RAMCO GERSHENSON PROPERTIES TRUST
Form 10-Q
November 03, 2006

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

Form 10-Q

þ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934**
For the quarterly period ended September 30, 2006

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934**
For the transition period from to

Commission file number 1-10093

RAMCO-GERSHENSON PROPERTIES TRUST
(Exact name of registrant as specified in its charter)

MARYLAND	**13-6908486**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification Number)*
31500 Northwestern Highway Farmington Hills, Michigan	**48334**
(Address of principal executive offices)	*(Zip code)*

248-350-9900
(Registrant s telephone number, including area code)

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

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

Larger Accelerated Filer o Accelerated Filer þ Non-Accelerated Filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes o No þ

Number of common shares of beneficial interest ($0.01 par value) of the registrant outstanding as of November 2, 2006: 16,574,290

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PART I FINANCIAL INFORMATION

Item 1. *Financial Statements*

RAMCO-GERSHENSON PROPERTIES TRUST

CONSOLIDATED BALANCE SHEETS

	September 30, 2006 (Unaudited)	December 31, 2005
	(In thousands, except per share amounts)	
ASSETS		
Investment in real estate, net	$ 950,305	$ 922,103
Real estate assets held for sale		61,995
Cash and cash equivalents	16,671	14,929
Accounts receivable, net	38,499	32,341
Equity investments in unconsolidated entities	53,763	53,398
Other assets, net	39,416	40,509
Total Assets	$ 1,098,654	$ 1,125,275
LIABILITIES AND SHAREHOLDERS EQUITY		
Mortgages and notes payable	$ 720,882	$ 724,831
Accounts payable and accrued expenses	29,787	31,353
Distributions payable	10,389	10,316
Capital lease obligation	7,739	7,942
Total Liabilities	768,797	774,442
Minority Interest	37,207	38,423
SHAREHOLDERS EQUITY		
Preferred Shares of Beneficial Interest, par value $0.01, 10,000 shares authorized:		
9.5% Series B Cumulative Redeemable Preferred Shares; 1,000 shares issued and outstanding, liquidation value of $25,000	23,804	23,804
7.95% Series C Cumulative Convertible Preferred Shares; 1,889 shares issued and outstanding, liquidation value of $53,837	51,741	51,741
Common Shares of Beneficial Interest, par value $0.01, 45,000 shares authorized; 16,574 and 16,847 issued and outstanding as of September 30, 2006 and December 31, 2005, respectively	166	168
Additional paid-in capital	335,560	343,011
Accumulated other comprehensive income (loss)	146	(44)
Cumulative distributions in excess of net income	(118,767)	(106,270)

Total Shareholders Equity	292,650	312,410
Total Liabilities and Shareholders Equity	$ 1,098,654	$ 1,125,275

See notes to consolidated financial statements.

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RAMCO-GERSHENSON PROPERTIES TRUST

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2006	2005	2006	2005
	(Unaudited) (In thousands, except per share amounts)			
REVENUES:				
Minimum rents	$ 25,328	$ 23,223	$ 75,113	$ 71,226
Percentage rents	225	185	610	558
Recoveries from tenants	10,738	9,580	30,920	29,543
Fees and management income	1,312	1,121	4,073	3,859
Other income	1,212	1,194	3,092	3,529
Total revenues	38,815	35,303	113,808	108,715
EXPENSES:				
Real estate taxes	5,025	4,628	14,793	13,805
Recoverable operating expenses	6,000	5,175	17,236	15,896
Depreciation and amortization	8,105	7,375	24,058	23,125
Other operating	1,263	808	2,882	1,657
General and administrative	3,328	2,991	10,724	10,579
Interest expense	11,767	10,717	33,326	31,851
Total expenses	35,488	31,694	103,019	96,913
Income from continuing operations before gain on sale of real estate assets, minority interest and earnings from unconsolidated entities	3,327	3,609	10,789	11,802
Gain on sale of real estate assets	1,204	630	2,937	626
Minority interest	(877)	(769)	(2,549)	(2,142)
Earnings from unconsolidated entities	864	610	2,356	1,541
Income from continuing operations	4,518	4,080	13,533	11,827
Discontinued operations, net of minority interest:				
Gain (loss) on sale of real estate assets	(28)		926	
Income from operations	9	724	402	2,027
Income (loss) from discontinued operations	(19)	724	1,328	2,027
Net income	4,499	4,804	14,861	13,854
Preferred stock dividends	(1,664)	(1,663)	(4,991)	(4,991)
Net income available to common shareholders	$ 2,835	$ 3,141	$ 9,870	$ 8,863

Basic earnings per common share:				
Income from continuing operations	$ 0.17	$ 0.14	$ 0.51	$ 0.40
Income from discontinued operations		0.05	0.08	0.13
Net income	$ 0.17	$ 0.19	$ 0.59	$ 0.53
Diluted earnings per common share:				
Income from continuing operations	$ 0.17	$ 0.14	$ 0.51	$ 0.40
Income from discontinued operations		0.05	0.08	0.13
Net income	$ 0.17	$ 0.19	$ 0.59	$ 0.53
Basic weighted average common shares outstanding	16,565	16,838	16,696	16,835
Diluted weighted average common shares outstanding	16,621	16,887	16,739	16,880
COMPREHENSIVE INCOME				
Net income	$ 4,499	$ 4,804	$ 14,861	$ 13,854
Other comprehensive income:				
Unrealized gains (losses) on interest rate swaps	(1,005)	(113)	190	20
Comprehensive income	$ 3,494	$ 4,691	$ 15,051	$ 13,874

See notes to consolidated financial statements.

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RAMCO-GERSHENSON PROPERTIES TRUST

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Nine Months Ended September 30,	
	2006	2005
	(Unaudited)	
	(In thousands)	
Cash Flows from Operating Activities:		
Net income	$ 14,861	$ 13,854
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	24,058	23,125
Amortization of deferred financing costs	795	1,628
Gain on sale of real estate assets	(2,937)	(626)
Earnings from unconsolidated entities	(2,356)	(1,541)
Discontinued operations	(1,552)	(2,027)
Minority interest, continuing operations	2,549	2,142
Distributions received from unconsolidated entities	2,007	1,188
Changes in operating assets and liabilities that provided (used) cash:		
Accounts receivable	(5,894)	(5,090)
Other assets	742	(1,573)
Accounts payable and accrued expenses	(1,954)	4,212
Net Cash Provided by Continuing Operating Activities	30,319	35,292
Operating Cash from Discontinued Operations	702	3,410
Net Cash Provided by Operating Activities	31,021	38,702
Cash Flows from Investing Activities:		
Real estate developed or acquired, net of liabilities assumed	(37,101)	(25,405)
Purchase of remaining interest in joint venture, net of cash acquired	(576)	
Investment in unconsolidated entities	(465)	(36,973)
Proceeds from sales of real estate	14,978	8,087
Increase in note receivable from joint venture		(1,072)
Payments on note receivable from joint venture		7,300
Net Cash Used in Continuing Investing Activities	(23,164)	(48,063)
Investing Cash from Discontinued Operations	45,366	
Net Cash Provided by (Used in) Investing Activities	22,202	(48,063)
Cash Flows from Financing Activities:		
Cash distributions to shareholders	(22,323)	(21,800)
Cash distributions to operating partnership unit holders	(3,903)	(3,792)
Cash dividends paid on preferred shares	(4,992)	(4,991)
Payment of unsecured revolving credit facility	(73,300)	(48,550)

Payment of secured revolving credit facility		(12,000)
Principal repayments on mortgages payable	(10,723)	(105,930)
Payment of deferred financing costs	(880)	(1,102)
Distributions to minority partners	(63)	(110)
Borrowings on unsecured credit facility	63,750	53,350
Borrowings on secured credit facility	8,554	47,050
Reduction of capitalized lease obligation	(203)	
Proceeds from mortgages payable	249	107,072
Purchase and retirement of common shares	(7,804)	
Proceeds from exercise of stock options	157	149
Net Cash (Used in) Provided by Continuing Financing Activities	(51,481)	9,346
Financing Cash from Discontinued Operations		
Net Cash (Used in) Provided by Financing Activities	(51,481)	9,346
Net Increase (Decrease) in Cash and Cash Equivalents	1,742	(15)
Cash and Cash Equivalents, Beginning of Period	14,929	15,045
Cash and Cash Equivalents, End of Period	$ 16,671	$ 15,030
Supplemental Cash Flow Disclosure, including Non-Cash Activities:		
Cash paid for interest during the period	$ 32,452	$ 30,060
Capitalized interest	1,126	486
Assets contributed to joint venture entity		7,994
Assumed debt of acquired property	7,521	
Increase in fair value of interest rate swaps	190	20

See notes to consolidated financial statements.

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands)

1. Organization and Basis of Presentation

Ramco-Gershenson Properties Trust is a Maryland real estate investment trust (REIT) organized on October 2, 1997. The terms Company, we, our, or us refers to Ramco-Gershenson Properties Trust and, where appropriate, its subsidiaries. We are a publicly-traded REIT which owns, develops, acquires, manages and leases community shopping centers (including power centers and single tenant retail properties) and one regional mall. At September 30, 2006, we had a portfolio of 81 shopping centers, with approximately 18.3 million square feet of gross leasable area, located in the midwestern, southeastern and mid-Atlantic regions of the United States. Our centers are usually anchored by discount department stores or supermarkets and the tenant base consists primarily of national and regional retail chains and local retailers. Our credit risk, therefore, is concentrated in the retail industry.

The accompanying consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, certain information and footnote disclosures normally included in audited financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted. These consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in the Company s Annual Report on Form 10-K for the year ended December 31, 2005 filed with the Securities and Exchange Commission. These consolidated financial statements, in the opinion of management, include all adjustments necessary for a fair presentation of the financial position, results of operations and cash flows for the period and dates presented. Interim operating results are not necessarily indicative of operating results for the full year.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and our majority owned subsidiary, the Operating Partnership, Ramco-Gershenson Properties, L.P. (85.0% and 85.2% owned by us at September 30, 2006 and at December 31, 2005, respectively), and all wholly owned subsidiaries, including bankruptcy remote single purpose entities, and all majority owned joint ventures over which we have control. Investments in real estate joint ventures for which we have the ability to exercise significant influence over, but for which we do not have financial or operating control, are accounted for using the equity method of accounting. Accordingly, our share of the earnings of these joint ventures is included in consolidated net income. All intercompany accounts and transactions have been eliminated in consolidation.

Through the Operating Partnership we own 100% of the non-voting and voting common stock of Ramco-Gershenson, Inc. (Ramco), and therefore it is included in the consolidated financial statements. Ramco has elected to be a taxable REIT subsidiary for federal income tax purposes. Ramco provides property management services to us and other entities.

2. Real Estate Assets Held for Sale

As of December 31, 2005, nine properties were classified as Real Estate Assets Held for Sale and the results of their operations were reflected as discontinued operations in accordance with Statement of Financial Accounting Standards No. 144 Accounting for the Impairment or Disposal of Long-Lived Assets (SFAS No. 144).

On January 23, 2006, the Company sold seven of the shopping centers held for sale for $47,000 in aggregate, resulting in a gain of approximately $926, net of minority interest. The shopping centers, which were sold as a portfolio to an unrelated third party, include: Cox Creek Plaza in Florence, Alabama; Crestview Corners in Crestview, Florida; Cumberland Gallery in New Tazewell, Tennessee; Holly Springs Plaza in Franklin, North Carolina; Indian Hills in Calhoun, Georgia; Edgewood Square in North Augusta, South Carolina; and Tellico Plaza in Lenoir City, Tennessee. The proceeds from the sale were used to pay down the Company s unsecured

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

revolving credit facility. Total revenue for the seven properties was $550 and $4,260 for the nine months ended September 30, 2006 and 2005, respectively.

During March 2006, the Company decided not to continue to actively market for sale the two unsold properties. In accordance with SFAS No. 144, the two properties are no longer classified as held for sale in the consolidated balance sheet and the results of their operations are included in income from continuing operations for all periods presented.

3. Accounts Receivable, Net

Accounts receivable at September 30, 2006 includes $4,202 due from Atlantic Realty Trust (Atlantic) for reimbursement of tax deficiencies and interest related to the Internal Revenue Service (IRS) examination of our taxable years ended December 31, 1991 through 1995. Under terms of a tax agreement that we entered into with Atlantic (the Tax Agreement), Atlantic assumed all of our liability for tax and interest arising out of that IRS examination. See Note 10.

Effective March 31, 2006, Atlantic was merged into (acquired by) SI 1339, Inc., a wholly-owned subsidiary of Kimco Realty Corporation (Kimco), with SI 1339, Inc. continuing as the surviving corporation. By way of the merger, SI 1339, Inc. acquired Atlantic s assets, subject to its liabilities (including its obligations to the Company under the Tax Agreement). See Note 10.

Accounts receivable includes $14,774 and $13,098 of unbilled straight-line rent receivables at September 30, 2006 and December 31, 2005, respectively. In addition, at September 30, 2006, accounts receivable includes $2,833 due from Ramco Jacksonville LLC, a 20% owned unconsolidated entity.

We provide for bad debt expense based upon the reserve method of accounting. We continuously monitor the collectibility of our accounts receivable (billed, unbilled and straight-line) from specific tenants, analyze historical bad debts, customer credit worthiness, current economic trends and changes in tenant payment terms when evaluating the adequacy of the allowance for bad debts. When tenants are in bankruptcy, we make estimates of the expected recovery of pre-petition and post-petition claims. The ultimate resolution of these claims can often take longer than one year. Accounts receivable in the accompanying balance sheet is shown net of an allowance for doubtful accounts of $2,627 and $2,017 at September 30, 2006 and December 31, 2005, respectively.

4. Investment in Real Estate, Net

Investment in real estate consists of the following:

	September 30, 2006	December 31, 2005
Land	$ 143,637	$ 136,843
Buildings and improvements	944,581	887,251
Construction in progress	11,741	23,210

		1,099,959		1,047,304
Less: accumulated depreciation		(149,654)		(125,201)
Investment in real estate, net	$	950,305	$	922,103

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Other Assets, Net

Other assets consist of the following:

	September 30, 2006	December 31, 2005
Leasing costs	$ 30,297	$ 28,695
Intangible assets	10,172	11,048
Deferred financing costs	7,343	13,742
Other assets	5,635	5,469
	53,447	58,954
Less: accumulated amortization	(26,800)	(30,726)
	26,647	28,228
Prepaid expenses and other	12,182	11,172
Proposed development and acquisition costs	587	1,109
Other assets, net	$ 39,416	$ 40,509

Intangible assets at September 30, 2006 include $7,082 of lease origination costs and $3,008 of favorable leases related to the allocation of the purchase prices for acquisitions made since 2002. These assets are being amortized over the lives of the applicable leases. The weighted average amortization period for intangible assets attributable to lease origination costs and favorable leases is approximately 5 years.

The following table represents estimated aggregate amortization expense related to intangible assets as of September 30, 2006:

Year Ending December 31,	
2006 (October 1 - December 31)	$ 1,589
2007	5,993
2008	4,910
2009	3,737
2010	2,850
Thereafter	7,568
Total	$ 26,647

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Mortgages and Notes Payable

Mortgages and notes payable consist of the following:

	September 30, 2006	December 31, 2005
Fixed rate mortgages with interest rates ranging from 4.8% to 8.2%, due at various dates through 2018	$ 446,054	$ 451,777
Floating rate mortgages with interest rates ranging from 7.0% to 7.9%, due at various dates through 2007	15,624	12,854
Secured Term Loan, with an interest rate at LIBOR plus 115 to 150 basis points, due December 2008. The effective rate at September 30, 2006 was 6.7%	8,554	
Unsecured Term Loan Credit Facility, with an interest rate at LIBOR plus 130 to 165 basis points, due December 2010, maximum borrowings $100,000. The effective rate at September 30, 2006 was 6.5% and at December 31, 2005 was 5.9%	100,000	100,000
Unsecured Revolving Credit Facility, with an interest rate at LIBOR plus 115 to 150 basis points, due December 2008, maximum borrowings $150,000. The effective rate at September 30, 2006 was 6.8% and at December 31, 2005 was 5.8%	128,050	137,600
Unsecured Bridge Term Loan, with an interest rate at LIBOR plus 135 basis points, due June 2007. The effective rate at September 30, 2006 was 6.7% and at December 31, 2005 was 5.7%	22,600	22,600
	$ 720,882	$ 724,831

The mortgage notes are secured by mortgages on properties that have an approximate net book value of $580,410 as of September 30, 2006.

The Company has a $250,000 Unsecured Credit Facility (the Credit Facility) consisting of a $100,000 Unsecured Term Loan Credit Facility and a $150,000 Unsecured Revolving Credit Facility. The Credit Facility provides that the Unsecured Revolving Credit Facility may be increased by up to $100,000 at the Company s request, for a total Unsecured Revolving Credit Facility commitment of $250,000. The Unsecured Term Loan Credit Facility matures in December 2010 and bears interest at a rate equal to LIBOR plus 130 to 165 basis points, depending on certain debt ratios. The Unsecured Revolving Credit Facility matures in December 2008 and bears interest at a rate equal to LIBOR plus 115 to 150 basis points, depending on certain debt ratios. The Company has the option to extend the maturity date of the Unsecured Revolving Credit Facility to December 2010. It is anticipated that funds borrowed under the Credit Facility will be used for general corporate purposes, including working capital, capital expenditures, the repayment of indebtedness or other corporate activities.

At September 30, 2006, outstanding letters of credit issued under the Credit Facility, not reflected in the accompanying consolidated balance sheet, total approximately $3,418.

The Credit Facility and the Unsecured Bridge Term Loan contain financial covenants relating to total leverage, fixed charge coverage ratio, loan to asset value, tangible net worth and various other calculations. As of September 30, 2006, we were in compliance with the covenant terms.

The mortgage loans encumbering our properties, including properties held by our unconsolidated joint ventures, are generally non-recourse, subject to certain exceptions for which we would be liable for any resulting losses incurred by the lender. These exceptions vary from loan to loan but generally include fraud or a material misrepresentation, misstatement or omission by the borrower, intentional or grossly negligent conduct by the borrower that harms the property or results in a loss to the lender, filing of a bankruptcy petition by the borrower,

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

either directly or indirectly, and certain environmental liabilities. In addition, upon the occurrence of certain of such events, such as fraud or filing of a bankruptcy petition by the borrower, we would be liable for the entire outstanding balance of the loan, all interest accrued thereon and certain other costs, penalties and expenses.

Under terms of various debt agreements, we may be required to maintain interest rate swap agreements to reduce the impact of changes in interest rates on our floating rate debt. We have interest rate swap agreements with an aggregate notional amount of $80,000 at September 30, 2006. Based on rates in effect at September 30, 2006, the agreements for notional amounts aggregating $80,000 provide for fixed rates ranging from 6.2% to 6.6% and expire December 2008 through March 2009.

The following table presents scheduled principal payments on mortgages and notes payable as of September 30, 2006:

Year Ending December 31,	
2006 (October 1 - December 31)	$ 1,557
2007	99,402
2008	239,246
2009	48,053
2010	120,171
Thereafter	212,453
Total	$ 720,882

7. Stock-Based Compensation

Prior to January 1, 2006, the Company accounted for share-based payments under Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees (APB 25). Under APB 25, compensation cost was not recognized for options granted because the exercise price of options granted was equal to the market value of the Company s common shares on the grant date.

On January 1, 2006, the Company adopted the provisions of Statement of Financial Accounting Standards No. 123 (revised 2004), Share-Based Payments (SFAS 123(R)). This statement requires the Company to recognize the cost of its employee stock option awards in its consolidated statement of income. According to SFAS 123(R), the total cost of the Company s share-based awards is equal to their grant date fair value and is recognized as expense on a straight-line basis over the service periods of the awards. The Company adopted the fair value recognition provisions of SFAS No. 123(R) using the modified prospective transition method. Under the modified prospective transition method, the Company began to recognize as expense the cost of unvested awards outstanding as of January 1, 2006.

As a result of the adoption of SFAS 123(R), our financial results were lower than under our previous accounting method by the following amounts:

	Three Months Ended September 30, 2006	Nine Months Ended September 30, 2006
Income from continuing operations	$ 122	$ 365
Net income	$ 122	$ 365
Basic and diluted net income per common share	$ 0.01	$ 0.02

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Earnings Per Common Share

The following table sets forth the computation of basic and diluted earnings per common share (EPS) (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
Numerator:				
Income from continuing operations before minority interest	$ 5,395	$ 4,849	$ 16,082	$ 13,969
Minority interest	(877)	(769)	(2,549)	(2,142)
Net income allocated to preferred distributions	(1,664)	(1,663)	(4,991)	(4,991)
Income before discontinued operations	2,854	2,417	8,542	6,836
Discontinued operations, net of minority interest:				
Gain (loss) on sale of real estate assets	(28)		926	
Income from operations	9	724	402	2,027
Net income available to common shareholders	$ 2,835	$ 3,141	$ 9,870	$ 8,863
Denominator:				
Weighted-average common shares for basic EPS	16,565	16,838	16,696	16,835
Effect of dilutive securities:				
Options outstanding	52	49	41	45
Restricted shares	4		2	
Weighted-average common shares for diluted EPS	16,621	16,887	16,739	16,880
Basic and diluted earnings available to common shareholders per weighted-average common share:				
Basic EPS:				
Income from continuing operations	$ 0.17	$ 0.14	$ 0.51	$ 0.40
Income from discontinued operations		0.05	0.08	0.13
Net income	$ 0.17	$ 0.19	$ 0.59	$ 0.53
Diluted EPS:				
Income from continuing operations	$ 0.17	$ 0.14	$ 0.51	$ 0.40
Income from discontinued operations		0.05	0.08	0.13
Net income	$ 0.17	$ 0.19	$ 0.59	$ 0.53

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

9. Leases

Approximate future minimum revenues from rentals under noncancelable operating leases in effect at September 30, 2006, assuming no new or renegotiated leases or option extensions on lease agreements, are as follows:

Year Ending December 31,	
2006 (October 1 - December 31)	$ 25,020
2007	97,920
2008	88,576
2009	74,186
2010	65,216
Thereafter	314,956
Total	$ 665,874

We lease certain office facilities, including our corporate office, under leases that expire through 2014. Our corporate office lease has an option to renew for two consecutive periods of five years each.

Approximate future minimum rental payments under our noncancelable corporate office lease and two other office locations, assuming no option extensions, are as follows:

Year Ending December 31,	**Office Leases**	**Capital Lease**
2006 (October 1 - December 31)	$ 191	$ 169
2007	738	677
2008	757	677
2009	776	677
2010	784	677
Thereafter	2,977	7,986
Total minimum lease payments	6,223	10,863
Less: amounts representing interest		(3,124)
Total	$ 6,223	$ 7,739

Our capitalized lease obligation is secured by land having a net book value of $8,343 as of September 30, 2006.

10. Commitments and Contingencies

Construction Costs

In connection with the development and expansion of various shopping centers as of September 30, 2006, we have entered into agreements for construction costs of approximately $10,891.

Internal Revenue Service Examinations

IRS Audit Resolution for Years 1991 to 1995

RPS Realty Trust (RPS), a Massachusetts business trust, was formed on September 21, 1988 to be a diversified growth-oriented REIT. From its inception, RPS was primarily engaged in the business of owning and managing a participating mortgage loan portfolio. From May 1, 1991 through April 30, 1996, RPS acquired ten real estate properties by receipt of deed in-lieu of foreclosure. Such properties were held and operated by RPS through wholly-owned subsidiaries.

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In May 1996, RPS acquired, through a reverse merger, substantially all the shopping centers and retail properties as well as the management company and business operations of Ramco-Gershenson, Inc. and certain of its affiliates. The resulting trust changed its name to Ramco-Gershenson Properties Trust and Ramco-Gershenson, Inc. s officers assumed management responsibility for the Company. The trust also changed its operations from a mortgage REIT to an equity REIT and contributed certain mortgage loans and real estate properties to Atlantic Realty Trust (Atlantic), an independent, newly formed liquidating real estate investment trust. The shares of Atlantic were immediately distributed to the shareholders of Ramco-Gershenson Properties Trust.

The terms Company , we , our or us refers to Ramco-Gershenson Properties Trust and/or its predecessors.

On October 2, 1997, with approval from our shareholders, we changed our state of organization from Massachusetts to Maryland by merging into a newly formed Maryland real estate investment trust thereby terminating the Massachusetts trust.

We were the subject of an IRS examination of our taxable years ended December 31, 1991 through 1995. We refer to this examination as the IRS Audit. On December 4, 2003, we reached an agreement with the IRS with respect to the IRS Audit. We refer to this agreement as the Closing Agreement. Pursuant to the terms of the Closing Agreement we agreed to pay deficiency dividends (that is, our declaration and payment of a distribution that is permitted to relate back to the year for which the IRS determines a deficiency in order to satisfy the requirement for REIT qualification that we distribute a certain minimum amount of our REIT taxable income for such year) in amounts not less than $1.4 million and $809 for our 1992 and 1993 taxable years, respectively. We also consented to the assessment and collection of $770 in tax deficiencies and to the assessment and collection of interest on such tax deficiencies and on the deficiency dividends referred to above.

In connection with the incorporation, and distribution of all of the shares, of Atlantic, in May 1996, we entered into the Tax Agreement with Atlantic under which Atlantic assumed all of our tax liabilities arising out of the IRS then ongoing examinations (which included, but is not otherwise limited to, the IRS Audit), excluding any tax liability relating to any actions or events occurring, or any tax return position taken, after May 10, 1996, but including liabilities for additions to tax, interest, penalties and costs relating to covered taxes. In addition, the Tax Agreement provides that, to the extent any tax which Atlantic is obligated to pay under the Tax Agreement can be avoided through the declaration of a deficiency dividend, we would make, and Atlantic would reimburse us for the amount of, such deficiency dividend.

On December 15, 2003, our Board of Trustees declared a cash deficiency dividend in the amount of $2.2 million, which was paid on January 20, 2004, to common shareholders of record on December 31, 2003. On January 21, 2004, pursuant to the Tax Agreement, Atlantic reimbursed us $2.2 million in recognition of our payment of the deficiency dividend. Atlantic has also paid all other amounts (including the tax deficiencies and interest referred to above), on behalf of the Company, assessed by the IRS to date.

Pursuant to the Closing Agreement we agreed to an adjustment to our taxable income for each of our taxable years ended December 31, 1991 through 1995. The Company has determined that it is obligated to advise the relevant taxing authorities for the state and local jurisdictions where it conducted business during those years of the fact of such adjustments and the terms of the Closing Agreement. We believe that our exposure to state and local tax, penalties, interest and other miscellaneous expenses will not exceed $2.9 million as of September 30, 2006. It is management s belief that any liability for state and local tax, penalties, interest, and other miscellaneous expenses that

may exist in relation to the IRS Audit will be covered under the Tax Agreement.

Effective March 31, 2006, Atlantic was merged into (acquired by) SI 1339, Inc., a wholly-owned subsidiary of Kimco Realty Corporation (Kimco), with SI 1339, Inc. continuing as the surviving corporation. By way of the merger, SI 1339, Inc. acquired Atlantic s assets, subject to its liabilities (including its obligations to the Company under the Tax Agreement). In a press release issued on the effective date of the merger, Kimco disclosed that the

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

shareholders of Atlantic received common shares of Kimco valued at $81.8 million in exchange for their shares in Atlantic. Hereinafter, the term Atlantic refers to Atlantic and/or SI 1339, Inc., its successor-in-interest.

Current IRS Examination

The IRS is currently conducting an examination of us for our taxable years ended December 31, 1996 and 1997. We refer to this examination as the IRS Examination. On April 13, 2005, the IRS issued two examination reports to us with respect to the IRS Examination. The first examination report seeks to disallow certain deductions and losses we took in 1996 and to disqualify us as a REIT for the years 1996 and 1997. The second report also proposes to disqualify us as a REIT for our taxable years ended December 31, 1998 through 2000, years we had not previously been notified were under examination, and to not allow us to reelect REIT status for 2001 through 2004. Insofar as the reports seek to disqualify us as a REIT, we vigorously dispute the IRS positions, and we have been advised by legal counsel that the IRS positions set forth in the reports with respect to our disqualification as a REIT are unsupported by the facts and applicable law. We discuss this issue in greater detail below under the subheading Disqualification as a REIT . We dispute the disallowance of certain deductions and losses for 1996 and believe that amounts which may be assessed against us with respect to any such disallowance would constitute items covered under the Tax Agreement. We discuss this issue in greater detail below under the subheading Disallowance of Certain Deductions and Losses . We contested the reports by filing a protest with the Appeals Office of the IRS on May 31, 2005.

Disqualification as a REIT

The examination reports propose to disqualify us as a REIT for our taxable years 1996 through 2000 for reasons relating to our ownership of stock in Ramco-Gershenson, Inc. and for our alleged failure to meet the requirement to demand from record holders of our shares certain information regarding the actual ownership of those shares. The reports also propose not to allow us to reelect REIT status for 2001 through 2004. As described below, we believe, and have been advised by legal counsel, that the positions set forth in the examination reports pursuant to which the IRS proposes to disqualify us as a REIT are unsupported by the facts and applicable law.

First, the IRS asserts that a commonality of interests and control between us and Ramco Gershenson, Inc., by reason of the ownership of voting stock in Ramco-Gershenson, Inc. by certain of our trustees and members of our management, resulted in our deemed prohibited ownership of more than 10% of the voting stock in Ramco-Gershenson, Inc. We have been advised by counsel that the structure of our ownership of stock in Ramco-Gershenson, Inc., and the governance thereof, are consistent with the form and structure of similar subsidiaries used by other large REITs and should not provide a valid basis for the disqualification of the Company as a REIT for any of the tax years covered by the examination reports.

Secondly, the IRS proposes to disqualify us as a REIT for 1996 through 2000 for our alleged failure to meet the shareholder-record keeping requirement because we did not request certain information from holders of interests in our operating partnership. We have been advised by counsel that the IRS has erred in its determination that we were required to make such a demand from our partners merely by reason of their ownership of interests in our operating partnership.

Finally, the IRS proposes not to allow us to reelect to be a REIT for 2001 through 2004 based on our alleged failure to qualify as a REIT for 2000. We believe, based on the advice of counsel, that if we were disqualified for 1996, we would be allowed to reelect REIT status for our 2001 tax year.

Disallowance of Certain Deductions and Losses

The examination reports also propose to disallow certain deductions and losses taken in 1996. We believe that, in many material respects, the positions based on which the IRS proposes to disallow such deductions and losses are unsupported by the facts and applicable law.

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Protest: Potential Impact

We contested the positions taken in the examination reports through the filing of a protest with the Appeals Office of the IRS on May 31, 2005. On or about September 11, 2006, we received correspondence from the Appeals Office of the IRS with respect to our taxable years ended December 31, 1996 through 2000. The correspondence proposes no deficiencies with respect to any of the aforementioned tax years. The correspondence, however, does not constitute a formal settlement. The statute of limitations, as previously extended, for each of our taxable years ended December 31, 1996 through 2000, will close on December 31, 2006. If no deficiencies are assessed before the statutes close, this matter will conclude.

If all of the positions taken (exclusive of the proposed revocation of our REIT status for 2001 through 2004) and adjustments proposed in the examination reports were sustained, then we would be liable for approximately $22 million in combined tax, penalties and interest as calculated by the IRS through April 13, 2005. As of September 30, 2006, the Company estimates that such combined tax, penalties and interest would approximate $24.8 million. If we were successful in opposing the positions taken in the first examination report (which relates to 1996 and 1997) and the second examination report (which relates to 1998 through 2000), other than the proposed increase in our REIT taxable income resulting from disallowance of certain deductions for 1996, then we could avoid losing our REIT status by paying a deficiency dividend in the amount (if any) necessary to satisfy the requirement that we distribute each year a certain minimum amount of our REIT taxable income for such year. In the event we were required to pay a deficiency dividend, such dividend would be treated as an addition to tax for the year to which it relates, and we would be subject to the assessment and collection by the IRS of interest on such addition to tax. The second examination report (which relates to 1998 through 2000) does not quantify our potential liability for combined tax, penalties and interest resulting from the proposed revocation of our REIT status for 2001 through 2004. Such potential liability could be substantial and could have a material adverse effect on our financial position, results of operations and cash flows.

If we were to fail to qualify as a REIT for any taxable year, we would be subject to federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates for such year, and distributions to shareholders would not be deductible by us in computing our taxable income. Any such corporate tax liability could be substantial and, to the extent we were not indemnified against such liability under the Tax Agreement, would reduce the amount of our cash available for distribution to our shareholders, which in turn could have a material adverse impact on the value of, and trading prices for, our common shares. In addition, we would not be able to reelect REIT status until the fifth taxable year following the initial year of disqualification unless we were to qualify for relief under applicable provisions of the Code. Upon a new REIT election, we would be required to distribute any earnings and profits that we had accumulated during the taxable years in which we failed to qualify as a REIT. If we failed to qualify as a REIT for more than two taxable years, we would be subject to corporate level tax during the ten-year period beginning on the first day of the year we reelect REIT status with respect to any built-in gain we recognize on the disposition of any asset held on such date.

Tax Agreement with Atlantic

Certain tax deficiencies, interest, and penalties, which may be assessed against us in connection with the IRS Examination, may constitute covered items under the Tax Agreement. Atlantic previously filed a Form 8-K in which it disclosed that it has been advised by counsel that it does not have any obligation to make any payment to or indemnify us in any manner for any tax, interest or penalty set forth in the examination report relating to 1996 and 1997. We

disagree with this position and believe that some or all of the amounts which may be assessed against us with respect to the disallowance of certain deductions and losses for 1996 would constitute covered items under the Tax Agreement. If Atlantic prevails in its position that it is not required to indemnify us under the Tax Agreement with respect to liabilities we incur as a result of the IRS Examination, then we would be required to pay for such liabilities out of our own funds. Even if we prevail in our position that Atlantic is required to indemnify us under the Tax Agreement with respect to such liabilities, Atlantic may not have sufficient assets at the time to reimburse us for

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all amounts we must pay to the IRS, and we would be required to pay the difference out of our own funds. The IRS may also assess taxes against us that Atlantic is not required to pay. Accordingly, the ultimate resolution of any tax liabilities arising pursuant to the IRS Audit and the IRS Examination may have a material adverse effect on our financial position, results of operations and cash flows, particularly if we are required to distribute deficiency dividends to our shareholders and/or pay additional taxes, interest and penalties to the IRS in amounts that exceed any indemnification payments we receive from Atlantic.

Operating Partnership Examination Report

In connection with an ongoing IRS examination of one of our operating partnerships, we also received an examination report, which relates to such partnership s taxable year ended December 31, 1997, which proposes to increase the income of certain of the operating partnership s partners other than us. As such, the proposed adjustments would not result in our being liable for additional tax, penalties or interest. On or about September 8, 2006, we received a notice of Final Partnership Administrative Adjustment (FPAA) whereby the IRS accepted the operating partnership s return as originally filed and proposed no adjustments to the operating partnership s taxable income as reported.

Litigation

We are currently involved in certain litigation arising in the ordinary course of business. We believe that this litigation will not have a material adverse effect on our consolidated financial statements.

Environmental Matters

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

In connection with ownership (direct or indirect), operation, management and development of real properties, we may be potentially liable for remediation, releases or injury. In addition, Environmental Laws impose on owners or operators the requirement of on-going compliance with rules and regulations regarding business-related activities that may affect the environment. Such activities include, for example, the ownership or use of transformers or underground tanks, the treatment or discharge of waste waters or other materials, the removal or abatement of asbestos-containing materials (ACMs) or lead-containing paint during renovations or otherwise, or notification to various parties concerning the potential presence of regulated matters, including ACMs. Failure to comply with such requirements

could result in difficulty in the lease or sale of any affected property and/or the imposition of monetary penalties, fines or other sanctions in addition to the costs required to attain compliance. Several of our properties have or may contain ACMs or underground storage tanks (USTs); however, we are not aware of any potential environmental liability which could reasonably be expected to have a material impact on our financial

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

position or results of operations. No assurance can be given that future laws, ordinances or regulations will not impose any material environmental requirement or liability, or that a material adverse environmental condition does not otherwise exist.

Repurchase of Common Shares of Beneficial Interest

In December 2005, the Board of Trustees authorized the repurchase, at management s discretion, of up to $15,000 of the Company s common shares of beneficial interest. The program allows the Company to repurchase its common shares of beneficial interest from time to time in the open market or in privately negotiated transactions. As of September 30, 2006, the Company purchased and retired 287,900 shares of the Company s common shares of beneficial interest under this program at an average cost of $27.11 per share.

11. Subsequent Events

On October 2, 2006, the Operating Partnership closed a $25,000 term loan with KeyBank National Association. The loan bears interest at a rate of LIBOR plus 225 basis points and matures April 2, 2007. The Company has provided a guaranty of repayment for the loan. The proceeds from the term loan will be used for general corporate needs and working capital requirements.

On October 5, 2006, the Company completed the partial defeasance of a mortgage with Morgan Stanley. The partial defeasance released the mortgage securing the Stonegate Plaza (Stonegate) shopping center, which was one of seven properties serving as collateral under such mortgage. Ownership of Stonegate was then transferred from Ramco Properties Associates Limited Partnership to the Operating Partnership. The partial defeasance related to Stonegate resulted in the Company recognizing a loss of $230 in its consolidated financial statements.

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Item 2. ***Management s Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion and analysis of the financial condition and results of operations should be read in conjunction with the consolidated financial statements, including the respective notes thereto, which are included in this Form 10-Q.

Overview

We are a publicly-traded real estate investment trust (REIT) which owns, develops, acquires, manages and leases community shopping centers (including power centers and single-tenant retail properties) and one regional mall in the midwestern, southeastern and mid-Atlantic regions of the United States. At September 30, 2006, our portfolio consisted of 81 shopping centers, of which thirteen are power centers and two are single-tenant retail properties, as well as one enclosed regional mall, totaling approximately 18.3 million square feet of gross leasable area (GLA). We own approximately 14.5 million square feet of such GLA, with the remaining portion owned by various anchor stores.

Our corporate strategy is to maximize total return for our shareholders by improving operating income and enhancing asset value. We pursue our goal through:

A proactive approach to redeveloping, renovating and expanding our shopping centers;

The acquisition of community shopping centers, with a focus on grocery and nationally-recognized discount department store anchor tenants;

The development of new shopping centers in metropolitan markets where we believe demand for a center exists; and

A proactive approach to leasing vacant spaces and entering into new leases for occupied spaces when leases are about to expire.

We have followed a disciplined approach to managing our operations by focusing primarily on enhancing the value of our existing portfolio through strategic sales and successful leasing efforts. We continue to selectively pursue new acquisitions and development opportunities.

The highlights of our third quarter of 2006 activity reflect this strategy:

We agreed to form a joint venture with Heitman Value Partners Investments LLC to acquire $75 million of neighborhood, community, or power shopping centers with significant value-added opportunities in infill locations in metropolitan trade areas. We will manage the joint venture and receive fees for acquisition, property and asset management, leasing, tenant coordination and construction. The joint venture s initial acquisitions will include Paulding Pavilion and Collins Pointe Plaza, both in metropolitan Atlanta, Georgia. We acquired these centers in April and August of 2006, respectively, with the objective of contributing them to this joint venture. All other property acquisitions to be included in the joint venture must be completed by November 19, 2006.

We commenced the redevelopment of our West Allis Towne Center in West Allis, Wisconsin with the signing of Office Depot in 22,350 square feet. Office Depot will take the majority of the space vacated by Kohl s Supermarket.

We continued to make progress with the development of River City Marketplace in Jacksonville, Florida. During the quarter, we signed a lease for a 55,600 square foot Gander Mountain. With the execution of this lease, as of September 30, 2006, we had anchor commitments for the shopping center of approximately 584,000 square feet. In addition, we had signed leases for nearly 135,000 square feet of small shop retail space and had completed five outlot sales. We are planning a grand opening celebration at the shopping center on November 17, 2006.

We opened 32 new non-anchor stores and 7 anchor stores, at an average base rent of $11.25 per square foot, a 12.1% increase over the portfolio average. We also renewed 26 non-anchor leases and one anchor lease, at an average base rent of $16.11 per square foot, achieving an increase of 15.3% over prior rental rates.

We increased the occupancy of our portfolio to 94.7% at September 30, 2006, compared with 93.5% at September 30, 2005.

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Critical Accounting Policies and Estimates

Management s Discussion and Analysis of Financial Condition and Results of Operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which forms the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Senior management has discussed the development, selection and disclosure of these estimates with the audit committee of our board of trustees. Actual results could differ from these estimates under different assumptions or conditions.

Critical accounting policies are those that are both significant to the overall presentation of our financial condition and results of operations and require management to make difficult, complex or subjective judgments. For example, significant estimates and assumptions have been made with respect to useful lives of assets, capitalization of development and leasing costs, recoverable amounts of receivables and initial valuations and related amortization periods of deferred costs and intangibles, particularly with respect to property acquisitions. Our critical accounting policies as discussed in our Annual Report on Form 10-K for the year ended December 31, 2005 have not materially changed during the first nine months of 2006.

Comparison of Three Months Ended September 30, 2006 to Three Months Ended September 30, 2005

For purposes of comparison between the three months ended September 30, 2006 and 2005, same center refers to the shopping center properties owned as of July 1, 2005 and September 30, 2006. We made one acquisition in 2005 and two acquisitions in 2006, and we increased our partnership interest in Ramco Gaines, LLC and Beacon Square Development LLC, which are now included in our consolidated financial statements. These properties are collectively referred to as Acquisitions in the following discussion.

Revenues

Total revenues for the three months ended September 30, 2006 were $38.8 million, a $3.5 million, or 9.9%, increase over the comparable period in 2005.

Minimum rents increased $2.1 million, or 9.1%, to $25.3 million for the three months ended September 30, 2006 as compared to $23.2 million for the same period in 2005. Acquisitions contributed $991,000 of the increase in minimum rents for the three months ended September 30, 2006. Same center minimum rents increased $1.1 million for the three months ended September 30, 2006 due to the completion of redevelopment projects at certain of our shopping centers, as well as increased minimum rents from new anchor tenants at certain shopping centers.

Recoveries from tenants increased $1.1 million, or 11.5%, to $10.7 million for the third quarter of 2006 as compared to $9.6 million for the same period in 2005. Acquisitions contributed $337,000 of the increase. The balance of the increase is primarily attributable to an increase in same center recoverable operating expenses for the three months ended September 30, 2006 as compared to the same period in 2005. The overall property operating expense recovery ratio was 97.4% for the three months ended September 30, 2006 as compared to 97.7% for the three months ended September 30, 2005.

Fees and management income increased $191,000, or 17.4%, to $1.3 million for the three months ended September 30, 2006 as compared to $1.1 million for the same period in 2005. The increase was mainly attributable to an increase in development related fees of $345,000 offset by a decrease in management fees of $184,000.

Expenses

Total expenses for the three months ended September 30, 2006 increased $3.8 million, or 12.0%, to $35.5 million as compared to $31.7 million for the three months ended September 30, 2005.

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Total recoverable operating expenses, including real estate taxes, increased by $1.2 million to $11.0 million for the three months ended September 30, 2006 as compared to $9.8 million for the three months ended September 30, 2005. $356,000 of the increase was attributable to Acquisitions with the balance attributable primarily to higher insurance costs at our Florida shopping centers.

Depreciation and amortization expense increased $730,000, or 9.9%, to $8.1 million for the three months ended September 30, 2006 as compared to $7.4 million for the same period in 2005. The increase is primarily attributable to Acquisitions.

Other operating expenses increased $455,000 to $1.3 million for the three months ended September 30, 2006, as compared to $808,000 for the same period in 2005. The increase is primarily due to a $346,000 increase in bad debt expense for the three months ended September 30, 2006 to reserve for certain tenant accounts receivable.

General and administrative expenses increased $337,000, from $3.0 million for the three months ended September 30, 2005 to $3.3 million for the three months ended September 30, 2006. The increase in general and administrative expenses was primarily due to an increase in our professional fees as well as an increase in salaries and fringe benefits.

Interest expense increased $1.1 million, from $10.7 million for the three months ended September 30, 2005 to $11.8 million for the three months ended September 30, 2006. To fund working capital requirements, average loan balances outstanding increased $41.9 million for the three months ended September 30, 2006 as compared to 2005. The higher average outstanding debt contributed $687,000 to the increase in interest expense. Interest expense also increased by $732,000 during the three months ended September 30, 2006 as a result of higher interest rates. Interest expense related to capitalized leases increased $113,000 during the period ended September 30, 2006. These increases in interest expense were offset by higher capitalized interest on development and redevelopment projects and lower amortization of loan fees during the period. Interest costs capitalized in conjunction with development and redevelopment projects were $342,000 for the three months ended September 30, 2006, as compared to $199,000 for the same period in 2005. Amortization of loan fees decreased $340,000, from $612,000 for the three months ended September 30, 2005 to $272,000 for the three months ended September 30, 2006.

Other

Gain on sale of real estate assets increased $574,000 to $1.2 million for the three months ended September 30, 2006 compared to $630,000 for the three months ended September 30, 2005. The increase is due primarily to increased outlot sales at our River City Marketplace development in Jacksonville, Florida, as well as land sales at Lakeshore Marketplace and Whitelake.

Minority interest from continuing operations represents the equity in income attributable to the portion of Ramco-Gershenson Properties, L.P. (the Operating Partnership) not owned by the Company. The increase in minority interest of $108,000 is primarily the result of higher income from continuing operations for the three months ended September 30, 2006 as compared to the same period in 2005.

Earnings from unconsolidated entities represent our proportionate share of the earnings of various joint ventures in which we have an ownership interest. Earnings from unconsolidated entities increased $254,000, from $610,000 for the three months ended September 30, 2005, to $864,000 for the three months ended September 30, 2006. $140,000 of the increase is attributable to the Company s ownership interest in Ramco Jacksonville LLC, which began to generate earnings in 2006. The remainder of the increase in earnings from unconsolidated entities primarily relates to additional earnings of $96,000 from the Ramco/Lion Venture LP.

Discontinued operations, net of minority interest, include the results of seven properties sold in January 2006. Income from discontinued operations decreased $743,000, from income of $724,000 for the three months ended September 30, 2005 to a loss of $19,000 for the three months ended September 30, 2006. The loss incurred during the three months ended September 30, 2006 is due to an adjustment to the gain on the sale of the seven properties previously recognized in January 2006.

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Comparison of Nine Months Ended September 30, 2006 to Nine Months Ended September 30, 2005

For purposes of comparison between the nine months ended September 30, 2006 and 2005, same center refers to the shopping center properties owned as of January 1, 2005 and September 30, 2006. We made one acquisition in 2005 and two acquisitions in 2006, and we increased our partnership interest in Ramco Gaines, LLC and Beacon Square Development LLC, which are now included in our consolidated financial statements. These properties are collectively referred to as Acquisitions in the following discussion.

Revenues

Total revenues for the nine months ended September 30, 2006 were $113.8 million, a $5.1 million, or 4.7%, increase over the comparable period in 2005.

Minimum rents increased $3.9 million, or 5.5%, to $75.1 million for the nine months ended September 30, 2006 as compared to $71.2 million for the nine months ended September 30, 2005. Acquisitions contributed $2.6 million of the increase in minimum rents. The balance of the increase in minimum rents is attributable to the completion of redevelopment projects at certain of our shopping centers, as well as increased minimum rents from new anchor tenants at certain shopping centers.

Recoveries from tenants increased $1.4 million, or 4.7%, to $30.9 million for the nine months ended September 30, 2006, as compared to $29.5 million for the same period in 2005. Acquisitions contributed $983,000 of the increase in recoveries from tenants.

The overall operating expense recovery ratio was 96.5% for the nine months ended September 30, 2006 as compared to 99.5% for the nine months ended September 30, 2005. The variance in the operating expense recovery ratio was the result of adjustments of prior year s estimates to actual based on true-up billings completed in the first quarter. The adjustment of 2004 year-end estimates resulted in an increase in recoveries in 2005, while the adjustment of 2005 year-end estimates resulted in a decrease in recoveries in 2006. We expect the operating expense recovery ratio to be between 96.0% and 97.0% for the twelve months ended December 31, 2006, compared to 97.9% for 2005.

Other income decreased $437,000 to $3.1 million for the nine months ended September 30, 2006. The decrease was primarily attributable to a decrease in interest income of $296,000 and a decrease in lease termination fees of $212,000 during the nine months ended September 30, 2006, compared to the same period in 2005.

Expenses

Total expenses for the nine months ended September 30, 2006 increased $6.1 million, or 6.3%, to $103.0 million as compared to $96.9 million for the nine months ended September 30, 2005.

Total recoverable operating expenses, including recoverable operating expenses and real estate taxes, increased $2.3 million to $32.0 million for the nine months ended September 30, 2006. Acquisitions contributed $928,000 to the increase. The increase in same center recoverable operating expenses is primarily attributable to higher insurance costs at our Florida shopping centers.

Depreciation and amortization expense increased $933,000, or 4.0%, to $24.1 million for the nine months ended September 30, 2006. The increase is primarily attributable to Acquisitions.

Other operating expenses increased $1.2 million to $2.9 million for the nine months ended September 30, 2006, as compared to $1.7 million for the same period in 2005. The increase is primarily due to increased bad debt expense of

$616,000 for the nine months ended September 30, 2006, as well as $354,000 of additional expenses associated with opening our regional office in Florida.

Interest expense increased $1.4 million, from $31.9 million for the nine months ended September 30, 2005 to $33.3 million during the nine months ended September 30, 2006. To fund working capital requirements, average loan balances outstanding increased $40.0 million for the nine months ended September 30, 2006 as compared to 2005. The higher average outstanding debt contributed $1.9 million to the increase in interest expense. Interest expense also increased by $816,000 during the nine months ended September 30, 2006 as a result of higher interest

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rates. These increases in interest expense were offset by higher capitalized interest on development and redevelopment projects and lower amortization of loan fees during the period. Interest expense related to capitalized leases increased $305,000 during the nine months ended September 30, 2006. Interest costs capitalized in conjunction with development and expansion projects were $1.1 million for the nine months ended September 30, 2006, as compared to $486,000 for the same period in 2005. Amortization of loan fees decreased $833,000, from $1,628,000 for the nine months ended September 30, 2005 to $795,000 during the nine months ended September 30, 2006.

Other

Gain on sale of real estate assets increased $2.3 million, to $2.9 million for the nine months ended September 30, 2006, as compared to $626,000 for the nine months ended September 30, 2005. The increase is due primarily to increased outlot sales at our River City Marketplace development in Jacksonville, Florida, as well as land sales at Lakeshore Marketplace and Whitelake.

Minority interest from continuing operations represents the equity in income attributable to the portion of the Operating Partnership not owned by the Company. The increase in minority interest of $407,000 is primarily the result of higher income from continuing operations for the nine months ended September 30, 2006 compared to the same period in 2005.

Earnings from unconsolidated entities represent our proportionate share of the earnings of various joint ventures in which we have an ownership interest. Earnings from unconsolidated entities increased $815,000, from $1.5 million for the nine months ended September 30, 2005 to $2.4 million from the nine months ended September 30, 2006. $652,000 of the increase is due to additional earnings from the Ramco/Lion Venture LP, and $200,000 of the increase is attributable to the Company s ownership interest in Ramco Jacksonville LLC, which began to generate earnings in 2006.

Discontinued operations, net of minority interest, decreased $699,000 to $1.3 million for the nine months ended September 30, 2006. The decrease is primarily due to the sale of seven properties in January 2006. The sale resulted in a gain, net of minority interest, of $926,000. This gain was offset by a decrease of $1.6 million in income from discontinued operations, net of minority interest, during the nine months ended September 30, 2006 as the operations of these centers were no longer reflected in discontinued operations subsequent to the sale.

Liquidity and Capital Resources

The principal uses of our liquidity and capital resources are for operations, acquisitions, development, redevelopment, including expansion and renovation programs, and debt repayment, as well as dividend payments in accordance with REIT requirements and repurchases of our common shares. We anticipate that the combination of cash on hand, the availability under our Credit Facility, our access to the capital markets and the sale of existing properties will satisfy our expected working capital requirements though at least the next 12 months and allow us to achieve continued growth. Although we believe that the combination of factors discussed above will provide sufficient liquidity, no such assurance can be given.

For the nine months ended September 30, 2006, we generated $31.0 million in cash flows from operating activities and $22.2 million in cash flows from investing activities, and we used $51.5 million in cash flows from financing activities. During the same period, we repaid $10.7 million of mortgage obligations and paid $31.2 million in cash distributions to shareholders and holders of operating partnership units.

We have a $250 million unsecured credit facility (the Credit Facility) consisting of a $100 million Unsecured Term Loan Credit Facility and a $150 million Unsecured Revolving Credit Facility. The Credit Facility provides that the

Unsecured Revolving Credit Facility may be increased by up to $100 million at our request, for a total Unsecured Revolving Credit Facility commitment of $250 million. The Unsecured Term Loan Credit Facility matures in December 2010 and bears interest at a rate equal to LIBOR plus 130 to 165 basis points, depending on certain debt ratios. The Unsecured Revolving Credit Facility matures in December 2008 and bears interest at a rate equal to LIBOR plus 115 to 150 basis points, depending on certain debt ratios. We have the option to extend the maturity date of the Unsecured Revolving Credit Facility to December 2010. It is anticipated that funds borrowed

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under the Credit Facility will be used for general corporate purposes, including working capital, capital expenditures, the repayment of indebtedness or other corporate activities.

We have a $22.6 million unsecured bridge term loan with an interest rate at LIBOR plus 135 basis points. The loan matures in June 2007. It is our intention to extend or refinance this unsecured bridge term loan. However, there can be no assurance that we will be able to extend or refinance the loan on commercially reasonable or any other terms.

Under terms of various debt agreements, we may be required to maintain interest rate swap agreements to reduce the impact of changes in interest rates on our floating rate debt. We have interest rate swap agreements with an aggregate notional amount of $80.0 million at September 30, 2006. Based on rates in effect at September 30, 2006, the agreements for notional amounts aggregating $80.0 million provide for fixed rates ranging from 6.2% to 6.6% and expire December 2008 through March 2009.

The properties in which our Operating Partnership owns an interest and which are accounted for by the equity method of accounting are subject to non-recourse mortgage indebtedness. At September 30, 2006, our pro rata share of non-recourse mortgage debt on the unconsolidated properties (accounted for by the equity method) was $85.3 million with a weighted average interest rate of 7.1%. Fixed rate debt amounted to $75.2 million, or 88.2%, of our pro rata share.

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

On October 2, 2006, the Operating Partnership closed a $25,000 term loan with KeyBank National Association. The loan bears interest at a rate of LIBOR plus 225 basis points and matures April 2, 2007. The Company has provided a guaranty of repayment for the loan. The proceeds from the term loan will be used for general corporate needs and working capital requirements.

On October 5, 2006, the Company completed the partial defeasance of a mortgage with Morgan Stanley. The partial defeasance released the mortgage securing the Stonegate Plaza (Stonegate) shopping center, which was one of seven properties serving as collateral under such mortgage. Ownership of Stonegate was then transferred from Ramco Properties Associates Limited Partnership to the Operating Partnership. The partial defeasance related to Stonegate resulted in the Company recognizing a loss of $230 in its consolidated financial statements.

Capitalization

At September 30, 2006, our market capitalization amounted to $1.4 billion. Market capitalization consisted of $720.9 million of debt (including property-specific mortgages, an unsecured credit facility consisting of a term loan credit facility and a revolving credit facility, a secured term loan, and a bridge term loan), $26.7 million of Series B Preferred Shares, $63.2 million of Series C Preferred Shares, and $623.1 million of our common shares of beneficial interest and Operating Partnership Units at market value. Our debt to total market capitalization was 50.3% at September 30, 2006, as compared to 54.5% at December 31, 2005. After taking into account the impact of converting our variable rate debt into fixed rate debt by use of interest rate swap agreements, our outstanding debt at September 30, 2006 had a weighted average interest rate of 6.3%, and consisted of $526.1 million of fixed rate debt

and $194.8 million of variable rate debt. Outstanding letters of credit issued under the Credit Facility total approximately $3.4 million. Variable rate debt accounted for approximately 27.0% of our total debt and 13.6% of our total capitalization.

At September 30, 2006, the minority interest in the Operating Partnership represented a 15.0% ownership in the Operating Partnership which may, under certain conditions, be exchanged for an aggregate of 2,926,952 common shares.

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At September 30, 2006, the units in the Operating Partnership (OP Units) were exchangeable for our common shares of beneficial interest on a one-for-one basis. We, as sole general partner of the Operating Partnership, have the option, but not the obligation, to settle exchanged OP Units held by others in cash based on the current trading price of our common shares of beneficial interest. Assuming the exchange of all OP Units, there would have been 19,501,242 of our common shares of beneficial interest outstanding at September 30, 2006, with a market value of approximately $623.1 million (based on the closing price of $31.95 per share on September 30, 2006).

As part of our business plan to improve our capital structure and reduce debt, we will continue to pursue the strategy of selling fully-valued properties and to dispose of shopping centers that no longer meet the criteria established for our portfolio. Our ability to obtain acceptable selling prices and satisfactory terms will impact the timing of future sales. Net proceeds from the sale of properties are expected to reduce outstanding debt and to fund any future acquisitions.

Inflation

Inflation has been relatively low in recent years and has not had a significant detrimental impact on our results of operations. We believe that any inflationary increases in our expenses should be substantially offset by increased expense reimbursements, contractual rent increases and/or increased receipts from percentage rents. Should inflation rates increase in the future, substantially all of the leases at our properties provide for tenants to pay their pro rata share of operating expenses, including common area maintenance and real estate taxes, thereby reducing our exposure to increases in operating expenses resulting from inflation. Many of the tenants leases contain provisions designed to lessen the impact of inflation on our business. Such provisions include the ability to receive percentage rentals based on a tenant s gross sales, which generally increase as prices rise, and/or escalation clauses, which generally increase rental rates during the terms of the leases. In addition, many of the leases are for terms of less than ten years, which may enable us to replace existing leases with new leases at a higher base and/or percentage rentals if rents of the existing leases are below the then existing market rate. Therefore, we expect the effects of inflation and other changes in prices would not have a material impact on our results of operations.

Funds from Operations

We consider funds from operations, also known as FFO, an appropriate supplemental measure of the financial performance of an equity REIT. Under the National Association of Real Estate Investment Trusts, or NAREIT, definition, FFO represents net income, excluding extraordinary items (as defined under GAAP) and gains and losses on sales of depreciable property, plus real estate related depreciation and amortization (excluding amortization of financing costs), and after adjustments for unconsolidated partnerships and joint ventures. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate investments, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions and many companies utilize different depreciable lives and methods. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from depreciable property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, acquisition and development activities and interest costs, which provides a perspective of our financial performance not immediately apparent from net income determined in accordance with GAAP. In addition, FFO does not include the cost of capital improvements, including capitalized interest.

For the reasons described above we believe that FFO provides us and our investors with an important indicator of our operating performance. This measure of performance is used by us for several business purposes and for REITs it provides a recognized measure of performance other than GAAP net income, which may include non-cash items. Other real estate companies may calculate FFO in a different manner.

We recognize FFO s limitations when compared to GAAP net income. FFO does not represent amounts available for needed capital replacement or expansion, debt service obligations, or other commitments and uncertainties. We do not use FFO as an indicator of our cash obligations and funding requirements for future commitments, acquisition or development activities. FFO does not represent cash generated from operating activities in accordance with GAAP and is not necessarily indicative of cash available to fund cash needs, including the payment of dividends. FFO should not be considered as an alternative to net income (computed in accordance with GAAP) or as an alternative to cash flow as a measure of liquidity. FFO is simply used as an additional indicator of our operating performance.

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The following table illustrates the calculation of FFO (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
Net Income	$ 4,499	$ 4,804	$ 14,861	$ 13,854
Add:				
Depreciation and amortization expense:				
Continuing operations real estate	8,713	7,926	25,838	24,338
Discontinued operations real estate		285		1,030
Gain on sale of real estate(1)	(25)	(630)	(25)	(653)
Minority interest in partnership:				
Continuing operations	877	769	2,549	2,142
Discontinued operations		114	69	353
Less:				
Discontinued operations, loss (gain) on sale of real estate, net of minority interest	28		(926)	
Funds from operations	14,092	13,268	42,366	41,064
Less:				
Series B Preferred Stock dividend	(593)	(594)	(1,781)	(1,782)
Series C Preferred Stock dividend		(1,069)		(3,209)
Funds from operations available to common shareholders	$ 13,499	$ 11,605	$ 40,585	$ 36,073
Weighted average equivalent shares outstanding, diluted	21,439	19,816	21,557	19,810
Funds from operations available to common shareholders, per diluted share	$ 0.63	$ 0.59	$ 1.88	$ 1.82

(1) Excludes gain (loss) on sale of undepreciated land of $2,911 in 2006 and ($27) in 2005.

Capital Expenditures

During the nine months ended September 30, 2006, we spent approximately $9.3 million on revenue-generating capital expenditures including tenant allowances, leasing commissions paid to third-party brokers, legal costs relative to lease documents, and capitalized leasing and construction costs. These types of costs generate a return through rents from tenants over the term of their leases. Revenue-enhancing capital expenditures, including expansions, renovations or repositionings, were approximately $7.1 million. Revenue neutral capital expenditures, such as roof and parking lot repairs which are anticipated to be recovered from tenants, amounted to approximately $1.6 million.

Forward Looking Statements

This document contains forward-looking statements with respect to the operation of certain of our properties. The forward-looking statements are identified by terminology such as may, will, should, believe, expect, estimate,

anticipate, continue, predict or similar terms. We believe the expectations reflected in the forward-looking statements made in this document are based on reasonable assumptions. Certain factors could cause actual results to vary. These include: our success or failure in implementing our business strategy; economic conditions generally and in the commercial real estate and finance markets specifically; our cost of capital, which depends in part on our asset quality, our relationships with lenders and other capital providers; our business prospects and outlook and general market conditions; changes in governmental regulations, tax rates and similar matters; our continuing to qualify as a REIT; and other factors discussed elsewhere in this document and our other filings with the Securities and Exchange Commission (SEC). Although we believe that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from those projected in the forward-looking statements.

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Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

We have exposure to interest rate risk on our variable rate debt obligations. We are not subject to any foreign currency exchange rate risk or commodity price risk, or other material rate or price risks. Based on our debt and interest rates and the interest rate swap agreements in effect at September 30, 2006, a 100 basis point change in interest rates would affect our annual earnings and cash flows by approximately $1.1 million. We believe that a 100 basis point change in interest rates would impact the fair value of our total outstanding debt by approximately $16.5 million.

Under the terms of various debt agreements, we may be required to maintain interest rate swap agreements to reduce the impact of changes in interest rate on our floating rate debt. We have interest rate swap agreements with an aggregate notional amount of $80.0 million at September 30, 2006. Based on rates in effect at September 30, 2006, the agreements for notional amounts aggregating $80.0 million provide for fixed rates ranging from 6.2% to 6.6% and expire through March 2009.

The following table sets forth information as of September 30, 2006 concerning our long-term debt obligations, including principal cash flows by scheduled maturity, weighted average interest rates of maturing amounts and fair market value (dollars in thousands).

	2006	2007	2008	2009	2010	Thereafter	Total	Fair Value
ixed-rate debt	$ 1,557	$ 61,179	$ 102,642	$ 48,053	$ 100,171	$ 212,452	$ 526,054	$ 531,021
verage interest ate	6.8%	7.1%	5.4%	7.0%	6.6%	5.7%	6.2%	5.7%
ariable-rate debt	$	$ 38,224	$ 136,604	$	$ 20,000		$ 194,828	$ 194,828
verage interest ate		7.0%	6.8%		6.8%		6.8%	6.8%

We estimated the fair value of fixed rate mortgages using a discounted cash flow analysis, based on our incremental borrowing rates for similar types of borrowing arrangements with the same remaining maturity. Considerable judgment is required to develop estimated fair values of financial instruments. The fair value of our fixed rate debt is less than the carrying amount; however, settlement at the reported fair value may not be possible or may not be a prudent management decision. The estimates presented herein are not necessarily indicative of the amounts we could realize on disposition of the financial instruments.

Item 4. ***Controls and Procedures***

Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended (Exchange Act), such as this report on Form 10-Q, is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the design control objectives,

and management was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

We carried out an assessment as of September 30, 2006 of the effectiveness of the design and operation of our disclosure controls and procedures. This assessment was done under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based on such evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that such disclosure controls and procedures were effective as of September 30, 2006.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II OTHER INFORMATION

Item 1. ***Legal Proceedings***

There are no material pending legal or governmental proceedings, other than the IRS Examination and ordinary routine litigation incidental to our business, against or involving us or our properties. For a description of the IRS Examination, see Note 10 to the consolidated financial statements.

Item 1A. ***Risk Factors***

You should review our Annual Report on Form 10-K for the year ended December 31, 2005, which contains a detailed description of risk factors that may materially affect our business, financial condition or results of operations. There are no material changes to the disclosure on this matter set forth in such Form 10-K.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

In December 2005, the Board of Trustees authorized the repurchase, at management s discretion, of up to $15.0 million of our common shares of beneficial interest. The program allows us to repurchase our common shares of beneficial interest from time to time in the open market or in privately negotiated transactions. This authorization does not have an expiration date.

The following table contains information regarding our purchase of our common shares of beneficial interest during the three months ended September 30, 2006:

ISSUER PURCHASE OF EQUITY SECURITIES

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Program
July 1 through July 31, 2006		$		$ 7,195,135.88
August 1 through August 31, 2006				7,195,135.88
September 1 throught September 30, 2006				7,195,135.88
Total Third quarter of 2006				7,195,135.88
Total Year-To-Date through September 30, 2006	287,900	$ 27.11	287,900	$ 7,195,135.88

Item 6. ***Exhibits***

Exhibit No.	Description
31.1	Certification of CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.
32.2	Certification of CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed in its behalf by the undersigned thereunto duly authorized.

RAMCO-GERSHENSON PROPERTIES TRUST

By: /s/ Dennis Gershenson

Dennis Gershenson
President and Chief Executive Officer

Date: November 3, 2006

By: /s/ Richard J. Smith

Richard J. Smith
Chief Financial Officer
(Principal Accounting Officer)

Date: November 3, 2006

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Exhibit Index

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