SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended: March 31, 1997

Commission File No. 17533

FEDERAL REALTY INVESTMENT TRUST

(Exact name of registrant as specified in its charter)

District of Columbia	52-0782497
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1626 East Jefferson Street, Rockville, Maryland	20852-4041
(Address of principal executive offices)	(Zip Code)

(301) 998-8100

(Registrant's telephone number, including area code)

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 the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 5, 1997
Common Shares of Beneficial Interest	39,037,235

This report contains 20 pages.

FEDERAL REALTY INVESTMENT TRUST

S.E.C. FORM 10-Q

March 31, 1997

I N D E X

FEDERAL REALTY INVESTMENT TRUST

S.E.C. FORM 10-Q

March 31, 1997

PART I. FINANCIAL INFORMATION

The following financial information is submitted in response to the requirements of Form 10-Q and does not purport to be financial statements prepared in accordance with generally accepted accounting principles since they do not include all disclosures which might be associated with such statements. In the opinion of management, such information includes all adjustments, consisting only of normal recurring accruals, necessary to a fair statement of the results for the interim periods presented.

The balance sheet as of December 31, 1996 was audited by Grant Thornton LLP, independent public accountants, who expressed an unqualified opinion on it in their report dated February 5, 1997. All other financial information presented is unaudited but has been reviewed as of March 31, 1997 and for each of the three month periods ended March 31, 1997 and 1996 by Grant Thornton LLP whose report thereon appears on Page 4. All adjustments and disclosures proposed by them have been reflected in the data presented.

Accountants' Review Report

Trustees and Shareholders
Federal Realty Investment Trust

We have reviewed the accompanying consolidated balance sheet of Federal Realty Investment Trust as of March 31, 1997 and the related consolidated statements of operations, shareholders' equity and cash flows for the three month periods ended March 31, 1997 and 1996. These financial statements are the responsibility of the Trust's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical review procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet as of December 31, 1996 and the related consolidated statements of operations, shareholders' equity and cash flows for the year then ended (not presented herein); and in our report dated February 5, 1997, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 1996 is stated fairly, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

Grant Thornton LLP

Washington, D.C.
May 2, 1997

Federal Realty Investment Trust

CONSOLIDATED BALANCE SHEETS
(see accountants' review report)

	March 31, 1997 (unaudited)	December 31, 1996
ASSETS	(in thousands)	
Investments		
Real estate, at cost	$1,251,867	$1,147,865
Less accumulated depreciation and amortization	(232,487)	(223,553)
	1,019,380	924,312
Mortgage notes receivable	37,406	27,913
	1,056,786	952,225
Other Assets		
Cash	11,762	11,041
Notes receivable - officers	1,235	1,183
Accounts receivable	14,897	16,111
Prepaid expenses and other assets, principally property taxes and lease commissions	27,217	51,374
Debt issue costs	3,192	3,372
	$1,115,089	$1,035,306
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Obligations under capital leases	$126,553	$130,613
Mortgages payable	98,228	98,576
Notes payable	70,832	66,106
Accrued expenses	17,182	20,405
Accounts payable	6,621	6,783
Dividends payable	16,382	15,072
Security deposits	3,626	3,515
Prepaid rents	3,365	3,801
Senior notes	215,000	215,000
5 1/4% Convertible subordinated debentures	75,289	75,289
Investors' interest in consolidated assets	13,473	11,261
Commitments and contingencies	-	-
Shareholders' equity		
Common shares of beneficial interest, no par or stated value, unlimited authorization, issued 39,071,542 and 35,948,044 shares, respectively	684,853	597,917
Accumulated dividends in excess of Trust net income	(207,771)	(200,700)
	477,082	397,217
Less 62,386 and 61,328 common shares in treasury - at cost, respectively, deferred compensation and subscriptions receivable	(8,544)	(8,332)
	468,538	388,885
	$1,115,089	$1,035,306

The accompanying notes are an integral part of these statements.

Federal Realty Investment Trust

CONSOLIDATED STATEMENTS OF OPERATIONS
(see accountants' review report)
(unaudited)

	Three months ended March 31, 1997	1996
(In thousands, except per share data)		
Revenue		
Rental income	$43,920	$40,747
Interest	1,500	863
Other income	3,227	2,162
	48,647	43,772
Expenses		
Rental	10,216	11,793
Real estate taxes	4,574	3,924
Interest	11,989	11,149
Administrative	2,101	1,686
Depreciation and amortization	10,124	9,332
	39,004	37,884
Operating income before investors' share of operations	9,643	5,888
Investors' share of operations	(332)	138
Net Income	$9,311	$6,026
Weighted Average Number of Common Shares	38,033	32,265
Earnings per share	$0.24	$0.19

The accompanying notes are an integral part of these statements.

Federal Realty Investment Trust

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(see accountants' review report)
(unaudited)

(In thousands, except per share amounts)	Three months ended March 31, 1997 Shares	1997 Amount	1996 Shares	1996 Amount
Common Shares of Beneficial Interest				
Balance, beginning of period	35,948,044	$597,917	32,221,670	$508,870
Net proceeds from sale of shares	3,000,000	83,925		
Exercise of stock options	64,501	1,360	20,667	410
Shares issued under dividend reinvestment plan	36,997	1,030	46,481	1,033
Shares granted under bonus plan	22,000	621		
Balance, end of period	39,071,542	$684,853	32,288,818	$510,313
Common Shares of Beneficial Interest in Treasury, Deferred Compensation and Subscriptions Receivable				
Balance, beginning of period	(480,948)	($8,332)	(500,095)	($8,567)
Amortization of deferred compensation	30,125	480	30,250	482
Deferred compensation under bonus plan	(22,000)	(621)		
Purchase of shares under share purchase plan	13,856	193	1,250	19
Purchase of treasury shares	-	-	(1,058)	(24)
Increase in stock option loans	(12,500)	(264)	(19,000)	(375)
Balance, end of period	(471,467)	($8,544)	(488,653)	($8,465)
Accumulated Dividends in Excess of Trust Net Income				
Balance, beginning of period		($200,700)		($172,835)
Net income		9,311		6,026
Dividends declared to shareholders		(16,382)		(13,213)
Balance, end of period		($207,771)		($180,022)

The accompanying notes are an integral part of these statements.

Federal Realty Investment Trust

CONSOLIDATED STATEMENTS OF CASH FLOWS
(see accountants' review report)
(unaudited)

(In thousands)	Three months ended March 31, 1997	1996
OPERATING ACTIVITIES		
Net income	$9,311	$6,026
Adjustments to reconcile net income to net cash provided by operations		
Depreciation and amortization	10,124	9,332
Rent abatements in lieu of leasehold improvements, net of tenant improvements retired	(178)	(147)
Imputed interest and amortization of debt cost	165	187
Amortization of deferred compensation and forgiveness of officers' notes	172	124
Changes in assets and liabilities		
(Increase) decrease in accounts receivable	1,214	(722)
Increase in prepaid expenses and other assets before depreciation and amortization	(152)	(1,228)
Decrease in operating accounts payable, security deposits and prepaid rent	(548)	(686)
Decrease in accrued expenses	(2,900)	(766)
Net cash provided by operating activities	17,208	12,120
INVESTING ACTIVITIES		
Acquisition of real estate	(96,550)	(6,799)
Capital expenditures	(9,369)	(10,337)
Application of deposit on real estate	23,447	-
Net increase in notes receivable	(9,545)	(704)
Net cash used in investing activities	(92,017)	(17,840)
FINANCING ACTIVITIES		
Regular payments on mortgages, capital leases, and notes payable	(654)	(718)
Borrowing of short-term debt, net	4,845	16,455
Dividends paid	(14,403)	(12,546)
Issuance of shares of beneficial interest	85,575	418
Increase (decrease) in minority interest	167	(158)
Net cash provided by financing activities	75,530	3,451
Increase (decrease) in cash	721	(2,269)
Cash at beginning of period	11,041	10,521
Cash at end of period	$11,762	$8,252

The accompanying notes are an integral part of these statements.

Federal Realty Investment Trust

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 1997
(see accountants' review report)
(unaudited)

NOTE A - ACCOUNTING POLICIES AND OTHER DATA

Reference should be made to the notes to financial statements included in the Annual Report to shareholders for the year ended December 31, 1996 which contain the Trust's accounting policies and other data.

The Financial Accounting Standards Board has issued SFAS 128, "Earnings Per Share" which will be effective for financial statements issued for periods ending after December 15, 1997. SFAS 128 requires that public companies present basic and diluted earnings per share, which are computed differently than the currently used primary and fully diluted earnings per share. The most significant difference in the computation for the Trust is the exclusion of the effect of dilutive stock options from the computation of basic earnings per share. Basic earnings per share for the quarters ended March 31, 1997 and 1996 would be $.25 and $.19, respectively. Diluted earnings per share for the quarters ended March 31, 1997 and 1996 would be $.24 and $.19, respectively.

NOTE B - DIVIDENDS PAYABLE

On February 19, 1997 the Trustees declared a cash dividend of $.42 per share, payable April 15, 1997 to shareholders of record March 25, 1997.

NOTE C - REAL ESTATE

On January 6, 1997 the Trust purchased the fee interest in Shillington, Troy and Feasterville Shopping Centers for $1.9 million, $5.7 million and $2.2 million, respectively. The Trust also contracted to purchase the fee interest in Lawrence Park Shopping Center in June 1998 for $8.5 million. In connection with the purchase agreement for Lawrence Park, in January 1997 the Trust lent the seller $8.8 million at 8% which is due in June 1998. The Trust had previously held these properties under a capital lease.

On February 24, 1997 the Trust purchased a 16 acre tract of land underlying part of the Shops at Willow Lawn for $4.6 million in cash.

The Trust purchased three retail buildings and two shopping centers during the first quarter of 1997. On January 22, 1997 the Trust purchased a 5,000 square foot retail building in Chicago, Illinois for cash of $4.2 million. On March 31, 1997 two partnerships were formed to purchase property in California. One of the partnerships purchased a 15,000 square foot building in Santa Monica, California for $4.0 million and the other purchased a 20,000 square foot building in San Diego, California for $850,000. In accordance with the provisions of the partnership agreements, the Trust contributed 90% of the cost of the buildings to the partnerships with the other 10% being contributed by the minority interests.

On March 5, 1997 the Trust, through a Limited Liability Company ("the LLC") organized by the Trust, purchased the 320,000 square foot San Jose Town & Country Village Shopping Center in San Jose, California for $42.8 million. The other member of the LLC has a minor interest in the profits. On March 31, 1997 the 159,000 square foot Pike 7 Shopping Center in Tysons Corner, Virginia was purchased for $31.5 million by a partnership formed to own the center. The Trust contributed $30.9 million to the partnership which was used to pay off existing debt on the center. The other partners contributed the shopping center and its existing debt in exchange for partnership units valued at $495,000 which are exchangeable, at the option of the Trust, for cash or 18,074 common shares of the Trust.

NOTE D - NOTES PAYABLE

The Trust has $135 million of unsecured medium term revolving credit facilities with four banks. The facilities, which bear interest at LIBOR plus 75 basis points, require fees and have covenants requiring a minimum shareholders' equity and a maximum ratio of debt to net worth. At March 31, 1997 there was $64.2 million borrowed under these credit facilities. The maximum drawn during the first quarter of 1997 was $68.9 million. The weighted average interest rate on borrowings for the quarter ended March 31, 1997 was 6.3%.

NOTE E - SHAREHOLDERS' EQUITY

On February 4, 1997 the Trust sold 3.0 million shares to an institutional investor for $28 per share, netting $83.9 million. During the first three months of 1997, 64,501 shares were issued at prices ranging from $20.50 a share to $24.125 a share from the exercise of stock options. The Trust accepted notes of $264,000 from certain of its officers and employees in connection with the issuance of 12,500 of these shares.

On January 31, 1997, 22,000 restricted shares were granted to an officer and two employees of the Trust. The shares vest over three years.

During March 1997, 770,000 options at prices ranging from $26.69 per share to $26.875 per share were granted to certain officers.

NOTE F - INTEREST EXPENSE

The Trust incurred interest expense totaling $12.4 million during the first quarter of 1997 and $11.4 million during the first quarter of 1996, of which $368,000 and $302,000, respectively, were capitalized. Interest paid was $13.0 million in the first quarter of 1997 and $11.5 million in the first quarter of 1996.

NOTE G - COMMITMENTS AND CONTINGENCIES

As previously reported, certain of the Trust's shopping centers have some environmental contamination. The Trust has retained an environmental consultant to investigate contamination at a shopping center in New Jersey. The Trust is evaluating whether it has insurance coverage for this matter. At this time, the Trust has not determined what the range of remediation costs might be, but does not believe that the costs will have a material effect upon the Trust's financial condition. The Trust has also identified chlorinated solvent contamination at another property. The contamination appears to be linked to the current and/or previous dry cleaner. The Trust intends to look to the responsible parties for any remediation effort. Evaluation of this situation is preliminary and it is impossible, at this time, to estimate the range of remediation costs, if any.

Pursuant to the provisions of the respective partnership agreements, in the event of the exercise of put options by the other partners, the Trust would be required to purchase the 99% limited partnership interest at Loehmann's Plaza at its then fair market value and a 22.5% interest at Congressional Plaza at its then fair market value.

Under the terms of the CIM partnerships, if certain leasing and revenue levels are obtained for the properties owned by the partnerships, the limited partners may require the Trust to purchase their partnership interests at a formula price based upon net operating income. The purchase price may be paid in cash or common stock of the Trust at the election of the limited partners. If the limited partners do not redeem their interest, the Trust may choose to purchase the limited partnership interests upon the same terms.

At March 31, 1997 in connection with certain redevelopment projects and tenant improvements, the Trust is contractually obligated on contracts of approximately $7.0 million. At March 31, 1997 the Trust is also obligated under leases with tenants to provide up to an additional $7.5 million for improvements.

NOTE H - COMPONENTS OF RENTAL INCOME

The components of rental income for the three months ended March 31 are as follows:

	1997	1996
	(in thousands)	
Retail properties		
Minimum rents	$34,470	$31,334
Cost reimbursements	7,619	7,471
Percentage rents	1,210	1,334
Apartments	621	608
	$43,920	$40,747

NOTE I - SUBSEQUENT EVENTS

On April 17, 1997 a partnership organized in December 1996 exercised its purchase option on a retail building in Santa Monica, California for $6.9 million in cash. In accordance with the provisions of the partnership agreement, the Trust contributed 90% of the cost to the partnership and the minority interests contributed the other 10%. Also, on April 17, 1997 the Trust loaned the minority partners in this partnership $3.9 million. The loan is secured by property in Santa Monica, earns interest at 10% and participates in any profits or appreciation of the property.

On April 24, 1997 the Trust purchased Terranomics Retail Services, a property management and brokerage company, for approximately $2.0 million, to provide it with leasing and property management services on the west coast.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

Federal Realty meets its liquidity requirements through net cash provided by operating activities, long term borrowing through debt offerings and mortgages, medium and short term borrowing under revolving credit facilities, and equity offerings. Because all or a significant portion of the Trust's net cash provided by operating activities is distributed to shareholders, capital outlays for property acquisitions, renovation projects and debt repayments require funding from borrowing or equity offerings.

Net cash provided by operating activities increased from $12.1 million during the first quarter of 1996 to $17.2 million during the first quarter of 1997. The $5.1 million increase resulted primarily from the cash effects of a $3.3 million increase in net income, a $792,000 increase in depreciation and amortization, and a $1.0 million decrease in cash used for operating activities such as accounts receivable, accounts payable and accrued expenses. Dividends paid in cash were $14.4 million in 1997 and $12.5 million in 1996.

During the first quarter of 1997, the Trust spent $96.6 million in cash to acquire real estate assets, $9.4 million to improve its properties and $9.5 million in mortgage notes receivable. On January 6, 1997 the Trust purchased the fee interest in Shillington, Troy and Feasterville Shopping Centers for $1.9 million, $5.7 million and $2.2 million, respectively. In connection with the purchase agreement for Lawrence Park, in January 1997 the Trust lent the seller $8.8 million at 8% which is due in June 1998. The Trust had previously held these properties under capital leases. On February 24, 1997 the Trust purchased a 16 acre tract of land underlying part of the Shops at Willow Lawn for $4.6 million in cash.

The Trust purchased three retail buildings and two shopping centers during the first quarter of 1997. On January 22, 1997 the Trust purchased a 5,000 square foot retail building in Chicago, Illinois for cash of $4.2 million. On March 31, 1997 two partnerships were formed to purchase property in California. One of the partnerships purchased a 15,000 square foot building in Santa Monica, California for $4.0 million and the other purchased a 20,000 square foot building in San Diego, California for $850,000. In accordance with the provisions of the partnership agreements, the Trust contributed 90% of the cost of these buildings to the partnerships with the other 10% being contributed by the minority interests.

On March 5, 1997 the Trust, through a Limited Liability Company ("the LLC") organized by the Trust, purchased the 320,000 square foot San Jose Town & Country Village Shopping Center in San Jose, California for $42.8 million. The other member of the LLC has a minor interest in the profits. On March 31, 1997 the 159,000 square foot Pike 7 Shopping Center in Tysons Corner, Virginia was purchased for $31.5 million by a partnership formed to own the center. The Trust contributed $30.9 million to the partnership which was used to pay off existing debt on the center. The other partners contributed the shopping center and its existing debt in exchange for partnership units valued at $495,000 which are exchangeable, at the option of the Trust, for cash or 18,074 common shares of the Trust.

Improvements to Trust properties during the first quarter of 1997 included $1.5 million for the second phase of the redevelopment of Brick Plaza, $771,000 to begin the redevelopment of Wynnewood Shopping Center, $301,000 on the redevelopment of Troy Shopping Center and $3.2 million of tenant work.

On April 17, 1997 a partnership organized in December 1996 exercised its purchase option on a retail building in Santa Monica, California for $6.9 million in cash. In accordance with the provisions of the partnership agreement, the Trust contributed 90% of the cost to the partnership and the minority interests contributed the other 10%. Also, on April 17, 1997 the Trust loaned the minority partners in this partnership $3.9 million. The loan is secured by property in Santa Monica, earns interest at 10% and participates in any profits or appreciation of the property.

On April 24, 1997 the Trust purchased Terranomics Retail Services, a property management and brokerage company for approximately $2.0 million, to provide it with leasing and property management services on the west coast.

The Trust has $135.0 million of unsecured medium-term revolving credit facilities with four banks. The facilities, which require fees and have covenants requiring a minimum shareholders' equity and a maximum ratio of debt to net worth, are used to fund acquisitions and other cash requirements until conditions are favorable for issuing equity or long term debt. At March 31, 1997 the Trust had borrowed $64.2 million under these facilities; the maximum amount borrowed under these facilities during the first quarter of 1997 was $68.9 million. Amounts advanced under these facilities bear interest at LIBOR plus 75 basis points; the weighted average interest rate on borrowings during the quarter was 6.3%.

On February 4, 1997 the Trust sold 3.0 million shares to an institutional investor for $28 per share, netting $83.9 million.

Proceeds from this offering were used primarily to repay borrowings on the revolving credit facilities.

The Trust is contractually obligated on contracts of approximately $7.0 million for redevelopment and tenant improvements and is committed under leases for up to an additional $7.5 million in tenant work and general improvements to its properties. In addition to these committed amounts, the Trust has budgeted an additional $19 million for the remainder of 1997 for improvements to its properties. These committed and budgeted improvements include the second phase of the redevelopment and expansion of Brick Plaza, the renovation and retenanting of Troy Shopping Center, the renovation of Feasterville Shopping Center and the completion of the renovation and expansion of a portion of Bethesda Row. These expenditures will be funded with the revolving credit facilities pending their long term financing with either equity or debt.

The Trust plans additional acquisitions of retail properties, both shopping center and main street retail buildings during the remainder of 1997. In addition, the Trust has identified a limited number of sites in its core markets for the development of new shopping centers.

The Trust will need additional capital in order to fund these acquisitions, expansions and refinancings. Sources of this funding may be additional debt, additional equity or proceeds from the sale of existing properties. The timing and choice between additional debt or equity financing will depend upon many factors, including the market price for the Trust's shares, interest rates and the ratio of debt to net worth. The Trust believes that it will be able to raise this capital as needed, based on its past success in so doing.

CONTINGENCIES

As previously reported, certain of the Trust's shopping centers have some environmental contamination. The Trust has retained an environmental consultant to investigate contamination at a shopping center in New Jersey. The Trust is evaluating whether it has insurance coverage for this matter. At this time, the Trust has not determined what the range of remediation costs might be, but does not believe that the costs will have a material effect upon the Trust's financial condition. The Trust has also identified chlorinated solvent contamination at another property. The contamination appears to be linked to the current and/or previous dry cleaner. The Trust intends to look to the responsible parties for any remediation effort. Evaluation of this situation is preliminary and it is impossible, at this time, to estimate the range of remediation costs, if any.

Pursuant to the provisions of the respective partnership agreements, in the event of the exercise of put options by the other partners, the Trust would be required to purchase the 99% limited partnership interest at Loehmann's Plaza at its then fair market value and a 22.5% interest at Congressional Plaza at its then fair market value.

Under the terms of the CIM partnerships, if certain leasing and revenue levels are obtained for the properties owned by the partnerships, the limited partners may require the Trust to purchase their partnership interests at a formula price based upon net operating income. The purchase price may be paid in cash or common stock of the Trust at the election of the limited partners. If the limited partners do not redeem their interest, the Trust may choose to purchase the limited partnership interests upon the same terms.

RESULTS OF OPERATIONS - THREE MONTHS ENDED MARCH 31, 1997 AND 1996

Net income and funds from operations have been affected by the Trust's recent acquisition, redevelopment and financing activities. The Trust has historically reported its funds from operations in addition to its net income and net cash provided by operating activities. Funds from operations is a supplemental measure of real estate companies' operating performance which excludes historical cost depreciation, since real estate values have historically risen and fallen with market conditions rather than over time. Funds from operations is defined by The National Association of Real Estate Investment Trusts ("NAREIT") in a white paper issued during 1995, as follows: income before depreciation and amortization of real estate assets and before extraordinary items and significant non-recurring events less gains on sale of real estate. The Trust complies with this definition. Funds from operations does not replace net income as a measure of performance or net cash provided by operating activities as a measure of liquidity. Rather, funds from operations has been adopted by real estate investment trusts to provide a consistent supplemental measure of operating performance in the industry.

The reconciliation of net income to funds from operations for the three months ended March 31 is as follows:

	1997	1996
	(in thousands)	
Net income	$ 9,311	$ 6,026
Plus: depreciation and amortization of real estate assets	9,064	8,342
amortization of initial direct costs of leases	584	593
Funds from operations	$18,959	$14,961

Funds from operations increased 27% to $19.0 million in the first quarter of 1997 from $15.0 million in the first quarter of 1996.

Rental income, which consists of minimum rent, percentage rent and cost recoveries, increased 8% from $40.7 million in the first quarter of 1996 to $43.9 million in the first quarter of 1997. If properties purchased and sold in 1996 and 1997 are excluded, rental income increased 1%.

Minimum rent increased 10% from $31.9 million in the first quarter of 1996 to $35.1 million in the first quarter of 1997. Excluding properties purchased and sold in 1996 and 1997, minimum rent increased 2.5%.

Cost reimbursements consist of tenant reimbursements of real estate taxes (real estate tax recovery) and common area maintenance expenses (CAM recovery). Cost reimbursements increased 2% from $7.5 million during the first quarter of 1996 to $7.6 million during the first quarter of 1997. Excluding properties purchased and sold in 1996 and 1997, cost reimbursements decreased from $7.4 million to $7.1 million. Real estate tax recovery on the core portfolio increased $161,000 as real estate taxes increased, CAM recovery decreased $478,000 on the core portfolio as CAM expenses, mainly snow removal decreased.

Other property income includes items which tend to fluctuate from period to period, such as utility reimbursements, telephone income, merchant association dues, lease termination fees, late fees and temporary tenant income. Other property income increased from $2.2 million during the first quarter of 1996 to $3.2 million during the first quarter of 1997, primarily due to an increase of $1.1 million in lease termination fees.

Rental expenses have decreased 13% in the first quarter of 1997 from the first quarter of 1996, to $10.2 million from $11.8 million. If centers acquired and sold during 1996 and 1997 are excluded, rental expenses decreased 18%, primarily due to decreased snow removal costs on the east coast in 1997 as compared to 1996.

Real estate taxes have increased from $3.9 million during the first quarter of 1996 to $4.6 million during the first quarter of 1997; $352,000 of the increase was due to taxes on the 1996 and 1997 acquisitions. Depreciation and amortization in the first quarter of 1997 was 8% greater than in the first quarter of 1996. Excluding the effect from the 1996 and 1997 acquisitions, depreciation and amortization increased 5% due to depreciation on recent tenant work and property improvements.

Interest expense increased from $11.1 million during the first quarter of 1996 to $12.0 million during the first quarter of 1997, primarily due to interest expense on the $50 million of 7.48% Debentures issued in August 1996. The ratio of earnings to fixed charges was 1.72x for the first quarter of 1997 and 1.47x for the comparable period in 1996. The ratio of funds from operations to fixed charges was 2.48x for the first quarter of 1997 and 2.25x for the first quarter of 1996.

Administrative expenses have increased from $1.7 million during the first quarter of 1996 to $2.1 million during the first quarter of 1997, primarily due to increased personnel costs as the Trust is expanding and increased state income taxes.

As a result of the foregoing items, net income increased from $6.0 million during the first quarter of 1996 to $9.3 million during the first quarter of 1997.

Recently there have been a number of retailer consolidations. These consolidations and a weakening of the retail environment could adversely impact the Trust, by increasing vacancies and by decreasing rents. In past weak retail and real estate environments, the Trust has been able to replace tenants who leave or go bankrupt with stronger tenants. Management believes that due to the quality of the Trust's properties there will be continued demand for its retail space.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(A) Exhibits

(27) Financial Data Schedule.......................Edgar filing only

(B) Reports on Form 8-K

A Form 8-K, dated January 29, 1997, was filed in response to Item 7.(a)

A Form 8-K, dated February 3, 1997, was filed in response to Item 5.

A Form 8-K, dated February 24, 1997, was filed in response to Item 7.(c).

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FEDERAL REALTY INVESTMENT TRUST
(Registrant)

Date: May 7, 1997

Steven J. Guttman
Steven J. Guttman, President
(Chief Executive Officer)

Date: May 7, 1997

Cecily A. Ward
Cecily A. Ward
(Principal Accounting Officer)

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET OF FEDERAL REALTY INVESTMENT TRUST AS OF MARCH 31, 1997 AND THE RELATED CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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DEC-31-1997
MAR-31-1997
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0
0
1,251,867
(232,487)
1,115,089
0
585,902
684,853
0
0
(216,315)
1,115,089
0
47,147
0
14,790
0
0
11,989
9,311
0
0
0
0
0
9,311
.24
0

Current assets and current liabilities are not listed since Federal Realty does not prepare a classified balance sheet.