RAMCO GERSHENSON PROPERTIES TRUST
Form 10-K
March 08, 2012
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission file number 1-10093

RAMCO-GERSHENSON PROPERTIES TRUST
(Exact Name of Registrant as Specified in its Charter)

Maryland	13-6908486
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

31500 Northwestern Highway Farmington Hills, Michigan	48334
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: 248-350-9900

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange On Which Registered
Common Shares of Beneficial Interest, $0.01 Par Value Per Share	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes [ ] No [X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer [ ] Accelerated Filer [X]
Non-Accelerated Filer [ ] (Do not check if small reporting company) Small Reporting Company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes [ ] No [X]

The aggregate market value of the common equity held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter (June 30, 2011) was $464,590,794.

Number of common shares outstanding as of March 1, 2012: 39,091,805

DOCUMENT INCORPORATED BY REFERENCE

Portions of the registrant's proxy statement for the annual meeting of shareholders to be held June 1, 2012 are in incorporated by reference into Part III of this Form 10-K.

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Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements represent our expectations, plans or beliefs concerning future events and may be identified by terminology such as "may," "will," "should," "believe," "expect," "estimate," "anticipate," "continue," "predict" or similar terms. Al forward-looking statements made in this document are based on our good-faith beliefs, reasonable assumptions and our best judgment based upon current information, certain factors could cause actual results to differ materially from those in the forward-looking statements, including: our success or failure in implementing our business strategy; economic conditions generally and in the commercial real estate and finance markets specifically; the cost and availability of capital, which depends in part on our asset quality and our relationships with lenders and other capital providers; our business prospects and outlook; changes in governmental regulations, tax rates and similar matters; our continuing to qualify as a real estate investment trust ("REIT"); and other factors discussed elsewhere in this document and our other filings with the Securities and Exchange Commission (the "SEC"). Given these uncertainties, you should not place undue reliance on any forward-looking statements. Except as required by law, we assume no obligation to update these forward-looking statements, even if new information becomes available in the future.

PART I

Item 1. Business

The terms "Company," "we," "our" or "us" refer to Ramco-Gershenson Properties Trust, Ramco-Gershenson Properties, L.P. and/or its subsidiaries, as the context may require.

General

Ramco-Gershenson Properties Trust is a fully integrated, self-administered, publicly-traded equity real estate investment trust ("REIT"). Our primary business is the ownership and management of shopping centers located in targeted metropolitan markets in the Eastern and Midwestern United States. At December 31, 2011, we owned interests in 83 shopping centers and one office building with approximately 15.2 million square feet of gross leasable area ("GLA") owned by us and joint ventures. During 2011, in three instances. we combined two adjacent centers that were previously reported separately into a single center. We also owned interests in various parcels of land held for development or for sale, the majority of which are adjacent to certain of our existing developed properties.

Our predecessor, RPS Realty Trust, a Massachusetts business trust, was formed on June 21, 1988 to be a diversified growth-oriented REIT. In May 1996, RPS Realty Trust acquired the Ramco-Gershenson interests through a reverse merger, including substantially all of the shopping centers and retail properties as well as the management company and business operations of Ramco-Gershenson, Inc. and certain of our affiliates. The resulting trust changed its name to Ramco-Gershenson Properties Trust and Ramco-Gershenson, Inc.'s officers assumed management responsibility. The trust also changed its operations from a mortgage REIT to an equity REIT and contributed certain mortgage loans and real estate properties to Atlantic Realty Trust, an independent, newly formed liquidating REIT. On October 2, 1997, with approval from our shareholders, we changed our state of organization by terminating the Massachusetts trust and merging into a newly formed Maryland REIT.

We conduct substantially all of our business through our operating partnership, Ramco-Gershenson Properties, L.P. (the "Operating Partnership"). The Operating Partnership, either directly or indirectly through partnerships or limited liability companies, holds fee title to all owned properties. As general partner of the Operating Partnership, we have the exclusive power to manage and conduct the business of the Operating Partnership. As of December 31, 2011, we owned approximately 93.7% of the interests in the Operating Partnership. The limited partners are reflected as

noncontrolling interests in our financial statements and are generally individuals or entities that contributed interests in certain assets or entities to the Operating Partnership in exchange for units of limited partnership interest ("OP Units"). OP units are generally exchangeable for our common shares on a 1:1 basis or for cash, at our election.

We operate in a manner intended to qualify as a REIT pursuant to the provisions of the Internal Revenue Code of 1986, as amended (the "Code"). Certain of our operations, including property and asset management, as well as ownership of certain land parcels, are conducted through taxable REIT subsidiaries, ("TRSs"), which are subject to federal and state income taxes.

Business Objectives and Strategies

Our primary business objective is to own and manage a portfolio of high quality shopping centers that generate cash flow for distribution to our shareholders and that have the potential for capital appreciation. To achieve this objective, we seek to acquire, develop, or redevelop shopping centers that meet our investment criteria. We also seek to recycle capital through the sale of land or shopping centers that we deem to be fully valued or that no longer meet our investment criteria. We use debt to finance our activities and focus on managing the amount, structure, and terms of our debt to limit the risks inherent in debt financing. From time to time, we enter into joint venture arrangements where we believe we can benefit by owning a partial interest in a shopping center investment and by earning fees for managing the centers for our partners.

We invest in primarily large, multi-anchor shopping centers that include national chain store tenants and market dominant supermarket tenants selling products that satisfy everyday needs. National chain anchor tenants for our centers include, among others, TJ Maxx/Marshalls, Home Depot, Wal-Mart, Kohl's, Lowe's Home Centers, Best Buy, and Target. Supermarket anchor tenants for our centers include, among others, Publix Super Market, Jewel-Osco, Kroger and Whole Foods. Our shopping centers are primarily located in targeted metropolitan markets in the Eastern and Midwestern regions of the United States, such as Detroit, Fort Lauderdale-Palm Beach, Jacksonville, Tampa, Atlanta, Chicago and St. Louis.

Our property portfolio consists of wholly-owned shopping centers and interests in joint ventures that own shopping centers. We own controlling interest in 52 shopping centers and one office building comprising approximately 9.6 million square feet. In addition, we are co-investor in and manager of two significant joint ventures that own portfolios of shopping centers. We own 30% of Ramco/Lion Venture L.P., an entity that owns 16 shopping centers comprising approximately 3.2 million square feet. We own 20% of Ramco 450 Venture LLC, an entity that owns eight shopping centers comprising approximately 1.6 million square feet. We also have ownership interests in five smaller joint ventures that each owns one or two shopping centers. Our joint ventures are not consolidated and are reported using equity method accounting. We earn fees from the joint ventures for managing, leasing, and redeveloping the shopping centers they own.

We also own various parcels of developable land. Approximately 30% of our developable land's net book value is available for sale to end users such as retailers that prefer to own their sites or to developers who seek to develop non-retail uses. The remaining 70% of our land is held for development. The timing of future development will depend on our ability to obtain approvals, pre-lease our proposed projects, and identify a source of construction financing.

Operating Strategies

Our operating objective is to maximize the risk-adjusted return on invested capital at our shopping centers. We seek to do so by increasing the net operating income of our centers, controlling our capital expenditures, and monitoring our tenants' credit risk. Our operating strategies include:

- Leasing our shopping centers to increase occupancy, maximize rental income, and attract more creditworthy and productive retail tenants;
- Managing and maintaining our centers to appeal to retail tenants and shoppers while ensuring we garner appropriate value for our operating expenses and capital expenditures;
- Redeveloping our centers to increase leasable area, reconfigure space for creditworthy tenants, and create outparcels; and
- Generating temporary and ancillary income from non-rental agreements to use our parking lots, signage, rooftops, and other portions of our real estate.

Investing Strategies

Our investing objective is to generate an attractive risk-adjusted return on capital invested in acquisitions and developments. In addition, we seek to sell land or shopping centers that we deem to be fully valued or that no longer meet our investment criteria. We underwrite acquisitions based upon current cash flow, projections of future cash flow, and scenario analyses that take into account the risks and opportunities of ownership. We underwrite development of new shopping centers on the same basis, but also take into account the unique risks of entitling land, constructing buildings, and leasing newly built space. Our investing strategies include:

- Acquiring shopping centers that are located in targeted metropolitan markets, anchored by stable and productive supermarkets, discounters, or national chain stores, surrounded by trade areas with appealing demographic characteristics, sited with suitable visibility and access, and featuring opportunities to add value through intensive leasing, management, and/or redevelopment;

- Developing our existing land held for development into income-producing investment property, subject to market demand, availability of capital and adequate returns on our incremental capital;
- Selling non-core shopping centers and redeploying the proceeds into investments that meet our investment criteria; and
- Selling land parcels and using the proceeds to pay down debt or reinvest in our business.

Financing Strategies

Our financing objective is to maintain a strong and flexible balance sheet in order to ensure access to capital at a competitive cost. In general, we seek to increase our financial flexibility by increasing our pool of unencumbered properties and borrowing on an unsecured basis. In keeping with our objective, we routinely benchmark our balance sheet on a variety of measures to our peers in the shopping center sector and to REITs in general. Our financing strategies include:

- Capitalizing our business with a moderate ratio of net debt to EBITDA;
- Using primarily fixed-rate debt, staggering our debt maturities, monitoring our liquidity and near-term capital requirements, and managing the average term of our debt;
- Maintaining a line of credit to fund operating and investing needs on a short-term basis;
- Monitoring compliance with debt covenants and maintaining a regular dialogue with our lenders; and
- Financing our investment activities with various forms and sources of capital to reduce reliance on any one source of capital.

At December 31, 2011, our consolidated net debt to EBITDA was 7.0X, a decrease from 8.5X at the end of 2010. In addition, we had $144.1 million available to draw under our unsecured bank line of credit, compared to $28.7 million at the end of 2010.

Competition

See page 6 of Item 1A. “Risk Factors” for a description of competitive conditions in our business.

Environmental Matters

See page 10 of Item 1A. “Risk Factors” for a description of environmental risks for our business.

Employment

As of December 31, 2011, we had 106 full-time employees. None of our employees are represented by a collective bargaining unit. We believe that our relations with our employees are good.

Available Information

All reports we electronically file with, or furnish to, the SEC, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to such reports, are available, free of charge, on our website at www.rgpt.com, as soon as reasonably practicable after we electronically file such reports with, or furnish those reports to, the SEC. Our Corporate Governance Guidelines, Code of Business Conduct and Ethics and Board of Trustees’ committee charters also are available on our website.

Shareholders may request free copies of these documents from:

Ramco-Gershenson Properties Trust
Attention: Investor Relations
31500 Northwestern Highway, Suite 300
Farmington Hills, MI 48334

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Item 1A. Risk Factors

You should carefully consider each of the risks and uncertainties described below and elsewhere in this Annual Report on Form 10-K, as well as any amendments or updates reflected in subsequent filings with the SEC. We believe these risks and uncertainties, individually or in the aggregate, could cause our actual results to differ materially from expected and historical results and could materially and adversely affect our business operations, results of operations and financial condition. Further, additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our results and business operations.

Operating Risks

National economic conditions and retail sales trends may adversely affect the performance of our properties.

Demand to lease space in our shopping centers generally fluctuates with the overall economy. Economic downturns often result in a lower rate of retail sales growth, or even declines in retail sales. In response, retailers that lease space in shopping centers typically reduce their demand for retail space during such downturns. As a result, economic downturns and unfavorable retail sales trends may diminish the income, cash flow, and value of our properties. Although the U.S. economy is no longer in recession, the rate of recovery has been slower than anticipated and economic conditions in the U.S. continue to be challenging with tight credit conditions, high levels of unemployment and modest growth.

Our concentration of properties in Michigan, Florida, Georgia and other states makes us more susceptible to adverse market conditions in these states.

Our performance depends on the economic conditions in the markets in which we operate. In 2011, our wholly-owned and pro rata share of joint venture properties located in Michigan, Florida, and Ohio accounted for 44.6%, 22.2%, and 7.3%, respectively, of our annualized base rent. To the extent that market conditions in these or other states in which we operate deteriorate, the performance or value of our properties may be adversely affected.

Changes in the supply and demand for the type of space we lease to our tenants could affect the income, cash flow, and value of our properties.

Our shopping centers generally compete for tenants with similar properties located in the same neighborhood, community, or region. Competing centers may be newer, better located, or have a better tenant mix. In addition, new centers or retail stores may be developed, increasing the supply of retail space competing with our centers or taking retail sales from our tenants. Our properties also compete with alternate forms of retailing, including on-line shopping, home shopping networks, and mail order catalogs. Alternate forms of retailing may reduce the demand for space in our shopping centers.

As a result, we may not be able to renew leases or attract replacement tenants as leases expire. When we do renew tenants or attract replacement tenants, the terms of renewals or new leases may be less favorable to us than current lease terms. In order to lease our vacancies, we often incur costs to reconfigure or modernize our properties or to fit out our space to suit the needs of a particular tenant. Under competitive circumstances, such costs may exceed our budgets. If we are unable to lease vacant space promptly, if the rental rates upon a renewal or new lease are lower than expected, or if the costs incurred to lease space exceed our expectations, then the income and cash flow of our properties will decrease.

Our reliance on key tenants for significant portions of our revenues exposes us to increased risk of tenant bankruptcies that could adversely affect our income and cash flow.

As of December 31, 2011, we received 36% of our combined annualized base rents from our top 25 tenants, including our top two tenants: TJ Maxx/Marshalls (4.4%) and Home Depot (2.0%). No other tenant represented more than 2.0% of our total annualized base rent. The credit risk posed by our major tenants varies.

If any of our major tenants experience financial difficulties or files bankruptcy, our operating results could be adversely affected. Bankruptcy filings by our tenants or lease guarantors generally delay our efforts to collect pre-bankruptcy receivables and could ultimately preclude full collection of these sums. If a tenant rejects a lease, we would have only a general unsecured claim for damages, which may be collectible only to the extent that funds are available and only in the same percentage as is paid to all other holders of unsecured claims.

Our properties generally rely on anchor tenants to attract customers. The loss of anchor tenants may adversely impact the performance of our properties.

If any of our anchor tenants becomes insolvent, suffers a downturn in business, abandons occupancy, or decides not to renew its lease, such event may adversely impact the performance of the affected center. An abandonment or lease termination by an anchor tenant may give other tenants in the same shopping center the right to terminate their leases or pay less rent pursuant to the terms of their leases. Our leases with anchor tenants may, in certain circumstances, permit them to transfer their leases to other retailers. The transfer to a new anchor tenant could result in lower customer traffic to the center, which could affect our other tenants. In addition, a transfer of a lease to a new anchor tenant could give other tenants the right to make reduced rental payments or to terminate their leases.

We may be restricted from leasing vacant space based on existing exclusivity lease provisions with some of our tenants.

In a number of cases, our leases give a tenant the exclusive right to sell clearly identified types of merchandise or provide specific types of services at a particular shopping center. In other cases, leases with a tenant may limit the ability of other tenants to sell similar merchandise or provide similar services to that tenant. When leasing a vacant space, these restrictions may limit the number and types of prospective tenants suitable for that space. If we are unable to lease space on satisfactory terms, our operating results would be adversely impacted.

Increases in operating expenses could adversely affect our operating results.

Our operating expenses include, among other items, property taxes, insurance, utilities, repairs, and the maintenance of the common areas of our shopping centers. We may experience increases in our operating expenses, some or all of which may be out of our control. Most of our leases require that tenants pay for a share of property taxes, insurance and common area maintenance costs. However, if any property is not fully occupied or if revenues are not sufficient to cover operating expenses, then we could be required to expend our own funds for operating expenses. In addition, we may be unable to renew leases or negotiate new leases with terms requiring our tenants to pay all the property tax, insurance, and common area maintenance costs that tenants currently pay, which could adversely affect our operating results.

If we suffer losses that are uninsured or in excess of our insurance coverage limits, we could lose invested capital and anticipated profits.

Catastrophic losses, such as losses resulting from wars, acts of terrorism, earthquakes, floods, hurricanes, and tornadoes or other natural disasters, pollution or environmental matters, generally are either uninsurable or not economically insurable, or may be subject to insurance coverage limitations, such as large deductibles or co-payments. Although we currently maintain “all risk” replacement cost insurance for our buildings, rents and personal property, commercial general liability insurance, and pollution and environmental liability insurance, our insurance coverage may be inadequate if any of the events described above occurs to, or causes the destruction of, one or more of our properties. Under that scenario, we could lose both our invested capital and anticipated profits from that property.

Our real estate assets may be subject to additional impairment provisions based on market and economic conditions.

On a periodic basis, we assess whether there are any indicators that the value of our real estate properties and other investments may be impaired. These assessments have a direct impact on our earnings because recording an impairment provision results in an immediate negative non-cash adjustment to earnings.

A property's value is impaired only if the estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property are less than the carrying value of the property. In our estimate of cash flows, we consider factors such as expected future operating income, trends and prospects, the effects of demand, competition and other factors. We are required to make subjective assessments as to whether there are impairments in the value of our real estate properties and other investments.

Ongoing adverse market and economic conditions and market volatility continue to make it challenging to value properties and investments owned by us and our unconsolidated joint ventures. There may be uncertainty in the valuation, or in the stability of the value of a property, that could result in a substantial decrease in the value. In addition, in the fourth quarter of 2011, we decided to sell several income producing properties that no longer met our investing strategy. The decision to sell these assets triggered an impairment provision of $16.3 million due to the estimated sales price was lower than the properties carrying values. In addition, one of our joint ventures recorded an impairment provision of $5.5 million on one of its properties. Our share of this impairment was $1.6 million. No assurance can be given that we will be able to recover the current carrying amount of all of our properties and those of our unconsolidated joint ventures. There can be no assurance that we will not take additional charges in the future related to the impairment of our assets. Any future impairment could have a material adverse effect on our results of operations in the period in which the charge is taken. Refer to Note 7 of the notes to the consolidated financial statements for further information regarding impairment provisions.

We do not control all decisions related to the activities of joint ventures in which we are invested, and we may have conflicts of interest with our joint venture partners.

As of December 31, 2011, we had interests in seven unconsolidated joint ventures that collectively own 31 shopping centers. Although we manage the properties owned by these joint ventures, we do not control all decisions for the joint ventures and may be required to take actions that are in the interest of our joint venture partners but not our best interests. Accordingly, we may not be able to resolve in our favor any issues which arise, or we may have to provide financial or other inducements to our joint venture partners to obtain such favorable resolution.

Various restrictive provisions and rights govern sales or transfers of interests in our joint ventures. These may work to our disadvantage because, among other things, we may be required to make decisions as to the purchase or sale of interests in our joint ventures at a time that is disadvantageous to us. In addition, a bankruptcy filing of one of our joint venture partners could adversely affect us because we may make commitments that rely on our partners to fund capital from time to time. The profitability of shopping centers held in a joint venture could also be adversely affected by the bankruptcy of one of our joint venture partners if, because of certain provisions of the bankruptcy laws, we were unable to make important decisions in a timely fashion or became subject to additional liabilities.

We may invest in additional joint ventures, the terms of which may differ from our existing joint ventures. In general, we would expect to share the rights and obligations to make major decisions regarding the venture with our partners, which would expose us to the risks identified above.

Our equity investment in each of our unconsolidated joint ventures is subject to impairment testing in the event of certain triggering events, such a change in market conditions or events at properties held by those joint ventures. If the fair value of our equity investment is less than our net book value on an other than temporary basis, impairment is required under generally accepted accounting principles. We recorded an impairment provision of $9.6 million and $2.7 million in 2011 and 2010, respectively, related to our equity investments in unconsolidated joint ventures. Refer to Note 7 of the notes to the consolidated financial statements for further information.

Market and economic conditions may impact our partners' ability to perform in accordance with our real estate joint venture and partnership agreements resulting in a change in control.

Changes in control of our investments could result from events such as amendments to our real estate joint venture and partnership agreements, changes in debt guarantees or changes in ownership due to required capital contributions. Any changes in control will result in the revaluation of our investments to fair value, which could lead to impairment. We are unable to predict whether, or to what extent, a change in control may result or the impact of adverse market and economic conditions may have to our partners.

Our redevelopment projects may not yield anticipated returns, which would adversely affect our operating results.

Our redevelopment activities generally call for a capital commitment and project scope greater than that required to lease vacant space. To the extent a significant amount of construction is required, we are susceptible to risks such as permitting, cost overruns and timing delays as a result of the lack of availability of materials and labor, the failure of tenants to commit or fulfill their commitments, weather conditions, and other factors outside of our control. Any substantial unanticipated delays or expenses could adversely affect the investment returns from these redevelopment projects and adversely impact our operating results.

Investing Risks

We face competition for the acquisition and development of real estate properties, which may impede our ability to grow our operations or may increase the cost of these activities.

We compete with many other entities for the acquisition of shopping centers and land that is appropriate for new developments, including other REITs, private institutional investors and other owner-operators of shopping centers. In particular, larger REITs may enjoy competitive advantages that result from, among other things, a lower cost of capital. These competitors may increase the market prices we would have to pay in order to acquire properties. If we are unable to acquire properties that meet our criteria at prices we deem reasonable, our ability to grow may be adversely affected.

Commercial real estate investments are relatively illiquid, which could hamper our ability to dispose of properties that no longer meet our investment criteria or respond to adverse changes in the performance of our properties.

Because real estate investments are relatively illiquid, our ability to promptly sell one or more properties in our portfolio in response to changing economic, financial and investment conditions is limited. The real estate market is affected by many factors, such as general economic conditions, supply and demand, availability of financing, interest rates and other factors that are beyond our control. We cannot be certain that we will be able to sell any property for the price and other terms we seek, or that any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot estimate with certainty the length of time needed to find a willing purchaser and to complete the sale of a property. We may be required to expend funds to correct defects or to make improvements before a property can be sold. Factors that impede our ability to dispose of properties could adversely affect our financial condition and operating results.

We are seeking to develop new properties, an activity that has inherent risks including cost overruns related to entitling land, improving the site, and constructing buildings, and the challenges of leasing new space.

We are pursuing development and construction of retail properties at several land parcels we own. Our development and construction activities are subject to the following risks:

- The pre-construction phase for a development project typically extends over several years, and the time to obtain anchor commitments, zoning and regulatory approvals, and financing can vary significantly from project to project;
- We may not be able to obtain the necessary zoning or other governmental approvals for a project, or we may determine that the expected return on a project is not sufficient. If we abandon our development activities with respect to a particular project, we may incur an impairment loss on our investment;
- Construction and other project costs may exceed our original estimates because of increases in material and labor costs, delays and costs to obtain anchor and other tenant commitments;
- We may not be able to obtain financing or to refinance construction loans, which are generally recourse to us;
- Occupancy rates and rents, as well as occupancy costs and expenses, at a completed project may not meet our projections, and the costs of development activities that we explore but ultimately abandon will, to some extent, diminish the overall return on our completed development projects; and
- The time frame required for development, construction and lease-up of these properties means that we may have to wait years for a significant cash return.

If any of these events occur, our development activities may have an adverse effect on our results of operations, including additional impairment provisions. We recorded impairment provisions of $11.5 million and $28.8 million in 2011 and 2010, respectively, related to developable land. For a detailed discussion of development projects, refer to Notes 4 and 7 of the notes to the consolidated financial statements.

Financing Risks

We have no corporate debt limitations.

Our management and Board of Trustees (“Board”) have discretion to increase the amount of our outstanding debt at any time. Subject to existing financial covenants, we could become more highly leveraged, resulting in an increase in debt service costs that could adversely affect our cash flow and the amount available for distribution to our shareholders. If we increase our debt, we may also increase the risk of default on our debt.

Our debt must be refinanced upon maturity, which makes us reliant on the capital markets on an ongoing basis.

We are not structured in a manner to generate sufficient cash flow from operations to repay our debt at maturity. Instead, we expect to refinance our debt by raising equity, debt, or other capital at the time or prior to the time that our debt matures. As of December 31, 2011, we had $524.9 million of outstanding indebtedness, including $6.3 million of capital lease obligations. Of this, $10.7 million matures in 2012. In addition, our joint ventures had $396.4 million of outstanding indebtedness, of which our share is $102.0 million. The availability and price of capital can vary significantly. If we seek to refinance maturing debt when capital market conditions are restrictive, we may find capital scarce, costly, or unavailable. Refinancing debt at a higher cost would affect our operating results and cash available for distribution. The failure to refinance our debt at maturity would result in default and the exercise by our lenders of the remedies available to them, including foreclosure and, in the case of recourse debt, liability for unpaid amounts.

Increases in interest rates may affect the cost of our variable-rate borrowings, our ability to refinance maturing debt, and the cost of any such refinancings.

As of December 31, 2011, we had four interest rate swap agreements in effect for an aggregate notional amount of $135.0 million converting our floating rate corporate debt to fixed rate debt. After taking into account the impact of converting our variable rate debt to fixed rate debt by use of the interest rate swap agreements we had $29.5 million of variable rate debt outstanding. Increases in interest rates on our existing indebtedness would increase our interest expense, which could adversely affect our cash flow and our ability to distribute cash to our shareholders. For example, if market rates of interest on our variable rate debt outstanding as of December 31, 2011 increased by 1.0%, the increase in interest expense on our existing variable rate debt would decrease future earnings and cash flows by approximately $0.3 million annually. Interest rate increases could also constrain our ability to refinance maturing debt because lenders may reduce their advance rates in order to maintain debt service coverage ratios.

Our mortgage debt exposes us to the risk of loss of property, which could adversely affect our financial condition.

As of December 31, 2011, we had $325.8 million of mortgage debt encumbering our properties. A default on any of our mortgage debt may result in foreclosure actions by lenders and ultimately our loss of the mortgaged property. We have entered into mortgage loans which are secured by multiple properties and contain cross-collateralization and cross-default provisions. Cross-collateralization provisions allow a lender to foreclose on multiple properties in the event that we default under the loan. Cross-default provisions allow a lender to foreclose on the related property in the event a default is declared under another loan. For federal income tax purposes, a foreclosure of any of our properties would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure but would not receive any cash proceeds.

For instance, in October 2011 we conveyed title to and our interest in our wholly-owned center in Madison Heights, Michigan after the default on a $9.1 million non-recourse mortgage note that was due May 1, 2011. The transaction resulted in a non-cash gain on debt extinguishment of approximately $1.2 million.

Financial covenants may restrict our operating, investing, or financing activities, which may adversely impact our financial condition and operating results.

The financial covenants contained in our mortgages and debt agreements reduce our flexibility in conducting our operations and create a risk of default on our debt if we cannot continue to satisfy them. The mortgages on our properties contain customary negative covenants such as those that limit our ability, without the prior consent of the lender, to further mortgage the applicable property or to discontinue insurance coverage. In addition, if we breach covenants in our debt agreements, the lender can declare a default and require us to repay the debt immediately and, if the debt is secured, can ultimately take possession of the property securing the loan.

Our outstanding line of credit contains customary restrictions, requirements and other limitations on our ability to incur indebtedness, including limitations on the maximum ratio of total liabilities to assets, the minimum fixed charge coverage, and the minimum tangible net worth ratio. Our ability to borrow under our line of credit is subject to compliance with these financial and other covenants. We rely on our ability to borrow under our line of credit to finance acquisition, development, and redevelopment activities and for working capital. If we are unable to borrow under our line of credit, our financial condition and results of operations would likely be adversely impacted.

Because we must annually distribute a substantial portion of our income to maintain our REIT status, we may not retain sufficient cash from operations to fund our investing needs.

As a REIT, we are subject to annual distribution requirements under the Code. In general, we must distribute at least 90% of our REIT taxable income annually, excluding net capital gains, to our shareholders to maintain our REIT status. We intend to make distributions to our shareholders to comply with the requirements of the Code.

Differences in timing between the recognition of taxable income and the actual receipt of cash could require us to sell assets or borrow funds on a short-term or long-term basis to meet the 90% distribution requirement. In addition, the distribution requirement reduces the amount of cash we retain for use in funding our capital requirements and our growth. As a result, we have historically funded our acquisition, development and redevelopment activities by any of the following: selling assets that no longer meet our investment criteria; selling common shares and preferred shares; borrowing from financial institutions; and entering into joint venture transactions with third parties. Our failure to obtain funds from these sources could limit our ability to grow, which could have a material adverse effect on the value of our securities.

There may be future dilution of our common shares

Our Declaration of Trust authorizes our Board to, among other things, issue additional common or preferred shares, or securities convertible or exchangeable into equity securities, without shareholder approval. We may issue such additional equity or convertible securities to raise additional capital. The issuance of any additional common or preferred shares or convertible securities could be substantially dilutive to holders of our common shares. Moreover, to the extent that we issue restricted shares, options or warrants to purchase our common shares in the future and those options or warrants are exercised or the restricted shares vest, our shareholders may experience further dilution. Holders of our common shares have no preemptive rights that entitle them to purchase a pro rata share of any offering of shares of any class or series and, therefore, such sales or offerings could result in increased dilution to our shareholders.

We may issue debt and equity securities or securities convertible into equity securities, any of which may be senior to our common shares as to distributions and in liquidation, which could negatively affect the value of our common shares.

During 2011 we issued 2.0 million cumulative convertible perpetual preferred shares, and we issued 683,000 common shares through a controlled equity offering. In addition, we have outstanding 229,722 shares of unvested restricted stock and 272,201 options to purchase shares of common stock at December 31, 2011.

Corporate Risks

The price of our common shares may fluctuate significantly.

The market price of our common shares fluctuates based upon numerous factors, many of which are outside of our control. A decline in our share price, whether related to our operating results or not, may constrain our ability to raise equity in pursuit of our business objectives. In addition, a decline in price may affect the perceptions of lenders, tenants, or others with whom we transact. Such parties may withdraw from doing business with us as a result. An inability to raise capital at a suitable cost or at any cost, or to do business with certain tenants or other parties, could affect our operations and financial condition.

Our failure to qualify as a REIT would result in higher taxes and reduced cash available for distribution to our shareholders.

We intend to operate in a manner so as to qualify as a REIT for federal income tax purposes. Our continued qualification as a REIT will depend on our satisfaction of certain asset, income, investment, organizational, distribution, shareholder ownership and other requirements on a continuing basis. Our ability to satisfy the asset requirements depends upon our analysis of the fair market values of our assets, some of which are not susceptible to a precise determination, and for which we will not obtain independent appraisals. In addition, our compliance with the REIT income and asset requirements depends upon our ability to manage successfully the composition of our income and assets on an ongoing basis. Moreover, the proper classification of an instrument as debt or equity for federal income tax purposes may be uncertain in some circumstances, which could affect the application of the REIT qualification requirements. Accordingly, there can be no assurance that the Internal Revenue Service (“IRS”) will not contend that our interests in subsidiaries or other issuers constitute a violation of the REIT requirements. Moreover, future economic, market, legal, tax or other considerations may cause us to fail to qualify as a REIT.

If we were to fail to qualify as a REIT in any taxable year, we would be subject to federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates, and distributions to shareholders would not be deductible by us in computing our taxable income. Any such corporate tax liability could be substantial

and would reduce the amount of cash available for distribution to our shareholders, which in turn could have an adverse impact on the value of, and trading prices for, our common shares. Unless entitled to relief under certain Code provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT.

Even if we qualify as a REIT, we may be subject to various federal income and excise taxes, as well as state and local taxes.

Even if we qualify as a REIT, we may be subject to federal income and excise taxes in various situations, such as if we fail to distribute all of our REIT taxable income. We also will be required to pay a 100% tax on non-arm's length transactions between us and our TRS and on any net income from sales of property that the IRS successfully asserts was property held for sale to customers in the ordinary course. Additionally, we may be subject to state or local taxation in various state or local jurisdictions, including those in which we transact business. The state and local tax laws may not conform to the federal income tax treatment. Any taxes imposed on us would reduce our operating cash flow and net income.

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the United States Treasury Department. Changes to tax laws, which may have retroactive application, could adversely affect our shareholders or us. We cannot predict how changes in tax laws might affect our shareholders or us.

We are party to litigation in the ordinary course of business, and an unfavorable court ruling could have a negative effect on us.

We are the defendant in a number of claims brought by various parties against us. Although we intend to exercise due care and consideration in all aspects of our business, it is possible additional claims could be made against us. We maintain insurance coverage including general liability coverage to help protect us in the event a claim is awarded; however, some claims may be uninsured. In the event that claims against us are successful and uninsured or underinsured, or we elect to settle claims that we determine are in our interest to settle, our operating results and cash flow could be adversely impacted. In addition, an increase in claims and/or payments could result in higher insurance premiums, which could also adversely affect our operating results and cash flow.

We are subject to various environmental laws and regulations which govern our operations and which may result in potential liability.

Under various federal, state and local laws, ordinances and regulations relating to the protection of the environment, a current or previous owner or operator of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances disposed, stored, released, generated, manufactured or discharged from, on, at, onto, under or in such property. Environmental laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, the presence or release of such hazardous or toxic substance. The presence of such substances, or the failure to properly remediate such substances when present, released or discharged, may adversely affect the owner’s ability to sell or rent such property or to borrow using such property as collateral. The cost of any required remediation and the liability of the owner or operator therefore as to any property is generally not limited under such environmental laws and could exceed the value of the property and/or the aggregate assets of the owner or operator. Persons who arrange for the disposal or treatment of hazardous or toxic substances may also be liable for the cost of removal or remediation of such substances at a disposal or treatment facility, whether or not such facility is owned or operated by such persons. In addition to any action required by federal, state or local authorities, the presence or release of hazardous or toxic substances on or from any property could result in private plaintiffs bringing claims for personal injury or other causes of action.

In connection with ownership (direct or indirect), operation, management and development of real properties, we have the potential to be liable for remediation, releases or injury. In addition, environmental laws impose on owners or operators the requirement of ongoing compliance with rules and regulations regarding business-related activities that may affect the environment. Such activities include, for example, the ownership or use of transformers or underground tanks, the treatment or discharge of waste waters or other materials, the removal or abatement of asbestos-containing materials (“ACMs”) or lead-containing paint during renovations or otherwise, or notification to various parties concerning the potential presence of regulated matters, including ACMs. Failure to comply with such requirements could result in difficulty in the lease or sale of any affected property and/or the imposition of monetary penalties, fines or other sanctions in addition to the costs required to attain compliance. Several of our properties have or may contain ACMs or underground storage tanks; however, we are not aware of any potential environmental liability which could reasonably be expected to have a material impact on our financial position or results of operations. No assurance can be given that future laws, ordinances or regulations will not impose any material environmental requirement or liability, or that a material adverse environmental condition does not otherwise exist.

Restrictions on the ownership of our common shares are in place to preserve our REIT status.

Our Declaration of Trust restricts ownership by any one shareholder to no more than 9.8% of our outstanding common shares, subject to certain exceptions granted by our Board. The ownership limit is intended to ensure that we maintain our REIT status given that the Code imposes certain limitations on the ownership of the stock of a REIT. Not more than 50% in value of our outstanding shares of beneficial interest may be owned, directly or indirectly by five or fewer individuals (as defined in the Code) during the last half of any taxable year. If an individual or entity were found to own constructively more than 9.8% in value of our outstanding shares, then any excess shares would be transferred by operation of our Declaration of Trust to a charitable trust, which would sell such shares for the benefit of the shareholder in accordance with procedures specified in our Declaration of Trust.

The ownership limit may discourage a change in control, may discourage tender offers for our common shares, and may limit the opportunities for our shareholders to receive a premium for their shares. Upon due consideration, our Board previously had granted a limited exception to this restriction for certain shareholders who requested an increase in their ownership limit, however the Board has no obligation to grant such limited exceptions in the future.

Certain anti-takeover provisions of our Declaration of Trust and Bylaws may inhibit a change of our control.

Certain provisions contained in our Declaration of Trust and Bylaws and the Maryland General Corporation Law, as applicable to Maryland REITs, may discourage a third party from making a tender offer or acquisition proposal to us. These provisions and actions may delay, deter or prevent a change in control or the removal of existing management. These provisions and actions also may delay or prevent the shareholders from receiving a premium for their common shares of beneficial interest over then-prevailing market prices.

These provisions and actions include:

- the REIT ownership limit described above;
- authorization of the issuance of our preferred shares of beneficial interest with powers, preferences or rights to be determined by our Board;
- special meetings of our shareholders may be called only by the chairman of our Board, the president, one-third of the Trustees, or the secretary upon the written request of the holders of shares entitled to cast not less than a majority of all the votes entitled to be cast at such meeting;
- a two-thirds shareholder vote is required to approve some amendments to our Declaration of Trust;
- our Bylaws contain advance-notice requirements for proposals to be presented at shareholder meetings; and
- our Board, without the approval of our shareholders, may from time to time (i) amend our Declaration of Trust to increase or decrease the aggregate number of shares of beneficial interest, or the number of shares of beneficial interest of any class, that we have authority to issue, and (ii) reclassify any unissued shares of beneficial interest into one or more classes or series of shares of beneficial interest.

In addition, the Trust, by Board action, may elect to be subject to certain provisions of the Maryland General Corporation Law that inhibit takeovers such as the provision that permits the Board by way of resolution to classify itself, notwithstanding any provision our Declaration of Trust or Bylaws.

Certain officers and trustees may have potential conflicts of interests with respect to properties contributed to the Operating Partnership in exchange for OP Units.

Certain of our officers and members of our Board of Trustees own OP Units obtained in exchange for contributions of their partnership interests in properties to the Operating Partnership. By virtue of this exchange, these individuals may have been able to defer some, if not all, of the income tax liability they could have incurred if they sold the properties for cash. As a result, these individuals may have potential conflicts of interest with respect to these properties, such as sales or refinancings that might result in federal income tax consequences.

Item 1B. Unresolved Staff Comments.

None.

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Item 2. Properties

As of December 31, 2011, we owned and managed a portfolio of 83 shopping centers and one office building with approximately 15.2 million square feet of gross leasable area owned directly by us or our unconsolidated joint ventures. Our combined portfolio reflected in Item 2 represents consolidated properties and unconsolidated joint venture properties at 100%. Of our consolidated properties, 17 are encumbered by mortgage loans aggregating $325.8 million. Of our unconsolidated joint venture partner's properties, 20 are encumbered by mortgage loans totaling $396.4 million, of which $102.0 million is our proportionate share.

Property Name	Ownership %	Year Built/ Acquired/ Redeveloped	Total GLA	% Leased	Average base rent per leased SF	Anchor Tenants (1)
CONSOLIDATED PORTFOLIO						
FLORIDA (7)						
Coral Creek Shops	100 %	1992/2002/NA	109,312	96.6 %	$ 16.33	Publix
Naples Towne Centre	100 %	1982/1996/2003	134,707	89.8 %	5.62	Beall's, Save-A-Lot, (Goodwill)
River City Marketplace	100 %	2005/2005/NA	551,428	98.8 %	16.18	Ashley Furniture Home Store, Bed Bath & Beyond, Best Buy, Gander Mountain, Michaels, OfficeMax, PETsMART, Ross Dress For Less, Wallace Theaters, (Lowe's), (Wal-Mart Supercenter)
River Crossing Centre	100 %	1998/2003/NA	62,038	100.0 %	12.37	Publix
Rivertowne Square	100 %	1980/1998/2010	148,643	89.3 %	8.24	Beall's Outlet, Winn-Dixie
The Crossroads	100 %	1988/2002/NA	120,092	94.3 %	14.54	Publix
Village Lakes Shopping Center	100 %	1987/1997/NA	186,496	69.2 %	8.61	Beall's Outlet, Sweet Bay (2)
Total / Average			1,312,716	92.1 %	$ 13.10	
GEORGIA (5)						
Centre at Woodstock	100 %	1997/2004/NA	86,748	88.6 %	$ 11.51	Publix
Conyers Crossing	100 %	1978/1998/NA	170,475	99.4 %	5.14	Burlington Coat Factory, Hobby Lobby
Holcomb Center	100 %	1986/1996/2010	107,053	77.0 %	11.40	Studio Movie Grill
Horizon Village	100 %	1996/2002/NA	97,001	75.2 %	10.99	Movie Tavern (3)
Mays Crossing	100 %	1984/1997/2007	137,284	94.8 %	6.67	Big Lots, Dollar Tree, Value Village-Sublease of ARCA Inc.
Total / Average			598,561	88.8 %	$ 8.22	

ILLINOIS (1)						
Liberty Square	100 %	1987/2010/2008	107,369	85.8 %	$ 12.74	Jewel-Osco
Total / Average			107,369	85.8 %	$ 12.74	
INDIANA (1)						
Merchants' Square	100 %	1970/2010/NA	278,875	84.1 %	$ 10.53	Cost Plus, Hobby Lobby (2), (Marsh Supermarket)
Total / Average			278,875	84.1 %	$ 10.53	

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Property Name	Ownership %	Year Built/ Acquired/ Redeveloped	Total GLA	% Leased	Average base rent per leased SF	Anchor Tenants (1)
MICHIGAN (22)						
Beacon Square	100 %	2004/2004/NA	51,387	91.8 %	$ 16.78	(Home Depot)
Clinton Pointe	100 %	1992/2003/NA	135,330	96.8 %	9.89	OfficeMax, Sports Authority, (Target)
Clinton Valley	100 %	1977/1996/2009	201,282	96.4 %	11.90	DSW Shoe Warehouse, Hobby Lobby, Office Depot
Edgewood Towne Center	100 %	1990/1996/2001	85,757	93.1 %	10.34	OfficeMax, (Sam's Club), (Target)
Fairlane Meadows	100 %	1987/2003/2007	157,246	98.3 %	14.37	Best Buy, Citi Trends, (Burlington Coat Factory), (Target)
Fraser Shopping Center	100 %	1977/1996/NA	68,326	100.0 %	6.78	Oakridge Market
Gaines Marketplace	100 %	2004/2004/NA	392,169	100.0 %	4.66	Meijer, Staples, Target
Hoover Eleven	100 %	1989/2003/NA	288,184	92.8 %	12.62	Kroger, Marshalls, OfficeMax
Jackson Crossing	100 %	1967/1996/2002	398,526	93.9 %	9.85	Bed Bath & Beyond, Best Buy, Jackson 10 Theater, Kohl's, T.J. Maxx, Toys "R" Us, (Sears), (Target)
Jackson West	100 %	1996/1996/1999	210,321	97.5 %	7.17	Lowe's, Michaels, OfficeMax
Kentwood Towne Centre	77.9 %	1988/1996//NA	184,152	93.0 %	6.06	Hobby Lobby-Sublease of Rubloff Development Group, OfficeMax, (Rooms Today), (BuyBuyBaby)
Lake Orion Plaza	100 %	1977/1996/NA	141,073	100.0 %	4.04	Hollywood Super Market, Kmart
Lakeshore Marketplace	100 %	1996/2003/NA	346,854	96.9 %	8.24	Barnes & Noble, Dunham's, Elder-Beerman, Hobby Lobby, T.J. Maxx, Toys "R" Us, (Target)
Livonia Plaza	100 %	1988/2003/NA	136,422	94.9 %	10.40	Kroger, TJ Maxx
New Towne Plaza	100 %	1975/1996/2005	192,587	100.0 %	10.48	DSW Shoe Warehouse, Jo-Ann, Kohl's
Oak Brook Square	100 %	1982/1996/2008	152,373	96.3 %	8.81	Hobby Lobby, T.J. Maxx
Roseville Towne Center	100 %	1963/1996/2004	246,968	100.0 %	7.04	Marshalls, Office Depot (2), Wal-Mart
Southfield Plaza	100 %	1969/1996/2003	165,999	98.0 %	7.62	

						Big Lots, Burlington Coat Factory, Marshalls
Tel-Twelve	100 %	1968/1996/2005	523,411	100.0 %	10.82	Best Buy, DSW Shoe Warehouse, Lowe's, Meijer, Michaels, Office Depot, PETsMART
The Auburn Mile	100 %	2000/1999/NA	90,553	100.0 %	10.79	Jo-Ann, Staples, (Best Buy), (Costco), (Meijer), (Target)
West Oaks I	100 %	1979/1996/2004	243,987	100.0 %	9.70	Best Buy, DSW Shoe Warehouse, Gander Mountain, Old Navy, Home Goods & Michaels-Sublease of JLPK-Novi LLC
West Oaks II	100 %	1986/1996/2000	167,954	97.6 %	16.52	Jo-Ann, Marshalls, (Bed Bath & Beyond), (Big Lots), (Kohl's), (Toys "R" Us), (Value City Furniture)
Total / Average			4,580,861	97.4 %	$ 9.39	
MISSOURI (2)						
Heritage Place	100 %	1989/2011/2005	269,254	90.9 %	$ 13.26	Dierberg's Market, Marshalls, Office Depot, T.J. Maxx
Town & Country Crossing	100 %	2008/2011/2011	141,996	84.4 %	24.51	Whole Foods, (Target)
Total / Average			411,250	88.6 %	$ 16.96	
OHIO (5)						
Crossroads Centre	100 %	2001/2001/NA	344,045	92.3 %	$ 9.11	Giant Eagle, Home Depot, Michaels, T.J. Maxx, (Target)
OfficeMax Center	100 %	1994/1996/NA	22,930	100.0 %	12.10	OfficeMax
Rossford Pointe	100 %	2006/2005/NA	47,477	100.0 %	10.18	MC Sporting Goods, PETsMART
Spring Meadows Place	100 %	1987/1996/2005	211,817	93.2 %	11.27	Ashley Furniture, OfficeMax, PETsMART, T.J. Maxx, (Best Buy), (Big Lots), (Dick's Sporting Goods), (Guitar Center), (Kroger), (Sam's Club), (Target)
Troy Towne Center	100 %	1990/1996/2003	144,485	99.0 %	6.42	Kohl's, (Wal-Mart Supercenter)
Total / Average			770,754	94.5 %	$ 9.33	

TENNESSEE (1)						
Northwest Crossing	100 %	1989/1999/2006	124,453	100.0 %	$ 9.58	HH Gregg, OfficeMax, Ross Dress For Less, (Wal-Mart Supercenter)
Total / Average			124,453	100.0 %	$ 9.58	
VIRGINIA (2)						
The Town Center at Aquia Office (5)	100 %	1989/1998/NA	98,147	91.8 %	$ 26.06	Northrop Grumman
The Town Center at Aquia	100 %	1989/1998/NA	40,518	100.0 %	10.64	Regal Cinemas
Total / Average			138,665	94.2 %	$ 21.28	
WISCONSIN (3)						
East Town Plaza	100 %	1992/2000/2000	208,675	84.3 %	$ 8.40	Burlington Coat Factory, Jo-Ann, Marshalls, (Menards), (Shopko), (Toys "R" Us)
The Shoppes at Fox River	100 %	2009/2010/2011	135,566	95.7 %	16.44	Pick N' Save, (Target)
West Allis Towne Centre	100 %	1987/1996/2011	326,271	91.3 %	8.29	Burlington Coat Factory, Kmart, Office Depot
Total / Average			670,512	90.0 %	$ 10.10	
CONSOLIDATED PORTFOLIO SUBTOTAL / AVERAGE			8,994,016	94.3 %	$ 10.48	

Property Name	Ownership %	Year Built/ Acquired/ Redeveloped	Total GLA	% Leased	Average base rent per leased SF	Anchor Tenants (1)
JOINT VENTURE PORTFOLIO (AT 100%)						
FLORIDA (13)						
Cocoa Commons	30 %	2001/2007/2008	90,116	78.9 %	$ 11.88	Publix
Cypress Point	30 %	1983/2007/NA	167,280	93.8 %	11.75	Burlington Coat Factory, The Fresh Market
Kissimmee West	7 %	2005/2005/NA	115,586	92.7 %	11.61	Jo-Ann, Marshalls, (SuperTarget)
Marketplace of Delray	30 %	1981/2005/2010	238,901	90.2 %	12.47	Office Depot, Ross Dress For Less, Winn-Dixie
Martin Square	30 %	1981/2005/NA	331,105	91.2 %	6.27	Home Depot, Sears, Staples
Mission Bay Plaza	30 %	1989/2004/NA	263,721	93.0 %	21.29	The Fresh Market, Golfsmith, LA Fitness Sports Club, OfficeMax, Toys "R" Us
Shoppes of Lakeland	7 %	1985/1996/NA	181,988	96.3 %	12.02	Ashley Furniture, Michaels, Staples, (Target)
The Plaza at Delray	20 %	1979/2004/NA	326,763	93.8 %	15.79	Books-A-Million, Marshalls, Publix, Regal Cinemas, Ross Dress For Less, Staples
Treasure Coast Commons	30 %	1996/2004/NA	92,979	100.0 %	12.42	Barnes & Noble, OfficeMax, Sports Authority
Village of Oriole Plaza	30 %	1986/2005/NA	155,770	95.2 %	12.85	Publix
Village Plaza	30 %	1989/2004/NA	146,755	72.1 %	13.17	Big Lots
Vista Plaza	30 %	1998/2004/NA	109,761	96.4 %	13.08	Bed Bath & Beyond, Michaels, Total Wine & More
West Broward Shopping Center	30 %	1965/2005/NA	156,073	97.6 %	10.84	Badcock, DD's Discounts, Save-A-Lot, US Postal Service
Total / Average			2,376,798	91.9 %	$ 12.89	
GEORGIA (2)						
Collins Pointe Plaza	20 %	1987/2006/2010	101,637	91.7 %	$ 8.55	Goodwill
	20 %	1995/2006/2008	84,846	100.0 %	13.94	Sports Authority, Staples

Paulding Pavilion							
Total / Average			186,483	95.5	%	$ 11.10	
ILLINOIS (2)							
Market Plaza	20	%	1965/2007/2009	163,054	89.1 %	$ 15.04	Jewel Osco, Staples
Rolling Meadows Shopping Center	20	%	1956/2008/1995	134,236	89.9 %	11.59	Jewel Osco, Northwest Community Hospital
Total / Average				297,290	89.5 %	$ 13.50	
INDIANA (1)							
Nora Plaza	7	%	1958/2007/2002	139,905	96.8 %	$ 13.19	Marshalls, Whole Foods, (Target)
Total / Average				139,905	96.8 %	$ 13.19	
MARLAND (1)							
Crofton Centre	20	%	1974/1996/NA	252,491	93.7 %	$ 7.71	Basics/Metro, Gold's Gym, Kmart
Total / Average				252,491	93.7 %	$ 7.71	
MICHIGAN (8)							
Gratiot Crossing	30	%	1980/2005/NA	165,544	91.0 %	$ 8.49	Jo-Ann, Kmart
Hunter's Square	30	%	1988/2005/NA	354,323	92.3 %	16.64	Bed Bath & Beyond, BuyBuyBaby, Loehmann's, Marshalls, T.J. Maxx
Millennium Park	30	%	2000/2005/NA	281,374	89.7 %	13.97	Home Depot, Marshalls, Michaels, PETsMART, (Costco), (Meijer)
Southfield Plaza Expansion	50	%	1987/1996/2003	19,410	81.5 %	14.78	
The Shops at Old Orchard	30	%	1972/2007/2011	96,994	90.8 %	18.97	Plum Market
Troy Marketplace	30	%	2000/2005/2010	222,193	97.5 %	14.69	Famous Furniture, Golfsmith, LA Fitness, Nordstrom Rack, PETsMART, (REI)
West Acres Commons	40	%	1998/2001/NA	95,089	87.4 %	8.15	Family Fare
Winchester Center	30	%	1980/2005/NA	314,734	90.3 %	12.19	Dick's Sporting Goods, Linens 'N Things (4), Marshalls, Michaels, PETsMART, (Kmart)
Total / Average				1,549,661	91.5 %	$ 13.70	
NEW JERSEY (1)							
Chester Springs Shopping Center	20	%	1970/1996/1999	223,201	89.6 %	$ 13.95	Marshalls, Shop-Rite Supermarket, Staples

Total / Average			223,201	89.6 %	$ 13.95	
OHIO (1)						
Olentangy Plaza	20 %	1981/2007/1997	253,474	95.1 %	$ 10.17	Eurolife Furniture, Marshalls, Micro Center, Columbus Asia Market-Sublease of SuperValu, Tuesday Morning
Total / Average			253,474	95.1 %	$ 10.17	
JV SUBTOTAL / AVERAGE AT 100%			5,279,303	92.1 %	$ 12.77	
PORTFOLIO TOTAL / AVERAGE			14,273,319	93.5 %	$ 11.32	

Property Name	Ownership %	Year Built/ Acquired/ Redeveloped	Total GLA	% Leased	Average base rent per leased SF	Anchor Tenants (1)
CONSOLIDATED PORTFOLIO FUTURE REDEVELOPMENTS/ AVAILABLE FOR SALE(4):						
Eastridge Commons	100 %	1990/1996/2001	169,676	50.4 %	$ 8.57	Office Depot (2), T.J. Maxx, (Target)
Pelican Plaza	100 %	1983/1997/NA	105,873	35.1 %	9.56	
Promenade at Pleasant Hill	100 %	1993/2004/NA	280,225	51.9 %	9.63	Farmers Home Furniture, Publix
Southbay Shopping Center	100 %	1978/1998/NA	83,890	26.7 %	11.71	
Total / Average			639,664	45.4 %	$ 9.47	
JOINT VENTURE PORTFOLIO UNDER REDEVELOPMENT (2):						
Peachtree Hill	20 %	1986/2007/NA	112,407	86.8 %	$ 10.34	Kroger, LA Fitness (6)
The Shops on Lane Avenue	20 %	1952/2007/2004	134,876	99.0 %	20.57	Bed Bath & Beyond, Whole Foods (7)
Total / Average			247,283	93.5 %	$ 16.29	
COMBINED PORTFOLIO TOTAL / AVERAGE			15,160,266	91.4 %	$ 11.36	

Footnotes

(1) Anchor tenants are any tenant over 19,000 square feet. Tenants in parenthesis represent non-company owned GLA.
(2) Tenant closed - lease obligated.
(3) Space delivered to tenant.
(4) Tenant closed in Bankruptcy, lease guaranteed by CVS.
(5) Represents the Office Building at The Town Center at Aquia.
(6) Current construction of new 45,000 square foot LA Fitness replaces 41,000 square feet of vacant non-anchor space.
(7) Current construction of new 35,000 square foot Whole Foods replaces former 21,000 square foot store.

Our leases for tenant space under 19,000 square feet generally have terms ranging from three to five years. Tenant leases greater than 19,000 square feet generally have lease terms in excess of five years or more, mostly comprised of anchor tenants. Many of the anchor leases contain provisions allowing the tenant the option of extending the lease

term at expiration at contracted rental rates that often include fixed rent increases, consumer price index adjustments or other market rate adjustments from the prior base rent. The majority of our leases provide for monthly payment of base rent in advance, percentage rent based on the tenant's sales volume, reimbursement of the tenant's allocable real estate taxes, insurance and common area maintenance ("CAM") expenses and reimbursement for utility costs if not directly metered.

Major Tenants

The following table sets forth as of December 31, 2011 the gross leasable area, or GLA, of our existing properties leased to tenants in our combined properties portfolio:

Type of Tenant	Annualized Base Rent	% of Total Annualized Base Rent		GLA (2)	% of Total GLA (2)	
Anchor (1)	$ 78,063,259	50.1	%	9,389,164	61.9	%
Retail (non-anchor)	77,617,300	49.9	%	5,771,102	38.1	%
Total	$ 155,680,559	100.0	%	15,160,266	100.0	%

(1) We define anchor tenants as tenants occupying a space consisting of 19,000 square feet or more.
(2) GLA owned directly by us or our unconsolidated joint ventures.

The following table depicts as of December 31, 2011 information regarding leases with the 25 largest tenants in our combined properties portfolio:

Tenant Name	Credit Rating S&P/Moody's (1)	Number of Leases	GLA	% of Total GLA (2)		Total Annualized Base Rent	Annualized Base Rent PSF	% of Annualized Base Rent	
T.J. Maxx/Marshalls	A/A3	23	720,738	4.8	%	$6,825,036	$ 9.47	4.4	%
Home Depot	A-/A3	3	384,690	2.5	%	3,110,250	8.09	2.0	%
Dollar Tree	NR/NR	31	328,967	2.2	%	2,935,412	8.92	1.9	%
Publix Super Market	NR/NR	8	372,141	2.5	%	2,790,512	7.50	1.8	%
OfficeMax	B-/B1	11	252,045	1.7	%	2,710,828	10.76	1.7	%
Jo-Ann Fabrics	B/B2	6	218,993	1.4	%	2,542,174	11.61	1.6	%
Burlington Coat Factory	NR/NR	5	360,867	2.4	%	2,376,333	6.59	1.5	%
PETsMART	BB+/NR	7	160,428	1.1	%	2,367,142	14.76	1.5	%
Bed Bath & Beyond/Buy Buy Baby	BBB+/NR	6	192,753	1.3	%	2,245,794	11.65	1.4	%
Best Buy	BBB-/Baa2	5	176,677	1.2	%	2,238,008	12.67	1.4	%
Staples	BBB/Baa2	9	181,569	1.2	%	2,142,437	11.80	1.4	%
Michaels Stores	B-/B3	9	199,724	1.3	%	2,124,876	10.64	1.4	%
Kmart/Sears	CCC+/B3	5	475,511	3.1	%	2,086,159	4.39	1.3	%
Gander Mountain	NR/NR	2	159,791	1.1	%	1,899,745	11.89	1.2	%
Office Depot	B-/B2	7	173,550	1.1	%	1,847,145	10.64	1.2	%
Lowe's Home Centers	A-/A3	2	270,394	1.8	%	1,822,956	6.74	1.2	%
Meijer	NR/NR	2	397,428	2.6	%	1,731,560	4.36	1.1	%
Kroger	BBB/Baa2	3	201,469	1.3	%	1,676,417	8.32	1.1	%
Hobby Lobby	NR/NR	5	276,173	1.8	%	1,640,038	5.94	1.1	%
Whole Foods	BB+/NR	3	92,675	0.6	%	1,585,908	17.11	1.0	%

Jewel-Osco	B+/B1	3	162,982	1.1	%	1,584,293		9.72	1.0	%
LA Fitness Sports Club	NR/NR	2	76,833	0.5	%	1,581,552		20.58	1.0	%
Kohl's	BBB+/Baa1	5	276,972	1.8	%	1,491,739		5.39	1.0	%
The Sports Authority	B-/NR	3	126,653	0.8	%	1,383,219		10.92	0.9	%
Ross Stores	BBB+/NR	5	138,058	0.9	%	1,339,880		9.71	0.9	%
Sub-Total top 25 tenants		170	6,378,081	42.1	%	56,079,413		8.79	36.0	%
Remaining tenants		1,382	7,324,095	48.3	%	99,601,146		13.60	64.0	%
Sub-Total all tenants		1,552	13,702,176	90.4	%	155,680,559	$	11.36	100.0	%
Vacant		356	1,458,090	9.6	%	N/A		N/A	N/A	
Total including vacant		1,908	15,160,266	100.0	%	$155,680,559		N/A	100.0	%

(1) Latest company filings per Credit Risk Monitor.
(2) GLA owned directly by us or our unconsolidated joint ventures.

Lease Expirations

The following tables set forth a schedule of lease expirations for the next ten years and thereafter, assuming that no renewal options are exercised for our combined portfolio:

ALL TENANTS

		Expiring Leases As of December 31, 2011				
Year	Number of Leases	Average Annualized Base Rent (per square foot)	Total Annualized Base Rent	% of Total Annualized Base Rent	GLA(2)	% of GLA
(1)	34	$ 9.77	$ 1,629,190	1.1 %	166,799	1.1 %
2012	232	12.62	13,655,511	8.8 %	1,081,675	7.1 %
2013	273	11.77	18,230,147	11.7 %	1,548,646	10.2 %
2014	273	10.72	18,252,623	11.7 %	1,702,156	11.2 %
2015	206	11.45	18,890,808	12.1 %	1,650,402	10.9 %
2016	217	11.94	23,352,311	15.0 %	1,955,492	12.9 %
2017	98	12.26	14,085,417	9.0 %	1,149,264	7.6 %
2018	44	11.64	7,462,381	4.8 %	640,867	4.2 %
2019	36	10.46	7,415,502	4.8 %	708,974	4.7 %
2020	36	9.88	5,038,604	3.2 %	509,891	3.4 %
2021	45	10.79	8,762,886	5.6 %	812,038	5.4 %
2022+	58	10.64	18,905,179	12.2 %	1,775,972	11.7 %
Sub-Total	1,552	11.36	155,680,559	100.0 %	13,702,176	90.4 %
Leased (3)	22	N/A	N/A	N/A	160,486	1.0 %
Vacant	334	N/A	N/A	N/A	1,297,604	8.6 %
Total	1,908	$ 11.36	$ 155,680,559	100.0 %	15,160,266	100.0 %

(1) Tenants currently under month to month lease or in the process of renewal.
(2) GLA owned directly by us or our unconsolidated joint ventures.
(3) Lease has been executed, but space has not yet been delivered.

ANCHOR TENANTS (greater than 19,000 square feet)

		Expiring Anchor Leases As of December 31, 2011				
Year	Number of Leases	Average Annualized Base Rent (per square foot)	Total Annualized Base Rent	% of Total Annualized Base Rent	GLA(2)	% of GLA

(1)	3	$ 7.71	$ 648,658	0.8	%	84,143	0.9	%
2012	8	5.86	2,052,805	2.6	%	350,548	3.7	%
2013	22	7.62	5,938,753	7.6	%	779,162	8.3	%
2014	20	6.54	5,906,658	7.6	%	902,836	9.6	%
2015	27	8.62	9,102,319	11.7	%	1,055,498	11.2	%
2016	31	8.85	10,898,584	14.0	%	1,231,620	13.1	%
2017	24	10.58	8,989,764	11.5	%	849,341	9.0	%
2018	13	9.92	5,105,945	6.5	%	514,468	5.5	%
2019	12	9.22	5,553,053	7.1	%	602,164	6.4	%
2020	6	6.56	2,321,861	3.0	%	354,080	3.8	%
2021	19	9.75	6,642,399	8.5	%	681,160	7.3	%
2022+	23	9.53	14,902,460	19.1	%	1,563,445	16.7	%
Sub-Total	208	8.70	78,063,259	100.0	%	8,968,465	95.5	%
Leased (3)	1	N/A	N/A	N/A		40,461	0.4	%
Vacant	8	N/A	N/A	N/A		380,238	4.1	%
Total	217	$ 8.70	$ 78,063,259	100.0	%	9,389,164	100.0	%

(1) Tenants currently under month to month lease or in the process of renewal.
(2) GLA owned directly by us or our unconsolidated joint ventures.
(3) Lease has been executed, but space has not yet been delivered.

NON-ANCHOR TENANTS (less than 19,000 square feet)

Expiring Non-Anchor Leases As of December 31, 2011

Year	Number of Leases	Average Annualized Base Rent (per square foot)	Annualized Base Rent	% of Total Annualized Base Rent		GLA(2)	% of GLA	
(1)	31	$ 11.86	$980,531	1.3	%	82,656	1.4	%
2012	224	15.87	11,602,706	14.9	%	731,127	12.7	%
2013	251	15.97	12,291,394	15.8	%	769,484	13.3	%
2014	253	15.45	12,345,966	15.9	%	799,320	13.9	%
2015	179	16.45	9,788,489	12.6	%	594,904	10.3	%
2016	186	17.20	12,453,726	16.0	%	723,872	12.5	%
2017	74	16.99	5,095,654	6.6	%	299,923	5.2	%
2018	31	18.64	2,356,437	3.0	%	126,399	2.2	%
2019	24	17.44	1,862,449	2.4	%	106,810	1.9	%
2020	30	17.44	2,716,743	3.5	%	155,811	2.7	%
2021	26	16.20	2,120,487	2.7	%	130,878	2.3	%
2022+	35	18.83	4,002,718	5.3	%	212,527	3.6	%
Sub-Total	1,344	16.40	77,617,300	100.0	%	4,733,711	82.0	%
Leased (3)	21	N/A	N/A	N/A		120,025	2.1	%
Vacant	326	N/A	N/A	N/A		917,366	15.9	%
Total	1,691	$ 16.40	$77,617,300	100.0	%	5,771,102	100.0	%

(1) Tenants currently under month to month lease or in the process of renewal.
(2) GLA owned directly by us or our unconsolidated joint ventures.
(3) Lease has been executed, but space has not yet been delivered.

Land Held for Development and/or Sale

At December 31, 2011, we owned three projects under pre-development and various parcels of land adjacent to certain of our existing developed properties located in Florida, Georgia, Michigan, Tennessee and Virginia. It is our policy to start vertical construction on new development projects only after the project has received entitlements, significant anchor leasing commitments, construction financing and joint venture partner commitments, if appropriate.

During the fourth quarter of 2011, we commenced Phase I construction on our ground up development in Jacksonville, Florida which will be anchored by a 45,000 square foot Dick's Sporting Goods and a 25,000 square foot Marshalls and will also include approximately 20,000 square feet of non-anchor space. As of December 31, 2011 Phase I was 79.0% leased. Our intention remains to hold the remaining land for the project as well as the other two development sites until it is economically feasible to develop the planned retail sites.

Our development and construction activities are subject to risks such as inability to obtain the necessary zoning or other governmental approvals for a project, determination that the expected return on a project is not sufficient to

warrant continuation of the planned development or change in plan or scope for the development. If any of these events occur, we may record an impairment provision.

During the fourth quarter of 2011, we concluded that our estimated sales prices at multiple locations were lower than previously estimated, and as a result we recorded an impairment provision of $5.0 million. In addition, we decided to forego our plans to develop a mixed-use project located in Stafford County, Virginia and determined that our best alternative is to sell the property in parcels. Our change in plan triggered an impairment provision of $6.5 million. In 2010, we recorded an impairment provision of $28.8 million related to developable land that we decided to market for sale. There was no impairment provision for the year ended December 31, 2009. For a detailed discussion of these projects, refer to Notes 1 and 7 of the notes to the consolidated financial statements.

Insurance

Our tenants are generally responsible under their leases for providing adequate insurance on the spaces they lease. We believe that our properties are adequately covered by commercial general liability, fire, flood, terrorism, environmental, and where necessary, hurricane and windstorm insurance coverages, which are all provided by reputable companies, with commercially reasonable exclusions, deductibles and limits.

Item 3. Legal Proceedings.

We are currently involved in certain litigation arising in the ordinary course of business.

In December 2008, John Carlo, Inc. (“Carlo”) filed a lawsuit against us and J. Raymond Construction Company (“JRCC”) in the Circuit Court of the Fourth Judicial Circuit in Duval, Florida related to a dispute regarding final payment for concrete and road work for a development project in Florida. On March 10, 2011, a settlement was reached as a result of which Carlo was paid an additional amount for concrete and road work improvements relating to the 2008 River City Marketplace development project. That amount was added to our investment in income producing property for accounting purposes. In connection with that settlement, the Carlo suit was dismissed with prejudice.

Item 4. Mine Safety Disclosures

Not Applicable

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information
Our common shares are currently listed and traded on the New York Stock Exchange ("NYSE") under the symbol "RPT". On March 1, 2012, the closing price of our common shares on the NYSE was $11.12.

Shareholder Return Performance Graph
The following line graph sets forth the cumulative total return on a $100 investment (assuming the reinvestment of dividends) in each of our common shares, the NAREIT Equity Index, and the S&P 500 Index for the period December 31, 2001 through December 31, 2011. The stock price performance shown is not necessarily indicative of future price performance.

The following table depicts high and low closing prices per share for each quarter in 2011 and 2010:

Quarter Ended	High	Low
March 31, 2011	$13.51	$12.43
June 30, 2011	13.14	12.04
September 30, 2011	12.68	8.19
December 31, 2011	9.97	7.60
March 31, 2010	$11.71	$8.91
June 30, 2010	12.97	9.62
September 30, 2010	11.94	9.69
December 31, 2010	12.45	10.82

Holders

The number of holders of record of our common shares was 1,611 at March 1, 2012. A substantially greater number of holders are beneficial owners whose shares of record are held by banks, brokers and other financial institutions.

Dividends

We declared the following cash distributions per share to our common shareholders for the years ended December 31, 2011 and 2010:

Record Date	Dividend Distribution	Payment Date
March 20, 2011	$ 0.1633	April 1, 2011
June 20, 2011	0.1633	July 1, 2011
September 20, 2011	0.1633	October 1, 2011
December 20, 2011	0.1633	January 3, 2012

Record Date	Dividend Distribution	Payment Date
March 20, 2010	$ 0.1633	April 1, 2010
June 20, 2010	0.1633	July 1, 2010
September 20, 2010	0.1633	October 1, 2010
December 20, 2010	0.1633	January 3, 2011

Under the Code, a REIT must meet certain requirements, including a requirement that it distribute to its shareholders at least 90% of its REIT taxable income annually, excluding net capital gain. Distributions paid by us are at the discretion of our Board and depend on our actual net income available to common shareholders, cash flow, financial condition, capital requirements, the annual distribution requirements under REIT provisions of the Code and such other factors as the Board deems relevant.

We have a Dividend Reinvestment Plan (the “DRIP”) which allows our common shareholders to acquire additional common shares by automatically reinvesting cash dividends. Shares are acquired pursuant to the DRIP at a price equal to the prevailing market price of such common shares, without payment of any brokerage commission or service charge. Common shareholders who do not participate in the DRIP continue to receive cash distributions as declared.

Distributions on our 7.25% Series D Cumulative Convertible Perpetual Preferred Shares declared in 2011 totaled $2.67 per share and reflected the period commencing on the issuance date of April 6, 2011 through year end. We do not believe that the preferential rights available to the holders of our preferred shares or the financial covenants contained in our debt agreements had or will have an adverse effect on our ability to pay dividends in the normal course of business to our common shareholders or to distribute amounts necessary to maintain our qualification as a REIT.

For information on our equity compensation plans as of December 31, 2011, refer to Item 12 of Part III of this report and Note 19 of the notes to the consolidated financial statements.

Item 6. Selected Financial Data

The following table sets forth our selected consolidated financial data and should be read in conjunction with the consolidated financial statements and notes to the consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") included elsewhere in this report.

	Year Ended December 31,				
	2011	2010	2009	2008	2007
	(In thousands, except per share)				
Operating Data:					
Total revenue	$121,320	$113,217	$114,876	$124,150	$135,047
Property operating income (1)	80,799	75,260	76,539	81,589	91,706
(Loss) income from continuing operations	(37,308)	(21,765)	11,775	30,031	42,519
Gain on sale of real estate assets	9,638	46	7,896	19,132	32,643
Net (loss) income	(28,500)	(23,724)	15,936	27,432	45,985
Net loss (income) attributable to noncontrolling interest in subsidiaries	1,742	3,576	(2,216)	(3,931)	(7,310)
Preferred share dividends	(5,244)	-	-	-	(3,146)
Loss on redemption of preferred shares	-	-	-	-	(1,269)
Net (loss) income available to common shareholders	$(32,002)	$(20,148)	$13,720	$23,501	$34,260
(Loss) earnings per common share, basic					
Continuing operarations	$(1.05)	$(0.51)	$0.43	$1.41	$1.74
Discontinued operations	0.21	(0.06)	0.19	(0.14)	0.18
Basic (loss) earnings	$(0.84)	$(0.57)	$0.62	$1.27	$1.92
(Loss) earnings per common share, diluted					
Continuing operarations	$(1.05)	$(0.51)	$0.43	$1.41	$1.73
Discontinued operations	0.21	(0.06)	0.19	(0.14)	0.18
Diluted (loss) earnings	$(0.84)	$(0.57)	$0.62	$1.27	$1.91
Weighted average shares outstanding:					
Basic	38,466	35,046	22,193	18,471	17,851
Diluted	38,466	35,046	22,193	18,478	18,529
Cash dividends declared per RPT preferred share	$2.67	$-	$-	$-	$-
Cash dividends declared per RPT common share	$0.65	$0.65	$0.79	$1.62	$1.85
Cash distributions to RPT preferred shareholders	$3,432	$-	$-	$-	$-
Cash distributions to RPT common shareholders	$25,203	$22,501	$17,974	$34,338	$32,156
Balance Sheet Data (at December 31):					
Cash and cash equivalents	$12,155	$10,175	$8,432	$4,816	$14,483
Investment in real estate (before accumulated depreciation)	1,084,457	1,074,095	1,002,855	1,010,714	1,049,764
Total assets	1,048,823	1,052,829	997,957	1,014,526	1,088,499

Mortgages and notes payable	518,512	571,694	552,836	663,189	691,644
Total liabilities	567,649	613,463	591,392	701,488	765,742
Total RPT shareholders' equity	449,075	402,273	367,228	273,714	281,517
Noncontrolling interest in subsidiaries	32,099	37,093	39,337	39,324	41,240
Total shareholders' equity	481,174	439,366	406,565	313,038	322,757
Other Data:					
Funds from operations available to RPT common shareholders (2)	$29,509	$20,945	$45,263	$47,362	$54,975
Net cash provided by operating activities	44,703	43,249	48,064	26,998	85,988
Net cash (used in) provided by investing activities	(79,747)	(101,935)	(3,334)	33,617	23,182
Net cash provided by (used in) financing activities	37,024	60,385	(41,114)	(70,282)	(105,743)

(1) Property operating income is a non-GAAP measure that consists of rental income and other property income, less real estate taxes, recoverable and non-recoverable operating expenses. This measure is used internally to evaluate the performance of property operations and we consider it to be a significant measure. Property operating income should not be considered an alternative measure of operating results or cash flow from operations as determined in accordance with GAAP.

(2) Under the National Association of Real Estate Investment Trusts ("NAREIT") definition, FFO represents net income attributable to common shareholders, excluding extraordinary items (as defined under accounting principles generally accepted in the United States of America ("GAAP"), gains (losses) on sales of depreciable property, plus real estate related depreciation and amortization (excluding amortization of financing costs), and after adjustments for unconsolidated partnerships and joint ventures. In addition, NAREIT has recently clarified its definition of FFO to exclude impairment provisions on depreciable property and equity investments in depreciable property. See "Funds From Operations" in Item 7 for a discussion of FFO and a reconciliation of FFO to net income.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion should be read in conjunction with the consolidated financial statements, the notes thereto, and the comparative summary of selected financial data appearing elsewhere in this report. Discontinued operations are discussed in Note 6 of the notes to the consolidated financial statements in Item 8. The financial information in this MD&A is based on results from continuing operations.

Overview

We are a fully integrated, self-administered, publicly-traded REIT specializing in the ownership, management, development and redevelopment of community shopping centers located in the Eastern and Midwestern regions of the United States. Most of our properties are multi-anchored by supermarkets and/or national chain stores. Our primary business is managing and leasing space to tenants in the shopping centers we own. We also manage centers for our unconsolidated joint ventures for which we charge fees. Our credit risk, therefore, is concentrated in the retail industry.

At December 31, 2011, we owned and managed, either directly or through our interest in real estate joint ventures, a total of 83 shopping centers and one office building, with approximately 15.2 million square feet of gross leasable area owned by us and our joint ventures. We also owned interests in three parcels of land held for development and five parcels of land adjacent to certain of our existing developed properties located in Florida, Georgia, Michigan, Tennessee and Virginia.

We are predominantly a community shopping center company with a focus on managing and adding value to our portfolio of centers that are primarily multi-anchored by grocery stores and/or nationally recognized discount department stores. We believe that centers with a grocery and/or discount component attract consumers seeking value-priced products. Since these products are required to satisfy everyday needs, customers usually visit the centers on a weekly basis. Over 53% of our shopping centers are anchored by tenants or non-owned anchors that sell groceries. Supermarket anchor tenants for our centers include, among others, Publix Supermarket, Jewel-Osco, Kroger and Whole Foods. National chain anchors for our centers include, among others, TJ Maxx/Marshalls, Home Depot, Wal-Mart, Kohl's, Lowe's Home Centers, Best Buy, and Target.

Our shopping centers are primarily located in targeted metropolitan markets areas in the Eastern and Midwestern regions of the United States. Our focus on these markets has enabled us to develop a thorough understanding of the unique characteristics of our markets. In both of our primary regions, we have concentrated a number of centers in reasonable proximity to each other in order to achieve efficiencies in management, leasing and acquiring new properties.

In our existing centers, we focus on aggressive rental and leasing strategies and the value-added redevelopment of such properties. We strive to increase rental income over time through contractual rent increases and leasing and re-leasing of available space at higher rental levels, while balancing the needs for an attractive and diverse tenant mix. See Item 2, "Properties" for additional information on rental revenue and lease expirations. In addition, we assess each of our centers periodically to identify improvement opportunities and proactively engage in renovation and expansion activities based on tenant demands, market conditions and capital availability. We also recognize the importance of customer satisfaction and spend a significant amount of resources to ensure that our centers have sufficient amenities, appealing layouts and proper maintenance.

As opportunities arise and market conditions permit, we may sell mature properties or non-core assets, which have less potential for growth or are not viable for redevelopment. We intend to utilize the proceeds from such sales to reduce outstanding debt, or fund development and redevelopment activities, or fund selective acquisition

opportunities.

We intend to maximize shareholder value through a well-defined business strategy that incorporates the following elements:

- Leasing and managing our shopping centers to increase occupancy, maximize rental income, and control operating expenses and capital expenditures;
- Redeveloping our centers to increase gross leasable area, reconfigure space for credit tenants, create outparcels, sell excess land, and generally make the centers more desirable for our tenants and their shoppers;
- Acquiring new shopping centers that are located in targeted metropolitan markets and that provide opportunities to add value through intensive leasing, management, or redevelopment;
- Developing our land held for development into income-producing investment property, subject to market demand, availability of capital and adequate returns on our incremental capital;
- Selling non-core shopping centers and redeploying the proceeds into investments that meet our criteria;
- Selling available-for-sale land parcels and using the proceeds to pay down debt or reinvest in our business;
- Maintaining a strong and flexible balance sheet by capitalizing our Company with a moderate ratio of debt to equity and by financing our investment activities with various forms and sources of capital; and
- Managing our overall enterprise to create an efficient organization with a strong corporate culture and transparent disclosure for all stakeholders.

The economic performance and value of our shopping centers are dependent on various factors. The general economic environment in the United States and credit availability began to see improvement during 2011 but continued high unemployment and the slower rate of growth may affect our tenant's abilities to pay base rent, percentage rent or other charges, which may adversely affect our financial condition and results of operations. Further, our ability to re-lease vacant spaces may be negatively impacted by the slow national economic recovery. These factors may impact the valuation of certain long-lived or intangible assets that are subject to impairment testing, potentially resulting in impairment provisions which may be material to our financial condition or results of operations. While we believe the locations of our centers and our diverse tenant base should mitigate the negative impact of the economic environment, we may experience an increase in vacancy that will have a negative impact on our revenue and bad debt expense. We continue to monitor our tenants' operating performance as well as trends in the retail industry to evaluate any future impact.

Significant Operating, Investing and Financing Transactions

Operating Activity

During 2011, we improved our portfolio of shopping centers through aggressive leasing. Specifically, we completed the following:

- Renewed 82% of the leases that expired during the year, comprised of 233 renewal leases totaling 1.2 million square feet at an average base rent of $13.25 per square foot, a 1.5% increase over the average expiring base rent;
- Executed 152 new leases comprised of 0.9 million square feet at an average base rent of $12.20 per square foot. For new leases for space which had previously been leased on a comparable basis, the average base rent was $12.78 per square foot, a 10.5% decrease over the prior rent period;
- Reduced the number of vacant anchor spaces (spaces ≥ 19,000 square feet) from fifteen to eight; and
- Reduced the number of anchor tenants that were lease obligated, but not in occupancy, from nine to six.

Also, during 2011, we continued our strategy of redeveloping centers on a selective basis. In particular, we completed two redevelopment projects for which our proportionate share of costs was $15.6 million and commenced two redevelopment projects for which our proportionate share of cost to be $2.4 million. We expect to identify new redevelopment projects periodically provided such projects are driven by market demand and generate suitable returns on our investment.

Investment Activity

During 2011, we entered St. Louis, Missouri, a new market for us, through the acquisition of two high-quality grocery-anchored shopping centers located in high-income trade areas for an aggregate investment of $77.3 million. Specifically, we acquired:

- Town and Country Crossing, a 141,996 square foot grocery-anchored shopping center located in suburban St. Louis, Missouri for $37.9 million; and
- Heritage Place, a 269,254 square foot grocery-anchored shopping center located in suburban St. Louis, Missouri for $39.4 million.

Also during 2011, we sold three shopping centers and three outparcels where we believed we had maximized value for aggregate net proceeds to us of $28.8 million. Specifically, we sold:

- A shopping center located in Tamarac, Florida for $15.0 million, resulting in a small loss while generating approximately $14.3 million in net cash proceeds;

- A shopping center located in Lantana, Florida for $16.9 million, resulting in a net gain of $6.2 million and generating $6.9 million in net proceeds;
- A shopping center located in Taylors, South Carolina for $4.3 million, resulting in a net gain of $1.0 million and generating $3.8 million in net proceeds; and
- Three outparcels located in Florida for an aggregate of approximately $4.0 million, resulting in a net gain of $2.4 million and generating $3.8 million in net proceeds.

Financing Activity

During 2011, we strengthened our capital structure by raising common and preferred equity, replacing short-term secured bank debt with longer-term unsecured bank debt, lengthening our debt maturities, and locking in interest rates for 5-7 years through interest rate swaps that qualify as cash flow hedges. As a result, we believe our debt maturities to be well-staggered over through 2018.

Specifically, we completed the following transactions:

- Issued 2.0 million shares of 7.25% Series D cumulative convertible preferred stock for net proceeds of $96.6 million. Each share of preferred stock has a liquidation value of $50.00 and is convertible at any time into 3.4699 shares of common stock (subject to change upon the occurrence of certain events), equating to an effective strike price of $14.41 per common share;
- Issued 0.683 million shares of common stock through a controlled equity offering for net proceeds of $8.8 million;
- Closed a $175 million syndicated bank revolving line of credit that matures in April 2014, with a one-year extension option available at our option provided we are in compliance with the terms of the agreement. The revolving line is unsecured;
- Closed a $75 million syndicated bank term loan that matures in April 2015, with a one-year extension option available at our option provided we are in compliance with the terms of the agreement. The term loan is unsecured;
- Closed a $60 million syndicated bank term loan that matures in September 2018. The term loan is unsecured; and
- Closed a $24.7 million mortgage loan secured by our Jackson Crossing shopping center located in Jackson, Michigan.

Also during 2011, we repaid the following debt:

- Three wholly owned property mortgages secured by our Lakeshore Marketplace, Beacon Square, and Gaines Marketplace shopping centers and three land loans totaling $38.6 million;
- One joint venture mortgage for which our proportionate share was $3.7 million secured by our Martin Square shopping center; and
- A $30 million secured bank bridge loan and a $30 million balance on an amortizing secured bank term loan.

In addition, we conveyed title to our Madison Center shopping center in Madison Heights, Michigan to the lender in exchange for release from our $9.1 million non-recourse mortgage obligation.

As of result of our financing activities, we ended the year with $29.5 million outstanding under our bank line of credit, a decrease of $90.3 million from the $119.8 million outstanding at the end of 2010. We believe our lower debt levels, extended debt maturities, and enhanced liquidity available through our bank line resulted in a stronger financial position during 2011.

Critical Accounting Policies

Management's Discussion and Analysis of Financial Condition and Results of Operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Management has discussed the development, selection and disclosure of these estimates with the Audit Committee of our Board. Actual results could differ from these estimates under different assumptions or conditions.

Critical accounting policies are those that are both significant to the overall presentation of our financial condition and results of operations and require management to make difficult, complex or subjective judgments. For example, significant estimates and assumptions have been made with respect to useful lives of assets, capitalization of development and leasing costs, recoverable amounts of receivables and initial valuations and related amortization periods of deferred costs and intangibles.

The following discussion relates to what we believe to be our most critical accounting policies that require our most subjective or complex judgment.

Revenue Recognition

Our shopping center space is generally leased to retail tenants under leases that are classified as operating leases. We recognize minimum rents using the straight-line method over the terms of the leases commencing when the tenant takes possession of the space and when construction of landlord funded improvements is substantially complete. Certain of the leases also provide for contingent percentage rental income which is recorded on an accrual basis once the specified target that triggers this type of income is achieved. The leases also provide for recoveries from tenants of common area maintenance ("CAM"), real estate taxes and other operating expenses. The majority of our recoveries are estimated and recognized as revenue in the period the recoverable costs are incurred or accrued. Revenues from management, leasing, and other fees are recognized in the period in which the services have been provided and the earnings process is complete. Lease termination income is recognized when a lease termination agreement is executed by the parties and the tenant vacates the space. When a lease is terminated early but the tenant continues to control the space under a modified lease agreement, the lease termination fee is generally recognized evenly over the remaining term of the modified lease agreement.

Current accounts receivable from tenants primarily relate to contractual minimum rent, percentage rent, real estate taxes, and CAM or other operating expense reimbursements.

Accounts Receivable and Accrued Rent

We provide for bad debt expense based upon the allowance method of accounting. We continuously monitor the collectability of our accounts receivable from specific tenants, analyze historical bad debts, customer credit worthiness, current economic trends and changes in tenant payment terms when evaluating the adequacy of the allowance for bad debts. Allowances are taken for those balances that we have reason to believe will be uncollectible. When tenants are in bankruptcy, we make estimates of the expected recovery of pre-petition and post-petition claims. The period to resolve these claims can exceed one year. Management believes the allowance for doubtful accounts is adequate to absorb currently estimated bad debts. However, if we experience bad debts in excess of the allowance we have established, our operating income would be reduced. At December 31, 2011 and 2010, our accounts receivable were $9.6 million and $10.5 million, respectively, net of allowances for doubtful accounts of $3.5 million and $3.9 million, respectively.

In addition, many of our leases contain non-contingent rent escalations for which we recognize income on a straight-line basis over the non-cancelable lease term. This method results in rental income in the early years of a lease being higher than actual cash received, creating a straight-line rent receivable asset which is included in the "Other Assets" line item in our consolidated balance sheets. We review our unbilled straight-line rent receivable balance to determine the future collectability of revenue that will not be billed to or collected from tenants due to early lease terminations, lease modifications, bankruptcies and other factors. Our evaluation is based on our assessment of tenant credit risk changes indicating that expected future straight-line rent may not be realized. Depending on circumstances, we may provide a reserve against the previously recognized straight-line rent receivable asset for a portion, up to its full value, that we estimate may not be received. The balance of straight-line rent receivable at December 31, 2011 and 2010, net of allowances was $16.0 million and $17.9 million, respectively and is included in other assets on our consolidated balance sheets. To the extent any of the tenants under these leases become unable to pay their contractual cash rents, we may be required to write down the straight-line rent receivable from those tenants, which would reduce our operating income.

Real Estate Investment

Income Producing

Real estate assets that we own directly are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method. The estimated useful lives for computing depreciation are generally 25 – 40 years for buildings and 10 – 20 years for parking lot surfacing and equipment. We capitalize all capital improvement expenditures associated with replacements and improvements to real property that extend the property's useful life and depreciate such improvements over their estimated useful lives ranging from 5 – 30 years. In addition, we capitalize tenant leasehold improvements and depreciate them over the shorter of the useful life of the improvements or the term of the related tenant lease. We consider a number of different factors to evaluate whether we or the tenant is the owner of the tenant improvement for accounting purposes. These factors include: 1) whether the lease stipulates how and on what a tenant improvement allowance may be spent; 2) whether the tenant or landlord retains legal title to the improvements; 3) the uniqueness of the improvements; 4) the expected economic life of the tenant improvements relative to the term of the lease; and 5) who constructs or directs the construction of the improvements. We depreciate all tenant improvements over the shorter of the useful life of the improvements or the term of the related tenant lease. We charge maintenance and repair costs that do not extend an asset's life to expense as incurred.

Sale of a real estate asset is recognized when it is detemined that the sale has been consummated, the buyer's initial and continuing investment is adequate, our receivable, if any, is not subject to future subordination, and the buyer has assumed the usual risk and rewards of ownership of the assets.

Development and Redevelopment

Real estate also includes costs incurred in the development of new operating properties and the redevelopment of existing operating properties. These properties are carried at cost and no depreciation is recorded on these assets until the commencement of rental revenue or no later than one year from the completion of major construction. These costs include pre-development costs directly identifiable with the specific project, development and construction costs, interest, real estate taxes and insurance. Interest is capitalized on land under development and buildings under construction based on the weighted average rate applicable to our borrowings outstanding during the period and the weighted average balance of qualified assets under development/redevelopment during the period. Indirect project costs associated with development or construction of a real estate project are capitalized until the earlier of one year following substantial completion of construction or when the property becomes available for occupancy.

The capitalized costs associated with development and redevelopment projects are depreciated over the useful life of the improvements. If we determine a development or redevelopment project is no longer probable, we expense all capitalized costs which are not recoverable.

Acquisitions

Acquisitions of properties are accounted for utilizing the acquisition method and, accordingly, the results of operations of an acquired property are included in our results of operations from the date of acquisition. Estimates of fair values are based upon future cash flows and other valuation techniques in accordance with our fair value measurements policy, which are used to record the purchase price of acquired property among land, buildings on an “as if vacant” basis, tenant improvements, other identifiable intangibles and any gain on purchase. Other identifiable intangible assets and liabilities include the effect of above-and below-market leases, the value of having leases in place (“as-is” versus “as if vacant” and absorption costs), out-of-market assumed mortgages and tenant relationships, if any. Initial valuations are subject to change until such information is finalized, no later than twelve months from the acquisition date. The impact of these estimates, including incorrect estimates in connection with acquisition values and estimated useful lives, could result in significant differences related to the purchased assets, liabilities and resulting gain on purchase, depreciation or amortization. For the years ended December 31, 2011 and 2010, we recorded in general and administrative expenses approximately $0.1 and $0.3 million, respectively, in costs associated with the closing of our acquisitions.

The estimated fair value of acquired in-place leases are the costs we would have incurred to lease the properties to the occupancy level of the properties at the date of acquisition. Such estimates include the fair value of leasing commissions, legal costs and other direct costs that would be incurred to lease the properties to such occupancy levels. Additionally, we will evaluate the time period over which such occupancy levels would be achieved. Such evaluation will include an estimate of the net market-based rental revenues and net operating costs (primarily consisting of real estate taxes, insurance and CAM) that would be incurred during the lease-up period. Acquired in-place leases as of the date of acquisition are amortized over the remaining lease term.

Acquired above-and below-market lease values are recorded based on the present value (using an interest rate that reflects the risks associated with the lease acquired) of the difference between the contractual amounts to be paid pursuant to the in-place leases and management’s estimate of fair market value lease rates for the corresponding in-place leases. The capitalized above-and below-market lease values are amortized as adjustments to rental revenue over the remaining terms of the respective leases, which includes periods covered by bargain renewal options. Should

a tenant terminate its lease prior to expiration, the unamortized portion of the in-place lease value is charged to amortization expense and the unamortized portion of out-of-market lease value is charged to rental revenue.

Impairment

We review our investment in real estate, including any related intangible assets, for impairment on a property-by-property basis whenever events or changes in circumstances indicate that the remaining estimated useful lives of those assets may warrant revision or that the carrying value of the property may not be recoverable. For operating properties, these changes in circumstances include, but are not limited to, changes in occupancy, rental rates, tenant sales, net operating income, geographic location, and real estate values. The viability of all projects under construction or development, including those owned by unconsolidated joint ventures, are regularly evaluated under applicable accounting requirements, including requirements relating to abandonment of assets or changes in use. To the extent a project, or individual components of the project, are no longer considered to have value, the related capitalized costs are charged against operations.

Determining whether an investment in real estate is impaired and the amount of any such impairment requires considerable management judgment. In the event that management changes its intended holding period for an investment in real estate, impairment may result even without any other event or change in circumstances related to that investment. For example, a determination to sell land held for development rather than to develop the land and hold the developed asset may result in impairment. Similarly, a decision to sell an income producing property rather than to hold it may result in impairment. Under certain circumstances, management may use probability-weighted scenarios related to an investment in real estate, and the use of such analysis may also result in impairment. Impairment provisions resulting from any event or change in circumstances, including changes in management's intentions or management's analysis of varying scenarios, could be material to our consolidated financial statements.

We recognize an impairment of an investment in real estate when the estimated undiscounted cash flow is less than the net carrying value of the property. If it is determined that an investment in real estate is impaired, then the carrying value is reduced to the estimated fair value as determined by cash flow models and discount rates or comparable sales in accordance with our fair value measurement policy.

In 2011, we recorded $11.5 million of impairment provisions triggered by changes in the estimated fair market value on land held for sale and a change in plan at one of our development projects. In addition, our decision to sell several income producing properties triggered $16.3 million of impairment provisions due to the estimated sales price being lower than the net book value of each property. We recorded a $9.6 million impairment provision for our investment in several joint ventures due to other-than-temporary estimated fair value changes. Also, one of our joint ventures recorded an impairment provision of $5.5 million, of which our share was $1.6 million, as a result of the expectation that cash flow will be insufficient to service a non-recourse mortgage and the likelihood that the partners will be unwilling to fund the shortfall. See Note 7 of the notes to the consolidated financial statements for further information regarding impairment provisions.

Off Balance Sheet Arrangements

We have seven equity investments in unconsolidated joint venture entities in which we own 50% or less of the total ownership interest. Because we can influence but not make significant decisions without our partner's approval these investments are accounted for under the equity method of accounting. We provide leasing, development, asset and property management services to these joint ventures for which we are paid fees. Entities identified as variable interest entities are consolidated if we are determined to be the primary beneficiary of the partially owned real estate joint venture. Refer to Note 8 of the notes to the consolidated financial statements for further information.

We review our equity investments in unconsolidated entities for impairment on a venture-by-venture basis whenever events of changes in circumstances indicate that the carrying value of the equity investment may not be recoverable. These changes in circumstances include, but are not limited to, declines in real estate values in general, increases in interest rates in general, or decreases in net operating income and occupancy of the properties held in the unconsolidated joint venture.

In testing for impairment of equity investments in unconsolidated entities, we primarily use cash flow models, discount rates, and capitalization rates to estimate the fair values of properties held in joint ventures, and mark the debt of the joint ventures to market. Determining whether an equity investment in an unconsolidated entity is impaired and, if so, the amount of the impairment requires considerable management judgment. Changes to assumptions regarding cash flows, discount rates, or capitalization rates could be material to our consolidated financial statements. We record an impairment provision when it is determined that a decline in value is other than temporary. In 2011, we recorded a non-cash impairment provision of $9.6 million resulting from other-than-temporary declines in the fair market value of various equity investments in unconsolidated joint

ventures. Refer to Note 7 of the notes to the consolidated financial statements for further information.

Fair Value Measurements

Certain financial instruments, estimates and transactions are required to be calculated, reported and/or recorded at fair value. The estimated fair values of such financial items, including, debt instruments, impairments, acquisitions and derivatives, have been determined using a market-based measurement. This measurement is determined based on the assumptions that management believes market participants would use in pricing an asset or liability. As a basis for considering market participant assumptions in fair value measurements, GAAP establishes three fair value levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. The assessed inputs used in determining any fair value measurement could result in incorrect valuations that could be material to our consolidated financial statements. These levels are:

Level 1	Valuation is based upon quoted prices for identical instruments traded in active markets.
Level 2	Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.
Level 3	Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect estimates of assumptions that market participants would use in pricing the asset or liability.

We utilize fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Derivative instruments (interest rate swaps) are recorded at fair value on a recurring basis. Additionally, from time to time, we may be required to record certain assets, such as impaired real estate assets, at fair value on a nonrecurring basis.

Deferred Charges

Debt financing costs are amortized primarily on a straight-line basis, which approximates the effective interest method, over the terms of the debt. Lease costs represent the initial direct costs incurred in origination, negotiation and processing of a lease agreement. Such costs include outside broker commissions, legal, and other independent third party costs, as well as salaries and benefits, travel, and other internal costs directly related to completing a lease and are amortized over the life of the lease on a straight-line basis. Costs related to supervision, administration, unsuccessful originations efforts and other activities not directly related to the execution of leases are charged to expense as incurred.

Results of Operations

Comparison of the Year Ended December 31, 2011 to the Year Ended December 31, 2010

The following summarizes certain line items from our audited statements of operations which we believe are important in understanding our operations and/or those items that have significantly changed during the year ended December 31, 2011 as compared to 2010:

	Year Ended December 31,		
	2011	2010	% Change
	(In thousands)		
Total revenue	$121,320	$113,217	7.2 %
Recoverable operating expense	32,691	30,606	6.8 %
Other non-recoverable operating expense	3,704	3,159	17.3 %
Depreciation and amortization	36,255	30,590	18.5 %
General and administrative expense	19,650	18,994	3.5 %
Other expense	(257)	(973)	-73.6 %
Gain on sale of real estate	2,441	2,096	16.5 %
Earnings (loss) from unconsolidated joint ventures	1,669	(221)	-855.2 %
Interest expense	(28,138)	(30,785)	-8.6 %
Amortization of deferred financing fees	(1,869)	(2,612)	-28.4 %
Provision for impairments	(37,411)	(31,440)	19.0 %
Bargain purchase gain on acquisition of real estate	-	9,836	NM
Deferred gain recognized upon acquisition of real estate	-	1,796	NM
Loss on early debt extinguishment	(1,968)	-	NM
Income tax (provision) benefit	(795)	670	-218.7 %
Income (loss) from discontinued operations	8,808	(1,959)	-549.6 %
Net loss attributable to noncontrolling intererst	1,742	3,576	-51.3 %
Preferred share dividends	(5,244)	-	NM
Net loss available to common shareholders	$(32,002)	$(20,148)	58.8 %

NM - Not meaningful

Total revenue increased $8.1 million, or 7.2%, to $121.3 million for the year ended December 31, 2011 from $113.2 million in 2010. The increase is primarily due to the following:

- $7.0 million increase in minimum rent and tenant recovery income primarily related to our acquisitions in 2011 and 2010; and
- $1.1 million increase in lease termination income.

Recoverable operating expenses increased by $2.1 million, or 6.8%, to $32.7 million in 2011 from $30.6 million in 2010, primarily due to our acquisitions in 2011 and 2010.

Other non-recoverable operating expenses increased $0.5 million, or 17.3%, to $3.7 million in 2011 from $3.2 million. The increase was primarily due to our acquisitions in 2010 and 2011.

Depreciation and amortization expense increased by $5.7 million, or 18.5%, to $36.3 million in 2011 from $30.6 million in 2010. Of that increase $4.9 million was related to our acquisitions in 2011 and 2010 and approximately $0.8 million was associated with accelerated depreciation for building demolition in 2011 at two properties.

General and administrative expenses increased by $0.7 million, or 3.5%, to $19.7 million in 2011 from $19.0 million in 2010. The increase in 2011 was primarily related to the following:

- an increase of $1.8 million in net compensation expense due primarily to higher severance expense, annual pay increases, lower capitalization of development and leasing salaries and related costs in 2011, and a $0.5 million reduction to long-term incentive expense in 2010 for not meeting performance measures; partially offset by
- a decrease in legal fees of approximately $0.8 million related to our defense against a lawsuit with a subcontractor in 2010 as well as lower corporate legal expense in 2011; and
- a decrease in acquisition, non-viable redevelopment expense and D&O insurance costs of approximately $0.3 million.

Other expense decreased $0.7 million to $(0.3) million in 2011 from $(1.0) million in 2010. The decrease was primarily related to a $0.5 million easement fee earned in 2011 at one of our development projects located in Jacksonville, Florida and a $0.2 million decrease in real estate tax expense in 2011 on development projects that were placed on hold in 2010.

Gain on sale of real estate increased slightly in 2011 to $2.4 million in 2011 from $2.1 million in 2010.

Earnings (loss) from unconsolidated joint ventures increased in 2011 by $1.9 million primarily due the following:

- the sale of Shenandoah Square shopping center resulted in our proportionate share of the gain of $2.7 million, plus $0.2 million of promote fee income;
- 2010 included higher default interest expense, bad debt expense and impairment provision of $1.6 million; partially offset by
- an increase in depreciation expense of $2.6 million due to the commencement of two redevelopment projects, resulting in a reduction to the useful lives of certain buildings that were subsequently demolished to prepare for the properties' redevelopment.

Interest expense decreased $2.6 million, or 8.6%, to $28.1 million in 2011 from $30.8 million in 2010 due primarily to the payoff of several mortgages and a lower revolving line of credit balance.

Amortization of deferred financing fees expense decreased $0.7 million, or 28.4%, to $1.9 million in 2011 from $2.6 million in 2010 which was primarily due to the refinancing of our revolving line of credit.

Impairment provisions of $37.4 million were recorded in the fourth quarter of 2011 related to the decision to market certain income-producing properties for sale, adjustments to the sales price assumptions for certain undeveloped land parcels available for sale at several of our development properties and other-than-temporary declines in the fair market value of various equity investments in unconsolidated joint ventures. During 2010 impairment provisions of $31.4 million were recorded related to the marketing of certain undeveloped land parcels for sale and other-than-temporary

declines in the fair market value of various equity investments in unconsolidated joint ventures. Refer to Note 7 of the notes to the consolidated financial statements for a detailed discussion of these charges.

In 2010, we recorded a bargain purchase gain of $9.8 million and a previously deferred gain of $1.8 million related to the transfer of ownership interest in the Merchants' Square Shopping Center. There were no similar activities in 2011.

Loss on extinguishment of debt was $2.0 million in 2011 related to a one-time write-off of unamortized deferred financing costs related to the prior secured revolving line of credit and term loan. There were no comparable activities in 2010.

The income tax provision was $0.8 million in 2011 as compared to a tax benefit of $0.7 million in 2010. The increase in income tax expense was primarily due to the repeal of the Michigan Business Tax that resulted in a one-time write-off of net deferred tax assets of $0.8 million. Refer to Note 20 of the notes to the condensed consolidated financial statements for further information.

Income from discontinued operations was $8.8 million in 2011 compared to a loss from discontinued operations of $2.0 million in 2010. In 2011, we sold the Lantana Shopping Center located in Lantana, Florida, the Sunshine Plaza Shopping Center located in Tamarac, Florida and the Taylor's Square shopping center located in Greenville, South Carolina which generated an aggregate gain on sale of $7.2 million. Also in 2011, we conveyed interest and title on our Madison Center located in Madison Heights, Michigan to the lender thereby satisfying the debt obligation. The transaction resulted in a gain on debt extinguishment of $1.2 million which is included in income from discontinued operations. In 2010, we sold one shopping center located in Elkin, North Carolina for a net loss of $2.1 million.

Net income attributable to noncontrolling interest decreased $1.8 million primarily due to the acquisition of our partner's 80% interest in the Ramco RM Hartland SC LLC joint venture in the first quarter 2011, and was partially offset by higher net loss in 2011.

For the year ended December 31, 2011, we declared dividends of $5.2 million to preferred shareholders resulting from the April 2011 preferred equity offering. There were no preferred shares outstanding in 2010.

Comparison of the Year Ended December 31, 2010 to the Year Ended December 31, 2009

The following summarizes certain line items from our audited statements of operations which we believe are important in understanding our operations and/or those items which have significantly changed during the year ended December 31, 2010 as compared to 2009:

	Year Ended December 31,			
	2010	2009	% Change	
	(In thousands)			
Total revenue	$113,217	$114,876	-1.4	%
Recoverable operating expense	30,606	31,324	-2.3	%
Other non-recoverable operating expense	3,159	2,099	50.5	%
Depreciation and amortization	30,590	29,156	4.9	%
General and administrative expense	18,994	14,971	26.9	%
Other (expense) income	(973)	870	-211.8	%
Gain on sale of real estate	2,096	5,010	-58.2	%
(Loss) earnings from unconsolidated joint ventures	(221)	1,328	-116.6	%
Interest expense	(30,785)	(28,185)	9.2	%
Amortization of deferred financing fees	(2,612)	(828)	215.5	%
Provision for impairments	(31,440)	-		NM
Bargain purchase gain on acquisition of real estate	9,836	-		NM

Deferred gain recognized upon acquisition of real estate	1,796	-	NM
Restructuring costs and other items	-	(4,379)	NM
Income tax benefit	670	633	5.8 %
(Loss) income from discontinued operations	(1,959)	4,161	-147.1 %
Net loss (income) attributable to noncontrolling intererst	3,576	(2,216)	-261.4 %
Net (loss) income avaiable to common shareholders	$(20,148)	$13,720	-246.9 %

NM - Not meaningful

Total revenue decreased $1.7 million, or 1.4%, to $113.2 million for the year ended December 31, 2010 from $114.9 million in 2009. The decrease is primarily attributable to the following:

- a decrease in minimum rent of $2.0 million due primarily to the sale of two net leased Wal-Marts in 2009 and tenant vacancies, tenant bankruptcies, rent relief and other concessions granted in 2010, partially offset by minimum rent from acquisitions of $1.1 million in 2010;
- a decrease in recovery income from tenants of approximately $1.1 million due to lower real estate tax expense partly offset by 2010 acquisitions;
- a decrease of $0.7 million in development fees earned in 2010 due to completed construction at our joint venture properties; partially offset by
- increases of $0.6 million in lease termination fees and $0.7 million of lease rejection income from a bankruptcy claim in 2010.

Recoverable operating expenses decreased by $0.7 million, or 2.3%, to $30.6 million in 2010 from $31.3 million in 2009, primarily due to a decrease in real estate tax expense.

Other non-recoverable operating expenses increased $1.1 million, or 50.5%, to $3.2 million in 2010 from $2.1 million due to higher bad debt expense, primarily resulting from the bankruptcy of A&P.

Depreciation and amortization expense increased $1.4 million or 4.9%, to $30.6 million in 2010 from $29.2 million. Of that increase $1.1 million was due to our acquisitions in 2010 and $0.3 million related to an increase in unamortized lease costs associated with tenants that vacated prior to their lease expiration.

General and administrative expenses increased by $4.0 million, or 26.9%, to $19.0 million in 2010 from $15.0 million in 2009. The increase in 2010 was primarily related to the following:

- an increase of $1.2 million in net compensation expense which included lower capitalization of leasing and development salary and related costs of $0.3 million;
- an increase in legal fees of $1.0 million primarily related to our defense against litigation;
- an increase of $0.6 million due to a settlement with four former executives for health benefit costs;
- an increase of $0.4 million related to higher benefits and personnel related costs;
- an increase in acquisition costs of $0.3 million related to our 2010 property acquisitions; and
- an increase of $0.2 million related to recruitment fees associated with the hire of one new executive.

Other (expense) income decreased $1.9 million to $(1.0) million in 2010 from $0.9 million in 2009. The decrease was primarily related to real estate tax expense being capitalized in 2009 on development projects that were temporarily placed on hold in 2010, therefore expensed in 2010.

Gain on sale of real estate decreased $2.9 million, or 58.2%, to $2.1 million in 2010 from $5.0 million in 2009. The decrease is mostly attributable to the sale of two net leased Wal-Mart pads at Northwest Crossing and Taylors Square shopping centers in 2009.

(Loss) earnings from unconsolidated joint ventures decreased in 2010 primarily due to our equity in a $9.1 million impairment loss at a property in one of our joint ventures, of which our share was $1.8 million. In the fourth quarter of 2010, the property's interest was transferred to us.

Interest expense increased $2.6 million, or 9.2%, to $30.8 million in 2010 from $28.2 million in 2009 attributable to the following:

- an increase of $1.2 million associated with higher interest expense and unused line fees associated with our new credit facilities which closed in the fourth quarter of 2009;
- lower capitalized interest of $1.0 million due to the temporary deferment of our development projects; and
- the consolidation of Hartland Towne Square increased interest expense by approximately $0.4 million.

Amortization of deferred financing fees expense increased $1.8 million, or 215.5%, to $2.6 million in 2010 from $0.8 million in 2009 primarily related to our new credit and term loan facilities which closed in the fourth quarter of 2009.

An impairment provision of $28.8 million was recorded in the third quarter of 2010 related to a decision to market certain land parcels for sale at several of our development properties. Refer to Note 7 of the notes to the consolidated financial statements for a detailed discussion of these charges. Also, in the first quarter of 2010, we recorded a non-cash impairment provision of $2.7 million resulting from other-than-temporary declines in the fair market value of various equity investments in unconsolidated joint ventures.

In 2010, we recorded a bargain purchase gain of $9.8 million and a previously deferred gain of $1.8 million related to the transfer of ownership interest in the Merchants' Square Shopping Center in the fourth quarter of 2010. There were no similar sales activities in 2009.

Restructuring costs and other items included $1.6 million related to our strategic review and proxy contest in 2009 and $1.6 million of severance and other compensation-related costs associated with employees who were terminated in 2009. Additionally, in the fourth quarter of 2009, we abandoned the Northpointe Town Center project in Jackson, Michigan resulting in a one-time charge of $1.2 million. Refer to Note 18 of the notes to the consolidated financial statements for additional information.

The income tax benefit was $0.7 million in 2010 and was slightly higher than the tax benefit of $0.6 million in 2009.

For the year ended December 31, 2010, we recorded a net loss of $2.0 million from discontinued operations related to the sale of one income producing property, as compared to a net gain of $4.2 million for the same period in 2009 related to the sale of Taylor Plaza, a stand-alone Home Depot store located in Taylor, Michigan.

Noncontrolling interest represents the portion of the Operating Partnership and 80% of the Ramco RM Hartland SC LLC joint venture not owned by us. The loss attributable to noncontrolling interest in the year ended December 31, 2010 of $3.6 million compares to income of $2.2 million for the year ended December 31, 2009. The decrease of $5.8 million reflects the noncontrolling interest's proportionate share of our net loss in 2010 as compared to net income in 2009, as well as the noncontrolling interest's share of the net loss related to the Ramco RM Hartland SC LLC joint venture developing a portion of Hartland Towne Square. We consolidated this variable interest entity joint venture effective January 1, 2010 and attributed 80% of the net loss in the joint venture to the noncontrolling interest. In January 2011, we executed an agreement with our joint venture partner that transferred the partner's interest in the Ramco Hartland SC, LLC joint venture to us for $1.0 million, which approximated the partner's equity in the joint venture.

Liquidity and Capital Resources

The majority of our cash is generated from operations and is dependent on the rents that we are able to charge and collect from our tenants. The principal uses of our liquidity and capital resources are for operations, developments, redevelopments, including expansion and renovation programs, acquisitions, and debt repayment. In addition, we make dividend payments in accordance with REIT requirements for distributing the substantial majority of our taxable income on an annual basis. We anticipate that the combination of cash on hand, cash from operations, availability under our credit facilities, additional financings, equity offerings, and the sale of existing properties will satisfy our expected working capital requirements through at least the next 12 months. Although we believe that the combination of factors discussed above will provide sufficient liquidity, no such assurance can be given.

At December 31, 2011 and 2010, we had $18.2 million and $15.9 million in cash and cash equivalents and restricted cash, respectively. Restricted cash was comprised primarily of funds held in escrow to pay real estate taxes, insurance premiums, and certain capital expenditures.

Short-Term Liquidity Requirements

Our short-term liquidity needs consist primarily of funds necessary to pay operating expenses associated with our operating properties, interest and scheduled principal payments on our debt, expected dividend payments (including distributions to Operating Partnership unit holders) and capital expenditures related to tenant improvements and redevelopment activities.

We have no debt maturities until August 2012, when a $10.7 million mortgage loan matures.

We continually search for investment opportunities that may require additional capital and/or liquidity. As of December 31, 2011, we had no proposed property acquisitions under contract.

Long-Term Liquidity Requirements

Our long-term liquidity needs consist primarily of funds necessary to pay indebtedness at maturity, potential acquisitions of properties, redevelopment of existing properties, the development of land held and non-recurring capital expenditures.

During 2011, we closed on a new seven-year $60.0 million unsecured term loan, due in September 2018, and a new $250.0 million unsecured bank facility comprised of a $175.0 million revolving line of credit and a $75.0 million term loan. The facility replaced our prior secured line which was scheduled to mature in December 2012. The new revolving line of credit and term loan have terms of three and four years, respectively. Subject to customary conditions, both the revolving line and the term loan can be extended for one year at our option. Borrowings under the facility are priced at LIBOR plus 200 to 275 basis points depending on our leverage ratio. As of December 31, 2011, $144.1 million was available to be drawn on our unsecured revolving credit facility subject to certain covenants that may affect availability.

The replacement of our prior secured bank facility with our new unsecured bank facility enhances our financial flexibility by providing for additions to and removals from the pool of unencumbered properties that comprise a borrowing base, subject to certain criteria. Our financing strategy is to maintain ample liquidity, financial strength, and financial flexibility by sourcing equity and debt capital in appropriate balance, managing our debt maturity schedule, and monitoring our exposure to interest rate risk.

The following is a summary of our cash flow activities:

	Year Ended December 31,		
	2011	2010	2009
	(In thousands)		
Cash provided by operating activities	$ 44,703	$ 43,249	$ 48,064
Cash used in investing activities	(79,747)	(101,935)	(3,334)
Cash provided by (used in) financing activities	37,024	60,385	(41,114)

Operating Activities:

We generated $44.7 million in cash provided by operating activities compared to $43.2 million in 2010. In 2011, we received $5.5 million more operating cash flow from rent, recovery income, and other property income, net of operating expenses, than we did in 2010. We also had $0.7 million less in other expense than in 2010. In addition, we received $1.5 million more in distributions from unconsolidated entities. Partly offsetting these increases was a $8.3 million decrease in cash generated from changes in accounts receivable, other assets, and accounts payables and accruals.

Investing Activities:

We used $79.7 million of cash in investing activities compared to $101.9 million in 2010. During 2011, we invested $21.5 million more in property acquisitions, but invested $7.5 million less on development, redevelopment, and capital expenditures, $3.4 million less into unconsolidated joint ventures, $3.0 million less in notes receivable, and $1.2 million less in restricted cash. We also generated $28.5 million more from property sales (including our share of proceeds from joint venture property sales).

Financing Activities:

We generated $37.0 million in cash from financing activities compared to $60.4 million in 2010. During 2011, we received $29.8 million more from common and preferred equity offerings, but paid $6.1 million more in common and preferred distributions. We also reduced our debt, net of borrowings, by $45.1 million from 2010.

Dividends and Equity

We believe that we currently qualify, and intend to continue to qualify in the future as a REIT under the Internal Revenue Code of 1986, as amended (“the Code”). Under the Code, as a REIT we must distribute to our shareholders at least 90% of our REIT taxable income annually, excluding net capital gain. Distributions paid are at the discretion of our Board and depend on our actual net income available to common shareholders, cash flow, financial condition, capital requirements, restrictions in financing arrangements, the annual distribution requirements under REIT provisions of the Code and such other factors as our Board deems relevant.

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We paid cash dividends of $0.653 per common share to shareholders in 2011, unchanged from dividends paid in 2010. Our dividend policy has not changed in that we expect to continue making distributions to shareholders of at least 90% of our REIT taxable income, excluding net capital gain, in order to maintain qualification as a REIT. On an annualized basis, our current dividend is above our estimated minimum required distribution. Distributions paid by us are funded from cash flows from operating activities. To the extent that cash flows from operating activities were insufficient to pay total distributions for any period, alternative funding sources are used as shown in the following table. Examples of alternative funding sources may include proceeds from sales of real estate and bank borrowings. Although we may use alternative sources of cash to fund distributions in a given period, we expect that distribution requirements for an entire year will be met with cash flows from operating activities.

	Year Ended December 31,		
	2011	2010	2009
	(In thousands)		
Cash provided by operating activities	$ 44,703	$ 43,249	$ 48,064
Cash distributions to preferred shareholders	(3,432)	-	-
Cash distributions to common shareholders	(25,203)	(22,501)	(17,974)
Cash distributions to operating partnership unit holders	(2,159)	(1,906)	(2,503)
Distributions to noncontrolling interests	-	-	(54)
Total distributions	$ (30,794)	$ (24,407)	$ (20,531)
Surplus (deficiency)	$ 13,909	$ 18,842	$ 27,533
Alternative sources of funding for distributions:			
Proceeds from sales of real estate assets	$ 28,803	$ 4,023	$ 28,022
Total sources of alternative funding for distributions	n/a	n/a	n/a

During 2011, we issued 0.683 million common shares through a controlled equity offering generating $8.8 million in net proceeds. Additionally, in the second quarter of 2011, we issued 2.0 million convertible cumulative perpetual preferred shares generating $96.6 million in net proceeds.

Debt

The following financing activity occurred during 2011:

- A new seven-year $60.0 million unsecured term loan. The net proceeds were used to repay four property mortgages aggregating approximately $22.0 million and to repay the $33.0 million outstanding balance (as of September 30, 2011) on our unsecured revolving line of credit;
- Closed a new $24.7 million mortgage secured by the Jackson Crossing shopping center in Jackson, Michigan. The mortgage bears a fixed rate of 5.8% and matures in April 2018;
-

Repaid in full the $30.0 million secured term loan facility from borrowings under our secured Credit Facility, and used net proceeds from our cumulative convertible perpetual preferred share offering to repay our $30.0 million secured bridge loan and reduce borrowings on our Credit Facility; and

- Repaid three wholly owned property mortgages secured by our Lakeshore Marketplace, Beacon Square, and Gaines Marketplace shopping centers and three land loans totaling $38.6 million.

Additionally, a $9.1 million non-recourse mortgage note that was secured by our wholly-owned Madison Center property located in Madison Heights, Michigan, was due May 1, 2011. The note entered default status in May when we did not repay the note at maturity. On October 19, 2011 we conveyed titled to and our interest in the Madison Center property to the lender and were released of our obligation.

It is anticipated that funds borrowed under our credit facilities will be used for general corporate purposes, including working capital, capital expenditures, the repayment of indebtedness or other corporate activities. For further information on the credit facilities and other debt, refer to Note 11 of the consolidated financial statements.

At December 31, 2011, we had four interest rate swap agreements in effect for an aggregate notional amount of $135.0 million converting our floating rate corporate debt to fixed rate debt. After taking into account the impact of converting our variable rate debt to fixed rate debt by use of the interest rate swap agreements, at December 31, 2011, we had $29.5 million of variable rate debt outstanding.

At December 31, 2011, we had $325.8 million of fixed rate mortgage loans encumbering certain consolidated properties. Such mortgage loans are non-recourse, subject to certain exceptions for which we would be liable for any resulting losses incurred by the lender. These exceptions vary from loan to loan but generally include fraud or a material misrepresentation, misstatement or omission by the borrower, intentional or grossly negligent conduct by the borrower that harms the property or results in a loss to the lender, filing of a bankruptcy petition by the borrower, either directly or indirectly, and certain environmental liabilities. In addition, upon the occurrence of certain of such events, such as fraud or filing of a bankruptcy petition by the borrower, we would be liable for the entire outstanding balance of the loan, all interest accrued thereon and certain other costs, penalties and expenses.

Off Balance Sheet Arrangements

Real Estate Joint Ventures

We consolidate entities in which we own less than 100% equity interest if we have a controlling interest or are the primary beneficiary in a variable interest entity, as defined in the Consolidation Topic of FASB ASC 810. From time to time, we enter into joint venture arrangements from which we believe we can benefit by owning a partial interest in a property.

As of December 31, 2011, we had seven equity investments in unconsolidated joint venture entities in which we owned 50% or less of the total ownership interest and accounted for these entities under the equity method. Refer to Note 8 of the notes to the consolidated financial statements for more information.

We have a 30% ownership interest in our Ramco Lion joint venture which owns a portfolio of 16 properties totaling 3.2 million square feet of GLA. As of December 31, 2011, the properties had consolidated equity of $300.5 million. Our total investment in the venture at December 31, 2011 was $76.4 million. The Ramco Lion joint venture has total debt obligations of approximately $209.0 million with maturity dates ranging from 2012 through 2020. Our proportionate share of the total debt is $62.7 million. Such debt is non-recourse to the venture, subject to carve-outs customary to such types of mortgage financing.

We have a 20% ownership interest in our Ramco 450 joint venture which is a portfolio of eight properties totaling 1.6 million square feet of GLA. As of December 31, 2011, the properties in the portfolio had consolidated equity of $124.1 million. Our total investment in the venture at December 31, 2011 was $14.5 million. The Ramco 450 venture has total debt obligations of approximately $170.6 million with maturity dates ranging from 2013 through 2017. Our proportionate share of the total debt is $34.1 million. Such debt is non-recourse to the venture, subject to carve-outs customary to such types of mortgage financing.

We also have ownership interests ranging from 7% - 50% in five smaller joint ventures that each own one or two properties. As of December 31, 2011, our total investment in these ventures was $6.0 million and our proportionate share of the total non-recourse debt was $5.4 million with maturity dates ranging from 2012 through 2016. One of these joint ventures was in default on its $8.4 million non-recourse mortgage loan in which we had a 40% interest. On February 10, 2012, the joint venture completed a transfer of the property's ownership to the lender in consideration for the repayment of the outstanding mortgage loan. In addition, one of our single property joint ventures sold its sole property to a third party in the third quarter of 2011 which generated a $6.8 million gain on sale of which $2.7 million was our proportionate share. Refer to Note 8 of the notes to the consolidated financial statements for more information related to our real estate joint ventures.

Additionally, we review our equity investments in unconsolidated entities for impairment on a venture-by-venture basis whenever events or changes in circumstances indicate that the carrying value of the equity investment may not be recoverable. In testing for impairment of these equity investments, we primarily use cash flow models, discount rates, and capitalization rates to estimate the fair value of properties held in joint ventures, and we also estimate the fair value of the debt of the joint ventures based on borrowing rates for similar types of borrowing arrangements with the same remaining maturity. Considerable judgment by management is applied when determining whether an equity investment in an unconsolidated entity is impaired and, if so, the amount of the impairment. Changes to assumptions regarding cash flows, discount rates, or capitalization rates could be material to our consolidated financial statements.

As a result of our impairment testing, we recorded non-cash impairment provisions of $9.6 million and $2.7 million in 2011 and 2010, respectively. These amounts related to the other-than-temporary declines in the fair market value of various equity investments in our unconsolidated joint ventures. Refer to Note 7 of the notes to the consolidated

financial statements for more information.

Contractual Obligations

The following are our contractual cash obligations as of December 31, 2011:

		Payments due by period			
Contractual Obligations	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years