

# THE BOTTOM LINE

BY DONNA MITCHELL

## New trumps old

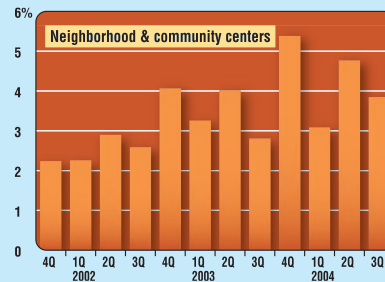
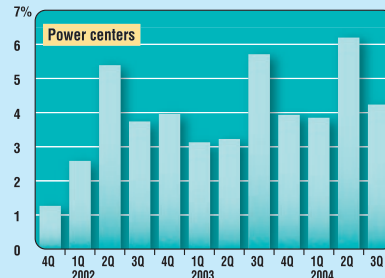
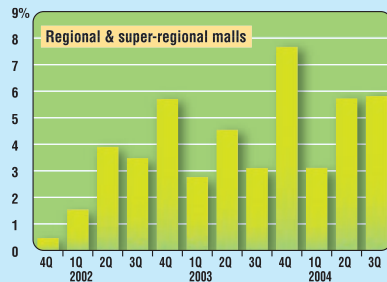
	Estimated new development (\$ 000s)	Percent of pipeline	Estimated redevelopment (\$ 000s)	Percent of pipeline
Taubman	\$ 425,000	100%	\$ 0	0%
Glimcher	90,000	80	23,000	20
Simon	856,500	71	353,000	29
CBL	82,278	50	83,936	50
PREIT	53,369	49	56,500	51
General Growth	713,750	48	773,450	52
Mills	245,000	44	309,600	56
Macerich	79,000	20	325,000	80
<b>Total:</b>	<b>\$2,544,897</b>	<b>Avg.: 58%</b>	<b>\$1,924,486</b>	<b>Avg.: 42%</b>

Redevelopment may be going strong, but on average, new development still accounts for a majority — 58 percent — of retail development projects through 2006.

Sources: Company reports, JPMorgan

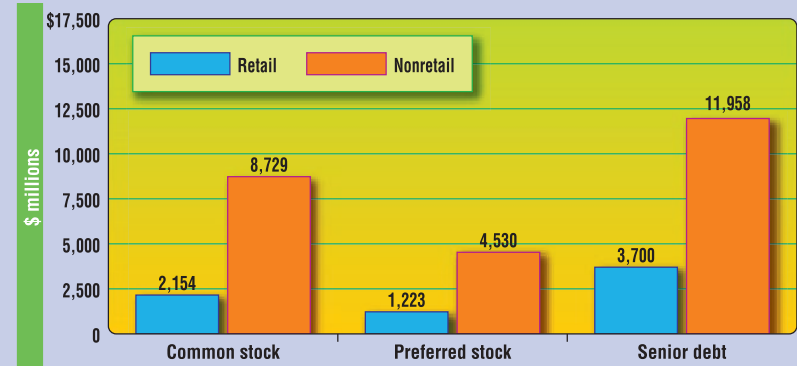
## NCREIF property index: Returns

Nonmall shopping center returns slipped in the third quarter, probably owing to an unsustainable mortgage refinancing boom that was driving consumer spending, says one analyst. Mall returns, however, edged up, because malls have bargaining power with tenants. Third-quarter preliminary mall returns were at 5.82 percent, up from 5.73 percent; community and neighborhood centers were at 3.85 percent, down from 4.77 percent; and power centers were at 4.24 percent, down from 6.2 percent.



Source: National Council of Real Estate Investment Fiduciaries

## Public REIT capital issuance\*

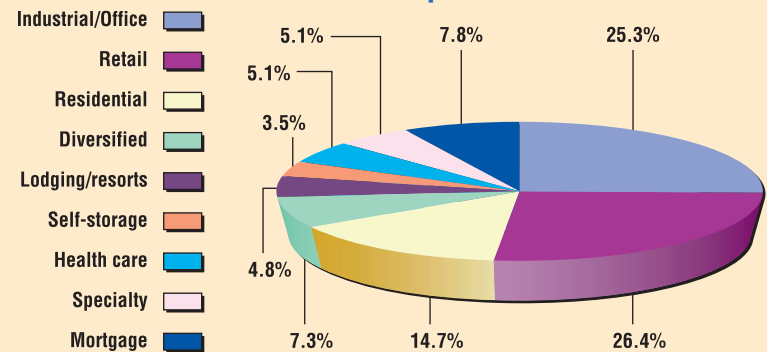


Retail REITs continue to overwhelmingly favor senior debt as the instrument of choice in their capital-raising efforts, as do nonretail REITs. But in percentage terms, senior debt leads on the retail side, accounting for 52 percent of new capital raised, compared with 47 percent for nonretail.

\* For the 12 months ended 11/23/04.

Source: SNL Financial

## REIT market capitalization



As of Nov. 1, 2004, REIT market cap totaled \$288.9 billion, up from \$230.2 billion in January. Retail accounted for 26.4 percent of that, up from 25.7 percent.

Source: National Association of Real Estate Investment Trusts