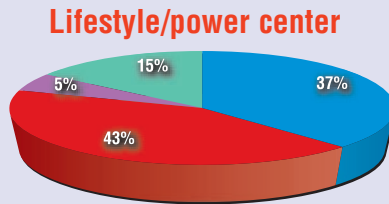
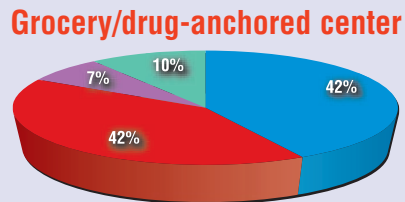
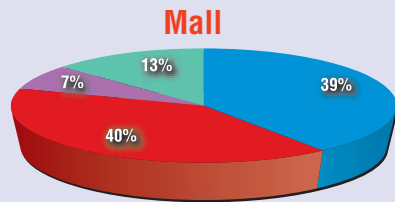


THE BOTTOM LINE

By DONNA MITCHELL

Rents: Whither from here?



Legend: Increase (Blue), No change (Red), Decrease (Purple), No response (Green)

Most retail real estate investors expect rents to rise or stay the same over the next 12 months, according to a third-quarter survey of 437 respondents. Consumers will remain confident, spending at a steady clip, while shopping center occupancy rates will continue to climb, many respondents said.

Due to rounding, figures may not total 100 percent.

Source: Marcus & Millichap

Retail dividends

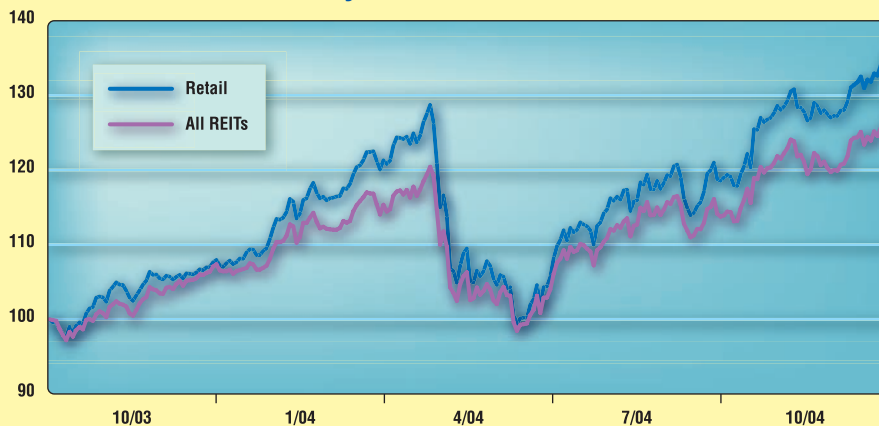
	Current dividend yield	Quarterly dividend per share	YTD* total return
AmREIT	6.01%	\$0.1224	33.42%
Developers Diversified	4.82	0.5100	30.85
Weingarten Realty	4.48	0.4150	30.28
Kimco Realty	4.44	0.6100	27.15
Macerich	4.33	0.6500	40.45
General Growth	4.32	0.3600	25.43
Regency Centers	4.27	0.5300	29.70
Federal Realty	4.22	0.5050	28.94
Mills	4.22	0.5950	34.78
Simon	4.17	0.6500	34.69
Pan Pacific	3.82	0.5425	23.37

REITs are giving investors a lot to be confident about. Dividends for the companies shown here, which represent about one third of all retail REITs, rose 7.6 percent this year, on average. The combined year-to-date total return, meanwhile, was 30.77 percent.

*As of 11/01/2004.

Source: SNL Financial

One-year total REIT returns



Don't let wavering stock prices fool you. The REIT equity return index reached 127.34 in mid-October, its highest level this year. Retail REITs did more than just mirror that, though. The sector actually beat all other REITs by nearly 10 percentage points, at 135.81.

Source: SNL Financial

Tenants at risk

	Z-score	REIT exposure
Emerging Vision	-23.97	Simon
Premier Concepts	-3.13	Rouse
HearUSA	-0.29	Kimco
Mayor's Jewelers	-0.16	Simon
Denny's Corp.	-0.13	Pan Pacific
New World Restaurant Group	-0.01	Developers Diversified/Kimco
Spiegel	0.18	Simon
Today's Man	0.83	CBL, Glimcher, Mills, Simon
Cosi	0.89	Federal Realty, Glimcher, Simon
Gadzooks	1.07	Simon
E COM Ventures	1.16	Simon
Harold's Stores	1.18	Simon

The companies shown here are deemed to be at risk, according to the Morgan Stanley tenant credit-risk index. The index uses a measure called a Z-score, developed by Edward I. Altman of New York University's Stern School of Business, to gauge a company's strength. A score greater than 3 indicates a strong company, scores between 3 and 1.8 indicate a gray area, and companies with scores below 1.8 are considered unhealthy.

Sources: Morgan Stanley, the companies