

January 2008

# Media NAREIT Update

**While the broader market outpaced REITs in 2007, the U.S. REIT market continues to enjoy strong fundamentals. In fact, REITs look more attractive today than they did a year ago based on almost every investor metric.**

- For the year, the FTSE NAREIT All REITs Index was down 17.83 percent. This marks the first time in the past eight years that REITs underperformed any of the broader U.S. market benchmarks.
- Most analysts following the U.S. industry today agree that REITs are trading below the net asset values of the properties in their portfolios, and the inconsistency between REIT share prices and the underlying strength of the market has created a buying opportunity for investors.
- Importantly, the industry's underlying fundamentals remain very strong across all sectors. For example, we have not seen overdevelopment, high vacancies or rental rate collapses in any sector of the industry.
- Additionally, the U.S. REIT industry has maintained its historically low rate of leverage. The average leverage for the U.S. REIT industry today is a conservative 41.8 percent.
- Another key factor that warrants investor confidence is the earnings performance of equity REITs. Supported by a stable economy and favorable fundamentals, these companies delivered solid earnings performances in 2007

**In the current market, REITs also are providing superior value for income investors.**

- The FTSE NAREIT All REIT Index reported a dividend yield of 5.29 percent at year-end 2007, compared with 4.03 percent for 10-year Treasuries.
- The year-end dividend yield for the REIT index was up 125 basis points from its 4.06 percent yield at year-end 2006.
- Over the past 30 years, more than half of U.S. REITs' 13.49 percent average annual total return was delivered in the form of dividends, providing investors with continuing cash flow as well as the opportunity for share price appreciation.

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# INDUSTRY INFORMATION & PERFORMANCE

JANUARY 2008

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# REIT Industry Fact Sheet

January 2008

Data as of December 31, 2007, except where noted.

All data are derived from, and apply only to, publicly traded REITs and real estate operating companies.

## Industry Size

- Total equity market capitalization = \$312 billion
- Equity REIT market capitalization = \$289 billion
- REITs own more than \$400 billion of commercial real estate assets, or 15 to 20 percent of total institutionally owned commercial real estate
- 152 REITs are in the FTSE NAREIT All REIT Index
- 130 REITs are traded on the New York Stock Exchange
- NYSE listed REITs equity market capitalization = \$308 billion
- Commercial real estate industry represents a significant portion of the U.S. Economy
  - 6.0 percent of GDP in 2004
  - 6.5 percent of GDP growth over the 10 years ended 2004

## Investment Performance

- As of December 31, the FTSE NAREIT All REIT Index was down 17.8 percent for the year. The FTSE NAREIT Equity REIT Index was down 15.7 percent over the same time period.
- Historical returns of the FTSE NAREIT All REIT Index:

Time Period	Cumulative Return in Percent	
	Total	Price
December 2006 – December 2007	-17.8	-21.4
December 2001 – December 2007	127.1	60.8

## REIT Industry Fact Sheet

January 2008

Data as of December 31, 2007, except where noted.

All data are derived from, and apply only to, publicly traded REITs and real estate operating companies.

- Historical compound annual total returns of the FTSE NAREIT All REIT Index, FTSE NAREIT Equity REIT Index and leading U.S. benchmarks:

	FTSE NAREIT All REIT	FTSE NAREIT Equity REIT	S&P 500	Russell 2000	Nasdaq Composite <sup>1</sup>	Dow Jones Ind Avg <sup>1</sup>
1-Year	-17.83	-15.69	5.49	-1.57	<b>9.81</b>	6.43
3-Year	6.13	8.50	<b>8.62</b>	6.80	6.83	7.15
5-Year	16.64	<b>18.17</b>	12.83	16.25	14.71	9.72
10-Year	9.63	<b>10.49</b>	5.91	7.08	5.38	5.31
15-Year	12.33	<b>13.02</b>	10.49	10.10	9.53	9.72
20-Year	10.86	<b>12.31</b>	11.81	11.34	10.97	10.09
25-Year	10.73	<b>13.17</b>	12.73	10.79	10.23	10.69
30-Year	12.01	<b>14.15</b>	12.95	NA	11.36	9.67
35-Year	10.26	<b>13.16</b>	10.97	NA	8.91	7.60

<sup>1</sup> Price only returns.

Highest total return for the period in bold.

Total returns expressed in percent.

Data for periods ending December 31, 2007.

Calendar Year Total Returns, Periods Ending December 2006:

	FTSE NAREIT All REIT	FTSE NAREIT Equity REIT	S&P 500	Russell 2000	Nasdaq Composite <sup>1</sup>	Dow Jones Ind Avg <sup>1</sup>
1-Year	34.35	<b>35.06</b>	15.79	18.37	9.52	16.29
3-Year	23.80	<b>25.85</b>	10.44	13.56	6.43	6.04
5-Year	22.55	<b>23.20</b>	6.19	11.39	4.37	4.46
10-Year	13.75	<b>14.48</b>	8.42	9.44	6.46	6.81
15-Year	14.68	<b>15.36</b>	10.64	11.47	9.90	9.56
20-Year	11.33	<b>13.07</b>	11.80	10.92	10.16	9.87
25-Year	12.84	<b>14.84</b>	13.37	11.85	10.57	11.21
30-Year	13.40	<b>15.57</b>	12.47	NA	11.28	8.76
35-Year	11.22	<b>13.97</b>	11.35	NA	9.11	7.83

<sup>1</sup> Price only returns.

Highest total return for the period in bold.

Total returns expressed in percent.

Data for periods ending December 31, 2006.

## REIT Industry Fact Sheet

January 2008

*Data as of December 31, 2007, except where noted.*

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### Dividends

- The FTSE NAREIT All REIT Index dividend yield equals 5.3 percent, compared to the S&P 500 dividend yield of 1.9 percent, as of December 31, 2007.
- REITs paid out approximately \$15.5 billion in dividends in 2006.
- On average, 55 percent of the annual dividends paid by REITs qualify as ordinary taxable income, 14 percent qualify as return of capital and 31 percent qualify as long-term capital gains.

### Leverage and Coverage Ratios

#### All REITs

- Debt ratio as of third quarter 2007 = 41.8 percent. The debt ratio is calculated by taking REITs' total debt and dividing it by total market capitalization. Total capitalization equals the sum of total debt plus implied equity market capitalization (common shares plus operating partnership units).
- As of the third quarter 2007, the coverage ratio of EBITDA divided by interest expense for all REITs is 3.5. The fixed charge ratio of EBITDA divided by interest expense plus preferred dividends is 3.0.

#### Equity REITs

- Composite REIT debt ratio as of third quarter 2007 = 39.6 percent. The debt ratio is calculated by taking REITs' total debt and dividing it by total market capitalization. Total capitalization equals the sum of total debt plus implied equity market capitalization (common shares plus operating partnership units).
- As of the third quarter 2007, the coverage ratio of EBITDA divided by interest expense for Equity REITs is 3.4. The fixed charge ratio of EBITDA divided by interest expense plus preferred dividends is 2.9.

## **REIT Industry Fact Sheet**

**January 2008**

*Data as of December 31, 2007, except where noted.*

*All data are derived from, and apply only to, publicly traded REITs and real estate operating companies.*

### **Volume**

- Average daily dollar trading volume, December 2007 = \$3.2 billion
- Average daily dollar trading volume, December 2002 = \$654 million
- Average daily dollar trading volume, December 1997 = \$371 million

### **Capital Offerings**

- REITs have raised \$36.0 billion in initial, debt and equity capital offerings in 2007. \$18.2 billion was raised in unsecured and secured debt offerings; \$16.1 billion was raised in secondary equity common and preferred share offerings; \$1.82 billion was raised in Initial Public Offerings.
- Completed initial public offerings in 2007:
  - Quadra Realty Trust, Inc.
  - Care Investment Trust, Inc.
  - DuPont Fabros Technology
  - Chimera Investment Corporation

# Exhibit 1

## Investment Performance of Publicly Traded REITs<sup>1</sup>

(Percent change, except where noted, as of December 31, 2007)

Period	All REIT Index			Composite REIT Index			Real Estate 50 Index™ <sup>1</sup>			Equity REIT Index			Mortgage REIT Index			Hybrid REIT Index		
	Return Components		Dividend	Return Components		Dividend	Return Components		Dividend	Return Components		Dividend	Return Components		Dividend	Return Components		Dividend
	Total	Price	Yield <sup>2</sup>	Total	Price	Yield <sup>2</sup>	Total	Price	Yield <sup>2</sup>	Total	Price	Yield <sup>2</sup>	Total	Price	Yield <sup>2</sup>	Total	Price	Yield <sup>2</sup>
<b>Annual (including current year to date)</b>																		
2001	15.50	7.05	7.38	15.50	7.05	7.38	12.20	5.13	6.32	13.93	5.85	7.14	77.34	46.37	14.28	50.75	40.58	9.46
2002	5.22	-2.15	7.32	5.22	-2.15	7.32	1.86	-4.30	6.52	3.82	-3.12	7.05	31.08	14.23	12.34	23.30	12.36	8.94
2003	38.47	29.34	5.75	38.47	29.34	5.75	36.30	28.34	5.16	37.13	28.48	5.52	57.39	38.19	8.57	56.19	44.85	6.77
2004	30.41	22.87	4.97	30.41	22.87	4.97	35.00	28.31	4.24	31.58	24.35	4.66	18.43	7.92	8.15	23.90	15.69	6.24
2005	8.29	2.51	5.06	8.29	2.51	5.06	13.67	8.52	4.07	12.16	6.67	4.57	-23.19	-30.88	10.68	-10.83	-17.16	7.97
2006	34.35	28.31	4.06	34.02	27.98	4.11	35.64	30.28	3.67	35.06	29.51	3.69	19.32	8.44	9.19	40.95	31.19	6.33
2007	-17.83	-21.39	5.29	-17.83	-21.42	5.35	-16.34	-19.57	4.77	-15.69	-19.05	4.91	-42.35	-47.69	10.52	-34.77	-40.17	12.16
<b>Quarter (including current quarter to date)</b>																		
2006: Q4	9.70	8.42	4.06	9.40	8.12	4.11	9.89	8.72	3.67	9.47	8.36	3.69	6.75	3.65	9.19	17.26	14.10	6.33
2007:Q1	2.07	1.19	4.08	2.13	1.24	4.13	3.31	2.54	3.63	3.46	2.61	3.73	-14.26	-15.65	9.43	-2.61	-3.01	6.63
Q2	-8.85	-9.81	4.59	-8.78	-9.75	4.63	-10.04	-10.89	4.11	-9.04	-9.92	4.19	-6.66	-8.66	10.63	-2.62	-4.34	7.34
Q3	0.30	-0.83	4.53	0.31	-0.84	4.56	3.06	2.01	4.03	2.59	1.52	4.12	-28.15	-30.13	12.37	-17.89	-19.36	9.18
Q4	-11.95	-13.14	5.29	-12.06	-13.27	5.35	-12.66	-13.71	4.77	-12.67	-13.73	4.91	0.26	-2.83	10.52	-16.24	-20.04	12.16
<b>Month (including current month to date)</b>																		
August	5.50	5.11	4.70	5.45	5.05	4.74	5.79	5.37	4.19	6.57	6.19	4.26	-12.38	-13.16	13.46	-0.06	-0.05	8.64
September	4.24	3.71	4.53	4.29	3.76	4.56	4.96	4.52	4.03	4.41	3.93	4.12	5.29	3.54	12.37	-4.73	-5.03	9.18
October	0.82	0.52	4.53	0.81	0.51	4.58	0.90	0.61	4.10	1.12	0.82	4.17	-2.62	-2.73	11.05	-7.37	-9.16	10.10
November	-8.62	-8.90	4.97	-8.67	-8.96	5.04	-9.03	-9.30	4.52	-9.07	-9.34	4.60	-2.31	-3.01	11.44	-4.01	-4.02	10.52
December	-4.42	-5.15	5.29	-4.49	-5.21	5.35	-4.84	-5.44	4.77	-5.03	-5.62	4.91	5.39	3.00	10.52	-5.79	-8.28	12.16
<b>Week (including current week to date)</b>																		
12/07/07	2.77	2.72	4.84	2.79	2.74	4.91	2.73	2.67	4.40	2.60	2.54	4.48	4.98	4.96	10.89	7.35	7.36	9.80
12/14/07	-7.20	-7.30	5.24	-7.25	-7.35	5.31	-7.56	-7.64	4.78	-7.52	-7.58	4.85	-2.57	-2.76	11.20	-7.40	-9.52	11.34
12/21/07	1.55	1.44	5.17	1.44	1.32	5.25	1.01	0.88	4.74	1.35	1.23	4.80	4.31	4.15	10.82	-3.24	-3.24	11.72
12/28/07	-2.11	-2.57	5.34	-2.05	-2.52	5.39	-1.71	-2.06	4.81	-2.07	-2.45	4.96	-1.69	-3.60	10.57	-1.99	-2.35	12.16
01/04/08	0.80	0.80	5.29	0.82	0.82	5.35	0.93	0.92	4.77	0.85	0.86	4.91	0.48	0.50	10.52	-0.06	-0.06	12.16
<b>Historical (compound annual rates through end of previous month)</b>																		
1-Year	-17.83	-21.39		-17.83	-21.42		-16.34	-19.57		-15.69	-19.05		-42.35	-47.69		-34.77	-40.17	
3-Year	6.13	1.12		6.04	1.02		8.85	4.37		8.50	3.80		-19.15	-26.81		-6.40	-13.37	
5-Year	16.64	10.44		16.58	10.38		18.87	13.37		18.17	12.31		-0.30	-10.18		9.67	1.73	
10-Year	9.63	2.71		9.60	2.67		N/A	N/A		10.49	3.82		2.30	-8.81		3.36	-5.76	
15-Year	12.33	5.03		12.31	5.01		N/A	N/A		13.02	6.07		7.07	-4.40		7.81	-1.37	
20-Year	10.86	2.64		10.85	2.62		N/A	N/A		12.31	4.70		5.20	-6.58		6.27	-3.69	
25-Year	10.73	2.17		10.72	2.16		N/A	N/A		13.17	5.26		4.88	-6.73		6.85	-2.99	
30-Year	12.01	3.00		12.00	2.99		N/A	N/A		14.15	5.63		6.40	-5.35		9.06	-0.86	
35-Year	10.26	1.17		10.25	1.16		N/A	N/A		13.16	4.58		5.06	-6.49		7.57	-2.21	

Source: FTSE Group and the National Association of Real Estate Investments Trusts®.

<sup>1</sup> The Real Estate 50 Index™ is a supplemental benchmark to measure the performance of larger and more frequently traded equity real estate investment trusts and other publicly traded real estate operating companies.

<sup>2</sup> Dividend yield quoted in percent for the period end.

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**Exhibit 2**  
**Investment Performance by Property Sector and Subsector<sup>1</sup>**  
(Percent change, except where noted. All data as of December 31, 2007)

Property Sector/Subsector	Total Return			Dividend Yield <sup>2</sup>	Number of REITs	Equity Market Capitalization <sup>3</sup>	Implied Market Capitalization <sup>3</sup>
	2006	December	Year to Date				
FTSE NAREIT Equity REIT Index	35.06	-5.03	-15.69	4.91	110	288,280,939	312,891,176
Industrial/Office	39.39	-3.40	-14.86	4.68	26	72,669,874	78,816,806
Industrial	28.92	-3.96	0.38	3.73	6	26,443,417	27,535,554
Office	45.22	-3.09	-18.96	4.80	15	38,324,413	41,811,302
Mixed	28.27	-2.94	-33.09	7.38	5	7,902,044	9,469,949
Retail	29.01	-9.00	-15.77	4.78	26	80,439,948	92,355,639
Shopping Centers	34.87	-6.53	-17.68	4.85	14	32,865,015	34,020,898
Regional Malls	23.83	-11.45	-15.85	4.62	7	40,501,069	51,240,604
Free Standing	30.74	-4.59	-0.43	5.43	5	7,073,864	7,094,138
Residential	38.93	-4.59	-25.21	5.29	15	39,061,743	42,193,858
Apartments	39.95	-4.58	-25.43	5.33	15	37,282,156	40,079,544
Manufactured Homes	15.34	-4.77	-19.34	4.44	4	1,779,587	2,114,314
Diversified	38.03	-2.59	-22.29	4.91	8	18,279,586	20,344,619
Lodging/Resorts	28.17	-10.46	-22.37	6.54	10	19,343,990	19,852,320
Health Care	44.55	2.62	2.13	5.40	11	25,971,473	26,396,205
Self Storage	40.95	-4.51	-24.82	3.77	4	14,806,553	14,944,990
Specialty	23.56	-0.62	14.56	3.92	6	17,707,772	17,986,738
FTSE NAREIT Hybrid REIT Index	40.95	-5.79	-34.77	12.16	3	4,228,878	4,228,878
FTSE NAREIT Mortgage REIT Index	19.32	5.39	-42.35	10.52	25	18,379,182	17,243,970
Home Financing	14.75	5.99	-38.23	8.48	10	12,237,323	11,102,112
Commercial Financing	30.31	3.80	-48.79	15.04	15	6,141,858	6,141,858

Source: FTSE<sup>®</sup> Group and National Association of Real Estate Investments Trusts<sup>®</sup>.

Notes:

<sup>1</sup>Data represent the constituents of the FTSE NAREIT Composite REIT Index.

<sup>2</sup>Dividend yield quoted in percent and for month end.

<sup>3</sup>Equity market capitalization and implied market capitalization in thousands of dollars.



**Exhibit 3**  
**Selected Indicators of Equity Market Performance**  
(Period ending index levels and percent change, as of December 31, 2007)

Period	FTSE NAREIT All REIT Index <sup>1</sup>		S&P 500		Dow Jones Industrials		Russell 2000		NASDAQ Composite <sup>2</sup>		US Treasury 10-Year Note <sup>3</sup>	
	Levels	Returns	Levels	Returns	Levels	Returns	Levels	Returns	Levels	Returns	Yield	Change
<b>Annual (including current year to date)</b>												
1997	1,353.94	18.86	2,560.47	33.36	7,908.30	22.64	1,652.97	22.36	1,570.35	21.64	5.75	-0.68
1998	1,099.09	-18.82	3,292.30	28.58	9,181.40	16.10	1,610.89	-2.55	2,192.69	39.63	4.65	-1.10
1999	1,027.92	-6.48	3,985.15	21.04	11,497.10	25.22	1,953.31	21.26	4,069.31	85.59	6.45	1.80
2000	1,294.05	25.89	3,622.29	-9.11	10,788.00	-6.17	1,894.30	-3.02	2,470.52	-39.29	5.12	-1.33
2001	1,494.65	15.50	3,191.79	-11.88	10,021.50	-7.11	1,941.39	2.49	1,950.40	-21.05	5.03	-0.09
2002	1,572.61	5.22	2,486.27	-22.10	8,341.63	-16.76	1,543.73	-20.48	1,335.51	-31.53	3.82	-1.21
2003	2,177.53	38.47	3,199.72	28.70	10,453.92	25.32	2,273.20	47.25	2,003.37	50.01	4.26	0.44
2004	2,839.70	30.41	3,547.62	10.87	10,783.01	3.15	2,689.86	18.33	2,175.44	8.59	4.22	-0.04
2005	3,075.06	8.29	3,721.75	4.91	10,717.50	-0.61	2,812.35	4.55	2,205.32	1.37	4.42	0.20
2006	4,131.39	34.35	4,309.60	15.79	12,463.15	16.29	3,328.90	18.37	2,415.29	9.52	4.71	0.29
2007	3,394.71	-17.83	4,546.37	5.49	13,264.82	6.43	3,276.77	-1.57	2,652.28	9.81	4.03	-0.68
<b>Quarter (including current quarter to date)</b>												
2006: Q1	3,504.79	13.97	3,878.37	4.21	11,109.32	3.66	3,204.37	13.94	2,339.79	6.10	4.89	0.47
Q2	3,466.31	-1.10	3,822.49	-1.44	11,150.22	0.37	3,043.37	-5.02	2,172.09	-7.17	5.14	0.25
Q3	3,766.03	8.65	4,039.04	5.67	11,679.07	4.74	3,056.75	0.44	2,258.43	3.97	4.63	-0.51
Q4	4,131.39	9.70	4,309.60	6.70	12,463.15	6.71	3,328.90	8.90	2,415.29	6.95	4.71	0.08
2007: Q1	4,216.98	2.07	4,337.19	0.64	12,354.35	-0.87	3,393.70	1.95	2,421.64	0.26	4.65	-0.06
Q2	3,843.94	-8.85	4,609.48	6.28	13,408.62	8.53	3,543.53	4.42	2,603.23	7.50	5.03	0.38
Q3	3,855.55	0.30	4,703.07	2.03	13,895.63	3.63	3,433.95	-3.09	2,701.50	3.77	4.58	-0.46
Q4	3,394.71	-11.95	4,546.37	-3.33	13,264.82	-4.54	3,276.77	-4.58	2,652.28	-1.82	4.03	-0.55
<b>Month</b>												
2006: Dec	4,131.39	-1.22	4,309.60	1.40	12,463.15	1.97	3,328.90	0.33	2,415.29	-0.68	4.71	0.25
2007: Jan	4,455.00	7.83	4,374.78	1.51	12,621.69	1.27	3,384.61	1.67	2,463.93	2.01	4.82	0.11
February	4,325.12	-2.92	4,289.20	-1.96	12,268.63	-2.80	3,357.75	-0.79	2,416.15	-1.94	4.55	-0.27
March	4,216.98	-2.50	4,337.19	1.12	12,354.35	0.70	3,393.70	1.07	2,421.64	0.23	4.65	0.10
April	4,221.58	0.11	4,529.30	4.43	13,062.91	5.74	3,454.65	1.80	2,525.09	4.27	4.63	-0.02
May	4,226.00	0.10	4,687.35	3.49	13,627.64	4.32	3,596.32	4.10	2,604.52	3.15	4.89	0.26
June	3,843.94	-9.04	4,609.48	-1.66	13,408.62	-1.61	3,543.53	-1.47	2,603.23	-0.05	5.03	0.14
July	3,505.89	-8.79	4,466.56	-3.10	13,211.99	-1.47	3,301.18	-6.84	2,546.27	-2.19	4.77	-0.26
August	3,698.61	5.50	4,533.52	1.50	13,357.74	1.10	3,376.00	2.27	2,596.36	1.97	4.54	-0.23
September	3,855.55	4.24	4,703.07	3.74	13,895.63	4.03	3,433.95	1.72	2,701.50	4.05	4.58	0.04
October	3,886.98	0.82	4,777.88	1.59	13,930.01	0.25	3,532.47	2.87	2,859.12	5.83	4.47	-0.11
November	3,551.79	-8.62	4,578.13	-4.18	13,371.72	-4.01	3,278.82	-7.18	2,660.96	-6.93	3.97	-0.50
December	3,394.71	-4.42	4,546.37	-0.69	13,264.82	-0.80	3,276.77	-0.06	2,652.28	-0.33	4.03	0.07
<b>Historical (compound annual rates)</b>												
1-Year		-17.83		5.49		6.43		-1.57		9.81		
3-Year		6.13		8.62		7.15		6.80		6.83		
5-Year		16.64		12.83		9.72		16.25		14.71		
10-Year		9.63		5.91		5.31		7.08		5.38		
15-Year		12.33		10.49		9.72		10.10		9.53		
20-Year		10.86		11.81		10.09		11.34		10.97		
25-Year		10.73		12.73		10.69		10.79		10.23		
30-Year		12.01		12.95		9.67		NA		11.36		
35-Year		10.26		10.97		7.60		NA		8.91		

Source: NAREIT<sup>®</sup>, Dow Jones, Frank Russell Company, Bloomberg, Ibbotson.

<sup>1</sup> Includes all REITs that trade on the New York Stock Exchange, American Stock Exchange and NASDAQ Global Market List.

<sup>2</sup> Price only return.

<sup>3</sup> Ten-year constant maturity Treasury note yield changes in percentage points.

**Exhibit 4**  
**Historical Offerings of Securities**  
(As of December 31, 2007)

Period	Total		Initial Public Offering		Secondary Equity				Secondary Debt			
	Number	Capital Raised <sup>1</sup>	Number	Capital Raised <sup>1</sup>	Common Shares		Preferred Shares		Unsecured Debt		Secured Debt	
					Number	Capital Raised <sup>1</sup>	Number	Capital Raised <sup>1</sup>	Number	Capital Raised <sup>1</sup>	Number	Capital Raised <sup>1</sup>
<b>Annual Totals (including current year to date)</b>												
1999	205	17,214	2	292	29	1,966	71	4,478	69	7,951	34	2,526
2000	114	10,376	0	0	11	1,172	31	1,662	70	7,013	2	529
2001	127	18,752	0	0	58	4,204	21	1,878	44	9,895	4	2,775
2002	187	19,768	3	608	85	5,785	25	1,991	71	10,638	3	745
2003	228	25,562	8	2,646	82	5,471	64	5,192	68	10,894	6	1,358
2004	266	38,773	29	7,980	79	7,338	61	5,858	97	17,306	0	0
2005	259	38,179	11	3,789	71	8,521	36	3,095	105	16,330	36	5,758
2006	204	49,018	5	2,271	75	15,695	39	4,239	82	25,261	3	1,551
2007	129	36,031	4	1,820	56	11,854	26	4,202	43	18,155	0	0
<b>Quarterly Totals</b>												
2006: Q3	62	13,760	2	379	17	2,668	8	859	33	8,605	2	1,249
Q4	49	14,763	2	1,824	22	6,299	9	1,326	16	5,315	0	0
2007: Q1	44	15,740	1	250	13	3,464	10	1,806	20	10,220	0	0
Q2	37	7,100	1	259	16	3,210	9	871	11	2,760	0	0
Q3	22	5,167	0	0	10	2,003	6	1,065	6	2,100	0	0
Q4	26	8,024	2	1,312	17	3,178	1	460	6	3,075	0	0
<b>Monthly Totals</b>												
2006: Mar	24	5,173	0	0	9	1,571	3	125	11	3,175	1	302
April	15	3,039	0	0	9	1,259	2	505	4	1,275	0	0
May	13	2,414	0	0	8	1,334	3	280	2	800	0	0
June	11	2,791	0	0	3	786	2	130	6	1,875	0	0
July	15	3,205	1	198	5	778	2	234	6	1,650	1	345
August	23	6,369	0	0	3	665	5	570	14	4,230	1	904
September	24	4,186	1	181	9	1,225	1	55	13	2,725	0	0
October	11	3,414	1	1,594	3	365	4	730	3	725	0	0
November	20	5,949	0	0	9	2,745	4	449	7	2,755	0	0
December	18	5,400	1	230	10	3,189	1	147	6	1,835	0	0
2007: Jan	15	4,711	0	0	5	1,651	6	1,215	4	1,845	0	0
February	8	1,628	1	250	4	836	3	541	0	0	0	0
March	21	9,401	0	0	4	976	1	50	16	8,375	0	0
April	12	2,659	0	0	6	1,194	2	290	4	1,175	0	0
May	13	2,580	0	0	6	1,709	4	306	3	565	0	0
June	12	1,860	1	259	4	307	3	275	4	1,020	0	0
July	5	1,435	0	0	1	757	3	279	1	400	0	0
August	3	1,128	0	0	1	3	1	575	1	550	0	0
September	14	2,604	0	0	8	1,243	2	211	4	1,150	0	0
October	16	5,390	1	737	9	2,118	1	460	5	2,075	0	0
November	6	1,980	1	575	4	405	0	0	1	1,000	0	0
December	4	654	0	0	4	654	0	0	0	0	0	0

<sup>1</sup> In all cases, capital raised in millions of dollars.  
Source: SNL Financial, NAREIT®.

**Annual Returns for the FTSE NAREIT US Real Estate Index Series**

(Percent, 1972-2007)

Year	All REIT				Composite REIT				Real Estate 50				Equity				Mortgage				Hybrid			
	Total		Price		Total		Price		Total		Price		Total		Price		Total		Price		Total		Price	
	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index	Return	Index
1971		100.00		100.00		100.00		100.00						100.00		100.00		100.00		100.00		100.00		100.00
1972	11.19	111.19	3.84	103.84	11.19	111.19	3.84	103.84					8.01	109.70	1.08	101.08	12.17	112.17	4.34	104.34	11.41	111.41	4.33	104.33
1973	-27.22	80.93	-33.11	69.46	-27.22	80.93	-33.11	69.46					-15.52	91.25	-21.78	79.07	-36.26	71.50	-42.05	60.47	-23.37	85.37	-29.05	74.02
1974	-42.23	46.75	-49.55	35.04	-42.23	46.75	-49.55	35.04					-21.40	71.72	-29.33	55.88	-45.32	39.09	-53.96	27.84	-52.22	40.79	-57.78	31.25
1975	36.34	63.74	22.20	42.82	36.34	63.74	22.20	42.82					19.30	85.56	8.34	60.54	40.79	55.04	24.51	34.66	49.92	61.15	34.49	42.03
1976	48.97	94.96	36.53	58.47	48.97	94.96	36.53	58.47					47.59	126.28	36.21	82.46	51.71	83.50	38.41	47.97	48.19	90.62	35.52	56.96
1977	19.08	113.07	10.10	64.37	19.08	113.07	10.10	64.37					22.42	154.59	13.97	93.98	17.82	98.38	8.16	51.89	17.44	106.43	8.43	61.76
1978	-1.64	111.21	-9.42	58.31	-1.64	111.21	-9.42	58.31					10.34	170.57	2.66	96.48	-9.97	88.57	-17.86	42.62	-7.29	98.67	-14.98	52.51
1979	30.53	145.16	19.35	69.59	30.53	145.16	19.35	69.59					35.86	231.73	25.49	121.07	16.56	103.24	4.26	44.44	33.81	132.02	22.57	64.36
1980	28.02	185.84	11.07	77.30	28.02	185.84	11.07	77.30					24.37	288.20	1.95	123.42	16.80	120.58	3.29	45.90	42.46	188.08	30.44	83.95
1981	8.58	201.78	-1.02	76.51	8.58	201.78	-1.02	76.51					6.00	305.50	-2.03	120.92	7.07	129.11	-5.54	43.36	12.23	211.08	2.80	86.31
1982	31.64	265.62	19.19	91.19	31.64	265.62	19.19	91.19					21.60	371.49	11.49	134.81	48.64	191.91	31.27	56.91	29.57	273.49	18.15	101.97
1983	25.47	333.28	15.11	104.97	25.47	333.28	15.11	104.97					30.64	485.30	21.01	163.13	16.90	224.34	5.56	60.08	29.90	355.28	20.10	122.46
1984	14.82	382.65	3.53	108.67	14.82	382.65	3.53	108.67					20.93	586.86	9.30	178.30	7.26	240.64	-4.54	57.35	17.25	416.55	7.37	131.49
1985	5.92	405.30	-3.52	104.84	5.92	405.30	-3.52	104.84					19.10	698.93	9.62	195.45	-5.20	228.11	-15.33	48.55	4.32	434.57	-3.60	126.75
1986	19.18	483.03	9.24	114.53	19.18	483.03	9.24	114.53					19.16	832.83	10.56	216.10	19.21	271.95	7.64	52.26	18.75	516.07	8.96	138.11
1987	-10.67	431.49	-19.01	92.76	-10.67	431.49	-19.01	92.76					-3.64	802.51	-10.31	193.82	-15.67	229.34	-25.70	38.83	-17.58	425.35	-26.65	101.31
1988	11.36	480.49	1.24	93.92	11.36	480.49	1.24	93.92					13.49	910.74	4.77	203.07	7.30	246.09	-5.12	36.84	6.60	453.43	-2.87	98.40
1989	-1.81	471.78	-12.06	82.59	-1.81	471.78	-12.06	82.59					8.84	991.26	0.58	204.24	-15.90	206.95	-26.19	27.20	-12.14	398.41	-28.36	70.50
1990	-17.35	389.95	-28.49	59.05	-17.35	389.95	-28.49	59.05					-15.35	839.09	-26.45	150.21	-18.37	168.94	-29.18	19.26	-28.21	286.00	-38.88	43.09
1991	35.68	529.08	23.10	72.69	35.68	529.08	23.10	72.69					35.70	1,138.61	25.47	188.47	31.83	222.72	13.93	21.94	39.16	398.00	27.08	54.75
1992	12.18	593.49	2.87	74.78	12.18	593.49	2.87	74.78					14.59	1,304.73	6.40	200.54	1.92	226.99	-10.80	19.57	16.59	464.01	7.21	58.70
1993	18.55	703.57	10.58	82.69	18.55	703.57	10.58	82.69					19.65	1,561.17	12.95	226.51	14.55	260.01	-0.40	19.49	21.18	562.30	12.44	66.00
1994	0.81	709.24	-6.41	77.39	0.81	709.24	-6.41	77.39					3.17	1,610.67	-3.52	218.55	-24.30	196.82	-33.83	12.90	4.00	584.81	-5.95	62.07
1995	18.31	839.09	9.12	84.45	18.31	839.09	9.12	84.45					15.27	1,856.57	6.56	232.88	63.42	321.65	46.80	18.94	22.99	719.26	13.10	70.20
1996	35.75	1,139.10	26.52	106.84	35.75	1,139.10	26.52	106.84					35.27	2,511.32	26.35	294.24	50.86	485.25	37.21	25.98	29.35	930.40	19.70	84.04
1997	18.86	1,353.94	11.85	119.50	18.86	1,353.94	11.85	119.50					20.26	3,020.11	13.33	333.47	3.82	503.80	-3.57	25.05	10.75	1,030.44	2.79	86.38
1998	-18.82	1,099.09	-23.82	91.03	-18.82	1,099.09	-23.82	91.03					-17.50	2,491.53	-22.33	259.00	-29.22	356.60	-34.29	16.46	-34.03	679.83	-42.16	49.97
1999	-6.48	1,027.92	-14.06	78.23	-6.48	1,027.92	-14.06	78.23	100.00	100.00			-4.62	2,376.42	-12.21	227.37	-33.22	238.15	-40.12	9.86	-35.90	435.80	-43.43	28.27
2000	25.89	1,294.05	15.91	90.68	25.89	1,294.05	15.91	90.68	28.66	128.66	19.98	119.98	26.37	3,002.97	16.51	264.90	15.96	276.15	3.33	10.19	11.61	486.40	-1.89	27.73
2001	15.50	1,494.65	7.05	97.07	15.50	1,494.65	7.05	97.07	12.20	144.36	5.13	126.14	13.93	3,421.37	5.85	280.40	77.34	489.74	46.37	14.91	50.75	733.24	40.58	38.99
2002	5.22	1,572.61	-2.15	94.98	5.22	1,572.61	-2.15	94.98	1.86	147.05	-4.30	120.71	3.82	3,552.10	-3.12	271.66	31.08	641.93	14.23	17.03	23.30	904.09	12.36	43.81
2003	38.47	2,177.53	29.34	122.85	38.47	2,177.53	29.34	122.85	36.30	200.44	28.34	154.92	37.13	4,871.12	28.48	349.02	57.39	1,010.33	38.19	23.54	56.19	1,412.13	44.85	63.45
2004	30.41	2,839.70	22.87	150.94	30.41	2,839.70	22.87	150.94	35.00	270.58	28.31	198.79	31.58	6,409.30	24.35	434.01	18.43	1,196.57	7.92	25.40	23.90	1,749.58	15.69	73.41
2005	8.29	3,075.06	2.51	154.73	8.29	3,075.06	2.51	154.73	13.67	307.57	8.52	215.71	12.16	7,188.85	6.67	462.98	-23.19	919.11	-30.88	17.56	-10.83	1,560.18	-17.16	60.81
2006	34.35	4,131.39	28.31	198.53	34.02	4,121.18	28.31	198.53	35.64	417.18	30.28	281.03	35.06	9,709.31	29.51	599.59	19.32	1,096.72	8.44	19.04	40.95	2,199.04	31.19	79.78
2007	-17.83	3,394.71	-21.39	156.07	-17.83	3,386.30	-21.62	155.60	-16.34	349.00	-19.57	226.03	-15.69	8,185.75	-19.05	485.36	-42.35	632.27	-47.69	9.96	-34.77	1,434.47	-40.17	47.73

**Annual Price and Total Returns by Property Sector and Subsector<sup>1</sup>**  
(Returns in Percent, 1994-2007)

	1994		1995		1996		1997		1998		1999		2000		2001		2002		2003		2004		2005		2006		2007	
	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total	Price	Total
<b>All REIT Index</b>																												
Industrial/Office	5.08	11.41	18.02	26.54	35.92	44.22	20.90	27.48	-19.15	-14.44	-4.08	3.35	23.26	33.38	-0.41	7.09	-5.94	0.87	24.62	33.26	18.42	25.24	6.71	12.85	34.06	39.39	-18.17	-14.86
Office	-5.93	0.19	28.44	37.38	41.57	49.92	22.55	29.00	-22.14	-17.35	-3.11	4.25	26.61	35.46	-0.79	6.65	-12.74	-6.82	24.84	34.01	16.22	23.28	6.76	13.11	39.76	45.22	-22.01	0.38
Industrial	13.14	18.60	8.60	16.27	28.99	37.22	12.76	19.02	-16.32	-11.74	-4.04	3.90	14.48	28.62	0.54	7.42	10.23	17.32	25.76	33.14	27.78	34.09	9.26	15.42	24.46	28.92	-3.17	-18.96
Mixed	NA	NA	NA	NA	32.73	40.79	21.01	27.90	-13.52	-8.85	-7.62	-0.72	22.63	31.96	-0.36	8.15	0.88	8.56	22.76	31.30	12.99	19.59	-0.12	7.40	22.07	28.27	-36.66	-33.09
Retail	-3.91	3.19	-3.27	5.10	24.34	34.65	9.87	16.99	-10.89	-4.94	-18.89	-11.77	7.73	17.97	20.61	30.42	13.11	21.07	38.47	46.77	33.23	40.23	6.60	11.80	24.00	29.01	-18.97	-15.77
Shopping Centers	-5.38	1.75	-0.90	7.36	23.15	33.55	14.36	21.44	-13.00	-6.99	-18.02	-10.71	4.27	15.10	19.83	29.89	9.63	17.72	34.99	43.12	29.63	36.25	3.59	9.27	29.73	34.87	-20.98	-17.68
Regional Malls	1.41	8.77	-5.74	3.00	34.11	45.27	6.57	13.69	-8.17	-2.62	-21.22	-14.58	13.63	23.50	22.86	31.88	16.77	24.56	43.75	52.24	16.22	45.01	11.76	16.54	19.19	23.83	-18.80	-15.85
Free Standing	-17.39	-5.49	20.32	31.59	20.20	30.77	10.26	17.77	-11.98	-6.25	-12.31	-4.89	-0.34	8.95	12.06	23.95	13.65	21.76	27.71	35.91	26.02	32.87	-5.44	-0.49	21.13	30.74	-5.26	-0.43
Residential	-5.91	0.97	3.85	12.64	20.52	30.89	9.06	16.33	-13.67	-8.09	1.80	9.46	25.21	34.27	2.02	9.04	-12.62	-5.97	17.64	25.90	24.09	32.72	8.28	13.67	33.81	38.93	-28.08	-25.21
Apartments	-6.28	0.72	4.13	13.15	19.10	29.65	8.77	16.04	-14.35	-8.75	2.86	10.71	26.36	35.49	1.68	8.67	-12.86	-6.13	17.21	25.48	26.50	34.72	9.09	14.62	34.76	39.95	-28.30	-25.43
Manufactured Homes	-2.59	3.31	2.87	10.67	26.58	34.95	11.67	18.65	-6.10	-0.87	-8.76	-2.80	12.61	20.94	6.36	13.72	0.29	-4.79	21.51	29.99	-8.40	6.40	-6.05	-2.58	11.57	15.34	-22.24	-19.34
Diversified	-11.00	-3.52	11.82	21.90	22.19	33.15	15.78	24.48	-26.07	-22.09	-23.58	-14.32	15.26	25.01	8.35	16.26	-0.54	7.65	30.93	43.00	20.40	29.18	-1.17	4.75	32.11	38.03	-25.40	-22.29
Lodging/Resorts	-11.82	-8.09	22.09	30.88	39.59	48.94	23.28	30.05	-55.01	-52.83	-24.07	-16.15	30.37	45.32	-15.84	-8.07	-7.04	-1.44	26.51	31.75	28.43	32.16	5.61	9.49	22.75	28.17	-25.98	-22.37
Health Care	-4.80	2.99	10.54	20.92	14.91	24.13	5.19	13.32	-32.95	-25.72	-35.89	-28.67	1.47	16.30	44.05	56.93	-1.20	7.12	43.44	55.57	14.01	21.67	-4.63	1.77	35.80	44.55	-3.47	2.13
Mortgage	-49.52	-41.94	94.91	110.81	40.95	54.19	-10.01	-3.05	-34.12	-29.34	-40.63	-33.73	3.33	15.96	46.37	77.34	14.23	31.08	38.19	57.39	7.92	18.43	-30.88	-23.19	8.44	19.32	-47.69	-42.35
Home Financing	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	-1.60	9.16	68.36	102.03	11.40	28.25	22.74	42.73	12.88	24.91	-33.94	-25.95	3.87	14.75	-43.41	-38.23
Commercial Financing	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	10.13	25.60	10.17	37.37	21.27	38.50	68.54	84.67	-0.09	7.45	-22.82	-16.06	19.61	30.31	-54.29	-48.79
Self Storage	1.21	8.75	25.37	34.44	34.51	42.84	-1.24	3.41	-10.86	-7.20	-14.19	-8.04	6.50	14.69	36.54	43.24	-5.01	0.56	30.75	38.14	24.03	29.40	21.98	26.55	36.66	40.95	-27.16	-24.82
Specialty	-13.34	-5.35	17.17	26.56	36.02	45.85	20.52	27.31	-28.70	-24.33	-32.35	-25.70	-34.74	-31.60	-2.16	7.60	-10.62	-5.35	30.64	38.55	20.65	26.85	5.93	10.44	15.29	23.56	9.89	14.56
<b>Equity REIT Index</b>																												
Industrial/Office	10.25	16.59	16.95	25.81	35.89	44.42	20.91	27.49	-19.15	-14.44	-4.08	3.35	23.26	33.38	-0.41	7.09	-5.94	0.87	24.62	33.26	18.42	25.24	6.71	12.85	34.06	39.39	-18.17	-14.86
Office	-2.67	2.86	28.37	38.80	42.85	51.80	22.56	29.01	-22.15	-17.35	-3.08	4.25	26.61	35.46	-0.79	6.65	-12.74	-6.82	24.84	34.01	16.22	23.28	6.76	13.11	39.76	45.22	-22.01	0.38
Industrial	13.37	18.67	8.55	16.21	28.99	37.22	12.76	19.02	-16.32	-11.74	-4.04	3.90	14.48	28.62	0.54	7.42	10.23	17.32	25.76	33.14	27.78	34.09	9.26	15.42	24.46	28.92	-3.17	-18.96
Mixed	NA	NA	NA	NA	32.73	40.79	21.01	27.90	-13.52	-8.85	-7.62	-0.72	22.63	31.96	-0.36	8.15	0.88	8.56	22.76	31.30	12.99	19.59	-0.12	7.40	22.07	28.27	-36.66	-33.09
Retail	-3.94	2.98	-3.20	5.10	24.44	34.60	9.82	16.95	-10.87	-4.94	-18.89	-11.77	7.73	17.97	20.61	30.42	13.11	21.07	38.47	46.77	33.23	40.23	6.60	11.80	24.00	29.01	-18.97	-15.77
Shopping Centers	-5.49	1.33	-0.74	7.40	23.36	33.49	14.36	21.44	-13.00	-6.99	-18.02	-10.71	4.27	15.10	19.83	29.89	9.63	17.72	34.99	43.12	29.63	36.25	3.59	9.27	29.73	34.87	-20.98	-17.68
Regional Malls	1.41	8.77	-5.74	3.00	34.11	45.27	6.57	13.69	-8.17	-2.62	-21.22	-14.58	13.63	23.50	22.86	31.88	16.77	24.56	43.75	52.24	16.22	45.01	11.76	16.54	19.19	23.83	-18.80	-15.85
Free Standing	-17.52	-5.46	20.29	31.57	20.38	30.94	10.22	17.70	-11.98	-6.25	-12.31	-4.89	-0.34	8.95	12.06	23.95	13.65	21.76	27.71	35.91	26.02	32.87	-5.44	-0.49	21.13	30.74	-5.26	-0.43
Residential	-3.77	2.31	3.81	12.00	19.73	29.46	9.04	16.32	-13.69	-8.12	1.81	9.48	25.24	34.30	2.02	9.04	-12.63	-5.99	17.65	25.90	24.08	32.71	8.30	13.69	33.81	38.93	-28.08	-25.21
Apartments	-3.91	2.19	3.94	12.26	19.07	28.93	8.77	16.04	-14.37	-8.77	2.88	10.73	26.40	35.53	1.67	8.66	-12.87	-6.15	17.22	25.49	26.50	34.71	9.12	14.65	34.76	39.95	-28.30	-25.43
Manufactured Homes	-2.59	3.31	2.87	10.67	26.58	34.93	11.67	18.65	-6.10	-0.87	-8.76	-2.80	12.61	20.94	6.36	13.72	-9.60	-4.06	21.51	29.99	-8.40	6.40	-6.05	-2.58	11.57	15.34	-22.24	-19.34
Diversified	-11.54	-6.04	12.53	21.15	22.26	33.97	13.15	21.67	-26.02	-22.11	-23.71	-14.41	15.21	24.11	4.80	12.51	-3.39	4.24	27.88	40.25	22.20	32.42	4.04	9.87	32.11	38.03	-25.40	-22.29
Lodging/Resorts	-12.79	-8.89	22.35	30.79	40.31	49.19	23.31	30.09	-55.01	-52.83	-24.07	-16.15	30.85	45.77	-16.33	-8.63	-7.03	-1.49	26.56	31.69	29.08	32.70	5.93	9.76	22.75	28.17	-25.98	-22.37
Health Care	-3.54	4.12	13.93	24.87	11.87	20.39	7.57	15.77	-23.65	-17.45	-31.98	-24.83	9.97	25.84	39.11	51.85	-3.08	4.82	41.64	53.59	13.35	20.96	-4.60	1.79	35.80	44.55	-3.47	2.13
Self Storage	1.31	8.90	25.41	34.40	34.51	42.84	-1.24	3.41	-10.86	-7.20	-14.19	-8.04	6.50	14.69	36.54	43.24	-5.01	0.56	30.75	38.14	24.33	29.70	21.98	26.55	36.66	40.95	-27.16	-24.82
Specialty	-13.39	-5.22	18.26	27.64	36.59	46.12	20.54	27.33	-28.70	-24.33	-32.35	-25.70	-34.74	-31.60	-2.16	7.60	-10.62	-5.35	30.64	38.55	20.65	26.85	5.93	10.44	15.29	23.56	9.89	14.56

**Year End Equity Market Capitalization<sup>1</sup>**  
(Millions of dollars at year end)

Year	<u>All REITs</u>		<u>Equity</u>		<u>Mortgage</u>		<u>Hybrid</u>	
	Number of REITs	Market Capitalization	Number of REITs	Market Capitalization	Number of REITs	Market Capitalization	Number of REITs	Market Capitalization
1971	34	1,494.3	12	332.0	12	570.8	10	591.6
1972	46	1,880.9	17	377.3	18	774.7	11	728.9
1973	53	1,393.5	20	336.0	22	517.3	11	540.2
1974	53	712.4	19	241.9	22	238.8	12	231.7
1975	46	899.7	12	275.7	22	312.0	12	312.0
1976	62	1,308.0	27	409.6	22	415.6	13	482.8
1977	69	1,528.1	32	538.1	19	398.3	18	591.6
1978	71	1,412.4	33	575.7	19	340.3	19	496.4
1979	71	1,754.0	32	743.6	19	377.1	20	633.3
1980	75	2,298.6	35	942.2	21	509.5	19	846.8
1981	76	2,438.9	36	977.5	21	541.3	19	920.1
1982	66	3,298.6	30	1,071.4	20	1,133.4	16	1,093.8
1983	59	4,257.2	26	1,468.6	19	1,460.0	14	1,328.7
1984	59	5,085.3	25	1,794.5	20	1,801.3	14	1,489.4
1985	82	7,674.0	37	3,270.3	32	3,162.4	13	1,241.2
1986	96	9,923.6	45	4,336.1	35	3,625.8	16	1,961.7
1987	110	9,702.4	53	4,758.5	38	3,161.4	19	1,782.4
1988	117	11,435.2	56	6,141.7	40	3,620.8	21	1,672.6
1989	120	11,662.2	56	6,769.6	43	3,536.3	21	1,356.3
1990	119	8,737.1	58	5,551.6	43	2,549.2	18	636.3
1991	138	12,968.2	86	8,785.5	28	2,586.3	24	1,596.4
1992	142	15,912.0	89	11,171.1	30	2,772.8	23	1,968.1
1993	189	32,158.7	135	26,081.9	32	3,398.5	22	2,678.2
1994	226	44,306.0	175	38,812.0	29	2,502.7	22	2,991.3
1995	219	57,541.3	178	49,913.0	24	3,395.4	17	4,232.9
1996	199	88,776.3	166	78,302.0	20	4,778.6	13	5,695.8
1997	211	140,533.8	176	127,825.3	26	7,370.3	9	5,338.2
1998	210	138,301.4	173	126,904.5	28	4,916.2	9	6,480.7
1999	203	124,261.9	167	118,232.7	26	4,441.7	10	1,587.5
2000	189	138,715.4	158	134,431.0	22	2,652.4	9	1,632.0
2001	182	154,898.6	151	147,092.1	22	3,990.5	9	3,816.0
2002	176	161,937.3	149	151,271.5	20	7,146.4	7	3,519.4
2003	171	224,211.9	144	204,800.4	20	14,186.5	7	5,225.0
2004	190	305,025.1	150	273,629.0	33	24,774.1	7	6,622.0
2005	197	330,691.3	152	301,491.0	37	23,393.7	8	5,806.6
2006	183	438,071.1	138	400,741.4	38	29,195.3	7	8,134.3
2007	152	312,009.0	118	288,694.6	29	19,054.1	5	4,260.3

<sup>1</sup>Market capitalization equals price of shares multiplied by the number of shares outstanding.

**Constituent Companies in the FTSE NAREIT All REIT Index**

(Ranked by property sector/subsector and equity market capitalization in millions of dollars; December 31, 2007)

Number of REITs	Company	Ticker Symbols	Investment Sector	Property Subsector	Equity Market Capitalization <sup>1</sup> Millions of dollars
<b>Summary by Property Sector and Subsector</b>					
<b>118</b>	<b>Equity REITs</b>				<b>288,694.6</b>
27	Industrial/Office				72,864.0
15	Office				38,324.4
7	Industrial				26,637.6
5	Mixed				7,902.0
28	Retail				80,533.6
15	Shopping Centers				32,910.3
8	Regional Malls				40,549.4
5	Free Standing				7,073.9
21	Residential				39,114.1
17	Apartments				37,334.5
4	Manufactured Homes				1,779.6
9	Diversified				18,290.0
11	Lodging/Resorts				19,392.9
4	Self Storage				14,806.6
11	Health Care				25,971.5
7	Specialty				17,721.9
<b>5</b>	<b>Hybrid REITs</b>				<b>4,260.3</b>
<b>29</b>	<b>Mortgage REITs</b>				<b>19,054.1</b>
13	Home Financing				12,903.1
16	Commercial Financing				6,151.0
<b>152</b>	<b>Industry Totals</b>				<b>312,009.0</b>

**Investment Sector: Equity**

**Property Sector: Industrial/Office**

1	Boston Property	BXP	Equity	Office	10,920.2
2	SL Green Realty	SLG	Equity	Office	5,561.8
3	Alexandria Real Estate Equity	ARE	Equity	Office	3,241.0
4	Douglas Emmett	DEI	Equity	Office	2,483.3
5	Mack Cali Realty	CLI	Equity	Office	2,309.5
6	Kilroy Realty	KRC	Equity	Office	1,780.1
7	Highwoods Prop	HIW	Equity	Office	1,666.6
8	Brandywine Rlty	BDN	Equity	Office	1,560.7
9	HRPT Properties	HRP	Equity	Office	1,736.4
10	Corporate Office Properties	OFC	Equity	Office	1,482.7
11	BioMed Realty Trust	BMR	Equity	Office	1,517.5
12	Maguire Properties	MPG	Equity	Office	1,384.0
13	Franklin Street Properties	FSP	Equity	Office	1,047.3
14	American Financial Realty Trust	AFR	Equity	Office	1,045.6
15	Parkway Properties	PKY	Equity	Office	587.5
<b>15</b>	<b>Subsector Totals</b>				<b>38,324.4</b>

**Constituent Companies in the FTSE NAREIT All REIT Index**

(Ranked by property sector/subsector and equity market capitalization in millions of dollars; December 31, 2007)

Number of REITs	Company	Ticker Symbols	Investment Sector	Property Subsector	Equity Market Capitalization <sup>1</sup> Millions of dollars
1	Prologis	PLD	Equity	Industrial	16,240.3
2	AMB Property	AMB	Equity	Industrial	5,692.9
3	DCT Industrial Trust	DCT	Equity	Industrial	1,555.2
4	First Industrial Realty Trust	FR	Equity	Industrial	1,545.7
5	Eastgroup Properties	EGP	Equity	Industrial	990.0
6	First Potomac Realty Trust	FPO	Equity	Industrial	419.3
7	Monmouth REIT CI A	MNRTA	Equity	Industrial	194.1
<b>7</b>	<b>Subsector Totals</b>				<b>26,637.6</b>
1	Duke Realty Corp	DRE	Equity	Mixed	3,797.2
2	Liberty Property Trust	LRY	Equity	Mixed	2,649.4
3	Ps Business Parks	PSB	Equity	Mixed	1,118.6
4	Mission West Md	MSW	Equity	Mixed	186.6
5	Gladstone Commercial	GOOD	Equity	Mixed	150.2
<b>5</b>	<b>Subsector Totals</b>				<b>7,902.0</b>
<b>27</b>	<b>Sector Totals</b>				<b>72,864.0</b>
<b>Property Sector: Retail</b>					
1	Kimco Realty Cp	KIM	Equity	Shopping Centers	9,213.8
2	Developers Diversified Realty	DDR	Equity	Shopping Centers	4,784.3
3	Federal Realty Invs	FRT	Equity	Shopping Centers	4,614.6
4	Regency Centers	REG	Equity	Shopping Centers	4,422.9
5	Weingarten Realty Investors	WRI	Equity	Shopping Centers	2,691.1
6	Equity One Inc	EQY	Equity	Shopping Centers	1,698.1
7	Tanger Factory Outlet Center	SKT	Equity	Shopping Centers	1,178.8
8	Saul Centers	BFS	Equity	Shopping Centers	938.7
9	Inland Real Estate	IRC	Equity	Shopping Centers	921.8
10	Acadia Realty	AKR	Equity	Shopping Centers	822.9
11	Cedar Shopping Centers	CDR	Equity	Shopping Centers	452.0
12	Ramco-Gershenson Properties	RPT	Equity	Shopping Centers	394.7
13	Kite Realty Group Trust	KRG	Equity	Shopping Centers	441.0
14	Urstadt Biddle Pptys	UBA	Equity	Shopping Centers	290.3
15	AmReit	AMY	Equity	Shopping Centers	45.3
<b>15</b>	<b>Subsector Totals</b>				<b>32,910.3</b>
1	Simon Property Group	SPG	Equity	Regional Malls	19,402.4
2	General Growth Properties	GGP	Equity	Regional Malls	10,092.6
3	Macerich	MAC	Equity	Regional Malls	5,153.1
4	Taubman Centers	TCO	Equity	Regional Malls	2,602.5
5	CBL & Associates Properties	CBL	Equity	Regional Malls	1,562.7
6	Penn Real Estate Invest	PEI	Equity	Regional Malls	1,149.6
7	Glimcher Realty Trust	GRT	Equity	Regional Malls	538.1
8	Feldman Mall Properties	FMP	Equity	Regional Malls	48.3
<b>8</b>	<b>Subsector Totals</b>				<b>40,549.4</b>

**Constituent Companies in the FTSE NAREIT All REIT Index**

(Ranked by property sector/subsector and equity market capitalization in millions of dollars; December 31, 2007)

Number of REITs	Company	Ticker Symbols	Investment Sector	Property Subsector	Equity Market Capitalization <sup>1</sup> Millions of dollars
1	Realty Income	O	Equity	Free Standing	2,729.2
2	Alexanders Inc	ALX	Equity	Free Standing	1,775.1
3	National Retail Properties	NNN	Equity	Free Standing	1,680.8
4	Getty Realty	GTY	Equity	Free Standing	657.8
5	Agree Realty	ADC	Equity	Free Standing	231.0
<b>5</b>	<b>Subsector Totals</b>				<b>7,073.9</b>
<b>28</b>	<b>Sector Totals</b>				<b>80,533.6</b>
<b>Property Sector: Residential</b>					
1	Equity Residential	EQR	Equity	Apartments	10,107.1
2	Avalonbay Communities	AVB	Equity	Apartments	7,399.7
3	Apartment Inv Management	AIV	Equity	Apartments	3,319.6
4	UDR	UDR	Equity	Apartments	2,672.4
5	Camden Property	CPT	Equity	Apartments	2,674.6
6	Essex Prop Trust	ESS	Equity	Apartments	2,452.9
7	BRE Properties	BRE	Equity	Apartments	2,044.1
8	Post Properties	PPS	Equity	Apartments	1,517.9
9	Home Properties	HME	Equity	Apartments	1,505.4
10	Mid-America Apartment Comm	MAA	Equity	Apartments	1,083.7
11	Colonial Prop	CLP	Equity	Apartments	1,062.5
12	American Campus Communities	ACC	Equity	Apartments	727.3
13	Education Realty Trust	EDR	Equity	Apartments	320.4
14	GMH Communities Trust	GCT	Equity	Apartments	229.4
15	Associated Estates Realty	AEC	Equity	Apartments	165.2
16	Roberts Realty	RPI	Equity	Apartments	38.2
17	Maxus Realty Trust	MRTI	Equity	Apartments	14.1
<b>17</b>	<b>Subsector Totals</b>				<b>37,334.5</b>
1	Equity Lifestyle Properties	ELS	Equity	Manufactured Homes	1,110.5
2	Sun Communities	SUI	Equity	Manufactured Homes	385.2
3	American Land Lease	ANL	Equity	Manufactured Homes	158.9
4	UMH Properties	UMH	Equity	Manufactured Homes	124.9
<b>4</b>	<b>Subsector Totals</b>				<b>1,779.6</b>
<b>21</b>	<b>Sector Totals</b>				<b>39,114.1</b>
<b>Property Sector: Diversified</b>					
1	Vornado Realty	VNO	Equity		13,330.6
2	Washington Real Estate Inv	WRE	Equity		1,465.3
3	Cousins Property	CUZ	Equity		1,139.3
4	Lexington Realty Trust	LXP	Equity		931.0
5	Investors Real Estate Trust	IRETS	Equity		498.0
6	CapLease	LSE	Equity		384.4
7	Winthrop Realty Trust	FUR	Equity		346.7
8	One Liberty	OLP	Equity		184.3
9	HMG/Courtland Properties	HMG	Equity		10.4
<b>9</b>	<b>Sector Totals</b>				<b>18,290.0</b>
<b>Property Sector: Lodging/Resorts</b>					
1	Host Hotels & Resorts	HST	Equity		8,925.3
2	Hospitality Properties Trust	HPT	Equity		3,023.4
3	Diamondrock Hospitality	DRH	Equity		1,416.1
4	LaSalle Hotel Properties	LHO	Equity		1,274.4



**Constituent Companies in the FTSE NAREIT All REIT Index**

(Ranked by property sector/subsector and equity market capitalization in millions of dollars; December 31, 2007)

Number of REITs	Company	Ticker Symbols	Investment Sector	Property Subsector	Equity Market Capitalization <sup>1</sup> Millions of dollars
5	Sunstone Hotel Investors	SHO	Equity		1,094.1
6	Strategic Hotels & Resorts	BEE	Equity		1,243.9
7	FelCor Lodging	FCH	Equity		966.7
8	Ashford Hospitality Trust	AHT	Equity		881.5
9	Hersha Hospitality Trust Cl A	HT	Equity		393.2
10	Supertel Hospitality	SPPR	Equity		125.3
11	MHI Hospitality	MDH	Equity		48.9
<b>11</b>	<b>Sector Totals</b>				<b>19,392.9</b>
<b>Property Sector: Self Storage</b>					
1	Public Storage	PSA	Equity		12,492.5
2	Sovran Self Storage	SSS	Equity		865.3
3	Extra Space Storage	EXR	Equity		926.5
4	U-Store-It Trust	YSI	Equity		522.2
<b>4</b>	<b>Sector Totals</b>				<b>14,806.6</b>
<b>Property Sector: Health Care</b>					
1	HCP	HCP	Equity		7,490.9
2	Ventas Inc	VTR	Equity		6,029.5
3	Healthcare REIT	HCN	Equity		3,598.4
4	Nationwide Health Properties	NHP	Equity		2,915.4
5	Senior Housng Prop Trust	SNH	Equity		1,878.4
6	Healthcare Realty Trust	HR	Equity		1,286.9
7	OMEGA Healthcare REIT	OHI	Equity		1,091.3
8	LTC Properties	LTC	Equity		574.4
9	Medical Properties Trust	MPW	Equity		501.3
10	Universal Health Rlty Income	UHT	Equity		414.6
11	COGDELL SPENCER	CSA	Equity		190.4
<b>11</b>	<b>Sector Totals</b>				<b>25,971.5</b>

**Constituent Companies in the FTSE NAREIT All REIT Index**

(Ranked by property sector/subsector and equity market capitalization in millions of dollars; December 31, 2007)

Number of REITs	Company	Ticker Symbols	Investment Sector	Property Subsector	Equity Market Capitalization <sup>1</sup> Millions of dollars
<b>Property Sector: Specialty</b>					
1	Plum Creek Timber Co	PCL	Equity		7,931.6
2	Rayonier	RYN	Equity		3,677.3
3	Digital Realty Trust	DLR	Equity		2,425.5
4	Potlatch Corp. REIT	PCH	Equity		1,741.5
5	Entertainment Properties Trust	EPR	Equity		1,319.9
6	DuPont Fabros Technology	DFT	Equity		611.9
7	Pittsburgh & West Virginia Railroad	PW	Equity		14.1
<b>7</b>	<b>Sector Totals</b>				<b>17,721.9</b>
<b>118</b>	<b>Investment Sector Totals</b>				<b>288,694.6</b>
<b>Investment Sector: Hybrid</b>					
1	iStar Financial	SFI	Hybrid		3,338.7
2	Natl Health Investors	NHI	Hybrid		774.6
3	PMC Commercial Trust	PCC	Hybrid		115.6
4	Presidential Realty Cl B	PDL/B	Hybrid		20.7
5	Arizona Land Income Cl A	AZL	Hybrid		10.7
<b>5</b>	<b>Sector Totals</b>				<b>4,260.3</b>
<b>Property Sector: Mortgage</b>					
1	Annaly Capital Management	NLY	Mortgage	Home Financing	7,304.9
2	Thornburg Mortgage	TMA	Mortgage	Home Financing	1,135.2
3	MFA Mortgage	MFA	Mortgage	Home Financing	1,106.7
4	Redwood Trust	RWT	Mortgage	Home Financing	956.6
5	Chimera Investment	CIM	Mortgage	Home Financing	660.8
6	Capstead Mortgage	CMO	Mortgage	Home Financing	513.4
7	Crystal River Capital	CRZ	Mortgage	Home Financing	361.3
8	Anworth Mortgage Asset	ANH	Mortgage	Home Financing	452.8
9	Alesco Financial	AFN	Mortgage	Home Financing	195.0
10	Origen Financial	ORGN	Mortgage	Home Financing	103.2
11	Dynex Capital	DX	Mortgage	Home Financing	108.3
12	Hanover Capital Mortgage Holdings	HCM	Mortgage	Home Financing	3.5
13	Capital Alliance Income Trust	CAA	Mortgage	Home Financing	1.5

**Constituent Companies in the FTSE NAREIT All REIT Index**

(Ranked by property sector/subsector and equity market capitalization in millions of dollars; December 31, 2007)

Number of REITs	Company	Ticker Symbols	Investment Sector	Property Subsector	Equity Market Capitalization <sup>1</sup> Millions of dollars
<b>13 Subsector Totals</b>					<b>12,903.1</b>
1	Gramercy Capital Corp/New York	GKK	Mortgage	Commercial Financing	844.0
2	Newcastle Invt Corp	NCT	Mortgage	Commercial Financing	682.7
3	NorthStar Realty Finance	NRF	Mortgage	Commercial Financing	544.8
4	Capital Trust Inc. CI A	CT	Mortgage	Commercial Financing	533.2
5	RAIT Financial Trust	RAS	Mortgage	Commercial Financing	525.7
6	Anthracite Capital	AHR	Mortgage	Commercial Financing	465.5
7	Friedman Billings Ramsey	FBR	Mortgage	Commercial Financing	505.1
8	Deerfield Capital	DFR	Mortgage	Commercial Financing	413.3
9	Arbor Realty Trust	ABR	Mortgage	Commercial Financing	325.2
10	JER Investors Trust	JRT	Mortgage	Commercial Financing	276.6
11	Resource Capital	RSO	Mortgage	Commercial Financing	232.7
12	Care Investment Trust	CRE	Mortgage	Commercial Financing	251.1
13	CBRE Realty Finance	CBF	Mortgage	Commercial Financing	164.1
14	Quadra Realty Trust Inc.	QRR	Mortgage	Commercial Financing	206.8
15	BRT Realty Trust	BRT	Mortgage	Commercial Financing	171.0
16	American Mortgage Acceptance	AMC	Mortgage	Commercial Financing	9.2
<b>16 Subsector Totals</b>					<b>6,151.0</b>
<b>29 Sector Totals</b>					<b>19,054.1</b>
<b>152 Industry Total</b>					<b>312,009.0</b>

**Summary of Changes:**

**Additions**

**Deletions**

Note:

<sup>1</sup> Equity market capitalization does not include operating partnership units or preferred stock.

**Exhibit 1**  
**Merger and Acquisition Activity**  
(2004 - 2007)

Year	Acquiror	Target	Acquiror Type	Transaction Value	Announcement Date	Completed Date	Status
<b>2004</b>	Ventas, Inc.	ElderTrust	Public REIT	191	19-Nov-03	5-Feb-04	Closed
	Aslan Realty Partners, LLC	Great Lakes REIT	Private Real Estate Company	252	21-Jan-04	27-Apr-04	Closed
	Eaton Vance Corporation/ProLogis	Keystone Property Trust	Investment Advisor/Public REIT	729	3-May-04	4-Aug-04	Closed
	Simon Property Group	Chelsea Property Group	Public REIT	3,000	21-Jun-04	14-Oct-04	Closed
	General Growth Properties, Inc.	The Rouse Company	Public REIT	7,000	19-Aug-04	12-Nov-04	Closed
	PL Retail LLC (DRA Advisors & Kimco Realty)	Price Legacy Corporation	Investment Advisor/Public REIT	3,500	24-Aug-04	21-Dec-04	Closed
	<b>Total Transaction Value</b>			<b>14,672</b>			
	<b>Total Public to Public Transaction Value</b>			<b>14,420</b>			
	<b>Total Public to Private Transaction Value</b>			<b>252</b>			
	<b>Percentage Public to Public</b>			<b>98%</b>			
<b>Percentage Public to Private</b>			<b>2%</b>				
<b>2005</b>	Camden Property Trust	Summit Property Group	Public REIT	1,100	24-Oct-04	28-Feb-05	Closed
	iStar Financial, Inc.	Falcon Financial Investment Trust	Public REIT	120	20-Jan-05	2-Mar-05	Closed
	Colonial Properties Trust	Cornerstone Realty Income Trust	Public REIT	566	25-Oct-04	1-Apr-05	Closed
	Centro Properties Limited	Kramont Realty Trust	Australian LPT	120			Closed
	The Lightstone Group	Prime Group Realty Trust	Private Real Estate Company	1,500	17-Feb-05	1-Jul-05	Closed
	ProLogis	Catellus Development Corporation	Public REIT	3,819	6-Jun-05	15-Sep-05	Closed
	DRA Advisors LLC	CRT Properties, Inc.	Investment Advisor	890	17-Jun-05		Closed
	ING Clarion	Gables Residential Trust	Private Equity Joint Venture	4,900	7-Jun-05	30-Sep-05	Closed
	DRA Advisors LLC	Capital Automotive REIT	Investment Advisor	1,800	2-Sep-05	16-Dec-05	Closed
	<b>Total Transaction Value</b>			<b>14,815</b>			
<b>Total Public to Public Transaction Value</b>			<b>5,725</b>				
<b>Total Public to Private Transaction Value</b>			<b>9,090</b>				
<b>Percentage Public to Public</b>			<b>39%</b>				
<b>Percentage Public to Private</b>			<b>61%</b>				
<b>2006</b>	Brandywine Realty Trust	Prentiss Properties Trust	Public REIT	1,921	3-Oct-05	4-Jan-06	Closed
	CDP Capital-Financing Inc.	Criimi Mae Inc.	Investment Advisor/Pension Fund	1,700		19-Jan-06	Closed
	Morgan Stanley Property Fund	AMLI Residential Properties	Investment Advisor/Brokerage Firm	2,100	23-Oct-05	7-Feb-06	Closed
	Duke Realty Corporation	The Mark Winkler Company	Public REIT	855	2-Mar-06	4-Mar-06	Closed
	CalEast Industrial Investors (Calpers and LaSalle Investment Management)	CenterPoint Properties Trust	Real Estate Operating Partnership	2,436	7-Dec-05	8-Mar-06	Closed
	Morgan Stanley Real Estate and Onex Real Estate	Town and Country Trust	Private Real Estate Joint Venture	1,500	19-Dec-05	31-Mar-06	Closed
	Kimco Realty Corporation	Atlantic Realty Trust	Public REIT	83	1-Dec-05	31-Mar-06	Closed
	Host Marriott Corporation	Starwood Hotels and Resorts	Public REIT	4,040	14-Nov-05	7-Apr-06	Closed

**Exhibit 1**  
**Merger and Acquisition Activity**  
(2004 - 2007)

Year	Acquiror	Target	Acquiror Type	Transaction Value	Announcement Date	Completed Date	Status
2006	GE Real Estate, Inc. & Trizec Properties	Arden Realty Trust	Public non-REIT and REIT	3,032	21-Dec-05	2-May-06	Closed
	Blackstone Group LP	MeriStar Hospitality Corporation	Private Equity Firm	2,600	20-Feb-06	2-May-06	Closed
	LBA Realty LLC	Bedford Property Investors	Private Real Estate Company	432	10-Feb-06	5-May-06	Closed
	Spirit Finance Corporation	Sun Capital Partners, Inc. (ShopKo Stores)	Public REIT	815	10-May-06	2-Jun-06	Closed
	Mack-Cali Realty Corporation	Gale Real Estate Services Corp.	Public REIT	545	16-Feb-06	5-Jun-06	Closed
	Blackstone Group LP	CarrAmerica Realty Corp.	Private Equity Firm	5,600	6-Mar-06	13-Jul-06	Closed
	Archstone-Smith	Deutsche WohnAnlage GmbH	Public REIT	649	29-Jun-06	31-Jul-06	Closed
	Public Storage Inc.	Shurgard Storage Centers Inc.	Public REIT	3,200	7-Mar-06	23-Aug-06	Closed
	Westmont Hospitality and Cadim Inc. (Braveheart Holdings LP)	Boykin Lodging Company	JV- Public Pension Fund	417	22-May-06	21-Sep-06	Closed
	Accredited Home Lenders Holding Co.	Aames Investment Corporation	Mortgage Banking Firm	340	14-Sep-06	1-Oct-06	Closed
	Brookfield Properties Corporation	Trizec Canada, Inc.	Real Estate Operating Company	2,670	5-Jun-06	5-Oct-06	Closed
	Blackstone Group LP and Brookfield Properties Co.	Trizec Properties, Inc.	JV- Private Equity Firm & REOC	6,500	5-Jun-06	5-Oct-06	Closed
	Health Care Property Investors	CNL Retirement Properties	Public REIT	5,300	2-May-06	6-Oct-06	Closed
	Centro Watt (Centro Prop. Group and Watt Commercial Prop.)	Heritage Property Investment Trust Inc.	JV - Australian LPT & Private Equity Firm	3,200	9-Jul-06	19-Oct-06	Closed
	Kimco Realty Corporation	Pan Pacific Retail Properties	Public REIT	4,000	10-Jul-06	31-Oct-06	Closed
	Morguard Corporation	Sizeler Property Investors, Inc.	Canadian REIT	324	7-Aug-06	10-Nov-06	Closed
	Morgan Stanley	Glenborough Realty Trust, Inc.	Brokerage Firm	1,900	21-Aug-06	29-Nov-06	Closed
	Health Care REIT	Windrose Medical Properties Trust	Public REIT	877	13-Sep-06	20-Dec-06	Closed
	Koll/PER LLC	AmeriVest Properties	Real Estate Operating Partnership	273	18-Jul-06	29-Dec-06	Closed
	Lexington Corporate Properties	Newkirk Realty Trust, Inc.	Public REIT	1,080	25-Jul-06	3-Jan-07	Closed
	SL Green Realty Corp.	Reckson Associates Realty Corp.	Public REIT	6,000	3-Aug-06	25-Jan-07	Closed
	Morgan Stanley	Saxon Capital	Brokerage Firm	706	8-Aug-06	4-Dec-06	Closed
	Babcock & Brown Real Estate Investments	BNP Residential Properties Inc.	Investment Advisor/Brokerage Firm	766	31-Aug-06	28-Feb-07	Closed
	Hospitality Properties Trust	TravelCenters of America Inc.	Public REIT	1,900	1-Sep-06	31-Jan-07	Closed
	Geo Group	CentraCore Properties Trust	Correctional Facility Operator	428	19-Sep-06	24-Jan-07	Closed
	Crown Castle International Corporation	Global Signal Inc.	Public Tower Company	4,000	16-Oct-06	12-Jan-07	Closed
	Developers Diversified Realty Corp.	Inland Retail Real Estate Trust, Inc.	Public REIT	6,200	23-Oct-06	27-Feb-07	Closed
	Record Realty Trust	Government Properties Trust, Inc.	Australian LPT	223	24-Oct-06	13-Apr-07	Closed
	GE Capital Solutions	Trustreet Properties, Inc.	Financial Lending Company	3,000	30-Oct-06	27-Feb-07	Closed
	JP Morgan-Special Situation Property Fund	Columbia Equity Trust	Pension Trust Fund	502	6-Nov-06	1-Mar-07	Closed
	National HealthCare Corporation	National Health Realty	Health Care Provider (Public Company)	268	21-Dec-06	31-Oct-07	Closed
	<b>Total Transaction Value</b>				<b>82,381</b>		
<b>Total Public to Public Transaction Value</b>				<b>51,182</b>			
<b>Total Public to Private Transaction Value</b>				<b>31,200</b>			
<b>Percentage Public to Public</b>				<b>62.13%</b>			
<b>Percentage Public to Private</b>				<b>37.87%</b>			

**Exhibit 1**  
**Merger and Acquisition Activity**  
(2004 - 2007)

Year	Acquiror	Target	Acquiror Type	Transaction Value	Announcement Date	Completed Date	Status	
2007	Ventas, Inc.	Sunrise Senior Living REIT	Public REIT	1,036	14-Jan-07	26-Apr-07	Closed	
	Simon Property Group; Farallon Capital Management	Mills Corporation	Public REIT; Investment Advisor	1,350	17-Jan-07	3-Apr-07	Closed	
	Morgan Stanley	CNL Hotels & Resorts Inc.	Brokerage Firm	6,702	19-Jan-07	12-Apr-07	Closed	
	Brookfield Asset Management Inc.	Longview Fibre	Asset Management Firm	2,150	5-Feb-07	20-Apr-07	Closed	
	Blackstone Group	Equity Office Properties Trust	Private Equity Firm	39,000	7-Feb-07	9-Feb-07	Closed	
	Credit-Based Asset Servicing and Securitization LLC (C-BASS)	Fieldstone Investment Corporation	Mortgage Banking Firm	259	16-Feb-07	17-Jul-07	Closed	
	Centro Properties Group	New Plan Excel Realty Trust, Inc.	Australian LPT	6,200	27-Feb-07	20-Apr-07	Closed	
	Macquarie Bank Limited, Kaupthing Bank hf, et al.	Spirit Finance Corporation	Investment Advisor/Brokerage Firm	3,500	13-Mar-07	1-Aug-07	Closed	
	Inland American Real Estate Trust Inc.	Winston Hotels, Inc.	Asset Management Firm	460	3-Apr-07	2-Jul-07	Closed	
	Apollo Investment Corporation	Innkeepers USA Trust	Closed-End Investment Company	1,500	16-Apr-07	29-Jun-07	Closed	
	JER Partners	Highland Hospitality	Private Equity Firm	2,000	24-Apr-07	28-Jul-07	Closed	
	AP AIMCAP Holdings LLC	Eagle Hospitality Properties Trust, Inc.	Closed-End Investment Company	319	27-Apr-07	15-Aug-07	Closed	
	Morgan Stanley	Crescent Real Estate Equity	Brokerage Firm	6,500	23-May-07	3-Aug-07	Closed	
	Tishman Speyer/ Lehman Brothers	Archstone-Smith	Real Estate Company/ Brokerage Firm	22,200	29-May-07	5-Oct-07	Closed	
	Whitehall Street Global Real Estate, LP	Equity Inns, Inc.	Investment Advisor/Brokerage Firm	2,200	21-Jun-07	25-Oct-07	Closed	
	Sentinel Omaha LLC	America First Apartment Investors	Real Estate Advisory Firm	532	25-Jun-07	18-Sep-07	Closed	
	Liberty Property Trust	Republic Property Trust	Public REIT	850	24-Jul-07	4-Oct-07	Closed	
		<b>Total Transaction Value</b>			<b>96,757</b>			
		<b>Total Public to Public Transaction Value</b>			<b>9,436</b>			
		<b>Total Public to Private Transaction Value</b>			<b>87,321</b>			
	<b>Percentage Public to Public</b>			<b>9.75%</b>				
	<b>Percentage Public to Private</b>			<b>90.25%</b>				
<b>Total Transactions: 2004-2007</b>								
	<b>Total Transaction Value</b>			<b>208,626</b>				
	<b>Total Public to Public Transaction Value</b>			<b>80,763</b>				
	<b>Total Public to Private Transaction Value</b>			<b>127,863</b>				
	<b>Percentage Public to Public</b>			<b>38.71%</b>				
	<b>Percentage Public to Private</b>			<b>61.29%</b>				

## FTSE EPRA/NAREIT Global Real Estate Index Series Investment Performance

(Percent change, as of December 31, 2007)

(All values based in U.S. dollars)

Period	Global Composite			North America			Asia			Europe		
	Return Components			Return Components			Return Components			Return Components		
	Total	Price	Income	Total	Price	Income	Total	Price	Income	Total	Price	Income
<b>Annual (including current year to date)</b>												
1997	-7.38	-11.08	3.70	25.05	18.00	7.05	-30.56	-32.71	2.15	3.46	-0.11	3.57
1998	-8.18	-12.53	4.35	-17.67	-22.71	5.03	-3.18	-6.88	3.70	4.98	1.53	3.45
1999	8.87	3.71	5.16	-4.38	-11.27	6.89	32.16	28.23	3.92	-3.23	-6.88	3.65
2000	13.84	8.50	5.34	29.84	21.36	8.48	2.85	-0.27	3.12	9.45	5.52	3.94
2001	-3.81	-7.85	4.04	9.98	4.09	5.90	-17.22	-19.55	2.33	-6.12	-9.41	3.29
2002	2.82	-2.38	5.20	2.42	-3.79	6.21	-7.15	-10.58	3.44	21.69	16.81	4.88
2003	40.69	33.47	7.23	37.70	29.65	8.05	44.83	38.47	6.36	44.68	38.72	5.96
2004	37.96	31.97	6.00	33.51	26.88	6.63	36.85	32.24	4.61	52.73	46.95	5.78
2005	15.35	10.67	4.69	13.21	8.09	5.12	23.37	18.63	4.73	9.43	6.03	3.39
2006	42.35	37.50	4.85	36.26	30.89	5.38	36.49	32.15	4.34	66.99	62.79	4.20
2007	-6.96	-9.98	3.02	-14.92	-18.25	3.33	14.80	11.67	3.13	-24.50	-26.63	2.13
<b>Quarter (including current quarter to date)</b>												
2006: Q4	14.04	13.09	0.95	9.23	8.15	1.08	16.07	15.02	1.05	21.72	21.25	0.47
2007: Q1	6.22	5.56	0.67	3.98	3.14	0.84	11.21	10.54	0.67	2.94	2.64	0.30
Q2	-5.85	-6.77	0.92	-8.40	-9.27	0.87	0.46	-0.31	0.77	-10.88	-12.10	1.21
Q3	3.66	2.85	0.80	2.35	1.31	1.05	10.32	9.64	0.67	-5.69	-6.24	0.55
Q4	-10.25	-11.06	0.82	-12.72	-13.76	1.04	-6.86	-7.58	0.72	-12.73	-13.27	0.54
<b>Month</b>												
2007: Jul	-4.96	-5.11	0.15	-7.73	-7.95	0.22	-1.28	-1.30	0.02	-6.04	-6.25	0.21
August	2.91	2.59	0.32	6.04	5.67	0.37	0.39	0.02	0.37	1.63	1.48	0.15
September	5.98	5.65	0.33	4.61	4.15	0.46	11.31	11.06	0.25	-1.24	-1.45	0.21
October	2.58	2.35	0.24	1.36	1.06	0.30	4.95	4.83	0.12	-0.26	-0.59	0.34
November	-7.71	-7.94	0.23	-9.34	-9.61	0.27	-6.01	-6.23	0.22	-8.23	-8.36	0.13
December	-5.19	-5.60	0.41	-5.02	-5.58	0.57	-5.58	-5.98	0.40	-4.67	-4.80	0.13
<b>Historical (compound annual rates through end of month)</b>												
1-Year	-6.96	-9.98		-14.92	-18.25		14.80	11.67		-24.50	-26.63	
3-Year	15.17	11.06		9.49	4.97		24.57	20.52		11.32	8.19	
5-Year	24.29	19.26		19.26	13.73		30.82	26.24		24.97	20.89	
10-Year	12.81	7.89		10.76	4.72		14.51	10.63		14.50	10.55	
15-Year	14.04	9.14		14.89	8.00		12.94	9.31		14.45	10.28	

Source: FTSE Group and the National Association of Real Estate Investments Trusts®.







**National Association of Real Estate Investment Trusts®**  
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