RAMCO GERSHENSON PROPERTIES TRUST
Form 10-K
February 27, 2013

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2012
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission file number 1-10093

RAMCO-GERSHENSON PROPERTIES TRUST
(Exact Name of Registrant as Specified in its Charter)

Maryland (State or Other Jurisdiction of Incorporation or Organization)	13-6908486 (I.R.S. Employer Identification No.)
31500 Northwestern Highway Farmington Hills, Michigan (Address of Principal Executive Offices)	48334 (Zip Code)

Registrant's Telephone Number, Including Area Code: 248-350-9900

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange On Which Registered
Common Shares of Beneficial Interest, $0.01 Par Value Per Share	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes [ ] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No

[ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer [ ]	Accelerated Filer [X]
Non-Accelerated Filer [ ] (Do not check if small reporting company)	Small Reporting Company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [ ] No [X]

The aggregate market value of the common equity held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter (June 30, 2012) was $567,519,272.

Number of common shares outstanding as of February 15, 2013: 51,078,800

DOCUMENT INCORPORATED BY REFERENCE

Portions of the registrant's proxy statement for the annual meeting of shareholders to be held June 4, 2013 are in incorporated by reference into Part III of this Form 10-K.

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Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements represent our expectations, plans or beliefs concerning future events and may be identified by terminology such as "may," "will," "should," "believe," "expect," "estimate," "anticipate," "continue," "predict" or similar terms. Al forward-looking statements made in this document are based on our good-faith beliefs, reasonable assumptions and our best judgment based upon current information, certain factors could cause actual results to differ materially from those in the forward-looking statements, including: our success or failure in implementing our business strategy; economic conditions generally and in the commercial real estate and finance markets specifically; the cost and availability of capital, which depends in part on our asset quality and our relationships with lenders and other capital providers; our business prospects and outlook; changes in governmental regulations, tax rates and similar matters; our continuing to qualify as a real estate investment trust ("REIT"); and other factors discussed elsewhere in this document and our other filings with the Securities and Exchange Commission (the "SEC"). Given these uncertainties, you should not place undue reliance on any forward-looking statements. Except as required by law, we assume no obligation to update these forward-looking statements, even if new information becomes available in the future.

PART I

Item 1. Business

The terms "Company," "we," "our" or "us" refer to Ramco-Gershenson Properties Trust, Ramco-Gershenson Properties, L.P. and/or its subsidiaries, as the context may require.

General

Ramco-Gershenson Properties Trust is a fully integrated, self-administered, publicly-traded equity real estate investment trust ("REIT"). Our primary business is the ownership and management of shopping centers located in targeted metropolitan markets predominantly in the Eastern and Midwestern United States. Our property portfolio consists of 52 wholly owned shopping centers and one office building comprising approximately 10.0 million square feet. In addition, we are co-investor in and manager of two significant joint ventures that own portfolios of shopping centers. We own 30% of Ramco/Lion Venture L.P., an entity that owns 15 shopping centers comprising approximately 3.0 million square feet. We own 20% of Ramco 450 Venture LLC, an entity that owns eight shopping centers comprising approximately 1.7 million square feet. We also have ownership interests in three smaller joint ventures that each own a shopping center. Our joint ventures are reported using equity method accounting. We earn fees from the joint ventures for managing, leasing, and redeveloping the shopping centers they own. We also own various parcels of land held for development or for sale, the majority of which are adjacent to certain of our existing developed properties.

Our predecessor, RPS Realty Trust, a Massachusetts business trust, was formed on June 21, 1988 to be a diversified growth-oriented REIT. In May 1996, RPS Realty Trust acquired the Ramco-Gershenson interests through a reverse merger, including substantially all of the shopping centers and retail properties as well as the management company and business operations of Ramco-Gershenson, Inc. and certain of our affiliates. The resulting trust changed its name to Ramco-Gershenson Properties Trust and Ramco-Gershenson, Inc.'s officers assumed management responsibility. The trust also changed its operations from a mortgage REIT to an equity REIT and contributed certain mortgage loans and real estate properties to Atlantic Realty Trust, an independent, newly formed liquidating REIT. On October 2, 1997, with approval from our shareholders, we changed our state of organization by terminating the Massachusetts trust and merging into a newly formed Maryland REIT.

We conduct substantially all of our business through our operating partnership, Ramco-Gershenson Properties, L.P. (the “Operating Partnership”), a Delaware limited partnership. The Operating Partnership, either directly or indirectly through partnerships or limited liability companies, holds fee title to all owned properties. As general partner of the Operating Partnership, we have the exclusive power to manage and conduct the business of the Operating Partnership. As of December 31, 2012, we owned approximately 95.4% of the interests in the Operating Partnership. The limited partners are reflected as noncontrolling interests in our financial statements and are generally individuals or entities that contributed interests in certain assets or entities to the Operating Partnership in exchange for units of limited partnership interest (“OP Units”). OP units are generally exchangeable, at the holder’s option, for our common shares on a 1:1 basis or for cash. The form of payment is at our election.

We operate in a manner intended to qualify as a REIT pursuant to the provisions of the Internal Revenue Code of 1986, as amended (the "Code"). Certain of our operations, including property and asset management, as well as ownership of certain land parcels, are conducted through taxable REIT subsidiaries, ("TRSs"), which are subject to federal and state income taxes.

Business Objectives, Strategies and Significant Transactions

Our business objective is to own and manage high quality shopping centers that generate cash flow for distribution to our shareholders and that have the potential for capital appreciation. To achieve this objective, we seek to acquire, develop, or redevelop shopping centers that meet our investment criteria. We also seek to recycle capital through the sale of land or shopping centers that we deem to be fully valued or that no longer meet our investment criteria. We use debt to finance our activities and focus on managing the amount, structure, and terms of our debt to limit the risks inherent in debt financing. From time to time, we enter into joint venture arrangements where we believe we can benefit by owning a partial interest in shopping centers and by earning fees for managing the centers for our partners.

We invest in primarily large, multi-anchor shopping centers that include national chain store tenants and market dominant supermarket tenants selling products that satisfy everyday needs. National chain anchor tenants in our centers include, among others, TJ Maxx/Marshalls, Bed Bath and Beyond, Home Depot and Kohl's. Supermarket anchor tenants in our centers include, among others, Publix Super Market, Whole Foods, Supervalu and Kroger. Our shopping centers are primarily located in metropolitan markets predominantly in the Eastern and Midwestern regions of the United States, such as Detroit, Fort Lauderdale-Palm Beach, Jacksonville, Tampa, Atlanta, Chicago and St. Louis.

We also own parcels of developable land. Approximately 25% of our developable land by net book value is available for sale to end users such as retailers that prefer to own their sites or to developers who seek to develop non-retail uses. The remaining 75% of our land is held for development. The timing of future development will depend on our ability to obtain approvals, pre-lease our proposed projects, and identify a source of construction financing. At December 31, 2012 we had one development project under construction with a cost to date of $14.0 and expected remaining costs of $5.6 million.

Operating Strategies and Significant Transactions

Our operating objective is to maximize the risk-adjusted return on invested capital at our shopping centers. We seek to do so by increasing the property operating income of our centers, controlling our capital expenditures, and monitoring our tenants' credit risk. Our operating strategies include:

- Leasing our shopping centers to increase occupancy, maximize rental income, and attract more creditworthy and productive retail tenants;
- Managing and maintaining our centers to appeal to retail tenants and shoppers while ensuring we garner appropriate value for our operating expenses and capital expenditures;
- Redeveloping our centers to increase leasable area, reconfigure space for creditworthy tenants, and create outparcels; and
- Generating temporary and ancillary income from non-rental agreements to use our parking lots, signage, rooftops, and other portions of our real estate.

During 2012, for the combined portfolio, including wholly-owned and joint venture properties we:

- Executed 138 new leases comprised of approximately 0.7 million square feet at an average base rent of $14.55 per square foot;

- Executed 192 renewal leases comprised of approximately 1.1 million square feet at an average base rent of $11.96 per square foot;
    - Reduced the number of vacant anchor spaces (spaces > 19,000 square feet) from eight to five; and
  - Reduced the number of anchor tenants that were lease obligated but not in occupancy from six to two.

Also, during 2012, we continued our strategy of redeveloping centers on a selective basis. In particular, we completed one joint venture redevelopment project and have substantially completed a second joint venture redevelopment project for which our proportionate share of costs for both projects is $1.8 million. We expect to identify new redevelopment projects periodically that are driven by market demand and generate suitable returns on our investment.

Investing Strategies and Significant Transactions

Our investing objective is to generate an attractive risk-adjusted return on capital invested in acquisitions and developments. In addition, we seek to sell land or shopping centers that we deem to be fully valued or that no longer meet our investment criteria. We underwrite acquisitions based upon current cash flow, projections of future cash flow, and scenario analyses that take into account the risks and opportunities of ownership. We underwrite development of new shopping centers on the same basis, but also take into account the unique risks of entitling land, constructing buildings, and leasing newly built space. Our investing strategies include:

- Acquiring shopping centers that are located in targeted metropolitan markets, anchored by stable and productive supermarkets, discounters, or national chain stores, surrounded by trade areas with appealing demographic characteristics, sited with suitable visibility and access, and featuring opportunities to add value through intensive leasing, management, and/or redevelopment;
- Developing our land held for development into income-producing investment property, subject to market demand, availability of capital and adequate returns on our incremental capital;
- Selling non-core shopping centers and redeploying the proceeds into investments that meet our investment criteria; and
- Selling land parcels and using the proceeds to pay down debt or reinvest in our business.

During 2012, we entered Boulder, Colorado, a new market for us, through the acquisition of two high-quality grocery-anchored shopping centers located in high-income trade areas. We also expanded our holdings in the St. Louis, Missouri market. The following describes the $150.0 million in wholly-owned acquisition activity for 2012:

- Spring Meadows Place II, a 49,644 square foot shopping center adjacent to our Spring Meadows Place, located in Holland, Ohio for $2.4 million;
- The Shoppes at Fox River Phase II, a 47,058 square foot shopping center adjacent to our Shoppes at Fox River shopping center, as well as 12.25 acres of land located in Waukesha, Wisconsin for $10.4 million;
- Southfield Expansion, a 19,410 square foot shopping center adjacent to our Southfield Plaza, located in Southfield, Michigan for $0.9 million;
- The Shoppes of Lakeland, a 183,842 square foot shopping center located in Lakeland, Florida for $28.0 million;
- Harvest Junction North and Harvest Junction South, a combined 336,345 square feet, as well as 14 acres of land all located in Longmont (metropolitan Boulder), Colorado. The total acquisition cost was $71.7 million;
- Central Plaza, a 166,431 square foot multi-anchored shopping center in Ballwin (St. Louis), Missouri for $21.6 million; and
- Nagawaukee Shopping Center, an 113,617 square foot shopping center in Delafield (greater Milwaukee), Wisconsin for $15.0 million.

In addition, we sold four wholly-owned income-producing properties and one outparcel for net proceeds to us of $10.3 million. Specifically, we sold:

- Shopping centers in Osprey and Sarasota, Florida for $5.6 million resulting in a $0.1 million gain and generating $5.4 million in net cash proceeds;
- A shopping center located in Flint, Michigan for $1.8 million resulting in a $0.1 million gain and generating approximately $1.3 million in net cash proceeds;
- A freestanding single tenant building located in Toledo, Ohio for $1.7 million resulting in a $0.1 million gain and generating approximately $1.6 million in net cash proceeds; and
- One land outparcel located in Roswell, Georgia generating net sales proceeds of $2.0 million and a net gain of $0.1 million.

Financing Strategies and Significant Transactions

Our financing objective is to maintain a strong and flexible balance sheet in order to ensure access to capital at a competitive cost. In general, we seek to increase our financial flexibility by increasing our pool of unencumbered properties and borrowing on an unsecured basis. In keeping with our objective, we routinely benchmark our balance sheet on a variety of measures to our peers in the shopping center sector and to REITs in general. Our financing strategies include:

- Capitalizing our business with a modest leverage;
- Using primarily fixed-rate debt, staggering our debt maturities, monitoring our liquidity and near-term capital requirements, and managing the average term of our debt;
- Maintaining a line of credit to fund operating and investing needs on a short-term basis;
- Monitoring compliance with debt covenants and maintaining a regular dialogue with our lenders; and
- Financing our investment activities with various forms and sources of capital to reduce reliance on any one source of capital.

During 2012, we continued to strengthen our capital structure by completing an underwritten public offering of newly issued common shares and refinancing and expanding our existing credit facility.

Specifically, we completed the following transactions:

- Issued 6.325 million shares of common shares of beneficial interest at $12.10 per share. Our total net proceeds, after deducting expenses, were approximately $73.2 million;
- Issued 3.1 million shares of common stock through controlled equity offerings for net proceeds of $38.1 million;
- Closed a $360 million unsecured credit facility which amends and restates our prior $250 million facility. The amended facility is comprised of a $240 million revolving line of credit and a $120 million term loan;
- Repaid two wholly owned property mortgages secured by our Coral Creek and The Crossroads shopping centers totaling $19.6 million; and
- Conveyed title to our 77.9% owned Kentwood Towne Centre located in Kentwood, Michigan to the lender in exchange for release from an $8.5 million non-recourse mortgage obligation.

As of December 31, 2012, our unencumbered assets had a book value of approximately $751.1 million and we had net debt to total market capitalization of 40.7% as compared to $610.0 million and 51.0%, respectively, as of December 31, 2011. At December 31, 2012 and 2011 we had $198.8 million and $144.1 million, respectively, available to draw under our unsecured bank line of credit.

Competition

See page 6 of Item 1A. “Risk Factors” for a description of competitive conditions in our business.

Environmental Matters

See page 10 of Item 1A. “Risk Factors” for a description of environmental risks for our business.

Employment

As of December 31, 2012, we had 109 full-time employees. None of our employees are represented by a collective bargaining unit. We believe that our relations with our employees are good.

Available Information

All reports we electronically file with, or furnish to, the SEC, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to such reports, are available, free of charge, on our website at www.rgpt.com, as soon as reasonably practicable after we electronically file such reports with, or furnish those reports to, the SEC. Our Corporate Governance Guidelines, Code of Business Conduct and Ethics and Board of Trustees’ committee charters also are available on our website.

Shareholders may request free copies of these documents from:

Ramco-Gershenson Properties Trust
Attention: Investor Relations
31500 Northwestern Highway, Suite 300
Farmington Hills, MI 48334

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Item 1A. Risk Factors

You should carefully consider each of the risks and uncertainties described below and elsewhere in this Annual Report on Form 10-K, as well as any amendments or updates reflected in subsequent filings with the SEC. We believe these risks and uncertainties, individually or in the aggregate, could cause our actual results to differ materially from expected and historical results and could materially and adversely affect our business operations, results of operations and financial condition. Further, additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our results and business operations.

Operating Risks

National economic conditions and retail sales trends may adversely affect the performance of our properties.

Demand to lease space in our shopping centers generally fluctuates with the overall economy. Economic downturns often result in a lower rate of retail sales growth, or even declines in retail sales. In response, retailers that lease space in shopping centers typically reduce their demand for retail space during such downturns. As a result, economic downturns and unfavorable retail sales trends may diminish the income, cash flow, and value of our properties. Although the U.S. economy is no longer in recession, the rate of recovery has been slow.

Our concentration of properties in Michigan and Florida makes us more susceptible to adverse market conditions in these states.

Our performance depends on the economic conditions in the markets in which we operate. In 2012, our wholly-owned and pro rata share of joint venture properties located in Michigan and Florida accounted for 40%, and 22%, respectively, of our annualized base rent. To the extent that market conditions in these or other states in which we operate deteriorate, the performance or value of our properties may be adversely affected.

Changes in the supply and demand for the type of space we lease to our tenants could affect the income, cash flow, and value of our properties.

Our shopping centers generally compete for tenants with similar properties located in the same neighborhood, community, or region. Although we believe we own high quality centers, competing centers may be newer, better located, or have a better tenant mix. In addition, new centers or retail stores may be developed, increasing the supply of retail space competing with our centers or taking retail sales from our tenants. Our properties also compete with alternate forms of retailing, including on-line shopping, home shopping networks, and mail order catalogs. Alternate forms of retailing may reduce the demand for space in our shopping centers.

As a result, we may not be able to renew leases or attract replacement tenants as leases expire. When we do renew tenants or attract replacement tenants, the terms of renewals or new leases may be less favorable to us than current lease terms. In order to lease our vacancies, we often incur costs to reconfigure or modernize our properties to suit the needs of a particular tenant. Under competitive circumstances, such costs may exceed our budgets. If we are unable to lease vacant space promptly, if the rental rates upon a renewal or new lease are lower than expected, or if the costs incurred to lease space exceed our expectations, then the income and cash flow of our properties will decrease.

Our reliance on key tenants for significant portions of our revenues exposes us to increased risk of tenant bankruptcies that could adversely affect our income and cash flow.

As of December 31, 2012, we received 38.8% of our combined annualized base rents from our top 25 tenants, including our top two tenants: TJ Maxx/Marshalls (4.6%) and Bed Bath & Beyond (2.3%). No other tenant represented more than 2.0% of our total annualized base rent. The credit risk posed by our major tenants varies.

If any of our major tenants experiences financial difficulties or files bankruptcy, our operating results could be adversely affected. Bankruptcy filings by our tenants or lease guarantors generally delay our efforts to collect pre-bankruptcy receivables and could ultimately preclude full collection of these sums. If a tenant rejects a lease, we would have only a general unsecured claim for damages, which may be collectible only to the extent that funds are available and only in the same percentage as is paid to all other holders of unsecured claims. In 2012, no major tenant of ours filed for bankruptcy protection.

Our properties generally rely on anchor tenants to attract customers. The loss of anchor tenants may adversely impact the performance of our properties.

If any of our anchor tenants becomes insolvent, suffers a downturn in business, abandons occupancy, or decides not to renew its lease, such event may adversely impact the performance of the affected center. An abandonment or lease termination by an anchor tenant may give other tenants in the same shopping center the right to terminate their leases or pay less rent pursuant to the terms of their leases. Our leases with anchor tenants may, in certain circumstances, permit them to transfer their leases to other retailers. The transfer to a new anchor tenant could result in lower customer traffic to the center, which could affect our other tenants. In addition, a transfer of a lease to a new anchor tenant could give other tenants the right to make reduced rental payments or to terminate their leases.

We may be restricted from leasing vacant space based on existing exclusivity lease provisions with some of our tenants.

In a number of cases, our leases give a tenant the exclusive right to sell clearly identified types of merchandise or provide specific types of services at a particular shopping center. In other cases, leases with a tenant may limit the ability of other tenants to sell similar merchandise or provide similar services to that tenant. When leasing a vacant space, these restrictions may limit the number and types of prospective tenants suitable for that space. If we are unable to lease space on satisfactory terms, our operating results would be adversely impacted.

Increases in operating expenses could adversely affect our operating results.

Our operating expenses include, among other items, property taxes, insurance, utilities, repairs, and the maintenance of the common areas of our shopping centers. We may experience increases in our operating expenses, some or all of which may be out of our control. Most of our leases require that tenants pay for a share of property taxes, insurance and common area maintenance costs. However, if any property is not fully occupied or if recovery income from tenants is not sufficient to cover operating expenses, then we could be required to expend our own funds for operating expenses. In addition, we may be unable to renew leases or negotiate new leases with terms requiring our tenants to pay all the property tax, insurance, and common area maintenance costs that tenants currently pay, which could adversely affect our operating results.

If we suffer losses that are uninsured or in excess of our insurance coverage limits, we could lose invested capital and anticipated profits.

Catastrophic losses, such as losses resulting from wars, acts of terrorism, earthquakes, floods, hurricanes, and tornadoes or other natural disasters, pollution or environmental matters, generally are either uninsurable or not economically insurable, or may be subject to insurance coverage limitations, such as large deductibles or co-payments. Although we currently maintain “all risk” replacement cost insurance for our buildings, rents and personal property, commercial general liability insurance, and pollution and environmental liability insurance, our insurance coverage may be inadequate if any of the events described above occurs to, or causes the destruction of, one or more of our properties. Under that scenario, we could lose both our invested capital and anticipated profits from that property.

Our real estate assets may be subject to additional impairment provisions based on market and economic conditions.

On a periodic basis, we assess whether there are any indicators that the value of our real estate properties and other investments may be impaired. Under generally accepted accounting principles (“GAAP”) a property’s value is impaired only if the estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property are less than the carrying value of the property. In our estimate of cash flows, we consider factors such as expected future operating income, trends and prospects, the effects of demand, competition and other factors. We are required to make subjective assessments as to whether there are impairments in the value of our real estate properties and other investments.

No assurance can be given that we will be able to recover the current carrying amount of all of our properties and those of our unconsolidated joint ventures. There can be no assurance that we will not take charges in the future related to the impairment of our assets. Any future impairment could have a material adverse effect on our results of operations in the period in which the charge is taken. We recorded impairment provisions of \$4.7 million and \$37.4 million in 2012 and 2011, respectively, related to our real estate properties and other investments. Refer to Note 6 of the notes to the consolidated financial statements for further information regarding impairment provisions.

We do not control all decisions related to the activities of joint ventures in which we are invested, and we may have conflicts of interest with our joint venture partners.

As of December 31, 2012, we had interests in five unconsolidated joint ventures that collectively own 26 shopping centers. Although we manage the properties owned by these joint ventures, we do not control the decisions for the joint ventures. Accordingly, we may not be able to resolve in our favor any issues which arise, or we may have to provide financial or other inducements to our joint venture partners to obtain such favorable resolution.

Various restrictive provisions and rights govern sales or transfers of interests in our joint ventures. We may be required to make decisions as to the purchase or sale of interests in our joint ventures at a time that is disadvantageous to us. In addition, a bankruptcy filing of one of our joint venture partners could adversely affect us because we may make commitments that rely on our partners to fund capital from time to time. The profitability of shopping centers held in a joint venture could also be adversely affected by the bankruptcy of one of our joint venture partners if, because of certain provisions of the bankruptcy laws, we were unable to make important decisions in a timely fashion or became subject to additional liabilities.

We may invest in additional joint ventures, the terms of which may differ from our existing joint ventures. In general, we would expect to share the rights and obligations to make major decisions regarding the venture with our partners, which would expose us to the risks identified above.

Our equity investment in each of our unconsolidated joint ventures is subject to impairment testing in the event of certain triggering events, such a change in market conditions or events at properties held by those joint ventures. If the fair value of our equity investment is less than our net book value on an other than temporary basis, impairment is required under generally accepted accounting principles. We recorded impairment provisions of $0.4 million and $9.6 million in 2012 and 2011, respectively, related to our equity investments in unconsolidated joint ventures. Refer to Note 6 of the notes to the consolidated financial statements for further information.

Market and economic conditions may impact our partners' ability to perform in accordance with our real estate joint venture and partnership agreements resulting in a change in control.

Changes in control of our investments could result from events such as amendments to our real estate joint venture and partnership agreements, changes in debt guarantees or changes in ownership due to required capital contributions. Any changes in control will result in the revaluation of our investments to fair value, which could lead to impairment. We are unable to predict whether, or to what extent, a change in control may result or the impact of adverse market and economic conditions may have to our partners.

Our redevelopment projects may not yield anticipated returns, which would adversely affect our operating results.

Our redevelopment activities generally call for a capital commitment and project scope greater than that required to lease vacant space. To the extent a significant amount of construction is required, we are susceptible to risks such as permitting, cost overruns and timing delays as a result of the lack of availability of materials and labor, the failure of tenants to commit or fulfill their commitments, weather conditions, and other factors outside of our control. Any substantial unanticipated delays or expenses could adversely affect the investment returns from these redevelopment projects and adversely impact our operating results.

Investing Risks

We face competition for the acquisition and development of real estate properties, which may impede our ability to grow our operations or may increase the cost of these activities.

We compete with many other entities for the acquisition of shopping centers and land suitable for new developments, including other REITs, private institutional investors and other owner-operators of shopping centers. In particular, larger REITs may enjoy competitive advantages that result from, among other things, a lower cost of capital. These competitors may increase the market prices we would have to pay in order to acquire properties. If we are unable to acquire properties that meet our criteria at prices we deem reasonable, our ability to grow may be adversely affected.

Commercial real estate investments are relatively illiquid, which could hamper our ability to dispose of properties that no longer meet our investment criteria or respond to adverse changes in the performance of our properties.

Because real estate investments are relatively illiquid, our ability to promptly sell one or more properties in our portfolio in response to changing economic, financial and investment conditions is limited. The real estate market is affected by many factors, such as general economic conditions, supply and demand, availability of financing, interest rates and other factors that are beyond our control. We cannot be certain that we will be able to sell any property for the price and other terms we seek, or that any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot estimate with certainty the length of time needed to find a willing purchaser and to complete the sale of a property. We may be required to expend funds to correct defects or to make improvements before a property can be sold. Factors that impede our ability to dispose of properties could adversely affect our financial condition and operating results.

We are seeking to develop new properties, an activity that has inherent risks including cost overruns related to entitling land, improving the site, constructing buildings, and leasing new space.

We are seeking to develop and construct retail properties at several land parcels we own. Our development and construction activities are subject to the following risks:

- The pre-construction phase for a development project typically extends over several years, and the time to obtain anchor commitments, zoning and regulatory approvals, and financing can vary significantly from project to project;
- We may not be able to obtain the necessary zoning or other governmental approvals for a project, or we may determine that the expected return on a project is not sufficient. If we abandon our development activities with respect to a particular project, we may incur an impairment loss on our investment;
- Construction and other project costs may exceed our original estimates because of increases in material and labor costs, delays and costs to obtain anchor and other tenant commitments;
- We may not be able to obtain financing for construction;
- Occupancy rates and rents at a completed project may not meet our projections; and
- The time frame required for development, construction and lease-up of these properties means that we may have to wait years for a significant cash return.

If any of these events occur, our development activities may have an adverse effect on our results of operations, including additional impairment provisions. We recorded impairment provisions of $1.4 million and $11.5 million in 2012 and 2011, respectively, related to developable land. For a detailed discussion of development projects, refer to Notes 3 and 6 of the notes to the consolidated financial statements.

Financing Risks

We have no corporate debt limitations.

Our management and Board of Trustees (“Board”) have discretion to increase the amount of our outstanding debt at any time. Subject to existing financial covenants, we could become more highly leveraged, resulting in an increase in debt service costs that could adversely affect our cash flow and the amount available for distribution to our shareholders. If we increase our debt, we may also increase the risk of default on our debt.

Our debt must be refinanced upon maturity, which makes us reliant on the capital markets on an ongoing basis.

We are not structured in a manner to generate and retain sufficient cash flow from operations to repay our debt at maturity. Instead, we expect to refinance our debt by raising equity, debt, or other capital prior to the time that it matures. As of December 31, 2012, we had $547.3 million of outstanding indebtedness, including $6.0 million of capital lease obligations. Of this, $13.0 million matures in 2013. In addition, our joint ventures had $360.3 million of outstanding indebtedness, of which our share is $90.3 million. $214.7 million of joint venture debt matures in 2013, of which our share is $52.4 million. The availability and price of capital can vary significantly. If we seek to refinance maturing debt when capital market conditions are restrictive, we may find capital scarce, costly, or unavailable. Refinancing debt at a higher cost would affect our operating results and cash available for distribution. The failure to refinance our debt at maturity would result in default and the exercise by our lenders of the remedies available to them, including foreclosure and, in the case of recourse debt, liability for unpaid amounts.

Increases in interest rates may affect the cost of our variable-rate borrowings, our ability to refinance maturing debt, and the cost of any such refinancings.

As of December 31, 2012, we had four interest rate swap agreements in effect for an aggregate notional amount of $135.0 million converting our floating rate corporate debt to fixed rate debt. After accounting for these interest rate swap agreements, we had $85.0 million of variable rate debt outstanding. Increases in interest rates on our existing indebtedness would increase our interest expense, which could adversely affect our cash flow and our ability to distribute cash to our shareholders. For example, if market rates of interest on our variable rate debt outstanding as of December 31, 2012 increased by 1.0%, the increase in interest expense on our existing variable rate debt would decrease future earnings and cash flows by approximately $0.9 million annually. Interest rate increases could also constrain our ability to refinance maturing debt because lenders may reduce their advance rates in order to maintain debt service coverage ratios.

Our mortgage debt exposes us to the risk of loss of property, which could adversely affect our financial condition.

As of December 31, 2012, we had $293.2 million of mortgage debt encumbering our properties. A default on any of our mortgage debt may result in foreclosure actions by lenders and ultimately our loss of the mortgaged property. We have entered into mortgage loans which are secured by multiple properties and contain cross-collateralization and cross-default provisions. Cross-collateralization provisions allow a lender to foreclose on multiple properties in the event that we default under the loan. Cross-default provisions allow a lender to foreclose on the related property in the event a default is declared under another loan. For federal income tax purposes, a foreclosure of any of our properties would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure but would not receive any cash proceeds.

For instance, in June 2012 we conveyed title to our 77.9% owned center in Kentwood, Michigan in exchange for release from an $8.5 million non-recourse mortgage obligation. The transaction resulted in a non-cash gain on debt extinguishment of approximately $0.3 million.

Financial covenants may restrict our operating, investing, or financing activities, which may adversely impact our financial condition and operating results.

The financial covenants contained in our mortgages and debt agreements reduce our flexibility in conducting our operations and create a risk of default on our debt if we cannot continue to satisfy them. The mortgages on our properties contain customary negative covenants such as those that limit our ability, without the prior consent of the lender, to further mortgage the applicable property or to discontinue insurance coverage. In addition, if we breach covenants in our debt agreements, the lender can declare a default and require us to repay the debt immediately and, if the debt is secured, can ultimately take possession of the property securing the loan.

Our outstanding line of credit contains customary restrictions, requirements and other limitations on our ability to incur indebtedness, including limitations on the maximum ratio of total liabilities to assets, the minimum fixed charge coverage, and the minimum tangible net worth ratio. Our ability to borrow under our line of credit is subject to compliance with these financial and other covenants. We rely on our ability to borrow under our line of credit to finance acquisition, development, and redevelopment activities and for working capital. If we are unable to borrow under our line of credit, our financial condition and results of operations would likely be adversely impacted.

Because we must distribute a substantial portion of our income annually in order to maintain our REIT status, we may not retain sufficient cash from operations to fund our investing needs.

As a REIT, we are subject to annual distribution requirements under the Code. In general, we must distribute at least 90% of our REIT taxable income annually, excluding net capital gains, to our shareholders to maintain our REIT status. We intend to make distributions to our shareholders to comply with the requirements of the Code.

Differences in timing between the recognition of taxable income and the actual receipt of cash could require us to sell assets or borrow funds on a short-term or long-term basis to meet the 90% distribution requirement. In addition, the distribution requirement reduces the amount of cash we retain for use in funding our capital requirements and our growth. As a result, we have historically funded our acquisition, development and redevelopment activities by any of the following: selling assets that no longer meet our investment criteria; selling common shares and preferred shares; borrowing from financial institutions; and entering into joint venture transactions with third parties. Our failure to obtain funds from these sources could limit our ability to grow, which could have a material adverse effect on the value of our securities.

There may be future dilution of our common shares

Our Declaration of Trust authorizes our Board to, among other things, issue additional common or preferred shares, or securities convertible or exchangeable into equity securities, without shareholder approval. We may issue such additional equity or convertible securities to raise additional capital. The issuance of any additional common or preferred shares or convertible securities could be dilutive to holders of our common shares. Moreover, to the extent that we issue restricted shares, options or warrants to purchase our common shares in the future and those options or warrants are exercised or the restricted shares vest, our shareholders may experience further dilution. Holders of our common shares have no preemptive rights that entitle them to purchase a pro rata share of any offering of shares of any class or series and, therefore, such sales or offerings could result in increased dilution to our shareholders.

We may issue debt and equity securities or securities convertible into equity securities, any of which may be senior to our common shares as to distributions and in liquidation, which could negatively affect the value of our common shares.

During 2012 we completed an underwritten public offering of 6.3 million common shares and issued 3.1 million common shares through controlled equity offerings. In addition, there are 330,349 shares of unvested restricted common shares and options to purchase 227,743 common shares outstanding at December 31, 2012.

Corporate Risks

The price of our common shares may fluctuate significantly.

The market price of our common shares fluctuates based upon numerous factors, many of which are outside of our control. A decline in our share price, whether related to our operating results or not, may constrain our ability to raise equity in pursuit of our business objectives. In addition, a decline in price may affect the perceptions of lenders, tenants, or others with whom we transact. Such parties may withdraw from doing business with us as a result. An inability to raise capital at a suitable cost or at any cost, or to do business with certain tenants or other parties, could affect our operations and financial condition.

Our failure to qualify as a REIT would result in higher taxes and reduced cash available for distribution to our shareholders.

We intend to operate in a manner so as to qualify as a REIT for federal income tax purposes. Our continued qualification as a REIT will depend on our satisfaction of certain asset, income, investment, organizational, distribution, shareholder ownership and other requirements on a continuing basis. Our ability to satisfy the asset requirements depends upon our analysis of the fair market values of our assets, some of which are not susceptible to a precise determination, and for which we will not obtain independent appraisals. In addition, our compliance with the REIT income and asset requirements depends upon our ability to manage successfully the composition of our income and assets on an ongoing basis. Moreover, the proper classification of an instrument as debt or equity for federal income tax purposes may be uncertain in some circumstances, which could affect the application of the REIT qualification requirements. Accordingly, there can be no assurance that the Internal Revenue Service (“IRS”) will not contend that our interests in subsidiaries or other issuers constitute a violation of the REIT requirements. Moreover, future economic, market, legal, tax or other considerations may cause us to fail to qualify as a REIT.

If we were to fail to qualify as a REIT in any taxable year, we would be subject to federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates, and distributions to shareholders would not be deductible by us in computing our taxable income. Any such corporate tax liability could be substantial and would reduce the amount of cash available for distribution to our shareholders, which in turn could have an adverse impact on the value of, and trading prices for, our common shares. Unless entitled to relief under certain Code provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT.

Even if we qualify as a REIT, we may be subject to various federal income and excise taxes, as well as state and local taxes.

Even if we qualify as a REIT, we may be subject to federal income and excise taxes in various situations, such as if we fail to distribute all of our REIT taxable income. We also will be required to pay a 100% tax on non-arm's length transactions between us and our TRS and on any net income from sales of property that the IRS successfully asserts was property held for sale to customers in the ordinary course of business. Additionally, we may be subject to state or local taxation in various state or local jurisdictions, including those in which we transact business. The state and local tax laws may not conform to the federal income tax treatment. Any taxes imposed on us would reduce our operating cash flow and net income.

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the United States Treasury Department. Changes to tax laws, which may have retroactive application, could adversely affect our shareholders or us. We cannot predict how changes in tax laws might affect our shareholders or us.

We are party to litigation in the ordinary course of business, and an unfavorable court ruling could have a negative effect on us.

We are the defendant in a number of claims brought by various parties against us. Although we intend to exercise due care and consideration in all aspects of our business, it is possible additional claims could be made against us. We maintain insurance coverage including general liability coverage to help protect us in the event a claim is awarded; however, some claims may be uninsured. In the event that claims against us are successful and uninsured or underinsured, or we elect to settle claims that we determine are in our interest to settle, our operating results and cash flow could be adversely impacted. In addition, an increase in claims and/or payments could result in higher insurance premiums, which could also adversely affect our operating results and cash flow.

We are subject to various environmental laws and regulations which govern our operations and which may result in potential liability.

Under various federal, state and local laws, ordinances and regulations relating to the protection of the environment, a current or previous owner or operator of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances disposed, stored, released, generated, manufactured or discharged from, on, at, onto, under or in such property. Environmental laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, the presence or release of such hazardous or toxic substance. The presence of such substances, or the failure to properly remediate such substances when present, released or discharged, may adversely affect the owner’s ability to sell or rent such property or to borrow using such property as collateral. The cost of any required remediation and the liability of the owner or operator therefore as to any property is generally not limited under such environmental laws and could exceed the value of the property and/or the aggregate assets of the owner or operator. Persons who arrange for the disposal or treatment of hazardous or toxic substances may also be liable for the cost of removal or remediation of such substances at a disposal or treatment facility, whether or not such facility is owned or operated by such persons. In addition to any action required by federal, state or local authorities, the presence or release of hazardous or toxic substances on or from any property could result in private plaintiffs bringing claims for personal injury or other causes of action.

In connection with ownership (direct or indirect), operation, management and development of real properties, we have the potential to be liable for remediation, releases or injury. In addition, environmental laws impose on owners or operators the requirement of ongoing compliance with rules and regulations regarding business-related activities that may affect the environment. Such activities include, for example, the ownership or use of transformers or underground tanks, the treatment or discharge of waste waters or other materials, the removal or abatement of asbestos-containing materials (“ACMs”) or lead-containing paint during renovations or otherwise, or notification to various parties concerning the potential presence of regulated matters, including ACMs. Failure to comply with such requirements could result in difficulty in the lease or sale of any affected property and/or the imposition of monetary penalties, fines or other sanctions in addition to the costs required to attain compliance. Several of our properties have or may contain ACMs or underground storage tanks; however, we are not aware of any potential environmental liability which could reasonably be expected to have a material impact on our financial position or results of operations. No assurance can be given that future laws, ordinances or regulations will not impose any material environmental requirement or liability, or that a material adverse environmental condition does not otherwise exist.

Restrictions on the ownership of our common shares are in place to preserve our REIT status.

Our Declaration of Trust restricts ownership by any one shareholder to no more than 9.8% of our outstanding common shares, subject to certain exceptions granted by our Board. The ownership limit is intended to ensure that we maintain our REIT status given that the Code imposes certain limitations on the ownership of the stock of a REIT. Not more than 50% in value of our outstanding shares of beneficial interest may be owned, directly or indirectly by five or fewer individuals (as defined in the Code) during the last half of any taxable year. If an individual or entity were found to own constructively more than 9.8% in value of our outstanding shares, then any excess shares would be transferred by operation of our Declaration of Trust to a charitable trust, which would sell such shares for the benefit of the shareholder in accordance with procedures specified in our Declaration of Trust.

The ownership limit may discourage a change in control, may discourage tender offers for our common shares, and may limit the opportunities for our shareholders to receive a premium for their shares. Upon due consideration, our Board previously has granted a limited exception to this restriction for certain shareholders who requested an increase in their ownership limit. However, the Board has no obligation to grant such limited exceptions in the future.

Certain anti-takeover provisions of our Declaration of Trust and Bylaws may inhibit a change of our control.

Certain provisions contained in our Declaration of Trust and Bylaws and the Maryland General Corporation Law, as applicable to Maryland REITs, may discourage a third party from making a tender offer or acquisition proposal to us. These provisions and actions may delay, deter or prevent a change in control or the removal of existing management. These provisions and actions also may delay or prevent the shareholders from receiving a premium for their common shares of beneficial interest over then-prevailing market prices.

These provisions and actions include:

- the REIT ownership limit described above;
- authorization of the issuance of our preferred shares of beneficial interest with powers, preferences or rights to be determined by our Board;
- special meetings of our shareholders may be called only by the chairman of our Board, the president, one-third of the Trustees, or the secretary upon the written request of the holders of shares entitled to cast not less than a majority of all the votes entitled to be cast at such meeting;
- a two-thirds shareholder vote is required to approve some amendments to our Declaration of Trust;
- our Bylaws contain advance-notice requirements for proposals to be presented at shareholder meetings; and
- our Board, without the approval of our shareholders, may from time to time (i) amend our Declaration of Trust to increase or decrease the aggregate number of shares of beneficial interest, or the number of shares of beneficial interest of any class, that we have authority to issue, and (ii) reclassify any unissued shares of beneficial interest into one or more classes or series of shares of beneficial interest.

In addition, the Trust, by Board action, may elect to be subject to certain provisions of the Maryland General Corporation Law that inhibit takeovers such as the provision that permits the Board by way of resolution to classify itself, notwithstanding any provision our Declaration of Trust or Bylaws.

Certain officers and trustees may have potential conflicts of interests with respect to properties contributed to the Operating Partnership in exchange for OP Units.

Certain of our officers and members of our Board of Trustees own OP Units obtained in exchange for contributions of their partnership interests in properties to the Operating Partnership. By virtue of this exchange, these individuals may have been able to defer some, if not all, of the income tax liability they could have incurred if they sold the properties for cash. As a result, these individuals may have potential conflicts of interest with respect to these properties, such as sales or refinancings that might result in federal income tax consequences.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties

As of December 31, 2012, we owned and managed a portfolio of 78 shopping centers and one office building with approximately 15.0 million square feet of gross leasable area. Our wholly-owned properties consist of 52 shopping centers and one office building comprising approximately 10.0 million square feet.

Property Name	Ownership %	Year Built / Acquired / Redeveloped	Total GLA	% Leased	Average base rent per leased SF	Anchor Tenants (1)
CORE PORTFOLIO						
COLORADO [2]						
Harvest Junction North	100 %	2006/2012/NA	159,385	96.6 %	$ 15.58	Best Buy, Dick's Sporting Goods, Staples
Harvest Junction South	100 %	2006/2012/NA	176,960	96.6 %	14.57	Bed Bath & Beyond, Marshalls, Michaels, Ross Dress for Less, (Lowe's)
Total / Average			336,345	96.6 %	$ 15.05	
FLORIDA [20]						
Cocoa Commons	30 %	2001/2007/2008	90,116	79.9 %	$ 11.84	Publix
Coral Creek Shops	100 %	1992/2002/NA	109,312	97.0 %	16.82	Publix
Cypress Point	30 %	1983/2007/NA	167,280	93.3 %	11.60	Burlington Coat Factory, The Fresh Market
Kissimmee West	7 %	2005/2005/NA	115,586	92.7 %	11.64	Jo-Ann, Marshalls, (Super Target)
Marketplace of Delray	30 %	1981/2005/2010	238,901	90.1 %	12.23	Office Depot, Ross Dress for Less, Winn-Dixie
Martin Square	30 %	1981/2005/NA	331,105	91.5 %	6.35	Home Depot, Sears (2), Staples
Mission Bay Plaza	30 %	1989/2004/NA	263,721	95.1 %	21.63	The Fresh Market, Golfsmith, LA Fitness Sports Club, OfficeMax, Toys "R" Us
Naples Towne Centre	100 %	1982/1996/2003	134,707	88.8 %	5.85	Beall's, Save-A-Lot, (Goodwill)
River City Marketplace	100 %	2005/2005/NA	551,428	98.8 %	16.44	Ashley Furniture HomeStore, Bed Bath & Beyond, Best Buy, Gander Mountain, Michaels, OfficeMax, PetSmart, Ross Dress for Less, Wallace Theaters, (Lowe's), (Wal-Mart

						Supercenter)
River Crossing Centre	100 %	1998/2003/NA	62,038	97.7 %	12.28	Publix
Rivertowne Square	100 %	1980/1998/2010	146,843	90.4 %	8.00	Beall's Outlet, Winn-Dixie
Shoppes of Lakeland	100 %	1985/1996/NA	183,842	97.3 %	12.14	Ashley Furniture, Michaels, Staples, T.J. Maxx (3), (Target)
The Crossroads	100 %	1988/2002/NA	120,092	92.5 %	14.13	Publix
The Plaza at Delray	20 %	1979/2004/NA	326,824	97.9 %	16.12	Marshalls, Michaels, Publix, Regal Cinemas, Ross Dress for Less, Staples
Treasure Coast Commons	30 %	1996/2004/NA	92,979	100.0 %	12.26	Barnes & Noble, OfficeMax, Sports Authority
Village Lakes Shopping Center	100 %	1987/1997/NA	186,313	63.6 %	8.87	Beall's Outlet, Ross Dress for Less (3)
Village of Oriole Plaza	30 %	1986/2005/NA	155,770	96.2 %	13.13	Publix
Village Plaza	30 %	1989/2004/NA	146,755	70.0 %	12.98	Big Lots
Vista Plaza	30 %	1998/2004/NA	109,761	99.0 %	13.33	Bed Bath & Beyond, Michaels, Total Wine & More
West Broward Shopping Center	30 %	1965/2005/NA	152,973	97.6 %	10.71	Badcock, DD's Discounts, Save-A-Lot, US Postal Service
Total / Average			3,686,346	92.2 %	$ 13.09	
GEORGIA [7]						
Centre at Woodstock	100 %	1997/2004/NA	86,748	84.5 %	$ 11.40	Publix
Conyers Crossing	100 %	1978/1998/NA	170,475	100.0 %	5.21	Burlington Coat Factory, Hobby Lobby
Holcomb Center	100 %	1986/1996/2010	106,003	84.4 %	11.76	Studio Movie Grill
Horizon Village	100 %	1996/2002/NA	97,001	72.0 %	11.28	Movie Tavern
Mays Crossing	100 %	1984/1997/2007	137,284	95.6 %	7.07	Big Lots, Dollar Tree, Value Village-Sublease of ARCA Inc.
Paulding Pavilion	20 %	1995/2006/2008	84,846	97.6 %	14.63	Sports Authority, Staples
Peachtree Hill	20 %	1986/2007/NA	154,718	89.2 %	12.93	Kroger, LA Fitness
Total / Average			837,075	90.2 %	$ 9.86	
ILLINOIS [3]						
Liberty Square	100 %	1987/2010/2008	107,369	79.4 %	$ 13.82	Jewel-Osco
Market Plaza	20 %	1965/2007/2009	163,054	85.9 %	15.01	Jewel Osco, Staples
Rolling Meadows Shopping Center	20 %	1956/2008/1995	134,088	85.0 %	11.11	Jewel Osco, Northwest Community Hospital
Total/Average			404,511	83.9 %	$ 13.40	
INDIANA [2]						

Merchants' Square	100	%	1970/2010/NA	279,161	89.9	%	$	10.35	Cost Plus, Hobby Lobby (2), (Marsh Supermarket)
Nora Plaza	7	%	1958/2007/2002	139,905	93.1	%		13.37	Marshalls, Whole Foods, (Target)
Total/Average				419,066	91.0	%	$	11.39	
MARYLAND [1]									
Crofton Centre	20	%	1974/1996/NA	252,230	98.4	%	$	8.17	Gold's Gym, Kmart, Shoppers Food Warehouse
Total/Average				252,230	98.4	%	$	8.17	

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Property Name	Ownership %	Year Built / Acquired / Redeveloped	Total GLA	% Leased	Average base rent per leased SF	Anchor Tenants (1)
MICHIGAN [26]						
Beacon Square	100 %	2004/2004/NA	51,387	95.3 %	$ 17.14	(Home Depot)
Clinton Pointe	100 %	1992/2003/NA	135,330	96.8 %	9.71	OfficeMax, Sports Authority, (Target)
Clinton Valley	100 %	1977/1996/2009	201,115	97.8 %	11.38	DSW Shoe Warehouse, Hobby Lobby, Office Depot
Edgewood Towne Center	100 %	1990/1996/2001	85,757	93.1 %	9.72	OfficeMax, (Sam's Club), (Target)
Fairlane Meadows	100 %	1987/2003/2007	157,246	98.3 %	13.95	Best Buy, Citi Trends, (Burlington Coat Factory), (Target)
Fraser Shopping Center	100 %	1977/1996/NA	68,326	100.0 %	6.98	Oakridge Market
Gaines Marketplace	100 %	2004/2004/NA	392,169	100.0 %	4.69	Meijer, Staples, Target
Hoover Eleven	100 %	1989/2003/NA	280,788	90.8 %	11.69	Dunham's, Kroger, Marshalls, OfficeMax
Hunter's Square	30 %	1988/2005/NA	354,323	98.3 %	16.16	Bed Bath & Beyond, Buy Buy Baby, Loehmann's, Marshalls, T.J. Maxx
Jackson Crossing	100 %	1967/1996/2002	398,526	95.7 %	9.82	Bed Bath & Beyond, Best Buy, Jackson 10 Theater, Kohl's, T.J. Maxx, Toys "R" Us, (Sears), (Target)
Jackson West	100 %	1996/1996/1999	210,374	97.5 %	7.41	Lowe's, Michaels, OfficeMax
Lake Orion Plaza	100 %	1977/1996/NA	141,073	100.0 %	4.07	Hollywood Super Market, Kmart
Lakeshore Marketplace	100 %	1996/2003/NA	342,854	98.0 %	8.35	Barnes & Noble, Dunham's, Elder-Beerman, Hobby Lobby, T.J. Maxx, Toys "R" Us, (Target)
Livonia Plaza	100 %	1988/2003/NA	136,616	93.0 %	10.21	Kroger, T.J. Maxx
Millennium Park	30 %	2000/2005/NA	272,568	99.2 %	14.13	Home Depot, Marshalls, Michaels, PetSmart, (Costco), (Meijer)
New Towne Plaza	100 %	1975/1996/2005	192,587	100.0 %	10.49	Jo-Ann, Kohl's
Oak Brook Square	100 %	1982/1996/2008	152,073	96.5 %	9.01	Hobby Lobby, T.J. Maxx
Roseville Towne Center	100 %	1963/1996/2004	246,968	100.0 %	6.80	Marshalls, Wal-Mart
Southfield Plaza	100 %	1969/1996/2003	185,409	97.7 %	8.30	Big Lots, Burlington Coat Factory, Marshalls
Tel-Twelve	100 %	1968/1996/2005	523,411	99.5 %	10.69	Best Buy, DSW Shoe Warehouse, Lowe's, Meijer, Michaels, Office

									Depot, PetSmart
The Auburn Mile	100	%	2000/1999/NA	90,553	100.0	%		11.02	Jo-Ann, Staples, (Best Buy), (Costco), (Meijer), (Target)
The Shops at Old Orchard	30	%	1972/2007/2011	96,994	92.9	%		18.05	Plum Market
Troy Marketplace	30	%	2000/2005/2010	217,754	100.0	%		16.69	Airtime Trampoline, Golfsmith, LA Fitness, Nordstrom Rack, PetSmart, (REI)
West Oaks I	100	%	1979/1996/2004	243,987	100.0	%		9.74	Best Buy, DSW Shoe Warehouse, Gander Mountain, Old Navy, Home Goods & Michaels-Sublease of JLPK-Novi LLC
West Oaks II	100	%	1986/1996/2000	167,954	96.2	%		16.93	Jo-Ann, Marshalls, (Bed Bath & Beyond), (Big Lots), (Kohl's), (Toys "R" Us), (Value City Furniture)
Winchester Center	30	%	1980/2005/NA	314,575	90.3	%		11.36	Bed Bath & Beyond, Dick's Sporting Goods, Marshalls, Michaels, PetSmart, (Kmart)
Total / Average				5,660,717	97.4	%	$	10.64	
MISSOURI [3]									
Central Plaza	100	%	1970/2012/2012	166,431	100.0	%	$	10.71	Buy Buy Baby, Jo-Ann, OfficeMax, Ross Dress for Less
Heritage Place	100	%	1989/2011/2005	269,185	90.5	%		13.29	Dierbergs Markets, Marshalls, Office Depot, T.J. Maxx
Town & Country Crossing	100	%	2008/2011/2011	141,996	83.7	%		24.05	Whole Foods, (Target)
Total / Average				577,612	91.6	%	$	14.85	
NEW JERSEY [1]									
Chester Springs Shopping Center	20	%	1970/1996/1999	223,201	96.6	%	$	13.89	Marshalls, Shop-Rite Supermarket, Staples
Total / Average				223,201	96.6	%	$	13.89	
OHIO [5]									
Crossroads Centre	100	%	2001/2001/NA	344,045	93.7	%	$	8.57	Giant Eagle, Home Depot, Michaels, T.J. Maxx, (Target)
Olentangy Plaza	20	%	1981/2007/1997	253,474	95.0	%		10.53	Eurolife Furniture, Marshalls, Micro Center, Columbus Asia Market-Sublease

								of SuperValu, Tuesday Morning
Rossford Pointe	100	%	2006/2005/NA	47,477	100.0	%	10.33	MC Sporting Goods, PetSmart
Spring Meadows Place	100	%	1987/1996/2005	261,452	95.6	%	10.52	Ashley Furniture, Big Lots, Guitar Center, OfficeMax, PetSmart, T.J. Maxx, (Best Buy), (Dick's Sporting Goods), (Kroger), (Sam's Club), (Target)
Troy Towne Center	100	%	1990/1996/2003	144,485	97.3	%	6.45	Kohl's, (Wal-Mart Supercenter)
Total / Average				1,050,933	95.3	%	$ 9.31	

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Property Name	Ownership %	Year Built / Acquired / Redeveloped	Total GLA	% Leased	Average base rent per leased SF	Anchor Tenants (1)
TENNESSEE [1]						
Northwest Crossing	100 %	1989/1999/2006	124,453	100.0 %	$9.74	HH Gregg, OfficeMax, Ross Dress for Less, (Wal-Mart Supercenter)
Total / Average			124,453	100.0 %	$9.74	
VIRGINIA [2]						
The Town Center at Aquia	100 %	1989/1998/NA	40,518	100.0 %	$10.64	Regal Cinemas
The Town Center at Aquia Office (4)	100 %	1989/1998/2009	98,147	91.8 %	26.64	TASC
Total / Average			138,665	94.2 %	$21.68	
WISCONSIN [4]						
East Town Plaza	100 %	1992/2000/2000	208,472	86.5 %	$9.40	Burlington Coat Factory, Jo-Ann, Marshalls, (Menards), (Shopko), (Toys "R" Us)
Nagawaukee Center	100 %	1994/2012/NA	113,617	100.0 %	10.07	Kohl's, (Sentry Foods)
The Shoppes at Fox River	100 %	2009/2010/2011	182,392	100.0 %	15.70	Pick N' Save, T.J. Maxx, (Target)
West Allis Towne Centre	100 %	1987/1996/2011	326,271	96.8 %	7.84	Burlington Coat Factory, Kmart, Office Depot, Xperience Fitness
Total / Average			830,752	95.3 %	$10.33	
CORE PORTFOLIO TOTAL / AVERAGE			14,541,906	94.6 %	$11.54	
FUTURE REDEVELOPMENTS/ AVAILABLE FOR SALE (5):						
Promenade at Pleasant Hill	100 %	1993/2004/NA	280,225	51.5 %	$9.83	Farmers Home Furniture, Publix
Total / Average			280,225	51.5 %	$9.83	
PORTFOLIO UNDER REDEVELOPMENT:						
The Shops on Lane Avenue	20 %	1952/2007/2004	170,398	98.2 %	$20.83	Bed Bath & Beyond, Whole Foods (3)
Total / Average			170,398	98.2 %	$20.83	

PORTFOLIO TOTAL / AVERAGE (CORE AND UNDER REDEV)	14,992,529	93.8 %	$11.64

Footnotes

(1) Anchor tenants are any tenant over 19,000 square feet. Tenants in parenthesis represent non-company owned GLA.
(2) Tenant closed - lease obligated.
(3) Space delivered to tenant.
(4) Represents the Office Building at The Town Center at Aquia.
(5) Represents 0.9% of combined portfolio annual base rent.

Our leases for tenant space under 19,000 square feet generally have terms ranging from three to five years. Tenant leases greater than or equal to 19,000 square feet generally have lease terms in excess of five years or more, and are considered anchor leases. Many of the anchor leases contain provisions allowing the tenant the option of extending the lease term at expiration at contracted rental rates that often include fixed rent increases, consumer price index adjustments or other market rate adjustments from the prior base rent. The majority of our leases provide for monthly payment of base rent in advance, percentage rent based on the tenant’s sales volume, reimbursement of the tenant’s allocable real estate taxes, insurance and common area maintenance (“CAM”) expenses and reimbursement for utility costs if not directly metered.

Major Tenants

The following table sets forth as of December 31, 2012 the gross leasable area, or GLA, of our existing properties leased to tenants in our combined properties portfolio:

Type of Tenant		Annualized Base Rent	% of Total Annualized Base Rent		GLA (2)	% of Total GLA (2)	
Anchor (1)	$	81,142,505	49.9	%	9,324,294	62.2	%
Retail (non-anchor)		81,499,312	50.1	%	5,668,235	37.8	%
Total	$	162,641,817	100.0	%	14,992,529	100.0	%

(1) We define anchor tenants as tenants occupying a space consisting of 19,000 square feet or more.
(2) GLA owned directly by us or our unconsolidated joint ventures.

The following table depicts as of December 31, 2012 information regarding leases with the 25 largest retail tenants (1) in our combined properties portfolio:

Tenant Name	Credit Rating S&P/Moody's (2)	Number of Leases	GLA	% of Total GLA (3)			Total Annualized Base Rent		Annualized Base Rent PSF	% of Annualized Base Rent	
TJX Companies (4)	A/A3	25	779,048	5.2	%	$	7,433,711	$	9.54	4.6	%
Bed Bath & Beyond (5)	BBB+/NR	11	324,220	2.2	%		3,681,382		11.35	2.3	%
Home Depot	A-/A3	3	384,690	2.6	%		3,110,250		8.09	1.9	%
Dollar Tree	NR/NR	30	316,392	2.1	%		2,912,935		9.21	1.8	%
Publix Super Market	NR/NR	8	372,141	2.5	%		2,790,512		7.50	1.7	%
LA Fitness Sports Club	NR/NR	4	139,343	0.9	%		2,753,755		19.76	1.7	%
Best Buy	BB/Baa2	6	206,677	1.4	%		2,721,008		13.17	1.7	%
Michaels Stores	B/B2	11	240,993	1.6	%		2,603,874		10.80	1.6	%
PetSmart	BB+/NR	8	174,661	1.2	%		2,511,142		14.38	1.5	%
Jo-Ann Stores	B/B2	6	214,237	1.4	%		2,510,184		11.72	1.5	%
Staples	BBB/Baa2	10	201,954	1.3	%		2,492,460		12.34	1.5	%
OfficeMax	B-/B1	10	224,165	1.5	%		2,429,388		10.84	1.5	%
Burlington Coat Factory	NR/NR	5	360,867	2.4	%		2,390,179		6.62	1.5	%
Whole Foods (6)	BBB-/NR	4	128,063	0.9	%		2,285,908		17.85	1.4	%
Kohl's	BBB+/Baa1	6	363,081	2.4	%		2,223,027		6.12	1.4	%
SUPERVALU (7)	B/B3	6	255,841	1.7	%		2,200,959		8.60	1.4	%
Ascena Retail (8)	BB-/Ba2	22	137,382	0.9	%		2,033,472		14.80	1.3	%
Gander Mountain	NR/NR	2	159,791	1.1	%		1,981,282		12.40	1.2	%
Ross Stores	BBB+/NR	8	217,307	1.4	%		1,954,166		8.99	1.2	%
	A-/A3	2	270,394	1.8	%		1,822,956		6.74	1.1	%

Lowe's Home Centers							
DSW Designer Shoe Warehouse	NR/NR	6	118,642	0.8 %	1,792,878	15.11	1.1 %
Meijer	NR/NR	2	397,428	2.7 %	1,731,560	4.36	1.1 %
Hobby Lobby	NR/NR	5	276,173	1.8 %	1,640,038	5.94	1.0 %
Office Depot	B-/B2	5	131,792	0.9 %	1,590,652	12.07	1.0 %
Kmart/Sears	CCC+/B3	4	388,105	2.6 %	1,586,159	4.09	1.0 %
Sub-Total top 25 tenants		209	6,783,387	45.3 %	$ 63,183,837	$ 9.31	39.0 %
Remaining tenants		1,344	7,191,402	48.0 %	99,457,980	13.83	61.0 %