
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

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

Date of Report (Date of earliest event reported) November 3, 2004

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))
-

On November 3, 2004, Federal Realty Investment Trust (the "Trust") filed a Form 8-K, dated November 3, 2004, for the purpose of furnishing supplemental data pertaining to its operations, as well as a press release, relating to its financial results for the quarter ended September 30, 2004. The supplemental data and press release were furnished as Exhibit 99.1 to that Form 8-K.

The Trust is amending the November 3 Form 8-K to replace the "Reconciliation of Net Income to FFO Guidance" at September 30, 2004 that was set forth as Item 12 of the Supplemental Information included in Exhibit 99.1 of that Form 8-K with the "Reconciliation of Net Income Guidance to FFO Guidance" at September 30, 2004 set forth as Item 12 of the Supplemental Information included in Exhibit 99.1 of this Form 8-K/A. In accordance with applicable rules of the Securities and Exchange Commission, the Trust is refurnishing Exhibit 99.1 in its entirety.

Item 2.02. Results of Operations and Financial Condition.

The information contained in this Form 8-K/A, including the exhibit hereto, is being furnished under Item 2.02 - Results of Operations and Financial Condition, and 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 Form 8-K/A 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.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 Supplemental portfolio information at September 30, 2004 (including press release dated November 3, 2004)

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.

FEDERAL REALTY INVESTMENT TRUST

/s/ Larry E. Finger

Larry E. Finger
Senior Vice President,
Chief Financial Officer and Treasurer

Date: November 5, 2004

EXHIBIT INDEX

<u>Exh No.</u>	<u>Exhibit</u>
99.1	Supplemental Information at September 30, 2004

FEDERAL REALTY INVESTMENT TRUST

Supplemental Information
September 30, 2004

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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 Current Report on Form 8-K filed on March 11, 2004, 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 any redevelopment or renovation project that we do pursue may not perform as anticipated;
- 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 we may have environmental risks at our properties, 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 (as amended), our quarterly reports on Form 10-Q, and the risks contained in our Current Report on Form 8-K filed with the Securities and Exchange Commission on March 11, 2004.

FOR IMMEDIATE RELEASE

Investor and Media Inquiries

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**FEDERAL REALTY INVESTMENT TRUST ANNOUNCES
THIRD QUARTER 2004 OPERATING RESULTS**

ROCKVILLE, Md. (November 3, 2004) – Federal Realty Investment Trust (NYSE:FRT) today reported operating results for its third quarter ended September 30, 2004.

- For the third quarter 2004, Funds from Operations available for common shareholders (FFO) per diluted share was \$0.72 and net income available for common shareholders per diluted share was \$0.30.**
- When compared to third quarter 2003, same-center property operating income increased 4.5% including redevelopments and expansions, and 3.3% excluding redevelopment and expansion properties.**
- Cash-basis contractual rent increases on lease rollovers were 22% for the third quarter on over 400,000 square feet of retail space for which there was a prior tenant.**
- The Trust's portfolio was 94.2% leased at September 30, 2004.**

Financial Results

Federal Realty reported FFO per diluted share of \$0.72 in third quarter 2004, a 9.1% increase over the \$0.66 of FFO per diluted share reported in third quarter 2003. Total FFO available for common shareholders was \$38.3 million for the third quarter of 2004 compared to \$33.3 million for last year's third quarter. For the nine months ended September 30, 2004, Federal Realty reported FFO of \$111.7 million, or \$2.14 per diluted share, compared to \$89.9 million, or \$1.87 per diluted share for the nine months ended September 30, 2003. Federal Realty's FFO results for the nine months ended September 30, 2003, include a \$3.4 million (\$0.07 per diluted share) charge relating to the redemption of the Trust's 7.95% Series A Cumulative Redeemable Preferred Shares.

Net income available for common shareholders was \$15.8 million, and net income available for common shareholders per diluted share was \$0.30 for the quarter ended September 30, 2004, versus \$21.7 million and

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THIRD QUARTER 2004 OPERATING RESULTS
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\$0.44, respectively, for the third quarter of 2003. Net income available for common shareholders increased 23.2% from \$43.5 million for the nine months ended September 30, 2003, to \$53.6 million, for the nine months ended September 30, 2004. Year to date, net income available for common shareholders per diluted share improved from \$0.92 in 2003 to \$1.04 in 2004. Net income available for common shareholders and net income available for common shareholders per diluted share for the nine months ended September 30, 2003, include the impact of the preferred share redemption charge discussed above.

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

“Careful execution of the Trust’s business plan has resulted in consistently improving operating results,” commented Donald Wood, Federal Realty’s President and Chief Executive Officer. “By focusing our attention on continually improving our high quality existing portfolio, through leasing and redevelopment, and by opportunistically capitalizing on external growth opportunities, we have uniquely positioned ourselves to improve on our success to date.”

Portfolio Results

On a same-center basis, including redevelopment and expansion properties, property operating income increased 4.5% over third quarter 2003. When redevelopment and expansion properties are excluded, same-center property operating income increased 3.3% from third quarter 2003.

Overall, the Trust’s portfolio was 94.2% leased as of September 30, 2004, an improvement of 110 basis points from December 31, 2003. As of September 30, 2004, Federal Realty’s same-center portfolio was 96.5% leased, a 50 basis point improvement over year-end 2003.

During the third quarter of 2004, the Trust signed 79 leases for 418,000 square feet of retail space. On a comparable space basis (*i.e.* spaces for which there was a former tenant), the Trust leased 409,000 square feet at a weighted-average cash-basis contractual rent increase per square foot (*i.e.* excluding the impact of straight-line rents) of 22%. The weighted-average contractual rent on this comparable space for the first year of the new leases is \$22.82 per square foot compared to the weighted-average contractual rent of \$18.69 per square foot for the last year of the prior leases. The weighted-average contractual rent for the last year of the

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THIRD QUARTER 2004 OPERATING RESULTS
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prior leases is calculated by including both the minimum rent and the percentage rent actually paid during the last year of those leases. Year to date, the Trust has signed 233 leases for 1.3 million square feet of comparable space, a record for the first three quarters of any year, at a weighted-average cash-basis contractual rent increase per square foot of 18%. On a GAAP basis (*i.e.* including the impact of straight-line rents), weighted-average rent increases per square foot for comparable space were 33% for the third quarter of 2004. As of September 30, 2004, Federal Realty's weighted-average contractual rent for retail and commercial space in its portfolio was \$18.47 per square foot.

At Santana Row, Federal Realty's mixed-use community in San Jose, Calif., 92% of the retail space was leased to 115 tenants, with 101 stores open and operating as of September 30, 2004. Phase III (CinéArts Theatre) opened as planned during third quarter 2004. The 255 existing residential units at Santana Row were 98% leased as of September 30, 2004, and the development of the 256 Phase IV residential units remains on schedule and on budget.

Guidance

Federal Realty today narrowed its guidance for 2004 FFO per diluted share to a range of \$2.83 to \$2.84, and increased guidance for net income per diluted share to a range of \$1.30 to \$1.31. In addition, management provided initial guidance for 2005 FFO per diluted share of \$3.00 to \$3.03, and net income per diluted share of \$1.24 to \$1.27.

"Our guidance for 2004 and 2005 projects real FFO per share growth of 7% in 2004 and 8% to 9% for 2005, after adjusting for Santana Row insurance proceeds and the impact of the 2003 preferred share redemption charge," commented Larry Finger, Federal Realty's Senior Vice President and Chief Financial Officer. "Through our internal growth and redevelopment focused operating strategy, we are confident of our ability to produce top tier FFO per share growth while subjecting our investors to the least amount of risk in the sector."

Summary of Other Quarterly Activities and Recent Developments

- Ø July 12, 2004 – Federal Realty announced that it formed a joint venture with Clarion Lion Properties Fund, a discretionary fund created and advised by ING Clarion Partners. The joint venture intends to acquire up to \$350 million of stabilized, supermarket-anchored shopping centers in the Trust's strategic East Coast and California markets.
- Ø September 7, 2004 – Federal Realty announced that its Board of Trustees increased the dividend on the Trust's common shares by \$0.06 annually, resulting in an annualized rate of \$2.02 per share. This

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increase represented the 37th consecutive year that Federal Realty had increased its common dividend, the longest consecutive record in the REIT sector.

- Ø September 21, 2004 – Federal Realty announced the acquisition of two supermarket-anchored shopping centers in the Boston metropolitan area for \$38 million. The two properties, Campus Plaza in Bridgewater, Mass., and Pleasant Shops in Weymouth, Mass., were acquired for the Trust's joint venture with Clarion Lion Properties Fund.

Conference Call Information

Federal Realty's management team will present an in-depth discussion of the Trust's operating performance on its third quarter earnings conference call, which is scheduled for November 4, 2004, at 11 a.m. Eastern Standard Time. To participate, please call (888) 566-5771 five to ten minutes prior to the call's start time and use the Passcode 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 for 30 days by dialing (800) 679-9654.

About Federal Realty

Federal Realty Investment Trust is an equity real estate investment trust specializing in the ownership, management, development, and redevelopment of shopping centers and Street Retail properties. Federal Realty's portfolio (excluding joint venture properties) contains approximately 16.8 million square feet located primarily in strategic metropolitan markets in the Northeast, Mid-Atlantic, and California. In addition, the Trust has an ownership interest in approximately 350,000 square feet of retail space through its joint venture with Clarion Lion Properties Fund. Our operating portfolio (excluding joint venture properties) was 94.2% leased to approximately 2,200 national, regional, and local retailers as of September 30, 2004, with no single tenant accounting for more than 2.3% of rental revenue. Federal Realty has paid quarterly dividends to its shareholders continuously since its founding in 1962, and has increased its dividend rate for 37 consecutive years, the longest consecutive record in the REIT industry. Shares of Federal Realty are traded on the NYSE under the symbol FRT.

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THIRD QUARTER 2004 OPERATING RESULTS

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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 any redevelopment or renovation project that we do pursue may not perform as anticipated;
- 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 we may have environmental risks at our properties, 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 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 (as amended), our quarterly reports on Form 10-Q, and the risks contained in our Current Report on Form 8-K filed with the Securities and Exchange Commission on March 11, 2004.

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Federal Realty Investment Trust
Summarized Operating Results
September 30, 2004
Financial Highlights
(in thousands, except per share data)
(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2004	2003	2004	2003
OPERATING RESULTS				
Revenues				
Rental income	\$ 91,599	\$ 80,424	\$271,975	\$238,563
Other property income	7,416	4,626	19,030	12,885
Mortgage interest income	1,142	886	3,385	3,018
	<u>100,157</u>	<u>85,936</u>	<u>294,390</u>	<u>254,466</u>
Expenses				
Rental	22,624	18,952	67,167	59,366
Real estate taxes	10,033	8,897	28,655	25,312
Administrative	4,673	3,221	13,443	9,642
Depreciation and amortization	23,666	18,576	67,148	53,820
	<u>60,996</u>	<u>49,646</u>	<u>176,413</u>	<u>148,140</u>
Operating income	39,161	36,290	117,977	106,326
Interest income	548	316	1,350	1,057
Interest expense	(21,125)	(18,719)	(63,835)	(54,550)
Income from real estate partnership	19	—	19	—
Minority interests	(936)	(1,053)	(3,317)	(3,257)
	<u>17,667</u>	<u>16,834</u>	<u>52,194</u>	<u>49,576</u>
Income from continuing operations	17,667	16,834	52,194	49,576
Discontinued operations				
Operating income from discontinued operations	(4)	589	713	1,798
Gain on sale of real estate	997	7,172	9,331	7,723
	<u>993</u>	<u>7,761</u>	<u>10,044</u>	<u>9,521</u>
Results from operations of discontinued assets	993	7,761	10,044	9,521
Net Income				
	18,660	24,595	62,238	59,097
Dividends on preferred stock	(2,869)	(2,869)	(8,607)	(12,215)
Preferred stock redemption fee	—	—	—	(3,423)
	<u>15,791</u>	<u>21,726</u>	<u>53,631</u>	<u>43,459</u>
Net income available for common shareholders	\$ 15,791	\$ 21,726	\$ 53,631	\$ 43,459
FUNDS FROM OPERATIONS AVAILABLE FOR COMMON SHAREHOLDERS				
Net income	\$ 18,660	\$ 24,595	\$ 62,238	\$ 59,097
Gain on sale of real estate	(997)	(7,172)	(9,331)	(7,723)
Depreciation and amortization of real estate assets	21,376	16,974	61,145	49,146
Depreciation on JV real estate assets	50	—	50	—
Amortization of initial direct costs of leases	1,882	1,427	5,170	4,173
	<u>40,971</u>	<u>35,824</u>	<u>119,272</u>	<u>104,693</u>
Funds from operations	40,971	35,824	119,272	104,693
Dividends on preferred stock	(2,869)	(2,869)	(8,607)	(12,215)
Income attributable to operating partnership units	242	375	1,032	816
Preferred stock redemption fee	—	—	—	(3,423)
	<u>38,344</u>	<u>33,330</u>	<u>111,697</u>	<u>89,871</u>
Funds from operations available for common shareholders	38,344	33,330	111,697	89,871
Weighted average number of common shares, diluted				
	<u>52,934</u>	<u>50,216</u>	<u>52,074</u>	<u>48,004</u>
Funds from operations per share available for common shareholders	\$ 0.72	\$ 0.66	\$ 2.14	\$ 1.87
EARNINGS PER COMMON SHARE, BASIC				
Income from continuing operations available for common shareholders	\$ 0.28	\$ 0.28	\$ 0.86	\$ 0.73
Income from discontinued operations	0.02	0.16	0.20	0.20
	<u>0.30</u>	<u>0.44</u>	<u>1.06</u>	<u>0.93</u>
Net income available for common shareholders, basic	\$ 0.30	\$ 0.44	\$ 1.06	\$ 0.93
Weighted average number of common shares, basic				
	<u>51,640</u>	<u>48,935</u>	<u>50,722</u>	<u>46,810</u>

EARNINGS PER COMMON SHARE, DILUTED

Income from continuing operations available for common shareholders	\$ 0.28	\$ 0.29	\$ 0.85	\$ 0.72
Income from discontinued operations	0.02	0.15	0.19	0.20
Net income available for common shareholders, diluted	\$ 0.30	\$ 0.44	\$ 1.04	\$ 0.92
Weighted average number of common shares, diluted	52,934	50,216	51,273	48,004

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Summarized Balance Sheet
September 30, 2004**Financial Highlights**
(in thousands, except per share data)CONSOLIDATED BALANCE SHEETS

	September 30, 2004	December 31, 2003
	(unaudited)	
ASSETS		
Real estate, at cost	\$ 2,659,903	\$2,470,149
Less accumulated depreciation and amortization	(573,246)	(514,177)
Net real estate investments	2,086,657	1,955,972
Cash and cash equivalents	23,437	34,968
Mortgage notes receivable	45,079	41,500
Accounts and notes receivable	34,748	31,207
Other assets	77,021	79,788
Investment in real estate partnership	14,078	—
TOTAL ASSETS	\$ 2,281,020	\$2,143,435
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Obligations under capital leases and mortgage loans	\$ 411,831	\$ 414,357
Notes payable	320,090	361,323
Senior notes and debentures	567,980	535,000
Other liabilities	156,106	111,799
Total liabilities	1,456,007	1,422,479
Minority interests	35,250	29,582
Shareholders' equity		
Preferred stock	135,000	135,000
Common shares and other shareholders' equity	654,763	556,374
Total shareholders' equity	789,763	691,374
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 2,281,020	\$2,143,435

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Funds From Operations / Summary of Capital Expenditures
September 30, 2004

	Three Months Ended	
	September 30, 2004	September 30, 2003
	(in thousands, except per share data)	
Funds from Operations available for common shareholders (FFO) (1)		
Net income	\$ 18,660	\$ 24,595
(Gain) on sale of real estate	(997)	(7,172)
Depreciation and amortization of real estate assets	21,376	16,974
Depreciation of joint venture real estate assets	50	—
Amortization of initial direct costs of leases	1,882	1,427
	<hr/>	<hr/>
Funds from Operations	40,971	35,824
Dividends on preferred stock	(2,869)	(2,869)
Income attributable to operating partnership units	242	375
Preferred stock redemption fee	—	—
	<hr/>	<hr/>
Funds from operations available for common shareholders	\$ 38,344	\$ 33,330
	<hr/>	<hr/>
Weighted average number of common shares, diluted	52,934	50,216
	<hr/>	<hr/>
Funds from operations per share, diluted	\$ 0.72	\$ 0.66
	<hr/>	<hr/>
Summary of Capital Expenditures		
Non-maintenance capital expenditures		
Acquisition related (2)	\$ 1,747	\$ 50
Capital expenditures related to new square footage	1,539	—
Development, redevelopment and expansions	22,058	27,029
Tenant improvements	6,151	4,745
	<hr/>	<hr/>
Total non-maintenance capital expenditures	31,495	31,824
Maintenance capital expenditures	2,007	1,665
	<hr/>	<hr/>
Total capital expenditures	\$ 33,502	\$ 33,489
	<hr/>	<hr/>
Dividends and Payout Ratios		
Common dividends declared	\$ 26,151	\$ 24,090
	<hr/>	<hr/>
Dividend payout ratio % - FFO	68%	72%

Notes:

- (1) See Glossary of Terms.
- (2) Capital expenditures related to properties acquired in the last two years for which non-maintenance expenditures were planned at the time of the acquisition underwriting.

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Market Data / Capital Availability
September 30, 2004**

	As of	
	September 30, 2004	September 30, 2003
(in thousands, except per share data)		
Market data		
Common shares outstanding (1)	51,908	49,164
Market price per common share	\$ 44.00	\$ 36.86
Common equity market capitalization	\$ 2,283,952	\$ 1,812,185
Series B preferred shares outstanding	5,400	5,400
Market price per Series B preferred share	\$ 27.17	\$ 27.00
Preferred equity market capitalization	\$ 146,718	\$ 145,800
Equity market capitalization	\$ 2,430,670	\$ 1,957,985
Total debt (2)	1,299,901	1,120,317
Total market capitalization	\$ 3,730,571	\$ 3,078,302
Total debt to market capitalization	35%	36%
Capital availability:		
Cash on hand	\$ 23,437	\$ 33,656
Available capacity under line of credit	250,000	102,000
Available for issuance under shelf registration statement	225,000	400,000
	\$ 498,437	\$ 535,656

Notes:

- (1) Consists of 53,387,604 shares issued net of 1,479,383 shares held in Treasury as of September 30, 2004. As of September 30, 2003, consists of 50,629,782 shares issued net of 1,466,013 shares held in Treasury. Amounts do not include 449,325 and 839,828 Operating Units outstanding at September 30, 2004 and September 30, 2003, respectively.
- (2) Total debt includes capital leases and mortgages payable, notes payable, and senior notes and debentures. It does not include the Trust's 30% share of the \$13.3 million debt of the partnership with Clarion Lion Properties Fund.

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Components of Rental Income
September 30, 2004**

	Nine months ended September 30,		Three months ended September 30,	
	2004	2003	2004	2003
Components of Rental Income (1)				
Minimum Rents				
Retail and commercial properties	\$ 209,654	\$ 184,822	\$ 71,086	\$ 63,082
Residential	9,295	6,056	3,149	2,593
Cost Reimbursements	49,190	41,588	16,520	13,488
Percentage Rents	3,836	6,097	844	1,261
Total Rental Income	\$ 271,975	\$ 238,563	\$ 91,599	\$ 80,424

Notes:

- (1) For the nine months ended September 30, 2004 and September 30, 2003, minimum rents include \$2.6 million and \$1.0 million, respectively, to recognize rent on a straight-line basis and includes \$1.1 million and \$0.1 million, respectively, to recognize income for market lease adjustments on acquired properties in accordance with SFAS 141. For the three months ended September 30, 2004 and September 30, 2003, minimum rents include \$0.7 million and \$0.2 million, respectively, to recognize rent on a straight-line basis and includes \$0.5 million and \$0.1 million, respectively, to recognize income for market lease adjustments on acquired properties in accordance with SFAS 141. Residential minimum rents comprise the rents at Rollingwood Apartments, The Crest at Congressional Plaza Apartments and the residential rents at Santana Row.

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Federal Realty Investment Trust
Summary of Outstanding Debt
September 30, 2004

	Maturity	Interest Rate as of September 30, 2004	Balance
			(in thousands)
<u>Mortgage Loans (a)</u>			
<i>Secured Fixed Rate</i>			
Leesburg Plaza	10/01/08	6.510%	\$ 9,900
164 E Houston Street	10/06/08	7.500%	200
Mercer Mall	09/01/09	8.375%	4,653
Federal Plaza	06/01/11	6.750%	35,230
Tyson's Station	09/01/11	7.400%	6,664
Barracks Road	11/01/15	7.950%	43,855
Brick Plaza	11/01/15	7.415%	32,636
Hauppauge	11/01/15	7.950%	16,532
Lawrence Park	11/01/15	7.950%	31,084
Wildwood	11/01/15	7.950%	27,323
Wynnewood	11/01/15	7.950%	31,678
Mount Vernon	04/15/28	5.660% (b)	12,894
			\$ 252,649
<u>Notes payable</u>			
<i>Unsecured Fixed Rate</i>			
Perring Plaza Renovation	01/31/13	10.00%	\$ 2,016
Other	various	various	45
<i>Unsecured Variable Rate</i>			
Revolving credit facility	10/08/06	LIBOR + .75% (c)	50,000
Term note with banks	10/08/06	LIBOR + .95%	100,000
Term note with banks	10/08/08	LIBOR + .95% (d)	150,000
Escondido (Municipal bonds)	10/01/16	2.710% (e)	9,400
<i>Secured Fixed Rate</i>			
Loehmann's Redemption Note	09/27/06	2.34% (f)	8,629
			\$ 320,090
<u>Notes and Debentures</u>			
<i>Unsecured Fixed Rate</i>			
6.625% Notes (fixed)	12/01/05	6.625%	\$ 40,000
6.99% Medium Term Notes	03/10/06	6.894% (g)	40,500
6.125% Notes	11/15/07	6.325% (h)	150,000
8.75% Notes	12/01/09	8.750%	175,000
4.50% Notes	02/15/11	4.500%	75,000
7.48% Debentures	08/15/26	7.480%	50,000
6.82% Medium Term Notes	08/01/27	6.820%	40,000
			570,500
Subtotal			570,500
Less: Unamortized Discount			(2,520)
			\$ 567,980
<u>Capital lease obligations</u>			
Various through 2077 (i)			\$ 159,182
Total Fixed and Variable Rate Debt			1,299,901

	Average annualized interest rate
Total fixed rate debt	6.89%
Total variable rate debt (j)	2.23%
TOTAL DEBT AND CAPITAL LEASES	6.31%

Nine months ended
September 30,

 Three months ended
September 30,

Operational statistics

Ratio of EBITDA to combined fixed charges and preferred share dividends (k)	2.37x	2.01x	2.43x	2.24x
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Notes:

- (a) Mortgage loans do not include the Trust's 30% share of the \$13.3 million debt of the partnership with Clarion Lion Properties Fund.
- (b) The lender has the option to call the loan on April 15, 2013 or anytime thereafter.
- (c) A \$300 million three-year revolving credit facility, with a one-year extension option.
- (d) In January, 2004, the Trust purchased an interest rate swap on this note thereby locking in the LIBOR portion of the interest rate at 2.401% through October 2006.
- (e) The bonds bear interest at a variable rate determined weekly to be the interest rate which would enable the bonds to be remarketed at 100% of their principal amount. The weighted average interest rate for the nine months ended September 30, 2004 was 2.71%.
- (f) The note bears interest at the Applicable Federal Rate established by the Internal Revenue Service for short-term debt instruments for the month of September, 2004.
- (g) The Trust purchased interest rate swaps at issuance, thereby reducing the effective interest on these notes.
- (h) The Trust purchased an interest rate lock to hedge this note offering. A loss of \$1.5 million associated with this hedge is being amortized into the note offering thereby increasing the effective interest rate on these notes to 6.325%.
- (i) The average annualized interest rate on capital lease obligations as of September 30, 2004 is 8.74% on a basis of minimum rent and 11.24% including performance based participation rent paid by the Trust.
- (j) Average annualized interest rate on variable rate debt as of September 30, 2004.
- (k) Earnings consist of income before gain (loss) on sale of real estate and fixed charges. Fixed charges consist of interest on borrowed funds (including capitalized interest), amortization of debt discount and expense and the portion of rent expense representing an interest factor. Preferred share dividends consist of dividends paid on outstanding Series A preferred shares (during the period ended September 30, 2003) and Series B preferred shares.

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Summary of Debt Maturities
September 30, 2004****DEBT MATURITIES**
(in thousands)

<u>Year</u>	<u>Scheduled Amortization</u>	<u>Maturities</u>	<u>Total</u>	<u>Percent of Debt Expiring</u>	<u>Cumulative Percent of Debt Expiring</u>
2004	\$ 802	\$ —	\$ 802	0.1%	0.1%
2005	4,539	40,000	44,539	3.4%	3.5%
2006	5,037	199,129	204,166(1)	15.7%	19.2%
2007	5,436	149,216	154,652	11.9%	31.1%
2008	5,828	159,542	165,370	12.7%	43.8%
2009	6,164	178,278	184,442	14.2%	58.0%
2010	6,639	—	6,639	0.5%	58.5%
2011	6,670	111,606	118,276	9.1%	67.6%
2012	6,178	—	6,178	0.5%	68.1%
2013	4,672	—	4,672	0.4%	68.5%
Thereafter	164,959	245,206	410,165	31.5%	100.0%
Total	\$ 216,924	\$1,082,977	\$1,299,901	100.00%	

Note:

(1) Includes a \$100 million term loan and \$50 million drawn under the Trust's \$300 million three year revolving credit facility.

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Federal Realty Investment Trust Summary of Redevelopment Opportunities and Santana Row September 30, 2004

Current Redevelopment Opportunities (1) (\$ millions)

Property	Location	Opportunity	Projected ROI (2)	Projected Cost (1)	Cost to Date
Projects Anticipated to Stabilize in 2004 (3)					
Santana Row Phase II	San Jose, CA	Two new pad sites (Best Buy and The Container Store) and additional parking	17%	\$ 26.6	\$25.2
Santana Row Phase III	San Jose, CA	Pad site (theater building)	10%	\$ 4.4	\$ 2.6
Garden Market	Western Springs, IL	Expansion, re-tenanting (new grocer) and new pad site (existing drug store)	10%	\$ 2.6	\$ 2.6
Bethesda Row	Bethesda, MD	New pad site (fitness equipment)	15%	\$ 0.8	\$ 0.5
Old Town Center	Los Gatos, CA	Re-tenanting (office) and site improvements	12%	\$ 0.8	\$ 0.8
Shops at Willow Lawn	Richmond, VA	Grocer expansion	6%	\$ 0.6	\$ 0.6
Laurel	Laurel, MD	Grocer expansion	>20%	\$ 0.4	\$ 0.4
Wildwood	Bethesda, MD	Pad expansion and re-tenanting (bank)	>20%	\$ 0.4	\$ 0.4
Lawrence Park	Broomall, PA	Grocer expansion	10%	\$ 0.3	\$ 0.3
Subtotal: Projects Anticipated to Stabilize in 2004 (3) (4)			15%	\$ 36.8	\$33.3
Projects Anticipated to Stabilize in 2005 (3)					
Houston Street	San Antonio, TX	Retail and ground lease to Hotel Valencia	7%	\$ 11.5	\$12.0
Bala Cynwyd	Philadelphia, PA	Grocer re-location and expansion and re-tenanting (new health club)	>20%	\$ 5.7	\$ 4.0
Andorra	Philadelphia, PA	Re-tenanting (new health club)	12%	\$ 4.5	\$ 2.4
Leesburg Plaza - Peebles	Leesburg, VA	Re-tenanting (office supply & auto supply)	20%	\$ 2.7	\$ 1.2
Pan Am	Fairfax, VA	Grocer expansion, small shop re-tenanting and site improvements	6%	\$ 2.3	\$ 0.8
Brick Plaza	Brick, NJ	Re-tenanting (electronics)	9%	\$ 2.3	\$ 1.6
Greenlawn Plaza	Greenlawn, NY	Re-tenanting and new pad site (child care)	>20%	\$ 2.2	\$ 2.0
Bristol Plaza	Bristol, CT	Grocer relocation, canopy and façade renovation	10%	\$ 1.9	\$ 0.1
Brunswick	North Brunswick, NJ	Re-tenanting (new health club)	7%	\$ 1.5	\$ 1.5
Rutgers Plaza	Franklin, NJ	Grocer re-location and expansion and backfill of existing grocer space	20%	\$ 1.4	\$ 0.0
Perring Plaza	Baltimore, MD	Re-tenanting (sporting goods and small shops)	6%	\$ 1.3	\$ 0.9
Hauppauge Shopping Center	Hauppauge, NY	Pad site re-tenanting (restaurant)	16%	\$ 0.3	\$ 0.1
Subtotal: Projects Anticipated to Stabilize in 2005 (3) (4)			13%	\$ 37.6	\$26.6
Total: Projects Anticipated to Stabilize in 2004 and 2005 (3) (4)			14%	\$ 74.4	\$59.9

Anticipated future redevelopments stabilizing after 2005 include Bethesda Row (final phase), Mercer Mall, Fresh Meadows, Mount Vernon/South Valley, Leesburg Plaza (Kmart), Hollywood Boulevard, Houston Street, Rockville Town Square, Santana Row Phase IV and future phases, the Village at Shirlington and Shops at Willow Lawn. (3) (5)

Santana Row Summary (as of Sept 30, 2004)

Description	Retail Summary			Residential Summary			Financial Summary (\$ millions)			
	Total Stores	Square Feet	% Leased	Total Units	Rent (6)	% Leased	Projected Cost	Cost to Date	Anticipated Stabilized Yield (8)	Anticipated Stabilization (3)
Phase I – Retail, residential and Hotel Valencia(7)	110	445,212	90%	255	\$1.67 - \$2.96	98%	\$ 443	\$435	5%	2005
Phase II – Best Buy and The Container Store	3	83,991	100%	0	n/a	n/a	\$ 27	\$ 25	17%	2004
Phase III – CineArts theater building & restaurant	2	28,525	100%	0	n/a	n/a	\$ 4	\$ 3	10%	2004
Phase IV – Building 7 residential re-build	—	—	n/a	256	\$ 1.94 – 2.47	n/a	\$ 58	\$ 21	11%	2006
Total	115	557,728	92%	511		98%	\$ 531	\$484	6.2%	

Notes:

(1) There is no guaranty that the Trust will ultimately complete any or all of these redevelopment 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 previously being paid for the redevelopment space or space taken out of service as a result of 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) Anticipated Stabilization is the year in which 95% occupancy of the redeveloped space is anticipated to be achieved.*
- (4) All subtotals and totals reflect cost weighted-average ROIs.*
- (5) 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.*
- (6) Range of gross rents. Market conditions have generally not required concessions on renewals, but have required concessions of up to one month on new 12 month leases. Overall average gross rent for Phase I is \$2.03 per square foot per month and \$2.28 per square foot per month for Phase IV. The range of rents above reflect the size and type of residential offerings for each phase.*
- (7) Santana Row Phase I and Total Projected Cost and Cost to Date are net of \$129 million of insurance proceeds, \$11 million has been, or will be, recognized as income in 2003 and 2004.*
- (8) Calculated as stabilized Property Operating Income (POI) divided by cost.*

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Federal Realty Investment Trust 2004 Acquisitions and Dispositions Through September 30, 2004

Acquisitions

<u>Date</u>	<u>Property</u>	<u>City / State</u>	<u>GLA</u>	<u>Purchase price</u> (in thousands)	<u>Anchor tenants</u>
March 31, 2004	Westgate Mall	San Jose, CA	637,211	\$ 97,000	Target, Safeway, Burlington Coat Factory, Ross Dress for Less, Nordstrom Rack

Dispositions

<u>Date</u>	<u>Property</u>	<u>City / State</u>	<u>GLA</u>	<u>Sales price</u> (in thousands)
June 3, 2004	Village at Shirlington (land parcel)	Arlington, VA	n/a	\$ 4,934
June 14, 2004	Magruder's Center	Rockville, MD	109,000	14,350(1)
July 1, 2004	Plaza del Mercado (contribution to joint venture)	Silver Spring, MD	96,000	20,578(2)
September 16, 2004	Village at Shirlington (land parcels)	Arlington, VA	n/a	2,796(3)
	Total		205,000	\$ 42,658

Notes:

- (1) On June 14, 2004 the Magruder's Center was conveyed to the City of Rockville in lieu of condemnation in order to facilitate the redevelopment of Rockville Town Center.
- (2) On July 1, 2004, we contributed Plaza del Mercado to a newly formed joint venture in which we own 30% of the equity.
- (3) On September 16, 2004, we sold two unimproved parcels of land at the Village at Shirlington in conjunction with the redevelopment of the property.

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**Federal Realty Investment Trust
Real Estate Status Report
September 30, 2004**

Property Name	Type(1)	MSA Description	Year Acquired	Total Investment	Ownership Percentage	GLA (2)	% Leased	Mortgage or Capital Lease Obligation	Grocery Anchor GLA (3)	Grocery Anchor (3)	Other Principal Tenants	
				(in thousands)					(in thousands)			
<u>Mid-Atlantic Region</u>												
<u>Washington Metropolitan Area</u>												
Bethesda Row	SR	Washington, DC-MD-VA	1993-98	80,743	(4)	440,000	98%	12,576	40,000	Giant Food	Barnes & Noble / Landmark Theater	
Congressional Plaza	SC	Washington, DC-MD-VA	1965	66,967(5)	64.1%	337,000	100%		28,000	Whole Foods	Buy Buy Baby / Container Store / Tower Records	
Courthouse Center	SC	Washington, DC-MD-VA	1997	7,564	(6)	38,000	100%					
Falls Plaza	SC	Washington, DC-MD-VA	1967	8,154	100.0%	73,000	100%		51,000	Giant Food		
Falls Plaza-East	SC	Washington, DC-MD-VA	1972	3,333	100.0%	71,000	96%				CVS / Staples	
Federal Plaza	SC	Washington, DC-MD-VA	1989	62,078	100.0%	247,000	98%	35,230			TJ Maxx / CompUSA / Ross	
Friendship Center	SR	Washington, DC-MD-VA	2001	33,314	100.0%	119,000	100%				Borders / Linens 'n Things / Maggiano's	
Gaithersburg Square	SC	Washington, DC-MD-VA	1993	23,947	100.0%	215,000	90%				Bed, Bath & Beyond / Borders / Ross	
Idylwood Plaza	SC	Washington, DC-MD-VA	1994	15,023	100.0%	73,000	100%		30,000	Whole Foods		
Laurel	SC	Washington, DC-MD-VA	1986	45,863	99.9%	383,000	98%		61,000	Giant Food	Marshalls / Toys R Us	
Leesburg Plaza	SC	Washington, DC-MD-VA	1998	24,245	(6)	247,000	77%	9,900	55,000	Giant Food	Pier One	
Loehmann's Plaza	SC	Washington, DC-MD-VA	1983	45,540	100.0%	250,000	100%				Bally's / Linens 'n Things / Loehmann's	
Mid-Pike Plaza	SC	Washington, DC-MD-VA	1982	17,210	(7)	304,000	100%	10,041			Linens 'n Things / Toys R Us / Bally's / AC Moore	
Mount Vernon	SC	Washington, DC-MD-VA	2003	21,528	(6)	254,000	76%	12,894	54,000	Shoppers Food Warehouse		
Old Keene Mill	SC	Washington, DC-MD-VA	1976	5,158	100.0%	92,000	100%		24,000	Whole Foods		
Pan Am	SC	Washington, DC-MD-VA	1993	25,542	100.0%	218,000	99%		33,000	Safeway	Micro Center / Michaels	
Pentagon Row	SR	Washington, DC-MD-VA	1999	87,248	100.0%	296,000	99%		45,000	Harris Teeter	Bally's / Bed, Bath & Beyond / DSW / Cost Plus	
Pike 7	SC	Washington, DC-MD-VA	1997	33,461	100.0%	164,000	97%				Staples / TJ Maxx / Tower Records	
Quince Orchard	SC	Washington, DC-MD-VA	1993	19,759	100.0%	252,000	100%		24,000	Magruders	Circuit City / Staples	
Rockville Town Square	SR	Washington, DC-MD-VA	N/A	2,584	(8)	N/A	N/A			Magruders (signed)		
Rollingwood Apartments	SR	Washington, DC-MD-VA	1971	6,706	100.0%	N/A	93%					
Sam's Park & Shop	SR	Washington, DC-MD-VA	1995	12,098	100.0%	51,000	100%				Petco	

South Valley	SC	Washington, DC-MD-VA	2003	14,741	(6)	218,000	85%				Home Depot / TJ Maxx
Tower	SC	Washington, DC-MD-VA	1998	18,775	100.0%	109,000	100%				Virginia Fine Wine / Talbots
Tyson's Station	SC	Washington, DC-MD-VA	1978	3,356	100.0%	50,000	100%	6,664			Trader Joes
Village at Shirlington	SR	Washington, DC-MD-VA	1995	33,533	100.0%	204,000	98%				Cineplex Odeon / Carlyle Grand Café
Wildwood	SC	Washington, DC-MD-VA	1969	17,498	100.0%	86,000	100%	27,323	20,000	Balducci's	CVS
				735,968		4,791,000	96%				
<u>Mid-Atlantic Region - Other</u>											
Governor Plaza	SC	Baltimore, MD	1985	18,876	99.9%	269,000	80%				Bally's / Comp USA / Office Depot
Perring Plaza	SC	Baltimore, MD	1985	25,020	99.9%	401,000	96%	58,000		Shoppers Food Warehouse	Home Depot / Burlington Coat Factory / Jo-Ann Stores
Barracks Road	SC	Charlottesville, VA	1985	39,837	100.0%	483,000	97%	43,855	91,000	Harris Teeter / Kroger	Bed, Bath & Beyond / Barnes & Noble / Old Navy
Winter Park	SR	Orlando, FL	1996	6,972	100.0%	28,000	100%				
Eastgate	SC	Raleigh-Durham-Chapel Hill, NC	1986	16,466	100.0%	159,000	83%	23,000		Earth Fare	Stein Mart
Shops at Willow Lawn	SC	Richmond-Petersburg, VA	1983	61,093	99.9%	488,000	71%	60,000		Kroger	Old Navy / Tower Records / Staples
				168,264		1,828,000	86%				
				904,232		6,619,000	93%				
<u>Northeast Region</u>											
<u>Philadelphia Metropolitan Area</u>											
Andorra	SC	Philadelphia, PA-NJ	1988	21,734	99.9%	259,000	100%	24,000		Acme Markets	Kohl's / Staples
Bala Cynwyd	SC	Philadelphia, PA-NJ	1993	24,933	100.0%	281,000	100%	45,000		Acme Markets	Lord & Taylor
Ellisburg Circle	SC	Philadelphia, PA-NJ	1992	28,946	100.0%	268,000	100%	47,000		Genuardi's	Bed, Bath & Beyond / Stein Mart
Feasterville	SC	Philadelphia, PA-NJ	1980	11,653	100.0%	111,000	91%	53,000		Genuardi's	OfficeMax
Flourtown	SC	Philadelphia, PA-NJ	1980	9,025	100.0%	187,000	54%	42,000		Genuardi's	
Langhorne Square	SC	Philadelphia, PA-NJ	1985	17,793	100.0%	216,000	88%	55,000		Redner's Warehouse Mkts.	Marshalls
Lawrence Park	SC	Philadelphia, PA-NJ	1980	25,886	100.0%	348,000	100%	31,084	53,000	Acme Markets	CHI / TJ Maxx / CVS
Northeast	SC	Philadelphia, PA-NJ	1983	22,014	100.0%	292,000	92%				Burlington Coat / Marshalls / Tower Records
Willow Grove	SC	Philadelphia, PA-NJ	1984	26,308	100.0%	215,000	100%				Barnes & Noble / Marshalls / Toys R Us
Wynnewood	SC	Philadelphia, PA-NJ	1996	35,292	100.0%	255,000	99%	31,678	98,000	Genuardi's	Bed, Bath & Beyond / Borders / Old Navy
				223,584		2,432,000	94%				

New York / NewJersey.

Allwood	SC	Bergen-Passaic, NJ	1988	4,295	(7)	52,000	100%	3,492	25,000	Stop & Shop	Mandee Shop
Clifton	SC	Bergen-Passaic, NJ	1988	5,034	(7)	80,000	66%	3,247			Drug Fair / Dollar Express
Blue Star	SC	Middlesex-Somerset-Hunterdon, NJ	1988	39,561	(7)	407,000	97%	26,651	43,000	Shop Rite	Kohl's / Michaels / Toys R Us / Marshalls
Brunswick	SC	Middlesex-Somerset-Hunterdon, NJ	1988	24,010	(7)	303,000	97%	11,095	55,000	A&P	A.J. Wright / L.A. Fitness
Rutgers	SC	Middlesex-Somerset-Hunterdon, NJ	1988	15,944	(7)	217,000	99%	12,852	44,000	Stop & Shop	Kmart
Brick Plaza	SC	Monmouth-Ocean, NJ	1989	55,202	100.0%	409,000	95%	32,636	66,000	A&P	Loews Theatre / Barnes&Noble / Sports Authority
Greenlawn Plaza	SC	Nassau-Suffolk, NY	2000	11,979	100.0%	102,000	100%	46,000		Waldbaum's	
Hauppauge	SC	Nassau-Suffolk, NY	1998	26,380	100.0%	131,000	100%	16,532	61,000	Shop Rite	AC Moore

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**Federal Realty Investment Trust
Real Estate Status Report
September 30, 2004**

Property Name	Type(1)	MSA Description	Year Acquired	Total Investment	Ownership Percentage	GLA (2)	% Leased	Mortgage or Capital Lease Obligation	Grocery Anchor GLA (3)	Grocery Anchor (3)	Other Principal Tenants
				(in thousands)				(in thousands)			
Huntington	SC	Nassau-Suffolk, NY	1988	22,456	(7)	279,000	100%	14,258			Buy Buy Baby / Toys R Us / Bed, Bath & Beyond / Barnes & Noble
Forest Hills	SR	New York, NY	1997	23,969	100.0%	86,000	98%				Midway Theatre / Duane Reade / Gap
Fresh Meadows	SC	New York, NY	1997	64,920	100.0%	403,000	96%			Pathmark (signed)	Value City / Kohl's / Cineplex Odeon
Troy	SC	Newark, NJ	1980	20,606	100.0%	202,000	99%		64,000	Pathmark	AC Moore / Comp USA / Toys R Us
Hamilton	SC	Trenton, NJ	1988	8,123	(7)	190,000	100%	4,814	53,000	Shop Rite	AC Moore / Stevens Furniture
Mercer Mall	SC	Trenton, NJ	2003	86,169	(7)	435,000	93%	59,902	74,900	Shop Rite	Bed, Bath & Beyond / DSW / TJ Maxx
				408,648		3,296,000	96%				
<u>New England</u>											
Dedham Plaza	SC	Boston-Worcester-Lawrence-Lowell-Brockton, MA	1993	29,961	100.0%	243,000	98%		80,000	Star Market	Pier One
Queen Anne Plaza	SC	Boston-Worcester-Lawrence-Lowell-Brockton, MA	1994	14,803	100.0%	149,000	100%		50,000	Victory Supermarket	TJ Maxx
Saugus Plaza	SC	Boston-Worcester-Lawrence-Lowell-Brockton, MA	1996	13,307	100.0%	171,000	100%		55,000	Super Stop & Shop	Kmart
Bristol Plaza	SC	Hartford, CT	1995	22,127	100.0%	277,000	96%		57,000	Stop & Shop	TJ Maxx
West Hartford	SR	Hartford, CT	1994-1996	8,051	100.0%	62,000	89%				
Greenwich Avenue	SR	New Haven-Bridgeport-Stamford-Waterbury	1994-1996	15,993	100.0%	42,000	100%				Saks Fifth Avenue
				104,242		944,000	98%				
<u>Chicago</u>											
Crossroads	SC	Chicago, IL	1993	22,240	100.0%	173,000	97%				Comp USA / Golfsmith / Guitar Center
Finley Square	SC	Chicago, IL	1995	28,684	100.0%	313,000	100%				Bed, Bath & Beyond / Sports Authority

Garden Market	SC	Chicago, IL	1994	11,121	100.0%	140,000	100%	63,000	Dominick's	Walgreens
North Lake Commons	SC	Chicago, IL	1994	13,032	100.0%	129,000	93%	77,000	Dominick's	
Evanston	SR	Chicago, IL	1995	3,220	100.0%	12,000	100%			Gap
				78,297		767,000	98%			
<u>Northeast Region - Other</u>										
Gratiot Plaza	SC	Detroit, MI	1973	17,461	100.0%	218,000	100%	69,000	Farmer Jack's	Bed, Bath & Beyond / Best Buy / DSW
Lancaster	SC	Lancaster, PA	1980	10,137	(7)	107,000	97%	4,907	39,000	Giant Food Michaels
				27,598		325,000	99%			
				Total Northeast Region		842,369		7,764,000		96%
<u>West Region California</u>										
Colorado Blvd	SR	Los Angeles-Long Beach, CA	1996-1998	16,580	100%	69,000	98%			
Hermosa Ave	SR	Los Angeles-Long Beach, CA	1997	4,722	90.0%	23,000	100%			
Hollywood Blvd	SR	Los Angeles-Long Beach, CA	1999	24,729	90.0%	150,000	78%			
Third St Promenade	SR	Los Angeles-Long Beach, CA	1996-2000	73,818	(9)	209,000	99%			
Escondido	SC	San Diego, CA	1996	24,924	70.0%	222,000	97%			
Fifth Ave	SR	San Diego, CA	1996-1997	12,335	(10)	51,000	82%			
150 Post Street	SR	San Francisco, CA	1997	32,344	100.0%	102,000	61%			
Kings Court	SC	San Jose, CA	1998	11,410	(6)	79,000	98%	25,000	Lunardi's Super Market	Longs Drug Store
Old Town Center	SR	San Jose, CA	1997	33,712	100.0%	95,000	96%			
Westgate	SC	San Jose, CA	2004	113,651	100.0%	640,000	96%	38,000	Safeway	Target / Burlington Coat Factory / Barnes & Noble / Ross
Santana Row	SR	San Jose, CA	1997	490,237	100.0%	558,000	92%			
				838,462		2,198,000	92%			
<u>West Region - Other</u>										
Mill Avenue	SR	Phoenix-Mesa, AZ	1998	11,195	(11)	39,000	100%			
Houston St	SR	San Antonio, TX	1998	63,645	100.0%	171,000	82%	200		
				74,840		210,000	86%			
				Total West		913,302		2,408,000		92%

Region

Total	2,659,903	16,791,000	94%	411,831
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Notes:

- (1) SR - Street Retail; SC - Shopping Center
- (2) Excludes redevelopment square footage not yet in service, Santana Row residential, future phases of Santana Row, Rollingwood and The Crest at Congressional Apartments.
- (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) Total investment includes dollars associated with the 146 units of The Crest at Congressional.
- (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) Property subject to capital lease obligation.
- (8) Currently under contract to acquire the retail square footage upon completion of development.
- (9) Consists of nine properties, seven at 100% and two at 90%.
- (10) Consists of four properties, three at 100% and one at 90%.
- (11) Consists of two properties, one at 100% and one at 85%. On October 1, 2004 we acquired the remaining 15% interest on the one.

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Shopping Center / Street Retail Summary
September 30, 2004Shopping Center Summary

(in thousands, except square footage data)

	For the nine months ended September 30,	
	2004	2003
Real Estate Assets, at cost	\$ 1,584,743	\$ 1,328,345
Rental Income (1)	\$ 187,987	\$ 169,491
Other Property Income	7,248	6,530
Interest Income	1,018	684
Total Revenues	196,253	176,705
Rental Expense	37,296	32,876
Real Estate Tax Expense	21,238	19,081
Total Property Operating Expenses	58,534	51,957
Property Operating Income (2)	\$ 137,719	\$ 124,748
Square Feet (3)	13,985,000	13,015,000

Street Retail Summary

(in thousands, except square footage data)

	For the nine months ended September 30,	
	2004	2003
Real Estate Assets, at cost	\$ 1,075,161	\$ 1,025,018
Rental Income (4)	\$ 83,988	\$ 69,073
Other Property Income	11,782	6,355
Interest Income	3,716	3,391
Total Revenues	99,486	78,819
Rental Expense	29,871	26,491
Real Estate Tax Expense	7,416	6,231
Total Property Operating Expenses	37,287	32,722
Property Operating Income (2)	\$ 62,199	\$ 46,097
Square Feet (3)	2,806,000	2,765,000

Notes:

- (1) Includes rent revenue from residential units of \$1.6 million in 2004 and \$0.6 million in 2003.
- (2) All components of property operating income for the periods ended September 30, 2004 and 2003 have been restated for discontinued operations.
- (3) Excludes redevelopment square footage not yet in service. Does not include any future phases of Santana Row or residential square footage at Santana Row, Rollingwood Apartments or The Crest at Congressional Apartments.
- (4) Includes rent revenue from residential units of \$7.7 million in 2004 and \$5.4 million in 2003.

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Federal Realty Investment Trust
Retail Leasing Summary (1) - Comparable Basis
September 30, 2004

Renewal Lease Summary - Comparable (2)(7)

Quarter	Number of Leases Signed	% of Total 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 (6)	Tenant Improvements Per Sq. Ft.
3rd Quarter 2004	42	55%	183,428	\$ 24.44	\$ 19.56	\$ 893,800	25%	39%	6.8	\$ 190,135	1.04
2nd Quarter 2004	52	63%	219,919	\$ 20.83	\$ 18.35	\$ 544,693	13%	22%	5.3	\$ 529,924	2.41
1st Quarter 2004	32	43%	102,220	\$ 27.45	\$ 24.98	\$ 252,272	10%	22%	5.7	\$ 70,000	0.68
4th Quarter 2003	40	55%	124,683	\$ 26.95	\$ 25.59	\$ 169,950	5%	19%	4.8	\$ 47,000	0.38
Total - 12 months	166	54%	630,250	\$ 24.16	\$ 21.21	1,860,715	14%	26%	5.7	\$ 837,059	1.33

New Lease Summary - Comparable (2)

Quarter	Number of Leases Signed	% of Total 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 (6)	Tenant Improvements Per Sq. Ft.
3rd Quarter 2004	35	45%	225,497	\$ 21.50	\$ 17.99	\$ 791,958	20%	28%	10.3	\$ 5,302,465	23.51
2nd Quarter 2004	30	37%	261,186	\$ 19.10	\$ 16.74	\$ 617,736	14%	21%	9.5	\$ 3,694,856	14.15
1st Quarter 2004	42	57%	272,835	\$ 19.93	\$ 16.46	\$ 948,063	21%	30%	9.9	\$ 2,754,080	10.09
4th Quarter 2003	33	45%	124,333	\$ 23.90	\$ 18.88	\$ 623,990	27%	38%	7.8	\$ 3,700,718	29.76
Total - 12 months	140	46%	883,851	\$ 20.64	\$ 17.27	2,981,747	20%	28%	9.5	\$ 15,452,119	17.48

Total Lease Summary - Comparable (2)

Quarter	Number of Leases Signed	% of Total 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 (6)	Tenant Improvements Per Sq. Ft.
3rd Quarter 2004	77	100%	408,925	\$ 22.82	\$ 18.69	\$ 1,685,758	22%	33%	8.6	\$ 5,492,600	13.43
2nd Quarter 2004	82	100%	481,105	\$ 19.89	\$ 17.47	\$ 1,162,429	14%	21%	7.5	\$ 4,224,780	8.78
1st Quarter 2004	74	100%	375,055	\$ 21.98	\$ 18.78	\$ 1,200,335	17%	27%	8.5	\$ 2,824,080	7.53
4th Quarter 2003	73	100%	249,016	\$ 25.43	\$ 22.24	\$ 793,940	14%	27%	6.2	\$ 3,747,718	15.05
Total - 12 months	306	100%	1,514,101	\$ 22.11	\$ 18.91	4,842,462	17%	27%	7.8	\$ 16,289,178	10.76

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 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. All other leases are categorized as new.

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Federal Realty Investment Trust
Retail Leasing Summary (1) - Non-Comparable Basis (cash, non-straight-lined basis)
September 30, 2004

Total Lease Summary - Non-Comparable (2)

<u>Quarter</u>	<u>Number of Leases Signed</u>	<u>GLA Signed</u>	<u>Contractual Rent (3) Per Sq. Ft.</u>	<u>Weighted Average Lease Term (4)</u>	<u>Tenant Improvements (5)</u>	<u>Tenant Improvements Per Sq. Ft.</u>
3rd Quarter 2004	2	8,609	\$ 58.41	10.0	\$ —	\$ —
2nd Quarter 2004	5	14,816	\$ 29.23	7.8	\$ 196,052	\$ 13.23
1st Quarter 2004	10	78,843	\$ 24.69	13.7	\$ 25,000	\$ 0.32
4th Quarter 2003	6	21,867	\$ 36.64	8.9	\$ 84,425	\$ 3.86
Total - 12 months	23	124,135	\$ 29.68	11.4	\$ 305,477	\$ 2.46

Notes:

- (1) Leases on this report represent retail activity only; office and residential leases are not included.
- (2) Non-comparable leases represent those leases signed on spaces for which there was no former tenant, or expansion footage for leases rolling over for which there was no former tenant.
- (3) Contractual Rent represents contractual Minimum Rent under the new lease for the first 12 months of the term.
- (4) Weighted average is determined on the basis of square footage.
- (5) See Glossary of Terms.

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Federal Realty Investment Trust
Lease Expirations
September 30, 2004

Assumes no exercise of lease options

Year	Anchor Tenants (1)			Small Shop Tenants			Total		
	Expiring SF (2)	% of Anchor SF	Minimum Rent PSF	Expiring SF (2)	% of Small Shop SF	Minimum Rent PSF	Expiring SF (2)	% of Total SF	Minimum Rent PSF
2004	58,000	1%	\$ 7.69	187,000	3%	\$ 21.12	245,000	2%	\$ 17.92
2005	273,000	3%	\$ 13.43	750,000	11%	\$ 21.98	1,023,000	7%	\$ 19.70
2006	461,000	5%	\$ 9.82	867,000	13%	\$ 24.38	1,328,000	9%	\$ 19.33
2007	884,000	10%	\$ 8.47	978,000	15%	\$ 23.93	1,862,000	12%	\$ 16.59
2008	746,000	9%	\$ 11.27	899,000	13%	\$ 22.90	1,645,000	11%	\$ 17.63
2009	1,167,000	14%	\$ 11.02	874,000	13%	\$ 26.20	2,041,000	13%	\$ 17.52
2010	454,000	5%	\$ 12.46	456,000	7%	\$ 23.75	910,000	6%	\$ 18.12
2011	376,000	4%	\$ 18.32	461,000	7%	\$ 29.48	837,000	5%	\$ 24.47
2012	540,000	6%	\$ 12.68	400,000	6%	\$ 33.75	940,000	6%	\$ 21.64
2013	680,000	8%	\$ 14.55	259,000	4%	\$ 30.84	939,000	6%	\$ 19.04
Thereafter	2,995,000	35%	\$ 14.86	579,000	9%	\$ 30.79	3,574,000	23%	\$ 17.44
Total (3)	8,634,000	100%	\$ 12.88	6,710,000	100%	\$ 25.66	15,344,000	100%	\$ 18.47

Assumes lease options are exercised

Year	Anchor Tenants (1)			Small Shop Tenants			Total		
	Expiring SF (2)	% of Anchor SF	Minimum Rent PSF	Expiring SF (2)	% of Small Shop SF	Minimum Rent PSF	Expiring SF (2)	% of Total SF	Minimum Rent PSF
2004	23,000	0%	\$ 19.43	149,000	2%	\$ 20.79	172,000	1%	\$ 20.61
2005	19,000	0%	\$ 16.00	491,000	7%	\$ 23.66	509,000	3%	\$ 23.38
2006	54,000	1%	\$ 12.34	502,000	7%	\$ 26.77	556,000	4%	\$ 25.37
2007	155,000	2%	\$ 7.73	559,000	8%	\$ 23.99	714,000	5%	\$ 20.45
2008	150,000	2%	\$ 11.88	551,000	8%	\$ 23.47	701,000	5%	\$ 20.99
2009	244,000	3%	\$ 11.35	537,000	8%	\$ 27.73	782,000	5%	\$ 22.61
2010	158,000	2%	\$ 13.42	387,000	6%	\$ 24.62	546,000	4%	\$ 21.37
2011	114,000	1%	\$ 15.02	496,000	7%	\$ 23.75	610,000	4%	\$ 22.12
2012	215,000	2%	\$ 13.35	431,000	6%	\$ 28.50	646,000	4%	\$ 23.47
2013	256,000	3%	\$ 12.34	341,000	5%	\$ 24.63	597,000	4%	\$ 19.36
Thereafter	7,246,000	84%	\$ 13.00	2,266,000	34%	\$ 26.84	9,511,000	62%	\$ 16.29
Total (3)	8,634,000	100%	\$ 12.88	6,710,000	100%	\$ 25.66	15,344,000	100%	\$ 18.47

Notes:

- (1) Anchor is defined as a tenant leasing 15,000 square feet or more.
- (2) Minimum Rent reflects in-place contractual rent as of September 30, 2004.
- (3) Represents occupied square footage as of September 30, 2004.

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**Federal Realty Investment Trust
Portfolio Leasing Statistics
September 30, 2004**

Overall Portfolio Statistics (1)

<u>Type</u>	<u>At September 30, 2004</u>			<u>At September 30, 2003</u>		
	<u>Size</u>	<u>Leased</u>	<u>Leased%</u>	<u>Size</u>	<u>Leased</u>	<u>Leased%</u>
<u>Retail Properties (2):</u>	16,791,000	15,818,000	94.2%	15,780,000	14,821,000	93.9%
<u>Residential Properties (3):</u>	683	636	93.1%	683	623	91.2%

Same Center Statistics (1)

<u>Type</u>	<u>At September 30, 2004</u>			<u>At September 30, 2003</u>		
	<u>Size</u>	<u>Leased</u>	<u>Leased%</u>	<u>Size</u>	<u>Leased</u>	<u>Leased%</u>
<u>Retail Properties (2)(4):</u>	12,277,000	11,852,000	96.5%	12,262,000	11,851,000	96.7%
<u>Residential Properties (3):</u>	683	636	93.1%	683	623	91.2%

Notes:

- (1) See Glossary of Terms.
- (2) Leasable square feet; excludes redevelopment square footage not yet placed in service.
- (3) Includes Rollingwood, Santana Row residential and The Crest at Congressional Apartments.
- (4) Excludes properties purchased, sold or under redevelopment.

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**Federal Realty Investment Trust
Summary of Top 25 Tenants
September 30, 2004**

<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	Safeway, Inc.	\$ 6,510,000	2.30%	472,000	2.81%	8
2	Gap, Inc.	\$ 6,290,000	2.22%	232,000	1.38%	12
3	Ahold USA, Inc.	\$ 6,130,000	2.16%	502,000	2.99%	10
4	Bed, Bath & Beyond, Inc.	\$ 5,620,000	1.98%	396,000	2.36%	9
5	Barnes & Noble, Inc.	\$ 4,240,000	1.50%	194,000	1.16%	20
6	TJX Companies	\$ 3,960,000	1.40%	454,000	2.70%	14
7	Best Buy Stores, L.P.	\$ 3,480,000	1.23%	101,000	0.60%	3
8	CVS Corporation	\$ 3,460,000	1.22%	142,000	0.85%	13
9	Wakefern Food Corporation	\$ 3,080,000	1.09%	232,000	1.38%	4
10	Borders Group, Inc.	\$ 2,780,000	0.98%	129,000	0.77%	5
11	Michaels Stores, Inc.	\$ 2,480,000	0.88%	165,000	0.98%	8
12	OPNET Technologies, Inc.	\$ 2,480,000	0.88%	60,000	0.36%	1
13	MTS, Inc.	\$ 2,400,000	0.85%	91,000	0.54%	5
14	Great Atlantic & Pacific Tea Co	\$ 2,380,000	0.84%	236,000	1.41%	4
15	CompUSA, Inc.	\$ 2,370,000	0.84%	134,000	0.80%	5
16	Retail Ventures, Inc.	\$ 2,370,000	0.84%	117,000	0.70%	4
17	Office Depot, Inc.	\$ 2,270,000	0.80%	149,000	0.89%	6
18	Home Depot, Inc.	\$ 2,210,000	0.78%	218,000	1.30%	3
19	The Container Store, Inc.	\$ 2,190,000	0.77%	52,000	0.31%	2
20	Dress Barn, Inc.	\$ 2,120,000	0.75%	109,000	0.65%	15
21	Toys R Us, Inc.	\$ 2,080,000	0.73%	259,000	1.54%	7
22	Dollar Tree Stores, Inc.	\$ 2,060,000	0.73%	162,000	0.96%	16
23	Bally's Health & Tennis	\$ 2,040,000	0.72%	156,000	0.93%	5
24	Staples, Inc.	\$ 2,000,000	0.71%	106,000	0.63%	6
25	Kohl's Corporation	\$ 1,900,000	0.67%	356,000	2.12%	3
Totals - Top 25 Tenants		\$ 78,900,000	27.84%	5,224,000	31.11%	188
Total Annualized Base Rent:		\$283,400,000(1)				
Total Portfolio Square Footage:				16,791,000(2)		

Note:

- (1) Reflects annual in-place contractual rent as of September 30, 2004.
- (2) Excludes redevelopment square footage not yet placed in service.

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Reconciliation of Net Income Guidance to FFO Guidance
September 30, 2004**Reconciliation of 2004 Net Income Guidance to 2004 FFO Guidance**

(\$ millions except per share amounts)

	Forecast	
Net income	\$ 76	to \$ 77
Gain on sale of real estate	(9)	(9)
Depreciation and amortization of real estate assets	83	83
Amortization of initial direct costs of leases	7	7
Funds from Operations	157	158
Income attributable to operating partnership units	2	2
Dividends on preferred stock	(11)	(11)
Funds from operations available for common shareholders⁽¹⁾	148	to 149
Weighted Average Shares (diluted)	52.3	
Funds from operations available for common shareholders per share	\$2.83	to \$2.84

Reconciliation of 2005 Net Income Guidance to 2005 FFO Guidance

(\$ millions except per share amounts)

	Forecast	
Net income	\$ 75	to \$ 77
Gain on sale of real estate	—	—
Depreciation and amortization of real estate assets	86	86
Amortization of initial direct costs of leases	7	7
Funds from Operations	168	170
Income attributable to operating partnership units	2	2
Dividends on preferred stock	(11)	(11)
Funds from operations available for common shareholders⁽¹⁾	159	to 161
Weighted Average Shares (diluted)	52.9	
Funds from operations available for common shareholder per share	\$3.00	to \$3.03

Note:

(1) Individual items may not add up to total as a result of rounding.

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Federal Realty Investment Trust
Summarized Operating Results - Joint Venture
September 30, 2004

Financial Highlights
(in thousands, except per share data)
(unaudited)

OPERATING RESULTS

	<u>Three months ended September 30, 2004</u>
Revenues	
Rental income	\$ 612
Other property income	1
	<u>613</u>
Expenses	
Rental	130
Real estate taxes	53
Depreciation and amortization	168
	<u>351</u>
Operating income	262
Interest expense	(197)
Net Income	<u>65</u>

[Table of Contents](#)**Federal Realty Investment Trust
Summarized Balance Sheet - Joint Venture
September 30, 2004****Financial Highlights**
(in thousands, except per share data)CONSOLIDATED BALANCE SHEETS

	September 30, 2004
	(unaudited)
ASSETS	
Real estate, at cost	\$ 63,986
Less accumulated depreciation and amortization	(168)
Net real estate investments	63,818
Cash and cash equivalents	1,020
Accounts receivable	71
Other assets	2,036
TOTAL ASSETS	\$ 66,945
LIABILITIES AND PARTNERS' CAPITAL	
Liabilities	
Mortgages	\$ 13,325
Other liabilities	6,692
Total liabilities	20,017
Partners' Capital	
Capital - Clarion Lion Properties Fund	32,850
Capital - Federal Realty Investment Trust	14,078
Total partners' capital	46,928
TOTAL LIABILITIES AND PARTNERS' CAPITAL	\$ 66,945

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Federal Realty Investment Trust
Summary of Outstanding Debt - Joint Venture
September 30, 2004

	<u>Maturity</u>	<u>Interest Rate as of September 30, 2004</u>	<u>Balance</u>
<u>Mortgage Loans</u>			
<i>Secured Fixed Rate</i>			
Plaza del Mercado	07/05/14	5.770%	\$ 13,325
Total Fixed Rate Debt			\$ 13,325

[Table of Contents](#)**Federal Realty Investment Trust
2004 Acquisitions and Dispositions - Joint Venture
Through September 30, 2004****Acquisitions**

<u>Date</u>	<u>Property</u>	<u>City /State</u>	<u>GLA</u>	<u>Purchase price</u>	<u>Anchor tenants</u>
				(in thousands)	
July 1, 2004	Plaza del Mercado(1)	Silver Spring, MD	96,000	\$ 20,578	Giant Food, CVS
September 20, 2004	Campus Plaza	Bridgewater, MA	121,000	17,725	Roche Brothers Supermarket, Burlington Coat Factory
September 20, 2004	Pleasant Shops	Weymouth, MA	128,000	20,275	Foodmaster Supermarket, Marshalls
	Total		345,000	\$ 58,578	

Notes:

(1) On July 1, 2004, we contributed Plaza del Mercado to a newly formed joint venture in which we own 30% of the equity.

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**Federal Realty Investment Trust
Real Estate Status Report - Joint Venture
September 30, 2004**

<u>Property Name</u>	<u>MSA Description</u>	<u>Year Acquired</u>	<u>Total Investment</u>	<u>GLA</u>	<u>% Leased</u>	<u>Mortgage or Capital Lease Obligation</u>	<u>Grocery Anchor GLA (1)</u>	<u>Grocery Anchor (1)</u>	<u>Other Principal Tenants</u>
			(in thousands)			(in thousands)			
<u>Mid-Atlantic Region</u>									
<u>Washington Metropolitan Area</u>									
Plaza del Mercado	Washington, DC-MD-VA	2004	20,728	96,000	96%	13,325	25,000	Giant Food	CVS
				96,000	96%				
	Total Mid-Atlantic Region			96,000	96%				
<u>Northeast Region</u>									
<u>New England</u>									
Campus Plaza	Boston-Worcester-Lawrence-Lowell-Brockton, MA	2004	20,847	121,000	95%	0	46,000	Roche Brothers	Burlington Coat Factory
Pleasant Shops	Boston-Worcester-Lawrence-Lowell-Brockton, MA	2004	22,411	128,000	100%	0	38,000	Foodmaster	Marshalls
				249,000	97%				
	Total Northeast Region			249,000					
Total			63,986	345,000	97%	13,325			

Notes:

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

Glossary of Terms

EBITDA: EBITDA is a non-GAAP measure that means net income or loss plus interest expense, income taxes, depreciation and amortization; adjusted for gain or loss on sale of assets, impairment provisions, provision for loss on equity securities and other nonrecurring expenses. EBITDA is presented because it provides useful information regarding our ability to service debt. 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 EBITDA, adjusted for discontinued operations, to net income for the nine months ended September 30, 2004 and 2003 is as follows:

	For the Nine Months Ended September 30,	
	(in thousands)	
	2004	2003
Net income	\$ 62,238	\$ 59,097
Depreciation and amortization	67,148	54,317
Interest	63,835	54,550
(Gain) on sale of real estate	(9,331)	(7,723)
EBITDA	\$ 183,890	\$ 160,241

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 before extraordinary items less 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: Gross revenues, including interest income, less rental expenses and real estate taxes.

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

Same Center: Excludes centers purchased or sold.

Tenant improvements: 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.