Figure 60: FRT 3Q16 results preview

FRT	3Q15	2Q16	3Q16			2016			
Earnings	**Actual**	**Actual**	**Actual**	**DBe**	**Cons**	**Pre 3Q Guide**	**Post 3Q Guide**	**DBe**	**Cons**
FFO/sh	$1.36	$1.42		$1.44		$5.62 - $5.68		$5.65	
Pro-forma FFO/sh	$1.36	$1.41		$1.44	$1.42			$5.63	$5.66
Operating Metrics	**Actual**	**Actual**	**Actual**	**DBe**		**Pre 3Q Guide**	**Post 3Q Guide**	**DBe**	
Total retail leasing volume (signed)	560,884	467,364							
New retail leasing volume (comp + non-comp, signed)	189,047	199,893							
Renewal retail leasing volume (signed)	371,837	267,471							
Retail occupancy (signed)	95.50%	94.50%		94.65%				94.90%	
q/q ch	-20bp	40bp		15bp					
y/y ch	-10bp	-120bp		-85bp				60bp	
Blended rent spread (cash, signed)	14.0%	12.0%		15.0% commenced				13.8% commenced	
New lease Spread (cash, signed)	19.0%	23.0%							
Renewal Spread (cash, signed)	23.0%	7.0%							
SS NOI growth y/y (cash, ex-redev)	2.0%	2.9%				~+3% incl redev			

Note: consensus estimates are based on Thomson compiled data as of 10/14/16

- Update on potential acquisition opportunities and commentary over pricing (noted on 2Q call they were working on a "number of important deals")
- Thoughts on potential weakness in the tech environment potentially changing the demand dynamic at Santana; and update on Splunk (SPLK: DB Buy rated, USD56.71 by Karl Keirstead) space and how much of their leased space they will occupy in January.
- Update on 4 remaining Sports Authority locations to lease
- Update on the redevelopment opportunity for Coco Walk and Sunset Plaza. Recent press reports that plans have been submitted to the city for the de-malling of Sunset and a major renovation.
- Updates on re/development projects, particularly Pike and Rose incremental retail and residential lease up
- FRT typically provides its initial FFO guidance for the following fiscal year in 3Q. We are at $6.04 and consensus is at $6.12
- We decrease our 2017 FFO estimate from $6.08 to $6.04 largely on more conservative development assumptions.

Source: Deutsche Bank, company data, Thomson

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