



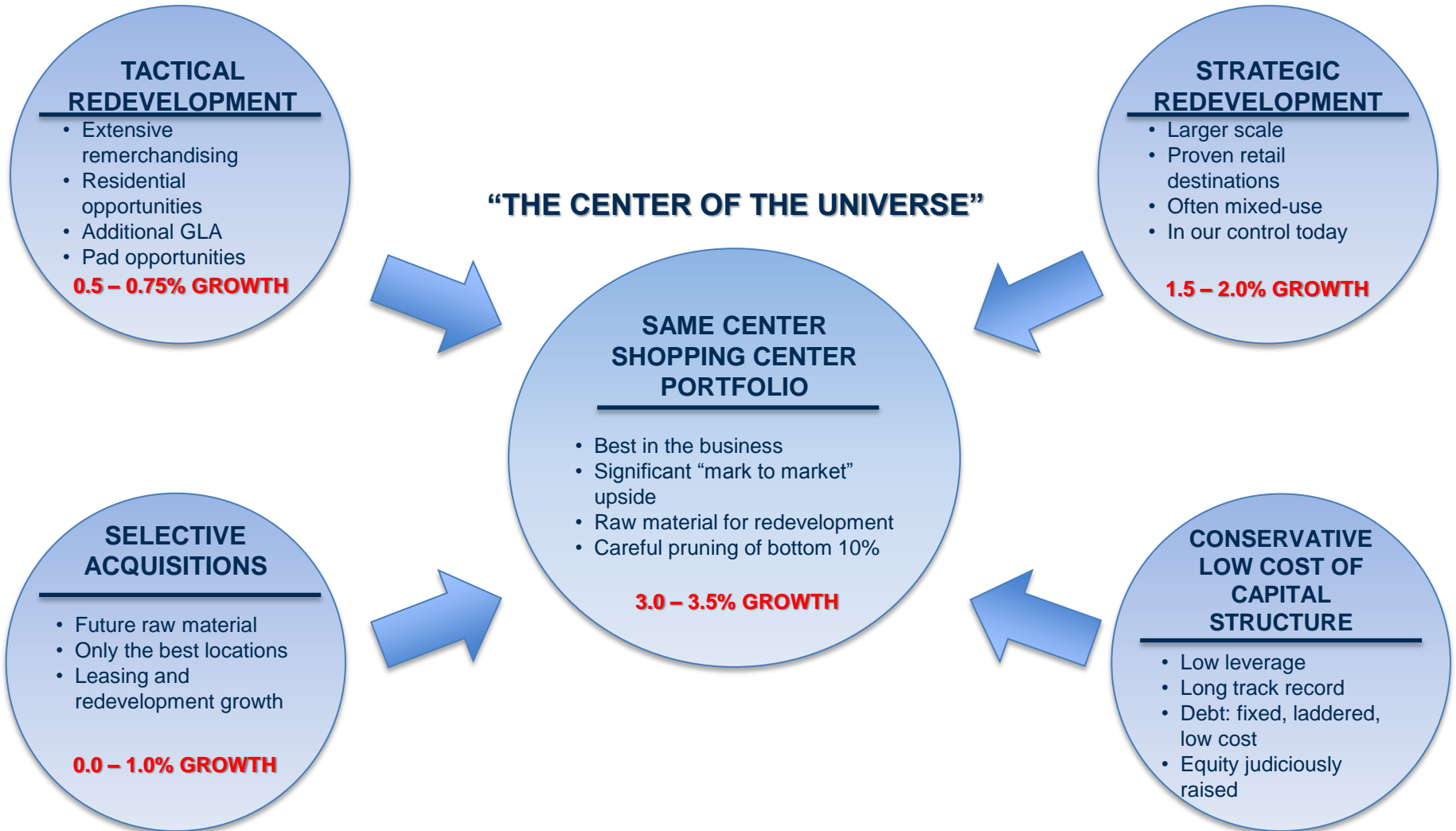
Federal Realty Investment Trust

First Quarter 2014



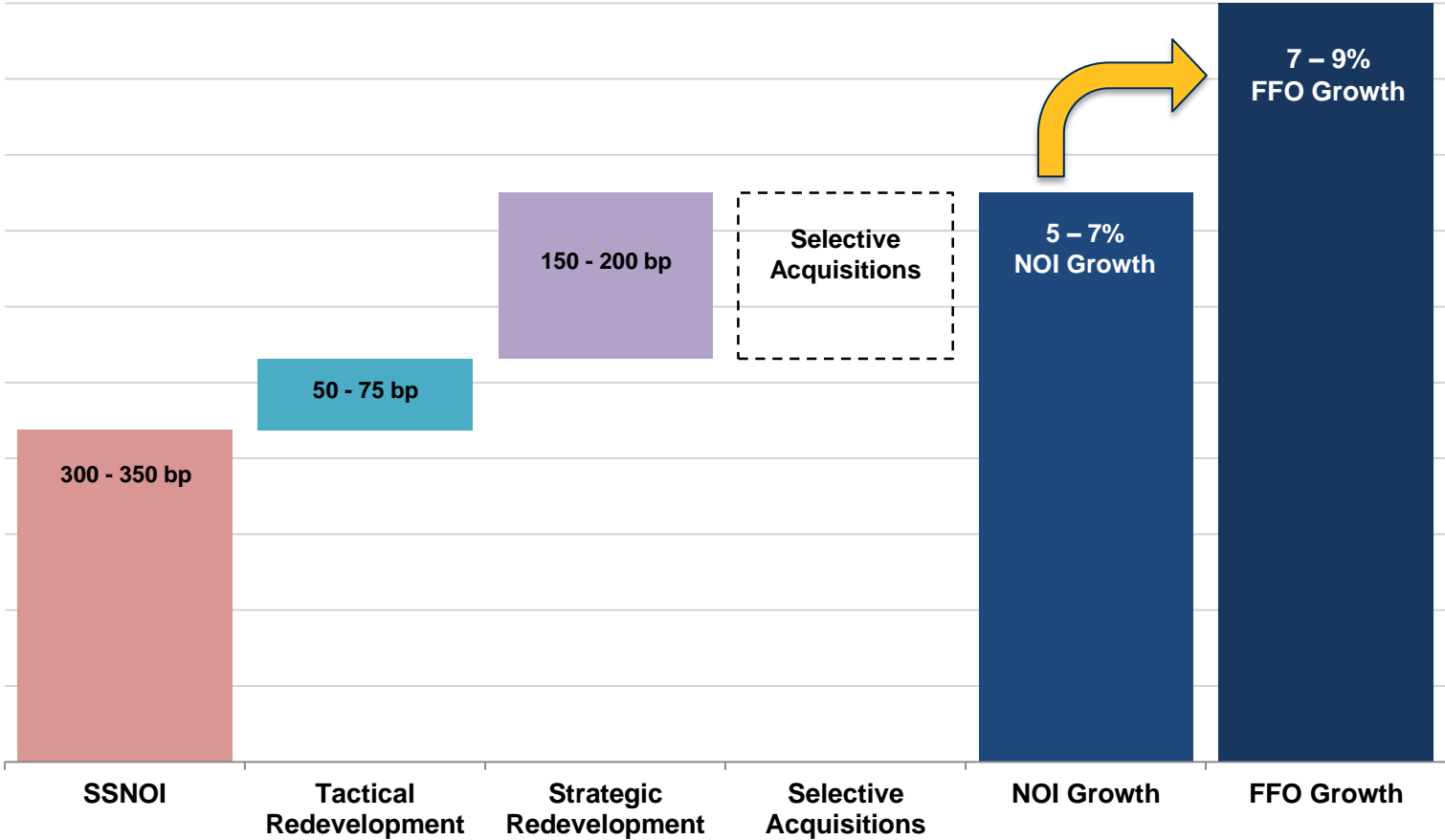
The Ultimate Balanced Business Plan

...With A Clear Path To Value Added Growth



The Ultimate Balanced Business Plan

Federal Realty's Plan In Numbers



Status Update

Federal Realty Business Plan

Growth Component	Goal	2013	2014 Outlook
Core Portfolio	Generate recurring NOI growth of at least 3.25%	✓	✓
Tactical Redevelopment	Identify and execute a minimum of \$50M in annual investments at yields of at least 8%	✓	✓
Strategic Redevelopment	Deliver approximately \$200M of mixed-used development	✓	✓
Selective Acquisitions	Execute \$125M in annual acquisitions at initial yields of at least 5%	✓	✓
Capital Planning	Match fund capital requirements while maintaining conservative credit metrics	✓	✓



Value Created Now

Building on our 2013 Success

Assembly Row

- 97% of retail GLA under fully executed lease or committee approval
- Partners Healthcare decision to relocate 4,700 employees in ~900K sf to the project
- First new T-Stop in 25 years nearing completion

Pike & Rose

- 92% of retail GLA under fully executed lease or committee approval
- Partnership with *Strathmore* to bring live jazz, acoustic, folk, and indie music to the project
- First planned *iPic* in the Mid-Atlantic

Capital Planning

- Upgraded to A- by S&P in April 2013 and to A3 by Moody's in November 2013

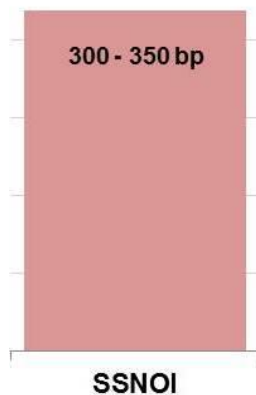


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Core Portfolio – 2013 Results

Our core portfolio has continued to outperform in 2013 in all metrics:

- Same center growth of 4.5% excluding redevelopment and 4.4% including redevelopment¹
- Executed 1.4 million square feet of comparable leases at a rollover growth of 20%
- Comparable space leases signed at \$32.41, well above the average in-place portfolio rent of \$24.54
- 95.8% leased and 95.1% occupied, as of Dec. 31, 2013
- Sold 2 assets for \$36 million at an average cap rate below 5%



Generates average of 3.25% of recurring NOI growth

¹ Excludes the \$6 million lease termination fee from Safeway received in 2012



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Tactical Redevelopment – 2013 Results

50 - 75 bp

Tactical Redevelopment

*\$50M in annual investments
at a yield of 8%*

- We continue to identify and execute on redevelopment projects
- Identified over \$100 million of new tactical redevelopment projects at a weighted average return of 9%. Examples include:
 - The Point in El Segundo, CA
 - Hollywood Boulevard in Hollywood, CA
 - Quince Orchard in Gaithersburg, MD



Chelsea Commons



29th Place (Shoppers' World)



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Selective Acquisitions – 2013 Results

Closed on two high quality additions to the core portfolio:

Darien



- Darien was acquired in April 2013 for \$47 million
- Anchor tenants: Equinox, Stop & Shop
- Demographics within a 3-mile radius: 96,000 population; average household income of \$114,000
- Future redevelopment opportunity

East Bay Bridge



- East Bay Bridge was acquired December 2012
- Expected rents on rollover of Pacific Sales & Office Max spaces exceeding expectations with returns that outperform pro-forma

Selective
Acquisitions

Selective
Acquisitions

*\$125M in annual investments
at an initial yield of 5%*



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Selective Acquisitions

Project ¹	State	Acq Quarter	Yield Variance to IC in Year 1
East Bay Bridge	CA	Q4 2012	+ 18 bp
Plaza El Segundo	CA	Q4 2011	+ 34 bp
Montrose Crossing	MD	Q4 2011	+ 23 bp
Tower Shops	FL	Q1 2011	+ 35 bp
Average			+ 27 bp

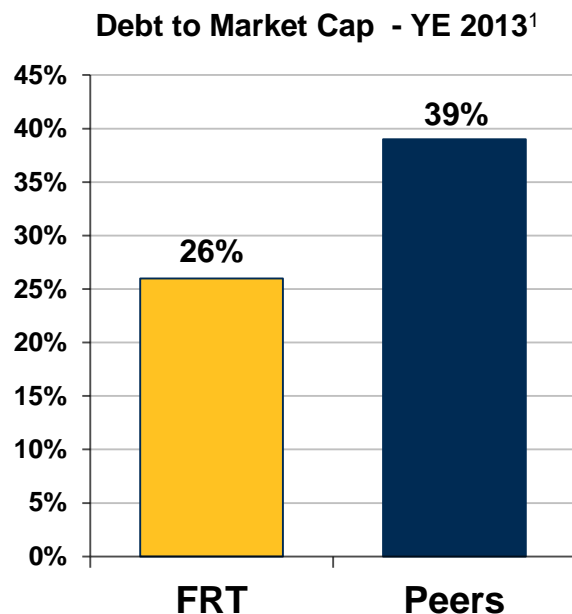
Since 2011, Federal Realty has exceeded NOI yield projections on properties it has owned for more than one year. This outperformance has been driven by:

- Minimizing vacancy
- Ancillary / additional revenue opportunities
- Exceeding expectations on rollover
- Strong tenant sales which drove higher percentage rent



The Ultimate Balanced Business Plan

Capital Planning – 2013 Results



- Upgraded to A- by S&P in April 2013 and to A3 by Moody's in November 2013
- Raised \$575 million of 10 year senior notes at an average coupon of 3.38%
- Retired \$285 million of senior notes at an average coupon of 5.69% and \$129 million of 7.5% mortgage loans
- Lowered our weighted average interest rate to 4.76%
- Upsized our LOC to \$600 million and extended maturity date to April 2018 (including one-year extension option)
- Raised \$185 million of equity under our ATM program
- Net debt to EBITDA of 5.3x and interest coverage of 3.4x as of Dec. 31, 2013



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Same Center & Tactical Redevelopment – 2014 Outlook

Same Center

- Same center growth including redevelopment of approximately 3.5 – 4.0%; 3.4% growth through 1Q 2014
- Value accretive rollover in anchor spaces:
 - Kohl's at Melville Mall
 - Loehmann's at Crow Canyon and Friendship Center
 - Pacific Sales and Office Max at East Bay Bridge

Tactical Redevelopment

- \$157 million of tactical redevelopment currently underway with a projected weighted average return of 10%, \$22 million expected to stabilize in 2014
- Continued investments at projects like The Point and Westgate, both stabilizing in 2015
- Other important tactical redevelopments include:
 - Quince Orchard
 - Mercer Mall
 - Hollywood Blvd.
 - Barracks Road



Westgate



The Ultimate Balanced Business Plan

Strategic Redevelopment – 2014 Outlook

Project	Capital Committed	Expected Returns	Retail Leasing Progress ¹	Milestones / Highlights
Assembly Row	\$190 – 200 M	5 – 6%	97%	<ul style="list-style-type: none"> • Grand Opening in Summer 2014 • T Station to open in Fall 2014 • Office to deliver in 2015
Pike & Rose	\$245 – 255 M	8 – 9%	92%	<ul style="list-style-type: none"> • Retail Grand Opening in Fall 2014 • 174 unit residential building opening Q2 2014 • Significant office demand • Office and 319 unit residential building opening in 2015
Santana Row Misora (8b)	\$75 M	8%	N/A	<ul style="list-style-type: none"> • Initial building opened in December 2013 • 81% of total units leased/preleased
Total	\$510 – 530 M	7 – 8%		

Approximately \$520 million of mixed-use projects underway that will deliver an additional \$35 – 40 million of NOI upon stabilization



The Ultimate Balanced Business Plan

Selective Acquisitions – 2014 Results & Outlook

- Acquired a controlling interest in The Grove at Shrewsbury (Shrewsbury, NJ) & Brook 35 Plaza (Sea Girt, NJ)
- Approximately 84% effective economic interest funded by the assumption of our share of \$68 million of mortgage debt, 632,000 downREIT units, and \$13 million of cash
- Within a 3-mile radius, The Grove at Shrewsbury has a population of 138,000 with an average household income of \$112,000, while Brook 35 has a population of 123,000 with an average household income of \$101,000
- Key tenants include Lululemon, Brooks Brothers, Anthropologie, J.Crew, Banana Republic, and Coach
- Cap rate in the high 5% range

The Grove at Shrewsbury



Brook 35



The Ultimate Balanced Business Plan

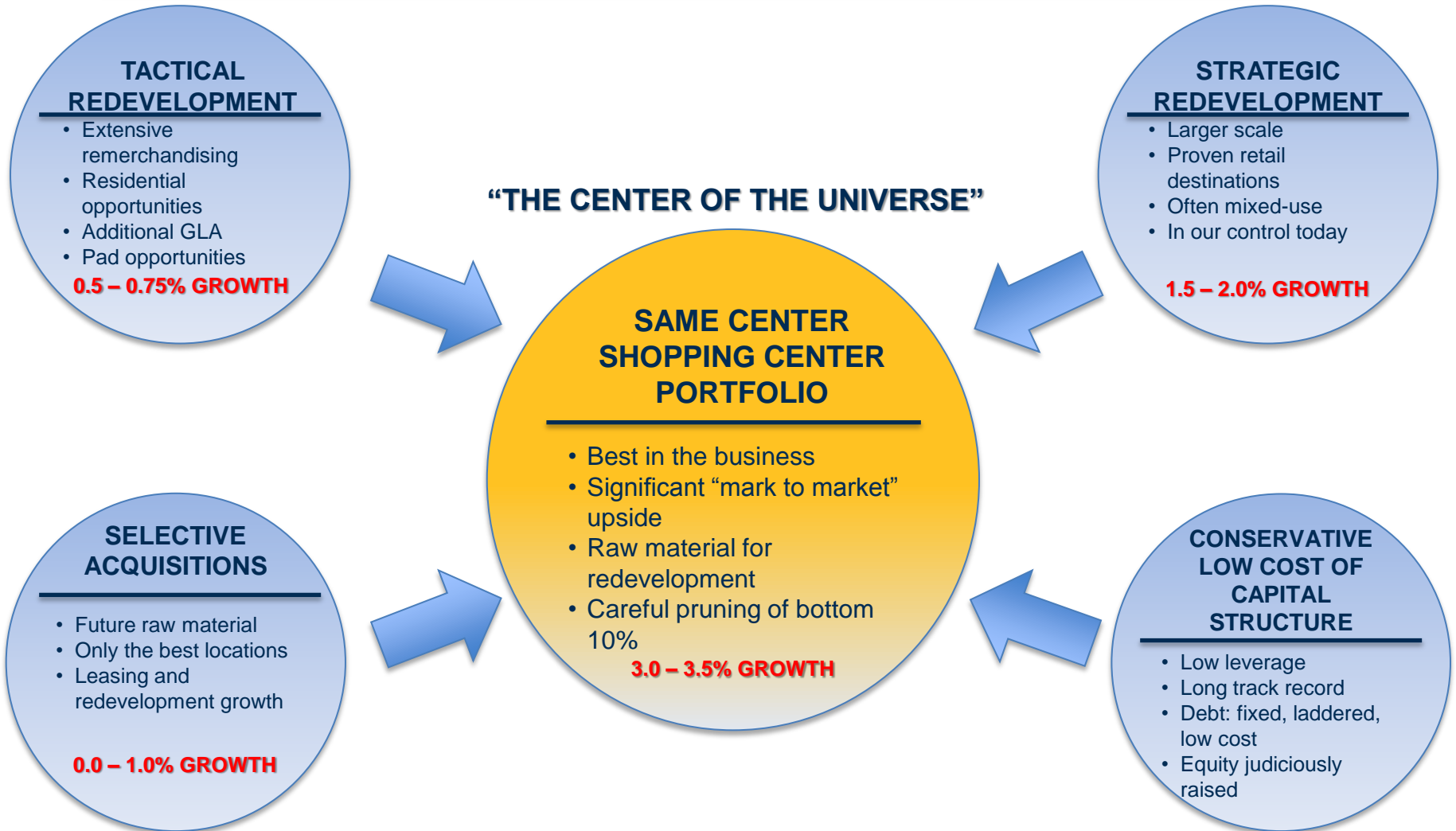
Capital Planning – 2014 Outlook

- Only \$30 million of debt maturities in 2014
- Weighted average interest rate of 7% for maturities over the next 24 months
 - Creates significant additional opportunities to term out debt at a lower rate
- Continued prudent use of ATM to match fund development expenditures
- Maintain low 5x net debt to EBITDA and high 3x interest coverage



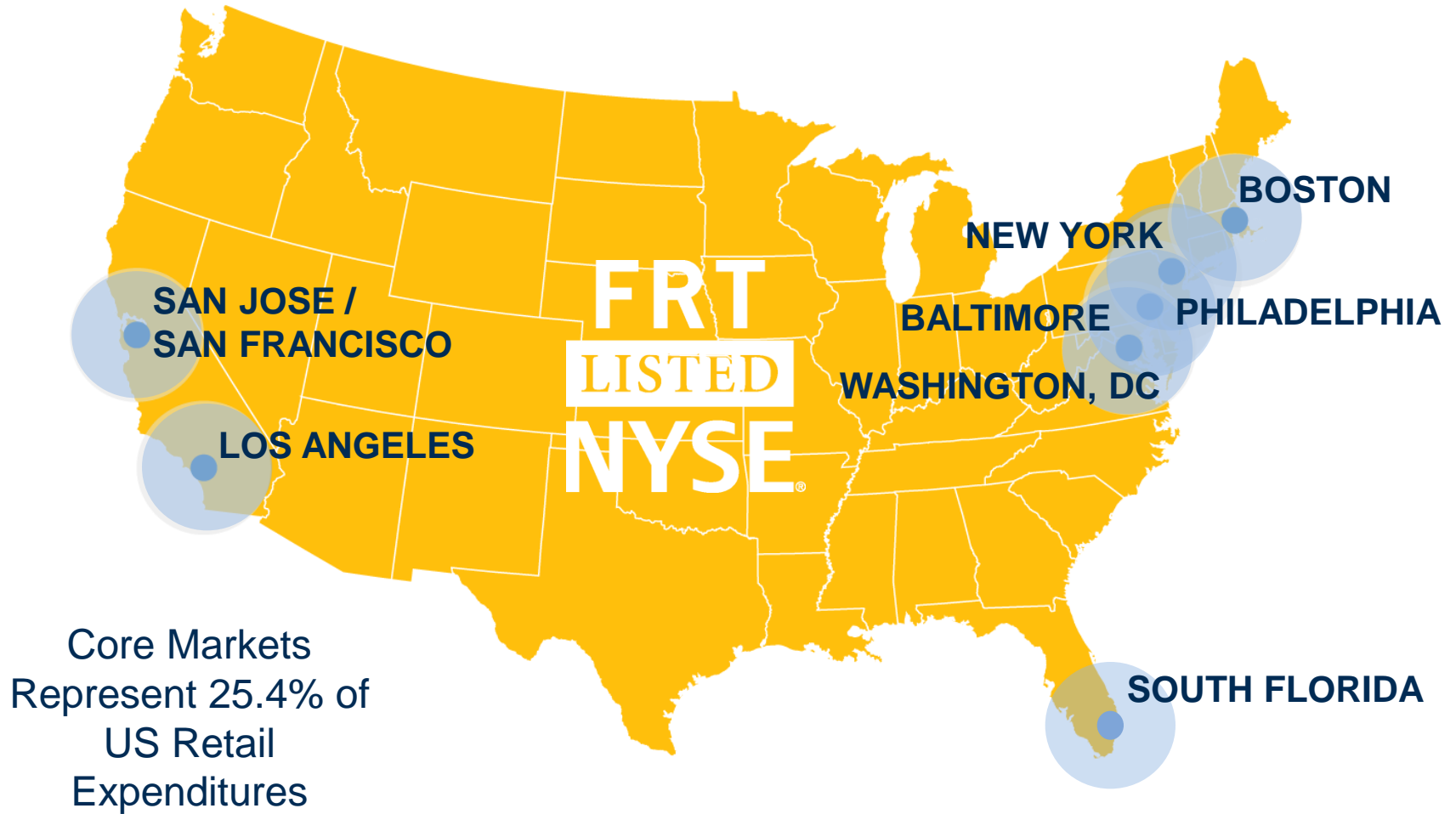
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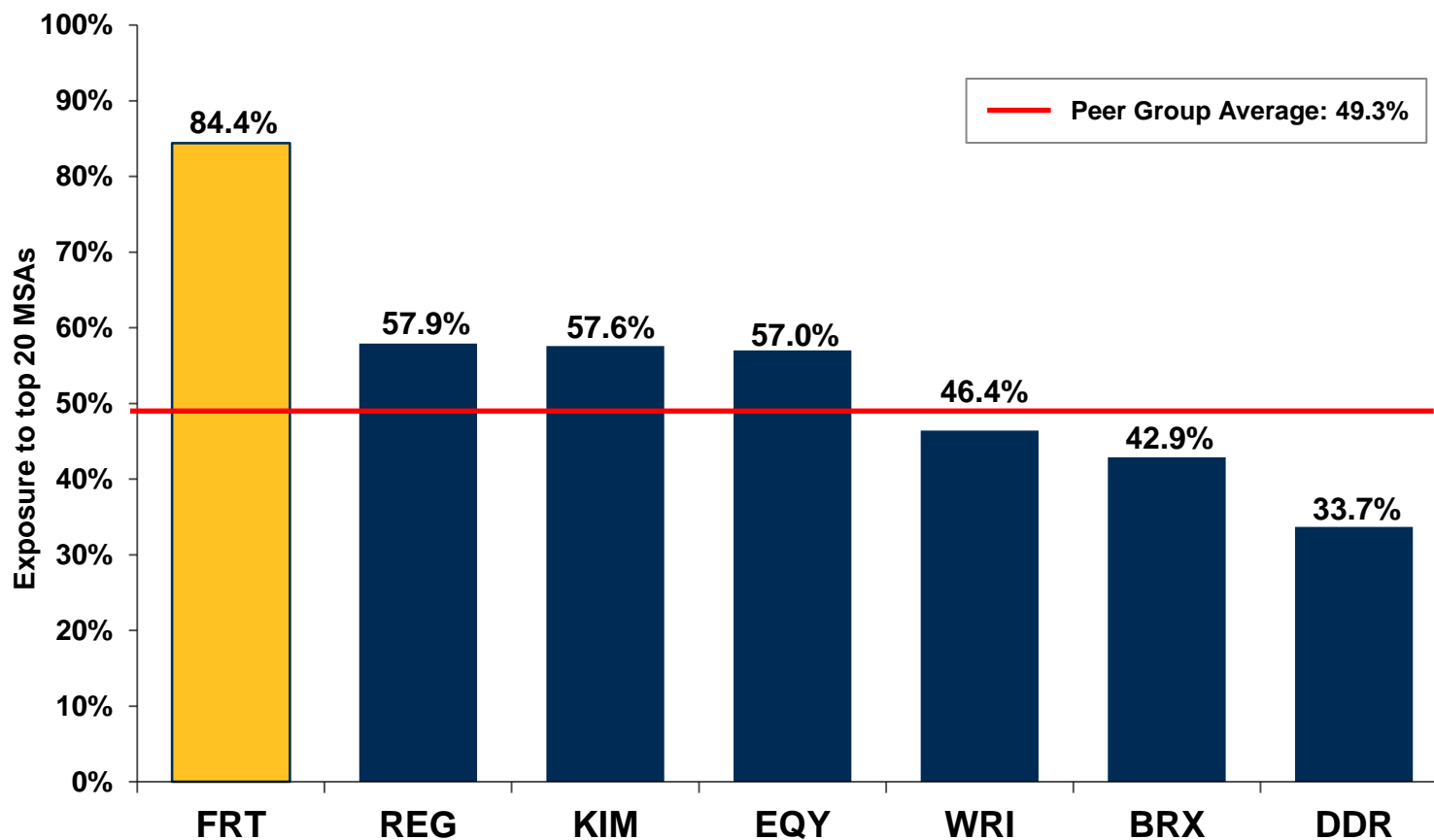
Core Markets

Strategic Metropolitan Markets



Exposure to the Nation's Top Twenty Markets

FRT has the greatest concentration of assets in the nation's top 20 markets¹, which comprise 37% of U.S. retail expenditures...



¹ Metropolitan Statistical Area

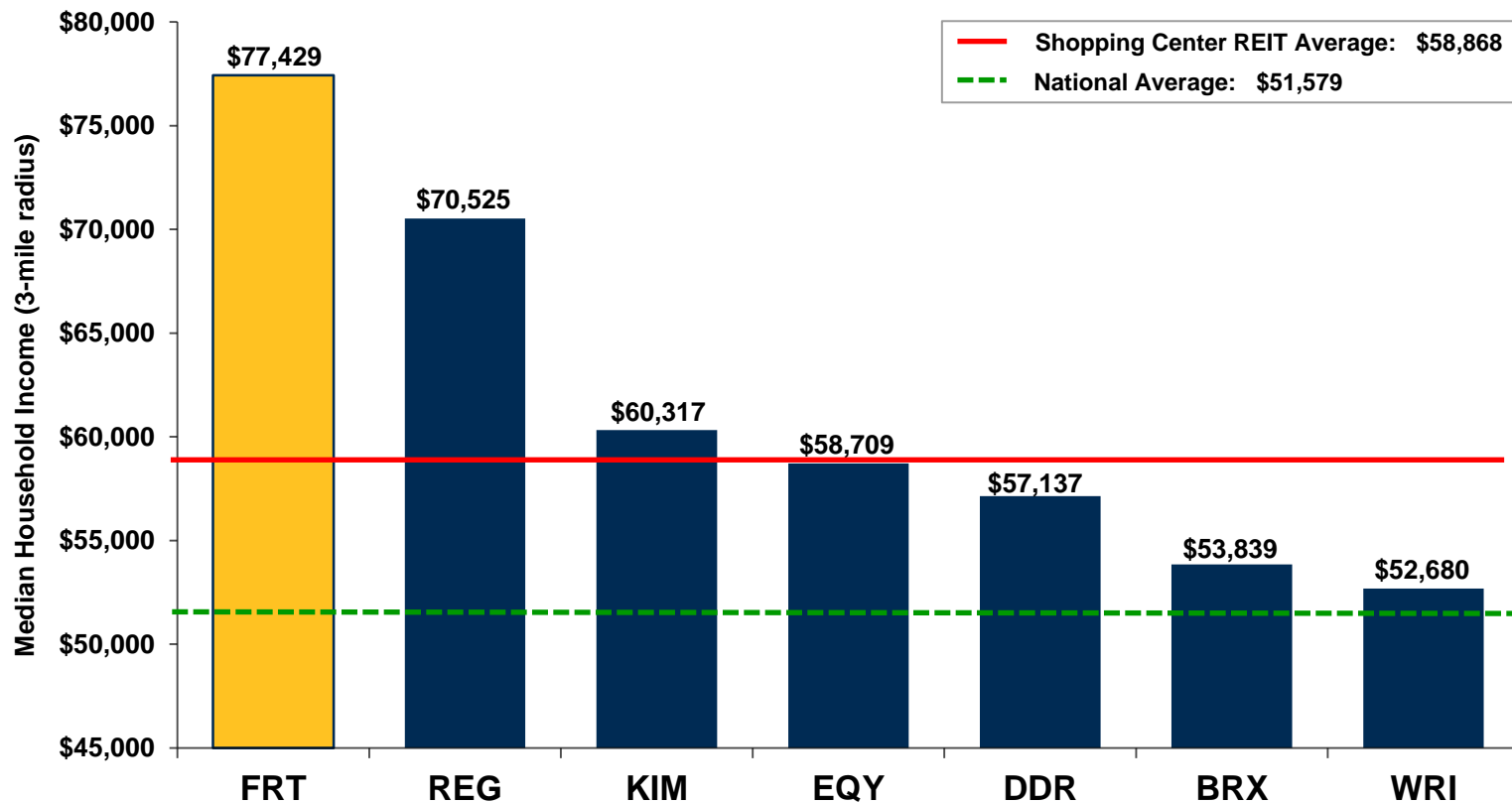
² Source: Bank of America-Merrill Lynch Research, May 2014



Premier Operating Portfolio

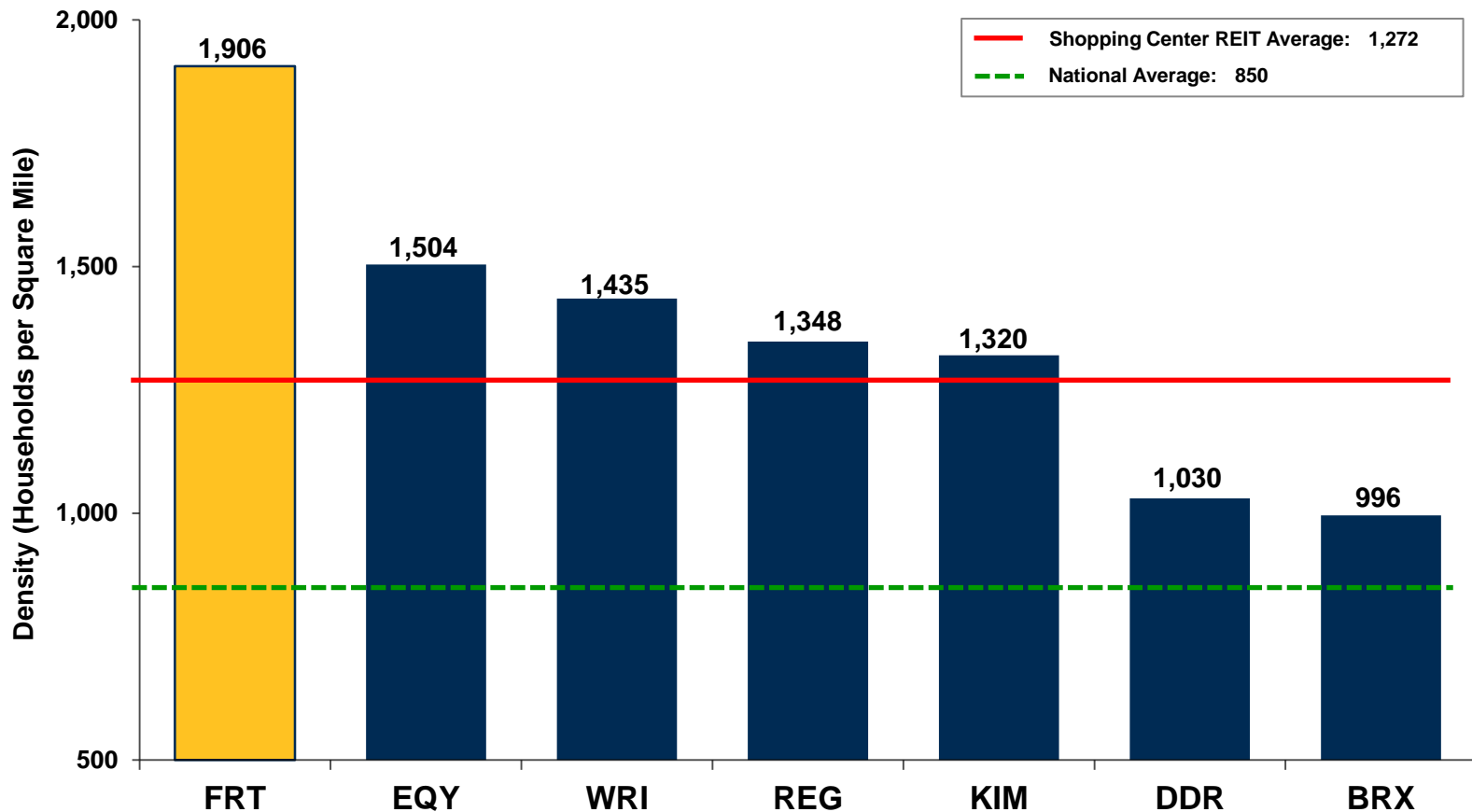
Federal's demographics are unequalled with incomes that exceed our peers by 32% and the national average by 50%...

- Highest concentration in "SuperZips," those zip codes representing the 95th percentile and above in income and education.



Premier Operating Portfolio

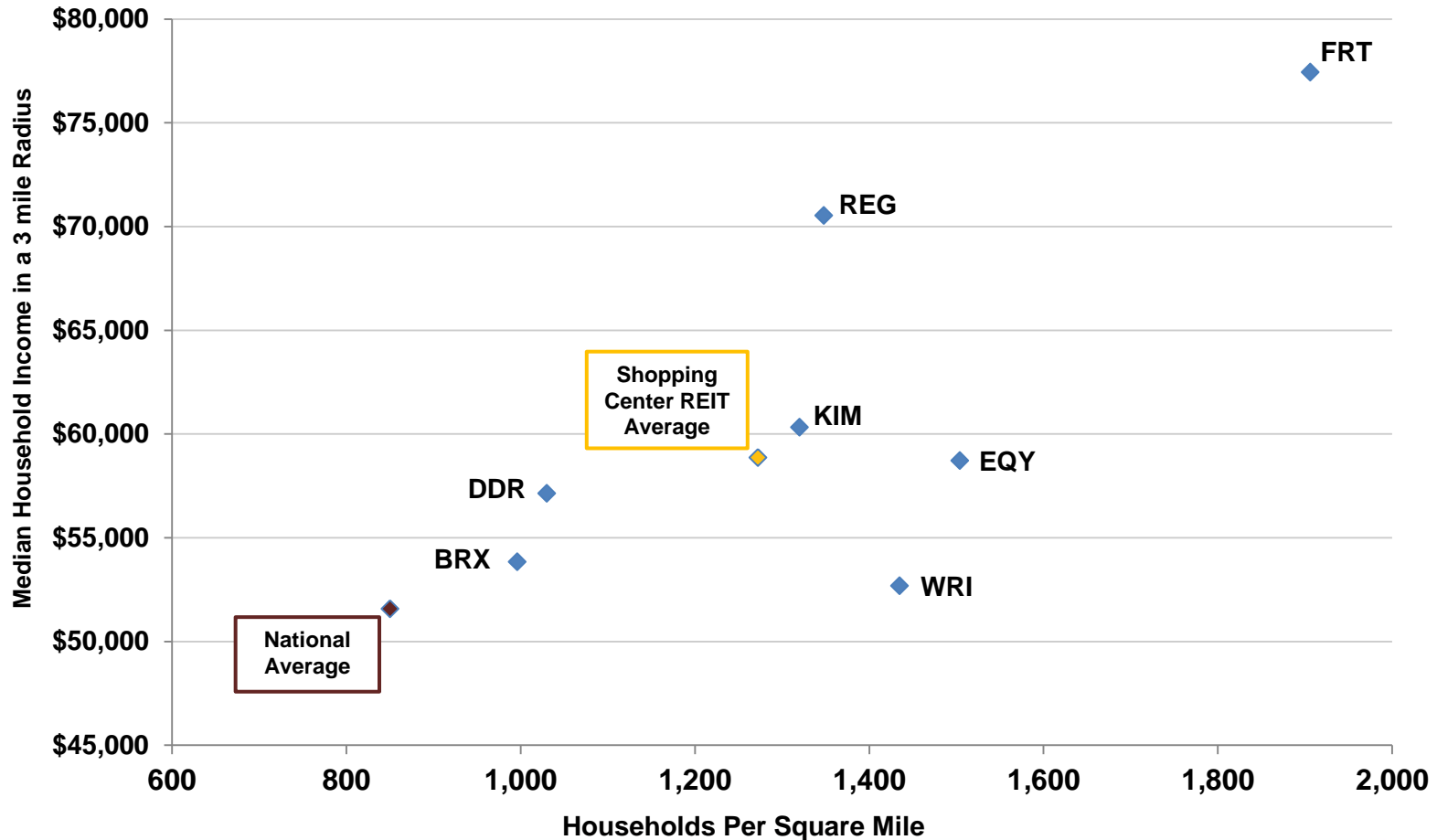
...with about 50% greater household density than the peer group average and 124% greater than the national average.



How Will Our Core Perform?

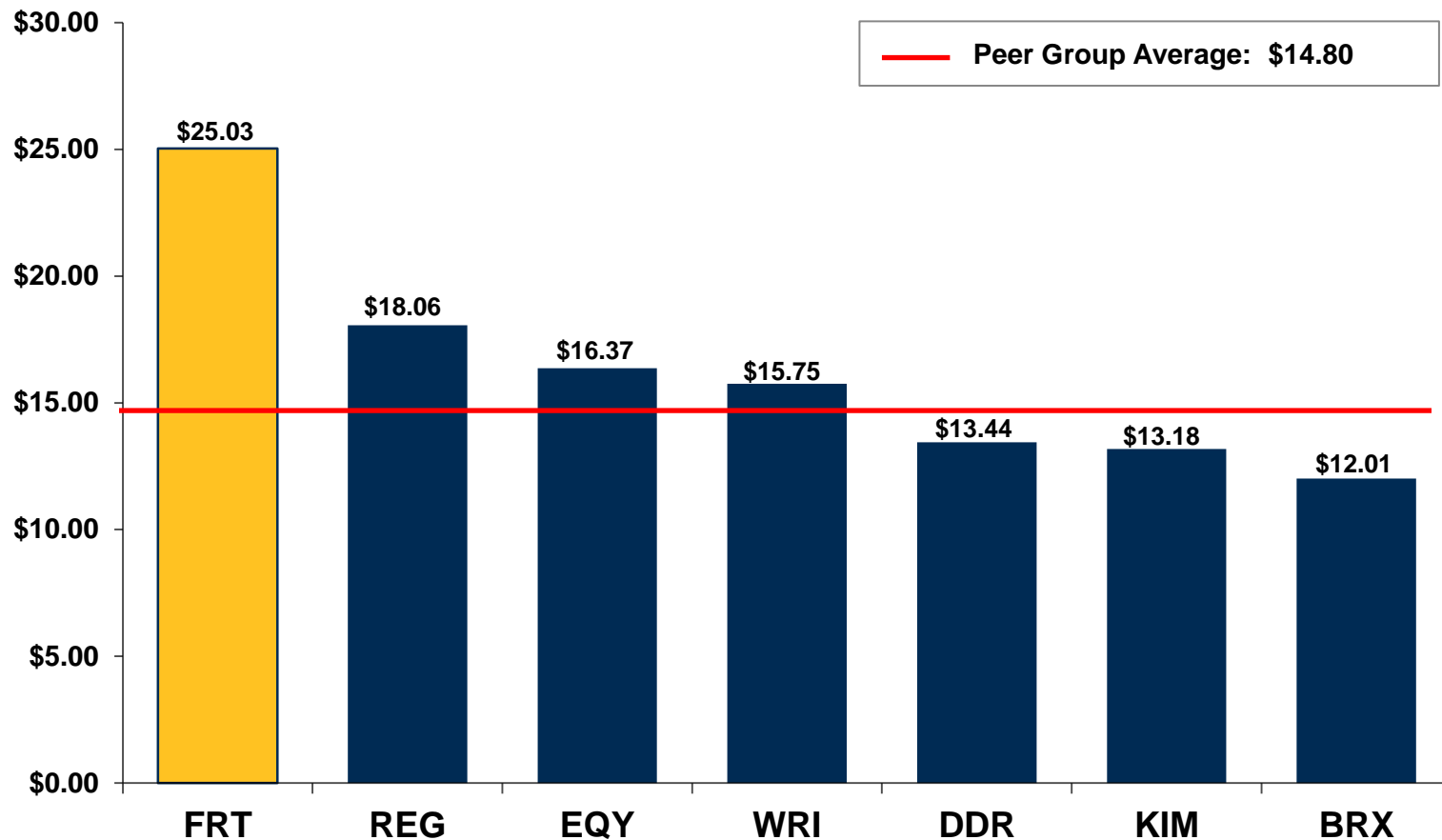
As Always, Location Matters

Unmatched combination of density and affluence sets our centers apart



Premier Operating Portfolio

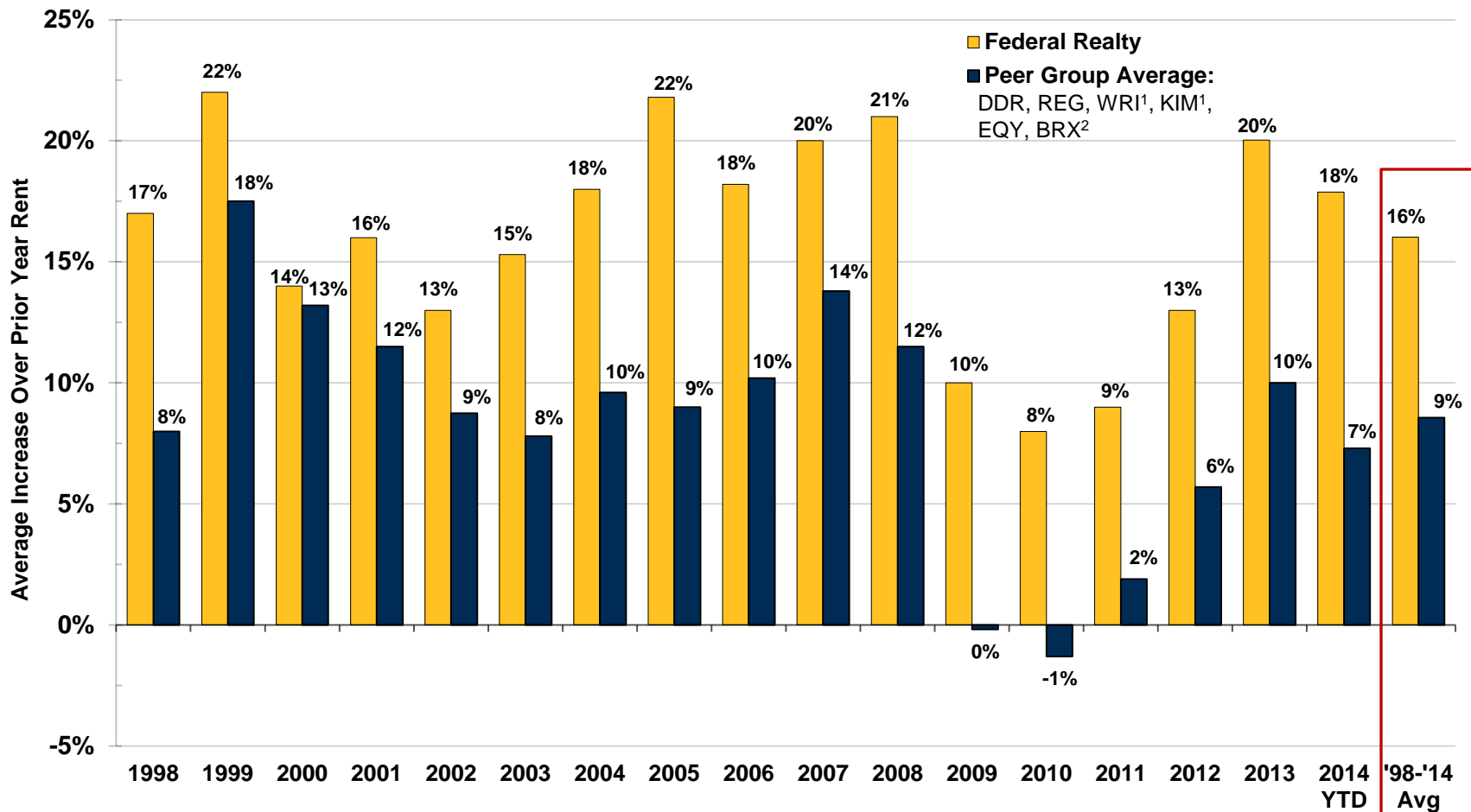
Our portfolio achieves the highest cash rents in the sector (69% higher than our peer group average)...



Proven History of Outperformance

Superior Rollover Growth Compared to Peer Group

... and significantly higher rollover growth than our peers.



¹ Only included in peer group results for periods in which data was reported

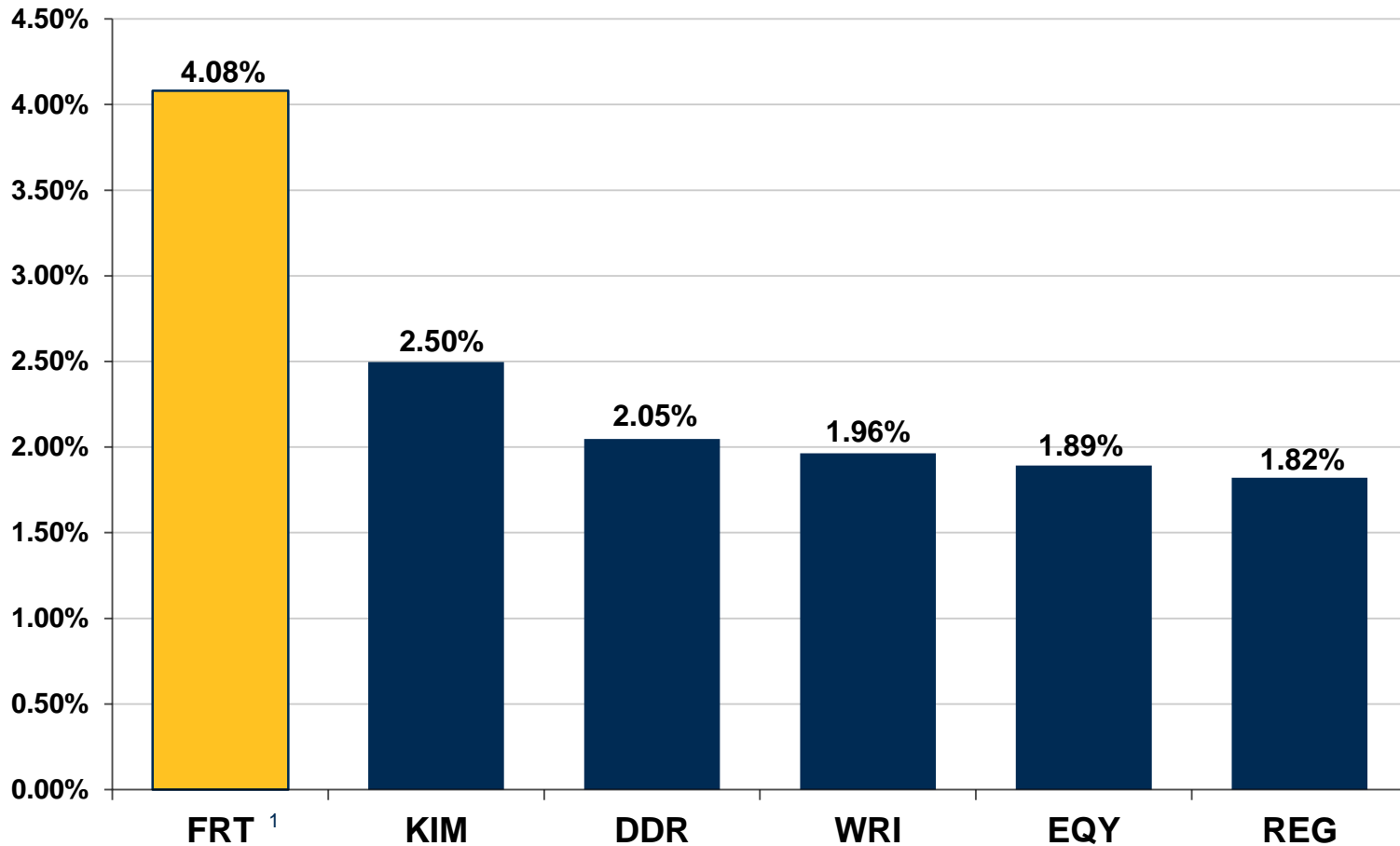
² BRX data available as of 2013



Proven History of Outperformance

Superior Same Store Growth Compared to Peer Group

Average Same Store Growth¹: 2003 – 2014 (YTD)



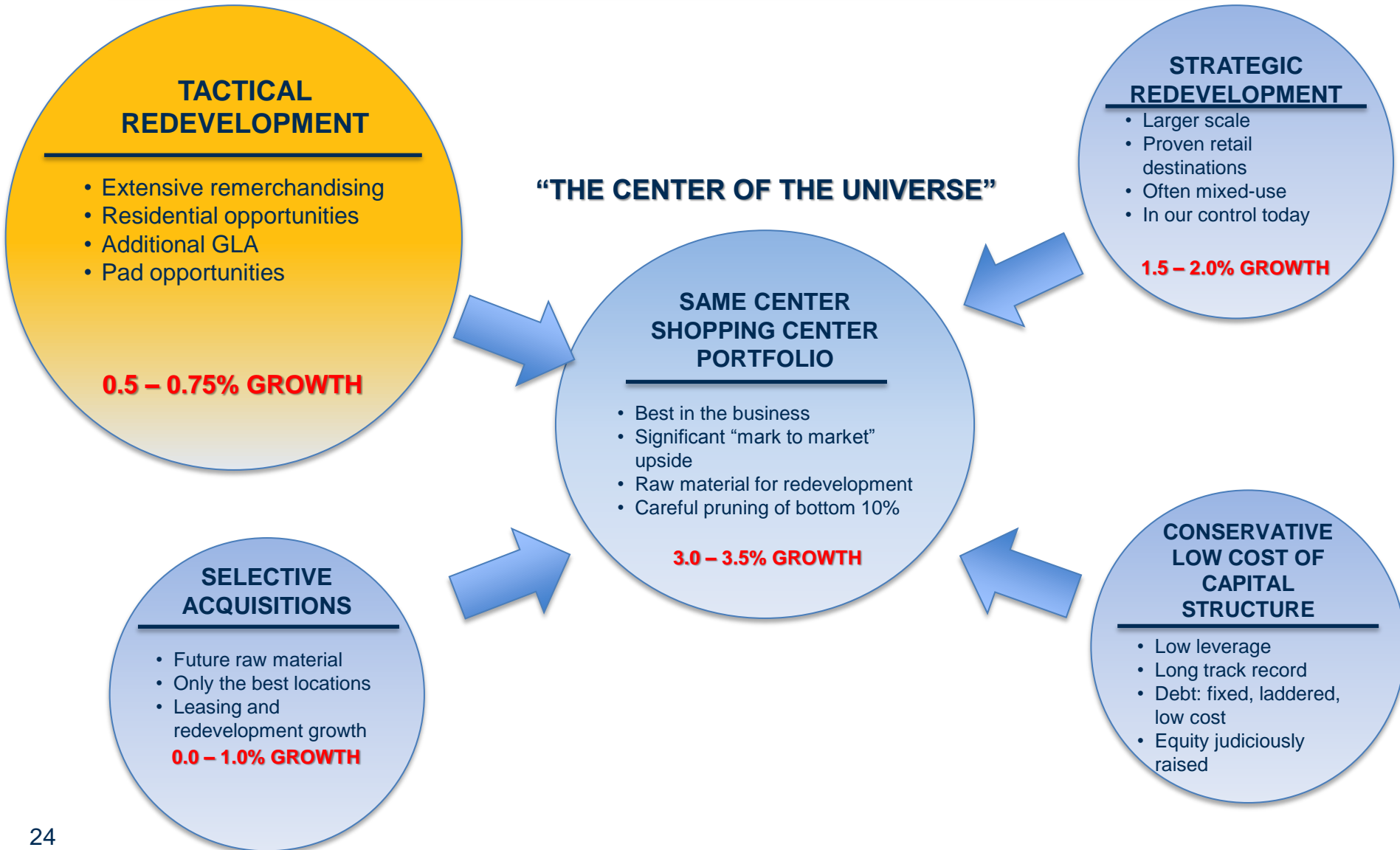
¹ Same store growth figures include redevelopments

² BRX excluded due to insufficient historical data



The Ultimate Balanced Business Plan

...With A Clear Path To Value Added Growth



Tactical Redevelopment

Introduction – Case Studies in Execution

- Federal Realty has a long-standing track record of creating value through tactical redevelopment with a strong pipeline of additional opportunities due to our proven infill locations
- Examples of value creation from current and recently completed projects include:

Project	Location	Value Creation (in millions)
Hollywood Blvd	Hollywood, CA	\$26.1
Ellisburg Shopping Center	Cherry Hill, NJ	\$21.3
Mercer Mall	Lawrenceville, NJ	\$21.0
29th Place	Charlottesville, VA	\$8.2



29th Place (Charlottesville, VA)

Case Study in Execution

Location:

- Centrally located on Route 29, one of the major retail corridors in the Charlottesville MSA

Redevelopment / Re-tenanting Opportunity:

- Replace outgoing anchor tenants with strong soft goods mix and renovate the center's aging façade

Execution:

- Rebranded center as *29th Place* and completed façade renovation
- Reconfigured vacant anchor boxes to accommodate DSW, Stein Mart and HomeGoods
- Invested \$6M in redevelopment capital at a 10% yield
- Created \$8M in value through increased NOI and cap rate compression

Net Value Created:⁽¹⁾

Incremental NOI ⁽²⁾	\$4.7
Cap Rate Contraction ⁽³⁾	3.5
Total	\$8.2



Before: Shopper's World before renovation and rebranding (2010)



After: 29th Place after renovation (2012)

(1) Based on 2015 stabilized year

(2) Value of incremental NOI less incremental redevelopment capital

(3) Assumes a 50 bp decrease to cap rate



Mercer Mall (Lawrenceville, NJ)

Case Study in Execution

Location:

- Affluent Princeton, NJ submarket

Re-tenanting Opportunity:

- Replace underperforming anchors with strong national tenants while creating new small shop retail space

Execution:

- Negotiated early termination with HHGregg
- Expand and reconfigure anchor boxes while creating 19K sf of new inline small shop space
- Create additional retail GLA through pad site development
- Replace anchors with leading national tenants
- Total investment of \$12M expected to yield a 12% return
- Projected to create \$21M in value through increased NOI and cap rate compression

Net Value Created:⁽¹⁾

Incremental NOI ⁽²⁾	\$13.0
Cap Rate Contraction ⁽³⁾	8.0
Total	\$21.0



Before: Office Depot space before renovation



After: Rendering of Nordstrom Rack (former Office Depot space)

(1) Based on 2016 stabilized year

(2) Value of incremental NOI adjusted for redevelopment capital

(3) Assumes a 25 bp decrease to cap rate



Ellisburg Shopping Center (Cherry Hill, NJ)

Case Study in Execution

Location:

- Affluent Cherry Hill market in the suburbs of Philadelphia

Redevelopment / Re-tenanting Opportunity:

- Replace underperforming Genuardi's with Whole Foods and drive additional small shop rent

Execution:

- Strong lease terms helped Federal Realty recapture \$6M in term fees from Genuardi's
- Reinvested \$4M to prepare the Whole Foods space and upgrade the center's façade at an incremental yield of 18%
- Created \$21M in value through increased NOI and cap rate compression

Net Value Created:⁽¹⁾

Incremental NOI ⁽²⁾	\$15.3
Cap Rate Contraction ⁽³⁾	6.0
Total	\$21.3



Before: Genuardi's (2010)



After: Whole Food's façade

(1) Based on 2016 stabilized year

(2) Value of incremental NOI adjusted for redevelopment capital and Genuardi's term fee

(3) Assumes a 50 bp decrease to cap rate



Hollywood Blvd (Hollywood, CA)

Case Study in Execution

Location:

- Adjacent to *Hollywood and Highland Center* and one block from subway station

Re-tenanting / Redevelopment Opportunity:

- Redevelop underutilized Petersen Building and re-tenant project

Execution:

- Refine tenant mix and eliminate vacancy
- Consolidate ground floor retail in Petersen Building for single 30K sf anchor tenant
- Convert second floor parking deck to 30K sf of retail space
- \$9M investment in Petersen Building expected to yield a 17% return
- Projected to create \$26M in value at Hollywood Blvd through increased NOI and cap rate compression

Net Value Created:⁽¹⁾

Incremental NOI ⁽²⁾	\$18.6
Cap Rate Contraction ⁽³⁾	7.5
Total	\$26.1



Before: Petersen Building prior to renovation



After: Rendering of Petersen Building post-renovation

(1) Based on 2016 stabilized year

(2) Value of incremental NOI adjusted for redevelopment capital

(3) Assumes a 50 bp decrease to cap rate



Current Active Redevelopment Pipeline

The following development and redevelopment opportunities have received or will shortly receive all necessary approvals to proceed and are actively being worked on by the Trust⁽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>	<u>Anticipated Stabilization⁽³⁾</u>
Pentagon Row	Arlington, VA	Ice rink expansion and 1,500 sf of new retail space	9%	\$2	\$2	2014
Barracks Road	Charlottesville, VA	11,800 sf multi-tenant pad building	13%	\$4	\$4	2014
Shops at Willow Lawn	Richmond, VA	Demo interior mall, relocate mall tenants, construct new exterior GLA, and gas station	10%	\$11	\$9	2014
Ellisburg	Cherry Hill, NJ	Property repositioning through re-tenanting, including new grocer and façade renovation	18%	\$4	\$3	2014
Brick	Brick, NJ	New restaurant pad building	18%	\$1	\$0	2014
Westgate Center	San Jose, CA	Façade and interior mall renovation, addition of food court and pad site	9%	\$20	\$16	2014/2015
Quince Orchard	Gaithersburg, MD	Property repositioning through demo of non-functional small shop space, creation of new anchor box, rightsizing of national office products tenant, and creation of new visible small shop space	23%	\$6	\$1	2015
Flourtown	Flourtown, PA	New 75,000 sf grocer and new 38,000 sf movie theater	15%	\$3	\$1	2015
Mercer Mall	Lawrenceville, NJ	Addition of 27,000 sf of space including new in-line space, addition of bank pad, and reconfiguration of existing pad site and anchor box	12%	\$12	\$2	2015
Huntington Square	East Northport, NY	Infrastructure investment to create additional restaurant capacity	10%	\$1	\$0	2015
The Point	El Segundo, CA	Addition of 90,000 sf of retail and 25,000 sf of office space	8%	\$80	\$37	2015
Hollywood Blvd. – Petersen Building	Hollywood, CA	Redevelop/re-tenant building including conversion of 2 nd floor parking to retail space	17%	\$9	\$1	2015
East Bay Bridge	Emeryville, CA	Reconfigure two existing spaces consisting of 48,000 square feet to accommodate two new tenants, add two new restaurant tenants, and courtyard renovations	10%	\$4	\$0	2015
Total Active Redevelopment Projects⁽⁴⁾			10%	\$157	\$76	

⁽¹⁾ There is no guarantee 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 for redevelopment projects generally reflects only the deal specific cash, unleveraged Incremental Property Operating Income (POI) generated by the redevelopment and is calculated as Incremental POI divided by incremental cost. Incremental POI is the POI generated by the redevelopment after deducting rent being paid or management's estimate of rent to be paid for the redevelopment space and any other space taken out of service to accommodate the redevelopment. Projected ROI for redevelopment 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.

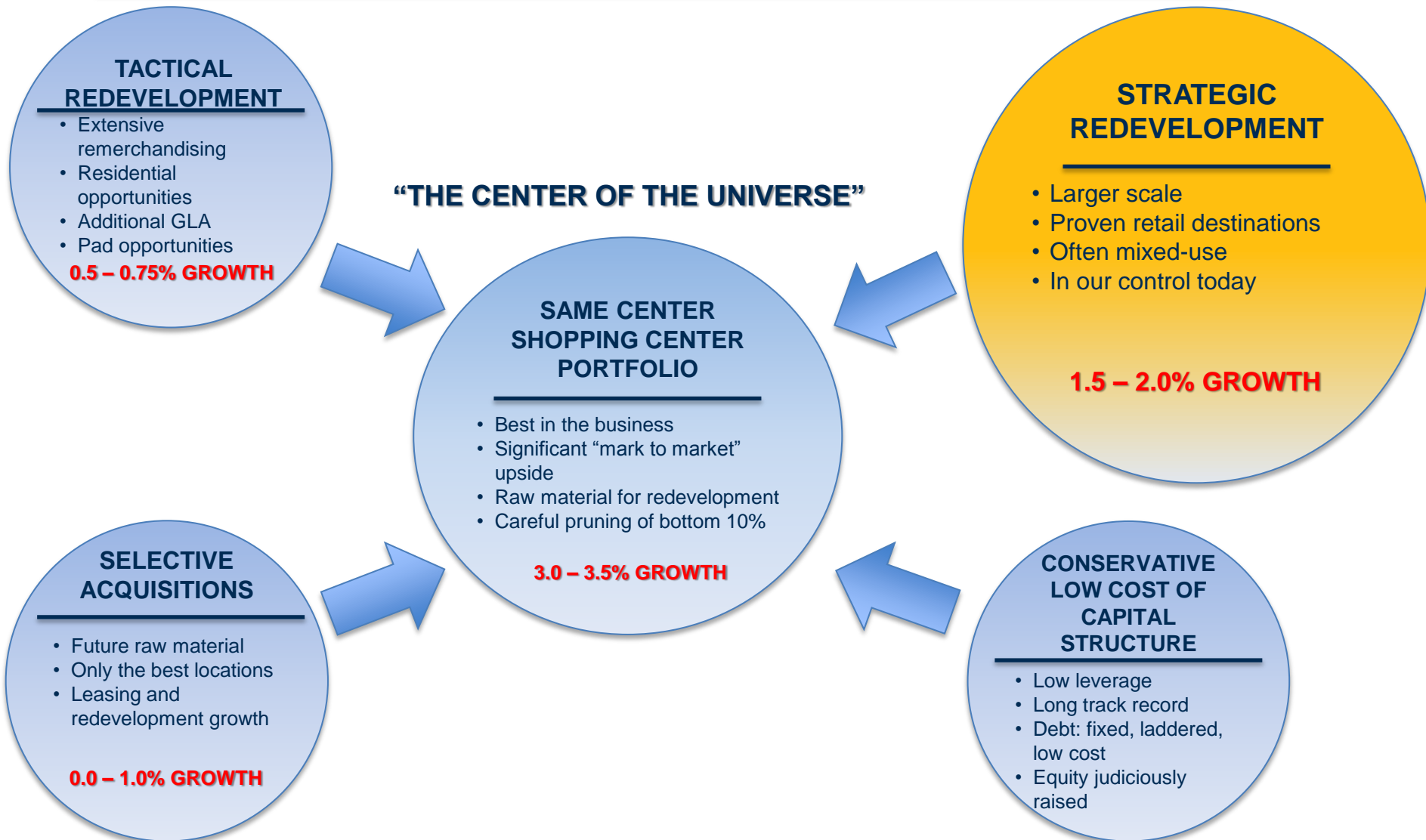
⁽³⁾ Stabilization is the year in which 95% occupancy of the redeveloped space is achieved.

⁽⁴⁾ All subtotals and totals reflect cost weighted-average ROIs.



The Ultimate Balanced Business Plan

...With A Clear Path To Value Added Growth



Some Givens in the Affluent Infill Markets in Which We Do Business

- There is sufficient (and sometimes more than sufficient) necessity based retail to service these communities
- The evolution of online shopping continues to reshape the behavior and needs of traditional bricks and mortar retailers
- Traffic congestion continues to worsen and an ever more environmentally conscious consumer looks for alternatives that involve shorter commutes and a healthier lifestyle
- Social gathering places are precious and are more and more prized by employers, their employees, families and other residents in crowded cities



True or False?

Mixed-use projects are often more complicated and time consuming and can therefore cost more to execute than single use retail project?

TRUE

So, why do them?

- Because the long term sustainable returns can significantly exceed simpler “one and done” single use retail projects.

HOW?



Mixed-Use Works When...

Premium rents need to be achieved relative to other products in the market in order to more than compensate for the higher cost to build and execute. So what do these projects need?

- Densely populated areas with sufficient spending money and barriers to entry
 - Full land assemblage under landlord control with a reasonable cost basis
 - A public partner with a shared vision and the power to facilitate
 - Phasing that balances critical mass with growing demand
- **Proper execution of the street level retail merchandising and environment**



When Mixed-Use Works...

Result?

- Residential rents up to 25% higher than market (with higher annual growth)
- Office rents 10 – 15% higher than market
- Hotel RevPar up to 40% higher than market
- Runway for additional attractive investment opportunities at lower risk



Levare



Misora



Demographic Case Studies

3-Mile Radius*

	Population				Average Household Income			
	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>
Bethesda Row Bethesda, MD	125,526	122,404	129,375	133,333	\$41,352	\$89,612	\$134,115	\$154,156
	Growth, 1980-2010 6.2%				Growth, 2000-2010 14.9%			Growth, 1980-2010 272.8%
Third Street Santa Monica, CA	151,659	150,852	147,475	156,943	\$24,341	\$60,532	\$89,043	\$101,963
	Growth, 1980-2010 3.5%				Growth, 2000-2010 14.5%			Growth, 1980-2010 318.9%
Assembly Row Somerville, MA	379,580	387,327	412,013	428,164	\$33,831	\$42,289	\$63,968	\$78,527
	Growth, 1980-2010 10.5%				Growth, 2000-2010 22.8%			Growth, 1980-2010 232.1%

* Based on ESRI data. 2013 actual Average Household Income for Assembly Row is \$82,605



Mixed-Use Phasing Over 15 Years

Case Study: Bethesda Row

		Original Cost (\$million)	Current POI (\$million)	Cash on Cash Yield (percent)	Value @ 4.75% Cap Rate (\$million)	Value @ 6.00% Cap Rate (\$million)
Phase						
1990'S	1	\$ 84	\$ 9.2	11.0%	\$ 194	\$ 153
2000	2	11	1.3	11.8%	27	22
2002	3	39	4.5	11.5%	95	75
2007	4	81	8.9	11.0%	187	148
2010	5	27	2.0	7.4%	42	33
		\$ 242	\$ 25.9	10.6%	\$ 545	\$ 431

VALUE CREATED>>>>

Cap Rate Contraction	\$114
<u>Initial POI Yield & Growth</u>	<u>189</u>
	<u>\$303</u>



Substantial Value Creation

At Substantially Lower Risk and Attractive Returns

Higher Risk

- Greenfield / Suburban
- New Use as Retail
- Population Growth
- Tenant Control
- Fewer Forms of Transit
- Low Constraints on Supply
- Internet Competitive
- Convenience / Price



Lower Risk

- Infill / Urban
- Existing Retail Use
- Density / Affluence
- Landlord Control
- Multiple forms of Transit
- Barriers to Entry
- Internet Complementary
- Experience / Value



Mixed-Use Investment (Underway)

A Robust Pipeline that Delivers Near Term

Project	Capital Committed	Expected Returns	Retail Leasing Progress ¹	Milestones / Highlights
Assembly Row	\$190 – 200 M	5 – 6%	97%	<ul style="list-style-type: none"> • Grand Opening in Summer 2014 • T Station to open in Fall 2014 • Office to deliver in 2015
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Total	\$510 – 530 M	7 – 8%		

Approximately \$520 million of mixed-use projects underway that will deliver an additional \$35 – 40 million of NOI upon stabilization



Mixed-Use Investment (Future Phases)

Additional Entitlements to be Harvested

Project	Next Phase	Future Phases	Remaining Entitlements
Assembly Row	\$175 M	\$800 – 850 M	<ul style="list-style-type: none">1.9M sf of commercial use buildings, 1,650 residential units, and a 200 key hotel; additional parcel of land purchased includes additional 0.3 million sf of commercial entitlements
Pike & Rose	\$175 M	\$700 – 750 M	<ul style="list-style-type: none">1.5M sf of commercial-use buildings and 1,090 residential units
Santana Row	\$150 M	\$150 – 250 M	<ul style="list-style-type: none">348 residential units and 305K sf of commercial use buildings
Total	\$500 M	\$1.7 – 1.9 B	

- \$2.0 billion of entitled mixed-use opportunities that we control today
- Phasing allows maximum flexibility to accelerate investments based on tenant demand



Shadow Pipeline of Mixed-Use Opportunities

Infill Locations Support Even More Value Creation

Project	Location	Acreage	Current Sq. Ft.	Future Sq. Ft.*
Montrose Crossing	Rockville, MD	38 acres	358K sf	2.5 – 3.5M sf
Pike 7	Tysons Corner, VA	13 acres	164K sf	2.0 – 3.0M sf
East Bay Bridge	Emeryville, CA	32 acres	438K sf	1.4 – 1.6M sf
Darien	Darien, CT	9 acres	95K sf	150 – 200K sf
Bethesda Row	Bethesda, MD	3 acres	n/a	175 – 225K sf

An additional 6 to 9M sf of investment opportunities that we control today

* Represents an estimate of expected future entitlements. Actual entitlements may significantly vary.



Strategic Mixed-Use Redevelopment

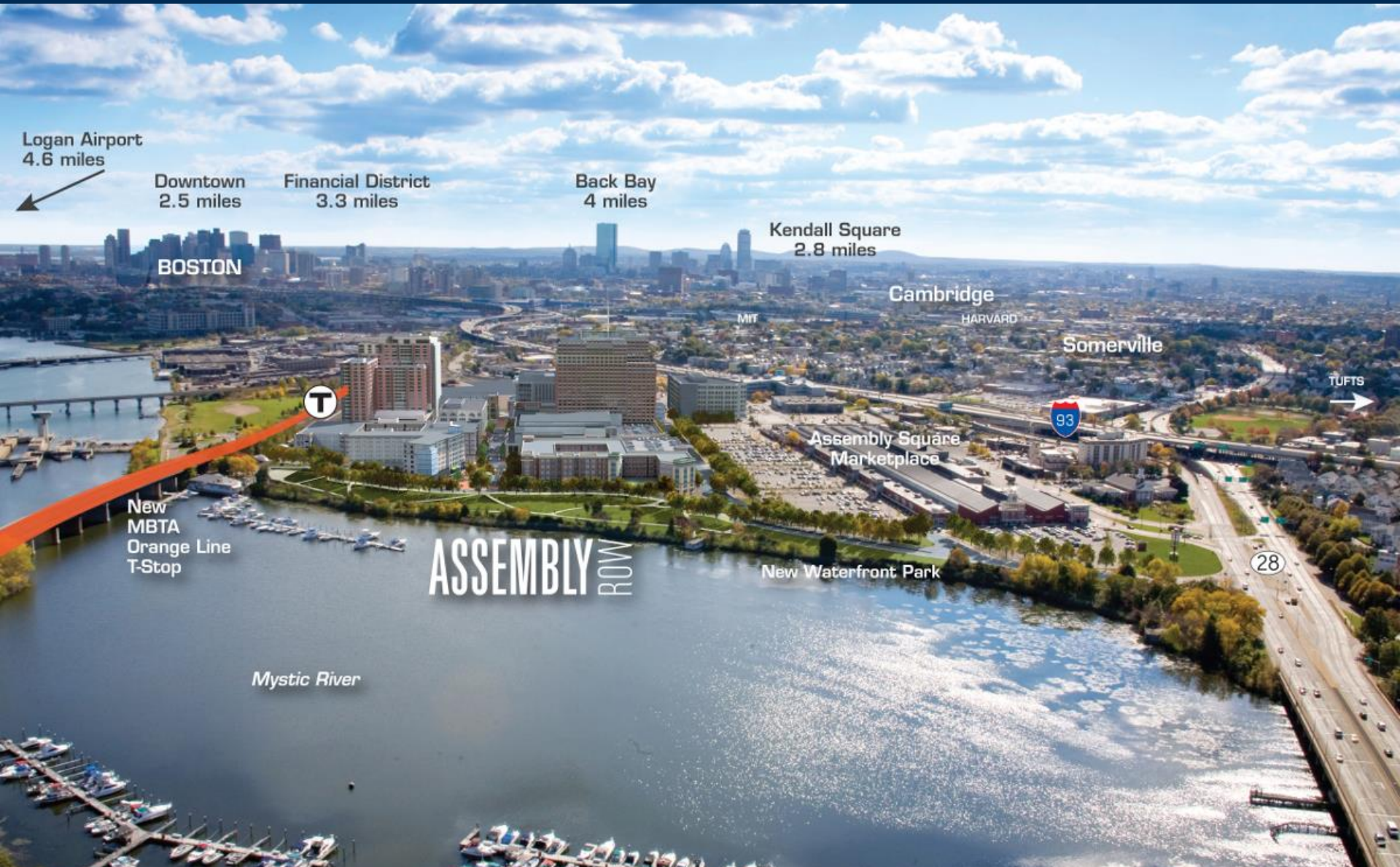
Value Proposition

- Proven infill locations support additional value creation at attractive risk-adjusted returns with significant upside
- Initial stabilized returns of 150 to 300 bps above acquisition yields
- Accelerated same store growth of 50 bps or more providing significant additional growth prospects
- Initial phases provide runway for future value creation



Assembly Row

Somerville, MA



Logan Airport
4.6 miles



Downtown
2.5 miles

Financial District
3.3 miles

Back Bay
4 miles

Kendall Square
2.8 miles

BOSTON

Cambridge

Somerville

TUFTS



New
MBTA
Orange Line
T-Stop

ASSEMBLY
ROW

New Waterfront Park

Assembly Square
Marketplace



Assembly Row

Somerville, MA



Assembly Row

Somerville, MA



Access from



Pike & Rose

North Bethesda, MD

Federal Realty
INVESTMENT TRUST

ROCKVILLE PIKE
Rockville, MD



Rockville Town Square

- DAWSON'S MARKET
- AVEDA
- verizon
- Costco
- noodles
- Starbucks
- TAP ROOM
- GOLD'S GYM

Congressional Plaza

- lastcall
- The Container Store
- LOFT
- buybuy BABY
- Thomasville

Federal Plaza

- ROSS DRESS FOR LESS
- TRADER JOE'S
- TJ-maxx
- DAVID'S BRIDAL
- MICRO CENTER

Montrose Crossing

- Giant
- BARNES & NOBLE BOOKSELLERS
- WALMART
- Marshall's
- OLD NAVY
- HTO
- BOB'S FURNITURE

Coming Soon
Pike & Rose

iPic



Pike & Rose

North Bethesda, MD

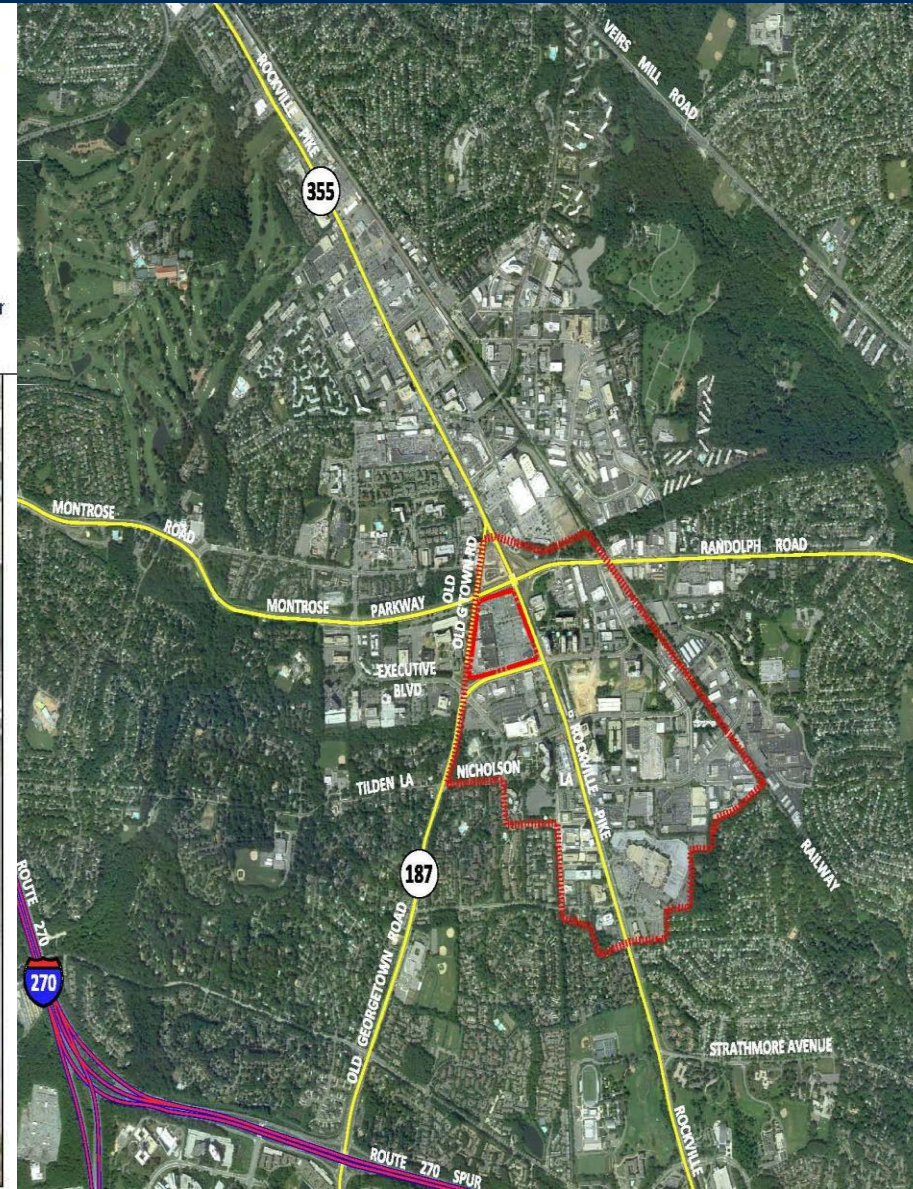


Old Georgetown Road

Rockville Pike

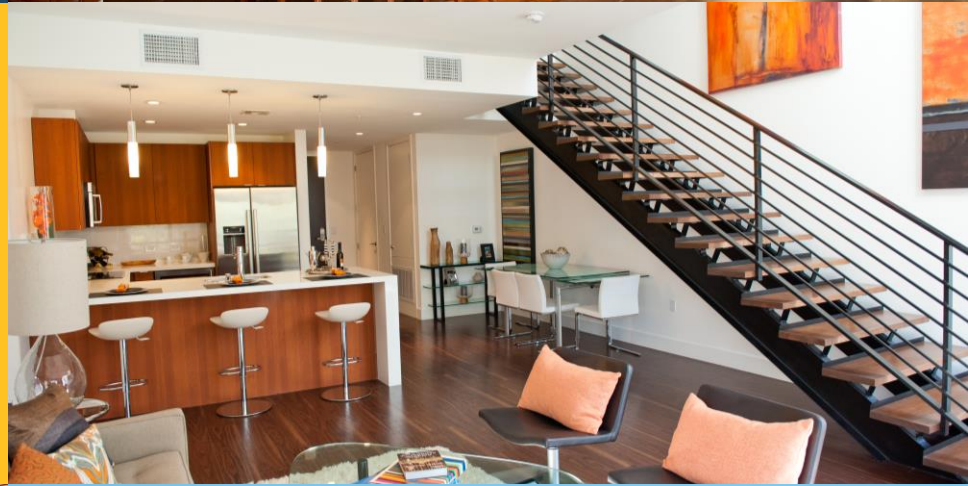
Pike & Rose

North Bethesda, MD





**Misora (Lot 8B)
Santana Row
San Jose, CA**



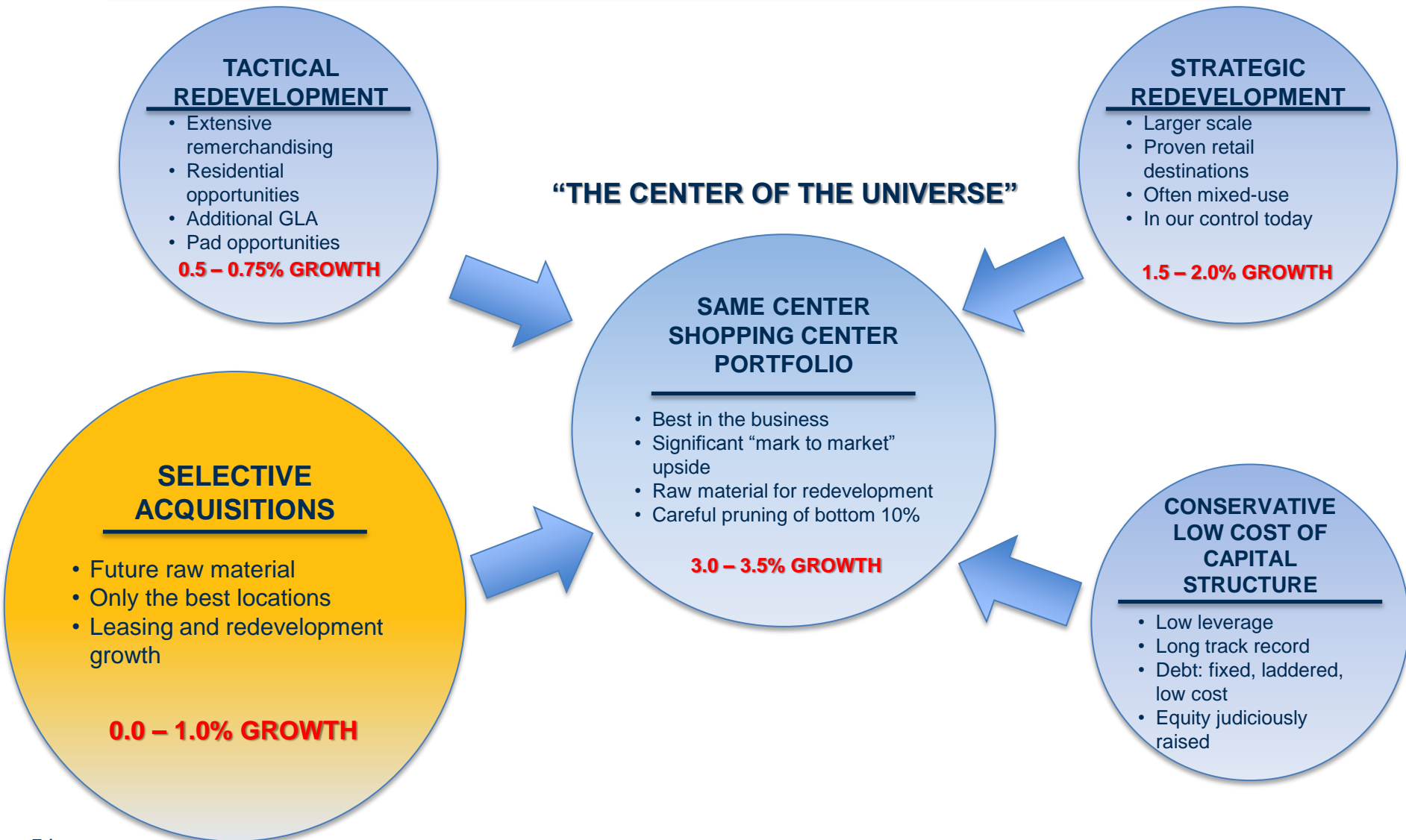
Santana Row

San Jose, CA



The Ultimate Balanced Business Plan

...With A Clear Path To Value Added Growth



Selective Acquisitions

Approximately \$800 Million Acquired in the Last 5 Years

Acquisitions consistent with our core portfolio that generate accretion, visible income growth and potential for long term value creation.

The Grove at Shrewsbury

Acquired: January 2014
187K sf lifestyle center /
25 acres



Brook 35

Acquired: January 2014
99K sf lifestyle center / 10
acres



Darien

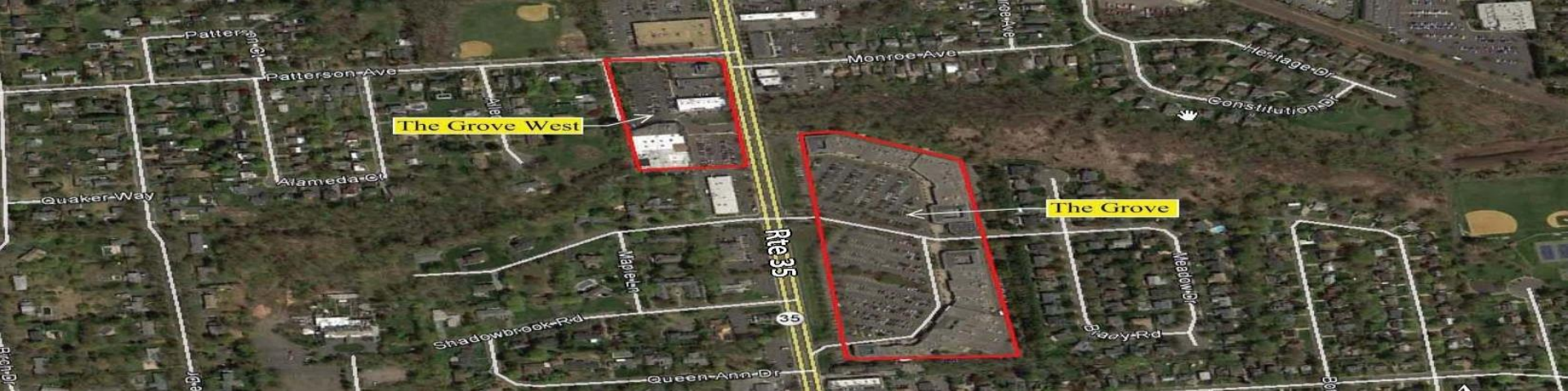
Acquired: April 2013
95K sf neighborhood
center / 9 acres



East Bay Bridge

Acquired: December 2012
438K sf power center / 32
acres





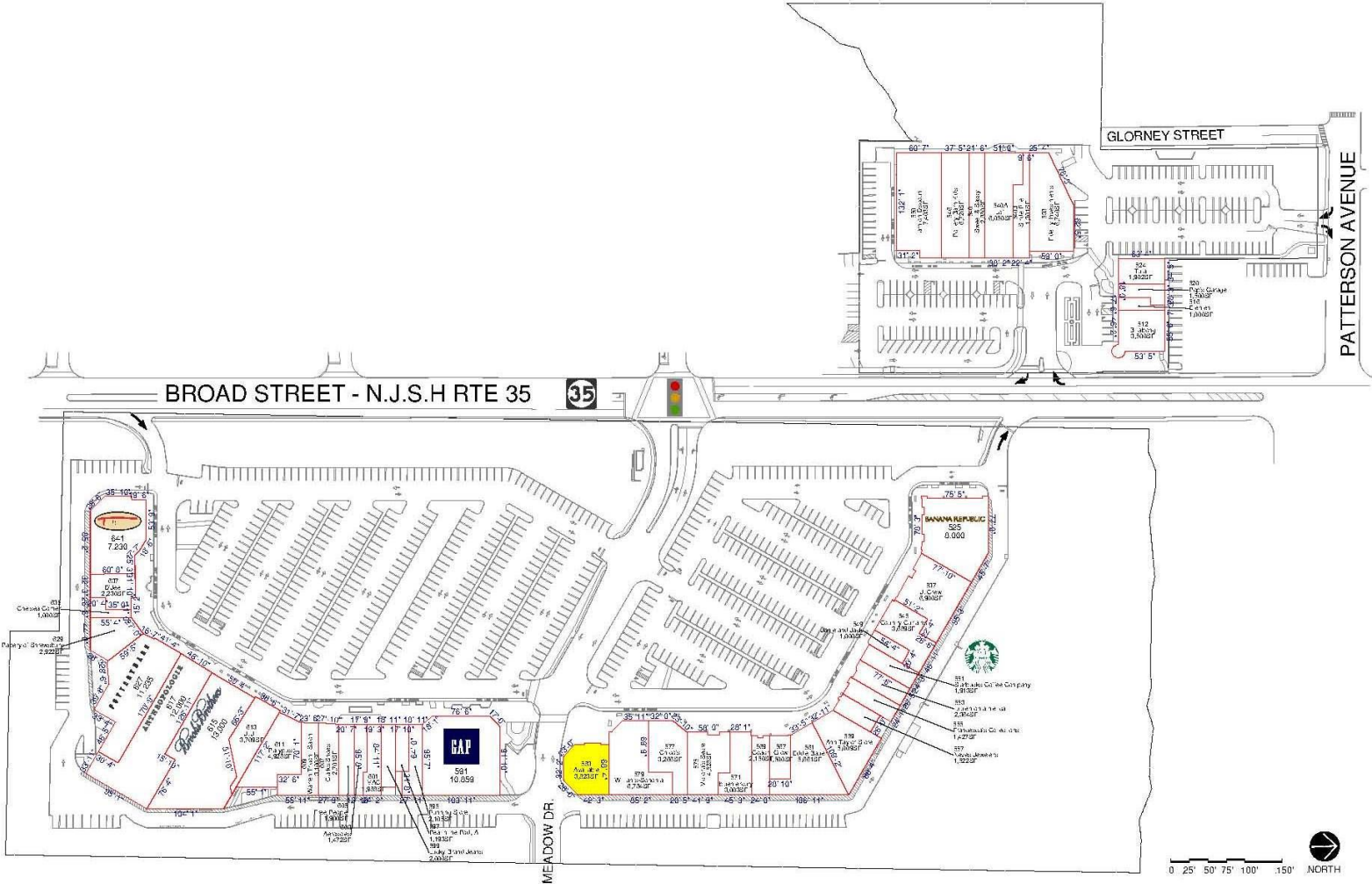
The Grove at Shrewsbury Shrewsbury, NJ

- 187,000 square foot lifestyle shopping center on 25 acres
- Approximately 84% effective economic interest for a combination of our share of \$68 million of mortgage debt, 632,000 downREIT units, and \$13 million of cash (The Grove at Shrewsbury & Brook 35)
- Located in the trade area's dominant shopping destination boasting demographics that enhance Federal Realty's already sector leading position, with a population of 138,000 and an average household income of \$112,000 within a 3-mile radius



The Grove at Shrewsbury

Shrewsbury, NJ





Brook 35 Sea Girt, NJ

- 99,000 square foot lifestyle shopping center on 10 acres
- Approximately 84% effective economic interest for a combination of our share of \$68 million of mortgage debt, 632,000 downREIT units, and \$13 million of cash (The Grove at Shrewsbury & Brook 35)
- Serves a wealthy coastal trade area with very strong demographics, a population of 123,000 and an average household income of \$101,487 within a 3-mile radius





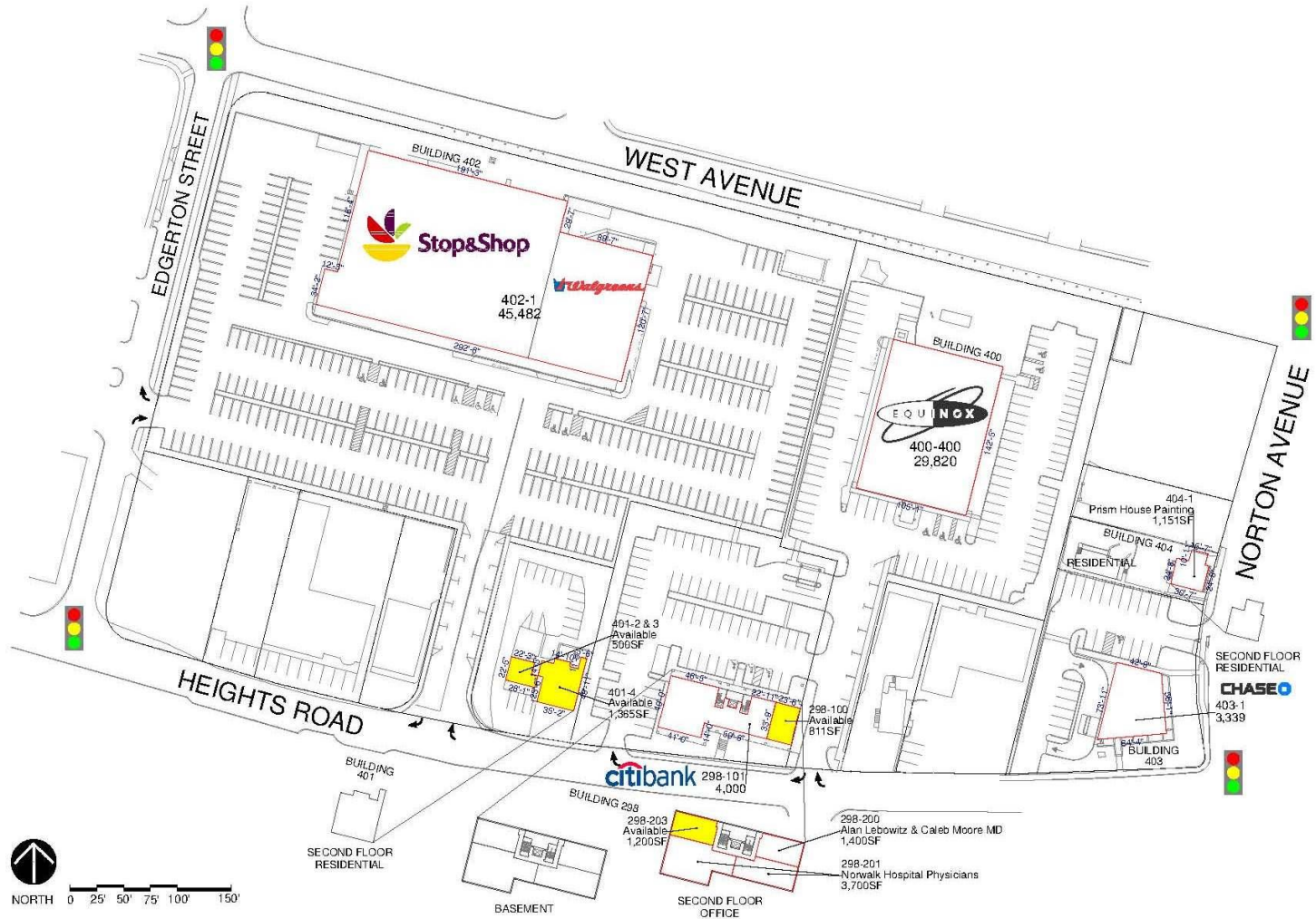
Darien Darien, CT

- 95,000 square foot neighborhood shopping center on 9 acres
- FRT paid cash consideration of \$47.3 million and assumed no debt
- Directly across the street from Noroton Heights train station that serves busy commuter trains and at the entrance ramp of Exit 10 of I-95
- New Haven Line averages weekday ridership of 1,100 – 1,200 people or approximately 300,000 riders annually



Darien

Darien, CT





East Bay Bridge Emeryville/Oakland, CA

- 438,000 square foot grocery-anchored power center spanning two municipalities on 32 acres
- FRT paid cash consideration of \$53.7 million and assumed an existing \$62.9 million mortgage
- Located at the intersections of 3 major highways (I-80, I-580, I-880) spanning 10 city blocks
- Daily traffic counts of 216,000 cars per day to the south (I-580) and 288,000 cars per day to west (I-580 & I-880) with counts to grow with expansion of Caldecott Tunnel



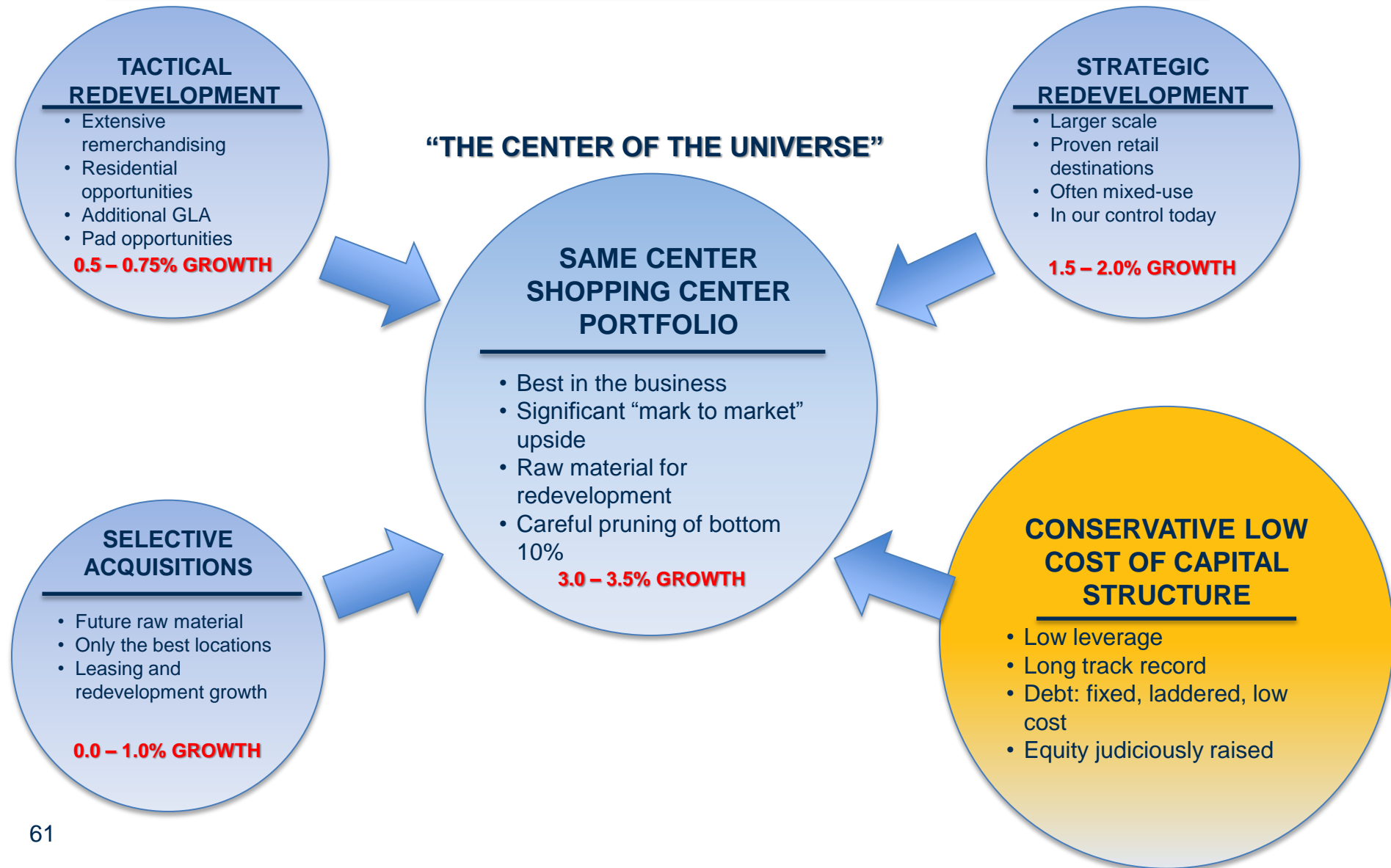
East Bay Bridge

Emeryville/Oakland, CA



The Ultimate Balanced Business Plan

...With A Clear Path To Value Added Growth



Growth with Solid Foundation

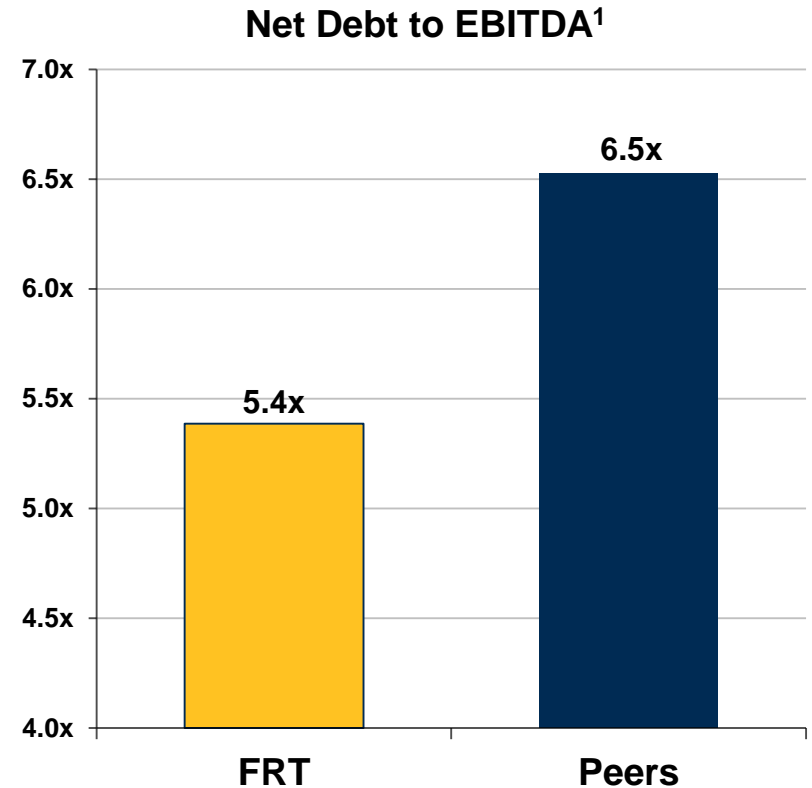
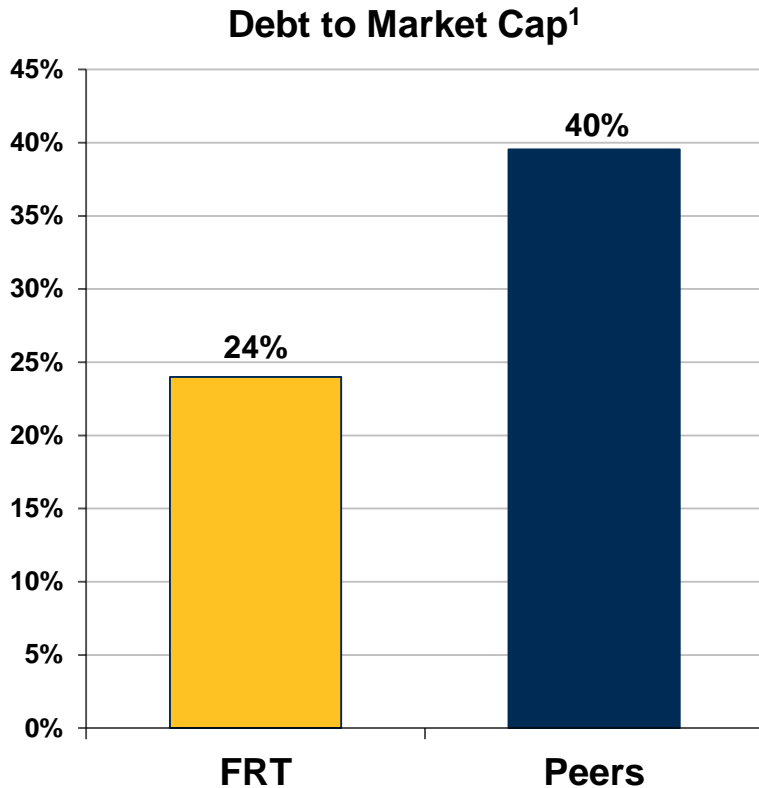
Conservative Capital Structure Supports Growth Strategy

- Debt to market cap of 24%
- Net debt to EBITDA of 5.4x and interest coverage of 3.7x
- Less than 1% of our debt is floating rate
- Well laddered maturity schedule
 - Opportunity to substantially reduce weighted average interest rates
- Continue to retire mortgages as they mature to increase property level flexibility
- Funding future capital needs through a combination of excess cash flow, unsecured notes, and moderate equity through our ATM all while maintaining consistent debt to EBITDA and interest coverage metrics
- Maximizing flexibility by phasing and conservatively funding our mixed-use investments



Conservative Capital Structure

How does Federal Realty compare to its peers?



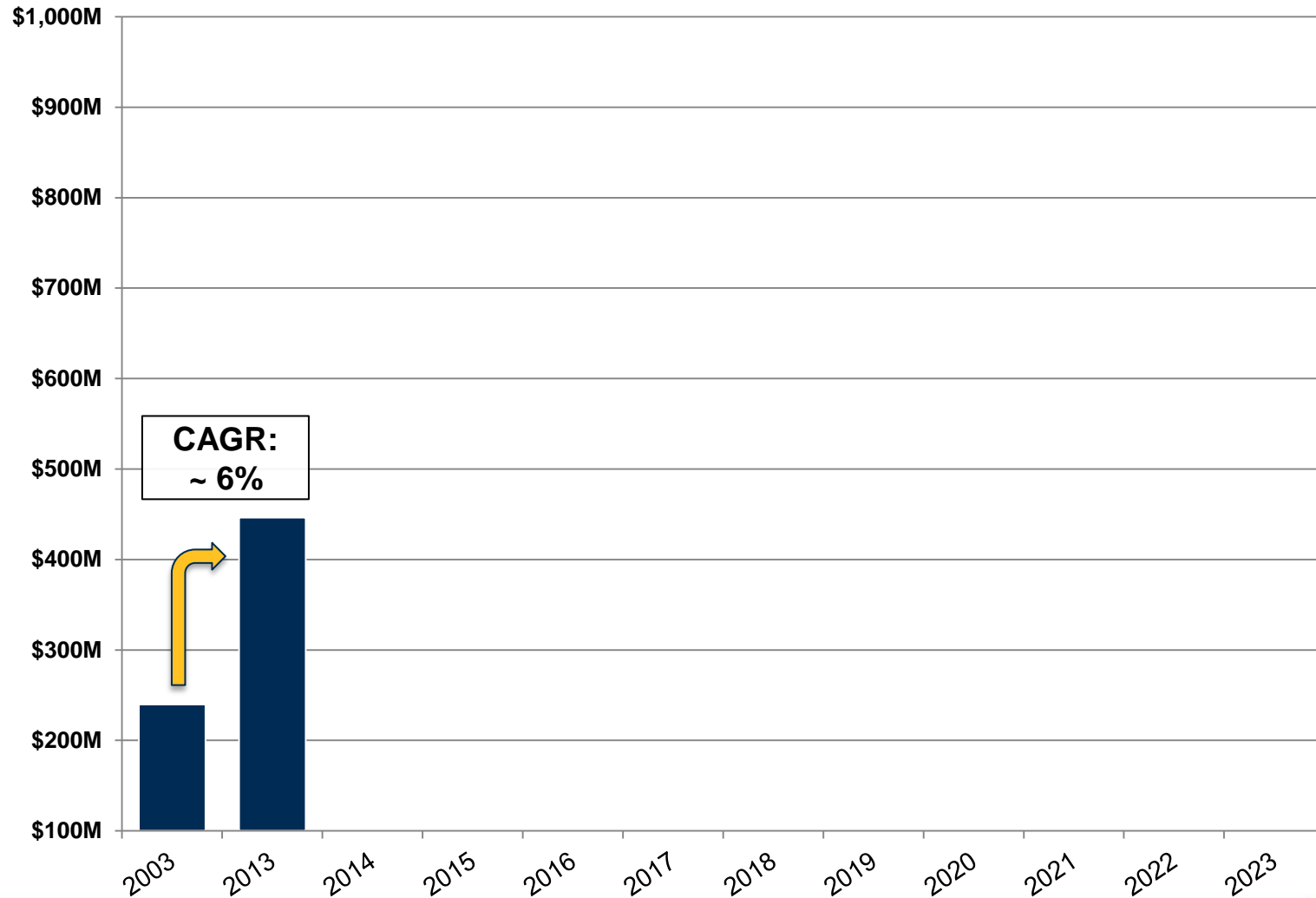


Taken together with our core, what visibility do Assembly and our other mixed-use projects provide on driving forward NOI growth?



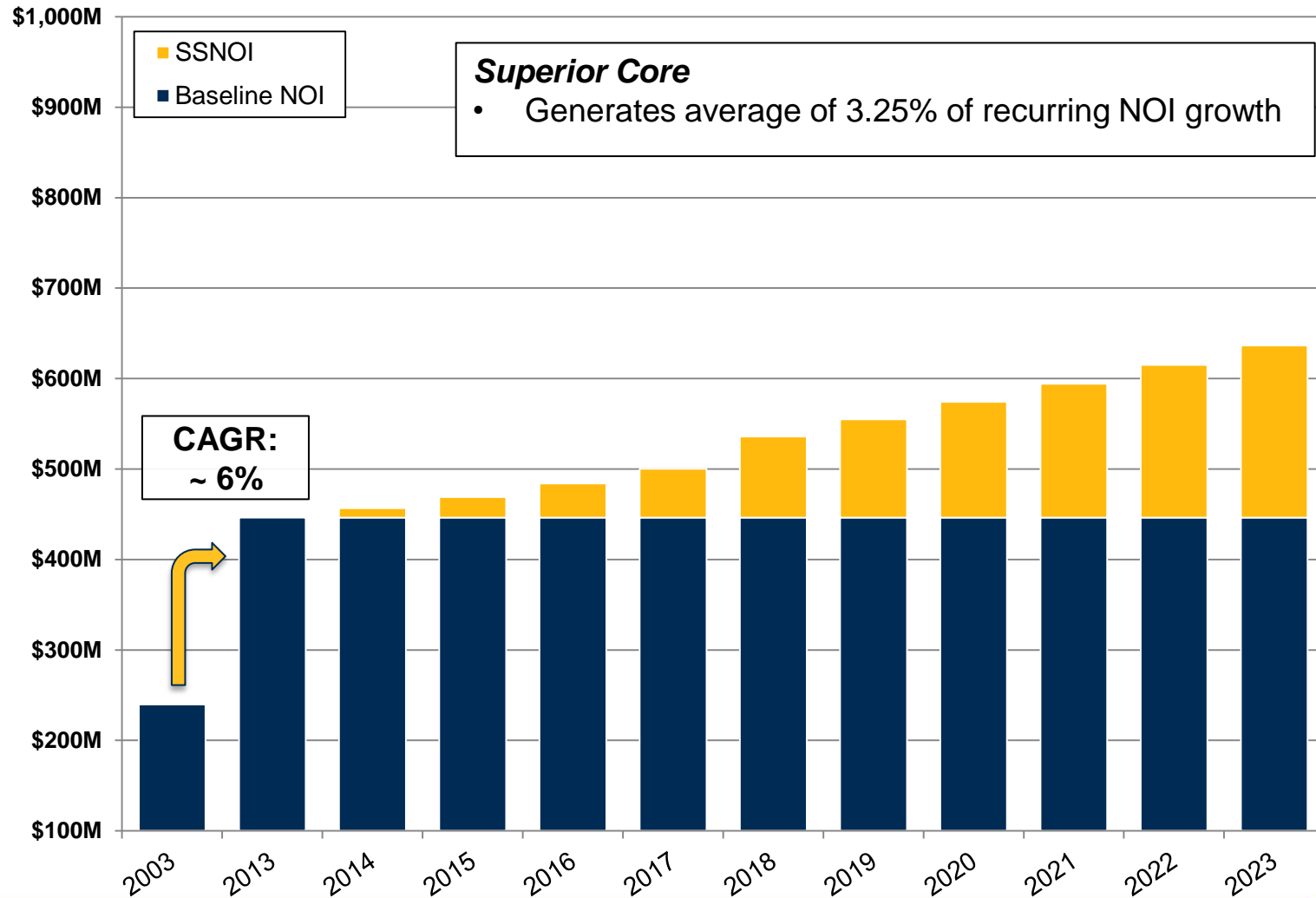
Visibility on NOI Growth

What might these opportunities mean for the next ten years?



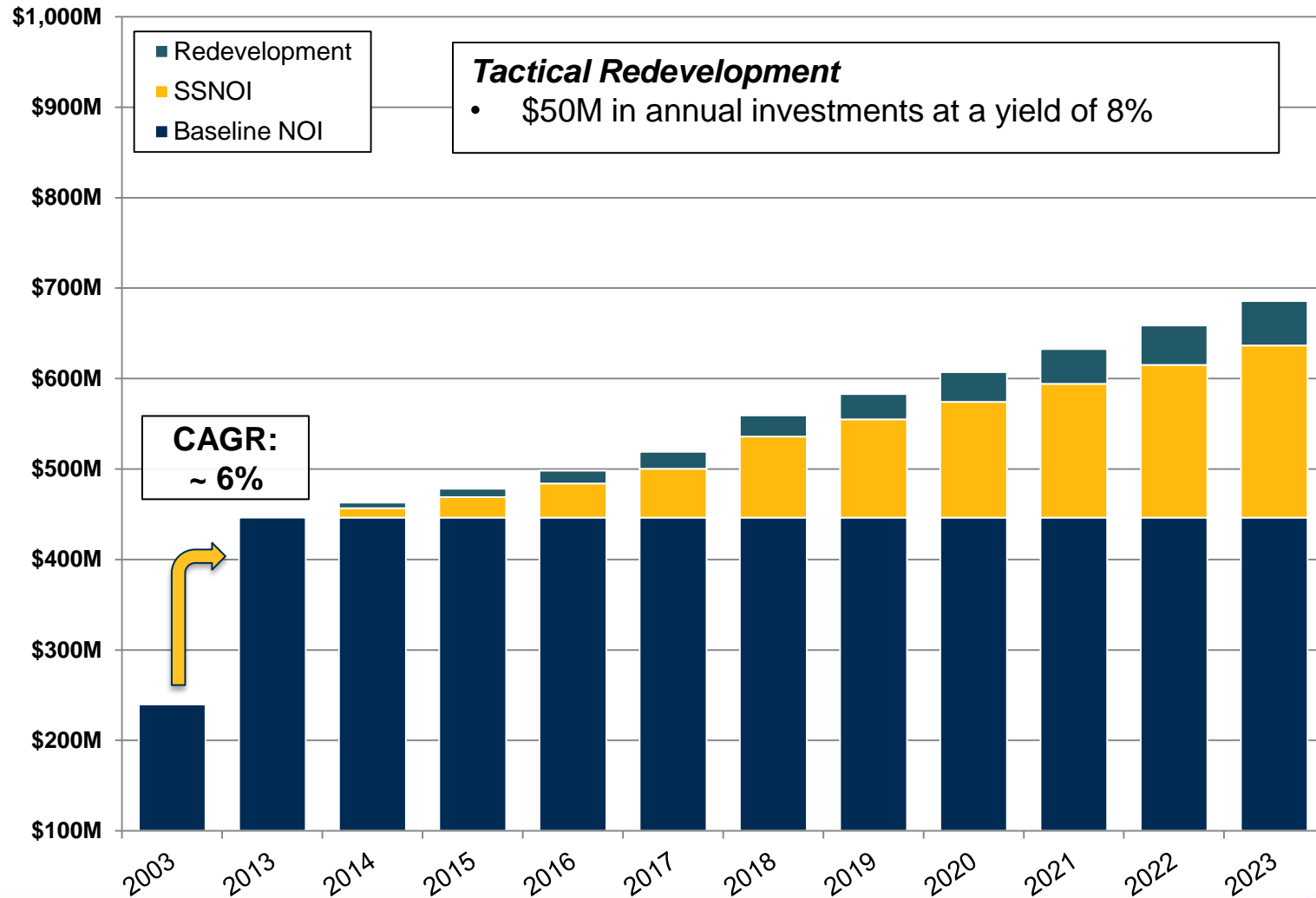
Visibility on NOI Growth: The Next Decade

Superior Core



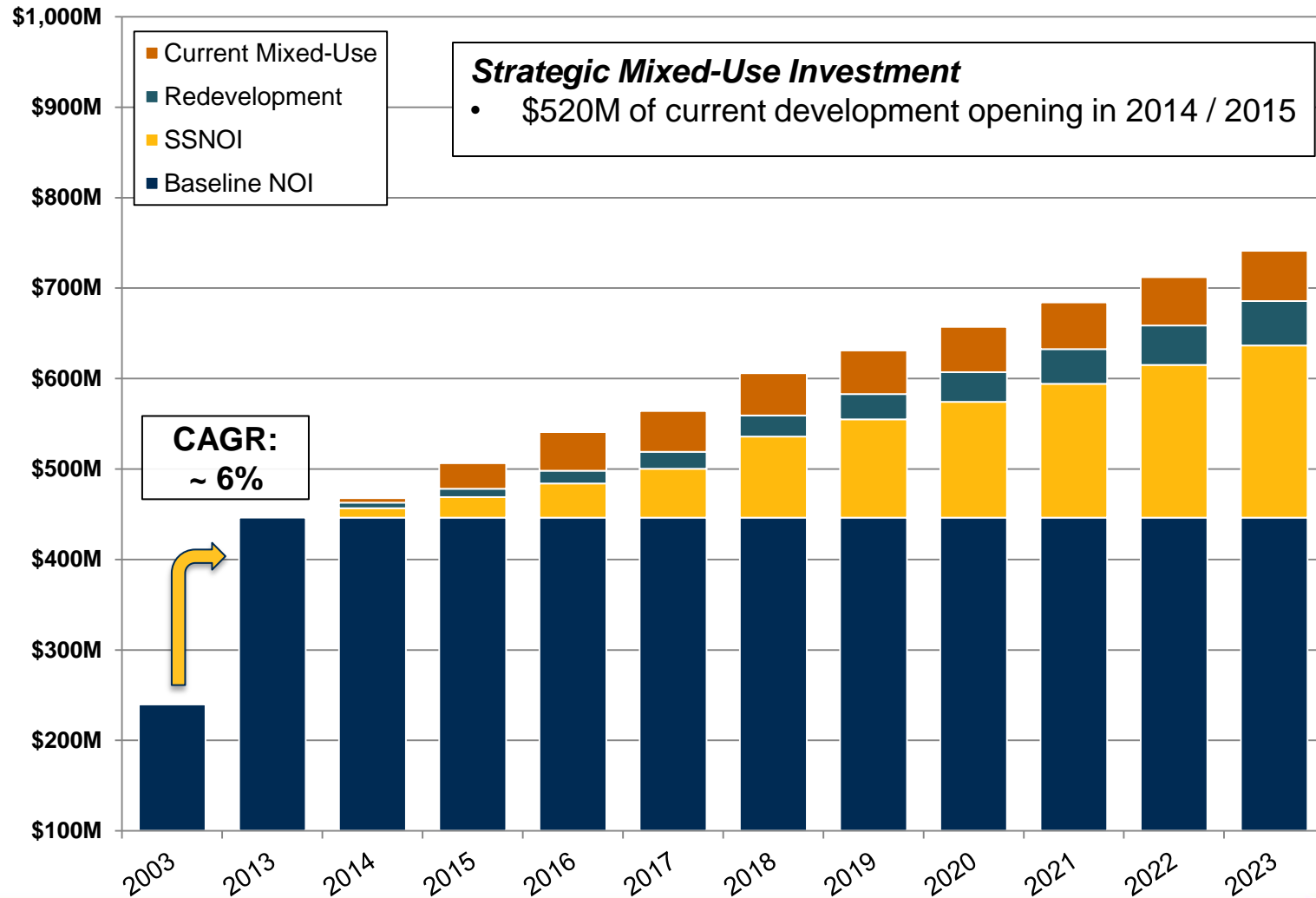
Visibility on NOI Growth: The Next Decade

Tactical Redevelopment



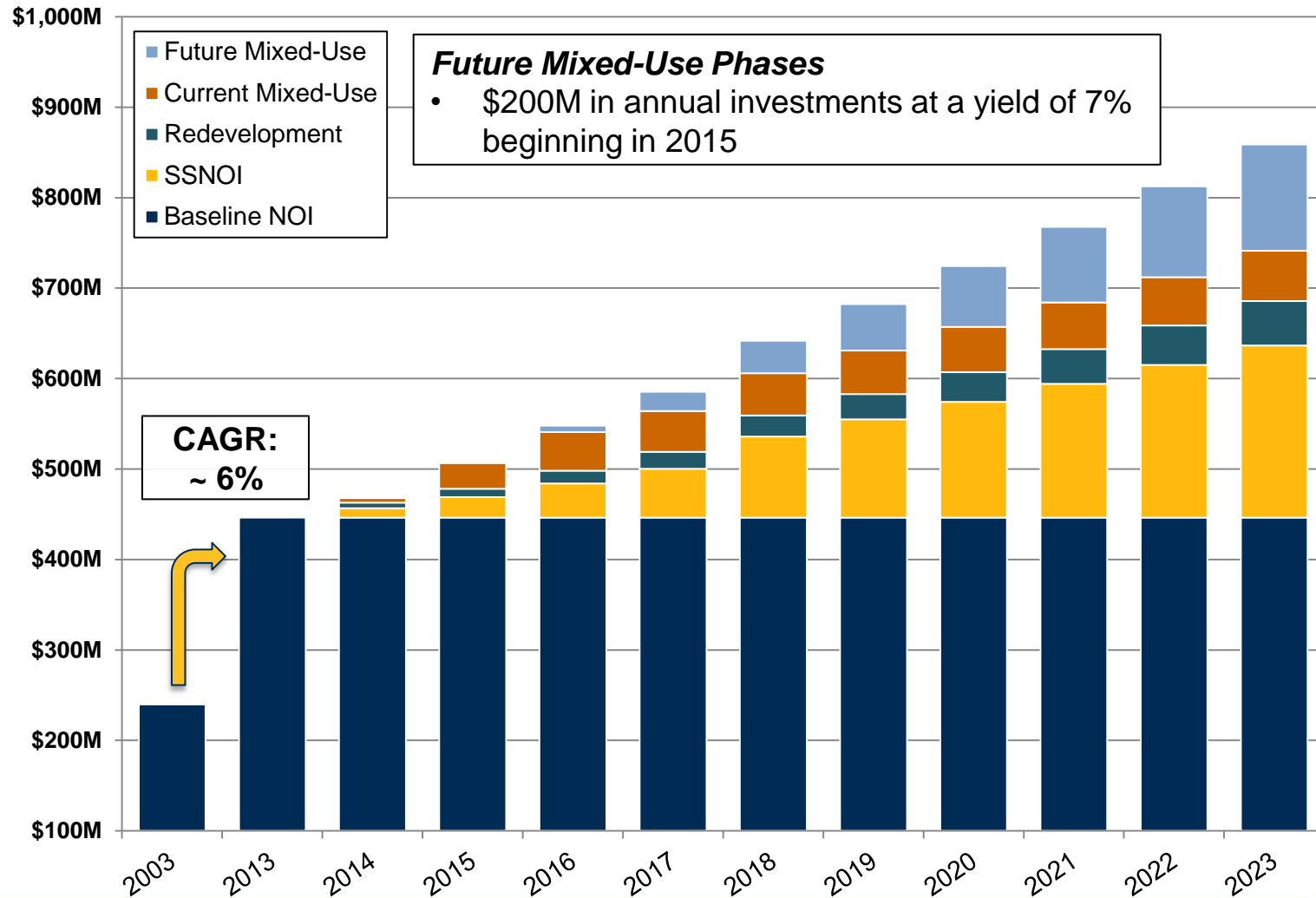
Visibility on NOI Growth: The Next Decade

Strategic Mixed-Use Investment



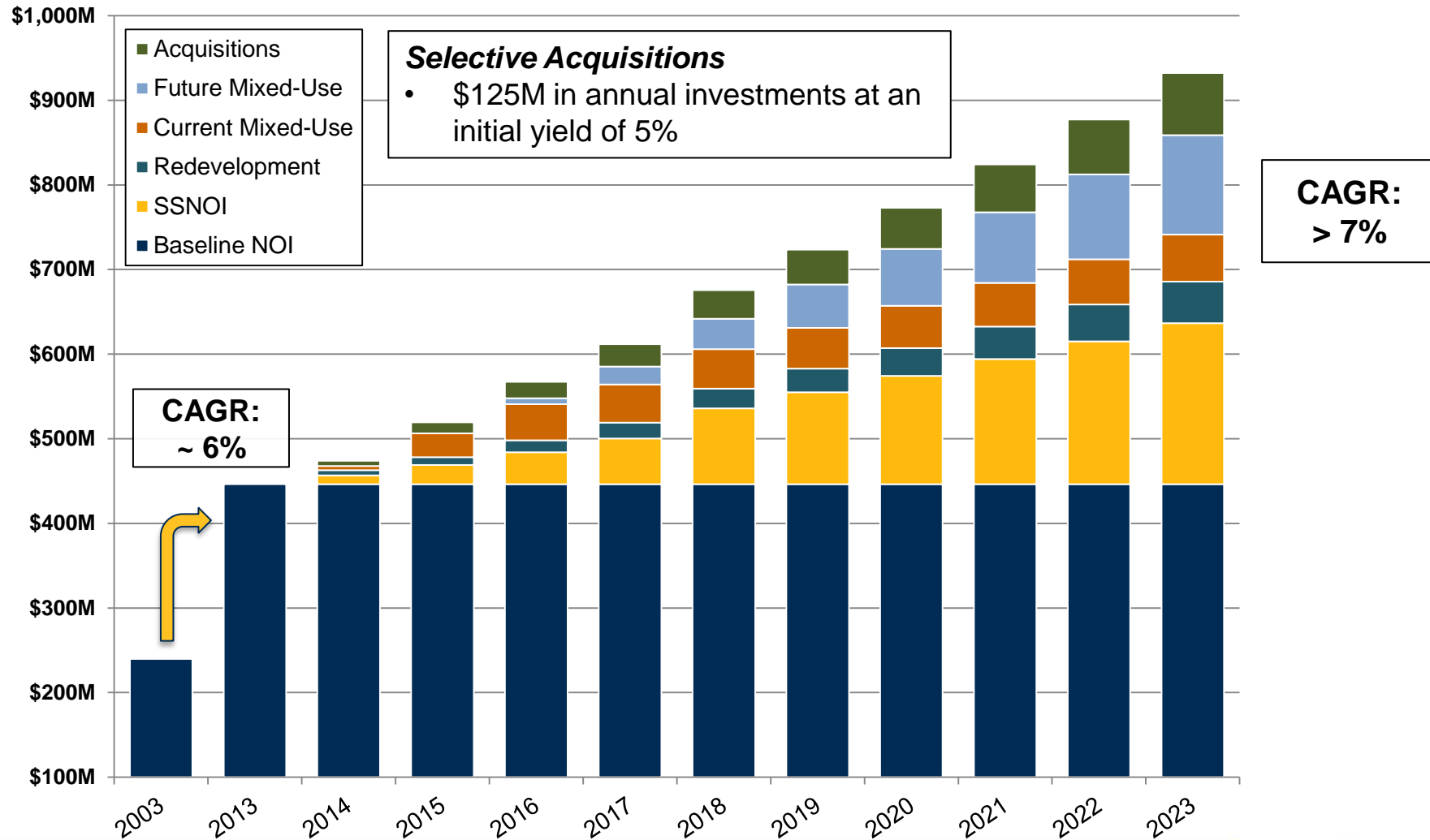
Visibility on NOI Growth: The Next Decade

Future Phases of Entitled Mixed-Use



Visibility on NOI Growth: The Next Decade

Additional Benefit of Selective Acquisitions





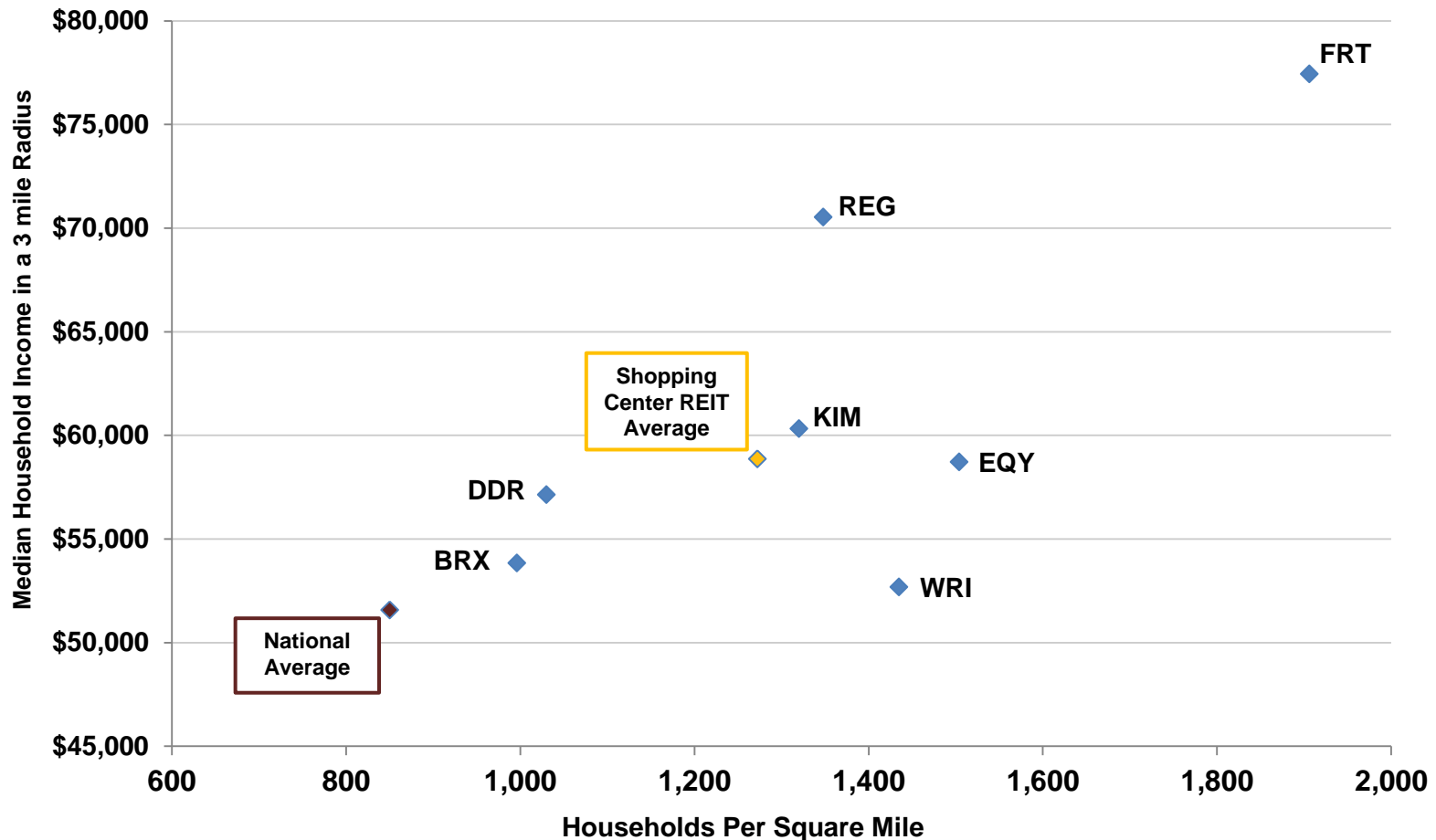
Federal Realty provides superior prospects for outperformance through *what it owns and controls today*



How Will Our Core Perform?

As Always, Location Matters

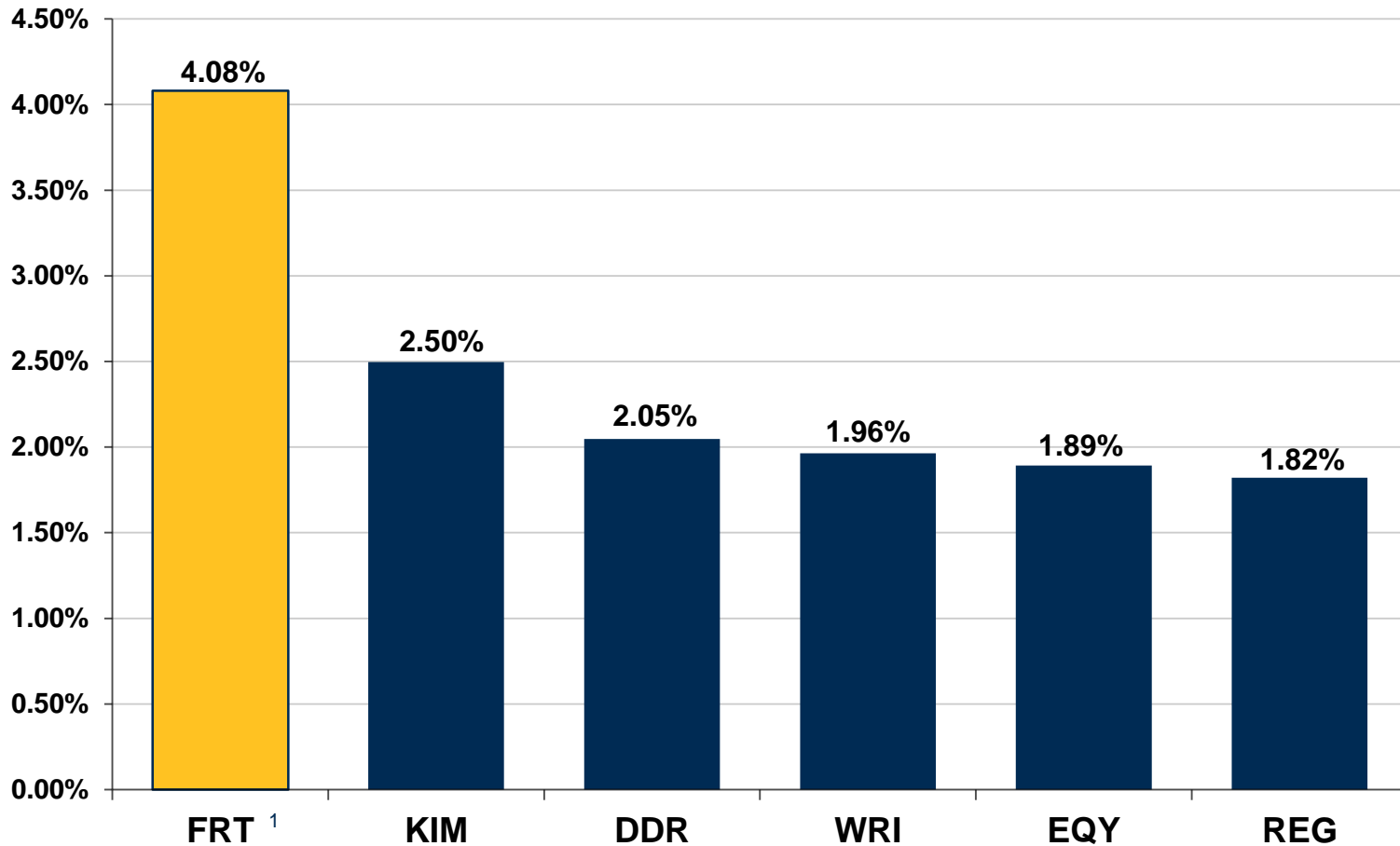
Unmatched combination of density and affluence sets our centers apart



Proven History of Outperformance

Superior Same Store Growth Compared to Peer Group

Average Same Store Growth¹: 2003 – 2014 (YTD)



¹ Same store growth figures include redevelopments

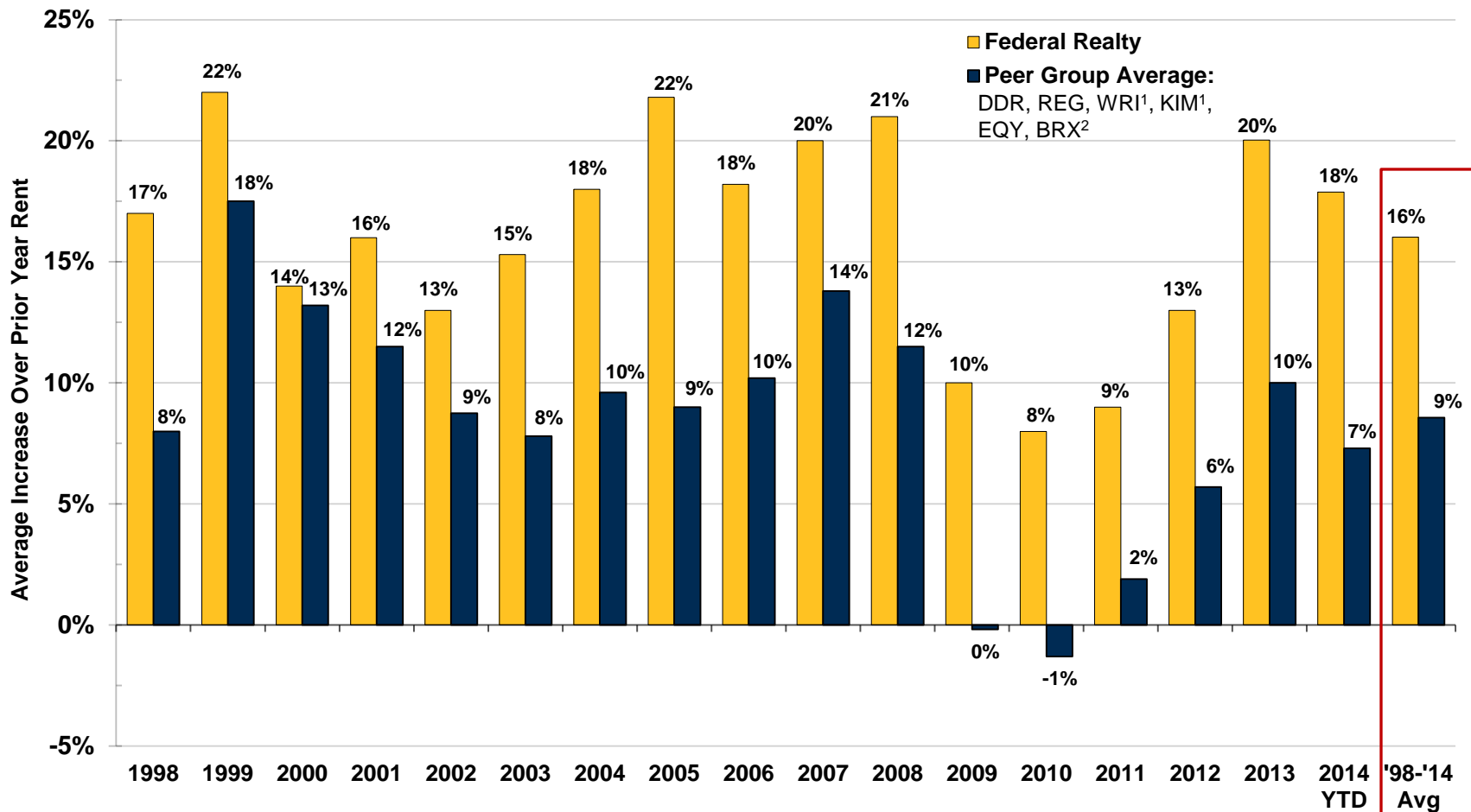
² BRX excluded due to insufficient historical data



Proven History of Outperformance

Superior Rollover Growth Compared to Peer Group

Average Rollovers: 1998 – 2014 (YTD)



¹ Only included in peer group results for periods in which data was reported

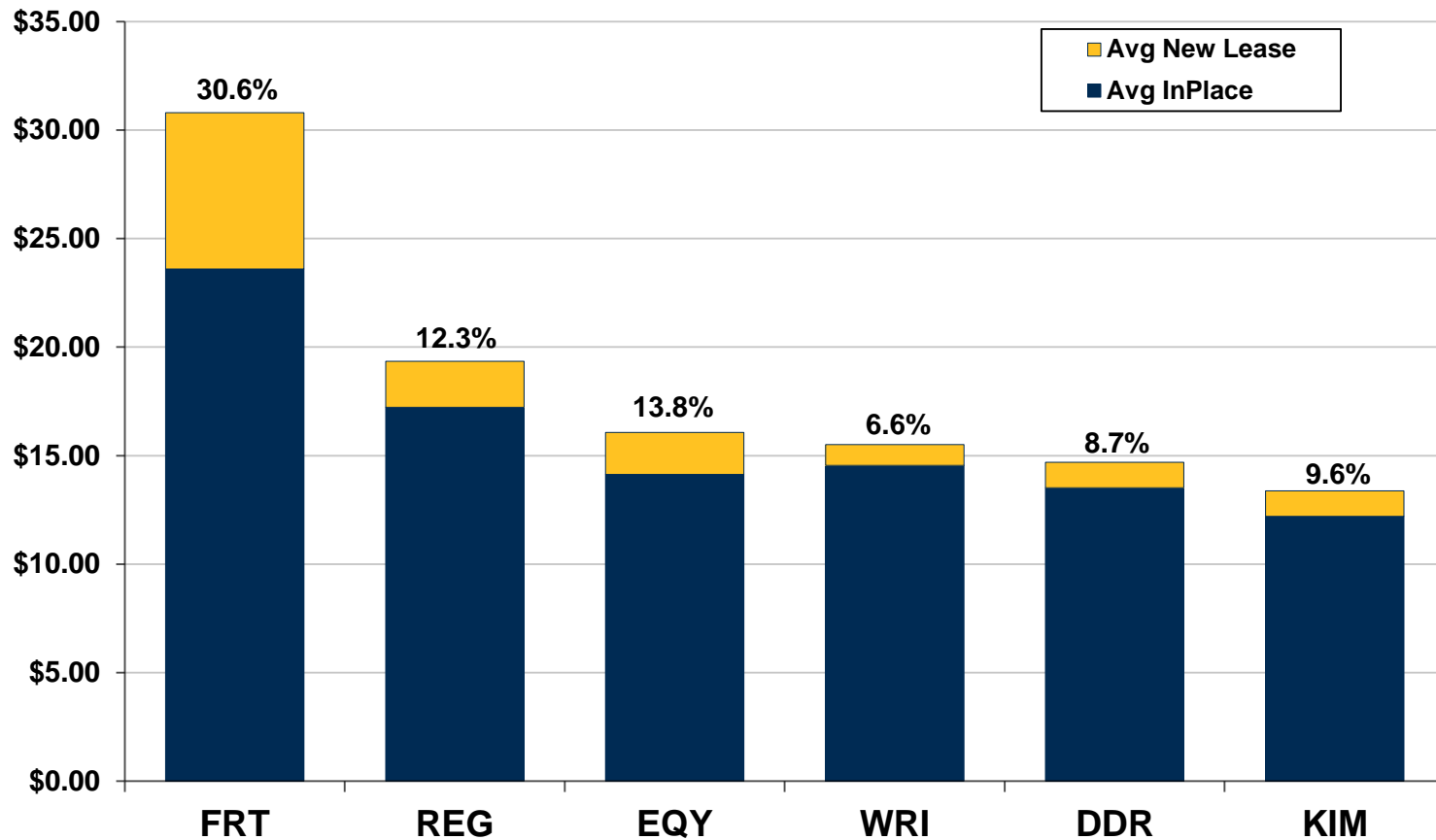
² BRX data available as of 2013



Superior Visibility on Growth

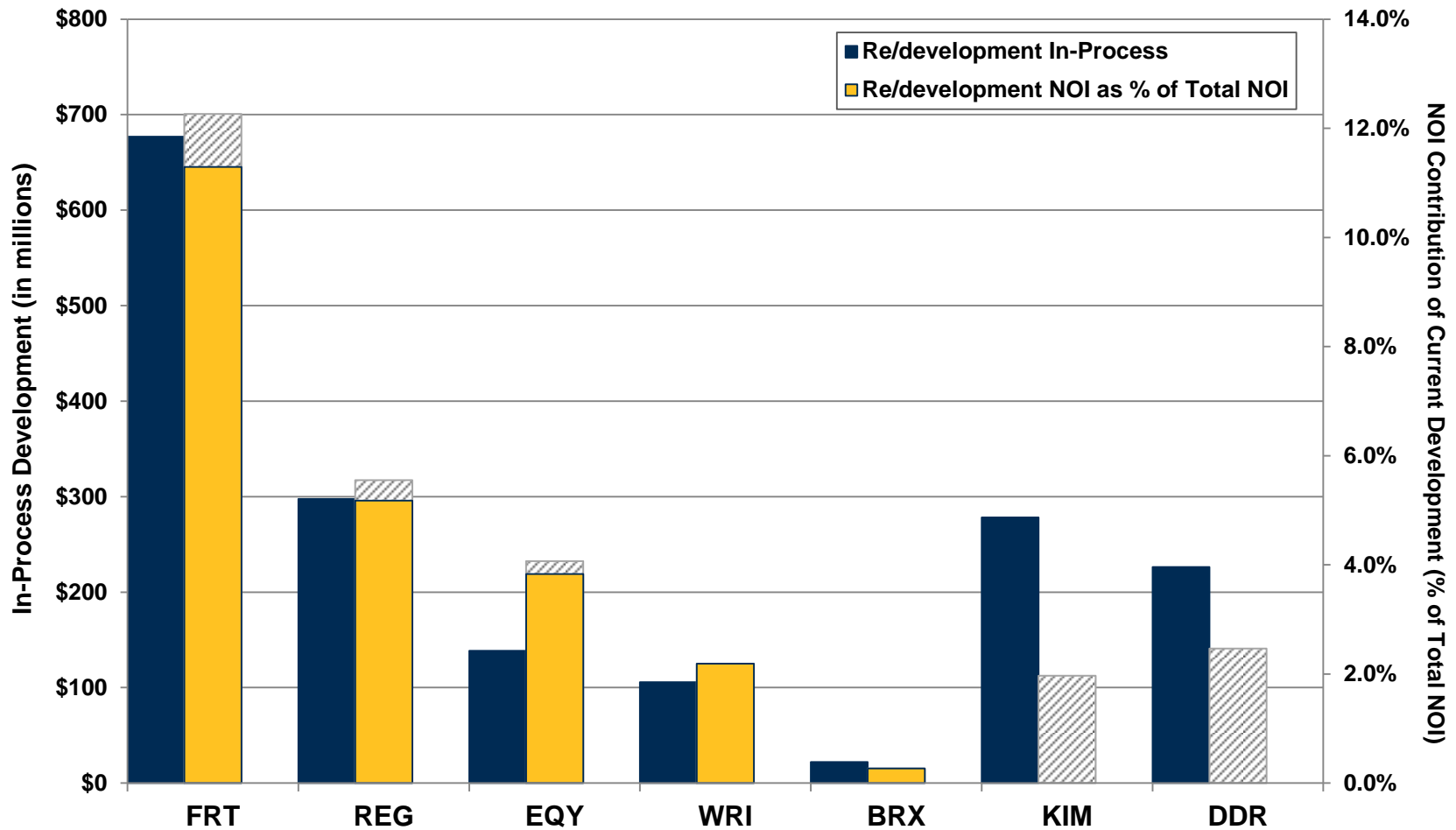
How does recent leasing compare to in-place rents?

Average Rent of New Leases vs. Average In-Place Rents
2010 – 2014 (YTD)



Superior Visibility on Growth

Value Creation Underway



¹ Shaded region represents range of estimated returns or estimates noted below

² 7.5% yield assumed for companies that do not report expected returns for all projects (EQY, KIM, WRI, DDR)

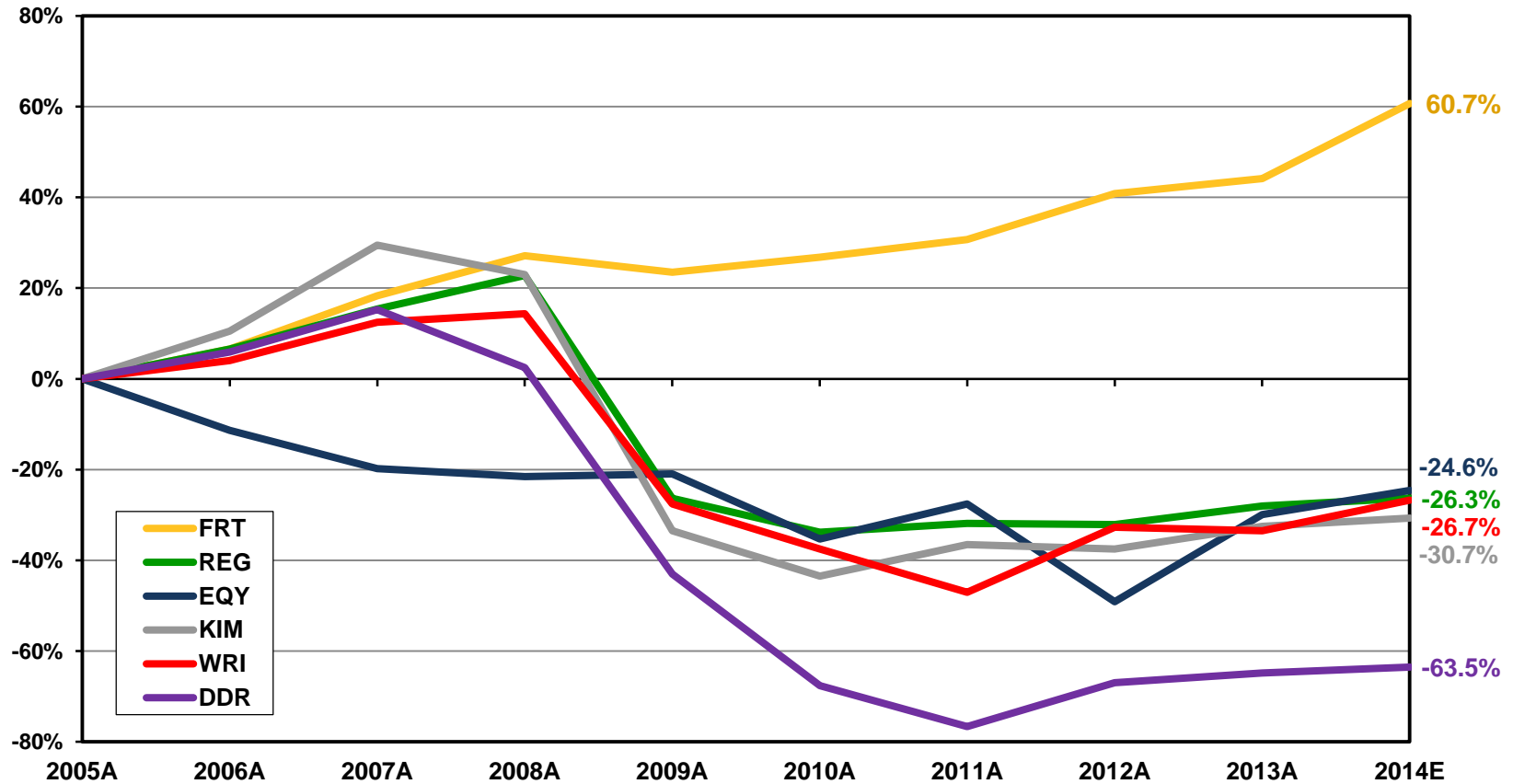
³ Based on March 31, 2014 publicly available information



Proven History of Outperformance

Solid Foundation with Property Level Outperformance Delivers to the Bottom Line

Cumulative Change in FFO per Share Since 2005

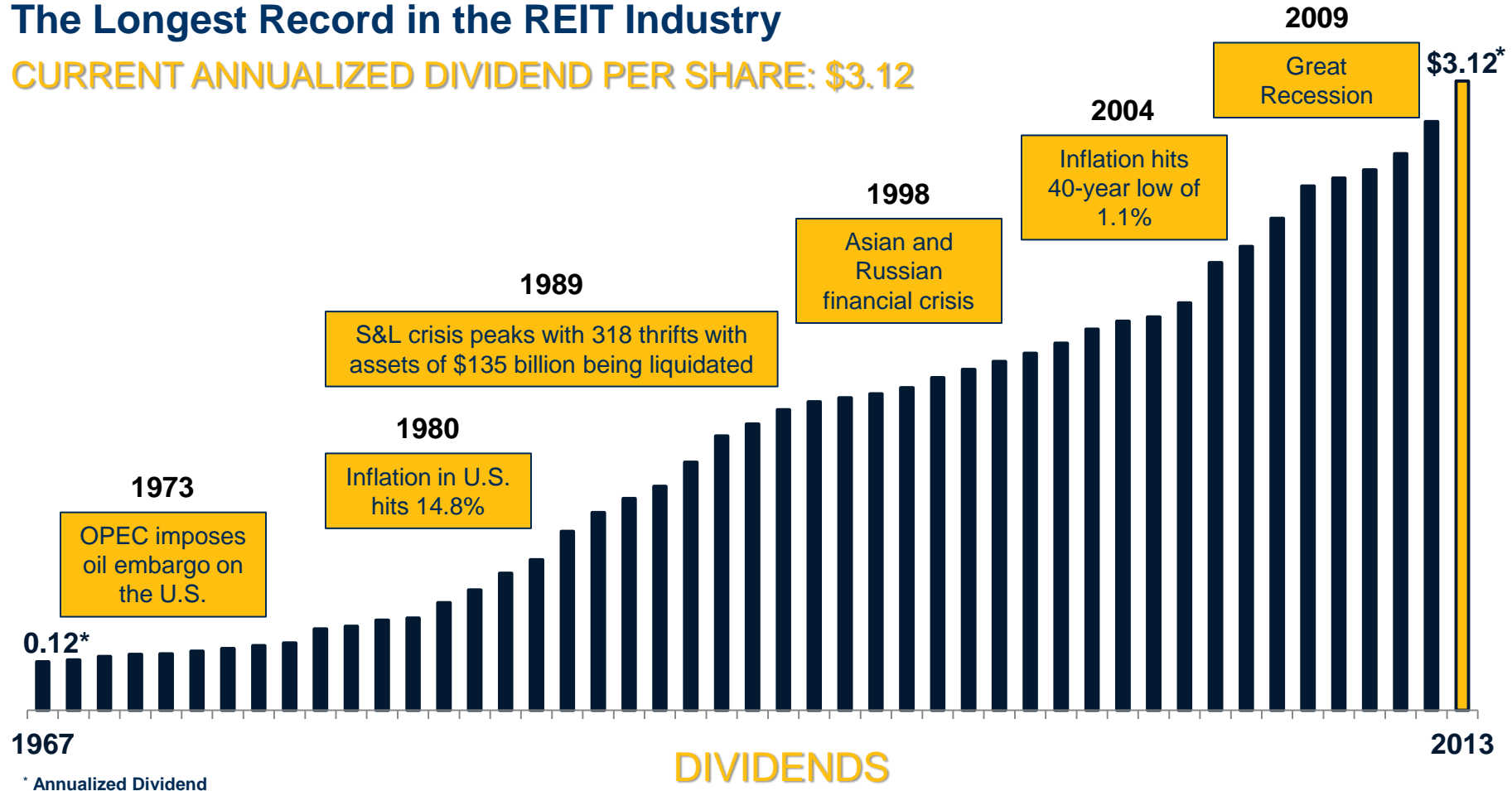


Dividend Growth

1967 – 2013

46 CONSECUTIVE YEARS OF INCREASED ANNUAL DIVIDENDS
The Longest Record in the REIT Industry

CURRENT ANNUALIZED DIVIDEND PER SHARE: \$3.12



Safe Harbor Language

Federal Realty Investment Trust

Certain matters discussed within this press release 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 11, 2014, and include the following:

- risks that our tenants will not pay rent, may vacate early or may file for bankruptcy 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 we are investing a significant amount in ground-up development projects that may be dependent on third parties to deliver critical aspects of certain projects, requires spending a substantial amount upfront in infrastructure, and assumes receipt of public funding which has been committed but not entirely funded;*
- 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 associated with general economic conditions, including local economic conditions in our geographic markets;*
- 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 with the Securities and Exchange Commission on February 11, 2014.



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