

Federal Realty (FRT)

\$101.65 (Stock Price as of 12/18/2025)

Price Target (6-12 Months): **\$105.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 04/22/22)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: F

Value: D

Growth: D

Momentum: D

Summary

Federal Realty's portfolio of premium retail assets in well-off communities with favorable demographics positions it well for growth. A diverse tenant base and a focus on essential retail ensure stable cash flows. In the third quarter of 2025, the company's rental income improved 6.1% year over year. For 2025, we expect the same to increase 5.2% year over year. Efforts to diversify its portfolio and develop mixed-use assets are likely to benefit the company over the long term. Moves to improve operating performance through redevelopment are encouraging. Its strategic portfolio rebalancing in the premium market bodes well for future growth. A healthy balance sheet will likely aid its growth endeavors. However, higher e-commerce adoption is likely to weigh on Federal Realty. High debt burden and elevated interest expenses add to its woes.

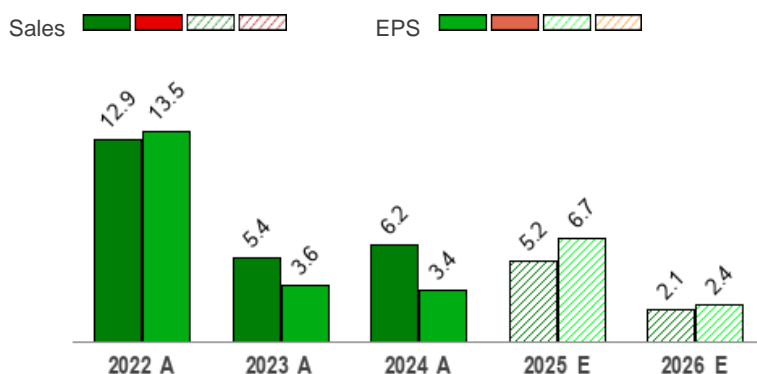
Price, Consensus & Surprise⁽¹⁾



Data Overview

52 Week High-Low	\$115.59 - \$80.65
20 Day Average Volume (sh)	611,229
Market Cap	\$8.8 B
YTD Price Change	-9.2%
Beta	1.01
Dividend / Div Yld	\$4.52 / 4.5%
Industry	REIT and Equity Trust - Retail
Zacks Industry Rank	Bottom 40% (145 out of 243)

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Last EPS Surprise	0.6%
Last Sales Surprise	2.7%
EPS F1 Est- 4 week change	0.1%
Expected Report Date	02/12/2026
Earnings ESP	-0.5%

Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	322 E	319 E	327 E	324 E	1,292 E
2025	309 A	312 A	322 A	322 E	1,265 E
2024	291 A	296 A	304 A	311 A	1,202 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.78 E	1.84 E	1.86 E	1.91 E	7.39 E
2025	1.70 A	1.91 A	1.77 A	1.84 E	7.22 E
2024	1.64 A	1.69 A	1.71 A	1.73 A	6.77 A

*Quarterly figures may not add up to annual.

P/E TTM	14.3
P/E F1	14.1
PEG F1	3.1
P/S TTM	7.0

(1) The data in the charts and tables, except the estimates, is as of 12/18/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/15/2025.

Overview

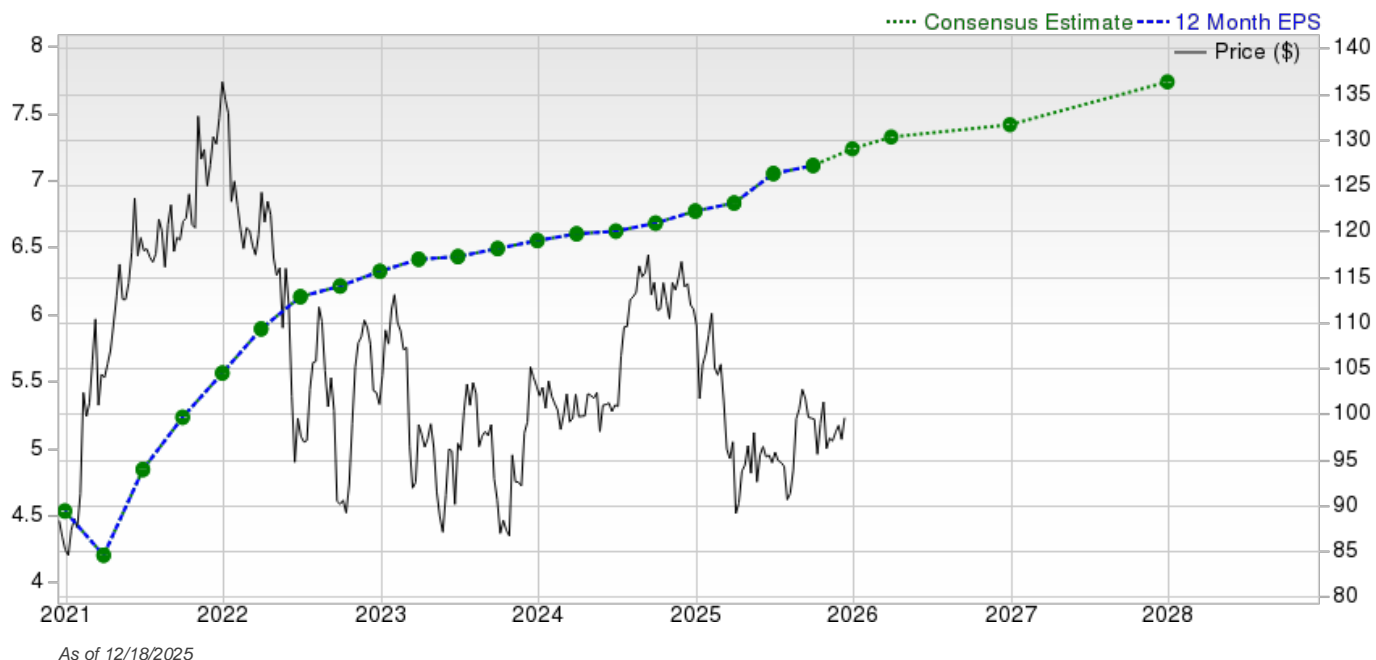
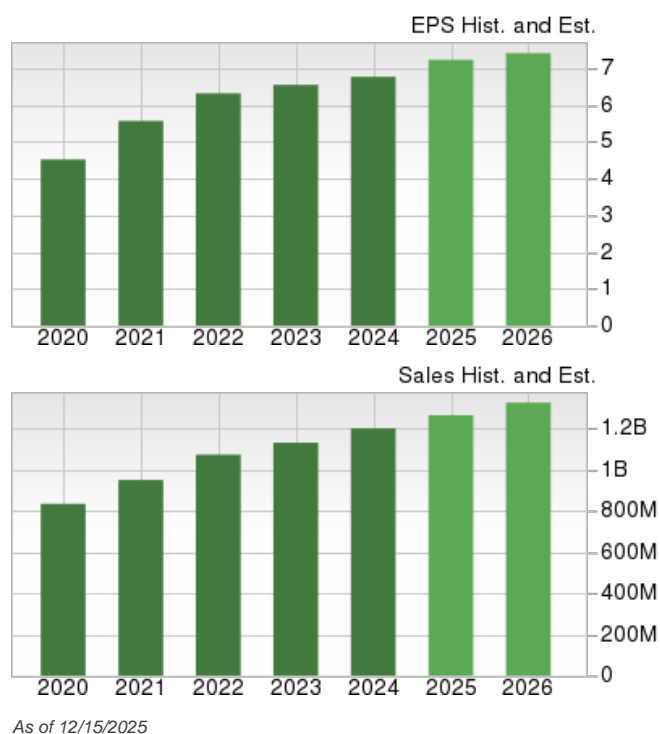
North Bethesda, MD-based Federal Realty is a real estate investment trust (REIT) that owns, manages, develops and redevelops premium retail and mixed-use properties in the United States. The assets — community and neighborhood shopping centers and mixed-use properties — are mainly concentrated over strategically selected metropolitan markets in the Northeast and Mid-Atlantic regions of the nation, California and South Florida. Federal Realty's retail properties are anchored by supermarkets, drug stores or high-volume, value-oriented retailers, which provide consumer necessities.

As of Sept. 30, 2025, the company owned or had a majority stake in community and neighborhood shopping centers and mixed-use properties that are operated as 103 predominantly retail real estate projects. The projects comprise around 27.9 million commercial square feet of space. The retail shopping center and mixed-use properties are located in 12 states and the District of Columbia. The company had around 3,600 commercial tenants and 3,000 residential units.

Federal Realty has been actively rebalancing its portfolio for future growth. In December 2025, the company announced the buyout of Omaha's key open-air lifestyle center, Village Pointe, spanning 453,000 square feet, for \$153.3 million. In October 2025, the company announced the acquisition of an open-air shopping asset, Annapolis Town Center in Anne Arundel County, MD, for \$187 million. In July 2025, Federal Realty acquired Town Center Plaza and Town Center Crossing in Leawood, KS, spanning 550,000 square feet in total, for \$289 million.

Federal Realty also focuses on investing in densely populated, well-off communities where retail demand is high. Moreover, mixed-use developments have gained popularity in recent years and the company targets creating urban, mixed-use neighborhoods like Santana Row in San Jose, CA, Pike & Rose in North Bethesda, MD, and Assembly Row in Somerville, MA.

Note: All EPS numbers presented in this report represent funds from operations (FFO) per share. FFO, a widely used metric to gauge the performance of REITs, is obtained after adding depreciation and amortization and other non-cash expenses to net income.



Reasons To Buy:

- ▲ Federal Realty's portfolio of premium retail assets — mainly situated in the major coastal markets from Washington, D.C. to Boston, San Francisco and Los Angeles — along with a diverse tenant base, both national and local, positions it well for decent growth. The diversified tenant base of retailers includes names like TJX Companies, Ahold Delhaize and CVS Corporation. This limits the company's risk to any particular retail industry and positions it well for experiencing a stable source of rental revenues. The company had around 3,600 commercial tenants and 3,000 residential units. As of Sept. 30, 2025, no single tenant accounted for more than 2.51% of the annualized base rent (ABR). We estimate year-over-year growth of 5.2%, 2% and 4.5% in the company's rental income in 2025, 2026 and 2027, respectively.
- ▲ The company has strategically selected the first-ring suburbs of nine major high-barrier markets. The sites enjoy an average population of 171,000, with a \$166,000 average household income and \$11-billion plus of average spending power (calculated on a weighted-average basis in a three-mile radius), ensuring resilience and growth. Due to the strong demographics and infill nature of its properties, the company has maintained a healthy occupancy level over the years. As of Sept. 30, 2025, the portfolio occupancy rate was 94%, an increase of 20 basis points (bps) year over year. We estimate the total portfolio occupancy rate for 2025 to be around 93.8%. With a well-located portfolio and 49% of its centers having a grocery component offering essential goods and services, this retail REIT is poised to experience an improving leasing environment.
- ▲ Federal Realty has been capitalizing on expansion opportunities in premium markets, which leads to income growth and creates long-term value, by disposing of non-core assets and reinvesting the proceeds in such investments. In December 2025, the company announced the buyout of Omaha's key open-air lifestyle center, Village Pointe, spanning 453,000 square feet, for \$153.3 million. In October 2025, it announced the acquisition of an open-air shopping asset, Annapolis Town Center in Anne Arundel County, MD, for \$187 million. In July 2025, Federal Realty acquired Town Center Plaza and Town Center Crossing in Leawood, KS, spanning 550,000 square feet in total, for \$289 million. In February 2025, the REIT acquired a 47-acre, grocery-anchored lifestyle center, Del Monte Shopping Center, in Monterey, CA, for \$123.5 million. On the other hand, in June 2025, the company completed the sale of the Hollywood Boulevard retail property, spanning 108,000 square feet in Los Angeles, CA, for \$69 million. In May 2025, Federal Realty announced the sale of Levare, a 108-unit residential building within Santana Row, San Jose, CA, for \$74 million to unlock value and deploy capital in long-term accretive investments. In January 2025, the company disposed of a portion of White Marsh Other, Baltimore, MD, for \$3.4 million. Such strategic dispositions and deployment of funds for expansion efforts augur well for long-term growth.
- ▲ Federal Realty has expertise in raising its operating performance through the conversion, redevelopment and repurposing of assets. As of the end of the third quarter of 2025, throughout the portfolio, Federal Realty had redevelopment projects underway with a projected total cost of around \$283 million that it expects to stabilize over the next few years. This retail REIT has ongoing improvements at nine properties at the end of the third quarter of 2025 to better position the assets to capture retail demand. Such efforts bode well for the company's long-term growth.
- ▲ Federal Realty is focusing on diversifying its portfolio with residential and office properties. The company is exploring the mixed-use development option, which has gained immense popularity in recent years as it helps catch the attention of people who prefer to live, work and play in the same area. The company targets creating urban, mixed-use neighborhoods like Santana Row in San Jose, CA, Pike & Rose in North Bethesda, MD, and Assembly Row in Somerville, MA. During the second quarter of 2025, Federal Realty began the development of a 258-unit residential project on Lot 12 at Santana Row for an estimated total investment of around \$145 million. As of Sept. 30, 2025, the company had \$659 million of mixed-use expansion projects in process, with \$182 million to be spent. As of the same date, 11% of ABR came from residential properties, while 10% came from mixed-use office assets.
- ▲ Federal Realty focuses on maintaining a decent balance sheet position with ample liquidity. The company exited the third quarter of 2025 with \$111.3 million in cash and cash equivalents and \$1.25 billion total unsecured revolving credit facility. The annualized net debt-to-EBITDA ratio was 5.6 as of Sept. 30, 2025. Federal Realty's credit ratings of BBB+ (Stable) and Baa1 (Stable) from Standard & Poor's and Moody's, respectively, enable it to procure debt financing at a favorable cost.
- ▲ Solid dividend payouts are arguably the biggest enticement for REIT shareholders and Federal Realty remains committed to that. The company has paid out uninterrupted dividends since its inception in 1962, and the latest hike in August marked the 58th consecutive year of common dividend increases by the company. Moreover, backed by healthy operating fundamentals, we expect FFO to increase 6.7%, 2.3% and 4.3% on a year-over-year basis in 2025, 2026 and 2027, respectively. Given the company's solid operating platform, our FFO growth projections and balance sheet strength compared with industry counterparts, this dividend rate is expected to be sustainable in the upcoming period.

Federal Realty is well-poised to gain from the upscale geographic locations of its properties, a diversified tenant base, a focus on essential retail and mixed-use assets and a healthy balance sheet.

Reasons To Sell:

- ▼ The market is witnessing a shift in retail shopping from brick-and-mortar stores to Internet sales. Moreover, given the convenience of online shopping, it is likely to remain a popular choice among customers. Consequently, this is expected to adversely affect brick-and-mortar stores' market share.
- ▼ Additionally, amid the fast-changing retail environment, the company has been making efforts to expand, redevelop and re-merchandise its portfolio. While repositioning and redevelopment efforts are beneficial for long-term growth in an inflationary environment, the company is likely to incur increased material costs and higher operating expenses. As of the end of the third quarter of 2025, throughout the portfolio, Federal Realty has redevelopment projects underway with a projected total cost of around \$283 million.
- ▼ The company has a substantial debt burden, and its total debt as of Sept. 30, 2025, was approximately \$4.72 billion. With a high level of debt, interest expenses are likely to remain elevated. In the third quarter of 2025, interest expenses increased 7.6% year over year. We estimate 2025 interest expenses to grow 4.1% year over year.

Higher e-commerce adoption and cost overruns on redevelopment projects underway are likely to weigh on Federal Realty. High debt burden and elevated interest expenses add to its concerns.

Last Earnings Report

Federal Realty Beats Q3 FFO & Revenue Estimates, Raises 2025 View

Federal Realty's third-quarter 2025 FFO per share of \$1.77 surpassed the Zacks Consensus Estimate of \$1.76. This compared favorably with the FFO per share of \$1.71 a year ago.

Results reflected a rise in comparable property operating income (POI), healthy leasing activity and growth in comparable portfolio occupancy. Federal Realty has also raised its 2025 FFO outlook.

Quarterly revenues of \$322.3 million topped the consensus mark of \$313.9 million and improved 6.1% from the year-ago quarter's tally.

Behind the Headlines

Federal Realty generated 4.4% comparable POI growth, excluding lease termination fees and prior-period rents collected. It also came ahead of our estimate for the metric of 3.6% growth.

In terms of leasing, during the reported quarter, Federal Realty signed 132 leases for 774,890 square feet of retail space. On a comparable space basis, the company signed 123 leases for 727,029 square feet of space at an average rent of \$35.71 per square foot. This represents a 28% increase on a cash-basis and 43% increase on a straight-line basis.

On the operational front, the comparable portfolio occupancy rate was up 20 bps year over year to 94% as of Sept. 30, 2025. The comparable portfolio was 95.7% leased as of the same date, reflecting a decrease of 10 bps year over year.

Sustained robust leasing activity for small shops resulted in a quarter-ending lease rate of 93.3%, marking an increase of 20 bps year over year. However, the anchor tenants' leased rate was 96.5%, down 80 bps year over year. Federal Realty's residential properties were 96.0% leased as of the same date, down 150 bps year over year.

Federal Realty ended the quarter with more than \$1.3 billion of total liquidity. It exited the third quarter of 2025 with cash and cash equivalents of \$111.3 million, down from \$177 million recorded as of June 30, 2025.

Portfolio Activity

During the third quarter, Federal Realty acquired Town Center Crossing and Town Center Plaza, two dominant open-air retail centers in Leawood, KS, totaling approximately 552,000 square feet, for \$289 million.

2025 Guidance

For 2025, Federal Realty expects its FFO per share in the range of \$7.20-\$7.26, up from the \$7.16-\$7.26 range guided earlier.

FY Quarter Ending **12/31/2024**

Earnings Reporting Date	Oct 31, 2025
Sales Surprise	2.66%
EPS Surprise	0.57%
Quarterly EPS	1.77
Annual EPS (TTM)	7.11

Recent News

Recent News

Federal Realty Expands Its Portfolio With Village Pointe Buy – Dec. 1, 2025

Federal Realty announced the buyout of Omaha's key open-air lifestyle center, Village Pointe, for \$153.3 million. Spanning 453,000 square feet, the asset under consideration is located in one of the market's most established commercial corridors. The site has the advantage of affluent demographics and a growing population with three-mile average household incomes greater than \$180,000.

With an average footfall of around 6 million annual visits and a trade area for more than half a million people, Village Pointe ticks as a dominant high-quality asset for Federal Realty's portfolio. The center features a mix of high-performing, exclusive to the market, national and premium lifestyle retailers, the likes of Apple, Sephora, Coach, Nordstrom Rack, etc. and shadow anchored by Scheels.

With quick access to the Omaha MSA, the property is adjacent to Nebraska's top-ranked school district, and major employers like Berkshire Hathaway and its subsidiaries, PayPal, LinkedIn and Union Pacific.

The move highlights Federal Realty's stance of acquiring market-dominant retail assets for the creation of long-term growth opportunities by capitalizing on untapped potential through operational expertise.

Dividend Update

On Oct. 31, 2025, concurrent with the third-quarter earnings release, Federal Realty announced a regular quarterly cash dividend of \$1.13 per share, indicating an annual rate of \$4.52 per share. The dividend will be paid out on Jan. 15 to its shareholders of record as of Jan. 2, 2026.

Valuation

Federal Realty shares have fallen 13% over the trailing 12-month period. While stocks in the Zacks sub-industry have decreased 10.3%, those in the Zacks Finance sector have gained 13.6% over the past year.

The S&P 500 Index is up 14.3% over the trailing 12-month period.

The stock is currently trading at 13.45X forward 12-month FFO, which compares to 14.46X for the Zacks sub-industry, 17.36X for the Zacks sector and 23.51X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 25.32X and as low as 11.56X, with a five-year median of 15.68X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$105 price target reflects 14.18X FFO.

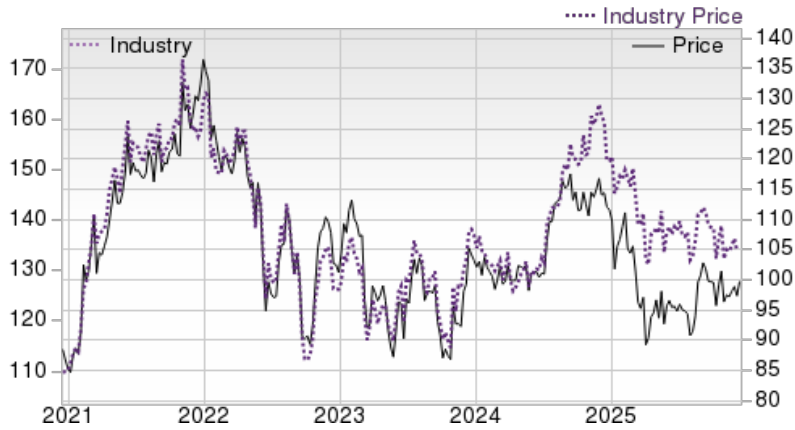
The table below shows the summary valuation data for Federal Realty.

Valuation Multiples - FRT					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	13.45	14.46	17.36	23.51
	5-Year High	25.32	18.89	18.28	23.58
	5-Year Low	11.56	12.21	12.37	15.72
	5-Year Median	15.68	15.16	16.12	21.20
P/S F12M	Current	6.48	9.64	9.07	5.28
	5-Year High	11.45	13.33	10.06	5.50
	5-Year Low	5.61	8.23	6.68	3.83
	5-Year Median	7.31	10.16	8.39	5.05
P/B TTM	Current	2.75	2.26	4.28	8.49
	5-Year High	4.47	4.25	4.37	9.16
	5-Year Low	2.31	1.94	2.87	6.60
	5-Year Median	2.96	2.36	3.52	8.05

As of 12/12/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 40% (145 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Brixmor Property Gro...(BRX)	Neutral	3
Kimco Realty Corpora...(KIM)	Neutral	3
Realty Income Corpor...(O)	Neutral	3
Regency Centers Corp...(REG)	Neutral	3
Simon Property Group...(SPG)	Neutral	2
Urban Edge Propertie...(UE)	Neutral	3
Acadia Realty Trust (AKR)	Underperform	4
SITE CENTERS CORP. (SITC)	NA	

Industry Comparison⁽¹⁾ Industry: Reit And Equity Trust - Retail

	FRT	X Industry	S&P 500	BRX	KIM	REG
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	3	-	-	3	3	3
VGM Score	F	-	-	D	D	D
Market Cap	8.77 B	4.17 B	38.74 B	7.94 B	13.85 B	12.45 B
# of Analysts	8	6	22	6	9	7
Dividend Yield	4.44%	4.23%	1.42%	4.43%	5.09%	4.44%
Value Score	D	-	-	C	C	D
Cash/Price	0.01	0.02	0.04	0.05	0.01	0.02
EV/EBITDA	16.32	17.16	14.56	13.90	17.16	18.60
PEG Ratio	3.14	2.61	2.18	2.41	1.46	2.65
Price/Book (P/B)	2.81	1.68	3.30	2.68	1.30	1.81
Price/Cash Flow (P/CF)	13.45	13.67	15.17	10.82	13.34	15.52
P/E (F1)	14.09	13.70	19.74	11.57	11.69	14.75
Price/Sales (P/S)	6.99	6.24	3.08	5.90	6.52	8.18
Earnings Yield	7.11%	7.30%	5.04%	8.63%	8.56%	6.77%
Debt/Equity	1.52	0.79	0.57	1.85	0.77	0.72
Cash Flow (\$/share)	7.44	2.82	8.99	2.36	1.50	4.33
Growth Score	D	-	-	D	D	D
Hist. EPS Growth (3-5 yrs)	9.39%	6.89%	8.16%	8.33%	8.00%	7.16%
Proj. EPS Growth (F1/F0)	6.65%	5.19%	8.60%	5.16%	6.06%	7.21%
Curr. Cash Flow Growth	14.15%	3.26%	6.75%	8.39%	-12.66%	12.87%
Hist. Cash Flow Growth (3-5 yrs)	1.45%	4.15%	7.43%	3.66%	8.06%	6.22%
Current Ratio	1.60	1.48	1.18	1.19	3.59	1.20
Debt/Capital	59.95%	46.37%	38.01%	64.96%	43.74%	41.05%
Net Margin	27.65%	24.22%	12.78%	24.70%	28.24%	27.04%
Return on Equity	11.12%	6.26%	17.00%	11.22%	5.60%	6.14%
Sales/Assets	0.14	0.13	0.53	0.15	0.11	0.12
Proj. Sales Growth (F1/F0)	5.20%	4.82%	5.79%	6.50%	4.30%	7.40%
Momentum Score	D	-	-	C	B	B
Daily Price Chg	-0.78%	-0.88%	-1.16%	-1.92%	-2.05%	-1.60%
1 Week Price Chg	2.45%	0.55%	-2.40%	1.83%	0.15%	-1.37%
4 Week Price Chg	3.48%	-0.13%	1.19%	-2.14%	-0.74%	-3.35%
12 Week Price Chg	0.06%	-1.47%	1.26%	-7.12%	-8.31%	-6.04%
52 Week Price Chg	-12.43%	-10.22%	14.46%	-10.75%	-17.37%	-11.05%
20 Day Average Volume	609,050	903,221	2,751,030	2,874,346	4,621,337	1,125,796
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.07%	0.00%	0.00%	0.00%	0.04%	0.09%
(F1) EPS Est 12 week change	0.69%	0.57%	0.69%	0.19%	0.97%	0.36%
(Q1) EPS Est Mthly Chg	0.19%	0.00%	0.00%	-0.32%	0.16%	0.59%

Analyst Earnings Model⁽²⁾

Federal Realty Investment Trust (FRT)

In \$MM, except per share data

	2021A	2022A	2023A	2024A	2025E					2026E					2027E
FY Ends December 31st	FY Dec-21	FY Dec-22	FY Dec-23	FY Dec-24	1QA 31-Mar-25	2QA 30-Jun-25	3QA 30-Sep-25	4QE 31-Dec-25	FY Dec-25	1QE 31-Mar-26	2QE 30-Jun-26	3QE 30-Sep-26	4QE 31-Dec-26	FY Dec-26	FY Dec-27
Income Statement															
Commercial Minimum Rents	\$657.7	\$700.5	\$743.0	\$789.9	\$203.1	\$208.5	\$214.6	\$210.9	\$837.1	\$213.0	\$214.6	\$218.3	\$215.7	\$861.6	\$895.4
Residential Minimum Rents	\$82.5	\$98.2	\$102.7	\$108.3	\$26.9	\$26.4	\$25.8	\$27.1	\$106.2	\$27.1	\$27.0	\$27.4	\$27.3	\$108.7	\$112.9
Minimum Rents		\$798.8	\$845.7	\$898.3	\$230.0	\$234.9	\$240.4	\$238.0	\$943.3	\$240.1	\$241.6	\$245.7	\$243.0	\$970.3	\$1,008.3
Cost Reimbursements	\$179.2	\$200.4	\$211.7	\$230.1	\$63.3	\$59.3	\$63.4	\$64.8	\$250.8	\$64.0	\$58.9	\$63.0	\$61.9	\$247.8	\$263.7
Percentage Rents	\$9.3	\$18.8	\$19.3	\$18.6	\$4.5	\$3.4	\$4.4	\$5.0	\$17.3	\$4.4	\$4.4	\$4.7	\$4.6	\$18.1	\$21.1
Other			\$24.2	\$22.2	\$5.8	\$5.0	\$6.2	\$6.2	\$23.2	\$6.2	\$6.2	\$6.2	\$6.2	\$24.8	\$24.8
Collectibility Related Impact	(\$23.1)	\$4.0	\$0.5	\$0.9	(\$1.2)	(\$0.1)	(\$1.3)	(\$1.3)	(\$3.9)	(\$1.3)	(\$1.3)	(\$1.3)	(\$1.3)	(\$5.3)	(\$5.3)
Rental Income			\$1,101.4	\$1,170.1	\$302.3	\$302.5	\$313.2	\$312.7	\$1,230.7	\$313.3	\$309.7	\$318.3	\$314.4	\$1,255.7	\$1,312.6
Other Property Income			\$29.6	\$31.3	\$6.6	\$8.8	\$8.8	\$8.8	\$32.9	\$8.8	\$8.8	\$8.8	\$8.8	\$35.2	\$35.2
Mortgage Interest Income	\$2.4	\$1.1	\$1.1	\$1.1	\$0.3	\$0.3	\$0.3	\$0.3	\$1.1	\$0.3	\$0.3	\$0.3	\$0.3	\$1.1	\$1.1
Total Revenues	\$951.2	\$1,074.4	\$1,132.2	\$1,202.5	\$309.2	\$311.5	\$322.3	\$321.8	\$1,264.7	\$322.4	\$318.8	\$327.4	\$323.5	\$1,292.0	\$1,348.9
Rental Expenses	\$198.1	\$229.0	\$231.7	\$249.6	\$67.8	\$61.6	\$67.5	\$67.6	\$264.4	\$72.6	\$66.0	\$71.4	\$70.2	\$280.2	\$293.5
Real Estate Taxes	\$118.5	\$127.8	\$131.4	\$142.2	\$36.6	\$36.7	\$38.2	\$38.4	\$149.9	\$38.7	\$38.6	\$39.9	\$39.6	\$156.9	\$163.7
General and Administrative	\$49.9	\$52.6	\$50.7	\$49.7	\$10.9	\$11.9	\$11.6	\$11.4	\$45.8	\$13.6	\$15.3	\$16.5	\$11.8	\$57.2	\$62.1
Depreciation and Amortization	\$280.0	\$302.4	\$321.8	\$342.6	\$86.9	\$89.2	\$94.3	\$93.3	\$363.8	\$92.7	\$92.2	\$94.9	\$93.5	\$373.3	\$390.0
Total Operating Expenses	\$646.4	\$711.8	\$735.6	\$784.1	\$202.2	\$199.5	\$211.6	\$210.7	\$823.9	\$217.7	\$212.1	\$222.7	\$215.1	\$867.5	\$909.3
Gain on Sale of Real Estate and Change in Control of Interest	\$90.0	\$163.9	\$9.9	\$54.0	\$1.2	\$90.7	\$0.0	\$0.0	\$91.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
EBITDAre	\$589.8	\$677.3	\$732.7	\$772.0	\$195.9	\$218.3	\$207.6	\$213.4	\$835.2	\$211.5	\$216.1	\$219.3	\$221.7	\$868.4	\$908.5
Operating Income	\$394.7	\$526.4	\$406.5	\$472.4	\$108.1	\$202.7	\$110.7	\$117.5	\$539.0	\$116.1	\$121.3	\$121.8	\$125.5	\$484.7	\$508.0
Other Interest Income	\$0.8	\$1.1	\$4.7	\$4.3	\$0.7	\$0.9	\$0.8	\$0.5	\$3.0	\$0.8	\$0.8	\$1.2	\$1.3	\$4.1	\$3.0
Interest Expense	\$127.7	\$137.0	\$167.8	\$175.5	\$42.5	\$44.6	\$47.6	\$48.0	\$182.7	\$51.4	\$51.0	\$52.9	\$51.1	\$206.4	\$215.7
Income (Loss) from Partnerships	\$1.2	\$5.2	\$3.9	\$3.2	\$0.2	\$0.9	\$0.6	\$0.6	\$2.3	\$0.6	\$0.6	\$0.6	\$0.6	\$2.4	\$2.4
Net Income	\$269.1	\$395.7	\$247.2	\$304.3	\$66.6	\$160.0	\$64.5	\$70.6	\$361.6	\$66.1	\$71.7	\$70.7	\$76.3	\$284.8	\$297.6
Non-Controlling Interests	\$7.6	\$10.2	\$10.2	\$9.1	\$2.8	\$4.0	\$2.9	\$2.9	\$12.6	\$2.9	\$2.9	\$2.9	\$2.9	\$11.4	\$11.4
Net Income Attributable to the Trust	\$261.5	\$385.5	\$237.0	\$295.2	\$63.8	\$155.9	\$61.6	\$67.7	\$349.1	\$63.3	\$68.8	\$67.9	\$73.4	\$273.4	\$286.2
Preferred Share Dividends	\$8.0	\$8.0	\$8.0	\$8.0	\$2.0	\$2.0	\$2.0	\$2.0	\$8.0	\$2.0	\$2.0	\$2.0	\$2.0	\$8.0	\$8.0
Earnings Allocated to Unvested Shares	\$1.2	\$1.3	\$1.3	\$1.3	\$0.3	\$0.5	\$0.3	\$0.3	\$1.5	\$0.3	\$0.3	\$0.3	\$0.3	\$1.3	\$1.3
Net Income Attributable to Common Shareholders, Basic	\$252.2	\$376.1	\$227.7	\$285.9	\$61.4	\$153.4	\$59.3	\$65.4	\$339.5	\$60.9	\$66.5	\$65.5	\$71.1	\$264.0	\$276.9
Income Attributable to DownREIT Operating Partnership Units & Other Adjustments				\$0.7	\$0.0	\$0.7	\$0.0	\$0.0	\$0.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Income Attributable to Common Shareholders, Diluted	\$252.2	\$376.1	\$227.7	\$285.9	\$61.4	\$154.1	\$59.3	\$65.4	\$340.3	\$60.9	\$66.5	\$65.5	\$71.1	\$264.0	\$276.9
Basic Shares Outstanding	77.3	79.9	81.3	83.6	85.5	86.0	86.0	86.0	85.8	86.0	86.0	86.0	86.0	86.0	86.0
Diluted Share Outstanding	77.4	80.5	81.3	83.6	85.5	86.6	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0
Basic EPS	\$3.26	\$4.71	\$2.80	\$3.42	\$0.72	\$1.78	\$0.69	\$0.76	\$3.95	\$0.71	\$0.77	\$0.76	\$0.83	\$3.07	\$3.22
Diluted EPS	\$3.26	\$4.71	\$2.80	\$3.42	\$0.72	\$1.78	\$0.69	\$0.76	\$3.95	\$0.71	\$0.77	\$0.76	\$0.83	\$3.07	\$3.22
Dividend per Share	\$4.25	\$4.29	\$4.33	\$4.37	\$1.10	\$1.10	\$1.13	\$1.13	\$4.46	\$1.13	\$1.13	\$1.15	\$1.15	\$4.56	\$4.64
FFO & AFFO															
Funds from Operations	\$441.4	\$515.6	\$544.0	\$577.0	\$148.2	\$167.4	\$154.8	\$161.5	\$631.8	\$156.3	\$161.3	\$162.5	\$167.2	\$647.3	\$674.7
FFO	\$434.7	\$509.2	\$537.3	\$570.2	\$146.5	\$165.5	\$153.0	\$159.7	\$624.7	\$154.5	\$159.5	\$160.7	\$165.4	\$640.1	\$667.5
Average Diluted Share Count	78.1	80.6	82.0	84.3	86.2	86.6	86.6	86.6	86.5	86.6	86.6	86.6	86.6	86.6	86.6
FFO per Share	\$5.57	\$6.32	\$6.55	\$6.77	\$1.70	\$1.91	\$1.77	\$1.84	\$7.22	\$1.78	\$1.84	\$1.86	\$1.91	\$7.39	\$7.71

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	D
Growth Score	D
Momentum Score	D
VGM Score	F

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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