.47
Self Storage	3	5,793,912	11.75	-2.79
Specialty	3	1,186,579	-3.56	8.49
Equity Totals by Property Sector	118	157,194,218	0.97	-0.33
Public Real Estate Companies	0	0	NA	NA
Equity REIT and Public Real Estate Totals	118	157,194,218	0.97	-0.33
(Adjusted for Lodging/Resorts)	103	148,536,407	3.13	1.08
Commercial Property Financing	0	0	NA	NA
Home Property Financing	0	0	NA	NA
Mortgage Totals	0	0	NA	NA
Hybrid Totals	4	1,576,181	1.98	7.29
Industry Totals	122	158,770,398	1.00	-0.25

Notes:

¹ Equity market capitalization in thousands of dollars including only those companies for which data are available.

² Weighted average growth rates using end-of-period equity market capitalizations.