REGENCY CENTERS CORP
Form 10-K
February 29, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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

o 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 1-12298 (Regency Centers Corporation)
Commission File Number 0-24763 (Regency Centers, L.P.)

REGENCY CENTERS CORPORATION
REGENCY CENTERS, L.P.
(Exact name of registrant as specified in its charter)

FLORIDA (REGENCY CENTERS CORPORATION)	59-3191743
DELAWARE (REGENCY CENTERS, L.P)	59-3429602
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Independent Drive, Suite 114 Jacksonville, Florida 32202	(904) 598-7000
(Address of principal executive offices) (zip code)	(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Regency Centers Corporation

Title of each class	Name of each exchange on which registered
Common Stock, $.01 par value	New York Stock Exchange
7.45% Series 3 Cumulative Redeemable Preferred Stock, $.01 par value	New York Stock Exchange
7.25% Series 4 Cumulative Redeemable Preferred Stock, $.01 par value	New York Stock Exchange
6.70% Series 5 Cumulative Redeemable Preferred Stock, $.01 par value	New York Stock Exchange
6.625% Series 6 Cumulative Redeemable Preferred Stock, $.01 par value	New York Stock Exchange

Regency Centers, L.P.

Title of each class	Name of each exchange on which registered
None	N/A

Securities registered pursuant to Section 12(g) of the Act:
Regency Centers Corporation: None
Regency Centers, L.P.: Class B Units of Partnership Interest
Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Regency Centers Corporation	YES x NO o	Regency Centers, L.P.	YES x NO o

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

Regency Centers Corporation	YES o NO x	Regency Centers, L.P.	YES o 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.

Regency Centers Corporation	YES x NO o	Regency Centers, L.P.	YES x NO o

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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Regency Centers Corporation	YES x NO o	Regency Centers, L.P.	YES x NO o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of 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.

Regency Centers Corporation	x	Regency Centers, L.P.	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 the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Regency Centers Corporation:

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o	Smaller reporting company	o

Regency Centers, L.P.:

Large accelerated filer	o	Accelerated filer	x
Non-accelerated filer	o	Smaller reporting company	o

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

Regency Centers Corporation	YES o NO x	Regency Centers, L.P.	YES o NO x

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrants' most recently completed second fiscal quarter.

Regency Centers Corporation	$ 3,867,408,831	Regency Centers, L.P.	N/A

The number of shares outstanding of the Regency Centers Corporation’s voting common stock was 89,923,545 as of February 28, 2012.

Documents Incorporated by Reference

Portions of Regency Centers Corporation's proxy statement in connection with its 2012 Annual Meeting of Stockholders are incorporated by reference in Part III.

EXPLANATORY NOTE

This report combines the annual reports on Form 10-K for the year ended December 31, 2011 of Regency Centers Corporation and Regency Centers, L.P. Unless stated otherwise or the context otherwise requires, references to “Regency Centers Corporation” or the “Parent Company” mean Regency Centers Corporation and its controlled subsidiaries; and references to “Regency Centers, L.P.” or the “Operating Partnership” mean Regency Centers, L.P. and its controlled subsidiaries. The term “the Company” or “Regency” means the Parent Company and the Operating Partnership, collectively.

The Parent Company is a real estate investment trust (“REIT”) and the general partner of the Operating Partnership. The Operating Partnership's capital includes general and limited common Partnership Units (“Units”). As of December 31, 2011, the Parent Company owned approximately 99.8% of the Units in the Operating Partnership and the remaining limited Units are owned by investors. The Parent Company owns all of the Series 3, 4, 5, and 6 Preferred Units of the Operating Partnership. As the sole general partner of the Operating Partnership, the Parent Company has exclusive control of the Operating Partnership's day-to-day management.

The Company believes combining the annual reports on Form 10-K of the Parent Company and the Operating Partnership into this single report provides the following benefits:

- enhances investors' understanding of the Parent Company and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminates duplicative disclosure and provides a more streamlined and readable presentation; and
- creates time and cost efficiencies through the preparation of one combined report instead of two separate reports.

Management operates the Parent Company and the Operating Partnership as one business. The management of the Parent Company consists of the same individuals as the management of the Operating Partnership. These individuals are officers of the Parent Company and employees of the Operating Partnership.

The Company believes it is important to understand the few differences between the Parent Company and the Operating Partnership in the context of how the Parent Company and the Operating Partnership operate as a consolidated company. The Parent Company is a REIT, whose only material asset is its ownership of partnership interests of the Operating Partnership. As a result, the Parent Company does not conduct business itself, other than acting as the sole general partner of the Operating Partnership, issuing public equity from time to time and guaranteeing certain debt of the Operating Partnership. The Parent Company does not hold any indebtedness, but guarantees all of the unsecured public debt and approximately 13% of the secured debt of the Operating Partnership. The Operating Partnership holds all the assets of the Company and retains the ownership interests in the Company's joint ventures. Except for net proceeds from public equity issuances by the Parent Company, which are contributed to the Operating Partnership in exchange for partnership units, the Operating Partnership generates all remaining capital required by the Company's business. These sources include the Operating Partnership's operations, its direct or indirect incurrence of indebtedness, and the issuance of partnership units.

Stockholders' equity, partners' capital, and noncontrolling interests are the main areas of difference between the consolidated financial statements of the Parent Company and those of the Operating Partnership. The Operating Partnership's capital includes general and limited common Partnership Units, Series 3, 4, 5, and 6 Preferred Units owned by the Parent Company, and Series D Preferred Units owned by institutional investors. The Series D preferred units and limited partners' units in the Operating Partnership owned by third parties are accounted for in partners' capital in the Operating Partnership's financial statements and outside of stockholders' equity in noncontrolling interests in the Parent Company's financial statements. The Series 3, 4, 5, and 6 Preferred Units owned by the Parent Company are eliminated in consolidation in the accompanying consolidated financial statements of the Parent Company and are classified as preferred units of general partner in the accompanying consolidated financial statements of the Operating Partnership.

In order to highlight the differences between the Parent Company and the Operating Partnership, there are sections in this report that separately discuss the Parent Company and the Operating Partnership, including separate financial

statements, controls and procedures sections, and separate Exhibit 31 and 32 certifications. In the sections that combine disclosure for the Parent Company and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of the Company.

As general partner with control of the Operating Partnership, the Parent Company consolidates the Operating Partnership for financial reporting purposes, and the Parent Company does not have assets other than its investment in the Operating Partnership. Therefore, while stockholders' equity and partners' capital differ as discussed above, the assets and liabilities of the Parent Company and the Operating Partnership are the same on their respective financial statements.

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Forward-Looking Statements

In addition to historical information, the following information contains forward-looking statements as defined under federal securities laws. These forward-looking statements include statements about anticipated changes in our revenues, the size of our development program, earnings per share and unit, returns and portfolio value, and expectations about our liquidity. These statements are based on current expectations, estimates and projections about the industry and markets in which Regency Centers Corporation (the “Parent Company”) and Regency Centers, L.P. (the “Operating Partnership”), collectively “Regency” or “the Company”, operate, and management's beliefs and assumptions. Forward-looking statements are not guarantees of future performance and involve certain known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but are not limited to, changes in national and local economic conditions; financial difficulties of tenants; competitive market conditions, including timing and pricing of acquisitions and sales of properties and out-parcels; changes in leasing activity and market rents; timing of development starts; meeting development schedules; our inability to exercise voting control over the co-investment partnerships through which we own or develop many of our properties; consequences of any armed conflict or terrorist attack against the United States; and the ability to obtain governmental approvals. For additional information, see “Risk Factors” elsewhere herein. The following discussion should be read in conjunction with the accompanying Consolidated Financial Statements and Notes thereto of Regency Centers Corporation and Regency Centers, L.P. appearing elsewhere herein.

PART I

Item 1. Business

Regency Centers Corporation began its operations as a Real Estate Investment Trust (“REIT”) in 1993 and is the managing general partner in Regency Centers, L.P. We are focused on achieving total shareholder returns in excess of REIT shopping center averages and sustaining growth in our net asset value and our earnings over an extended period of time. We work to achieve these goals through owning, operating, and investing in a high-quality portfolio of primarily grocery-anchored shopping centers that are leased by market-dominant grocers, category-leading anchors, specialty retailers, and restaurants located in areas with above average household incomes and population densities. All of our operating, investing, and financing activities are performed through the Operating Partnership, its wholly-owned subsidiaries, and through its investments in real estate partnerships with third parties (also referred to as co-investment partnerships or joint ventures). The Parent Company currently owns approximately 99.8% of the outstanding common partnership units of the Operating Partnership.

At December 31, 2011, we directly owned 217 shopping centers (the “Consolidated Properties”) located in 24 states representing 23.8 million square feet of gross leasable area (“GLA”). Through co-investment partnerships, we own partial ownership interests in 147 shopping centers (the “Unconsolidated Properties”) located in 24 states and the District of Columbia representing 18.4 million square feet of GLA.
We earn revenues and generate cash flow by leasing space in our shopping centers to grocery stores, major retail anchors, side-shop retailers, and restaurants, including ground leasing or selling building pads (out-parcels) to these same types of tenants. Historically, we have experienced growth in revenues by increasing occupancy and rental rates in our existing shopping centers and by acquiring and developing new shopping centers. Increasing occupancy in our shopping centers to pre-recession levels and achieving positive rental rate growth are key objectives of our strategic plan.

We grow our shopping center portfolio through acquisitions of operating centers and shopping center development. We will continue to use our unique combination of development capabilities, market presence, and anchor relationships to invest in value-added opportunities sourced from land owners and joint venture partners, the

redevelopment of existing centers, developing land that we already own, and other opportunities. Development is customer driven and serves the growth needs of our anchors and specialty retailers, resulting in new modern shopping centers with long-term anchor leases that produce attractive returns on our invested capital.

Maintaining a high quality portfolio also involves identifying and selling assets that are at risk of not achieving our long-term investment goals. Proceeds from these sales are targeted for reinvestment into higher quality new development, redevelopment of existing centers, or acquisitions that will generate sustainable revenue growth and higher returns.

Co-investment partnerships provide us with an additional capital source for shopping center acquisitions, as well as the opportunity to earn fees for asset management, property management, and other investing and financing services. As asset manager, we are engaged by our partners to apply similar operating, investment and capital strategies to the portfolios owned by the co-investment partnerships as those applied to the portfolio that we wholly-own. Co-investment partnerships also grow their shopping center investments through acquisitions from third parties or direct purchases from us.

We recognize the importance of continually improving the environmental sustainability performance of our real estate assets. To date we have received LEED (Leadership in Energy and Environmental Design) certifications by the U.S. Green Building Council at three shopping centers and have five additional in-process developments targeting certification. We also continue to implement best practices in our operating portfolio to reduce our power and water consumption, in addition to other sustainability initiatives. It is our intent to be one of the leaders in the design, construction and operation of environmentally efficient shopping centers that will contribute to our key strategic goals.

Competition

We are among the largest owners of shopping centers in the nation based on revenues, number of properties, gross leasable area, and market capitalization. There are numerous companies and private individuals engaged in the ownership, development, acquisition, and operation of shopping centers which compete with us in our targeted markets, including grocery store chains that also anchor some of our shopping centers. This results in competition for attracting anchor tenants, as well as the acquisition of existing shopping centers and new development sites. We believe that the principle competitive factors in attracting tenants in our market areas are competitive in-fill locations, above average trade area demographics, rental costs, tenant mix, property age, and property maintenance. We believe that our competitive advantages are driven by our locations within our market areas, the design and high quality of our shopping centers, the strong demographics surrounding our shopping centers, our relationships with our anchor tenants and our side-shop and out-parcel retailers, our Premier Customer Initiative program that allows us to efficiently provide retailers with multiple locations, our practice of maintaining and renovating our shopping centers, and our ability to source and develop new shopping centers.

Changes in Policies

Our Board of Directors establishes the policies that govern our investment and operating strategies including, among others, development and acquisition of shopping centers, tenant and market focus, debt and equity financing policies, quarterly distributions to stock and unit holders, and REIT tax status. The Board of Directors may amend these policies at any time without a vote of our stockholders.

Employees

Our headquarters are located at One Independent Drive, Suite 114, Jacksonville, Florida. We presently maintain 17 market offices nationwide where we conduct management, leasing, construction, and investment activities. At December 31, 2011, we had 369 employees and we believe that we have strong relations with our employees.

Compliance with Governmental Regulations

Under various federal, state and local laws, ordinances and regulations, we may be liable for the cost to remove or remediate certain hazardous or toxic substances at our shopping centers. These laws often impose liability without regard to whether the owner knew of, or was responsible for, the presence of the hazardous or toxic substances. The cost of required remediation and the owner's liability for remediation could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate such substances, may adversely affect our ability to sell or lease the property or borrow using the property as collateral. While we have a number of properties that could require or are currently undergoing varying levels of environmental remediation, environmental remediation is not currently expected to have a material financial impact on us due to reserves for remediation, insurance programs designed to mitigate the cost of remediation, and various state-regulated programs that shift the responsibility and cost to the state.

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Executive Officers

The executive officers of the Company are appointed each year by the Board of Directors. Each of the executive officers has been employed by the Company in the position indicated in the list or positions indicated in the pertinent notes below. Each of the executive officers has been employed by the Company for more than five years.

Name	Age	Title	Executive Officer in Position Shown Since
Martin E. Stein, Jr.	59	Chairman and Chief Executive Officer	1993
Brian M. Smith	57	President and Chief Operating Officer	2009 (1)
Bruce M. Johnson	64	Executive Vice President and Chief Financial Officer	1993 (2)
Dan M. Chandler, III	44	Managing Director - West	2009 (3)
John S. Delatour	52	Managing Director - Central	1999
James D. Thompson	57	Managing Director - East	1993

(1) In February 2009, Brian M. Smith, Managing Director and Chief Investment Officer of the Company since 2005, was appointed to the position of President. Prior to serving as our Managing Director and Chief Investment Officer, from March 1999 to September 2005, Mr. Smith served as Managing Director of Investments for our Pacific, Mid-Atlantic, and Northeast divisions.

(2) In January 2012, Bruce M. Johnson, Executive Vice President and Chief Financial Officer of the Company since 1993, announced that he will retire from the Company at the end of 2012. Lisa Palmer, the Company's Senior Vice President of Capital Markets, will succeed Mr. Johnson upon his retirement.

(3) Dan M. Chandler, III, has served as our Managing Director - West since August 2009. From August 2007 to April 2009, Mr. Chandler was a principal with Chandler Partners, a private commercial and residential real estate developer in Southern California. During 2009, Mr. Chandler was also affiliated with Urban|One, a real estate development and management firm in Los Angeles. Mr. Chandler was a Managing Director for us from 2006 to July 2007, Senior Vice President of Investments from 2002 to 2006, and Vice President of Investments from 1997 to 2002.

Company Website Access and SEC Filings

The Company's website may be accessed at www.regencycenters.com. All of our filings with the Securities and Exchange Commission ("SEC") can be accessed free of charge through our website promptly after filing; however, in the event that the website is inaccessible, we will provide paper copies of our most recent annual report on Form 10-K, the most recent quarterly report on Form 10-Q, current reports filed or furnished on Form 8-K, and all related amendments, excluding exhibits, free of charge upon request. These filings are also accessible on the SEC's website at www.sec.gov.

General Information

The Company's registrar and stock transfer agent is Wells Fargo Bank, N.A. ("Wells Fargo Shareowner Services"), South St. Paul, MN. The Company offers a dividend reinvestment plan ("DRIP") that enables its stockholders to reinvest dividends automatically, as well as to make voluntary cash payments toward the purchase of additional shares. For more information, contact Wells Fargo toll free at (800) 468-9716 or the Company's Shareholder Relations Department at (904) 598-7000.
The Company's Independent Registered Public Accounting Firm is KPMG LLP, Jacksonville, Florida. The Company's legal counsel is Foley & Lardner LLP, Jacksonville, Florida.
Annual Meeting

The Company's annual meeting will be held at The River Club, One Independent Drive, 35th Floor, Jacksonville, Florida, at 11:00 a.m. on Tuesday, May 1, 2012.

Item 1A. Risk Factors

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Risk Factors Related to Our Industry and Real Estate Investments

Downturns in the retail industry likely will have a direct adverse impact on our revenues and cash flow.

Our properties consist primarily of grocery-anchored shopping centers. Our performance therefore is generally linked to economic conditions in the market for retail space. The market for retail space has been or could be adversely affected by any of the following:

- weakness in the national, regional and local economies, which could adversely impact consumer spending and retail sales and in turn tenant demand for space and lead to increased store closings;
- consequences of any armed conflict involving, or terrorist attack against, the United States;
- adverse financial conditions for large retail companies;
- the ongoing consolidation in the retail sector;
- the excess amount of retail space in a number of markets;
- reduction in the demand by tenants to occupy our shopping centers as a result of reduced consumer demand for certain retail formats such as video rental stores;
- a shift in retail shopping from brick and mortar stores to Internet retailers and catalogs;
- the growth of super-centers, such as those operated by Wal-Mart, and their adverse effect on major grocery chains; and
- the impact of increased energy costs on consumers and its consequential effect on the number of shopping visits to our centers.

To the extent that any of these conditions occur, they are likely to impact market rents for retail space, occupancy in the operating portfolios, our ability to recycle capital, and our cash available for distributions to stock and unit holders.

Our revenues and cash flow could be adversely affected by poor economic or market conditions where our properties are geographically concentrated, which may impede our ability to generate sufficient income to pay expenses and maintain our properties.

The economic conditions in markets in which our properties are concentrated greatly influence our financial performance. During the year ended December 31, 2011, our properties in California, Florida, and Texas accounted for 31.6%, 14.5%, and 13.1%, respectively, of our consolidated net operating income. Our revenues and cash available to pay expenses, maintain our properties, and for distribution to stock and unit holders could be adversely affected by this geographic concentration if market conditions, such as supply of retail space or demand for shopping centers, deteriorate in California, Florida, or Texas relative to other geographic areas.

Loss of revenues from major tenants could reduce distributions to stock and unit holders.

We derive significant revenues from anchor tenants such as Kroger, Publix and Safeway which are our three largest anchor tenants and accounted for 4.2%, 4.4%, and 3.7%, respectively, of our annualized base rent from Consolidated Properties plus our pro-rata share of annualized base rent from Unconsolidated Properties ("pro-rata basis") for the year ended December 31, 2011. Distributions to stock and unit holders could be adversely affected by the loss of revenues in the event a major tenant:

- becomes bankrupt or insolvent;
- experiences a downturn in its business;
- materially defaults on its leases;
- does not renew its leases as they expire; or
- renews at lower rental rates.

Vacated anchor space, including space owned by the anchor, can reduce rental revenues generated by the shopping center because of the loss of the departed anchor tenant's customer drawing power. Most anchors have the right to vacate and prevent re-tenanting by paying rent for the balance of the lease term. If major tenants vacate a property, then other tenants may be entitled to terminate their leases at the property.

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Our net income depends on the success and continued presence of our tenants.
Our net income could be adversely affected if we fail to lease significant portions of our new developments or in the event of bankruptcy or insolvency of any anchors or of a significant number of our non-anchor tenants within a shopping center. The adverse impact on our net income may be greater than the loss of rent from the resulting unoccupied space because co-tenancy clauses may allow other tenants to modify or terminate their rent or lease obligations. Co-tenancy clauses have several variants: they may allow a tenant to postpone a store opening if certain other tenants fail to open their stores; they may allow a tenant to close its store prior to lease expiration if another tenant closes its store prior to lease expiration; or more commonly, they may allow a tenant to pay reduced levels of rent until a certain number of tenants open their stores within the same shopping center.
We may be unable to collect balances due from tenants in bankruptcy.
Although base rent is supported by long-term lease contracts, tenants who file bankruptcy have the legal right to reject any or all of their leases and close related stores. In the event that a tenant with a significant number of leases in our shopping centers files bankruptcy and cancels its leases, we could experience a significant reduction in our revenues and may not be able to collect all pre-petition amounts owed by that party.
Our real estate assets may be subject to impairment charges.
Our long-lived assets, primarily real estate held for investment, are carried at cost unless circumstances indicate that the carrying value of the assets may not be recoverable. We evaluate whether there are any indicators, including property operating performance and general market conditions, that the value of the real estate properties (including any related amortizable intangible assets or liabilities) may not be recoverable. Through the evaluation, we compare the current carrying value of the asset to the estimated undiscounted cash flows that are directly associated with the use and ultimate disposition of the asset. Our estimated cash flows are based on several key assumptions, including rental rates, costs of tenant improvements, leasing commissions, anticipated hold period, and assumptions regarding the residual value upon disposition, including the exit capitalization rate. These key assumptions are subjective in nature and could differ materially from actual results. Changes in our disposition strategy or changes in the marketplace may alter the hold period of an asset or asset group which may result in an impairment loss and such loss could be material to the Company's financial condition or operating performance. To the extent that the carrying value of the asset exceeds the estimated undiscounted cash flows, an impairment loss is recognized equal to the excess of carrying value over fair value. If such indicators are not identified, management will not assess the recoverability of a property's carrying value.

The fair value of real estate assets is highly subjective and is determined through comparable sales information and other market data if available, or through use of an income approach such as the direct capitalization method or the traditional discounted cash flow approach. Such cash flow projections consider factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other factors, and therefore is subject to a significant degree of management judgment and changes in those factors could impact the determination of fair value. In estimating the fair value of undeveloped land, we generally use market data and comparable sales information.

These subjective assessments have a direct impact on our net income because recording an impairment charge results in an immediate negative adjustment to net income. 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.

Adverse global market and economic conditions may adversely affect us and could cause us to recognize additional impairment charges or otherwise harm our performance.
We are unable to predict the timing, severity, and length of adverse market and economic conditions. The return of adverse market and economic conditions may impede our ability to generate sufficient operating cash flow to pay expenses, maintain properties, pay distributions to our stock and unit holders, and refinance debt. During these adverse periods, there may be significant uncertainty in the valuation of our properties and investments that could

result in a substantial decrease in their value. No assurance can be given that we would be able to recover the current carrying amount of all of our properties and investments in the future. Our failure to do so would require us to recognize additional impairment charges for the period in which we reached that conclusion, which could materially and adversely affect us and the market price of our common stock.

Our acquisition activities may not produce the returns that we expect.
Our investment strategy includes investing in high-quality grocery-anchored shopping centers that are leased by market-dominant grocers, category-leading anchors, specialty retailers, and restaurants located in areas with above average household incomes and population densities. The acquisition of properties entails risks that include the following, any of which could adversely affect our results of operations and our ability to meet our obligations:

- our estimate of the costs to improve, reposition or redevelop a property may prove to be too low, or the time we estimate to complete the improvement, repositioning or redevelopment may be too short. As a result, the property may fail to achieve the returns we have projected, either temporarily or for a longer time;
- we may not be able to identify suitable properties to acquire or may be unable to complete the acquisition of the properties we identify;
- we may not be able to integrate an acquisition into our existing operations successfully;
- properties we acquire may fail to achieve the occupancy or rental rates we project, within the time frames we project, at the time we make the decision to invest, which may result in the properties’ failure to achieve the returns we projected;
- our pre-acquisition evaluation of the physical condition of each new investment may not detect certain defects or identify necessary repairs until after the property is acquired, which could significantly increase our total acquisition costs or decrease cash flow from the property; and
- our investigation of a property or building prior to our acquisition, and any representations we may receive from the seller of such building or property, may fail to reveal various liabilities, which could reduce the cash flow from the property or increase our acquisition cost.

Unsuccessful development activities or a slowdown in development activities will have a direct impact on our revenues and our revenue growth.

We actively pursue development activities as opportunities arise. Development activities require various government and other approvals for entitlements which can significantly delay the development process. We may not recover our investment in development projects for which approvals are not received. We incur other risks associated with development activities, including:

- the ability to lease up developments to full occupancy on a timely basis;
- the risk that occupancy rates and rents of a completed project will not be sufficient to make the project profitable and available for contribution to our co-investment partnerships or sale to third parties;
- the risk that the current size of our development pipeline will strain the organization's capacity to complete the developments within the targeted timelines and at the expected returns on invested capital;
- the risk that we may abandon development opportunities and lose our investment in these developments;
- the risk that development costs of a project may exceed original estimates, possibly making the project unprofitable;
- delays in the development and construction process; and
- the lack of cash flow during the construction period;

If our developments are unsuccessful or we experience a slowdown in development activities, our revenue growth and/or operating expenses may be adversely impacted.
We may experience difficulty or delay in renewing leases or re-leasing space.
We derive most of our revenue directly or indirectly from rent received from our tenants. We are subject to the risks that, upon expiration or termination of leases, leases for space in our properties may not be renewed, space may not be re-leased, or the terms of renewal or re-lease, including the cost of required renovations or concessions to tenants, may be less favorable than current lease terms. As a result, our results of operations and our net income could be reduced.
We may be unable to sell properties when appropriate because real estate investments are illiquid.
Real estate investments generally cannot be sold quickly. We may not be able to alter our portfolio promptly in response to changes in economic or other conditions including being unable to sell a property at a return we believe is appropriate. Our inability to respond quickly to adverse changes in the performance of our investments could have an

adverse effect on our ability to meet our obligations and make distributions to our stock and unit holders.

Changes in accounting standards may adversely impact our financial condition and results of operations.
The SEC may decide in the near future that issuers in the United States should be required to prepare financial statements in accordance with International Financial Reporting Standards (“IFRS”) instead of U.S. Generally Accepted Accounting Principles (“GAAP”). IFRS is a comprehensive set of accounting standards promulgated by the International Accounting Standards Board (“IASB”), which are rapidly gaining worldwide acceptance. Changes in U.S. GAAP and changes in current interpretations are beyond our control, can be hard to predict and could materially impact how we report our financial results and condition. In certain cases, we could be required to apply a new or revised rule retroactively or apply existing rules differently which may adversely impact our results of operations or result in our recasting prior period financial statements for material amounts. Additionally, significant changes to U.S. GAAP may require costly technology changes, additional training and personnel, and other expenses that will negatively impact our results of operations.
The adoption of new accounting rules may adversely impact our financial condition and results of operations.
The Financial Accounting Standards Board (“FASB”) has proposed new accounting rules which could result in significant changes in the way leases and / or real estate investments are reported in our financial statements under GAAP. The proposal, if adopted, could have a significant effect on our balance sheet. FASB may issue final rules on this topic in the near future. At this time, we are unable to determine what effect, if any, the adoption of this proposal will have on our financial condition, our results of operations and our financial ratios required by our debt covenants.
Geographic concentration of our properties makes our business vulnerable to natural disasters and severe weather conditions, which could have an adverse effect on our cash flow and operating results.
A significant portion of our property gross leasable area is located in areas that are susceptible to the harmful effects of earthquakes, tropical storms, hurricanes, tornadoes, wildfires, and similar natural disasters. As of December 31, 2011, approximately 23.3%, 19.2%, and 12.4% of our property gross leasable area, on a consolidated basis, was located in California, Florida, and Texas, respectively. Intense weather conditions during the last decade has caused our cost of property insurance to increase significantly. While much of the cost of this insurance is passed on to our tenants as reimbursable property costs, some tenants do not pay a pro rata share of these costs under their leases. These weather conditions also disrupt our business and the business of our tenants, which could affect the ability of some tenants to pay rent and may reduce the willingness of residents to remain in or move to the affected area. Therefore, as a result of the geographic concentration of our properties, we face demonstrable risks, including higher costs, such as uninsured property losses and higher insurance premiums, and disruptions to our business and the businesses of our tenants.
An uninsured loss or a loss that exceeds the insurance policies on our properties could subject us to loss of capital or revenue on those properties.
We carry comprehensive liability, fire, flood, extended coverage, rental loss, and environmental insurance for our properties with policy specifications and insured limits customarily carried for similar properties. We believe that the insurance carried on our properties is adequate and in accordance with industry standards. There are, however, some types of losses, such as from hurricanes, terrorism, wars or earthquakes, which may be uninsurable, or the cost of insuring against such losses may not be economically justifiable. In addition, tenants generally are required to indemnify and hold us harmless from liabilities resulting from injury to persons or damage to personal or real property, on or off the premises, due to activities conducted by tenants or their agents on the properties (including without limitation any environmental contamination), and at the tenant's expense, to obtain and keep in full force during the term of the lease, liability and property damage insurance policies. However, our tenants may not properly maintain their insurance policies or have the ability to pay the deductibles associated with such policies. Should a loss occur that is uninsured or in an amount exceeding the combined aggregate limits for the policies noted above, or in the event of a loss that is subject to a substantial deductible under an insurance policy, we could lose all or part of our capital invested in, and anticipated revenue from, one or more of the properties, which could have a material adverse effect on our operating results and financial condition, as well as our ability to make distributions to stock and unit holders.
Loss of our key personnel could adversely affect the value of our performance and our Parent Company's stock price.

We depend on the efforts of our key executive personnel. Although we believe qualified replacements could be found for our key executives, the loss of their services could adversely affect performance and our Parent Company's stock price.

We face competition from numerous sources, including other real estate investment trusts and small real estate owners.

The ownership of shopping centers is highly fragmented. We face competition from other real estate investment trusts as well as from numerous small owners in the acquisition, ownership, and leasing of shopping centers. We compete to develop shopping centers with other real estate investment trusts engaged in development activities as well as with local, regional, and national real estate developers. If we cannot successfully compete in our targeted markets, our cash flow, and therefore distributions to stock and unit holders, may be adversely affected.

Costs of environmental remediation could reduce our cash flow available for distribution to stock and unit holders.

Under various federal, state and local laws, an owner or manager of real property may be liable for the costs of removal or remediation of hazardous or toxic substances on the property. These laws often impose liability without regard to whether the owner knew of, or was responsible for, the presence of hazardous or toxic substances. The cost of any required remediation could exceed the value of the property and/or the aggregate assets of the owner or the responsible party. The presence of, or the failure to properly remediate, hazardous or toxic substances may adversely affect our ability to sell or lease a contaminated property or to borrow using the property as collateral. Any of these developments could reduce cash flow and distributions to stock and unit holders.

Compliance with the Americans with Disabilities Act and fire, safety and other regulations may require us to make unintended expenditures that adversely affect our cash flows.

All of our properties are required to comply with the Americans with Disabilities Act (“ADA”). The ADA has separate compliance requirements for “public accommodations” and “commercial facilities,” but generally requires that buildings be made accessible to people with disabilities. Compliance with the ADA requirements could require removal of access barriers, and noncompliance could result in imposition of fines by the U.S. government or an award of damages to private litigants, or both. While the tenants to whom we lease properties are obligated by law to comply with the ADA provisions, and typically under tenant leases are obligated to cover costs associated with compliance, if required changes involve greater expenditures than anticipated, or if the changes must be made on a more accelerated basis than anticipated, the ability of these tenants to cover costs could be adversely affected. In addition, we are required to operate the properties in compliance with fire and safety regulations, building codes and other land use regulations, as they may be adopted by governmental entities and become applicable to the properties. We may be required to make substantial capital expenditures to comply with these requirements, and these expenditures could have a material adverse effect on our ability to meet our financial obligations and make distributions to our stock and unit holders.

If we do not maintain the security of tenant-related information, we could incur substantial additional costs and become subject to litigation.

We are implementing an online payment system where we will receive certain information about our tenants that will depend upon the secure transmission of confidential information over public networks, including information permitting cashless payments. A compromise of our security systems that results in information being obtained by unauthorized persons could adversely affect our operations, results of operations, financial condition and liquidity, and could result in litigation against us or the imposition of penalties. In addition, a security breach could require that we expend significant additional resources related to our information security systems and could result in a disruption of our operations.

We rely extensively on computer systems to process transactions and manage our business. Disruptions in both our primary and secondary (back-up) systems could harm our ability to run our business.

Although we have independent, redundant and physically separate primary and secondary computer systems, it is critical that we maintain uninterrupted operation of our business-critical computer systems. Our computer systems, including our back-up systems, are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches, catastrophic events such as fires, tornadoes and hurricanes, and usage errors by our employees. If our computer systems and our back-up systems are damaged or cease to function properly, we may have to make a significant investment to repair or replace them, and we may suffer interruptions in our operations in the interim. Any material interruption in both of our computer systems and back-up systems may have a material adverse effect on our business or results of operations.

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Risk Factors Related to Our Co-investment Partnerships and Acquisition Structure

We do not have voting control over our joint venture investments, so we are unable to ensure that our objectives will be pursued.

We have invested as a co-venturer in the acquisition or development of properties. These investments involve risks not present in a wholly-owned project. We do not have voting control over the ventures. The other co-venturer might (i) have interests or goals that are inconsistent with our interests or goals or (ii) otherwise impede our objectives. The other co-venturer also might become insolvent or bankrupt. These factors could limit the return that we receive from such investments or cause our cash flows to be lower than our estimates.

Our co-investment partnerships are an important part of our growth strategy. The termination of our co-investment partnerships could adversely affect our cash flow, operating results, and distributions to stock and unit holders.

Our management fee income has increased significantly as our participation in co-investment partnerships has increased. If co-investment partnerships owning a significant number of properties were dissolved for any reason, we would lose the asset and property management fees from these co-investment partnerships, which could adversely affect our operating results and our cash available for distribution to stock and unit holders.

In addition, termination of the co-investment partnerships without replacing them with new co-investment partnerships could adversely affect our growth strategy. Property sales to the co-investment partnerships provide us with an important source of funding for additional developments and acquisitions. Without this source of capital, our ability to recycle capital, fund developments and acquisitions, and increase distributions to stock and unit holders could be adversely affected.

Our co-investment partnerships have $1.9 billion of debt as of December 31, 2011, of which 13.6% will mature through 2012, which is subject to significant refinancing risks. If real estate values continue to decline, the refinancing of maturing loans, including those maturing in our joint ventures, will require us and our joint venture partners to contribute our respective pro-rata shares of capital in order to reduce refinancing requirements to acceptable loan to value levels required for new financings.

Risk Factors Related to Our Capital Recycling and Capital Structure

Higher market capitalization rates for our properties could adversely impact our ability to recycle capital and fund developments and acquisitions, and could dilute earnings.

As part of our capital recycling program, we sell operating properties that no longer meet our investment standards. We also develop certain retail centers because of their attractive margins with the intent of selling them to co-investment partnerships or other third parties for a profit. These sales proceeds are used to fund the construction of new developments. An increase in market capitalization rates could cause a reduction in the value of centers identified for sale, which would have an adverse impact on our capital recycling program by reducing the amount of cash generated and profits realized. In order to meet the cash requirements of our development program, we may be required to sell more properties than initially planned, which would have a negative impact on our earnings.

We face risks associated with the use of debt to fund our business.

We depend on external financing, principally debt financing, to fund the growth of our business and to ensure that we can meet ongoing maturities of our outstanding debt. Our access to financing depends on our credit rating, the willingness of creditors to lend to us and conditions in the capital markets. In addition to finding creditors willing to lend to us, we are dependent upon our joint venture partners to contribute their share of any amount needed to repay or refinance existing debt when lenders reduce the amount of debt our joint ventures are eligible to refinance.

Without access to external financing, we would be required to pay outstanding debt with our operating cash flows and proceeds from property sales. Our operating cash flows may not be sufficient to pay our outstanding debt as it comes due and real estate investments generally cannot be sold quickly at a return we believe is appropriate. If we are required to deleverage our business with operating cash flows and proceeds from property sales, we may be forced to reduce the amount of, or eliminate altogether, our distributions to stock and unit holders or refrain from making investments in our business.

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Our debt financing may reduce distributions to stock and unit holders.

Our organizational documents do not limit the amount of debt that we may incur. In addition, we do not expect to generate sufficient funds from operations to make balloon principal payments on our debt when due. If we are unable to refinance our debt on acceptable terms, we might be forced (i) to dispose of properties, which might result in losses, or (ii) to obtain financing at unfavorable terms. Either could reduce the cash flow available for distributions to stock and unit holders. If we cannot make required mortgage payments, the mortgagee could foreclose on the property securing the mortgage, causing the loss of cash flow from that property.

Covenants in our debt agreements may restrict our operating activities and adversely affect our financial condition.

Our unsecured notes, unsecured term loan, unsecured line of credit, and revolving credit facility contain customary covenants, including compliance with financial ratios, such as ratio of total debt to gross asset value and fixed charge coverage ratio. Fixed charge coverage ratio is defined as earnings before interest, taxes, depreciation and amortization ("EBITDA") dividend by the sum of interest expense and scheduled mortgage principal paid to our lenders plus dividends paid to our preferred stockholders. Our debt arrangements also restrict our ability to enter into a transaction that would result in a change of control. These covenants may limit our operational flexibility and our acquisition activities. Moreover, if we breach any of the covenants in our debt agreements, and did not cure the breach within the applicable cure period, our lenders could require us to repay the debt immediately, even in the absence of a payment default. Many of our debt arrangements, including our unsecured notes, unsecured term loan, unsecured line of credit, and our revolving credit facility, are cross-defaulted, which means that the lenders under those debt arrangements can put us in default and require immediate repayment of their debt if we breach and fail to cure a default under certain of our other material debt obligations. As a result, any default under our debt covenants could have an adverse effect on our financial condition, our results of operations, our ability to meet our obligations, and the market value of our stock.

We depend on external sources of capital, which may not be available in the future on favorable terms or at all.

To qualify as a REIT, the Parent Company must, among other things, distribute to its stockholders each year at least 90% of its REIT taxable income (excluding any net capital gains). Because of these distribution requirements, we likely will not be able to fund all future capital needs, including capital for acquisitions or developments, with income from operations. We therefore will have to rely on third-party sources of capital, which may or may not be available on favorable terms or at all. Our access to third-party sources of capital depends on a number of things, including the market's perception of our growth potential and our current and potential future earnings. In addition, our existing debt arrangements also impose covenants that limit our flexibility in obtaining other financing, such as a prohibition on negative pledge agreements. Additional equity offerings may result in substantial dilution of stockholders' interests and additional debt financing may substantially increase our degree of leverage.

Risk Factors Related to Interest Rates and the Market for Our Stock

Changes in economic and market conditions could adversely affect the Parent Company's stock price.

The market price of our common stock may fluctuate significantly in response to many factors, many of which are out of our control, including:

- actual or anticipated variations in our operating results or dividends;
- changes in our funds from operations or earnings estimates;
- publication of research reports about us or the real estate industry in general and recommendations by financial analysts or actions taken by rating agencies with respect to our securities or those of other REIT's;
- the ability of our tenants to pay rent and meet their other obligations to us under current lease terms and our ability to re-lease space as leases expire;
- increases in market interest rates that drive purchasers of our stock to demand a higher dividend yield;
- changes in market valuations of similar companies;
- adverse market reaction to any additional debt we incur in the future;
- any future issuances of equity securities;
- additions or departures of key management personnel;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- actions by institutional stockholders;
- speculation in the press or investment community; and
- general market and economic conditions.

These factors may cause the market price of our common stock to decline, regardless of our financial condition, results of operations, business or prospects. It is impossible to ensure that the market price of our common stock will not fall in the future. A decrease in the market price of our common stock could reduce our ability to raise additional equity in the public markets. Selling common stock at a decreased market price would have a dilutive impact on existing stockholders.

Risk Factors Related to Federal Income Tax Laws

If the Parent Company fails to qualify as a REIT for federal income tax purposes, it would be subject to federal income tax at regular corporate rates.

We believe that we qualify for taxation as a REIT for federal income tax purposes, and we plan to operate so that we can continue to meet the requirements for taxation as a REIT. If we qualify as a REIT, we generally will not be subject to federal income tax on our income that we distribute currently to our stockholders. Many of the REIT requirements, however, are highly technical and complex. The determination that we are a REIT requires an analysis of various factual matters and circumstances, some of which may not be totally within our control and some of which involve questions of interpretation. For example, to qualify as a REIT, at least 95% of our gross income must come from specific passive sources, like rent, that are itemized in the REIT tax laws. There can be no assurance that the Internal Revenue Service (“IRS”) or a court would agree with the positions we have taken in interpreting the REIT requirements. We are also required to distribute to our stockholders at least 90% of our REIT taxable income, excluding capital gains. The fact that we hold many of our assets through co-investment partnerships and their subsidiaries further complicates the application of the REIT requirements. Even a technical or inadvertent mistake could jeopardize our REIT status. Furthermore, Congress and the IRS might make changes to the tax laws and regulations, and the courts might issue new rulings, that make it more difficult, or impossible, for us to remain qualified as a REIT.

Also, unless the IRS granted us relief under certain statutory provisions, we would remain disqualified as a REIT for four years following the year we first failed to qualify. If we failed to qualify as a REIT (currently and/or with respect to any tax years for which the statute of limitations has not expired), we would have to pay significant income taxes, reducing cash available to pay dividends, which would likely have a significant adverse affect on the value of our securities. In addition, we would no longer be required to pay any dividends to stockholders. Although we believe that we qualify as a REIT, we cannot assure you that we will continue to qualify or remain qualified as a REIT for tax purposes.

Even if we qualify as a REIT for federal income tax purposes, we are required to pay certain federal, state and local taxes on our income and property. For example, if we have net income from “prohibited transactions,” that income will be subject to a 100% tax. In general, prohibited transactions include sales or other dispositions of property held primarily for sale to customers in the ordinary course of business. The determination as to whether a particular sale is a prohibited transaction depends on the facts and circumstances related to that sale. While we have undertaken a significant number of asset sales in

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recent years, we do not believe that those sales should be considered prohibited transactions, but there can be no assurance that the IRS would not contend otherwise.

Risk Factors Related to Our Ownership Limitations and the Florida Business Corporation Act

Restrictions on the ownership of the Parent Company's capital stock to preserve our REIT status could delay or prevent a change in control.

Ownership of more than 7% by value of our outstanding capital stock is prohibited, with certain exceptions, by our articles of incorporation, for the purpose of maintaining our qualification as a REIT. This 7% limitation may discourage a change in control and may also (i) deter tender offers for our capital stock, which offers may be attractive to our stockholders, or (ii) limit the opportunity for our stockholders to receive a premium for their capital stock that might otherwise exist if an investor attempted to assemble a block in excess of 7% of our outstanding capital stock or to affect a change in control.

The issuance of the Parent Company's capital stock could delay or prevent a change in control.

Our articles of incorporation authorize our Board of Directors to issue up to 30,000,000 shares of preferred stock and 10,000,000 shares of special common stock and to establish the preferences and rights of any shares issued. The issuance of preferred stock or special common stock could have the effect of delaying or preventing a change in control. The provisions of the Florida Business Corporation Act regarding control share acquisitions and affiliated transactions could also deter potential acquisitions by preventing the acquiring party from voting the common stock it acquires or consummating a merger or other extraordinary corporate transaction without the approval of our disinterested stockholders.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The following table is a list of the shopping centers summarized by state and in order of largest holdings presented for Consolidated Properties (excludes properties owned by unconsolidated co-investment partnerships):

Location	December 31, 2011						December 31, 2010					
	# Properties	GLA	% of Total GLA		% Leased		# Properties	GLA	% of Total GLA		% Leased	
California	44	5,521,165	23.3	%	91.1	%	42	5,211,886	22.4	%	93.7	%
Florida	45	4,550,377	19.2	%	92.6	%	44	4,467,696	19.2	%	92.5	%
Texas	22	2,932,389	12.4	%	93.5	%	23	2,875,917	12.4	%	89.9	%
Ohio	12	1,591,430	6.7	%	96.3	%	13	1,698,262	7.3	%	93.2	%
Georgia	14	1,269,372	5.3	%	89.1	%	16	1,428,281	6.1	%	88.2	%
Colorado	14	1,161,853	4.9	%	91.6	%	14	1,117,074	4.8	%	86.8	%
Virginia	7	951,410	4.0	%	92.9	%	7	910,740	3.9	%	93.9	%
Illinois	5	862,968	3.6	%	95.0	%	5	885,581	3.8	%	94.4	%
North Carolina	9	836,922	3.5	%	92.6	%	9	874,238	3.8	%	87.8	%
Oregon	8	740,605	3.1	%	90.8	%	7	659,060	2.8	%	96.8	%
Tennessee	6	478,923	2.0	%	94.1	%	6	479,321	2.1	%	92.3	%
Missouri	4	408,347	1.7	%	98.7	%	—	—	—	%	—	%
Arizona	3	388,441	1.6	%	84.0	%	3	388,440	1.7	%	90.6	%
Massachusetts	2	360,297	1.5	%	94.6	%	2	371,758	1.6	%	93.7	%
Washington	5	357,201	1.5	%	94.1	%	6	461,073	2.0	%	94.0	%
Nevada	1	330,907	1.4	%	88.7	%	2	439,422	1.9	%	79.5	%
Pennsylvania	4	321,901	1.4	%	98.4	%	4	305,444	1.3	%	94.0	%
Delaware	2	242,939	1.0	%	89.6	%	2	242,680	1.0	%	89.8	%
Michigan	2	118,273	0.5	%	39.2	%	2	118,273	0.5	%	84.6	%
Maryland	1	87,556	0.4	%	97.2	%	1	95,010	0.4	%	90.1	%
Alabama	1	84,740	0.4	%	86.2	%	1	84,740	0.4	%	77.8	%
South Carolina	2	74,421	0.3	%	98.1	%	2	74,421	0.3	%	96.2	%
Indiana	3	54,484	0.2	%	82.3	%	3	54,484	0.2	%	62.9	%
Kentucky	1	23,186	0.1	%	93.9	%	1	23,186	0.1	%	81.9	%
Total	217	23,750,107	100.0	%	92.2	%	215	23,266,987	100.0	%	91.6	%

Certain Consolidated Properties are encumbered by mortgage loans of $448.4 million as of December 31, 2011.

The following table is a list of the shopping centers summarized by state and in order of largest holdings presented for Unconsolidated Properties (only properties owned by unconsolidated co-investment partnerships):

	December 31, 2011						December 31, 2010					
Location	# Properties	GLA	% of Total GLA		% Leased		# Properties	GLA	% of Total GLA		% Leased	
California	27	3,550,511	19.3	%	95.5	%	27	3,555,084	16.3	%	94.4	%
Virginia	21	2,780,216	15.1	%	94.8	%	22	2,788,919	12.8	%	94.8	%
Maryland	15	1,726,984	9.4	%	92.9	%	15	1,765,700	8.1	%	89.8	%
Illinois	10	1,328,210	7.2	%	97.5	%	19	2,258,221	10.4	%	92.1	%
Texas	9	1,226,986	6.7	%	96.0	%	10	1,277,109	5.9	%	91.4	%
North Carolina	7	1,191,869	6.5	%	95.8	%	7	1,315,343	6.0	%	96.3	%
Pennsylvania	7	981,711	5.3	%	95.9	%	7	981,635	4.5	%	93.3	%
Colorado	6	941,094	5.1	%	95.5	%	6	947,326	4.3	%	94.8	%
Florida	11	841,160	4.6	%	93.2	%	11	841,159	3.9	%	92.0	%
Minnesota	5	675,021	3.7	%	98.4	%	3	483,520	2.2	%	97.4	%
Washington	5	577,441	3.1	%	90.9	%	5	577,441	2.6	%	91.7	%
Ohio	2	532,020	2.9	%	93.3	%	2	537,073	2.5	%	92.0	%
South Carolina	4	286,222	1.6	%	96.3	%	4	286,297	1.3	%	96.4	%
Wisconsin	2	269,128	1.5	%	93.5	%	2	269,128	1.2	%	94.2	%
Georgia	3	243,351	1.3	%	92.0	%	3	243,351	1.1	%	92.8	%
Delaware	2	227,481	1.2	%	89.3	%	2	231,587	1.1	%	86.2	%
Massachusetts	1	185,279	1.0	%	98.1	%	1	185,279	0.8	%	100.0	%
Connecticut	1	179,864	1.0	%	99.8	%	1	179,863	0.8	%	99.8	%
New Jersey	2	156,531	0.9	%	96.6	%	2	156,482	0.7	%	93.8	%
Indiana	2	138,884	0.7	%	93.1	%	3	218,769	1.0	%	91.1	%
Alabama	1	118,466	0.6	%	64.6	%	1	118,466	0.6	%	64.6	%
Arizona	1	107,633	0.6	%	92.1	%	1	107,633	0.5	%	93.2	%
Oregon	1	93,101	0.5	%	92.5	%	1	93,101	0.4	%	95.9	%
Dist. of Columbia	2	39,647	0.2	%	100.0	%	2	39,647	0.2	%	90.6	%
Missouri	—	—	—	%	—	%	23	2,265,467	10.4	%	96.8	%
Tennessee	—	—	—	%	—	%	1	86,065	0.4	%	94.8	%
Total	147	18,398,810	100.0	%	94.8	%	181	21,809,665	100.0	%	93.6	%

Certain Unconsolidated Properties are encumbered by mortgage loans of $1.9 billion as of December 31, 2011.

The following table summarizes the largest tenants occupying our shopping centers for Consolidated Properties plus Regency's pro-rata share of Unconsolidated Properties as of December 31, 2011, based upon a percentage of total annualized base rent exceeding or equal to 0.5% (dollars in thousands):

Tenant	GLA	Percent to Company Owned GLA		Rent	Percentage of Annualized Base Rent		Number of Leased Stores	Anchor Owned Stores (1)
Publix	2,031,785	6.8	%$	19,992	4.4	%	55	1
Kroger	2,090,100	7.0	%	19,202	4.2	%	43	8
Safeway	1,707,700	5.7	%	16,879	3.7	%	51	6
Supervalu	839,301	2.8	%	10,022	2.2	%	26	2
CVS	483,136	1.6	%	7,192	1.6	%	46	—
Whole Foods	252,450	0.8	%	6,664	1.5	%	8	—
TJX Companies	543,334	1.8	%	6,332	1.4	%	25	—
Ahold	341,251	1.1	%	4,751	1.0	%	13	—
Ross Dress For Less	279,805	0.9	%	4,353	1.0	%	17	—
H.E.B.	294,765	1.0	%	4,326	1.0	%	5	—
PETCO	219,706	0.7	%	4,104	0.9	%	25	—
Walgreens	193,909	0.7	%	3,729	0.8	%	16	—
Starbucks	100,076	0.3	%	3,507	0.8	%	83	—
Sports Authority	181,523	0.6	%	3,461	0.8	%	5	—
Wells Fargo Bank	69,089	0.2	%	3,311	0.7	%	36	—
Bank of America	76,767	0.3	%	3,270	0.7	%	26	—
Sears Holdings	428,090	1.4	%	3,213	0.7	%	8	1
Rite Aid	207,459	0.7	%	3,184	0.7	%	24	—
PetSmart	178,850	0.6	%	2,959	0.7	%	10	—
Harris Teeter	247,811	0.8	%	2,929	0.6	%	8	—
Subway	98,248	0.3	%	2,915	0.6	%	112	—
Target	349,683	1.2	%	2,884	0.6	%	4	18
JPMorgan Chase Bank	54,573	0.2	%	2,707	0.6	%	23	—
The UPS Store	95,642	0.3	%	2,499	0.6	%	93	—
Wal-Mart	435,400	1.5	%	2,466	0.5	%	4	4
Trader Joe's	89,994	0.3	%	2,296	0.5	%	11	—

(1) Stores owned by anchor tenant that are attached to our centers.

Regency's leases for tenant space under 5,000 square feet generally have terms ranging from three to five years. Leases greater than 10,000 square feet generally have lease terms in excess of five years, mostly comprised of anchor tenants. Many of the anchor leases contain provisions allowing the tenant the option of extending the term of the lease at expiration. The leases provide for the monthly payment in advance of fixed minimum rent, additional rents calculated as a percentage of the tenant's sales, the tenant's pro-rata share of real estate taxes, insurance, and common area maintenance (“CAM”) expenses, and reimbursement for utility costs if not directly metered.

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The following table sets forth a schedule of lease expirations for the next ten years and thereafter, assuming no tenants renew their leases (dollars in thousands):

Lease Expiration Year	Expiring GLA (2)	Percent of Total Company GLA (2)		Minimum Rent Expiring Leases (3)	Percent of Minimum Rent (3)	
(1)	432,809	1.6	%	$7,846	1.7	%
2012	2,366,496	8.9	%	46,159	10.2	%
2013	2,594,516	9.8	%	50,532	11.1	%
2014	2,609,414	9.8	%	51,487	11.3	%
2015	2,185,396	8.2	%	43,891	9.7	%
2016	2,923,044	11.0	%	50,019	11.0	%
2017	2,096,959	7.9	%	35,866	7.9	%
2018	1,431,217	5.4	%	22,702	5.0	%
2019	1,200,274	4.5	%	18,977	4.2	%
2020	1,597,409	6.0	%	23,440	5.2	%
2021	1,306,866	4.9	%	19,698	4.3	%
Thereafter	5,808,151	22.0	%	83,033	18.4	%
Total	26,552,551	100.0	%	$453,650	100.0	%

(1) Leased currently under month to month rent or in process of renewal.
(2) Represents GLA for Consolidated Properties plus Regency's pro-rata share of Unconsolidated Properties.
(3) Minimum rent includes current minimum rent and future contractual rent steps for the Consolidated Properties plus Regency's pro-rata share from Unconsolidated Properties, but excludes additional rent such as percentage rent, common area maintenance, real estate taxes and insurance reimbursements.

See the following property table and also see Item 7, Management's Discussion and Analysis for further information about Regency's properties.

Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
CALIFORNIA						
Los Angeles/ Southern CA						
4S Commons Town Center	2004	2004	240,060	94.3 %	Ralphs, Jimbo's...Naturally!	Bed Bath & Beyond, Cost Plus World Market, CVS, Griffin Ace Hardware
Amerige Heights Town Center	2000	2000	89,181	95.5 %	Albertsons, (Target)	—
Brea Marketplace (5)	2005	1987	352,022	98.4 %	Sprout's Markets, Target	24 Hour Fitness, Big 5 Sporting Goods, Beverages & More!, Childtime Childcare, Golfsmith
Costa Verde Center	1999	1988	178,623	96.9 %	Bristol Farms	Bookstar, The Boxing Club
El Camino Shopping Center	1999	1995	135,728	91.9 %	Von's Food & Drug	Sav-On Drugs
El Norte Pkwy Plaza	1999	1984	90,549	91.9 %	Von's Food & Drug	CVS
Falcon Ridge Town Center Phase I (5)	2003	2004	232,754	98.3 %	Stater Bros., (Target)	Sports Authority, Ross Dress for Less, Access Home, Michaels, Party City, Pier 1 Imports
Falcon Ridge Town Center Phase II (5)	2005	2005	66,864	100.0%	24 Hour Fitness	CVS
Five Points Shopping Center (5)	2005	1960	144,553	98.9 %	Albertsons	Longs Drug, Ross Dress for Less, Big 5 Sporting Goods, PETCO
French Valley Village Center	2004	2004	98,752	95.3 %	Stater Bros.	CVS
Friars Mission Center	1999	1989	146,897	91.1 %	Ralphs	Longs Drug
Gelson's Westlake Market Plaza	2002	2002	84,975	94.7 %	Gelson's Markets	—
Golden Hills Promenade	2006	2006	241,846	91.6 %	Lowe's	Bed Bath & Beyond, TJ Maxx
Granada Village (5)	2005	1965	226,708	91.0 %	Sprout's Markets	Rite Aid, TJ Maxx, Stein Mart, PETCO, Homegoods
Hasley Canyon Village (5)	2003	2003	65,801	100.0%	Ralphs	—
Heritage Plaza	1999	1981	231,380	98.2 %	Ralphs	CVS, Jax Bicycle Center, Mitsuwa Marketplace, Total Woman
Indio Towne Center	2006	2006	132,678	74.7 %	(Home Depot), (WinCo), Toys R Us	CVS, 24 Hour Fitness, PETCO, Party City
Indio Towne Center Phase II	2010	2010	46,827	100.0%	Toys "R" Us/Babies "R" Us	—
Jefferson Square	2007	2007	38,013	74.7 %	Fresh & Easy	CVS

Laguna Niguel Plaza (5)	2005	1985	41,943	87.4 %	(Albertsons)	CVS
Marina Shores (5)	2008	2001	67,727	97.8 %	Whole Foods	PETCO
Morningside Plaza	1999	1996	91,212	95.1 %	Stater Bros.	—
Navajo Shopping Center (5)	2005	1964	102,139	94.6 %	Albertsons	Rite Aid, O'Reilly Auto Parts
Newland Center	1999	1985	149,140	97.7 %	Albertsons	—
Oakbrook Plaza	1999	1982	83,286	93.8 %	Albertsons	(Longs Drug)
Park Plaza Shopping Center (5)	2001	1991	194,763	94.2 %	Sprout's Markets	CVS, PETCO, Ross Dress For Less, Office Depot, Tuesday Morning
Plaza Hermosa	1999	1984	94,777	92.9 %	Von's Food & Drug	Sav-On Drugs
Point Loma Plaza (5)	2005	1987	212,415	92.1 %	Von's Food & Drug	Sport Chalet 5, 24 Hour Fitness, Jo-Ann Fabrics
Rancho San Diego Village (5)	2005	1981	153,256	90.1 %	Von's Food & Drug	(Longs Drug), 24 Hour Fitness
Rio Vista Town Center	2005	2005	67,622	83.5 %	Stater Bros.	(CVS)
Rona Plaza	1999	1989	51,760	100.0 %	Superior Super Warehouse	—
Seal Beach (5)	2002	1966	96,858	95.5 %	Von's Food & Drug	CVS
Paseo Del Sol	2004	2004	29,885	100.0 %	Whole Foods	—

Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
CALIFORNIA (continued)						
Twin Oaks Shopping Center (5)	2005	1978	98,399	98.9 %	Ralphs	Rite Aid
Twin Peaks	1999	1988	198,139	98.1 %	Albertsons, Target	—
Valencia Crossroads	2002	2003	172,856	98.8 %	Whole Foods, Kohl's	—
Ventura Village	1999	1984	76,070	90.7 %	Von's Food & Drug	—
Vine at Castaic	2005	2005	27,314	72.9 %	—	—
Vista Village Phase I (5)	2002	2003	129,009	96.7 %	Krikorian Theaters, (Lowe's)	—
Vista Village Phase II (5)	2002	2003	55,000	45.5 %	Frazier Farms	—
Vista Village IV	2006	2006	11,000	100.0%	—	—
Westlake Village Plaza and Center	1999	1975	190,529	87.9 %	Von's Food & Drug and Sprouts	(CVS), Longs Drug, Total Woman
Westridge Village	2001	2003	92,287	100.0%	Albertsons	Beverages & More!
Woodman Van Nuys	1999	1992	107,614	98.7 %	El Super	—
San Francisco/ Northern CA						
Applegate Ranch Shopping Center	2006	2006	144,444	82.4 %	(Super Target), (Home Depot)	Marshalls, PETCO, Big 5 Sporting Goods
Auburn Village (5)	2005	1990	133,944	84.5 %	Bel Air Market	Dollar Tree, Goodwill Industries, (Longs Drug)
Bayhill Shopping Center (5)	2005	1990	121,846	99.2 %	Mollie Stone's Market	Longs Drug
Blossom Valley (5)	1999	1990	93,316	100.0%	Safeway	Longs Drug
Clayton Valley Shopping Center	2003	2004	260,205	95.7 %	Fresh & Easy, Orchard Supply Hardware	Longs Drugs, Dollar Tree, Ross Dress For Less
Clovis Commons	2004	2004	174,990	99.3 %	(Super Target)	Petsmart, TJ Maxx, Office Depot, Best Buy

Corral Hollow (5)	2000	2000	167,184	98.5	%	Safeway, Orchard Supply & Hardware	Longs Drug
Diablo Plaza	1999	1982	63,265	98.5	%	(Safeway)	(CVS), Beverages & More
East Washington Place (4)	2011	2011	208,224	—	%	(Target)	—
El Cerrito Plaza	2000	2000	256,035	99.2	%	(Lucky's)	(Longs Drug), Bed Bath & Beyond, Barnes & Noble, Jo-Ann Fabrics, PETCO, Ross Dress For Less
Encina Grande	1999	1965	102,413	98.3	%	Safeway	Walgreens
Folsom Prairie City Crossing	1999	1999	90,237	94.2	%	Safeway	—
Gateway 101	2008	2008	92,110	100.0	%	(Home Depot), (Best Buy), Sports Authority, Nordstrom Rack	—
Loehmanns Plaza California	1999	1983	113,310	98.2	%	(Safeway)	Longs Drug, Loehmann's
Mariposa Shopping Center (5)	2005	1957	126,658	100.0	%	Safeway	Longs Drug, Ross Dress for Less
Oak Shade Town Center	2011	1998	103,762	93.1	%	Safeway	Office Max, Rite Aid
Pleasant Hill Shopping Center (5)	2005	1970	227,681	99.1	%	Target, Toys "R" Us	Barnes & Noble, Ross Dress for Less
Powell Street Plaza	2001	1987	165,928	98.8	%	Trader Joe's	PETCO, Beverages & More!, Ross Dress For Less, DB Shoe Company, Marshalls
Raley's Supermarket (5)	2007	1964	62,827	100.0	%	Raley's	—
San Leandro Plaza	1999	1982	50,432	100.0	%	(Safeway)	(Longs Drug)

Property Name (1)	Year Acquired	Year Constructed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
CALIFORNIA (continued)						
Sequoia Station	1999	1996	103,148	100.0%	(Safeway)	Longs Drug, Barnes & Noble, Old Navy, Pier 1
Silverado Plaza (5)	2005	1974	84,916	100.0%	Nob Hill	Longs Drug
Snell & Branham Plaza (5)	2005	1988	92,352	96.4 %	Safeway	—
Stanford Ranch Village (5)	2005	1991	89,875	95.9 %	Bel Air Market	—
Strawflower Village	1999	1985	78,827	98.3 %	Safeway	(Longs Drug)
Tassajara Crossing	1999	1990	146,140	96.3 %	Safeway	Longs Drug, Tassajara Valley Hardware
West Park Plaza	1999	1996	88,104	91.6 %	Safeway	Rite Aid
Woodside Central	1999	1993	80,591	95.9 %	(Target)	Chuck E. Cheese, Marshalls
Ygnacio Plaza (5)	2005	1968	109,701	98.7 %	Fresh & Easy	Sports Basement
Subtotal/Weighted Average (CA)			9,071,676	92.8 %		
FLORIDA						
Ft. Myers / Cape Coral						
Corkscrew Village	2007	1997	82,011	100.0%	Publix	—
First Street Village	2006	2006	54,926	94.7 %	Publix	—
Grande Oak	2000	2000	78,784	94.7 %	Publix	—
Jacksonville / North Florida						
Anastasia Plaza	1993	1988	102,342	96.4 %	Publix	—
Canopy Oak Center (5)	2006	2006	90,042	82.5 %	Publix	—
Carriage Gate	1994	1978	76,784	86.8 %	—	Leon County Tax Collector, TJ Maxx
Courtyard Shopping Center	1993	1987	137,256	100.0%	(Publix), Target	—
Fleming Island	1998	2000	136,663	74.8 %	Publix, (Target)	PETCO
Hibernia Pavilion	2006	2006	51,298	97.4 %	Publix	—
Hibernia Plaza	2006	2006	8,400	16.7 %	—	(Walgreens)
Horton's Corner	2007	2007	14,820	100.0%	—	Walgreens
John's Creek Center (5)	2003	2004	75,101	87.0 %	Publix	—
Julington Village (5)	1999	1999	81,820	100.0%	Publix	(CVS)

Millhopper Shopping Center	1993	1974	80,421	100.0%	Publix	CVS
Newberry Square	1994	1986	180,524	94.7 %	Publix, K-Mart	Jo-Ann Fabrics
Nocatee Town Center (4)	2007	2007	69,679	90.8 %	Publix	—
Oakleaf Commons	2006	2006	73,717	86.7 %	Publix	(Walgreens)
Ocala Corners	2000	2000	86,772	95.9 %	Publix	—
Old St Augustine Plaza	1996	1990	232,459	98.3 %	Publix, Burlington Coat Factory, Hobby Lobby	CVS
Pine Tree Plaza	1997	1999	63,387	96.8 %	Publix	—
Plantation Plaza (5)	2004	2004	77,747	88.1 %	Publix	—

Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
FLORIDA (continued)						
Seminole Shoppes	2009	2009	73,241	96.4 %	Publix	—
Shoppes at Bartram Park (5)	2005	2004	105,319	93.5 %	Publix, (Kohl's)	—
Shoppes at Bartram Park Phase II (5)	2008	2008	14,639	70.0 %	—	(Tutor Time)
Shops at John's Creek	2003	2004	15,490	73.5 %	—	—
Starke	2000	2000	12,739	100.0%	—	CVS
Vineyard Shopping Center (5)	2001	2002	62,821	84.7 %	Publix	—
Miami / Fort Lauderdale						
Aventura Shopping Center	1994	1974	102,876	92.2 %	Publix	CVS, Shuva Israel
Berkshire Commons	1994	1992	110,062	100.0%	Publix	Walgreens
Caligo Crossing	2007	2007	10,763	100.0%	(Kohl's)	—
Five Corners Plaza (5)	2005	2001	44,647	99.4 %	Publix	—
Garden Square	1997	1991	90,258	100.0%	Publix	CVS
Naples Walk Shopping Center	2007	1999	125,390	79.7 %	Publix	—
Pebblebrook Plaza (5)	2000	2000	76,767	100.0%	Publix	(Walgreens)
Shoppes @ 104	1998	1990	108,192	100.0%	Winn-Dixie	Navarro Discount Pharmacies
Welleby Plaza	1996	1982	109,949	86.7 %	Publix	Bealls
Tampa / Orlando						
Beneva Village Shops	1998	1987	141,532	91.1 %	Publix	Walgreens, Harbor Freight Tools, You Fit Health Club
Bloomingdale Square	1998	1987	267,736	96.3 %	Publix, Wal-Mart, Bealls	Ace Hardware
East Towne Center	2002	2003	69,841	86.0 %	Publix	—
Kings Crossing Sun City	1999	1999	75,020	95.5 %	Publix	—
Lynnhaven (5)	2001	2001	63,871	100.0%	Publix	—
Marketplace Shopping Center	1995	1983	90,296	74.7 %	LA Fitness	—
Regency Square	1993	1986	349,848	92.0 %	AMC Theater, Michaels,	Dollar Tree, Marshalls, Shoe Carnival, Staples, TJ Maxx, PETCO, Ulta

						(Best Buy), (Macdill)	
Suncoast Crossing Phase I	2007	2007	108,434	94.8	%	Kohl's	—
Suncoast Crossing Phase II (4)	2008	2008	9,451	70.4	%	(Target)	—
Town Square	1997	1999	44,380	90.1	%	—	PETCO, Pier 1 Imports
Village Center	1995	1993	181,110	93.8	%	Publix	Walgreens, Stein Mart
Northgate Square	2007	1995	75,495	92.3	%	Publix	—
Westchase	2007	1998	78,998	100.0	%	Publix	—
Willa Springs (5)	2000	2000	89,930	100.0	%	Publix	—
West Palm Beach / Treasure Cove							
Boynton Lakes Plaza	1997	1993	117,124	78.4	%	Publix	Citi Trends
Chasewood Plaza	1993	1986	155,603	95.0	%	Publix	Bealls, Books-A-Million

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Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
FLORIDA (continued)						
East Port Plaza	1997	1991	162,831	91.1 %	Publix	Walgreens, Medvance Institute, Goodwill
Island Crossing (5)	2007	1996	58,456	97.6 %	Publix	—
Martin Downs Village Center	1993	1985	112,667	89.1 %	—	Bealls, Coastal Care
Martin Downs Village Shoppes	1993	1998	48,937	87.9 %	—	Walgreens
Town Center at Martin Downs	1996	1996	64,546	100.0%	Publix	—
Wellington Town Square	1996	1982	107,325	99.2 %	Publix	CVS
Subtotal/Weighted Average (FL)			5,391,537	92.7 %		
TEXAS						
Austin						
Hancock	1999	1998	410,438	97.9 %	H.E.B., Sears	Twin Liquors, PETCO, 24 Hour Fitness
Market at Round Rock	1999	1987	122,646	77.4 %	Sprout's Markets	Office Depot
North Hills	1999	1995	144,020	94.9 %	H.E.B.	—
Tech Ridge Center	2011	2001	187,350	93.8 %	H.E.B.	Office Depot, Petco
Dallas / Ft. Worth						
Bethany Park Place (5)	1998	1998	98,906	98.0 %	Kroger	—
Cooper Street	1999	1992	127,696	91.9 %	(Home Depot)	Office Max, K&G Men's Company, Home Depot Expansion Tract
Hickory Creek Plaza	2006	2006	28,134	77.6 %	(Kroger)	—
Shops at Highland Village	2005	2005	352,086	87.7 %	AMC Theater	Barnes & Noble, Dental Insurance Company
Hillcrest Village	1999	1991	14,530	100.0%	—	—
Keller Town Center	1999	1999	114,937	91.8 %	Tom Thumb	—
Lebanon/Legacy Center	2000	2002	56,674	83.4 %	(Albertsons), Wal-Mart	—
Market at Preston Forest	1999	1990	96,353	100.0%	Tom Thumb	—
Mockingbird Common	1999	1987	120,321	100.0%	Tom Thumb	Ogle School of Hair Design
Preston Park	1999	1985	239,333	91.3 %	Tom Thumb	Gap

Prestonbrook	1998	1998	91,537	97.2 %	Kroger	—
Rockwall Town Center	2002	2004	46,095	100.0%	(Kroger)	(Walgreens)
Shiloh Springs (5)	1998	1998	110,040	83.1 %	Kroger	—
Signature Plaza	2003	2004	32,415	80.0 %	(Kroger)	—
Trophy Club	1999	1999	106,507	89.3 %	Tom Thumb	(Walgreens)
Houston						
Alden Bridge (5)	2002	1998	138,953	96.8 %	Kroger	Walgreens
Cochran's Crossing	2002	1994	138,192	93.4 %	Kroger	CVS
Indian Springs Center (5)	2002	2003	136,625	100.0%	H.E.B.	—
Kleinwood Center (5)	2002	2003	148,964	89.3 %	H.E.B.	(Walgreens)

Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
TEXAS (continued)						
Panther Creek	2002	1994	166,077	100.0%	Randall's Food	CVS, Sears Paint & Hardware (Sublease Morelands), The Woodlands Childrens Museum
Sterling Ridge	2002	2000	128,643	100.0%	Kroger	CVS
Sweetwater Plaza (5)	2001	2000	134,045	98.9 %	Kroger	Walgreens
Waterside Marketplace	2007	2007	24,858	92.5 %	(Kroger)	—
Weslayan Plaza East (5)	2005	1969	169,693	100.0%	—	Berings, Ross Dress for Less, Michaels, Berings Warehouse, Chuck E. Cheese, The Next Level Fitness, Spec's Liquor, Bike Barn
Weslayan Plaza West (5)	2005	1969	185,964	100.0%	Randall's Food	Walgreens, PETCO, Jo Ann's, Office Max, Tuesday Morning
Westwood Village	2006	2006	183,547	98.2 %	(Target)	Gold's Gym, PetSmart, Office Max, Ross Dress For Less, TJ Maxx
Woodway Collection (5)	2005	1974	103,796	93.5 %	Randall's Food	—
Subtotal/Weighted Average (TX)			4,159,375	94.3 %		
VIRGINIA						
Richmond						
Gayton Crossing (5)	2005	1983	156,917	89.3 %	Martin's, (Kroger)	—
Hanover Village Shopping Center (5)	2005	1971	88,006	82.1 %	—	Tractor Supply Company, Floor Trader
Village Shopping Center (5)	2005	1948	111,177	93.8 %	Martin's	CVS
Other Virginia						
Ashburn Farm Market Center	2000	2000	91,905	100.0%	Giant Food	—
Ashburn Farm Village Center (5)	2005	1996	88,897	96.9 %	Shoppers Food Warehouse	—
Braemar Shopping Center (5)	2004	2004	96,439	94.8 %	Safeway	—
Centre Ridge Marketplace (5)	2005	1996	104,100	100.0%	Shoppers Food Warehouse	Sears
Cheshire Station	2000	2000	97,156	97.8 %	Safeway	PETCO

Culpeper Colonnade	2006	2006	131,707	97.1 %	Martin's, (Target)	PetSmart, Staples
Fairfax Shopping Center	2007	1955	76,311	80.0 %	—	Direct Furniture
Festival at Manchester Lakes (5)	2005	1990	165,130	98.5 %	Shoppers Food Warehouse	—
Fortuna Center Plaza (5)	2004	2004	104,694	100.0%	Shoppers Food Warehouse, (Target)	Rite Aid
Fox Mill Shopping Center (5)	2005	1977	103,269	97.1 %	Giant Food	—
Greenbriar Town Center (5)	2005	1972	340,006	97.6 %	Giant Food	CVS, HMY Roomstore, Total Beverage, Ross Dress for Less, Marshalls, PETCO
Hollymead Town Center (5)	2003	2004	153,739	98.1 %	Harris Teeter, (Target)	Petsmart
Kamp Washington Shopping Center (5)	2005	1960	71,825	58.2 %	—	—
Kings Park Shopping Center (5)	2005	1966	74,702	97.2 %	Giant Food	CVS
Lorton Station Marketplace (5)	2006	2005	132,445	97.7 %	Shoppers Food Warehouse	Advanced Design Group
Lorton Town Center (5)	2006	2005	51,807	91.5 %	—	ReMax
Market at Opitz Crossing	2003	2003	149,791	79.1 %	Safeway	Hibachi Grill & Supreme Buffet

Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
VIRGINA (continued)						
Saratoga Shopping Center (5)	2005	1977	113,013	94.7 %	Giant Food	—
Shops at County Center	2005	2005	96,695	93.6 %	Harris Teeter	—
Signal Hill (5)	2003	2004	95,172	100.0%	Shoppers Food Warehouse	—
Shops at Stonewall	2007	2007	267,175	96.6 %	Wegmans, Dick's Sporting Goods	Staples, Ross Dress For Less, Bed Bath & Beyond, Michaels
Shops at Stonewall Phase II	2011	2011	40,670	100.0%	Dick's Sporting Goods	—
Town Center at Sterling Shopping Center (5)	2005	1980	190,069	89.5 %	Giant Food	Direct Furniture, Party Depot
Village Center at Dulles (5)	2002	1991	297,571	99.2 %	Shoppers Food Warehouse, Gold's Gym	CVS, Advance Auto Parts, Chuck E. Cheese, Staples, Goodwill, Tuesday Morning
Willston Centre I (5)	2005	1952	105,376	94.5 %	—	CVS, Baileys Health Care
Willston Centre II (5)	2005	1986	135,862	94.3 %	Safeway, (Target)	—
Subtotal/Weighted Average (VA)			3,731,626	94.3 %		
ILLINOIS						
Chicago						
Baker Hill Center (5)	2004	1998	135,355	99.1 %	Dominick's	—
Brentwood Commons (5)	2005	1962	125,550	99.1 %	Dominick's	Dollar Tree, Fabrics Etc 2
Civic Center Plaza (5)	2005	1989	264,973	99.5 %	Super H Mart, Home Depot	O'Reilly Automotive, King Spa
Frankfort Crossing Shpg Ctr	2003	1992	114,534	86.8 %	Jewel / OSCO	Ace Hardware
Geneva Crossing (5)	2004	1997	123,182	98.8 %	Dominick's	Goodwill
Glen Oak Plaza	2010	1967	62,616	96.0 %	Trader Joe's	Walgreens, ENH Medical Offices
Hinsdale	1998	1986	178,960	93.8 %	Dominick's	Goodwill, Cardinal Fitness

McHenry Commons Shopping Center (5)	2005	1988	99,448	89.8 %	Hobby Lobby	Goodwill
Riverside Sq & River's Edge (5)	2005	1986	169,435	100.0%	Dominick's	Ace Hardware, Party City
Roscoe Square (5)	2005	1981	140,461	89.5 %	Mariano's	Walgreens, Toys "R" Us
Shorewood Crossing (5)	2004	2001	87,705	98.4 %	Dominick's	—
Shorewood Crossing II (5)	2007	2005	86,276	98.1 %	—	Babies R Us, Staples, PETCO, Factory Card Outlet
Stonebrook Plaza Shopping Center (5)	2005	1984	95,825	100.0%	Dominick's	—
Westbrook Commons	2001	1984	123,855	92.4 %	Dominick's	Goodwill
Willow Festival	2010	2007	383,003	98.6 %	Whole Foods, Lowe's	CVS, DSW Warehouse, HomeGoods, Recreational Equipment, Best Buy
Subtotal/Weighted Average (IL)			2,191,178	96.5 %		
MISSOURI						
St. Louis Brentwood Plaza	2007	2002	60,452	96.5 %	Schnucks	—

Property Name (1)	Year Acquired	Year Con- structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
MISSOURI (continued)						
Bridgeton	2007	2005	70,762	97.3 %	Schnucks, (Home Depot)	—
Dardenne Crossing	2007	1996	67,430	97.9 %	Schnucks	—
Kirkwood Commons	2007	2000	209,703	100.0%	Wal-Mart, (Target), (Lowe's)	TJ Maxx, HomeGoods, Famous Footwear
Subtotal/Weighted Average (MO)			408,347	98.7 %		
OHIO						
Cincinnati						
Beckett Commons	1998	1995	121,498	87.0 %	Kroger	—
Cherry Grove	1998	1997	195,513	97.0 %	Kroger	Hancock Fabrics, Shoe Carnival, TJ Maxx
Hyde Park	1997	1995	396,861	98.9 %	Kroger, Biggs	Walgreens, Jo-Ann Fabrics, Ace Hardware, Michaels, Staples
Indian Springs Market Center (5)	2005	2005	141,063	100.0%	Kohl's, (Wal-Mart Supercenter)	Office Depot, HH Gregg Appliances
Red Bank Village	2006	2006	164,317	97.4 %	Wal-Mart	—
Regency Commons	2004	2004	30,770	86.2 %	—	—
Shoppes at Mason	1998	1997	80,800	92.6 %	Kroger	—
Sycamore Crossing & Sycamore Plaza (5)	2008	1966	390,957	90.9 %	Fresh Market, Macy's Furniture Gallery, Toys 'R Us, Dick's Sporting Goods	Barnes & Noble, Old Navy, Staples, Identity Salon & Day Spa
Westchester Plaza	1998	1988	88,181	97.0 %	Kroger	—
Columbus						
East Pointe	1998	1993	86,503	98.4 %	Kroger	—
Kroger New Albany Center	1999	1999	93,286	91.8 %	Kroger	—
Maxtown Road (Northgate)	1998	1996	85,100	98.4 %	Kroger, (Home	—

					Depot)	
Windmiller Plaza Phase I	1998	1997	140,437	98.5 %	Kroger	Sears Hardware
Wadsworth Crossing	2005	2005	108,164	96.5 %	(Kohl's), (Lowe's), (Target)	Office Max, Bed, Bath & Beyond, MC Sports, PETCO
Subtotal/Weighted Average (OH)			2,123,450	95.5 %		
NORTH CAROLINA						
Charlotte						
Carmel Commons	1997	1979	132,651	88.7 %	Fresh Market	Chuck E. Cheese, Party City, Rite Aid, Planet Fitness
Cochran Commons (5)	2007	2003	66,020	100.0%	Harris Teeter	(Walgreens)
Providence Commons (5)	2010	1994	77,314	91.6 %	Harris Teeter	Rite Aid

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Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
NORTH CAROLINA (continued)						
Greensboro						
Harris Crossing (4)	2007	2007	65,150	91.1 %	Harris Teeter	—
Raleigh / Durham						
Cameron Village (5)	2004	1949	554,853	98.2 %	Harris Teeter, Fresh Market	Eckerd, Talbots, Wake County Public Library, Great Outdoor Provision Co., York Properties, The Bargain Box, K&W Cafeteria, Johnson-Lambe Sporting Goods, Pier 1 Imports, Priscilla of Boston, The Cheshire Cat Gallery
Colonnade Center (4)	2009	2009	57,625	85.4 %	Whole Foods	—
Fuquay Crossing (5)	2004	2002	124,774	96.3 %	Kroger	O2 Fitness, Dollar Tree
Garner Towne Square	1998	1998	184,347	95.1 %	Kroger, (Home Depot), (Target)	Office Max, Petsmart, Shoe Carnival, (Target)
Glenwood Village	1997	1983	42,864	91.2 %	Harris Teeter	—
Lake Pine Plaza	1998	1997	87,690	94.5 %	Kroger	—
Maynard Crossing (5)	1998	1997	122,782	84.4 %	Kroger	—
Middle Creek Commons	2006	2006	73,634	100.0 %	Lowes Foods	—
Shoppes of Kildaire (5)	2005	1986	145,101	95.5 %	Trader Joe's	Home Comfort Furniture, Gold's Gym, Staples
Southpoint Crossing	1998	1998	103,128	89.7 %	Kroger	—
Sutton Square (5)	2006	1985	101,025	96.9 %	Fresh Market	Rite Aid
Woodcroft Shopping Center	1996	1984	89,833	95.4 %	Food Lion	Triangle True Value Hardware
Subtotal/Weighted Average (NC)			2,028,791	94.5 %		
COLORADO						
Colorado Springs						
Falcon Marketplace	2005	2005	22,491	72.5 %	(Wal-Mart Supercenter)	—
Marketplace at Briargate	2006	2006	29,075	100.0 %	(King Soopers)	—
Monument Jackson Creek	1998	1999	85,263	100.0 %	King Soopers	—
Woodmen Plaza	1998	1998	116,233	93.6 %		—

						King Soopers	
Denver							
Applewood Shopping Center (5)	2005	1956	370,221	95.7	%	King Soopers, Wal-Mart	Applejack Liquors, PetSmart, Wells Fargo Bank
Arapahoe Village (5)	2005	1957	159,237	93.0	%	Safeway	Jo-Ann Fabrics, PETCO, Pier 1 Imports, Bottles Wine & Spirit
Belleview Square	2004	1978	117,331	100.0	%	King Soopers	—
Boulevard Center	1999	1986	80,320	92.0	%	(Safeway)	One Hour Optical
Buckley Square	1999	1978	116,147	98.8	%	King Soopers	Ace Hardware
Centerplace of Greeley III Phase I	2007	2007	94,090	84.4	%	Sports Authority	Best Buy
Centerplace of Greeley III Phase II (4)	2011	2011	25,000	100.0	%	—	TJ Maxx
Cherrywood Square (5)	2005	1978	86,162	93.3	%	King Soopers	—

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Property Name (1)	Year Acquired	Year Con- structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
COLORADO (continued)						
Crossroads Commons (5)	2001	1986	142,694	98.7 %	Whole Foods	Barnes & Noble, Bicycle Village
Hilltop Village (5)	2002	2003	100,030	93.8 %	King Soopers	—
Kent Place (4)	2011	2011	47,418	68.1 %	King Soopers	—
South Lowry Square	1999	1993	119,916	93.5 %	Safeway	—
Littleton Square	1999	1997	94,222	73.4 %	King Soopers	—
Lloyd King Center	1998	1998	83,326	96.9 %	King Soopers	—
Ralston Square Shopping Center (5)	2005	1977	82,750	98.0 %	King Soopers	—
Shops at Quail Creek	2008	2008	37,585	79.7 %	(King Soopers)	—
Stroh Ranch	1998	1998	93,436	97.0 %	King Soopers	—
Subtotal/Weighted Average (CO)			2,102,947	93.4 %		
MARYLAND						
Baltimore						
Elkridge Corners (5)	2005	1990	73,529	98.4 %	Green Valley Markets	Rite Aid
Festival at Woodholme (5)	2005	1986	81,016	96.0 %	Trader Joe's	—
Village at Lee Airpark (4)	2005	2005	87,556	97.2 %	Giant Food, (Sunrise)	—
Parkville Shopping Center (5)	2005	1961	162,435	94.6 %	Mrs. Greens	Parkville Lanes, Castlewood Realty (Sub: Herit)
Southside Marketplace (5)	2005	1990	125,146	95.1 %	Shoppers Food Warehouse	Rite Aid
Valley Centre (5)	2005	1987	215,780	93.9 %	—	TJ Maxx, Ross Dress for Less, HomeGoods, Staples, PetSmart
Other Maryland						
Bowie Plaza (5)	2005	1966	102,904	89.7 %	—	CVS
Clinton Park (5)	2003	2003	206,050	92.9 %		Fitness For Less

Cloppers Mill Village (5)	2005	1995	137,035	89.8	%	Giant Food, Sears, (Toys "R" Us) Shoppers Food Warehouse	CVS
Firstfield Shopping Center (5)	2005	1978	22,328	100.0	%	—	—
Goshen Plaza (5)	2005	1987	42,906	84.1	%	—	CVS
King Farm Village Center (5)	2004	2001	118,326	96.3	%	Safeway	—
Mitchellville Plaza (5)	2005	1991	152,214	84.0	%	Food Lion	—
Takoma Park (5)	2005	1960	106,469	93.4	%	Shoppers Food Warehouse	—
Watkins Park Plaza (5)	2005	1985	113,443	97.0	%	Safeway	CVS
Woodmoor Shopping Center (5)	2005	1954	67,403	93.7	%	—	CVS
Subtotal/Weighted Average (MD)			1,814,540	93.2	%		

Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
GEORGIA						
Atlanta						
Ashford Place	1997	1993	53,449	98.1 %	—	Harbor Freight Tools
Briarcliff La Vista	1997	1962	39,204	100.0%	—	Michaels
Briarcliff Village	1997	1990	189,551	93.2 %	Publix	Office Depot, Party City, Shoe Carnival, TJ Maxx
Buckhead Court	1997	1984	48,318	97.5 %	—	—
Cambridge Square	1996	1979	71,429	100.0%	Kroger	—
Cornerstone Square	1997	1990	80,406	74.4 %	—	CVS, Hancock Fabrics
Delk Spectrum	1998	1991	100,539	77.4 %	Publix	Eckerd
Dunwoody Hall (5)	1997	1986	89,351	96.5 %	Publix	Eckerd
Dunwoody Village	1997	1975	120,169	88.5 %	Fresh Market	Walgreens, Dunwoody Prep
Howell Mill Village	2004	1984	92,118	83.0 %	Publix	Eckerd
King Plaza (5)	2007	1998	81,432	92.1 %	Publix	—
Loehmanns Plaza Georgia	1997	1986	137,139	94.0 %	—	Loehmann's, Dance 101, Office Max
Lost Mountain Crossing (5)	2007	1994	72,568	86.4 %	Publix	—
Paces Ferry Plaza	1997	1987	61,698	95.9 %	—	Harry Norman Realtors
Powers Ferry Square	1997	1987	97,897	85.1 %	—	CVS
Powers Ferry Village	1997	1994	78,896	82.9 %	Publix	Mardi Gras
Russell Ridge	1994	1995	98,559	88.5 %	Kroger	—
Subtotal/Weighted Average (GA)			1,512,723	89.6 %		
PENNSYLVANIA						
Allentown / Bethlehem						
Allen Street Shopping Center (5)	2005	1958	46,228	100.0%	Ahart Market	—
Lower Nazareth Commons	2007	2007	86,868	98.2 %	(Target), Sports Authority	PETCO
Stefko Boulevard Shopping Center (5)	2005	1976	133,899	93.8 %	Valley Farm Market	—
Harrisburg						
Silver Spring Square (5)	2005	2005	314,450	96.9 %	Wegmans, (Target)	Ross Dress For Less, Bed Bath and Beyond, Best Buy, Office Max, Ulta, PETCO

Philadelphia						
City Avenue Shopping Center (5)	2005	1960	159,095	93.8 %	—	Ross Dress for Less, TJ Maxx, Sears
Gateway Shopping Center	2004	1960	214,213	98.4 %	Trader Joe's	Staples, TJ Maxx, Famous Footwear, Jo-Ann Fabrics
Kulpsville Village Center	2006	2006	14,820	100.0%	—	Walgreens
Mercer Square Shopping Center (5)	2005	1988	91,400	98.0 %	Genuardi's	—
Newtown Square Shopping Center (5)	2005	1970	146,959	94.3 %	Acme Markets	Rite Aid
Warwick Square Shopping Center (5)	2005	1999	89,680	98.0 %	Genuardi's	—

Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
PENNSYLVANIA (continued)						
Other Pennsylvania						
Hershey	2000	2000	6,000	100.0%	—	—
Subtotal/Weighted Average (PA)			1,303,612	96.6 %		
WASHINGTON						
Portland						
Orchards Market Center I (5)	2002	2004	100,663	100.0%	Wholesale Sports	Jo-Ann Fabrics, PETCO, (Rite Aid)
Orchards Market Center II	2005	2005	77,478	89.9 %	LA Fitness	Office Depot
Seattle						
Aurora Marketplace (5)	2005	1991	106,921	95.9 %	Safeway	TJ Maxx
Cascade Plaza (5)	1999	1999	211,072	79.2 %	Safeway	Fashion Bug, Jo-Ann Fabrics, Ross Dress For Less, Big Lots
Eastgate Plaza (5)	2005	1956	78,230	100.0%	Albertsons	Rite Aid
Inglewood Plaza	1999	1985	17,253	100.0%	—	—
Overlake Fashion Plaza (5)	2005	1987	80,555	94.5 %	(Sears)	Marshalls
Pine Lake Village	1999	1989	102,899	100.0%	Quality Foods	Rite Aid
Sammamish-Highlands	1999	1992	101,289	94.5 %	(Safeway)	Bartell Drugs, Ace Hardware
Southcenter	1999	1990	58,282	86.6 %	(Target)	—
Subtotal/Weighted Average (WA)			934,642	92.1 %		
OREGON						
Portland						
Greenway Town Center (5)	2005	1979	93,101	92.5 %	Lamb's Thriftway	Rite Aid, Dollar Tree
Murrayhill Marketplace	1999	1988	148,967	81.2 %	Safeway	—
Sherwood Crossroads	1999	1999	87,966	92.1 %	Safeway	—
Sherwood Market Center	1999	1995	124,259	97.8 %	Albertsons	—
Sunnyside 205	1999	1988	53,547	88.2 %	—	—
Tanasbourne Market	2006	2006	71,000	100.0%	Whole Foods	—

Walker Center	1999	1987	89,610	97.4 %	Sports Authority	—
Other Oregon						
Corvallis Market Center	2006	2006	84,548	100.0 %	Trader Joe's	TJ Maxx, Michael's
Northgate Marketplace (4)	2011	2011	80,708	73.1 %	Trader Joe's	REI, PETCO, Ulta Salon
Subtotal/Weighted Average (OR)			833,706	91.0 %		

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Property Name (1)	Year Acquired	Year Con- structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
TENNESSEE						
Nashville						
Lebanon Center	2006	2006	63,800	89.0 %	Publix	—
Harpeth Village Fieldstone	1997	1998	70,091	97.7 %	Publix	—
Nashboro Village	1998	1998	86,811	96.8 %	Kroger	(Walgreens)
Northlake Village	2000	1988	137,807	87.6 %	Kroger	PETCO
Peartree Village	1997	1997	109,506	100.0%	Harris Teeter	PETCO, Office Max
Other Tennessee						
Dickson Tn	1998	1998	10,908	100.0%	—	Eckerd
Subtotal/Weighted Average (TN)			478,923	94.1 %		
MASSACHUSETTS						
Boston						
Shops at Saugus	2006	2006	90,055	94.6 %	Trader Joe's	La-Z-Boy, PetSmart
Speedway Plaza (5)	2006	1988	185,279	98.1 %	Stop & Shop, BJ's Warehouse	—
Twin City Plaza	2006	2004	270,242	94.6 %	Shaw's, Marshall's	Rite Aid, K&G Fashion, Dollar Tree, Gold's Gym, Extra Space Storage
Subtotal/Weighted Average (MA)			545,576	95.8 %		
ARIZONA						
Phoenix						
Anthem Marketplace	2003	2000	113,293	88.1 %	Safeway	—
Palm Valley Marketplace (5)	2001	1999	107,633	92.1 %	Safeway	—
Pima Crossing	1999	1996	239,438	88.9 %	Golf & Tennis Pro Shop, Inc.	Life Time Fitness, E & J Designer Shoe Outlet, Paddock Pools Store, Pier 1 Imports, Stein Mart
Shops at Arizona	2003	2000	35,710	38.3 %	—	—
Subtotal/Weighted Average (AZ)			496,074	85.8 %		
MINNESOTA						
	2006	1998	184,841	100.0%		Savers, PETCO

Apple Valley Square (5)					Rainbow Foods, Jo-Ann Fabrics, (Burlington Coat Factory)	
Calhoun Commons (5)	2011	1999	66,150	100.0%	Whole Foods	—
Colonial Square (5)	2005	1959	93,338	100.0%	Lund's	—
Rockford Road Plaza (5)	2005	1991	205,479	97.2 %	Rainbow Foods	PetSmart, HomeGoods, TJ Maxx

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Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
MINNESOTA (continued)						
Rockridge Center (5)	2011	2006	125,213	95.8 %	Cub Foods	—
Subtotal/Weighted Average (MN)			675,021	98.4 %		
DELAWARE						
Dover						
White Oak - Dover, DE	2000	2000	10,908	100.0%	—	Eckerd
Wilmington						
First State Plaza (5)	2005	1988	160,673	86.4 %	Shop Rite	Cinemark, Dollar Tree, US Post Office
Pike Creek	1998	1981	232,031	89.1 %	Acme Markets, K-Mart	Rite Aid
Shoppes of Graylyn (5)	2005	1971	66,808	96.1 %	—	Rite Aid
Subtotal/Weighted Average (DE)			470,420	89.4 %		
NEVADA						
Deer Springs Town Center	2007	2007	330,907	88.7 %	(Target), Home Depot, Toys "R" Us	Michaels, PetSmart, Ross Dress For Less, Staples
Subtotal/Weighted Average (NV)			330,907	88.7 %		
SOUTH CAROLINA						
Charleston						
Merchants Village (5)	1997	1997	79,649	97.0 %	Publix	—
Orangeburg	2006	2006	14,820	100.0%	—	Walgreens
Queensborough Shopping Center (5)	1998	1993	82,333	93.9 %	Publix	—
Columbia						
Murray Landing (5)	2002	2003	64,359	100.0%	Publix	—
Other South Carolina						

Buckwalter Village	2006	2006	59,601	97.6	%	Publix	—
Surfside Beach Commons (5)	2007	1999	59,881	94.7	%	Bi-Lo	—
Subtotal/Weighted Average (SC)			360,643	96.7	%		

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Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
INDIANA						
Chicago						
Airport Crossing	2006	2006	11,924	77.8 %	(Kohl's)	—
Augusta Center	2006	2006	14,532	100.0%	(Menards)	—
Indianapolis						
Greenwood Springs	2004	2004	28,028	75.0 %	(Gander Mountain), (Wal-Mart Supercenter)	—
Willow Lake Shopping Center (5)	2005	1987	85,923	88.8 %	(Kroger)	Factory Card Outlet
Willow Lake West Shopping Center (5)	2005	2001	52,961	100.0%	Trader Joe's	—
Subtotal/Weighted Average (IN)			193,368	90.0 %		
WISCONSIN						
Racine Centre Shopping Center (5)	2005	1988	135,827	95.4 %	Piggly Wiggly	Golds Gym, Factory Card Outlet, Dollar Tree
Whitnall Square Shopping Center (5)	2005	1989	133,301	91.6 %	Pick 'N' Save	Harbor Freight Tools, Dollar Tree
Subtotal/Weighted Average (WI)			269,128	93.5 %		
ALABAMA						
Shoppes at Fairhope Village	2008	2008	84,740	86.2 %	Publix	—
Valleydale Village Shop Center (5)	2002	2003	118,466	64.6 %	Publix	—
Subtotal/Weighted Average (AL)			203,206	73.6 %		
CONNECTICUT						
Corbin's Corner (5)	2005	1962	179,864	99.8 %	Trader Joe's	Toys "R" Us, Best Buy, Old Navy, Office Depot, Pier 1 Imports
Subtotal/Weighted Average (CT)			179,864	99.8 %		
NEW JERSEY						

Haddon Commons (5)	2005	1985	52,640	93.4	%	Acme Markets	CVS
Plaza Square (5)	2005	1990	103,891	98.3	%	Shop Rite	—
Subtotal/Weighted Average (NJ)			156,531	96.6	%		
MICHIGAN							
Fenton Marketplace	1999	1999	97,224	34.7	%	—	Michaels

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Property Name (1)	Year Acquired	Year Con-structed (2)	Gross Leasable Area (GLA)	Percent Leased (3)	Grocer & Major Tenant(s) >40,000sf (6)	Drug Store & Other Anchors > 10,000 Sq Ft
MICHIGAN (continued)						
State Street Crossing	2006	2006	21,049	60.0 %	(Wal-Mart)	—
Subtotal/Weighted Average (MI)			118,273	39.2 %		
DISTRICT OF COLUMBIA						
Shops at The Columbia (5)	2006	2006	22,812	100.0%	Trader Joe's	—
Spring Valley Shopping Center (5)	2005	1930	16,835	100.0%	—	CVS
Subtotal/Weighted Average (DC)			39,647	100.0%		
KENTUCKY						
Walton Towne Center	2007	2007	23,186	93.9 %	(Kroger)	—
Subtotal/Weighted Average (KY)			23,186	93.9 %		
Total/Weighted Average			42,148,917	93.3 %		

(1) This table includes both Regency's Consolidated and Unconsolidated Properties ("Combined Portfolio").
(2) Or latest renovation.
(3) Includes properties where the Company has not yet incurred at least 90% of the expected costs to complete and the anchor has not yet been open for at least two calendar years ("development properties" or "properties in development"). If development properties are excluded, the total percentage leased would be 93.9% for Company's Combined Portfolio of shopping centers.
(4) Property in development.
(5) Owned by a co-investment partnership with outside investors in which RCLP or an affiliate is the general partner.
(6) An anchor tenant that supports the Company's shopping center and in which the Company has no ownership is indicated by parentheses.

Item 3. Legal Proceedings

We are a party to various legal proceedings which arise in the ordinary course of our business. We are not currently involved in any litigation nor to our knowledge, is any litigation threatened against us, the outcome of which would, in our judgment based on information currently available to us, have a material adverse effect on our financial position or results of operations.

Item 4. Mine Safety Disclosures

None.

PART II

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

Our common stock (NYSE: REG) is traded on the New York Stock Exchange. The following table sets forth the high and low sales prices and the cash dividends declared on our common stock by quarter for 2011 and 2010.

	2011			2010		
Quarter Ended	High Price	Low Price	Cash Dividends Declared	High Price	Low Price	Cash Dividends Declared
March 31	$ 45.36	40.90	0.4625	$ 39.37	32.54	0.4625
June 30	47.51	41.00	0.4625	41.96	34.01	0.4625
September 30	47.90	34.11	0.4625	40.24	32.25	0.4625
December 31	41.64	32.30	0.4625	44.80	39.60	0.4625

The Company has determined that the dividends paid during 2011 and 2010 on our common stock qualify for the following tax treatment:

	Total Distribution per Share	Ordinary Dividends	Total Capital Gain Distribution	Nontaxable Distributions
2011	$1.8500	0.6105	0.0185	1.2210
2010	$1.8500	0.7400	0.0370	1.0730

As of February 28, 2012, there were approximately 18,000 holders of common equity.

We intend to pay regular quarterly distributions to Regency Centers Corporations' common stockholders. Future distributions will be declared and paid at the discretion of our Board of Directors, and will depend upon cash generated by operating activities, our financial condition, capital requirements, annual dividend requirements under the REIT provisions of the Internal Revenue Code of 1986, as amended, and such other factors as our Board of Directors deem relevant. In order to maintain Regency Centers Corporation's qualification as a REIT for federal income tax purposes, we are generally required to make annual distributions at least equal to 90% of our real estate investment trust taxable income for the taxable year. Under certain circumstances, which we do not expect to occur, we could be required to make distributions in excess of cash available for distributions in order to meet such requirements. The Company has a dividend reinvestment plan under which shareholders may elect to reinvest their dividends automatically in common stock. Under the plan, the Company may elect to purchase common stock in the open market on behalf of shareholders or may issue new common stock to such shareholders.

Under the loan agreement of our line of credit, in the event of any monetary default, we may not make distributions to stockholders except to the extent necessary to maintain our REIT status.

There were no unregistered sales of equity securities during the quarter ended December 31, 2011. The Company did

not repurchase any of its equity securities during the quarter-ended December 31, 2011.

The performance graph furnished below compares Regency's cumulative total stockholder return since December 31, 2006. The stock performance graph should not be deemed filed or incorporated by reference into any other filing made by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that we specifically incorporate the stock performance graph by reference in another filing.

Item 6. Selected Financial Data
(in thousands, except per share and unit data, number of properties, and ratio of earnings to fixed charges)

The following table sets forth Selected Financial Data for the Company on a historical basis for the five years ended December 31, 2011. This historical Selected Financial Data has been derived from the audited consolidated financial statements as reclassified for discontinued operations. This information should be read in conjunction with the consolidated financial statements of Regency Centers Corporation and Regency Centers, L.P. (including the related notes thereto) and Management's Discussion and Analysis of the Financial Condition and Results of Operations, each included elsewhere in this Form 10-K.

Parent Company

	2011	2010 [1]	2009 [1]	2008 [1]	2007 [1]
Operating Data:					
Revenues	$ 500,417	476,161	478,561	485,332	425,783
Operating expenses	326,138	310,334	300,272	260,187	238,771
Other expense (income)	135,273	151,751	190,729	109,286	29,280
Income (loss) before equity in income (loss) of investments in real estate partnerships	39,006	14,076	(12,440)	115,859	157,732
Equity in income (loss) of investments in real estate partnerships	9,643	(12,884)	(26,373)	5,292	18,093
Income (loss) from continuing operations	48,649	1,192	(38,813)	121,151	175,825
Income from discontinued operations	7,139	11,809	9,777	26,333	38,300
Net income (loss)	55,788	13,001	(29,036)	147,484	214,125
Net income attributable to noncontrolling interests	(4,418)	(4,185)	(3,961)	(5,333)	(6,365)
Net income (loss) attributable to controlling interests	51,370	8,816	(32,997)	142,151	207,760
Preferred stock dividends	(19,675)	(19,675)	(19,675)	(19,675)	(19,675)
Net income (loss) attributable to common stockholders	31,695	(10,859)	(52,672)	122,476	188,085
Income per Common Share- diluted:					
Income (loss) from continuing operations	$ 0.27	(0.28)	(0.82)	1.38	2.15
Net income (loss) attributable to common stockholders	$ 0.35	(0.14)	(0.70)	1.76	2.72
Other Information:					
Common dividends declared per share	$ 1.85	1.85	2.11	2.90	2.64
Common stock outstanding including exchangeable operating partnership units	89,760	81,717	81,670	70,091	69,653
Combined Portfolio GLA	42,149	45,077	44,972	49,645	51,107
Combined Portfolio number of properties owned	364	396	400	440	451
Ratio of earnings to fixed charges [2]	1.4	1.2	0.9 [3]	1.5	1.9
Balance Sheet Data:					
Real estate investments before accumulated depreciation	$ 4,488,794	4,417,746	4,259,990	4,425,895	4,367,191

Total assets	3,987,071	3,994,539	3,992,228	4,158,568	4,137,069
Total debt	1,982,440	2,094,469	1,886,380	2,135,571	2,007,975
Total liabilities	2,117,417	2,250,137	2,061,621	2,416,824	2,249,200
Stockholders' equity	1,808,355	1,685,177	1,862,380	1,676,323	1,810,401
Noncontrolling interests	61,299	59,225	68,227	65,421	77,468

(1) As further described in Note 7 to Consolidated Financial Statements, historical amounts have been restated to reflect an immaterial adjustment relating to the Company's non-qualified deferred compensation plan.
(2) Historical amounts have been restated to conform to changes made to the 2011 calculation, which exclude from earnings distributions from equity investees for property disposals or refinancing.
(3) The Company's ratio of earnings to fixed charges was deficient in 2009 by $21.8 million, due to significant non-cash charges for impairment of real estate investments recorded in 2009 of $97.5 million.

Operating Partnership

	2011	2010 [1]	2009 [1]	2008 [1]	2007 [1]
Operating Data:					
Revenues	$ 500,417	476,161	478,561	485,332	425,783
Operating expenses	326,138	310,334	300,272	260,187	238,771
Other expense (income)	135,273	151,751	190,729	109,286	29,280
Income (loss) before equity in income (loss) of investments in real estate partnerships	39,006	14,076	(12,440)	115,859	157,732
Equity in income (loss) of investments in real estate partnerships	9,643	(12,884)	(26,373)	5,292	18,093
Income (loss) from continuing operations	48,649	1,192	(38,813)	121,151	175,825
Income from discontinued operations	7,139	11,809	9,777	26,333	38,300
Net income (loss)	55,788	13,001	(29,036)	147,484	214,125
Net income attributable to noncontrolling interests	(590)	(376)	(452)	(701)	(990)
Net income (loss) attributable to controlling interests	55,198	12,625	(29,488)	146,783	213,135
Preferred unit distributions	(23,400)	(23,400)	(23,400)	(23,400)	(23,400)
Net income (loss) attributable to common unit holders	31,798	(10,775)	(52,888)	123,383	189,735
Income per common unit - diluted:					
Income (loss) from continuing operations	$ 0.27	(0.28)	(0.82)	1.38	2.15
Net income (loss) attributable to common unit holders	$ 0.35	(0.14)	(0.70)	1.76	2.72
Other Information:					
Distributions per unit	$ 1.85	1.85	2.11	2.90	2.64
Common units outstanding	89,760	81,717	81,670	70,091	69,653
Preferred units outstanding	500	500	500	500	500
Combined Portfolio GLA	42,149	45,077	44,972	49,645	51,107
Combined Portfolio number of properties owned	364	396	400	440	451
Ratio of earnings to fixed charges [2]	1.4	1.2	0.9 [3]	1.5	1.9
Balance Sheet Data:					
Real estate investments before accumulated depreciation	$ 4,488,794	4,417,746	4,259,990	4,425,895	4,367,191
Total assets	3,987,071	3,994,539	3,992,228	4,158,568	4,137,069
Total debt	1,982,440	2,094,469	1,886,380	2,135,571	2,007,975
Total liabilities	2,117,417	2,250,137	2,061,621	2,416,824	2,249,200
Partners' capital	1,856,550	1,733,573	1,918,859	1,733,764	1,869,478
Noncontrolling interests	13,104	10,829	11,748	7,980	18,391

[1] As further described in Note 7 to Consolidated Financial Statements, historical amounts have been restated to reflect an immaterial adjustment relating to the Company's non-qualified deferred compensation plan.
[2] Historical amounts have been restated to conform to changes made to the 2011 calculation, which exclude from earnings distributions from equity investees for property disposals or refinancing.

(3) The Company's ratio of earnings to fixed charges was deficient in 2009 by $21.8 million, due to significant non-cash charges for impairment of real estate investments recorded in 2009 of $97.5 million.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations
Overview of Our Strategy

Regency Centers Corporation began its operations as a REIT in 1993 and is the managing general partner in Regency Centers, L.P. We are focused on achieving total shareholder returns in excess of REIT shopping center averages, and sustaining growth in our net asset value and our earnings over an extended period of time. We work to achieve these goals through owning, operating, and investing in a high-quality portfolio of primarily grocery-anchored shopping centers that are leased by market-dominant grocers, category-leading anchors, specialty retailers, and restaurants located in areas with above average household incomes and population densities. All of our operating, investing, and financing activities are performed through the Operating Partnership, its wholly-owned subsidiaries, and through its investments in real estate partnerships with third parties (also referred to as co-investment partnerships or joint ventures). The Parent Company currently owns approximately 99.8% of the outstanding common partnership units of the Operating Partnership.

At December 31, 2011, we directly owned 217 shopping centers (the “Consolidated Properties”) located in 24 states representing 23.8 million square feet of gross leasable area (“GLA”). Through co-investment partnerships, we own partial ownership interests in 147 shopping centers (the “Unconsolidated Properties”) located in 24 states and the District of Columbia representing 18.4 million square feet of GLA.
We earn revenues and generate cash flow by leasing space in our shopping centers to grocery stores, major retail anchors, side-shop retailers, and restaurants, including ground leasing or selling building pads (out-parcels) to these same types of tenants. Historically, we have experienced growth in revenues by increasing occupancy and rental rates in our existing shopping centers and by acquiring and developing new shopping centers. Increasing occupancy in our shopping centers to historical levels and achieving positive rental rate growth are key objectives of our strategic plan. At December 31, 2011, the consolidated operating shopping centers were 93.1% leased, as compared to 92.6% at December 31, 2010. During the recession of 2009, we experienced occupancy declines in our shopping centers, which stabilized during 2010 as the economy continued its recovery, and increased during 2011. During 2011, we began replacing weaker tenants with financially stronger tenants that we expect will contribute to the overall success of our shopping centers. We continue to produce higher levels of new leasing activity and fewer tenant defaults as compared to 2010 and 2009, and move-outs of weaker tenants hurt by the recession appear to be on the decline. However, economic uncertainties arising in Europe could negatively impact the US economy, the operations of the tenants in our shopping centers, and consequently future operations and cash flows of our shopping centers.
Rental rate changes have varied by market during 2011 as certain markets continue to experience a decline in market rates due to previous tenant's rental rates being above market, while other markets' rates are stabilized or increasing. We expect this market variability to continue during 2012. During 2011 and 2010, average rental rates from new and renewal leasing in the Combined Portfolio for spaces vacant less than 12 months grew 1.2% in 2011 and declined -0.1% in 2010. We expect average 2012 rental rates from new and renewal leases to decline or grow in a range of -1.0% to 2.5%.
We continue to closely monitor the operating performance and rent collections of all tenants in our shopping centers, especially those tenants operating retail formats that are experiencing significant changes in competition, business practice, and store closings in other locations. We also evaluate consumer preferences, shopping behaviors, and demographics to anticipate both challenges and opportunities in the changing retail industry that may effect our tenants.
We continue to monitor tenants who have co-tenancy clauses in their lease agreements. These tenants are typically located in larger format community shopping centers that contain multiple anchor tenants whose leases contain these types of clauses. Co-tenancy clauses have several variants: they may allow a tenant to postpone a store opening if certain other tenants fail to open their store; they may allow a tenant the opportunity to close their store prior to lease expiration if another tenant closes their store prior to lease expiration; or more commonly, they may allow a tenant to

pay reduced levels of rent until a certain number of tenants open their stores within the same shopping center. As economic weakness persists in geographic areas where we have centers that contain leases with these types of clauses, we could experience reductions in rent and occupancy related to tenants exercising their co-tenancy clauses.
We grow our shopping center portfolio through acquisitions of operating centers and new shopping center development. We will continue to use our unique combination of development capabilities, market presence, and anchor relationships to invest in value-added opportunities sourced from land owners and joint venture partners, the redevelopment of existing centers, and the development of land. Development is customer driven, meaning we generally have an executed lease

from the anchor before we start construction. Developments serve the growth needs of our anchors and specialty retailers, resulting in modern shopping centers with long-term anchor leases that produce attractive returns on our invested capital. This development process typically requires three to five years from initial land or redevelopment acquisition through construction, lease-up, and stabilization of rental income, but can take longer depending upon tenant demand for new stores and the size of the project. We fund our acquisition and development activity from various capital sources including new debt, equity and through capital recycling. Capital recycling involves identifying non-strategic assets from our real estate portfolio and selling those in the open market; and reinvesting the sale proceeds into new higher quality developments and acquisitions that will generate sustainable revenue growth and attractive returns.

Co-investment partnerships provide us with an additional capital source for shopping center acquisitions, as well as, the opportunity to earn fees for asset management, property management, and other investing and financing services. As asset manager, we are engaged by our partners to apply similar operating, investment and capital strategies to the portfolios owned by the co-investment partnerships as those applied to the portfolio that we wholly-own. Co-investment partnerships grow their shopping center investments through acquisitions from third parties or direct purchases from us. Although selling properties to co-investment partnerships reduces our direct ownership interest, it provides a source of capital that further strengthens our balance sheet while we continue to share, to the extent of our ownership interest, in the risks and rewards of shopping centers that meet our high quality standards and long-term investment strategy.

Shopping Center Portfolio

The following table summarizes general information related to the Consolidated Properties in our shopping center portfolio:

	December 31, 2011		December 31, 2010	
Number of Properties	217		215	
Properties in Development	7		25	
Gross Leasable Area	23,750,107		23,266,987	
% Leased – Operating and Development	92.2	%	91.6	%
% Leased – Operating	93.1	%	92.6	%

The following table summarizes general information related to the Unconsolidated Properties owned in co-investment partnerships in our shopping center portfolio:

	December 31, 2011		December 31, 2010	
Number of Properties	147		181	
Properties in Development	—		1	
Gross Leasable Area	18,398,810		21,809,665	
% Leased – Operating and Development	94.8	%	93.6	%
% Leased – Operating	94.8	%	93.8	%

We seek to reduce our operating and leasing risks through diversification which we achieve by geographically diversifying our shopping centers, avoiding dependence on any single property, market, or tenant, and owning a portion of our shopping centers through co-investment partnerships.

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The following table summarizes our four largest tenants, each of which is a grocery tenant, occupying our shopping centers at December 31, 2011:

Grocery Anchor	Number of Stores [1]	Percentage of Company-owned GLA [2]	Percentage of Annualized Base Rent [2]
Kroger	51	7.0 %	4.2 %
Publix	56	6.8 %	4.4 %
Safeway	57	5.7 %	3.7 %
Supervalu	28	2.8 %	2.2 %

[1] Includes stores owned by grocery anchors that are attached to our centers.
[2] Includes Regency's pro-rata share of Unconsolidated Properties and excludes those owned by anchors.

Although base rent is supported by long-term lease contracts, tenants who file bankruptcy have the legal right to reject any or all of their leases and close related stores. In the event that a tenant with a significant number of leases in our shopping centers files bankruptcy and cancels its leases, we could experience a significant reduction in our revenues. We are closely monitoring industry trends and sales data to help us identify declines in retail categories or tenants who might be experiencing financial difficulties as a result of slowing sales, lack of credit, changes in retail formats or increased competition. As a result of our findings, we may reduce new leasing, suspend leasing, or curtail the allowance for the construction of leasehold improvements within a certain retail category or to a specific retailer.
We continuously monitor the financial condition of our tenants. We communicate often with those tenants who have announced store closings or filed bankruptcy. We are not currently aware of the pending bankruptcy or announced store closings of any tenants in our shopping centers that would individually cause a material reduction in our revenues, and no tenant represents more than 5% of our annual base rent on a pro-rata basis.
Blockbuster Video represents our largest tenant currently in bankruptcy. As of February 1, 2012 we had 17 leases with Blockbuster in the Combined Portfolio, 16 leases of which expire in 2012. Assuming these stores continue through their lease expiration date, we would expect to receive base rent of approximately $503,000 during 2012 including our pro rata share of those leases in the Unconsolidated Properties.

Liquidity and Capital Resources
Our Parent Company has no capital commitments other than its guarantees of the commitments of our Operating Partnership. The Parent Company will from time to time access the capital markets for the purpose of issuing new equity and will simultaneously contribute all of the offering proceeds to the Operating Partnership in exchange for additional partnership units. All debt is issued by our Operating Partnership or by our co-investment partnerships. Accordingly, the discussion below regarding liquidity and capital resources is presented on a pro-rata basis for the Company. The following table summarizes net cash flows related to operating, investing, and financing activities of the Company for the years ended December 31, 2011, 2010, and 2009 (in thousands):

	2011	2010	2009
Net cash provided by operating activities	$ 217,633	138,459	195,804
Net cash (used in) provided by investing activities	(77,723)	(184,457)	51,545
Net cash used in financing activities	(145,569)	(32,797)	(164,279)
Net (decrease) increase in cash and cash equivalents	$ (5,659)	(78,795)	83,070

On December 31, 2011 our cash balance was $11.4 million. We operate our business such that we expect net cash provided by operating activities, before the effect of the derivative instruments settled in 2010 and 2009 and funded through financing activity, will provide the necessary funds to pay our scheduled mortgage loan principal payments, capital expenditures necessary to maintain our shopping centers, and distributions to our share and unit holders.

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The following table summarizes these amounts for the years ended December 31, 2011, 2010, and 2009 (in thousands):

	2011	2010	2009
Cash flow from operations	$ 217,633	138,459	195,804
Settlement of derivative instruments	—	63,435	19,953
Total	$ 217,633	201,894	215,757
Scheduled principal payments	$ 5,699	5,024	5,214
Capital expenditures to maintain shopping centers	13,117	12,238	10,072
Dividend distributions to share and unit holders	183,878	172,519	183,070
Total	$ 202,694	189,781	198,356

Our dividend distribution policy is set by our Board of Directors who monitor our financial position. Our Board of Directors recently declared our quarterly dividend of $0.4625 per share, payable February 29, 2012 to stock and unit holders of record as of February 15, 2012. Our dividend has remained unchanged since May 2009. We plan to continue paying an aggregate amount of distributions to our stock and unit holders that, at a minimum, meet the requirements to continue qualifying as a REIT for Federal income tax purposes.

We endeavor to maintain a high percentage of unencumbered assets. At December 31, 2011, 79.7% of our real estate assets were unencumbered. Such assets allow us to access the secured and unsecured debt markets and to maintain significant availability on our $600.0 million unsecured line of credit (“the Line”). Our debt to asset ratio (before the effect of accumulated depreciation), including our pro-rata share of the debt and assets of joint ventures, is 45.0% at December 31, 2011, a decline from our ratio at December 31, 2010 of 48.1%, due to the settlement of our forward sale agreements ("Forward Equity Offering") in March 2011. Our coverage ratio, including our pro-rata share of our partnerships, was 2.3 times for the year ended December 31, 2011 as compared to 2.1 times for the year ended December 31, 2010. We define our coverage ratio as earnings before interest, taxes, depreciation and amortization (“EBITDA”) divided by the sum of the gross interest and scheduled mortgage principal paid to our lenders plus dividends paid to our preferred stockholders.

At December 31, 2011, commitments available to us under the Line totaled $600.0 million, which had an outstanding balance of $40.0 million. The Line was renewed in September 2011, and now matures in September 2015. In February 2011, a $113.8 million revolving credit facility expired with no balance outstanding and we did not renew this facility. On November 17, 2011, the Company closed on a $250 million unsecured term loan agreement ("Term Loan"), which matures in December 2016, and had no outstanding balance as of December 31, 2011.

On January 15, 2011, $161.7 million of unsecured debt matured, and we repaid the maturity by borrowing on the Line. On March 9, 2011, we received net proceeds of $215.4 million from the settlement of the 8.0 million common share Forward Equity Offering and used a portion of the proceeds to payoff the balance of the Line. During 2012, we estimate that we will require approximately $302.2 million primarily to repay $192.4 million of maturing debt (excluding scheduled principal payments); and $109.8 million for in-process development costs and capital contributions to our co-investment partnerships for repayment of debt. To meet these cash requirements, we plan to use funds from our existing Line and Term Loan, and when the capital markets are favorable, by issuing long term fixed rate debt and common equity. In January 2012, we borrowed $150 million on the Term Loan and in combination with proceeds drawn on the Line, repaid $192.4 million unsecured debt maturing January 15, 2012. A more detailed schedule about our maturing loans is included below under Contractual Obligations.

During 2011, we acquired five shopping centers for $110.6 million, including our pro rata share of acquisitions completed by our co-investment partnerships. Although we may fund acquisitions from various capital sources, a primary source of funds would come from capital recycling by selling shopping centers that no longer meet our investment criteria. During 2011, we sold 13 shopping centers for $91.2 million, including our pro rata share of sales completed by our co-investment partnerships. Relying on property sales as a substantial capital source to fund our acquisition program is subject to numerous risks including the inherent difficulties in selling properties in the current market, or selling properties at higher initial returns than planned, thereby limiting our ability to source the necessary

funds to acquire dominate infill shopping centers consistent with our capital recycling strategy. Capital recycling may also be dilutive to our earnings given that dominate infill shopping centers that we would target for acquisition may have lower initial returns than many of the properties that we would target for sale.

At December 31, 2011, we had seven development properties that were either under construction or in lease up, which when completed, will represent a net investment of $161.3 million after projected sales of adjacent land and out-parcels. This compares to 26 development properties at December 31, 2010, representing an investment of $530.6 million upon completion. We estimate that we will earn an average return on investment from our current development projects of 7.6% when completed and fully leased. Costs necessary to complete in-process development projects, net of reimbursements and projected land sales, are estimated to be $72.6 million.

During 2011, the co-investment partnerships repaid $484.7 million of debt through new mortgage loan financings and partner capital contributions. At December 31, 2011, our joint ventures had $255.6 million of scheduled secured mortgage loans and credit lines maturing in 2012. These maturities will be repaid from proceeds from new mortgage loan financings of $128.0 million currently committed, $5.6 million expected refinancing and $122.0 million of partner capital contributions of which Regency's pro rata share is $44.6 million.

We believe that our joint venture partners are financially sound and have sufficient capital or access thereto to fund future capital requirements. We communicate with our co-investment partners regularly regarding the operating and capital budgets of our co-investment partnerships, and believe that we will successfully complete the refinancing of our joint venture debt as it matures in the future. In the event that a co-investment partner was unable to fund its share of the capital requirements of the co-investment partnership, we would have the right, but not the obligation, to loan the defaulting partner the amount of its capital call at an interest rate at the lesser of prime plus a pre-defined spread or the maximum rate allowed by law. A decision to loan to a defaulting joint venture partner, which would be secured by the defaulting partner's partnership interest, would be based on the fair value of the co-investment partnership assets, our joint venture partner's financial health, and would be subject to an evaluation of our own capital commitments and sources to fund those commitments. Alternatively, should we determine that our joint venture partners will not have sufficient capital to meet future capital needs, we could trigger liquidation of the partnership. For the co-investment partnerships that have distribution-in-kind (“DIK”) provisions, and own multiple properties, a liquidation of the co-investment partnership could be completed by either a DIK of the properties to each joint venture partner in proportion to its partnership interest, open market sale, or a combination of both methods. Our co-investment partnership properties have been financed with non-recourse loans that represent 100% of the total debt of the co-investment partnerships including lines of credit as of December 31, 2011. We and our partners have no guarantees related to these loans. In those co-investment partnerships which have DIK provisions, if we trigger liquidation by DIK, each partner would receive title to properties selected in a rotation process for distribution and would assume any related loans secured by the properties distributed. The loan agreements generally provide for assumption by either joint venture partner after obtaining any required lender consent. We would only be responsible for those loans we assume through the DIK and only to the extent of the value of the property we receive, since after assumption through the DIK the loans would remain non-recourse.

Although common or preferred equity raised in the public markets by the Parent Company is an option to fund future capital needs, access to these markets could be limited at times. When conditions for the issuance of securities are acceptable, we will evaluate issuing debt or equity to fund new acquisition opportunities, fund new developments, or repay maturing debt. At December 31, 2011, the Parent Company and the Operating Partnership have an existing universal shelf registration statement available for the issuance of new equity and debt securities. See Note 11, Equity and Capital, in the Notes to Consolidated Financial Statements, for further discussion of the Company's capital structure.

Our preferred stock and preferred units, though callable by us, are not redeemable in cash at the option of the holders. On February 6, 2012, the Company announced it would redeem all issued and outstanding shares of the Parent Company's Series 3 and Series 4 Cumulative Redeemable Preferred Stock on March 31, 2012. The Company expects to reduce net income available to common stockholders through a non-cash charge of $7.0 million at redemption. On February 9, 2012, the Operating Partnership purchased all of its issued and outstanding Series D Preferred Units, at 3.75% discount to par, resulting in an increase to net income available to common stockholders of approximately $842,000. On February 16, 2012, the Parent Company issued 10 million shares of 6.625% Series 6 Cumulative Redeemable Preferred Stock with a liquidation preference of $25 per share.

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Investments in Real Estate Partnerships

At December 31, 2011, we had investments in real estate partnerships of $386.9 million. The following table is a summary of unconsolidated combined assets and liabilities of these co-investment partnerships and our pro-rata share at December 31, 2011 and December 31, 2010 (dollars in thousands):

	2011	2010
Number of Co-investment Partnerships	16	18
Regency's Ownership	20%-50%	16.35%-50%
Number of Properties	148	181
Combined Assets	$ 3,501,775	3,983,122
Combined Liabilities	$ 1,992,213	2,262,476
Combined Equity	$ 1,509,562	1,720,646
Regency's Share of[1][2]:		
Assets	$ 1,160,954	1,263,400
Liabilities	$ 648,533	706,026

[1] Pro-rata financial information is not, and is not intended to be, a presentation in accordance with GAAP. However, management believes that providing such information is useful to investors in assessing the impact of its investments in real estate partnership activities on the operations of Regency, which includes such items on a single line presentation under the equity method in its consolidated financial statements.
[2] The difference between Regency's share of the net assets of the co-investment partnerships and the Company's investments in real estate partnerships per the accompanying Consolidated Balance Sheets relates primarily to differences in inside/outside basis as further described in Note 4 to Consolidated Financial Statements.

Investments in real estate partnerships are primarily composed of co-investment partnerships in which we currently invest with five co-investment partners and a closed-end real estate fund ("Regency Retail Partners" or the "Fund"), as further summarized below. In addition to earning our pro-rata share of net income or loss in each of these co-investment partnerships, we receive recurring market-based fees for asset management, property management, and leasing as well as fees for investment and financing services, which were $29.0 million, $25.1 million and $29.1 million for the years ended December 31, 2011, 2010, and 2009 respectively. During the years ended December 31, 2011, 2010, and 2009 we received transaction fees from our co-investment partnerships of $5.0 million, $2.6 million and $7.8 million, respectively, which are non-recurring.

Our investments in real estate partnerships as of December 31, 2011 and December 31, 2010 consist of the following (in thousands):

	Ownership	2011	2010
GRI - Regency, LLC (GRIR)	40.00 %	$ 262,018	277,235
Macquarie CountryWide-Regency III, LLC (MCWR III)	24.95 %	195	63
Macquarie CountryWide-Regency-DESCO, LLC (MCWR-DESCO) (1)	16.35 %	—	20,050
Columbia Regency Retail Partners, LLC (Columbia I)	20.00 %	20,335	20,025
Columbia Regency Partners II, LLC (Columbia II)	20.00 %	9,686	9,815
Cameron Village, LLC (Cameron)	30.00 %	17,110	17,604
RegCal, LLC (RegCal)	25.00 %	18,128	15,340
Regency Retail Partners, LP (the Fund)	20.00 %	16,430	17,478
US Regency Retail I, LLC (USAA)	20.01 %	3,093	3,941
Other investments in real estate partnerships	50.00 %	39,887	47,041
Total		$ 386,882	428,592

(1) At December 31, 2010, our ownership interest in MCWR-DESCO was 16.35%. The liquidation of MCWR-DESCO was complete effective May 4, 2011.

On May 4, 2011, we entered into an agreement with the DESCO Group ("DESCO") to redeem our entire 16.35% interest in Macquarie CountryWide-Regency-DESCO, LLC ("MCWR-DESCO"). The agreement allowed for a DIK of the assets in the co-investment partnership. The assets were distributed as 100% ownership interests to DESCO and to Regency after a selection process, as provided for by the agreement. Regency selected four assets, all in the St. Louis market. The properties which we received through the DIK were recorded at the carrying value of our equity investment of $18.8 million. Additionally, as part of the agreement, we received a $5.0 million disposition fee at closing on May 4, 2011 to buyout our asset, property, and leasing management contracts, and received $1.0 million for transition services provided through 2011.

Contractual Obligations

We have debt obligations related to our mortgage loans, unsecured notes, and our unsecured credit facilities as described further below and in Note 9 to the Consolidated Financial Statements. We have shopping centers that are subject to non-cancelable long-term ground leases where a third party owns and has leased the underlying land to us to construct and/or operate a shopping center. In addition, we have non-cancelable operating leases pertaining to office space from which we conduct our business. The table excludes reserves for approximately $2.4 million related to environmental remediation as discussed below under Environmental Matters as the timing of the remediation is not currently known. The table also excludes obligations related to construction or development contracts, since payments are only due upon satisfactory performance under the contracts.

The following table of Contractual Obligations summarizes our debt maturities including interest, excluding recorded debt premiums or discounts that are not obligations, and our obligations under non-cancelable operating, sub, and ground leases as of December 31, 2011, including our pro-rata share of obligations within co-investment partnerships (in thousands):

	Payments Due by Period						
	2012	2013	2014	2015	2016	Beyond 5 Years	Total
Notes Payable:							
Regency [1]	$ 297,879	120,226	263,970	468,151	84,497	1,178,015	2,412,738
Regency's share of JV [1]	132,499	42,495	55,072	72,628	123,136	370,680	796,510
Operating Leases:							
Regency	4,801	4,505	3,703	3,616	3,014	1,597	21,236
Subleases:							
Regency	(528)	(229)	(117)	(94)	(32)	—	(1,000)
Ground Leases:							
Regency	3,644	3,645	3,640	3,319	3,343	103,611	121,202
Regency's share of JV	189	189	189	189	189	9,424	10,369
Total	$ 438,484	170,831	326,457	547,809	214,147	1,663,327	3,361,055

[1] Amounts include interest payments.

Off-Balance Sheet Arrangements

We do not have off-balance sheet arrangements, financings, or other relationships with other unconsolidated entities (other than our co-investment partnerships) or other persons, also known as variable interest entities not previously

discussed. Our co-investment partnership properties have been financed with non-recourse loans. The Company has no guarantees related to these loans.

Critical Accounting Policies and Estimates

Knowledge about our accounting policies is necessary for a complete understanding of our financial statements. The preparation of our financial statements requires that we make certain estimates that impact the balance of assets and liabilities at a financial statement date and the reported amount of income and expenses during a financial reporting period. These accounting estimates are based upon, but not limited to, our judgments about historical results, current economic activity, and industry accounting standards. They are considered to be critical because of their significance to the financial statements and the possibility that future events may differ from those judgments, or that the use of different assumptions could result in materially different estimates. We review these estimates on a periodic basis to ensure reasonableness; however, the amounts we may ultimately realize could differ from such estimates.

Accounts Receivable

Minimum rent, percentage rent, and expense recoveries from tenants for common area maintenance costs, insurance and real estate taxes are the Company's principal source of revenue. As a result of generating this revenue, we will routinely have accounts receivable due from tenants. We are subject to tenant defaults and bankruptcies that may affect the collection of outstanding receivables. To address the collectability of these receivables, we analyze historical write-off experience, tenant credit-worthiness and current economic trends when evaluating the adequacy of our allowance for doubtful accounts. Although we estimate uncollectible receivables and provide for them through charges against income, actual experience may differ from those estimates.

Real Estate and Long-Lived Assets

Acquisition of Real Estate Assets

Upon acquisition of real estate operating properties, the Company estimates the fair value of acquired tangible assets (consisting of land, building, building improvements and tenant improvements) and identified intangible assets and liabilities (consisting of above and below-market leases, in-place leases and tenant relationships), assumed debt, and any noncontrolling interest in the acquiree at the date of acquisition, based on evaluation of information and estimates available at that date. Based on these estimates, the Company allocates the estimated fair value to the applicable assets and liabilities. Fair value is determined based on an exit price approach, which contemplates the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. If, up to one year from the acquisition date, information regarding fair value of the assets acquired and liabilities assumed is received and estimates are refined, appropriate adjustments are made to the purchase price allocation on a retrospective basis. The Company expenses transaction costs associated with business combinations in the period incurred.

Cost Capitalization

We capitalize the acquisition of land, the construction of buildings and other specifically identifiable development costs incurred by recording them into properties in development in our accompanying Consolidated Balance Sheets. In summary, a project changes from non-operating to operating when it is substantially completed and held available for occupancy. At that time, costs are no longer capitalized. Other development costs include pre-development costs essential to the development of the property, as well as, interest, real estate taxes, and direct employee costs incurred during the development period. Pre-development costs are incurred prior to land acquisition during the due diligence phase and include contract deposits, legal, engineering, and other professional fees related to evaluating the feasibility of developing a shopping center. At December 31, 2011 and 2010, the Company had capitalized pre-development costs of $2.1 million and $899,000, respectively, of which $1.0 million and $840,000, respectively, were refundable deposits. If we determine that the development of a specific project undergoing due diligence is no longer probable,

we immediately expense all related capitalized pre-development costs not considered recoverable. During the years ended December 31, 2011, 2010, and 2009, we expensed pre-development costs of approximately $241,000, $520,000, and $3.8 million, respectively, recorded in other expenses in the accompanying Consolidated Statements of Operations. Interest costs are capitalized into each development project based on applying our weighted average borrowing rate to that portion of the actual development costs expended. We cease interest cost capitalization when the property is no longer being developed or is available for occupancy upon substantial completion of tenant improvements, but in no event would we capitalize interest on the project beyond 12 months after substantial completion of the building shell. During the years ended December 31, 2011, 2010, and 2009, we capitalized interest of $1.5 million, $5.1 million, and $19.1 million, respectively, on our development projects. We have a staff of employees who directly support our development program. All direct internal costs attributable to these development activities are capitalized as part of each development project. During the years ended December 31, 2011, 2010, and 2009, we capitalized $5.5 million, $2.7 million, and $6.5 million, respectively, of direct internal costs incurred to support our development program. The capitalization of costs is directly related to the actual level of development activity occurring. If accounting standards issued in the future were to limit the amount of internal costs that may be capitalized we could incur additional increases in general and administrative

expenses which would further reduce net income.

Valuation of Real Estate Assets

We evaluate whether there are any indicators, including property operating performance and general market conditions, that the value of the real estate properties (including any related amortizable intangible assets or liabilities) may not be recoverable. Through the evaluation, we compare the current carrying value of the asset to the estimated undiscounted cash flows that are directly associated with the use and ultimate disposition of the asset. Our estimated cash flows is based on several key assumptions, including rental rates, costs of tenant improvements, leasing commissions, anticipated hold period, and assumptions regarding the residual value upon disposition, including the exit capitalization rate. These key assumptions are subjective in nature and could differ materially from actual results. To the extent that the carrying value of the asset exceeds the estimated undiscounted cash flows, an impairment loss is recognized equal to the excess of carrying value over fair value. Changes in our disposition strategy or changes in the marketplace may alter the hold period of an asset or asset group which may result in an impairment loss and such loss could be material to the Company's financial condition or operating performance.

The fair value of real estate assets is highly subjective and is determined through comparable sales information and other market data if available, or through use of an income approach such as the direct capitalization method or the traditional discounted cash flow approach. Such cash flow projections consider factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other factors, and therefore are subject to a significant degree of management judgment and changes in those factors could impact the determination of fair value. In estimating the fair value of undeveloped land, we generally use market data and comparable sales information.

Recent Accounting Pronouncements

See Note 1, Summary of Significant Accounting Policies, to Consolidated Financial Statements.

Results from Operations - 2011 vs. 2010
Comparison of the years ended December 31, 2011 to 2010:
Our revenues increased by $24.3 million or 5.1% to $500.4 million in 2011, as compared to 2010, as summarized in the following table (in thousands):

		2011	2010	Change
Minimum rent	$	356,097	338,639	17,458
Percentage rent		2,996	2,540	456
Recoveries from tenants and other income		107,344	105,582	1,762
Management, transaction, and other fees		33,980	29,400	4,580
Total revenues	$	500,417	476,161	24,256

Minimum rent increased due to the acquisition of two operating properties in the latter part of Q4 2010, the acquisition of three operating properties during 2011, and four properties received through the DESCO DIK in May 2011. The increase in percentage rent was due to increased tenant sales during the year ended December 31, 2011, as compared to 2010. Recoveries from tenants represent their pro-rata share of the operating, maintenance, and real estate tax expenses that we incur to operate our shopping centers. Recoveries increased as a result of an increase in our operating expenses. In addition, other income increased due to increased contingency income earned from prior year sales of $1.4 million.
We earn fees, at market-based rates, for asset management, disposition, property management, leasing, acquisition, and financing services that we provide to our co-investment partnerships and third parties as follows (in thousands):

	2011	2010	Change
Asset management fees	$ 6,705	6,695	10
Property management fees	14,910	15,599	(689)
Transaction fees	5,000	2,594	2,406
Leasing commissions and other fees	7,365	4,512	2,853
	$ 33,980	29,400	4,580

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The increase in transaction and other fees was due to the $5.0 million disposition fee and $1.0 million in consulting fees we received as a result of the DESCO DIK liquidation during the the year ended December 31, 2011 as compared to the $2.6 million disposition fee we received related to GRI's acquisition of Macquarie CountryWide's ("MCW") investment during the year ended December 31, 2010.

Our operating expenses increased by $15.8 million or 5.1% to $326.1 million in 2011, as compared to 2010. The following table summarizes our operating expenses (in thousands):

		2011	2010	Change	
Depreciation and amortization	$	132,129	120,450	11,679	
Operating and maintenance		72,626	68,496	4,130	
General and administrative		56,117	61,502	(5,385	)
Real estate taxes		55,542	53,462	2,080	
Provision for doubtful accounts		3,075	3,928	(853	)
Other expenses		6,649	2,496	4,153	
Total operating expenses	$	326,138	310,334	15,804	

Increases in depreciation and amortization expense along with operating, maintenance, and real estate tax expense are primarily related to the two operating properties acquired during 2010, the three operating properties acquired during 2011, and the four properties received through the DESCO DIK in May 2011. The majority of the operating, maintenance, and real estate tax cost increases are recoverable from our tenants and included in our revenues. General and administrative expenses declined $5.4 million as a result of decreasing incentive compensation and certain employee benefits during the year ended December 31, 2011, as compared to 2010. Provision for doubtful accounts decreased as a result of improvements in the collection of tenant's accounts receivable for the year ended December 31, 2011, as compared to 2010. The increase in other expenses is due to income tax expense of $2.7 million incurred in 2011, as compared to a $1.3 million income tax benefit incurred in 2010.

The following table presents the change in interest expense (in thousands):

		2011		2010		Change	
Interest on notes payable	$	116,343		125,788		(9,445	)
Interest on line of credit		1,746		1,430		316	
Capitalized interest		(1,480	)	(5,099	)	3,619	
Hedge interest		9,478		5,576		3,902	
Interest income		(2,442	)	(2,408	)	(34	)
	$	123,645		125,287		(1,642	)

Interest on notes payable decreased during the year ended December 31, 2011, as compared to 2010, as a result of the repayment of $161.7 million and $20.0 million of unsecured debt in January 2011 and December 2011, respectively. Capitalized interest decreased as a result of reduced development activity during the year ended December 31, 2011, as compared to 2010. Hedge interest increased as a result of $36.7 million of hedges settled on September 30, 2010, with the realized loss being amortized over a ten year period beginning October 2010, resulting in increased hedge interest expense for the year ended December 31, 2011.

We evaluate our real estate investments for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, which may result in a reduction in the carrying value of the asset to its fair value. A provision for impairment was recognized during the year ended December 31, 2011 of $13.8 million, related primarily to two operating properties. These properties exhibited weak operating fundamentals, including low economic occupancy for an extended period of time, which lead to the impairment.

During the year ended December 31, 2011, we sold eight out-parcels for net proceeds of $13.4 million and recognized no gain, whereas during the year ended December 31, 2010, we sold eleven out-parcels for net proceeds of $11.8 million and recognized a gain of approximately $661,000.

Our equity in income (loss) of investments in real estate partnerships changed by approximately $22.5 million during 2011, as compared to 2010 as follows (in thousands):

	Ownership	2011	2010	Change
GRI - Regency, LLC (GRIR)	40.00 %	$ 7,266	(6,672)	13,938
Macquarie CountryWide-Regency III, LLC (MCWR III)	24.95 %	(150)	(108)	(42)
Macquarie CountryWide-Regency-DESCO, LLC (MCWR-DESCO)[1]	—	(318)	(817)	499
Columbia Regency Retail Partners, LLC (Columbia I)	20.00 %	2,775	(2,970)	5,745
Columbia Regency Partners II, LLC (Columbia II)	20.00 %	179	(69)	248
Cameron Village, LLC (Cameron)	30.00 %	322	(221)	543
RegCal, LLC (RegCal)	25.00 %	1,904	194	1,710
Regency Retail Partners, LP (the Fund)	20.00 %	268	(3,565)	3,833
US Regency Retail I, LLC (USAA)	20.01 %	243	(88)	331
Other investments in real estate partnerships	50.00 %	(2,846)	1,432	(4,278)
Total		$ 9,643	(12,884)	22,527

[1] At December 31, 2010, our ownership interest in MCWR-DESCO was 16.35%. The liquidation of MCWR-DESCO was complete effective May 4, 2011.

The change in our equity in income (loss) in investments in real estate partnerships, compared to 2010, is related to our pro-rata share of the decrease in depreciation expense of $5.7 million, the decrease in interest expense of $5.9 million, the decrease in impairment provisions of $18.5 million, and the net gain on extinguishment of debt of $1.7 million, offset by a decrease in net operating income of $7.8 million and a gain on sale of properties by approximately $700,000 at the individual real estate partnerships.

If we sell a property or classify a property as held-for-sale, we are required to reclassify its operations into discontinued operations for all prior periods which results in a reclassification of amounts previously reported as continuing operations into discontinued operations. Income from discontinued operations was $7.1 million for the year ended December 31, 2011 and includes $5.9 million in gains, net of taxes, from the sale of seven operating properties for net proceeds of $66.0 million and the operations, including impairment, of the shopping centers sold. Income from discontinued operations was $11.8 million for the year ended December 31, 2010 and includes $7.6 million in gains from the sale of two operating properties and one property in development for net proceeds of $34.9 million and the operations of the shopping centers sold.

Related to our Parent Company's results, our net income attributable to common stockholders for the year ended December 31, 2011 was $31.7 million, an increase of $42.6 million as compared to net loss of $10.9 million for the year ended December 31, 2010. The higher net income was primarily related to the increase in revenue, offset partially by the increase in operating expenses, from 2010 to 2011 as discussed above, a decrease in impairment provisions of $12.8 million, the $4.2 million net loss on extinguishment of debt incurred in 2010, with no such loss incurred in 2011, and an increase in equity in income of investments in real estate partnerships of $22.5 million. Our diluted net income per share was $0.35 for the year ended December 31, 2011 as compared to diluted net loss per share of $0.14 for the year ended December 31, 2010.

Related to our Operating Partnership results, our net income attributable to common unit holders for the year ended December 31, 2011 was $31.8 million, an increase of $42.6 million as compared to net loss of $10.8 million for the year ended December 31, 2010 for the same reasons stated above. Our diluted net income per unit was $0.35 for the year ended December 31, 2011 as compared to net loss per unit of $0.14 for the year ended December 31, 2010.

Comparison of the years ended December 31, 2010 to 2009:

Our revenues decreased by $2.4 million or 0.5% to $476.2 million in 2010, as compared to 2009, as summarized in the following table (in thousands):

		2010	2009	Change	
Minimum rent	$	338,639	337,516	1,123	
Percentage rent		2,540	3,585	(1,045	)
Recoveries from tenants and other income		105,582	99,171	6,411	
Management, transaction, and other fees		29,400	38,289	(8,889	)
Total revenues	$	476,161	478,561	(2,400	)

Generally, leased percentages were unchanged between 2010 and 2009, and as such, minimum rent remained relatively consistent, only increasing slightly from 2009 to 2010. Declines in percentage rent were a result of the change in percentage rent lease terms due to the increase in minimum rent for certain leases, upon their renewal. The increase in recoveries from tenants and other income resulted from a significant increase in termination fees received during 2010 related to tenant operators negotiating an early end to their lease agreements, as well as, higher operating and real estate tax expenses.

We earn fees, at market-based rates, for asset management, disposition, property management, leasing, acquisition, and financing services that we provide to our co-investment partnerships and third parties as follows (in thousands):

		2010	2009	Change	
Asset management fees	$	6,695	9,671	(2,976	)
Property management fees		15,599	15,031	568	
Transaction fees		2,594	7,781	(5,187	)
Leasing commissions and other fees		4,512	5,806	(1,294	)
	$	29,400	38,289	(8,889	)

Asset management fees, which are tied to the value of the real estate we manage for our co-investment partners, decreased in 2010 due to an overall decline in commercial real estate values, but was also a result of the liquidation of a joint venture with MCW that occurred in 2009, as well as, our increased ownership and revised agreements in the GRIR joint venture, which resulted in lower fees paid to us by our partner. Transaction fees decreased primarily as a result of the $7.8 million disposition fee we received from Charter Hall Retail REIT (“CHRR”) in 2009 equal to 1% of the gross sales price paid by GRI described below. Leasing commissions decreased as a result of our increased ownership in the GRIR joint venture, which resulted in a reduction of fee recognized.

Our operating expenses increased by $10.1 million or 3.4% to $310.3 million in 2010, as compared to 2009. The following table summarizes our operating expenses (in thousands):

		2010	2009	Change	
Depreciation and amortization	$	120,450	114,058	6,392	
Operating and maintenance		68,496	64,030	4,466	
General and administrative		61,502	53,177	8,325	
Real estate taxes		53,462	52,375	1,087	
Provision for doubtful accounts		3,928	8,348	(4,420	)
Other expenses		2,496	8,284	(5,788	)
Total operating expenses	$	310,334	300,272	10,062	

Increases in depreciation and amortization expense along with operating, maintenance, and real estate tax expense are primarily related to the recently completed developments commencing operations in the current year and general increases in expenses incurred by the operating properties. The majority of these cost increases are recoverable from our tenants and included in our revenues. General and administrative expenses increased as a result of higher levels of compensation earned in 2010 for higher levels of performance as compared to 2009. Provision for doubtful accounts decreased in 2010 as compared to 2009 due to significantly improved tenant collection rates and fewer tenant defaults. The decrease in other expenses is due to a $1.3 million tax benefit incurred in 2010, as compared to tax expense of

$1.8 million incurred in 2009, as well as a reduction in

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pre-development costs written off as a result of pursuing less new development activity during 2010.
The following table presents the change in interest expense (in thousands):

	2010	2009	Change
Interest on notes payable	$ 125,788	123,778	2,010
Interest on line of credit	1,430	5,985	(4,555)
Capitalized interest	(5,099)	(19,062)	13,963
Hedge interest	5,576	2,305	3,271
Interest income	(2,408)	(3,767)	1,359
	$ 125,287	109,239	16,048

Interest on line of credit decreased as a result of lower outstanding balances during 2010 as compared to 2009. Capitalized interest decreased as a result of a reduced development activity as compared to 2009, and a higher level of shopping center completions during 2010.
A provision for impairment was recognized during the year ended December 31, 2010 of $26.6 million, which was a decrease of $70.9 million from the impairment provision recorded in 2009. The impairment provision recorded in 2010 was a result of identifying properties that had been previously considered held for long term investment and determining that they no longer met our long term investment strategy. As a result of this re-evaluation, we changed our expected investment holding period and reduced our carrying value to estimated fair value. During 2009, we recorded a provision for impairment of $104.4 million, of which $93.7 million related to land held for future development or sale. During 2009, a prospective anchor tenant for several development sites expressed considerable uncertainty about the timing and location of future stores given the recession occurring during that period. As a result, we reevaluated and reduced the probability of future development at these sites and accordingly reduced our carrying value in the land parcels to estimated fair value of the land. Included in the impairment provision recorded during 2009 were operating properties that were subjected to the same investment criteria evaluation that we applied during 2010, and we accordingly reduced our carrying value on those properties to estimated fair value based upon a change in expected holding periods. If we sell a property or classify a property as held-for-sale, we are required to reclassify its operations into discontinued operations for all prior periods which results in a reclassification of amounts previously reported as continuing operations into discontinued operations. All of the $26.6 million provision was recorded in continuing operations for the year ended December 31, 2010 and of the $104.4 million provision recorded during the year ended December 31, 2009, $6.9 million was reclassified into discontinued operations.
During the year ended December 31, 2010, we sold eleven out-parcels for net proceeds of $11.8 million and recognized a gain of approximately $661,000, as compared to 2009 where we sold 18 out-parcels for net proceeds of $27.8 million and recognized a gain of approximately $219,000. During 2010, we recognized approximately $332,000 in contingent gains related to three properties sold to the USAA partnership during 2009. During 2009, we sold eight operating properties to the USAA partnership for net proceeds of $103.3 million and recognized gains of $19.1 million recorded under the Restricted Gain Method (as further described in Note 1, Significant Accounting Policies, to the Consolidated Financial Statements).

Our equity in income (loss) of investments in real estate partnerships changed by $13.5 million during the year ended December 31, 2010, as compared to 2009 as follows (in thousands):

	Ownership	2010	2009	Change
Macquarie CountryWide-Regency (MCWR I)[1]	— %	$ —	1,207	(1,207)
GRI - Regency, LLC (GRIR)[2]	40.00 %	(6,672)	(28,308)	21,636
Macquarie CountryWide-Regency III, LLC (MCWR III)	24.95 %	(108)	150	(258)
Macquarie CountryWide-Regency-DESCO, LLC (MCWR-DESCO)	16.35 %	(817)	(883)	66
Columbia Regency Retail Partners, LLC (Columbia I)	20.00 %	(2,970)	914	(3,884)
Columbia Regency Partners II, LLC (Columbia II)	20.00 %	(69)	28	(97)
Cameron Village, LLC (Cameron)	30.00 %	(221)	(436)	215
RegCal, LLC (RegCal)	25.00 %	194	123	71
Regency Retail Partners, LP (the Fund)	20.00 %	(3,565)	(464)	(3,101)
US Regency Retail I, LLC (USAA)	20.01 %	(88)	(6)	(82)
Other investments in real estate partnerships	50.00 %	1,432	1,302	130
Total		$ (12,884)	(26,373)	13,489

[1] At December 31, 2008, our ownership interest in MCWR I was 25%. The liquidation of MCWR I was complete December 31, 2009.

[2] At December 31, 2009, our ownership interest in GRIR (formerly Macquarie CountryWide-Regency II, LLC) was 25%.

The change in our equity loss in investments in real estate partnerships, compared to 2009, is related to increasing our ownership interest in GRIR effective January 1, 2010 to 40% from our 24.95% ownership interest in 2009, combined with similar positive trends that we experienced in the Consolidated Properties as they relate to increases in base rent, reductions in provisions for doubtful accounts, higher termination fees and lower provisions for impairment. During 2010, our pro-rata share of the impairment reserves recorded in the real estate partnerships was $23.0 million as compared to $26.1 million in 2009. During 2009, impairment provisions were primarily incurred and recorded by GRIR; however, during 2010, impairment provisions, which were significantly lower in GRIR and contributed to GRIR's reduction in equity loss, were higher in Columbia I and the Fund, which contributed to the equity losses reported by these two partnerships in 2010.

Income from discontinued operations was $11.8 million for the year ended December 31, 2010 and includes $7.6 million in gains, net of taxes, from the sale of two operating properties and one property in development for net proceeds of $34.9 million and the operations of the shopping centers sold or classified as held-for sale in 2010 and 2009. Income from discontinued operations was $9.8 million for the year ended December 31, 2009 and includes $5.8 million in gains from the sale of one operating property and four properties in development for net proceeds of $49.3 million and the operations of shopping centers sold or classified as held for sale in 2010 and 2009.

Related to our Parent Company's results, our net loss attributable to common stockholders for the year ended December 31, 2010 was $10.9 million, an increase in net income of $41.8 million as compared with the net loss of $52.7 million for the year ended December 31, 2009. The higher net income was primarily related to a lower provision for impairment recorded during 2010 as compared to 2009, moderate improvement in our operating fundamentals impacting base rent, but partially offset by lower gains realized in 2010 on sales of operating properties, and higher interest expense. Our diluted net loss per share was $0.14 in 2010 as compared to diluted net loss per share of $0.69 in 2009.

Related to our Operating Partnership results, our net loss attributable to common unit holders for the year ended December 31, 2010 was $10.8 million, an increase in net income of $42.1 million as compared with the net loss of $52.9 million for the year ended December 31, 2009 for the same reasons stated above. Our diluted net loss per unit was $0.14 for the year ended December 31, 2010 as compared to net loss per unit of $0.69 for the year ended December 31, 2009.

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Environmental Matters

We are subject to numerous environmental laws and regulations as they apply to our shopping centers pertaining to chemicals used by the dry cleaning industry, the existence of asbestos in older shopping centers, and underground petroleum storage tanks. We believe that the tenants who currently operate dry cleaning plants or gas stations do so in accordance with current laws and regulations. Generally, we use all legal means to cause tenants to remove dry cleaning plants from our shopping centers or convert them to non-chlorinated solvent systems. Where available, we have applied and been accepted into state-sponsored environmental programs. We have a blanket environmental insurance policy for third-party liabilities and remediation costs on shopping centers that currently have no known environmental contamination. We have also placed environmental insurance, where possible, on specific properties with known contamination, in order to mitigate our environmental risk. We monitor the shopping centers containing environmental issues and in certain cases voluntarily remediate the sites. We also have legal obligations to remediate certain sites and we are in the process of doing so. We estimate the cost associated with these legal obligations to be $2.4 million and $2.9 million, all of which has been accrued as of December 31, 2011 and 2010, respectively. We believe that the ultimate disposition of currently known environmental matters will not have a material effect on our financial position, liquidity, or results of operations; however, we can give no assurance that existing environmental studies on our shopping centers have revealed all potential environmental liabilities; that any previous owner, occupant or tenant did not create any material environmental condition not known to us; that the current environmental condition of the shopping centers will not be affected by tenants and occupants, by the condition of nearby properties, or by unrelated third parties; or that changes in applicable environmental laws and regulations or their interpretation will not result in additional environmental liability to us.

Inflation/Deflation

Inflation has been historically low and has had a minimal impact on the operating performance of our shopping centers; however, more recent data suggests inflation will eventually become a greater concern as the economy continues to recover from the recent recession. Substantially all of our long-term leases contain provisions designed to mitigate the adverse impact of inflation. Such provisions include clauses enabling us to receive percentage rent based on tenants' gross sales, which generally increase as prices rise; and/or escalation clauses, which generally increase rental rates during the terms of the leases. Such escalation clauses are often related to increases in the consumer price index or similar inflation indices. In addition, many of our leases are for terms of less than ten years, which permits us to seek increased rents upon re-rental at market rates. Most of our leases require tenants to pay their pro-rata share of operating expenses, including common-area maintenance, real estate taxes, insurance and utilities, thereby reducing our exposure to increases in costs and operating expenses resulting from inflation. However, during deflationary periods or periods of economic weakness, minimum rents and percentage rents will decline as the supply of available retail space exceeds demand and consumer spending declines. Occupancy declines resulting from a weak economic period will also likely result in lower recovery rates of our operating expenses.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Market Risk

We are exposed to two significant components of interest rate risk. We have a $600.0 million unsecured line of credit (the "Line") commitment and a $250.0 million unsecured term loan (the "Term Loan") commitment, as further described in Note 9 to the Consolidated Financial Statements. Our Line commitment has a variable interest rate that is based upon a variable interest rate of LIBOR plus 125 basis points and our Term Loan has a variable interest rate of LIBOR plus 145 basis points. LIBOR rates charged on our Line commitment and our Term Loan (collectively our "Unsecured credit facilities") change monthly. The spread on the Unsecured credit facilities is dependent upon maintaining specific credit ratings. If our credit ratings are downgraded, the spread on the Unsecured credit facilities would increase, resulting in higher interest costs. We are also exposed to changes in interest rates when we refinance our existing long-term fixed rate debt. The objective of our interest rate risk management is to limit the impact of interest rate changes on earnings and cash flows and to lower our overall borrowing costs. To achieve these objectives,

we borrow primarily at fixed interest rates and may enter into derivative financial instruments such as interest rate swaps, caps, or treasury locks in order to mitigate our interest rate risk on a related financial instrument. We do not enter into derivative or interest rate transactions for speculative purposes. Our interest rate swaps are structured solely for the purpose of interest rate protection.

During 2006, we entered into four forward-starting interest rate swaps (the “Swaps”) totaling $396.7 million with fixed rates of 5.399%, 5.415%, 5.399%, and 5.415%. At inception, we designated these Swaps as cash flow hedges to lock in the underlying treasury rates on $400.0 million of fixed rate financing that was expected to occur in 2010 and 2011. During 2009, we paid $20.0 million to partially settle $106.0 million of the $396.7 Swaps in place to hedge the $106.0 million

mortgage loan issued on July 1, 2009. On June 1, 2010, we paid $26.8 million to partially settle $150.0 million of the remaining $290.7 million Swaps in place to hedge the $150.0 million ten-year senior unsecured notes issued on June 2, 2010. On September 30, 2010, we paid $36.7 million to settle the remaining $140.7 million of Swaps to hedge the $250.0 million ten-year senior unsecured notes issued on October 7, 2010. During 2011, the Company, through a consolidated co-investment partnership, entered an interest rate swap on a $9.0 million variable rate secured loan maturing on September 1, 2014 to fix the interest rate. For the years ended December 31, 2011 and 2010, we recognized expense of $54,000 and income of $1.4 million, respectively, for changes in hedge ineffectiveness.

We have $208.7 million of fixed rate debt maturing in 2012 and 2013 that has a weighted average fixed interest rate of 6.78%, which includes $192.4 million of unsecured long-term debt that matures in January 2012. We continuously monitor the capital markets and evaluate our ability to issue new debt to repay maturing debt or fund our commitments. Based upon the current capital markets, our current credit ratings, our current capacity under our Line and Term Loan, and the number of high quality, unencumbered properties that we own which could collateralize borrowings, we expect that we will be able to successfully issue new secured or unsecured debt to fund these debt obligations. In January 2012 we borrowed the on our Line and Term Loan to repay the $192.4 million unsecured debt maturing in January 2012.

Our interest rate risk is monitored using a variety of techniques. The table below presents the principal cash flows (in thousands), weighted average interest rates of remaining debt, and the fair value of total debt (in thousands) as of December 31, 2011, by year of expected maturity to evaluate the expected cash flows and sensitivity to interest rate changes. Although the average interest rate for variable rate debt is included in the table, those rates represent rates that existed at December 31, 2011 and are subject to change on a monthly basis.

The table below incorporates only those exposures that exist as of December 31, 2011 and does not consider exposures or positions that could arise after that date. Since firm commitments are not presented, the table has limited predictive value. As a result, our ultimate realized gain or loss with respect to interest rate fluctuations will depend on the exposures that arise during the period, our hedging strategies at that time, and actual interest rates.

	2012	2013	2014	2015	2016	Thereafter	Total	Fair Value
Fixed rate debt	$ 199,171	23,122	172,743	401,482	19,018	1,112,536	1,928,072	2,077,432
Average interest rate for all fixed rate debt [1]	5.69 %	5.67 %	5.74 %	5.89 %	5.89 %	5.89 %	—	—
Variable rate LIBOR debt	$ 204	204	12,257	40,000	—	—	52,665	52,907
Average interest rate for all variable rate debt [1]	1.80 %	1.79 %	1.48 %	—	—	—	—	—

[1] Average interest rates at the end of each year presented.

Item 8. Consolidated Financial Statements and Supplementary Data

Regency Centers Corporation and Regency Centers, L.P.

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All other schedules are omitted because of the absence of conditions under which they are required, materiality or because information required therein is shown in the consolidated financial statements or notes thereto.

Report of Independent Registered Public Accounting Firm
The Board of Directors and Stockholders
Regency Centers Corporation:

We have audited the accompanying consolidated balance sheets of Regency Centers Corporation and subsidiaries (the Company) as of December 31, 2011 and 2010, and the related consolidated statements of operations, equity and comprehensive income (loss), and cash flows for each of the years in the three-year period ended December 31, 2011. In connection with our audits of the consolidated financial statements, we also have audited financial statement Schedule III. These consolidated financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Regency Centers Corporation and subsidiaries as of December 31, 2011 and 2010, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Regency Centers Corporation's internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 29, 2012 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG LLP

February 29, 2012
Jacksonville, Florida
Certified Public Accountants

Report of Independent Registered Public Accounting Firm
The Board of Directors and Stockholders
Regency Centers Corporation:

We have audited Regency Centers Corporation's (the Company's) internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Regency Centers Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Regency Centers Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Regency Centers Corporation and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of operations, equity and comprehensive income (loss), and cash flows for each of the years in the three-year period ended December 31, 2011, and our report dated February 29, 2012 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

February 29, 2012
Jacksonville, Florida
Certified Public Accountants

Report of Independent Registered Public Accounting Firm

The Unit Holders of Regency Centers, L.P. and
the Board of Directors and Stockholders of
Regency Centers Corporation:

We have audited the accompanying consolidated balance sheets of Regency Centers, L.P. and subsidiaries (the Partnership) as of December 31, 2011 and 2010, and the related consolidated statements of operations, capital and comprehensive income (loss), and cash flows for each of the years in the three-year period ended December 31, 2011. In connection with our audits of the consolidated financial statements, we also have audited financial statement Schedule III. These consolidated financial statements and financial statement schedule are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Regency Centers, L.P. and subsidiaries as of December 31, 2011 and 2010, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Regency Centers, L.P.'s internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 29, 2012 expressed an unqualified opinion on the effectiveness of the Partnership's internal control over financial reporting.

/s/ KPMG LLP

February 29, 2012
Jacksonville, Florida
Certified Public Accountants

Report of Independent Registered Public Accounting Firm
The Unit Holders of Regency Centers, L.P. and
the Board of Directors and Stockholders of
Regency Centers Corporation:

We have audited Regency Centers, L.P.'s (the Partnership's) internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Regency Centers, L.P.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Partnership's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Regency Centers, L.P. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Regency Centers, L.P. and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of operations, capital and comprehensive income (loss), and cash flows for each of the years in the three-year period ended December 31, 2011, and our report dated February 29, 2012 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

February 29, 2012
Jacksonville, Florida
Certified Public Accountants

REGENCY CENTERS CORPORATION
Consolidated Balance Sheets
December 31, 2011 and 2010
(in thousands, except share data)

	2011	2010
Assets		
Real estate investments at cost (notes 2, 3, 4, and 15):		
Land	$ 1,273,606	1,093,700
Buildings and improvements	2,604,229	2,284,522
Properties in development	224,077	610,932
	4,101,912	3,989,154
Less: accumulated depreciation	791,619	700,878
	3,310,293	3,288,276
Investments in real estate partnerships	386,882	428,592
Net real estate investments	3,697,175	3,716,868
Cash and cash equivalents	11,402	17,061
Restricted cash	6,050	5,399
Accounts receivable, net of allowance for doubtful accounts of $3,442 and $4,819 at December 31, 2011 and 2010, respectively	37,733	36,600
Straight-line rent receivable, net of reserve of $2,075 and $1,396 at December 31, 2011 and 2010, respectively	48,132	45,241
Notes receivable (note 5)	35,784	35,931
Deferred costs, less accumulated amortization of $71,265 and $69,158 at December 31, 2011 and 2010, respectively	70,204	63,165
Acquired lease intangible assets, less accumulated amortization of $15,588 and $13,996 at December 31, 2011 and 2010, respectively (note 6)	27,054	18,219
Trading securities held in trust, at fair value (note 7)	21,713	20,891
Other assets	31,824	35,164
Total assets	$ 3,987,071	3,994,539
Liabilities and Equity		
Liabilities:		
Notes payable (note 9)	$ 1,942,440	2,084,469
Unsecured line of credit (note 9)	40,000	10,000
Accounts payable and other liabilities (note 7)	101,862	138,196
Derivative instruments, at fair value (note 10)	37	—
Acquired lease intangible liabilities, less accumulated accretion of $4,750 and $11,010 at December 31, 2011 and 2010, respectively (note 6)	12,662	6,682
Tenants' security and escrow deposits and prepaid rent	20,416	10,790
Total liabilities	2,117,417	2,250,137
Commitments and contingencies (notes 15 and 16)		
Equity:		
Stockholders' equity (notes 12 and 13):		
Preferred stock, $0.01 par value per share, 30,000,000 shares authorized;11,000,000 Series 3-5 shares issued and outstanding at December 31, 2011 and 2010 with liquidation preferences of $25 per share	275,000	275,000
Common stock $0.01 par value per share,150,000,000 shares authorized; 89,921,858 and 81,886,872 shares issued at December 31, 2011 and 2010, respectively	899	819
	(15,197)	(16,175)

Treasury stock at cost, 338,714 and 347,482 shares held at December 31, 2011 and 2010, respectively (note 7)			
Additional paid in capital (note 7)		2,281,817	2,039,612
Accumulated other comprehensive loss		(71,429)	(80,885)
Distributions in excess of net income (note 7)		(662,735)	(533,194)
Total stockholders' equity		1,808,355	1,685,177
Noncontrolling interests (note 12):			
Series D preferred units, aggregate redemption value of $50,000 at December 31, 2011 and 2010		49,158	49,158
Exchangeable operating partnership units, aggregate redemption value of $6,665 and $7,483 at December 31, 2011 and 2010, respectively		(963)	(762)
Limited partners' interests in consolidated partnerships		13,104	10,829
Total noncontrolling interests		61,299	59,225
Total equity		1,869,654	1,744,402
Total liabilities and equity	$		