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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **June 30, 2008**

Federal Realty Investment Trust

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

1-07533
(Commission File Number)

52-0782497
(IRS Employer
Identification No.)

1626 East Jefferson Street, Rockville, Maryland
(Address of principal executive offices)

20852-4041
(Zip Code)

Registrant's telephone number including area code: 301/998-8100

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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-

Item 2.02. Results of Operations and Financial Condition.

The following information is being furnished under Item 12-Results of Operations and Financial Condition. This information, including the exhibits attached hereto, shall not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information in this Current Report on Form 8-K shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or under the Exchange Act, regardless of any general incorporation language in such filing.

On July 30, 2008, Federal Realty Investment Trust issued supplemental data pertaining to its operations, as well as a press release, to report its financial results for the quarter ended June 30, 2008. The supplemental data and press release are furnished as Exhibit 99.1 hereto.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 Supplemental information at June 30, 2008 (including press release dated July 30, 2008)

SIGNATURES

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 hereunto duly authorized.

Date: July 30, 2008

FEDERAL REALTY INVESTMENT TRUST

/s/ Joseph M. Squeri

Joseph M. Squeri

Executive Vice President,

Chief Financial Officer and Treasurer

EXHIBIT INDEX

<u>Exh No.</u>	<u>Exhibit</u>
99.1	Supplemental Information at June 30, 2008

FEDERAL REALTY INVESTMENT TRUST
SUPPLEMENTAL INFORMATION
June 30, 2008

TABLE OF CONTENTS

1.	Second Quarter 2008 Earnings Press Release	3
2.	Financial Highlights	
	Summarized Income Statements	7
	Summarized Balance Sheets	8
	Funds From Operations / Summary of Capital Expenditures	9
	Market Data	10
	Components of Rental Income	11
3.	Summary of Debt	
	Summary of Outstanding Debt and Capital Lease Obligations	12
	Summary of Debt Maturities	13
4.	Summary of Redevelopment Opportunities	14
5.	2008 Significant Acquisitions and Dispositions	15
6.	Real Estate Status Report	16
7.	Retail Leasing Summary	17
8.	Lease Expirations	18
9.	Portfolio Leased Statistics	19
10.	Summary of Top 25 Tenants	20
11.	Reconciliation of Net Income to FFO Guidance	21
12.	Joint Venture Disclosure	
	Summarized Income Statements and Balance Sheets	23
	Summary of Outstanding Debt and Debt Maturities	24
	Real Estate Status Report	25
13.	Glossary of Terms	26

1626 East Jefferson Street
Rockville, Maryland 20852-4041
301/998-8100

Safe Harbor Language

Certain matters discussed within this Supplemental Information may be deemed to be forward-looking statements within the meaning of the federal securities laws. Although Federal Realty believes the expectations reflected in the forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. These factors include, but are not limited to, the risk factors described in our Annual Report on Form 10-K filed on February 27, 2008, and include the following:

- risks that our tenants will not pay rent or that we may be unable to renew leases or re-let space at favorable rents as leases expire;
- risks that we may not be able to proceed with or obtain necessary approvals for any redevelopment or renovation project, and that completion of anticipated or ongoing property redevelopments or renovations may cost more, take more time to complete, or fail to perform as expected;
- risks that the number of properties we acquire for our own account, and therefore the amount of capital we invest in acquisitions, may be impacted by our real estate partnership;
- risks normally associated with the real estate industry, including risks that occupancy levels at our properties and the amount of rent that we receive from our properties may be lower than expected, that new acquisitions may fail to perform as expected, that competition for acquisitions could result in increased prices for acquisitions, that environmental issues may develop at our properties and result in unanticipated costs, and, because real estate is illiquid, that we may not be able to sell properties when appropriate;
- risks that our growth will be limited if we cannot obtain additional capital;
- risks of financing, such as our ability to consummate additional financings or obtain replacement financing on terms which are acceptable to us, our ability to meet existing financial covenants and the limitations imposed on our operations by those covenants, and the possibility of increases in interest rates that would result in increased interest expense; and
- risks related to our status as a real estate investment trust, commonly referred to as a REIT, for federal income tax purposes, such as the existence of complex tax regulations relating to our status as a REIT, the effect of future changes in REIT requirements as a result of new legislation, and the adverse consequences of the failure to qualify as a REIT.

Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements that we make, including those in this Supplemental Information. Except as required by law, we make no promise to update any of the forward-looking statements as a result of new information, future events, or otherwise. You should review the risks contained in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 27, 2008.

NEWS RELEASE

Federal Realty
INVESTMENT TRUST 

1626 East Jefferson Street
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FOR IMMEDIATE RELEASE

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FEDERAL REALTY INVESTMENT TRUST ANNOUNCES SECOND QUARTER 2008 OPERATING RESULTS

ROCKVILLE, Md. (July 30, 2008) – Federal Realty Investment Trust (NYSE:FRT) today reported operating results for its second quarter ended June 30, 2008.

- Funds from operations available for common shareholders (FFO) per diluted share was \$0.96 and earnings per diluted share was \$0.49 for second quarter 2008, compared to \$0.91 and \$0.47, respectively, for second quarter 2007.
- FFO per diluted share was \$1.89 and earnings per diluted common share was \$1.00 for the six months ended June 30, 2008, versus \$1.79 and \$0.88, respectively, for the six months ended June 30, 2007.
- Same-center property operating income for second quarter 2008 increased 4.1% including redevelopments and expansions, and 3.6% excluding redevelopments and expansions, over second quarter 2007.
- Rent increases on lease rollovers of comparable retail space for second quarter 2008 were 25% on a cash-basis and 42% on a GAAP-basis.
- Federal Realty increased its common dividend for the 41st consecutive year from an annualized rate of \$2.44 per share to \$2.60 per share, a 6.6% increase.
- Guidance for 2008 FFO per diluted share was narrowed to \$3.89 to \$3.92.

Financial Results

In second quarter 2008, Federal Realty generated FFO of \$56.7 million, or \$0.96 per diluted share. This compares to FFO of \$51.9 million, or \$0.91 per diluted share in second quarter 2007. For the six months ended June 30, 2008, Federal Realty reported FFO of \$112.1 million, or \$1.89 per diluted share compared to FFO of \$101.5 million, or \$1.79 per diluted share, for the same six-month period in 2007.

Net income available for common shareholders was \$28.8 million and earnings per diluted share was \$0.49 for the quarter ended June 30, 2008 versus \$26.6 million and \$0.47, respectively, for second quarter 2007. Year-to-date, Federal Realty reported net income available for common shareholders of \$58.7 million, or \$1.00 per diluted share. This compares to net income available for common shareholders of \$49.7 million, or \$0.88 per diluted share, for the six months ended June 30, 2007.

FFO is a non-GAAP supplemental earnings measure which the Trust considers meaningful in measuring its operating performance. A reconciliation of FFO and FFO per diluted share to net income is attached to this press release.

Portfolio Results

In second quarter 2008, same-center property operating income, including redevelopment and expansion properties, increased 4.1% over second quarter 2007. When redevelopment and expansion properties are excluded from same-center results, property operating income for second quarter 2008 increased 3.6% compared to second quarter 2007.

The Trust's overall portfolio was 95.8% leased as of June 30, 2008, compared to 96.1% on June 30, 2007. Federal Realty's same-center portfolio was 96.1% leased on June 30, 2008, compared to 96.3% on June 30, 2007.

During second quarter 2008, the Trust signed 90 leases for 253,000 square feet of retail space. On a comparable space basis (*i.e.*, spaces for which there was a former tenant), the Trust leased 239,000 square feet at an average cash-basis contractual rent increase per square foot (*i.e.*, excluding the impact of straight-line rents) of 25%. The average contractual rent on this comparable space for the first year of the new lease is \$36.39 per square foot compared to the average contractual rent of \$29.21 per square foot for the last year of the prior lease. The previous average contractual rent is calculated by including both the minimum rent and the percentage rent actually paid during the last year of the lease term for the re-leased space. On a GAAP basis (*i.e.*, including the impact of straight-line rents), rent increases per square foot for comparable retail space averaged 42% for second quarter 2008. Federal Realty's average contractual minimum rent for retail and commercial space in its portfolio is \$21.06 per square foot.

"The performance of our portfolio reflects continued demand by tenants for high quality assets in our strong retail locations, despite the inevitable impact of these difficult economic conditions," commented Donald C. Wood, president and chief executive officer of Federal Realty Investment Trust.

Regular Quarterly Dividends

Federal Realty also announced today that its Board of Trustees increased the regular dividend on its common shares, declaring a regular quarterly cash dividend of \$0.65 per share, resulting in an indicated annual rate of \$2.60 per share, an increase of \$0.16 annually or 6.6%. The regular common dividend will be payable on October 15, 2008, to common shareholders of record as of September 23, 2008. This increase represents the 41st consecutive year that Federal Realty has increased its common dividend, the longest record of consecutive annual dividend increases in the REIT sector.

“We are pleased to be able to increase our common dividend for the 41st consecutive year, particularly given the current economic environment,” stated Andrew Blocher, senior vice president, capital markets and investor relations. “Our strong dividend record demonstrates the Trust’s ability to withstand changing operating conditions over the long term.”

Guidance

Federal Realty narrowed its guidance range for 2008 FFO per diluted share to \$3.89 to \$3.92, and revised its 2008 earnings per diluted share guidance to a range of \$2.08 to \$2.11. The Trust’s 2008 guidance does not include any potential damages associated with two lawsuits that are described in detail in Note E (Commitments and Contingencies) of the Trust’s Form 10-Q.

Summary of Other Quarterly Activities and Recent Developments

- June 2, 2008 – Federal Realty acquired Del Mar Village, a 154,000 square foot grocery-anchored, neighborhood shopping center at the intersection of Palmetto Park Road and Powerline Road in Boca Raton, Florida. The acquisition of Del Mar Village reflects the Trust’s strategy of acquiring assets in Palm Beach, Broward and Miami-Dade counties in South Florida – areas that possess dense populations, a high degree of affluence and significant barriers to entry. Federal Realty acquired the property from a private owner for \$41.7 million in cash.

Conference Call Information

Federal Realty’s management team will present an in-depth discussion of the Trust’s operating performance on its second quarter earnings conference call, which is scheduled for July 31, 2008, at 11:00 a.m. Eastern Daylight Time. To participate, please call (866) 700-0161 five to ten minutes prior to the call’s start time and use the passcode FRT EARNINGS (required). The conference leader is Andrew Blocher. Federal Realty will also provide an online web simulcast on the company’s web site, www.federalrealty.com, which will remain available for 30 days following the call. A telephone recording of the call will also be available through August 29, 2008, by dialing (888) 286-8010 and using the passcode 95318246.

About Federal Realty

Federal Realty Investment Trust is an equity real estate investment trust specializing in the ownership, management, development, and redevelopment of high quality retail assets. Federal Realty's portfolio (excluding joint venture properties) contains approximately 18.4 million square feet located primarily in strategically selected metropolitan markets in the Northeast, Mid-Atlantic and California. In addition, the Trust has an ownership interest in approximately 1.0 million square feet of retail space through a joint venture in which the Trust has a 30% interest. Our operating portfolio (excluding joint venture properties) was 95.8% leased to national, regional, and local retailers as of June 30, 2008, with no single tenant accounting for more than approximately 2.7% of annualized base rent. Federal Realty has paid quarterly dividends to its shareholders continuously since its founding in 1962, and has increased its dividend rate for 41 consecutive years, the longest record in the REIT industry. Federal Realty is an S&P MidCap 400 company and its shares are traded on the NYSE under the symbol FRT.

Safe Harbor Language

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- risks that our tenants will not pay rent or that we may be unable to renew leases or re-let space at favorable rents as leases expire;
- risks that we may not be able to proceed with or obtain necessary approvals for any redevelopment or renovation project, and that completion of anticipated or ongoing property redevelopments or renovations may cost more, take more time to complete, or fail to perform as expected;
- risks that the number of properties we acquire for our own account, and therefore the amount of capital we invest in acquisitions, may be impacted by our real estate partnership;
- risks normally associated with the real estate industry, including risks that occupancy levels at our properties and the amount of rent that we receive from our properties may be lower than expected, that new acquisitions may fail to perform as expected, that competition for acquisitions could result in increased prices for acquisitions, that environmental issues may develop at our properties and result in unanticipated costs, and, because real estate is illiquid, that we may not be able to sell properties when appropriate;
- risks that our growth will be limited if we cannot obtain additional capital;
- risks of financing, such as our ability to consummate additional financings or obtain replacement financing on terms which are acceptable to us, our ability to meet existing financial covenants and the limitations imposed on our operations by those covenants, and the possibility of increases in interest rates that would result in increased interest expense; and
- risks related to our status as a real estate investment trust, commonly referred to as a REIT, for federal income tax purposes, such as the existence of complex tax regulations relating to our status as a REIT, the effect of future changes in REIT requirements as a result of new legislation, and the adverse consequences of the failure to qualify as a REIT.

Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements that we make, including those in this press release. Except as may be required by law, we make no promise to update any of the forward-looking statements as a result of new information, future events or otherwise. You should carefully review the risks and risk factors included in our Annual Report on Form 10-K filed February 27, 2008.

Federal Realty Investment Trust
Summarized Income Statements
June 30, 2008

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	(in thousands, except per share data) (unaudited)			
Revenue				
Rental income	\$ 123,952	\$ 115,281	\$ 246,673	\$ 227,045
Other property income	4,624	2,546	8,010	4,916
Mortgage interest income	1,118	1,127	2,234	2,257
Total revenue	<u>129,694</u>	<u>118,954</u>	<u>256,917</u>	<u>234,218</u>
Expenses				
Rental expenses	26,306	23,501	53,633	47,799
Real estate taxes	14,346	11,215	26,909	21,783
General and administrative	7,039	6,114	13,973	11,722
Depreciation and amortization	27,795	25,493	53,195	50,405
Total operating expenses	<u>75,486</u>	<u>66,323</u>	<u>147,710</u>	<u>131,709</u>
Operating income	<u>54,208</u>	<u>52,631</u>	<u>109,207</u>	<u>102,509</u>
Other interest income	209	207	550	432
Interest expense	(24,476)	(28,178)	(48,829)	(55,515)
Income from real estate partnership	442	363	773	647
Income from continuing operations before minority interests	<u>30,383</u>	<u>25,023</u>	<u>61,701</u>	<u>48,073</u>
Minority interests	(1,409)	(1,384)	(2,741)	(2,681)
Income from continuing operations	<u>28,974</u>	<u>23,639</u>	<u>58,960</u>	<u>45,392</u>
Discontinued operations				
Income from discontinued operations	—	1,230	—	2,613
Gain on sale of real estate from discontinued operations	—	1,849	—	1,849
Results from discontinued operations	—	3,079	—	4,462
Net income	<u>28,974</u>	<u>26,718</u>	<u>58,960</u>	<u>49,854</u>
Dividends on preferred stock	(135)	(135)	(271)	(171)
Net income available for common shareholders	<u>\$ 28,839</u>	<u>\$ 26,583</u>	<u>\$ 58,689</u>	<u>\$ 49,683</u>
EARNINGS PER COMMON SHARE, BASIC				
Continuing operations	\$ 0.49	\$ 0.42	\$ 1.00	\$ 0.81
Discontinued operations	—	0.05	—	0.08
	<u>\$ 0.49</u>	<u>\$ 0.47</u>	<u>\$ 1.00</u>	<u>\$ 0.89</u>
Weighted average number of common shares, basic	<u>58,636</u>	<u>56,168</u>	<u>58,570</u>	<u>55,797</u>
EARNINGS PER COMMON SHARE, DILUTED				
Continuing operations	\$ 0.49	\$ 0.42	\$ 1.00	\$ 0.80
Discontinued operations	—	0.05	—	0.08
	<u>\$ 0.49</u>	<u>\$ 0.47</u>	<u>\$ 1.00</u>	<u>\$ 0.88</u>
Weighted average number of common shares, diluted	<u>58,934</u>	<u>56,591</u>	<u>58,872</u>	<u>56,258</u>

Federal Realty Investment Trust
Summarized Balance Sheets
June 30, 2008

	June 30, 2008	December 31, 2007
	(in thousands)	
	(unaudited)	
ASSETS		
Real estate, at cost		
Operating	\$3,458,460	\$3,304,922
Construction-in-progress	110,929	147,925
	<u>3,569,389</u>	<u>3,452,847</u>
Less accumulated depreciation and amortization	(801,752)	(756,703)
Net real estate	2,767,637	2,696,144
Cash and cash equivalents	20,281	50,691
Accounts and notes receivable	66,431	61,108
Mortgage notes receivable	40,488	40,638
Investment in real estate partnership	29,400	29,646
Prepaid expenses and other assets	102,310	111,070
TOTAL ASSETS	<u><u>\$3,026,547</u></u>	<u><u>\$2,989,297</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Mortgages payable and capital lease obligations	\$ 446,531	\$ 450,084
Notes payable	241,933	210,820
Senior notes and debentures	977,470	977,556
Accounts payable and other liabilities	217,332	204,387
Total liabilities	<u>1,883,266</u>	<u>1,842,847</u>
Minority interests	32,037	31,818
Shareholders' equity		
Preferred stock	9,997	9,997
Common shares and other shareholders' equity	<u>1,101,247</u>	<u>1,104,635</u>
Total shareholders' equity	<u>1,111,244</u>	<u>1,114,632</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>\$3,026,547</u></u>	<u><u>\$2,989,297</u></u>

Federal Realty Investment Trust
Funds From Operations / Summary of Capital Expenditures
June 30, 2008

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	(in thousands, except per share data)			
<u>Funds from Operations available for common shareholders (FFO) (1)</u>				
Net income	28,974	26,718	\$ 58,960	\$ 49,854
Gain on sale of real estate	—	(1,849)	—	(1,849)
Depreciation and amortization of real estate assets	25,050	24,317	48,000	48,259
Amortization of initial direct costs of leases	2,283	2,107	4,305	4,177
Depreciation of joint venture real estate assets	331	323	661	591
Funds from operations	56,638	51,616	111,926	101,032
Dividends on preferred stock	(135)	(135)	(271)	(171)
Income attributable to operating partnership units	231	399	463	644
FFO	<u>\$ 56,734</u>	<u>\$ 51,880</u>	<u>\$ 112,118</u>	<u>\$ 101,505</u>
FFO per diluted share	<u>\$ 0.96</u>	<u>\$ 0.91</u>	<u>\$ 1.89</u>	<u>\$ 1.79</u>
Weighted average number of common shares, diluted	<u>59,311</u>	<u>57,149</u>	<u>59,251</u>	<u>56,750</u>
<u>Summary of Capital Expenditures</u>				
Non-maintenance capital expenditures				
Development, redevelopment and expansions	\$ 21,488	\$ 31,727	\$ 50,410	\$ 51,712
Tenant improvements and incentives	3,974	5,901	9,383	9,708
Total non-maintenance capital expenditures	<u>25,462</u>	<u>37,628</u>	<u>59,793</u>	<u>61,420</u>
Maintenance capital expenditures	2,819	2,010	5,355	3,755
Total capital expenditures	<u>\$ 28,281</u>	<u>\$ 39,638</u>	<u>\$ 65,148</u>	<u>\$ 65,175</u>
<u>Dividends and Payout Ratios</u>				
Regular common dividends declared	\$ 35,931	\$ 32,422	\$ 71,782	\$ 64,805
Dividend payout ratio as a percentage of FFO	63%	62%	64%	64%

Notes:

(1) See Glossary of Terms.

Federal Realty Investment Trust
Market Data
June 30, 2008

	June 30,	
	2008	2007
(in thousands, except per share data)		
Market data		
Common shares outstanding (1)	58,904	56,387
Market price per common share	\$ 69.00	\$ 77.26
Common equity market capitalization	\$ 4,064,376	\$ 4,356,460
Series 1 preferred shares outstanding (2)	400	400
Liquidation price per Series 1 preferred share	\$ 25.00	\$ 25.00
Series 1 preferred equity market capitalization	\$ 10,000	\$ 10,000
Equity market capitalization	\$ 4,074,376	\$ 4,366,460
Total debt (3)	1,665,934	1,813,475
Total market capitalization	\$ 5,740,310	\$ 6,179,935
Total debt to market capitalization at then current market price	29%	29%
Total debt to market capitalization at constant common share price of \$77.26	27%	29%
Fixed rate debt ratio:		
Fixed rate debt and capital lease obligations (4)	98%	91%
Variable rate debt	2%	9%
	<u>100%</u>	<u>100%</u>

Notes:

- (1) Consists of 60,392,445 shares issued net of 1,488,310 shares held in Treasury as of June 30, 2008. As of June 30, 2007, consists of 57,873,340 shares issued net of 1,486,803 shares held in Treasury. Amounts do not include 376,260 and 557,694 Operating Partnership Units outstanding at June 30, 2008 and 2007, respectively.
- (2) These shares, issued March 8, 2007, are unregistered.
- (3) Total debt includes capital leases, mortgages payable, notes payable, senior notes and debentures, net of premiums and discounts from our consolidated balance sheet. It does not include the \$24.4 million which is the Trust's 30% share of the total \$81.5 million debt of the partnership with Clarion Lion Properties Fund.
- (4) On February 21, 2008, we entered into two interest rate swap agreements to fix the variable portion of our \$200 million term note through November 6, 2008. The first swap fixed the variable rate at 2.725% on a notional amount of \$100 million and the second swap fixed the variable rate at 2.852% on a notional amount of \$100 million for a combined fixed rate of 2.789%. As the interest rate on the term loan was effectively fixed by the two swap agreements, the \$200 million term loan is included in fixed rate debt.

Federal Realty Investment Trust
Components of Rental Income
June 30, 2008

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
	(in thousands)		(in thousands)	
Minimum rents				
Retail and commercial (1)	\$ 91,759	\$ 87,378	\$ 182,046	\$ 170,295
Residential (2)	4,112	3,733	8,125	7,342
Cost reimbursements	24,980	21,077	49,724	43,102
Percentage rents	1,761	1,644	4,139	3,567
Other rental income	1,340	1,449	2,639	2,739
Total rental income	<u>\$ 123,952</u>	<u>\$ 115,281</u>	<u>\$ 246,673</u>	<u>\$ 227,045</u>

Notes:

- (1) Minimum rents include \$1.4 million and \$2.7 million for the three months ended June 30, 2008 and 2007, respectively, and \$3.0 million and \$4.4 million for the six months ended June 30, 2008 and 2007, respectively, to recognize minimum rents on a straight-line basis. In addition, minimum rents include \$0.7 million and \$0.4 million for the three months ended June 30, 2008 and 2007, respectively, and \$1.3 million for each of the six months ended June 30, 2008 and 2007, to recognize income from the amortization of in-place leases in accordance with SFAS No. 141.
- (2) Residential minimum rents consist of the rental amounts for residential units at Rollingwood Apartments, the Crest at Congressional Plaza Apartments, Santana Row, and for 2008, Arlington East (Bethesda Row). The first rental units at Arlington East were delivered and became rent paying in late May 2008. Lease-up of these rental units will continue through 2008.

Federal Realty Investment Trust
Summary of Outstanding Debt and Capital Lease Obligations
June 30, 2008

	<u>Maturity date</u>	<u>Stated interest rate as of June 30, 2008</u>	<u>Balance as of June 30, 2008 (in thousands)</u>	<u>Weighted average effective rate at June 30, 2008 (j)</u>
<u>Mortgage loans (a)</u>				
<i>Secured fixed rate</i>				
Leesburg Plaza	10/01/08	6.510% (b)	\$ 9,564	
164 E. Houston Street	10/06/08	7.500%	19	
White Marsh Other	12/31/08	6.060%	1,131	
Mercer Mall	04/01/09	8.375%	4,409	
Federal Plaza	06/01/11	6.750%	33,400	
Tysons Station	09/01/11	7.400%	6,138	
White Marsh Plaza	04/01/13	6.040% (c)	10,248	
Crow Canyon	08/11/13	5.400%	21,404	
Melville Mall	09/01/14	5.250% (d)	24,780	
THE AVENUE at White Marsh	01/01/15	5.460%	60,533	
Barracks Road	11/01/15	7.950%	41,712	
Hauppauge	11/01/15	7.950%	15,724	
Lawrence Park	11/01/15	7.950%	29,565	
Wildwood	11/01/15	7.950%	25,987	
Wynnewood	11/01/15	7.950%	30,130	
Brick Plaza	11/01/15	7.415%	30,907	
Shoppers' World	01/31/21	5.910%	5,918	
Mount Vernon	04/15/28	5.660% (e)	11,803	
Chelsea	01/15/31	5.360%	8,182	
Subtotal			371,554	
Net unamortized discount			(612)	
Total mortgage loans			370,942	6.90%
<u>Notes payable</u>				
<i>Unsecured fixed rate</i>				
Term note	11/06/09	LIBOR + 0.575% (f)	200,000	
Other	04/01/12	6.500%	2,223	
Perring Plaza renovation	01/31/13	10.000%	1,310	
<i>Unsecured variable rate</i>				
Revolving credit facility	07/27/10	LIBOR + 0.425% (g)	29,000	
Escondido (Municipal bonds)	10/01/16	2.125% (h)	9,400	
Total notes payable			241,933	3.73% (k)
<u>Senior notes and debentures</u>				
<i>Unsecured fixed rate</i>				
8.75% notes	12/01/09	8.750%	175,000	
4.50% notes	02/15/11	4.500%	75,000	
6.00% notes	07/15/12	6.000%	175,000	
5.40% notes	12/01/13	5.400%	135,000	
5.65% notes	06/01/16	5.650%	125,000	
6.20% notes	01/15/17	6.200%	200,000	
7.48% debentures	08/15/26	7.480% (i)	50,000	
6.82% medium term notes	08/01/27	6.820%	40,000	
Subtotal			975,000	
Net unamortized premium			2,470	
Total senior notes and debentures			977,470	6.44%
<u>Capital lease obligations</u>				
Various	Various through 2106	Various	75,589	7.44%
Total debt and capital lease obligations			\$ 1,665,934	
Total fixed rate debt and capital lease obligations			\$ 1,627,534	98% 6.25%
Total variable rate debt			38,400	2% 3.78% (k)
TOTAL DEBT AND CAPITAL LEASES OBLIGATIONS			\$ 1,665,934	100% 6.20%

Operational Statistics

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Ratio of EBITDA to combined fixed charges and preferred share dividends (l)	3.04x	2.55x	3.00x	2.50x
Ratio of adjusted EBITDA to combined fixed charges and preferred share dividends (l)	3.04x	2.49x	3.00x	2.48x

Notes:

- (a) Mortgage loans do not include our 30% share (\$24.4 million) of the \$81.5 million debt of the partnership with Clarion Lion Properties Fund.
- (b) This mortgage loan and accrued interest were paid off on July 1, 2008.
- (c) The interest rate of 6.04% represents the weighted average interest rate for two mortgage loans secured by this property. The loan balance represents an interest-only loan of \$4.35 million at a stated rate of 6.18% and the remaining balance at a stated rate of 5.96%.
- (d) We acquired control of Melville Mall through a 20-year master lease and secondary financing. Because we control this property and retain substantially all of the economic benefit and risk associated with it, this property is consolidated and the mortgage loan is reflected on the balance sheet though it is not our legal obligation.
- (e) The interest rate is fixed at 5.66% for the first ten years and then will be reset to a market rate in 2013. The lender has the option to call the loan on April 15,

2013 or anytime thereafter.

- (f) In July 2008, we exercised our option and extended the maturity date from November 6, 2008 to November 6, 2009. On February 21, 2008, we entered into two interest rate swap agreements to fix the variable portion of this debt through November 6, 2008. The first swap fixed the variable rate at 2.725% on a notional amount of \$100 million and the second swap fixed the variable rate at 2.852% on a notional amount of \$100 million for a combined fixed rate of 2.789%. The weighted average effective rate, before amortization of debt fees, was 3.41% and 3.81% for the three and six months ended June 30, 2008, respectively.
- (g) The weighted average effective interest rate, before amortization of debt fees, was 2.98% and 3.04% for the three and six months ended June 30, 2008, respectively. This credit facility is subject to a one-year extension at our option.
- (h) The bonds bear interest at a variable rate determined weekly which would enable the bonds to be remarketed at 100% of their principal amount.
- (i) On August 15, 2008, the debentures are redeemable by the holders thereof at the original purchase price of \$1,000 per debenture. On June 16, 2008, we received notice that one of the holders will redeem \$20.8 million on August 15, 2008. The notice period for additional redemptions has expired.
- (j) The weighted average effective interest rate includes the amortization of any deferred financing fees, discounts and premiums, if applicable.
- (k) The weighted average effective interest rate excludes \$0.5 million in quarterly amortization of deferred financing fees on our revolving credit facility which had a \$29.0 million balance on June 30, 2008.
- (l) Fixed charges consist of interest on borrowed funds (including capitalized interest), amortization of debt discount or premium and expense and the portion of rent expense representing an interest factor. Adjusted EBITDA is reconciled to net income in the Glossary of Terms.

Federal Realty Investment Trust
Summary of Debt Maturities
June 30, 2008

DEBT MATURITIES

(in thousands)

<u>Year</u>	<u>Scheduled Amortization</u>	<u>Maturities</u>	<u>Total</u>		<u>Percent of Debt Maturing</u>	<u>Cumulative Percent of Debt Maturing</u>
2008	\$ 3,767	\$ 31,451	\$ 35,218	(1)	2.1%	2.1%
2009	9,240	379,349	388,589	(2)	23.3%	25.4%
2010	9,510	29,000	38,510	(3)	2.3%	27.7%
2011	9,513	112,252	121,765		7.3%	35.0%
2012	9,688	175,000	184,688		11.1%	46.1%
2013	9,202	163,045	172,247		10.4%	56.5%
2014	9,164	20,127	29,291		1.8%	58.3%
2015	6,924	198,391	205,315		12.3%	70.6%
2016	2,976	134,400	137,376		8.3%	78.9%
2017	3,184	200,000	203,184		12.2%	91.1%
Thereafter	75,017	72,876	147,893		8.9%	100.0%
Total	<u>\$ 148,185</u>	<u>\$1,515,891</u>	<u>\$1,664,076</u>	(4)	<u>100.0%</u>	

Notes:

- (1) Includes \$20.8 million of unsecured debt that was put to us by one of the holders and is due on August 15, 2008.
- (2) Includes \$200 million outstanding on our term note. In July 2008, we exercised the extension option on the term note such that the maturity date is now November 6, 2009.
- (3) Our \$300 million four-year revolving credit facility is subject to a one-year extension at our option. As of June 30, 2008, there was \$29.0 million drawn under this credit facility.
- (4) The total debt maturities differs from the total reported on the consolidated balance sheet due to the unamortized net discount or premium on certain mortgage loans, senior notes and debentures as of June 30, 2008.

Current Redevelopment Opportunities (1) (\$ millions)

<u>Property</u>	<u>Location</u>	<u>Opportunity</u>	<u>Projected ROI (2)</u>	<u>Projected Cost (1)</u>	<u>Cost to Date</u>
Projects Anticipated to Stabilize in 2008 (3)					
Arlington East	Bethesda, MD	Ground floor retail, four levels of residential units above retail, two levels of below grade parking	9%	\$ 83	\$ 73
Eastgate	Chapel Hill, NC	Center redevelopment including new grocery anchor, façade renovation and site improvements	10%	\$ 10	\$ 7
Subtotal: Projects Anticipated to Stabilize in 2008 (3) (4)			9%	\$ 93	\$ 80
Projects Anticipated to Stabilize in 2009 (3) (5)					
Santana Row	San Jose, CA	5-story building with 15,000 square feet of ground level retail and 65,000 square feet of office space	9%	\$ 42	\$ 3
Hollywood Galaxy Building	Hollywood, CA	Re-tenanting three level entertainment center and converting project into urban neighborhood community center	12%	\$ 16	\$ 13
Houston Street	San Antonio, TX	Construction of a new building with ground level leased to Walgreen's pharmacy and office above	10%	\$ 8	\$ 2
Village of Shirlington—Phase III & IV	Arlington, VA	Ground lease to hotel operator and ground floor retail as part of office building development (by others)	16%	\$ 7	\$ <1
Subtotal: Projects Anticipated to Stabilize in 2009 (3) (4) (5)			10%	\$ 73	\$ 18
Total: Projects Anticipated to Stabilize in 2008 and 2009 (3) (4)			10%	\$ 166	\$ 98

Potential future redevelopment pipeline includes (6):

<u>Property</u>	<u>Location</u>	<u>Opportunity</u>
Assembly Square	Somerville, MA	Potential substantial transit oriented mixed-use development
Bala Cynwyd	Bala Cynwyd, PA	Redevelopment of nine acres of land for a transit oriented mixed-use project or retail center
Barracks Road	Charlottesville, VA	Anchor re-tenanting, pad re-tenanting, and site improvements
Brick Plaza	Brick, NJ	Redevelopment and expansion of existing pad site
Bethesda Row	Bethesda, MD	Anchor re-tenanting and modifications of building on Hampden Lane
Courthouse Center	Rockville, MD	Center redevelopment adjacent to Rockville Town Square
Flourtown	Flourtown, PA	Anchor re-tenanting, small shop demolition, new retail building, façade renovation, and site improvements
Hollywood Peterson Building	Hollywood, CA	Co-terminus leases create potential for property redevelopment and expansion
Lancaster	Lancaster, PA	Renovation and expansion of existing grocer, new bank pad, and façade renovation
Linden Square	Wellesley, MA	Additional phases of infill redevelopment
Mercer Mall	Lawrenceville, NJ	Construction of new outparcel
Mid-Pike Plaza	Rockville, MD	Co-terminus leases create potential for retail redevelopment or transit oriented mixed-use development
Pike 7	Vienna, VA	Co-terminus leases create potential for retail redevelopment or mixed-use development
Santana Row	San Jose, CA	Future phases of mixed-use development
Town Center of New Britain	New Britain, PA	Renovation and expansion of existing grocer
Westgate	San Jose, CA	Center redevelopment

Notes:

- (1) These current redevelopment opportunities are being pursued by the Trust. There is no guaranty that the Trust will ultimately complete any or all of these opportunities, that the Projected Return on Investment (ROI) or Projected Costs will be the amounts shown or that stabilization will occur as anticipated. The projected ROI and Projected Cost are management's best estimate based on current information and may change over time.
- (2) Projected ROI reflects only the deal specific cash, unleveraged Incremental Property Operating Income (POI) generated by the redevelopment and is calculated as Incremental POI divided by cost. Incremental POI is the POI generated by the redevelopment after deducting rent being paid for the redevelopment space and any other space taken out of service to accommodate the redevelopment. Projected ROI does NOT include peripheral impacts, such as the impact on future lease rollovers at the property or the impact on the long-term value of the property.
- (3) Stabilization is the year in which 95% occupancy of the redeveloped space is achieved.
- (4) All subtotals and totals reflect cost weighted-average ROIs.
- (5) Excludes \$55 million of development capital at Linden Square, anticipated at acquisition of this in-process development.
- (6) These future redevelopment opportunities are being explored by the Trust. There is no guaranty that the Trust will ultimately pursue or complete any or all of these opportunities.

Federal Realty Investment Trust
2008 Significant Acquisitions and Dispositions
Through June 30, 2008

Federal Realty Investment Trust Acquisitions

<u>Date</u>	<u>Property</u>	<u>City / State</u>	<u>GLA</u> <u>(in square feet)</u>	<u>Purchase price</u> <u>(in millions)</u>	<u>Anchor tenants</u>
May 30, 2008	Del Mar Village	Boca Raton, FL	154,000	\$ 41.7	Winn Dixie, CVS & Sweet Tomatoes

Federal Realty Investment Trust Dispositions

<u>Date</u>	<u>Property</u>	<u>City / State</u>	<u>GLA</u>	<u>Sales price</u>
None				

Federal Realty Investment Trust
Real Estate Status Report
June 30, 2008

Property Name	MSA Description	Year Acquired	Real Estate at Cost (in thousands)	Mortgage or Capital Lease Obligation (1) (in thousands)	GLA (2)	% Leased	Grocery Anchor GLA (3)	Grocery Anchor (3)	Other Principal Tenants
East Region									
Washington Metropolitan Area									
Bethesda Row	(4) Washington, DC-MD-VA	1993-2006	\$ 168,859	\$ 12,576	521,000	92%	40,000	Giant Food	Barnes & Noble / Landmark Theater
Congressional Plaza	(5) Washington, DC-MD-VA	1965	69,326		335,000	96%	28,000	Whole Foods	Buy Buy Baby / Container Store
Courthouse Center	Washington, DC-MD-VA	1997	4,347		37,000	81%			
Falls Plaza/Falls Plaza-East	Washington, DC-MD-VA	1967-1972	11,921		144,000	98%	51,000	Giant Food	CVS / Staples
Federal Plaza	Washington, DC-MD-VA	1989	62,127	33,400	248,000	99%			TJ Maxx / Micro Center / Ross
Friendship Center	Washington, DC-MD-VA	2001	33,341		119,000	100%			Borders / Linens 'n Things / Maggiano's
Gaithersburg Square	Washington, DC-MD-VA	1993	23,830		209,000	94%			Bed, Bath & Beyond / Borders / Ross
Idylwood Plaza	Washington, DC-MD-VA	1994	15,547		73,000	100%	30,000	Whole Foods	
Laurel	Washington, DC-MD-VA	1986	47,604		386,000	99%	61,000	Giant Food	Marshalls
Leesburg Plaza	(6) Washington, DC-MD-VA	1998	33,944	9,564	236,000	99%	55,000	Giant Food	Petsmart / Pier One / Office Depot
Loehmann's Plaza	Washington, DC-MD-VA	1983	31,036		269,000	94%	58,000	Giant Food	Bally Total Fitness / Loehmann's
Mid-Pike Plaza	Washington, DC-MD-VA	1982	44,012		309,000	100%			Linens 'n Things / Toys R Us / Bally Total Fitness / AC Moore / Filene's Basement
Mount Vernon/South Valley/ 7770 Richmond Hwy	(6) Washington, DC-MD-VA	2003-2006	76,869	11,803	565,000	95%	62,000	Shoppers Food Warehouse	Bed, Bath & Beyond / Michaels / HomeDepot / TJ Maxx / Gold's Gym
Old Keene Mill	Washington, DC-MD-VA	1976	5,716		92,000	99%	24,000	Whole Foods	
Pan Am	Washington, DC-MD-VA	1993	28,042		227,000	100%	63,000	Safeway	Micro Center / Michaels
Pentagon Row	Washington, DC-MD-VA	1999	87,750		296,000	99%	45,000	Harris Teeter	Bally Total Fitness / Bed, Bath & Beyond / DSW / Cost Plus
Pike 7	Washington, DC-MD-VA	1997	34,824		164,000	100%			DSW / Staples / TJ Maxx
Quince Orchard	Washington, DC-MD-VA	1993	20,900		253,000	82%	24,000	Magruder's	Circuit City / Staples
Rockville Town Square	Washington, DC-MD-VA	2006-2007	36,399		182,000	99%			CVS / Gold's Gym
Rollingwood Apartments	Washington, DC-MD-VA	1971	7,126		N/A	95%			
Sam's Park & Shop	Washington, DC-MD-VA	1995	12,122		49,000	89%			Petco
Tower	Washington, DC-MD-VA	1998	19,717		112,000	69%			Talbots
Tyson's Station	Washington, DC-MD-VA	1978	3,550	6,138	49,000	100%			Trader Joes
Village at Shirlington	(4) Washington, DC-MD-VA	1995	46,724	6,244	245,000	98%	28,000	Harris Teeter	AMC Loews / Carlyle Grand Café
Wildwood	Washington, DC-MD-VA	1969	17,680	25,987	84,000	100%	20,000	Balducci's	CVS
Total Washington Metropolitan Area			943,313		5,204,000	96%			
New York / New Jersey									
Brick Plaza	Monmouth-Ocean, NJ	1989	56,162	30,907	409,000	100%	66,000	A&P	AMC Loews / Barnes & Noble / Sports Authority
Forest Hills	New York, NY	1997	8,090		46,000	100%			Midway Theatre
Fresh Meadows	New York, NY	1997	68,651		403,000	94%	15,000	Island of Gold	Filene's Basement / Kohl's / AMC Loews
Hauppauge	Nassau-Suffolk, NY	1998	27,554	15,724	133,000	98%	61,000	Shop Rite	AC Moore
Huntington	Nassau-Suffolk, NY	1988	37,935		279,000	100%			Buy Buy Baby / Toys R Us / Bed, Bath & Beyond / Barnes & Noble
Melville Mall	(7) Nassau-Suffolk, NY	2006	68,532	24,780	248,000	100%	54,000	Waldbaum's	Kohl's / Marshalls
Mercer Mall	(4) Trenton, NJ	2003	104,323	56,271	501,000	99%	75,000	Shop Rite	Bed, Bath & Beyond / DSW / TJ Maxx / Raymour & Flanigan
Troy	Newark, NJ	1980	22,842		207,000	99%	64,000	Pathmark	
Total New York / New Jersey			394,089		2,226,000	99%			
Philadelphia Metropolitan Area									
Andorra	Philadelphia, PA-NJ	1988	22,987		267,000	94%	24,000	Acme Markets	Kohl's / Staples / L.A. Fitness
Bala Cynwyd	Philadelphia, PA-NJ	1993	33,856		280,000	100%	45,000	Acme Markets	Lord & Taylor / L.A. Fitness
Ellisburg Circle	Philadelphia, PA-NJ	1992	27,647		268,000	99%	47,000	Genuardi's	Buy Buy Baby / Stein Mart
Feasterville	Philadelphia, PA-NJ	1980	11,885		111,000	98%	53,000	Genuardi's	OfficeMax
Flourtown	Philadelphia, PA-NJ	1980	15,000		189,000	86%	42,000	Genuardi's	
Langhorne Square	Philadelphia, PA-NJ	1985	18,708		216,000	100%	55,000	Redner's Warehouse Mkts.	Marshalls
Lawrence Park	Philadelphia, PA-NJ	1980	29,074	29,565	353,000	100%	53,000	Acme Markets	CHI / TJ Maxx / HomeGoods
Northeast	Philadelphia, PA-NJ	1983	21,842		285,000	93%			Burlington Coat / Marshalls
Town Center of New Britain	Philadelphia, PA-NJ	2006	13,998		124,000	87%	36,000	Giant Food	Rite Aid
Willow Grove	Philadelphia, PA-NJ	1984	26,938		215,000	99%			Barnes & Noble / Marshalls / Toys R Us
Wynnewood	Philadelphia, PA-NJ	1996	36,137	30,130	255,000	97%	98,000	Genuardi's	Bed, Bath & Beyond / Borders / Old Navy
Total Philadelphia Metropolitan Area			258,072		2,563,000	96%			
New England									
Assembly Square/Sturtevant Street	Boston-Cambridge-Quincy, MA-NH	2005-2006	129,951		513,000	100%			AC Moore / Bed, Bath & Beyond / Christmas Tree Shops / Kmart / Staples / Sports Authority / TJ Maxx
Chelsea Commons	Boston-Cambridge-Quincy, MA-NH	2006-2007	20,682	8,182	196,000	91%	16,000	Sav-A-Lot	Home Depot
Dedham Plaza	Boston-Cambridge-Quincy, MA-NH	1993	30,274		242,000	90%	80,000	Star Market	
Linden Square	Boston-Cambridge-Quincy, MA-NH	2006-2007	138,709		197,000	83%	50,000	Roche Brothers Supermarkets	CVS / Fitness Club for Women / Wellesley Volkswagen, Buick
North Dartmouth	Boston-Cambridge-Quincy, MA-NH	2006	27,215		183,000	100%	48,000	Stop & Shop	Lowe's Home Center
Queen Anne Plaza	Boston-Cambridge-Quincy, MA-NH	1994	15,305		149,000	100%	50,000	Hannaford	TJ Maxx
Saugus Plaza	Boston-Cambridge-Quincy, MA-NH	1996	13,691		171,000	94%	55,000	Super Stop & Shop	Kmart
Total New England			375,827		1,651,000	95%			
Baltimore									
Governor Plaza	Baltimore, MD	1985	20,886		269,000	100%	16,500	Aldi	Bally Total Fitness / Office Depot
Perring Plaza	Baltimore, MD	1985	26,609		402,000	98%	58,000	Shoppers Food Warehouse	Home Depot / Burlington Coat Factory / Jo-Ann Stores
THE AVENUE at White Marsh	(8) Baltimore, MD	2007	93,544	60,533	298,000	98%			AMC Loews / Old Navy / Barnes & Noble / AC Moore
The Shoppes at Nottingham Square	Baltimore, MD	2007	15,807		186,000	100%			Lowe's Home Center
White Marsh Plaza	Baltimore, MD	2007	24,900	10,248	80,000	98%	54,000	Giant Food	
White Marsh Other	Baltimore, MD	2007	63,658	1,131	52,000	100%			
Total Baltimore			245,404		1,287,000	99%			
Chicago									
Crossroads	Chicago, IL	1993	23,074		173,000	87%			Golfsmith / Guitar Center
Finley Square	Chicago, IL	1995	31,233		315,000	97%			Bed, Bath & Beyond / Buy Buy Baby / Petsmart
Garden Market	Chicago, IL	1994	11,491		140,000	94%	63,000	Dominick's	Walgreens
North Lake Commons	Chicago, IL	1994	13,488		129,000	93%	77,000	Dominick's	
Total Chicago			79,286		757,000	93%			
South Florida									

Del Mar Village	Miami-Ft Lauderdale	2008	45,405		154,000	94%	44,000	Winn Dixie	CVS
East Region - Other			Total South Florida		45,405		154,000	94%	
Barracks Road	Charlottesville, VA	1985	44,252	41,712	488,000	94%	99,000	Harris Teeter / Kroger	Bed, Bath & Beyond / Barnes & Noble / Old Navy
Bristol Plaza	Hartford, CT	1995	26,350		272,000	85%	74,000	Stop & Shop	TJ Maxx
Eastgate	Raleigh-Durham-Chapel Hill, NC	1986	24,249		155,000	97%			Stein Mart
Gratiot Plaza	Detroit, MI	1973	18,134		217,000	100%	69,000	Kroger	Bed, Bath & Beyond / Best Buy / DSW
Greenwich Avenue	New Haven-Bridgeport-Stamford-Waterbury	1995	15,998		42,000	100%			Saks Fifth Avenue
Lancaster	(9) Lancaster, PA	1980	10,759	4,907	107,000	94%	39,000	Giant Food	Michaels
Shoppers' World	Charlottesville, VA	2007	29,315	5,918	170,000	97%	28,000	Whole Foods	Staples
Shops at Willow Lawn	Richmond-Petersburg, VA	1983	75,675		476,000	88%	60,000	Kroger	Old Navy / Staples / Ross
East Region - Other			Total East Region		244,732		1,927,000	93%	
West Region California			Total East Region		2,586,128		15,769,000	96%	
Colorado Blvd	Los Angeles-Long Beach, CA	1996-1998	16,669		69,000	99%			Pottery Barn / Banana Republic
Crow Canyon	San Ramon, CA	2005-2007	64,760	21,404	242,000	91%	58,000	Albertson's	Loehmann's / Rite Aid
Escondido	(10) San Diego, CA	1996	28,348		222,000	98%			Cost Plus / TJ Maxx / Toys R Us
Fifth Ave	San Diego, CA	1996-1997	12,970		51,000	100%			Urban Outfitters
Hermosa Ave	Los Angeles-Long Beach, CA	1997	5,397		22,000	100%			
Hollywood Blvd	(11) Los Angeles-Long Beach, CA	1999	37,645		153,000	85%			DSW / L.A. Fitness
Kings Court	(6) San Jose, CA	1998	11,518		79,000	100%	25,000	Lunardi's Super Market	Longs Drug Store
Old Town Center	San Jose, CA	1997	33,849		95,000	96%			Borders / Gap Kids / Banana Republic
Santana Row	San Jose, CA	1997	477,569		562,000	99%			Crate & Barrel / Container Store / Best Buy / Borders / CineArts Theatre
Third St Promenade	Los Angeles-Long Beach, CA	1996-2000	78,889		211,000	100%			J. Crew / Banana Republic / Old Navy / Abercrombie & Fitch
Westgate	San Jose, CA	2004	115,953		645,000	97%	38,000	Safeway	Target / Burlington Coat Factory / Barnes & Noble / Ross
150 Post Street	San Francisco, CA	1997	37,482		102,000	100%			Brooks Brothers / H & M
West Region - Other			Total California		921,049		2,453,000	97%	
Houston St	San Antonio, TX	1998	62,212	19	177,000	79%			Hotel Valencia
West Region - Other			Total West Region		983,261		2,630,000	96%	
Grand Total			\$ 3,569,389	\$ 447,143	18,399,000	96%			

Notes:

- (1) The mortgage or capital lease obligations differ from the total reported on the consolidated balance sheet due to the unamortized discount or premium on certain mortgage payables.
- (2) Excludes newly created redevelopment square footage not yet in service, as well as residential and hotel square footage.
- (3) Grocery anchor is defined as a grocery tenant leasing 15,000 square feet or more.
- (4) Portion of property subject to capital lease obligation.
- (5) The Trust has a 64.1% ownership interest in the property.
- (6) Property owned in a "downreit" partnership, of which a wholly owned subsidiary of the Trust is the sole general partner, with third party partners holding operating partnership units.
- (7) On October 16, 2006, the Trust acquired control of Melville Mall through a 20 year master lease and secondary financing. Since the Trust controls this property and retains substantially all of the economic benefit and risks associated with it, we consolidate this property and its operations.
- (8) 50% of the ownership of this property is in a "downreit" partnership, of which a wholly owned subsidiary of the Trust is the sole general partner, with third party partners holding operating partnership units.
- (9) Property subject to capital lease obligation.
- (10) The Trust has a 70% ownership interest in the property.
- (11) The Trust has a 90% ownership interest in the property.

Federal Realty Investment Trust
Retail Leasing Summary (1)
June 30, 2008

Total Lease Summary - Comparable (2)

Quarter	Number of Leases Signed	% of Comparable Leases Signed	GLA Signed	Contractual Rent (3) Per Sq. Ft.	Prior Rent (4) Per Sq. Ft.	Annual Increase in Rent	Cash Basis % Increase Over Prior Rent	Straight-lined Basis % Increase Over Prior Rent	Weighted Average Lease Term (5)	Tenant Improvements & Incentives (6)	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2008	84	100%	239,207	\$ 36.39	\$29.21	\$1,717,881	25%	42%	7.3	\$ 2,316,197	\$ 9.68
1st Quarter 2008	74	100%	268,608	\$ 29.29	\$23.73	\$1,494,431	23%	37%	6.3	\$ 2,209,591	\$ 8.23
4th Quarter 2007	87	100%	471,853	\$ 19.65	\$16.04	\$1,701,647	22%	31%	4.7	\$ 2,360,410	\$ 5.00
3rd Quarter 2007	71	100%	410,312	\$ 23.36	\$19.65	\$1,519,764	19%	31%	7.4	\$ 4,764,140	\$ 11.61
Total - 12 months	316	100%	1,389,980	\$ 25.49	\$20.86	\$6,433,723	22%	35%	6.4	\$ 11,650,338	\$ 8.38

New Lease Summary - Comparable (2)

Quarter	Number of Leases Signed	% of Comparable Leases Signed	GLA Signed	Contractual Rent (3) Per Sq. Ft.	Prior Rent (4) Per Sq. Ft.	Annual Increase in Rent	Cash Basis % Increase Over Prior Rent	Straight-lined Basis % Increase Over Prior Rent	Weighted Average Lease Term (5)	Tenant Improvements & Incentives (6)	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2008	31	37%	115,097	\$ 34.23	\$26.46	\$ 894,253	29%	47%	8.5	\$ 1,770,940	\$ 15.39
1st Quarter 2008	28	38%	106,860	\$ 36.64	\$28.39	\$ 880,956	29%	44%	7.9	\$ 2,204,591	\$ 20.63
4th Quarter 2007	23	26%	118,389	\$ 20.47	\$16.35	\$ 487,942	25%	40%	7.4	\$ 2,345,410	\$ 19.81
3rd Quarter 2007	26	37%	199,685	\$ 21.79	\$18.89	\$ 578,760	15%	27%	10.2	\$ 4,730,710	\$ 23.69
Total - 12 months	108	34%	540,031	\$ 27.09	\$21.83	\$2,841,911	24%	38%	8.7	\$ 11,051,651	\$ 20.46

Renewal Lease Summary - Comparable (2)(7)

Quarter	Number of Leases Signed	% of Comparable Leases Signed	GLA Signed	Contractual Rent (3) Per Sq. Ft.	Prior Rent (4) Per Sq. Ft.	Annual Increase in Rent	Cash Basis % Increase Over Prior Rent	Straight-lined Basis % Increase Over Prior Rent	Weighted Average Lease Term (5)	Tenant Improvements & Incentives (6)	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2008	53	63%	124,110	\$ 38.40	\$31.76	\$ 823,628	21%	38%	6.2	\$ 545,257	\$ 4.39
1st Quarter 2008	46	62%	161,748	\$ 24.44	\$20.65	\$ 613,475	18%	30%	4.7	\$ 5,000	\$ 0.03
4th Quarter 2007	64	74%	353,464	\$ 19.37	\$15.94	\$1,213,705	22%	28%	3.8	\$ 15,000	\$ 0.04
3rd Quarter 2007	45	63%	210,627	\$ 24.85	\$20.38	\$ 941,004	22%	34%	5.0	\$ 33,430	\$ 0.16
Total - 12 months	208	66%	849,949	\$ 24.47	\$20.25	\$3,591,812	21%	32%	4.8	\$ 598,687	\$ 0.70

Total Lease Summary - Comparable and Non-comparable (2)

Quarter	Number of Leases Signed	GLA Signed	Contractual Rent (3) Per Sq. Ft.	Weighted Average Lease Term (5)	Tenant Improvements & Incentives (6)	Tenant Improvements & Incentives Per Sq. Ft.
2nd Quarter 2008	90	253,048	\$ 36.40	7.5	\$ 2,940,855	\$ 11.62
1st Quarter 2008	85	295,646	\$ 30.61	6.4	\$ 3,005,202	\$ 10.16
4th Quarter 2007	93	482,730	\$ 20.36	5.0	\$ 2,686,086	\$ 5.56
3rd Quarter 2007	80	442,942	\$ 24.35	7.6	\$ 6,450,056	\$ 14.56
Total - 12 months	348	1,474,366	\$ 26.37	6.6	\$ 15,082,199	\$ 10.23

Notes:
(1) Leases on this report represent retail activity only; office and residential leases are not included.
(2) Comparable leases represent those leases signed on spaces for which there was a former tenant.

(3) Contractual rent represents contractual minimum rent under the new lease for the first 12 months of the term.

(4) Prior rent represents minimum rent and percentage rent, if any, paid by the prior tenant in the final 12 months of the term.

(5) Weighted average is determined on the basis of square footage.

(6) See Glossary of Terms.

(7) Renewal leases represent expiring leases rolling over with the same tenant in the same location. All other leases are categorized as new.

Federal Realty Investment Trust
Lease Expirations
June 30, 2008

Assumes no exercise of lease options

Year	Anchor Tenants (1)			Small Shop Tenants			Total		
	Expiring SF	% of Anchor SF	Minimum Rent PSF (2)	Expiring SF	% of Small Shop SF	Minimum Rent PSF (2)	Expiring SF	% of Total SF	Minimum Rent PSF (2)
2008	225,000	2%	\$ 6.71	391,000	5%	\$ 20.01	616,000	4%	\$ 15.15
2009	776,000	8%	\$ 11.31	888,000	12%	\$ 26.99	1,664,000	10%	\$ 19.67
2010	720,000	7%	\$ 12.01	931,000	13%	\$ 27.58	1,651,000	10%	\$ 20.79
2011	710,000	7%	\$ 14.78	1,115,000	15%	\$ 30.24	1,825,000	11%	\$ 24.23
2012	978,000	10%	\$ 13.35	1,079,000	15%	\$ 30.24	2,057,000	12%	\$ 22.21
2013	1,054,000	11%	\$ 14.29	823,000	11%	\$ 31.99	1,877,000	11%	\$ 22.05
2014	1,094,000	11%	\$ 17.59	373,000	5%	\$ 35.22	1,467,000	8%	\$ 22.08
2015	438,000	4%	\$ 16.12	418,000	6%	\$ 28.02	856,000	5%	\$ 21.93
2016	384,000	4%	\$ 18.43	413,000	6%	\$ 31.81	797,000	5%	\$ 25.36
2017	623,000	6%	\$ 17.18	433,000	6%	\$ 31.79	1,056,000	6%	\$ 23.17
Thereafter	2,974,000	30%	\$ 14.71	490,000	6%	\$ 36.11	3,464,000	18%	\$ 17.74
Total (3)	9,976,000	100%	\$ 14.57	7,354,000	100%	\$ 29.86	17,330,000	100%	\$ 21.06

Assumes all lease options are exercised

Year	Anchor Tenants (1)			Small Shop Tenants			Total		
	Expiring SF	% of Anchor SF	Minimum Rent PSF (2)	Expiring SF	% of Small Shop SF	Minimum Rent PSF (2)	Expiring SF	% of Total SF	Minimum Rent PSF (2)
2008	181,000	2%	\$ 7.77	278,000	4%	\$ 19.69	459,000	3%	\$ 14.99
2009	251,000	3%	\$ 11.86	527,000	7%	\$ 27.73	778,000	4%	\$ 22.61
2010	239,000	2%	\$ 8.49	523,000	7%	\$ 29.35	762,000	4%	\$ 22.81
2011	43,000	1%	\$ 7.19	620,000	8%	\$ 28.72	663,000	4%	\$ 27.33
2012	235,000	2%	\$ 14.92	592,000	8%	\$ 32.31	827,000	5%	\$ 27.37
2013	127,000	1%	\$ 15.11	509,000	7%	\$ 30.11	636,000	4%	\$ 27.11
2014	332,000	3%	\$ 14.48	409,000	6%	\$ 33.51	741,000	4%	\$ 24.98
2015	189,000	2%	\$ 16.78	413,000	6%	\$ 25.74	602,000	3%	\$ 22.93
2016	125,000	1%	\$ 20.50	400,000	5%	\$ 32.04	525,000	3%	\$ 29.29
2017	127,000	1%	\$ 26.65	541,000	7%	\$ 29.87	668,000	4%	\$ 29.26
Thereafter	8,127,000	82%	\$ 14.68	2,542,000	35%	\$ 30.90	10,669,000	62%	\$ 18.55
Total (3)	9,976,000	100%	\$ 14.57	7,354,000	100%	\$ 29.86	17,330,000	100%	\$ 21.06

Notes:

- (1) Anchor is defined as a tenant leasing 15,000 square feet or more.
- (2) Minimum Rent reflects in-place contractual (cash-basis) rent as of June 30, 2008.
- (3) Represents occupied square footage as of June 30, 2008.

Federal Realty Investment Trust
Portfolio Leased Statistics
June 30, 2008

Overall Portfolio Statistics (1)

Type	At June 30, 2008			At June 30, 2007		
	Size	Leased	Leased %	Size	Leased	Leased %
Retail Properties (2) (sf)	18,399,000	17,634,000	95.8%	19,468,000	18,702,000	96.1%
Residential Properties (3) (units)	723	692	95.7%	723	706	97.6%

Same Center Statistics (1)

Type	At June 30, 2008			At June 30, 2007		
	Size	Leased	Leased %	Size	Leased	Leased %
Retail Properties (2) (4) (sf)	16,252,000	15,622,000	96.1%	15,896,000	15,324,000	96.4%
Residential Properties (3) (units)	723	692	95.7%	428	412	96.3%

Notes:

- (1) See Glossary of Terms.
- (2) Leasable square feet; excludes redevelopment square footage not yet placed in service.
- (3) Overall portfolio statistics at June 30, 2008 and 2007 include Rollingwood, The Crest at Congressional and the residential rental units at Santana Row. The 180 residential units at Arlington East (Bethesda Row) were first delivered in late May 2008 and will continue to be delivered through third quarter 2008. Same center statistics at June 30, 2007 included only Rollingwood and The Crest at Congressional.
- (4) Excludes properties purchased, sold or under redevelopment.

Federal Realty Investment Trust
Summary of Top 25 Tenants
June 30, 2008

<u>Rank</u>	<u>Tenant Name</u>	<u>Annualized Base Rent</u>	<u>Percentage of Total Annualized Base Rent</u>	<u>Tenant GLA</u>	<u>Percentage of Total GLA</u>	<u>Number of Stores Leased</u>
1	Bed, Bath & Beyond, Inc.	\$ 9,637,000	2.64%	647,000	3.52%	15
2	Ahold USA, Inc.	\$ 8,166,000	2.24%	571,000	3.10%	11
3	Safeway, Inc.	\$ 6,719,000	1.84%	481,000	2.61%	9
4	TJX Companies	\$ 6,531,000	1.79%	541,000	2.94%	15
5	Gap, Inc.	\$ 6,364,000	1.74%	220,000	1.20%	11
6	CVS Corporation	\$ 5,453,000	1.49%	166,000	0.90%	15
7	Barnes & Noble, Inc.	\$ 4,705,000	1.29%	201,000	1.09%	8
8	OPNET Technologies, Inc.	\$ 3,645,000	1.00%	83,000	0.45%	2
9	DSW, Inc.	\$ 3,486,000	0.96%	125,000	0.68%	5
10	Best Buy Stores, L.P.	\$ 3,457,000	0.95%	99,000	0.54%	3
11	Staples, Inc.	\$ 3,376,000	0.92%	187,000	1.02%	9
12	Supervalu Inc. (Acme/Sav-A-Lot/Star Mkt/Shoppers Food)	\$ 3,204,000	0.88%	338,000	1.84%	7
13	Borders Group, Inc.	\$ 2,834,000	0.78%	129,000	0.70%	5
14	Home Depot, Inc.	\$ 2,832,000	0.78%	335,000	1.82%	4
15	Kohl's Corporation	\$ 2,793,000	0.77%	322,000	1.75%	3
16	Ross Stores, Inc.	\$ 2,672,000	0.73%	149,000	0.81%	5
17	Wakefern Food Corporation	\$ 2,546,000	0.70%	136,000	0.74%	2
18	Wachovia Corporation	\$ 2,536,000	0.69%	58,000	0.32%	12
19	A.C. Moore, Inc.	\$ 2,483,000	0.68%	141,000	0.77%	6
20	L.A. Fitness International LLC	\$ 2,388,000	0.65%	117,000	0.64%	3
21	AMC Entertainment Inc.	\$ 2,378,000	0.65%	166,000	0.90%	4
22	Container Store, Inc.	\$ 2,354,000	0.64%	52,000	0.28%	2
23	PETsMART, Inc.	\$ 2,240,000	0.61%	130,000	0.71%	5
24	Dollar Tree Stores, Inc.	\$ 2,223,000	0.61%	147,000	0.80%	13
25	Bank of America, N.A.	\$ 2,222,000	0.61%	58,000	0.32%	17
	Totals - Top 25 Tenants	\$ 97,244,000	26.64%	5,599,000	30.45%	191
	Total: (1)	\$364,974,000 (2)		18,399,000 (3)		2,410

Notes:

- (1) Does not include amounts related to leases these tenants have with our partnership with Clarion Lion Properties Fund.
- (2) Reflects annual in-place contractual (cash-basis) rent as of June 30, 2008.
- (3) Excludes redevelopment square footage not yet placed in service.

Federal Realty Investment Trust
Reconciliation of Net Income to FFO Guidance
June 30, 2008

	<u>2008 Guidance</u>	
	(\$ millions except per share amounts) (1)	
	\$ 123	to \$ 125
Net income	\$ 123	to \$ 125
Gain on sale of real estate	0	0
Depreciation and amortization of real estate & real estate partnership assets	99	99
Amortization of initial direct costs of leases	9	9
Funds from operations	231	232
Income attributable to operating partnership units	1	1
Dividends on preferred stock	(1)	(1)
Funds from operations available for common shareholders	<u>231</u>	to <u>233</u>
Weighted Average Shares (diluted)	<u>59.3</u>	
Funds from operations available for common shareholders per diluted share	<u>\$ 3.89</u>	<u>\$ 3.92</u>

Note:

(1) Individual items may not add up to total due to rounding.

Clarion Lion Properties Fund

Federal Realty Investment Trust
Summarized Income Statements and Balance Sheets - Joint Venture
June 30, 2008

CONSOLIDATED INCOME STATEMENTS

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	<u>(in thousands)</u>		<u>(in thousands)</u>	
	<u>(unaudited)</u>			
Revenues				
Rental income	\$ 4,760	\$ 4,333	\$ 9,377	\$ 7,818
Other property income	46	104	109	150
	<u>4,806</u>	<u>4,437</u>	<u>9,486</u>	<u>7,968</u>
Expenses				
Rental	671	639	1,545	1,202
Real estate taxes	495	402	960	744
Depreciation and amortization	1,192	1,162	2,377	2,137
	<u>2,358</u>	<u>2,203</u>	<u>4,882</u>	<u>4,083</u>
Operating income	2,448	2,234	4,604	3,885
Interest expense	(1,135)	(1,132)	(2,270)	(2,206)
Net income	<u>\$ 1,313</u>	<u>\$ 1,102</u>	<u>\$ 2,334</u>	<u>\$ 1,679</u>

CONSOLIDATED BALANCE SHEETS

	<u>June 30,</u>	<u>December 31,</u>
	<u>2008</u>	<u>2007</u>
	<u>(in thousands)</u>	
	<u>(unaudited)</u>	
ASSETS		
Real estate, at cost	\$ 201,886	\$ 201,641
Less accumulated depreciation and amortization	(12,230)	(9,894)
Net real estate	189,656	191,747
Cash and cash equivalents	2,484	1,453
Other assets	6,516	7,173
TOTAL ASSETS	<u>\$ 198,656</u>	<u>\$ 200,373</u>
LIABILITIES AND PARTNERS' CAPITAL		
Liabilities		
Mortgages payable	\$ 81,454	\$ 81,540
Other liabilities	7,624	8,691
Total liabilities	89,078	90,231
Partners' capital	109,578	110,142
TOTAL LIABILITIES AND PARTNERS' CAPITAL	<u>\$ 198,656</u>	<u>\$ 200,373</u>

Federal Realty Investment Trust
Summary of Outstanding Debt and Debt Maturities - Joint Venture
June 30, 2008

OUTSTANDING DEBT

	<u>Maturity</u>	<u>Stated Interest Rate as of June 30, 2008</u>	<u>Balance</u> (in thousands)
<u>Mortgage Loans</u>			
<i>Secured Fixed Rate</i>			
Campus Plaza	12/01/09	4.530%(a)	\$ 11,000
Pleasant Shops	12/01/09	4.530%(a)	12,400
Plaza del Mercado	07/05/14	5.770%(b)	13,169
Atlantic Plaza	12/01/14	5.120%(a)	10,500
Barcroft Plaza	07/01/16	5.990%(a)(c)	20,785
Greenlawn Plaza	07/01/16	5.900%(a)	13,600
	Total Fixed Rate Debt		\$ 81,454

Debt Maturities
(in thousands)

<u>Year</u>	<u>Scheduled Amortization</u>	<u>Maturities</u>	<u>Total</u>	<u>Percent of Debt Maturing</u>	<u>Cumulative Percent of Debt Maturing</u>
2008	\$ 89	\$ —	\$ 89	0.1%	0.1%
2009	185	23,400	23,585	28.9%	29.0%
2010	196	—	196	0.2%	29.2%
2011	208	—	208	0.3%	29.5%
2012	220	—	220	0.3%	29.8%
2013	233	—	233	0.3%	30.1%
2014	142	22,396	22,538	27.7%	57.8%
2015	—	—	—	0.0%	57.8%
2016	—	34,385	34,385	42.2%	100.0%
Total	<u>\$ 1,273</u>	<u>\$ 80,181</u>	<u>\$ 81,454</u>	<u>100.0%</u>	

Notes:

- (a) Interest only until maturity.
(b) Effective July 5, 2007, principal and interest payments were due based on a 30-year amortization schedule.
(c) The stated interest rate represents the weighted average interest rate for two mortgage loans secured by this property. The loan balance represents a note of \$16.6 million at a stated rate of 6.06% and a note of \$4.2 million at a stated rate of 5.71%.

Federal Realty Investment Trust
Real Estate Status Report - Joint Venture
June 30, 2008

<u>Property Name</u>	<u>MSA Description</u>	<u>Year Acquired</u>	<u>Real Estate at Cost</u> (in thousands)	<u>Mortgage or Capital Lease Obligation</u> (in thousands)	<u>GLA</u>	<u>% Leased</u>	<u>Grocery Anchor GLA (1)</u>	<u>Grocery Anchor (1)</u>	<u>Other Principal Tenants</u>
<u>East Region</u>									
<u>Washington Metropolitan Area</u>									
Barcroft Plaza	Washington, DC-MD-VA	2006-2007	33,993	\$ 20,785	100,000	95%	46,000	Harris Teeter	Bank of America
Free State Shopping Center	Washington, DC-MD-VA	2007	65,737		279,000	100%	73,000	Giant Food	TJ Maxx / Ross / Office Depot
Plaza del Mercado	Washington, DC-MD-VA	2004	<u>20,978</u>	13,169	<u>96,000</u>	<u>93%</u>	25,000	Giant Food	CVS
Total Washington Metropolitan Area			120,708		475,000	98%			
<u>New York / New Jersey</u>									
Greenlawn Plaza	Nassau-Suffolk, NY	2006	<u>19,983</u>	13,600	<u>106,000</u>	<u>100%</u>	46,000	Waldbaum's	Tuesday Morning
Total New York / New Jersey			19,983		106,000	100%			
<u>New England</u>									
Atlantic Plaza	Boston-Worcester-Lawrence-Lowell-Brockton, MA	2004	16,403	10,500	123,000	97%	63,000	Shaw's Supermarket	Sears
Campus Plaza	Boston-Worcester-Lawrence-Lowell-Brockton, MA	2004	22,101	11,000	116,000	100%	46,000	Roche Brothers	Burlington Coat Factory
Pleasant Shops	Boston-Worcester-Lawrence-Lowell-Brockton, MA	2004	<u>22,691</u>	12,400	<u>129,000</u>	<u>97%</u>	38,000	Foodmaster	Marshalls
Total New England			<u>61,195</u>		<u>368,000</u>	<u>98%</u>			
Total East Region			<u>201,886</u>		<u>949,000</u>	<u>98%</u>			
Grand Totals			<u>\$ 201,886</u>	<u>\$ 81,454</u>	<u>949,000</u>	<u>98%</u>			

Note:
(1) Grocery anchor is defined as a grocery tenant leasing 15,000 square feet or more.

Glossary of Terms

Adjusted EBITDA: Adjusted EBITDA is a non-GAAP measure that means net income or loss plus depreciation and amortization, net interest expense, income taxes, gain or loss on sale of real estate and impairments of real estate, if any. Adjusted EBITDA is presented because we believe that it provides useful information to investors regarding our ability to service debt and because it approximates a key covenant in material notes. Adjusted EBITDA should not be considered an alternative measure of operating results or cash flow from operations as determined in accordance with GAAP. The reconciliation of Adjusted EBITDA to net income for the three and six months ended June 30, 2008 and 2007 is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands)		(in thousands)	
Net income	\$28,974	\$26,718	\$ 58,960	\$ 49,854
Depreciation and amortization	27,795	26,902	53,195	53,386
Interest expense	24,476	29,736	48,829	59,219
Other interest income	(209)	(332)	(550)	(689)
EBITDA	81,036	83,024	160,434	161,770
Gain on sale of real estate	—	(1,849)	—	(1,849)
Adjusted EBITDA	<u>\$81,036</u>	<u>\$81,175</u>	<u>\$160,434</u>	<u>\$159,921</u>

Funds From Operations (FFO): FFO is a supplemental measure of real estate companies' operating performances. The National Association of Real Estate Investment Trusts ("NAREIT") defines FFO as follows: income available for common shareholders before depreciation and amortization of real estate assets and excluding extraordinary items and gains and losses on sale of real estate. NAREIT developed FFO as a relative measure of performance and liquidity of an equity REIT in order to recognize that the value of income-producing real estate historically has not depreciated on the basis determined under GAAP. However, FFO does not represent cash flows from operating activities in accordance with GAAP (which, unlike FFO, generally reflects all cash effects of transactions and other events in the determination of net income); should not be considered an alternative to net income as an indication of our performance; and is not necessarily indicative of cash flow as a measure of liquidity or ability to pay dividends. We consider FFO a meaningful, additional measure of operating performance because it primarily excludes the assumption that the value of real estate assets diminishes predictably over time, and because industry analysts have accepted it as a performance measure. Comparison of our presentation of FFO to similarly titled measures for other REITs may not necessarily be meaningful due to possible differences in the application of the NAREIT definition used by such REITs.

Property Operating Income: Rental income, other property income and mortgage interest income, less rental expenses and real estate taxes and excluding operating results from discontinued operations.

Overall Portfolio: Includes all operating properties owned in reporting period.

Same Center: Information provided on a same center basis is provided for only those properties that were owned and operated for the entirety of both periods being compared, excludes properties that were redeveloped, expanded or under development and properties purchased or sold at any time during the periods being compared.

Tenant Improvements and Incentives: Represents not only the total dollars committed for the improvement (fit-out) of a space as it relates to a specific lease but may also include base building costs (i.e. expansion, escalators or new entrances) which are required to make the space leasable. Incentives include amounts paid to tenants as an inducement to sign a lease that do not represent building improvements.