RAMCO GERSHENSON PROPERTIES TRUST
Form 424B5
October 17, 2003

Rule 424(b)5
Registration Statement No. 333-99345

PROSPECTUS SUPPLEMENT

(To prospectus dated September 27, 2002)

Ramco-Gershenson Properties Trust

2,000,000 Shares

Common Shares of Beneficial Interest

This is a public offering of 2,000,000 of our common shares of beneficial interest, par value $0.01 per share. All the common shares offered pursuant to this prospectus supplement are being offered by us.

Our common shares are listed on The New York Stock Exchange under the symbol RPT. On October 15, 2003, the last reported sale price of our common shares on the New York Stock Exchange was $25.94 per common share.

Investing in our common shares involves risk. See Risk Factors beginning on Page 1 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$ 25.20	$ 50,400,000
Underwriting discounts and commissions	$ 0.50	$ 1,000,000
Proceeds, before expenses, to us	$ 24.70	$ 49,400,000

We have granted the underwriters an option to purchase up to 300,000 additional common shares to cover over-allotments.

The underwriters expect to deliver the common shares to purchasers on or about October 20, 2003.

Joint Book-Running Managers

McDonald Investments Inc. **RBC Capital Markets**

The date of this prospectus supplement is October 15, 2003.

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. Because it is a summary, it may not contain all the information that is important to you. You should read carefully this entire prospectus supplement and the accompanying prospectus, especially the section entitled Where You Can Find More Information on page (i) of the accompanying prospectus and the section entitled Risk Factors beginning on page 1 of the accompanying prospectus, as well as the documents incorporated by reference in this prospectus supplement and in the accompanying prospectus, before making a decision to invest in the common shares. Throughout this prospectus supplement, we refer to Ramco-Gershenson Properties Trust, a Maryland real estate investment trust, and its subsidiaries, including Ramco-Gershenson Properties, L.P. and Ramco-Gershenson, Inc. and their predecessors, as we, our, us or the Company unless otherwise noted.

Ramco-Gershenson Properties Trust

We are a fully integrated, self-administered and self-managed real estate investment trust, also known as a REIT, that acquires, develops, manages and owns community shopping centers in the midwestern, southeastern and mid-Atlantic regions of the United States. As of September 30, 2003, we had a portfolio of 64 shopping centers totaling approximately 12.8 million square feet of gross leaseable area located in 12 states. Our properties consist of 63 community shopping centers, ten of which are power centers and three of which are single tenant facilities. We also own one enclosed regional mall. Our shopping centers are located in convenient and easily-accessible locations with abundant parking which are close to residential communities and offer excellent visibility for our tenants and easy access for shoppers.

For approximately half a century, Ramco-Gershenson, Inc. and its predecessor developed and owned shopping centers throughout the United States. Over that time, we developed or acquired over 60 shopping centers with a total of over 16.5 million square feet.

In May 1996, RPS Realty Trust 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.

We conduct substantially all of our business, and hold substantially all of our interests in our properties, through our operating partnership, Ramco-Gershenson Properties, L.P., either directly or indirectly through partnerships or limited liability companies which hold fee title to the properties. We have the exclusive power to manage and conduct the business of our operating partnership. As of June 30, 2003, our company owned approximately 83.2% of the interests in our operating partnership.

Competitive Strengths

Based on our long history in the shopping center industry, the caliber of our management team and the quality of our assets, we feel that we are uniquely positioned to capitalize on opportunities in the real estate market as they present themselves.

Community Shopping Center Focus

We are predominantly a community shopping center company with a focus on acquiring, developing and managing centers primarily anchored by grocery stores and nationally-recognized discount department stores. It is our belief that centers with a grocery and/or discount components attract consumers seeking value-oriented goods and services. Since these products are required to satisfy everyday needs, customers usually visit the centers on a weekly basis.

Markets In Which We Operate

Our shopping centers are primarily located in major metropolitan areas in the midwestern and southeastern regions of the United States. Within specific markets, we seek convenient, easily accessible locations with abundant parking facilities, close to residential communities, with excellent visibility for our tenants and easy access for shoppers. In both of these regions we have concentrated a number of centers in reasonable proximity to each other in order to achieve market penetration as well as efficiencies in management, oversight and purchasing.

Proactive Asset Management

We use our asset management personnel to perform a variety of functions, including playing a major role in creating and assessing redevelopment, acquisition, development and leasing opportunities. Our proactive approach to leasing has allowed us to consistently maintain a high occupancy rate, which has ranged between 89.6% and 95.5% as of the end of each quarter during the last five years. Our asset management team also helps to ensure that our centers remain competitive in their respective trade areas. In addition, when considering an acquisition, we use our experience and tenant contacts to look for value-added opportunities. We maintain strong relationships with national and regional anchor tenants, allowing us to assess their interest in our prospective developments.

Experienced Management Team

Our management team has an average of approximately 28 years of experience in the real estate industry, including acquisition, development, construction, financing, leasing and asset management experience. Our 46-year history as a shopping center developer provides us with the ability to discover attractive investment opportunities. Our management and trustees currently own 14.3% of our company (assuming the conversion into our common shares of all of the outstanding units in our operating partnership but excluding outstanding options to purchase our common shares), which aligns management s interests with those of our shareholders.

Business Strategy

Our goal 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 in the midwestern, southeastern and mid-Atlantic regions of the United States 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.

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

Geographic Diversification

The following table sets forth the distribution by region and by state of our gross leaseable area and annualized base rent as of June 30, 2003.

Region/State	Number of Properties	Company Owned Gross Leaseable Area: Total Sq. Ft.(1)	Company Owned Gross Leaseable Area: % of Total Portfolio	Annualized Base Rent(2): Total	Annualized Base Rent(2): % of Total Portfolio
Midwestern					
Michigan	23	4,398,799	42.0%	$ 32,065,023	43.0%
Ohio	4	817,981	7.8	6,490,242	8.7
Wisconsin	2	538,675	5.1	3,653,993	4.9
Subtotal Midwestern	29	5,755,455	55.0%	42,209,258	56.6%
Southeastern					
Florida	13	1,735,772	16.6%	12,591,392	16.9%
Georgia	5	642,332	6.1	4,348,285	5.8
Tennessee	6	779,826	7.4	3,796,590	5.1
South Carolina	2	361,828	3.5	1,912,038	2.6
North Carolina	2	363,833	3.5	2,001,370	2.7
Alabama	1	126,701	1.2	756,728	1.0
Subtotal Southeastern	29	4,010,292	38.3%	25,406,403	34.1%
Mid-Atlantic					
New Jersey	1	224,138	2.1%	2,867,411	3.8%
Virginia	1	228,617	2.2	2,471,165	3.3
Maryland	1	251,547	2.4	1,589,278	2.1
Subtotal Mid-Atlantic	3	704,302	6.7%	6,927,854	9.3%
Total	**61**	**10,470,049**	**100%**	**$ 74,543,515**	**100%**

(1) Represents (a) gross leaseable area with respect to our shopping centers and (b) rentable square feet with respect to our single-tenant properties.

(2) We calculate annualized base rent for all leases in place on June 1, 2003 by multiplying total base rent for June 2003 by 12.

Occupancy

Our overall occupancy rates as of December 31, 2001, December 31, 2002 and June 30, 2003 were 95.5%, 90.5% and 89.6%, respectively.

Tenant Mix

The following table sets forth information regarding our top ten tenants as of June 30, 2003, determined by the percentage of our total annualized base rent in place at June 1, 2003.

		Company Owned Gross Leaseable Area		Annualized Base Rent(1)		
Tenant	**Number of Stores**	**Total Sq. Ft.**	**% of Total Portfolio**	**Total**	**% of Total Portfolio(2)**	**Type of Business**
Wal-Mart	13	1,227,126	11.72%	$ 5,289,203	7.10%	Discount Department Store
Kmart	5	538,638	5.14	2,994,005	4.02	Discount Department Store
Publix	7	324,765	3.10	2,583,349	3.47	Supermarket
Farmer Jack/ A & P	5	252,280	2.41	2,430,660	3.26	Supermarket
Lowe s Home Centers	2	270,720	2.59	1,735,056	2.33	Home Improvement Store
T.J. Maxx/ Marshalls	8	223,206	2.13	1,639,488	2.20	Off-Price Department Store
Circuit City	3	104,839	1.00	1,488,731	2.00	Electronics Store
Jo-Ann Fabrics	6	153,758	1.47	1,457,457	1.96	Fabric & Craft Retailer
Kohl s	4	274,084	2.62	1,455,855	1.95	Department Store
OfficeMax	7	161,998	1.55	1,283,989	1.72	Office Supply Store

(1) We calculate annualized base rent for all leases in place on June 1, 2003 by multiplying total base rent for June 2003 by 12.

(2) Represents the total annualized base rent for the tenant divided by our total company annualized base rent of $74,543,515 as of June 1, 2003.

Recent Developments

On September 15, 2003, we announced that we acquired the 313,000 square foot Fairlane Meadows shopping center in Dearborn, Michigan. The center is anchored by Target and Mervyns, which were not included in the acquisition as they own their own spaces, as well as Best Buy and Kids R Us. The shopping center also consists of 20 smaller tenant spaces. The $19.4 million transaction was financed with a portion of the proceeds from our equity offering completed in June 2003 as well as the assumption of debt in the amount of $12.0 million. Fairlane Meadows is located within the metropolitan Detroit area, approximately 1/2 mile from the Ford World Headquarters complex and super regional Fairlane Town Center.

On August 19, 2003, we announced that we acquired the 361,000 square foot Lakeshore Marketplace in Norton Shores, Michigan, a suburb of Muskegon. The shopping center is anchored by TJ Maxx, Barnes & Noble, Old Navy, Elder Beerman, Hobby Lobby, Toys R Us, Dunhams and Petco. The shopping center was purchased for $22.5 million, which was financed with a portion of the proceeds from our June 2003 equity offering and included the assumption of approximately $15.7 million of debt. Lakeshore Marketplace is located across the street from The Lakes Mall, a super regional mall. Norton Shores is approximately 35 miles west of Grand Rapids, Michigan.

On July 14, 2003, we announced that we acquired the 247,000 square foot Clinton Pointe shopping center in Clinton Township, Michigan, a suburb of Detroit. The shopping center is anchored by Target, which was not part of the purchase, OfficeMax and Sports Authority. A portion of the proceeds from our June 2003 equity offering was utilized to purchase the $11.6 million shopping center.

We have previously issued guidance that we expect our 2003 funds from operations, also known as FFO, to be between $2.03 and $2.08 per diluted common share and our net income for 2003 to be between $0.49 and $0.53 per diluted common share. As a result of this offering, we expect our actual FFO and net income per diluted common share for 2003 to be at the low end of this range, at or about $2.03 and $0.49, respectively. This revision reflects the greater number of common shares which will be outstanding as a result of this offering and the lag in time between the closing of this offering and the full deployment of the net proceeds thereof.

We consider FFO to be an appropriate supplemental measure of the financial performance of an equity REIT. Under the National Association of Real Estate Investment Trusts (NAREIT) definition, FFO represents income before minority interest, excluding extraordinary items, as defined under accounting principles generally accepted in the United States of America (GAAP), gains 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 should not be considered an alternative to GAAP net income as an indication of our performance. We consider FFO to be a useful measure for reviewing our comparative operating and financial performance between periods or to compare our performance to different REITs. However, our computation of FFO may differ from the methodology for calculating FFO utilized by other real estate companies, and therefore, may not be comparable to these other real estate companies.

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of 2,000,000 common shares in this offering will be approximately $49,200,000, after payment of the underwriting discounts and offering expenses.

We intend to use the net proceeds of the sale of our common shares in this offering initially to pay in full the balance outstanding under our unsecured credit facility, which currently is approximately $3.4 million, and to pay down the outstanding balance under our secured credit facility by approximately $16.3 million, with the remaining proceeds invested in short term investments. Our unsecured credit facility expires in December 2005 and has a variable interest rate which ranges between 325 and 375 basis points above LIBOR, depending on certain debt ratios, and was 363 basis points above LIBOR at September 30, 2003. Our secured credit facility also expires in December 2005 and has a variable interest rate which ranges between 150 and 200 basis points over LIBOR, depending on certain debt ratios, and was 175 basis points above LIBOR at September 30, 2003.

Following this offering, we expect to utilize the proceeds invested in short term investments and to borrow additional amounts under our credit facilities to acquire or develop additional shopping centers and to expand or renovate our existing centers. We are currently in negotiations to acquire two community centers located in the Midwest for an aggregate purchase price of approximately $70.5 million, including approximately $35.0 million of assumed debt. We expect to close these acquisitions by the end of the first quarter of 2004. The consummation of these acquisitions is contingent upon the successful negotiation of definitive purchase agreements and satisfaction of the applicable conditions to closing. We also intend to complete the redevelopment of five of our community shopping centers, which includes the expansion, renovation or retenanting of these centers. We expect to complete these redevelopment projects during the summer of 2004 for an estimated aggregate project cost of $26.1 million.

The description above reflects our current intentions for how we will use the estimated net proceeds from the sale of common shares in this offering. We might change how we use the estimated net proceeds in response to, among other things, changes in our business plans, future revenues and expenses and industry, regulatory or competitive conditions. The amount of our expenses and their timing will vary depending on a number of factors, including changes in our expected operations or business plan and changes in economic and industry conditions. Any such changes will be at the discretion of our Board of Trustees and officers.

CAPITALIZATION

The following table sets forth our actual capitalization at June 30, 2003 and as adjusted to give effect to the sale of 2,000,000 common shares we are offering by this prospectus supplement, the application of the estimated net proceeds to us from that offering and the consummation of the transactions described under Use of Proceeds. See Use of Proceeds.

	June 30, 2003	
	Actual	**As Adjusted**
	(In thousands, except share data)	
Debt:		
Mortgage and construction loans	$ 327,835	$ 327,835
Secured credit facility	75,000	75,000(3)
Unsecured credit facility		(4)
Total debt	402,835	402,835
Minority interest	43,852	43,852
Shareholders equity:		
Preferred shares, par value $0.01; 10,000,000 shares authorized; 1,000,000 Series B shares issued and outstanding, liquidation values of $25,000,000	23,804	23,804
Common shares, par value $0.01; 30,000,000 shares authorized; 14,466,591 issued and outstanding (1) (16,466,591 shares as adjusted (2))	144	164
Additional paid-in capital	285,164	334,344
Accumulated other comprehensive loss	(2,895)	(2,895)
Cumulative distributions in excess of net income	(63,438)	(63,438)
Total shareholders equity	242,779	291,979
Total Capitalization	$ 689,466	$ 738,666

(1) The number of common shares outstanding as of June 30, 2003 does not include:

570,325 common shares issuable as of June 30, 2003 upon exercise of outstanding options granted under our stock option plans, and

2,929,262 common shares issuable as of June 30, 2003 upon exchange of outstanding units in our operating partnership, Ramco-Gershenson Properties, LP.

(2) The number of common shares outstanding as adjusted does not include the 300,000 common shares that will be issued if the underwriters exercise their overallotment option in full.

(3) The current balance outstanding under the secured credit facility is approximately $91.3 million, and we intend to use approximately $16.3 million of the proceeds of this offering initially to pay down the outstanding balance of this facility to $75.0 million.

(4) The current balance outstanding under the unsecured credit facility is approximately $3.4 million, and we intend to use a portion of the proceeds of this offering initially to pay in full the outstanding balance of this facility.

COMMON SHARE PRICE AND DIVIDEND PERFORMANCE

Our common shares are listed on The New York Stock Exchange under the trading symbol RPT. The following table sets forth, for the periods indicated, the range of high and low closing sales prices for our common shares as reported on The New York Stock Exchange and the cash dividends paid per share.

	High	Low	Dividends
Year Ended December 31, 2001			
First Quarter	$ 15.00	$ 13.25	$ 0.42
Second Quarter	17.55	13.70	0.42
Third Quarter	18.15	14.33	0.42
Fourth Quarter	17.57	16.05	0.42
Year Ending December 31, 2002			
First Quarter	$ 18.30	$ 16.15	$ 0.42
Second Quarter	20.85	17.64	0.42
Third Quarter	20.50	17.49	0.42
Fourth Quarter	20.06	16.91	0.42
Year Ending December 31, 2003			
First Quarter	$ 22.32	$ 19.44	$ 0.42
Second Quarter	24.95	21.81	0.42
Third Quarter	26.37	23.18	0.42
Fourth Quarter (through October 15, 2003)	26.25	25.41	

On October 15, 2003, the last sales price for our common shares reported on The New York Stock Exchange was $25.94 per share. As September 30, 2003, we had 2,609 shareholders of record.

Dividend Policy

Dividends are paid to our shareholders on a quarterly basis if, as and when declared by our Board of Trustees. In order to maintain our status as a REIT, we are generally required to distribute annually to our shareholders at least 90% of our adjusted REIT taxable income (as defined in the Internal Revenue Code).

Future dividends on our common shares will be at the discretion of our Board of Trustees and will depend on, among other things, our results of operations, financial condition and capital requirements, the annual distribution requirements under the REIT provisions of the Internal Revenue Code, our debt service requirements and other factors as our Board of Trustees may deem relevant. In addition, our credit facilities contain financial covenants which could limit the amount of dividends we could pay in the event of a deterioration in our results of operations or financial condition and which prohibits the payment of dividends on our common shares in the event that we fail to pay when due (subject to any applicable grace period) any principal of or interest on borrowings under the credit facilities. Accordingly, we cannot assure you that future dividends will be paid or sustained at current levels.

Historically, our retained funds from operation have allowed us to maintain strong dividend coverage. The chart below sets forth our distribution coverage for 2001 and 2002 and the six months ended June 30, 2003:

	For the Year Ended December 31,		Six Months Ended June 30,
	2001	2002	2003
	(dollars in thousands)		
Net income available to common shareholders	$ 10,503	$ 12,280	$ 1,445
Add:			
Depreciation and amortization expense	17,148	17,969	10,680
Loss on sale of real estate			1,367
Minority interest in partnership:			
Continuing operations	5,500	2,618	691
Discontinued operations	303	74	
Less:			
Discontinued operations, gain on sale of property		(2,164)	
Gain on redemption of preferred shares		(2,425)	
Gain on sale of real estate	(5,207)		
Funds from Operations Basic	28,247	28,352	14,183
Add:			
Convertible preferred share dividends	3,360	828	
Funds from Operations diluted	31,607	29,180	14,183
Less: Distributions	(20,233)	(24,184)	(13,703)
Retained Funds from Operations Diluted	$ 11,374	$ 4,996	$ 480
Diluted Funds from Operations Payout Ratio(1)	64.0%	82.9%	96.6%
Distribution Coverage(2)	1.6	1.2	1.0(3)

(1) Represents distributions divided by total funds from operations diluted.

(2) Represents total funds from operations diluted divided by distributions.

(3) Includes a $2,988 non-cash write-off of straight-line rent receivable that negatively impacted this ratio by 0.3 for the six months ended June 30, 2003.

SELECTED FINANCIAL DATA

The following table sets forth our unaudited selected financial data on a consolidated basis for the six months ended June 30, 2003 and 2002, and selected financial data on a consolidated basis for the year ended December 31, 2002 and should be read in conjunction with the financial statements and related notes that are incorporated by reference into this prospectus supplement. The financial information is derived from our consolidated financial statements. The results of the six-month period ended June 30, 2003 may not be indicative of the results to be expected for the full year.

	Six Months Ended June 30,		Year Ended December 31,
	2003	2002	2002
	(In thousands, except per share data)		
Statements of operations data:			
Revenues:			
Minimum rents	$ 35,284	$ 28,890	$ 60,878
Percentage rents	774	716	1,070
Recoveries from tenants	14,384	11,710	25,324
Fees and management income	674	880	1,527
Interest and other income	718	973	2,424
Total revenues	51,834	43,169	91,223
Expenses:			
Real estate taxes	6,704	5,300	11,987
Recoverable operating expenses	8,225	6,626	14,378
Depreciation and amortization	10,698	8,349	17,662
Other operating	3,662	694	1,460
General and administrative	4,376	4,159	8,833
Interest expense	14,458	12,366	26,429
Total expenses	48,123	37,494	80,749
Operating income	3,711	5,675	10,474
Earnings from unconsolidated entities	140	346	790
Income from continuing operations before loss on sale of real estate and minority interest	3,851	6,021	11,264
Loss on sale of real estate	(527)		
Minority interest	(691)	(1,573)	(2,618)
Income from continuing operations	2,633	4,448	8,646
Discontinued operations, net of minority interest:			
Gain on sale of property		2,164	2,164
Income from operations		147	196
Net income	2,633	6,759	11,006
Preferred dividends	(1,188)	(828)	(1,151)
Gain on redemption of preferred shares		2,425	2,425
Net income available to common shareholders	$ 1,445	$ 8,356	$ 12,280
Basic earnings per share:			
Income from continuing operations	$ 0.12	$ 0.69	$ 0.94

Income from discontinued operations		0.26	0.23
Net income	$ 0.12	$ 0.95	$ 1.17
Diluted earnings per share:			
Income from continuing operations	$ 0.11	$ 0.66	$ 0.93
Income from discontinued operations		0.21	0.23
Net income	$ 0.11	$ 0.87	$ 1.16

	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002	Year Ended December 31, 2002
	(In thousands, except per share data)		
Weighted average shares outstanding:			
Basic	12,494	8,771	10,529
Diluted	12,655	10,451	10,628
Other data:			
Funds from operations(1)			
Net income available to common shareholders	$ 1,445	$ 8,356	$ 12,280
Add:			
Depreciation and amortization expense	10,680	8,569	17,969
Loss on sale of real estate(2)	1,367		
Minority interest in partnership:			
Continuing operations	691	1,573	2,618
Discontinued operations		61	74
Less:			
Gain on redemption of preferred shares		(2,425)	(2,425)
Discontinued operations, gain on sale of property		(2,164)	(2,164)
Funds from operations basic	14,183	13,970	28,352
Add:			
Convertible preferred share dividends(3)		828	828
Funds from operations diluted	$ 14,183	$ 14,798	$ 29,180
Weighted average equivalent shares outstanding:(4)			
Basic	15,425	11,713	13,468
Diluted	15,586	13,392	14,359
Supplemental disclosure:			
Straight-line rental income	$ 1,037	$ 1,447	$ 2,848

(1) 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 (NAREIT) definition, FFO represents income before minority interest, excluding extraordinary items, as defined under accounting principles generally accepted in the United States of America (GAAP), gains 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 should not be considered an alternative to GAAP net income as an indication of our performance. We consider FFO to be a useful measure for reviewing our comparative operating and financial performance between periods or to compare our performance to different REITs. However, our computation of FFO may differ from the methodology for calculating FFO utilized by other real estate companies, and therefore, may not be comparable to these other real estate companies.

(2) Excludes gain on sale of undepreciated land of $840 in 2003.

(3) Series A Preferred Shares, convertible into common shares, were redeemed in the second quarter of 2002. Series B preferred shares are not convertible into common shares. Therefore, they are excluded from the calculation.

(4) For basic FFO, represents the weighted average total shares outstanding, assuming the redemption of all Operating Partnership Units for common shares. For diluted FFO, represents the weighted average total shares outstanding, assuming the redemption of all Operating Partnership Units for common shares, the Series A Preferred Shares converted to common shares, and the common shares issuable under the treasury stock method upon exercise of stock options.

ADDITIONAL FEDERAL INCOME TAX CONSIDERATIONS

The following is a discussion of the additional federal income tax consequences that are anticipated to be material to an investor in the common shares. This discussion is based on current law, is for general information only and is not tax advice. The tax consequences related to an investment in the common shares may vary depending on an investor s particular situation and this discussion does not purport to discuss all aspects of taxation that may be relevant to a holder of our securities in light of his or her personal investment or tax circumstances, or to holders of our securities subject to special treatment under the federal income tax laws. Investors subject to special treatment include, without limitation, insurance companies, financial institutions, broker-dealers, tax-exempt organizations, investors holding securities as part of a conversion transaction, or a hedge or hedging transaction or as a position in a straddle for tax purposes, foreign corporations or partnerships, and persons who are not citizens or residents of the United States. In addition, the discussion below does not consider the effect of any foreign, state, local or other tax laws that may be applicable to you as a holder of our securities.

Recent Developments

As indicated in the accompanying prospectus under the headings Risk Factors Tax Risks and Federal Income Tax Considerations Tax Audit, the IRS is currently conducting an examination of us for the taxable years ended December 31, 1996 and 1997, and of our operating partnership (through which we conduct substantially all of our business and hold substantially all of our interests in our properties) for the taxable years ended December 31, 1997 and 1998. The IRS has expanded its examination of us to include the taxable years ended December 31, 1998 and 1999, and of our operating partnership to include the taxable year ended December 31, 1999, and we have agreed to an extension of the statute of limitations with respect to our operating partnership for the taxable year ended December 31, 2000. If the IRS were to challenge our status as a REIT for our taxable year ended December 31, 1998, 1999 or 2000, and such challenge were to be sustained, we would not (unless we were to meet certain relief provisions under the Internal Revenue Code) be able to re-elect REIT status until January 1, 2003, 2004 or 2005, respectively.

Recent Tax Legislation

The recently-enacted Jobs and Growth Tax Relief Reconciliation Act of 2003 (the 2003 Act) reduces the maximum federal income tax rate applicable to ordinary income of individuals to 35% for the 2003 through the 2010 tax years. The 2003 Act also reduces, effective for sales and exchanges occurring on or after May 6, 2003 and before December 31, 2008, the maximum capital gains rate for individuals from 20% to 15%. The reduced maximum capital gains rate for individuals applies to capital gains on the sale of REIT shares held for more than 1 year as well as REIT distributions of capital gains dividends (except to the extent of any depreciation recapture, which continues to be taxed at 25%).

The 2003 Act also reduces the rate at which individual shareholders are taxed on corporate dividends to a maximum of 15% (the same as long-term capital gains) for the 2003 through 2008 tax years. Dividends received by shareholders from us or from other entities that are taxed as REITs will generally continue to be taxed as ordinary income. Individuals are eligible for the 15% preferential rate on REIT dividends to the extent that the dividends are attributable to (i) REIT income in the prior taxable year on which the REIT was subject to corporate level income tax (less the amount of such tax), (ii) dividends received by the REIT from taxable C corporations, or (iii) income in the prior taxable year from the sales of appreciated (i.e., Built-in Gain) property acquired by the REIT from C corporations in carryover basis transactions (less the amount of corporate tax on such income). Thus, investors should note that the taxation of distributions from us and the disposition of common shares discussed in the accompanying prospectus under the heading Federal Income Tax Considerations Federal Income Taxation of Shareholders Federal Income Taxation of Domestic Shareholders has been modified by the 2003 Act as discussed above.

As stated in the accompanying prospectus under the heading Federal Income Tax Considerations Other Tax Considerations Information Reporting Requirements and Backup Withholding Tax, holders of common shares may be subject to backup withholding on payments made with respect to, or cash proceeds of a sale or exchange of, common shares. Pursuant to the 2003 Act, the backup withholding rate on such payments is reduced from 30% to 28% through 2010, following which the rate increases to 31%.

Recent Legislative Proposals

Recently proposed legislation would modify the treatment of capital gains dividends distributed by REITs to their foreign shareholders that is discussed in the accompanying prospectus under the heading Federal Income Tax Considerations Federal Income Taxation of Shareholders Federal Income Taxation of Non-U.S. Shareholders Capital Gain Dividends. The proposed legislation would treat capital gain dividends received by a foreign shareholder in the same manner as ordinary income dividends, provided that (1) the capital gain dividends are received with respect to a class of stock that is regularly traded on an established securities market located in the United States and (2) the foreign shareholder does not own more than 5% of the class of stock at any time during the taxable year in which the capital gain dividends are received. The proposed legislation would apply to taxable years beginning after the date of enactment.

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. No assurance can be given as to whether, or in what form, the proposal described above (or any other proposals affecting REITs or their shareholders) will be enacted. Changes to the federal tax laws and interpretations thereof could adversely affect an investment in our securities.

Recently Adopted Treasury Regulations

If a holder of common shares recognizes a loss upon a subsequent disposition of common shares in an amount that exceeds a prescribed threshold, it is possible that the provisions of recently adopted Treasury regulations involving tax shelters could apply to require a disclosure filing with the IRS concerning the loss generating transaction. While these regulations are directed towards tax shelters, they are quite broad, and apply to transactions that would not typically be considered tax shelters. In addition, legislative proposals have been introduced in Congress that, if enacted would impose significant penalties for failure to comply with these requirements. You should consult your tax advisers concerning any possible disclosure obligation with respect to the receipt or disposition of common shares, or transactions that might be undertaken directly or indirectly by us. Moreover, you should be aware that we and other participants in the transactions involving us (including their advisors) might be subject to disclosure or other requirements pursuant to these regulations.

For a discussion of the additional material federal income tax consequences relating to the acquisition, holding and disposition of our common shares, please see the description in the accompanying prospectus under the heading Federal Income Tax Considerations.

UNDERWRITING

Subject to the terms and conditions stated in the underwriting agreement dated as of the date of this prospectus supplement, the underwriters named below have severally agreed to purchase from us the following respective number of common shares at a public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus supplement:

Underwriters	Number of Shares
McDonald Investments Inc., a KeyCorp Company	1,000,000
RBC Dain Rauscher Inc.	1,000,000
Total:	2,000,000

The underwriting agreement provides that the obligation of the underwriters to purchase the common shares included in this offering is subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the common shares if they purchase any of the common shares.

The underwriters propose to offer the common shares directly to the public at the public offering price set forth on the cover page of this prospectus supplement. If all the common shares are not sold at the public offering price, the underwriters may change the public offering price and the other selling terms.

We have granted to the underwriters the option, exercisable for 30 days from the date of this prospectus supplement, to purchase up to 300,000 additional common shares at the public offering price less the underwriting discount. The underwriters may exercise the option solely for the purpose of covering over-allotments, if any, in connection with the offering.

Our common shares are listed on the New York Stock Exchange under the symbol RPT.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters option to purchase additional common shares.

Payable by Ramco-Gershenson Properties Trust

	No Exercise	Full Exercise
Per share	$ 0.50	$ 0.50
Total	$ 1,000,000	$ 1,150,000

In connection with this offering, the underwriters may purchase and sell common shares in the open market. These transactions may include short sales, syndicate covering transactions and stabilizing transactions. Short sales involve syndicate sales of common shares in excess of the number of common shares to be purchased by the underwriters in this offering, which creates a syndicate short position. Covered short sales are sales of common shares made in an amount up to the number of common shares represented by the underwriters over-allotment option. In determining the source of common shares to close out the covered syndicate short position, the underwriters will consider, among other things, the price of common shares available for purchase in the open market as compared to the price at which it may purchase common shares through the over-allotment option. Transactions to close out the covered syndicate short position involve either purchases in the open market after the distribution has been completed or the exercise of the over-allotment option. The underwriters may also make naked short sales of common shares in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing common shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of bids for, or purchases of, common shares in the open market while the offering is in progress.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the common shares. They may also cause the price of the common shares to be higher than the price that would otherwise exist on the open market in the absence of these transactions. The underwriters may conduct these transactions on the New York Stock Exchange or in the over-the-counter market, or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

Each of our officers and trustees has agreed not to offer, sell, contract to sell or otherwise dispose of, or enter into any transaction that is designed to, or could be expected to, result in the disposition of any of our common shares or other securities convertible into, exchangeable into or exercisable for our common shares or derivatives of our common shares owned by these persons prior to this offering or common shares issuable upon exercise of options or warrants held by these persons for a period of 90 days after the date of this prospectus supplement without the prior written consent of each underwriter. This consent may be given at any time without public notice. We have entered into a similar agreement with the underwriters except that without such consent we may grant options and sell common shares pursuant to our share option plans, and we may issue our common shares or units of our operating partnership in connection with a strategic partnering transaction or in exchange for all or substantially all of the equity or assets of a company in connection with a merger or acquisition. There are no agreements between the underwriters and any of our officers and trustees releasing them from these lock-up agreements prior to the expiration of the 90-day period.

We estimate that our portion of the total expenses of this offering, excluding the underwriting discount, will be $200,000.

An affiliate of McDonald Investments Inc. acts as a lender to us under our credit facility. Since we intend to use the net proceeds of this offering initially to reduce the outstanding balance of our credit facility, that affiliate may receive over 10% of the net proceeds. Accordingly, this offering is being made in compliance with the requirements of Rule 2710(c)(8) of the Conduct Rules of the National Association of Securities Dealers, Inc.

McDonald Investments Inc. and its affiliates have performed investment banking and advisory services for us from time to time for which they have received customary fees and expenses and the underwriters and their affiliates may, in the future, engage in transactions with and perform services for us in the ordinary course of their business.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

LEGAL MATTERS

The validity of the issuance of the common shares offered by this prospectus has been passed upon for us by Ballard Spahr Andrews & Ingersoll, LLP, Baltimore, Maryland. Certain tax matters will be passed upon for us by Honigman Miller Schwartz and Cohn LLP, Detroit, Michigan. Certain legal matters will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York.

EXPERTS

The financial statements and related financial statement schedule incorporated in this prospectus supplement by reference from our annual report on Form 10-K for the year ended December 31, 2002 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report (which report expresses an unqualified opinion and includes an explanatory paragraph relating to changes in the methods of accounting for the impairment or disposal of long-lived assets in 2002 and derivative instruments and hedging activities in 2001), which is incorporated by reference herein and has been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference the information and reports we file with it, which means that we can disclose important information to you by referring you to those documents. The information we incorporate in this prospectus supplement by reference is an important part of this prospectus supplement, and some of the information that we file after the date of this prospectus supplement with the SEC will be incorporated automatically in this prospectus supplement and update and supercede this information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, until we sell all of the securities offered by this prospectus supplement:

our annual report on Form 10-K for the year ended December 31, 2002,

our quarterly report on Form 10-Q for the quarter ended March 31, 2003,

our current report on Form 8-K filed with the SEC on June 4, 2003,

our two current reports on Form 8-K filed with the SEC on June 10, 2003, our current report on Form 8-K filed with the SEC on June 13, 2003,

our quarterly report on Form 10-Q for the quarter ended June 30, 2003, and

the description of our common shares contained in our registration statement on Form 8-A filed with the SEC on November 1, 1988 (which incorporates by reference pages 101-119 of our prospectus/proxy statement filed with the SEC on November 1, 1988), as updated by the description of our common shares contained in our definitive proxy statement on Schedule 14A for our special meeting of shareholders held on December 18, 1997.

We will provide, without charge, at the written or oral request of anyone to whom this prospectus supplement is delivered, copies of the documents incorporated by reference in this prospectus supplement other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing. Written requests should be directed to Ramco-Gershenson Properties Trust, 27600 Northwestern Highway, Suite 200, Southfield, Michigan 48034, Attention: Investor Relations. Telephone requests may be directed to (248) 728-1526.

WHERE YOU CAN GET MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with, or furnish information to, the SEC. You can receive copies of these reports, proxy and information statements and other information, at prescribed rates, from the SEC by addressing written requests to the SEC s Public Reference Room at 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549. In addition, you can read and copy our reports, proxy and information statements, and any other information or materials we file with, or furnish to, the SEC at the public reference facilities and at the regional offices of the SEC, in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. The SEC also maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers, such as us, that file electronically with the SEC. The address of the SEC s Web site is http://www.sec.gov.

In addition, our annual, quarterly and special reports, proxy statements and other information we have filed with, or information we have furnished to, the SEC is available free of charge through our website as soon as reasonably possible after they are electronically filed with, or furnished to, the SEC. Our website address is *www.ramco-gershenson.com.*

FORWARD-LOOKING STATEMENTS

Some of the statements in this prospectus supplement are forward-looking statements. These forward-looking statements include statements relating to our performance. In addition, we may make forward-looking statements in future filings with the SEC and in written materials, press releases and oral statements issued by us or on our behalf. Forward-looking statements include statements regarding the intent, belief or current expectations of us or our officers, including statements preceded by, followed by or including forward-looking terminology such as may, will, should, believe, expect, anticipate, estimate, continue, predict, or similar expressions, with respect to various matters.

It is important to note that our actual results could differ materially from those anticipated from the forward-looking statements depending on various important factors, which include those factors discussed under Risk Factors, beginning on page 1 of the accompanying prospectus, and the following:

economic conditions generally and in the commercial real estate and finance markets specifically,

changes in governmental regulations, tax rates and similar matters,

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, and

our success or failure in implementing our business strategy.

You should read this prospectus supplement, as well as the accompanying prospectus and the documents incorporated by reference in them, including our financial statements and the notes to financial statements, before deciding whether to invest in the common shares.

All forward-looking statements in this prospectus supplement are based on information available to us on the date of this prospectus supplement. We do not undertake to update any forward-looking statements that may be made by us or on our behalf in this prospectus supplement or otherwise.

Prospectus

Ramco-Gershenson Properties Trust

$150,000,000

Common Shares of Beneficial Interest,

Preferred Shares of Beneficial Interest,
and Warrants.

By this prospectus, Ramco-Gershenson Properties Trust may offer from time to time:

- common shares of beneficial interest,
- preferred shares of beneficial interest, and
- warrants (exercisable for common shares or preferred shares).

Throughout this prospectus, we refer to our common shares, preferred shares, and warrants as securities. Each time we sell securities, we will provide a supplement to this prospectus that will contain specific information about the terms of such offering. That prospectus supplement may also add, update or change information in this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest in any securities.

Our common shares are listed on the New York Stock Exchange under the symbol RPT. Each prospectus supplement will indicate if the securities offered thereby will be listed on any securities exchange.

We may sell securities directly to one or more purchasers, through agents or through underwriters or dealers. If we sell securities through agents or underwriters, we will name them in the prospectus supplement for that offering and describe in the prospectus supplement the applicable purchase price and any fees, commissions or discounts.

Investing in the securities involves risk. See Risk Factors beginning on page 1.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.

The date of this prospectus is September 27, 2002

You should rely only on the information contained or incorporated by reference in this prospectus and the applicable prospectus supplement. We have not authorized anyone to provide you with different or additional information. This prospectus is not an offer to sell nor is it seeking an offer to buy securities in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus and the documents incorporated by reference are accurate only as of their respective dates, regardless of the time of delivery of this prospectus or any sale of securities. Throughout this prospectus we refer to Ramco-Gershenson Properties Trust, a Maryland real estate investment trust, and its subsidiaries, including Ramco-Gershenson Properties, L.P. and Ramco-Gershenson, Inc., and their predecessors, as we, our, and us unless otherwise noted.

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WHERE YOU CAN GET MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission, also known as the SEC. You can receive copies of these reports, proxy and information statements and other information, at prescribed rates, from the SEC by addressing written requests to the SEC s Public Reference Room at 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549. In addition, you can read and copy our reports, proxy and information statements, and any other information or materials we file with the SEC at the public reference facilities and at the regional offices of the SEC, in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. The SEC also maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers, such as us, that file electronically with the SEC. The address of the SEC s Web site is http://www.sec.gov.

This prospectus is part of a shelf registration statement that we have filed with the SEC. By using a shelf registration statement, we may sell, from time to time, in one or more offerings, any combination of the securities described in this prospectus in a dollar amount that does not exceed $150,000,000. This prospectus is part of the registration statement and does not include all of the information contained in the registration statement. For further information about us and the securities to be offered, you should review the registration statement. You can inspect or copy the registration statement, at prescribed rates, at the SEC s public reference facilities at the addresses listed above.

Statements contained in this prospectus concerning the provisions of documents are necessarily summaries of those documents and when any of those documents is an exhibit to the registration statement, each such statement is qualified in its entirety by reference to the copy of the document filed with the SEC.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference the information and reports we file with it, which means that we can disclose important information to you by referring you to those documents. The information we incorporate in this prospectus by reference is an important part of this prospectus, and some of the information that we file after the date of this prospectus with the SEC will be incorporated automatically in this prospectus and update and supercede this information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, until we sell all of the securities offered by this prospectus:

- our annual report on Form 10-K for the year ended December 31, 2001, except for Item 8,
- our quarterly report on Form 10-Q for the quarter ended March 31, 2002,
- our quarterly report on Form 10-Q for the quarter ended June 30, 2002,
- our current report on Form 8-K filed with the SEC on April 19, 2002,
- our current report on Form 8-K filed with the SEC on April 24, 2002,
- our current report on Form 8-K filed with the SEC on September 9, 2002, and
- the description of our common shares contained in our registration statement on Form 8-A filed with the SEC on November 1, 1988 (which incorporates by reference pages 101-119 of our prospectus/proxy statement filed with the SEC on November 1, 1988), as updated by the description of our common shares contained in our definitive proxy statement on Schedule 14A for our special meeting of shareholders held on December 18, 1997.

We will provide, without charge, at the written or oral request of anyone to whom this prospectus is delivered, copies of the documents incorporated by reference in this prospectus other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing. Written requests should be directed to Ramco-Gershenson Properties Trust, 27600 Northwestern Highway, Suite 200, Southfield, Michigan 48034, Attention: Investor Relations. Telephone requests may be directed to (248) 728-1526.

FORWARD-LOOKING STATEMENTS

Some of the statements in this prospectus are forward-looking statements. These forward-looking statements include statements relating to our performance. In addition, we may make forward-looking statements in future filings with the SEC and in written materials, press releases and oral statements issued by us or on our behalf. Forward-looking statements include statements regarding the intent, belief or current expectations of us or our officers, including statements preceded by, followed by or including forward-looking terminology such as may, will, should, believe, expect, anticipate, estimate, continue, predict or similar expressions, with respect to various matters.

It is important to note that our actual results could differ materially from those anticipated from the forward-looking statements depending on various important factors, which include those factors discussed under Risk Factors, beginning on page 1, and the following:

- economic conditions generally and in the commercial real estate and finance markets specifically,
- changes in governmental regulations, tax rates and similar matters,
- 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, and
- our success or failure in implementing our business strategy.

You should read this prospectus, as well as the documents incorporated by reference in them, including our financial statements and the notes to financial statements, before deciding whether to invest in securities.

All forward-looking statements in this prospectus are based on information available to us on the date of this prospectus. We do not undertake to update any forward-looking statements that may be made by us or on our behalf in this prospectus or otherwise.

RISK FACTORS

Investing in our securities involves risk. You should carefully consider the specific factors listed below, together with the cautionary statements under the caption Forward-Looking Statements and the other information included in this prospectus and the documents incorporated by reference, before purchasing our securities. The risks described below are not the only ones that we face. Additional risks that are not yet known to us or that we currently think are immaterial could also impair our business, operating results or financial condition. If any of the following risks actually occur, our business, financial condition or results of operations could be adversely affected. In that case, the trading price of the securities could decline, and you may lose all or part of your investment.

RISKS RELATED TO OUR BUSINESS

Adverse market conditions may impede our ability to collect lease payments, which could adversely affect our business and operating results.

The economic performance and value of our real estate assets are subject to all the risks associated with owning and operating real estate, including risks related to adverse changes in national, regional and local economic and market conditions. Our current properties are located in 12 states in the midwestern, southeastern and mid-Atlantic regions of the United States. The economic condition of each of our markets may be dependent on one or more industries. An economic downturn in one of these industries may result in a business downturn for our tenants, and as a result, these tenants may fail to make rental payments, decline to extend leases upon expiration, delay lease commencements or declare bankruptcy.

Any tenant bankruptcies, leasing delays, or failure to make rental payments when due could result in the termination of the tenant s lease, causing material losses to us and adversely impacting our operating results. If our properties do not generate sufficient income to meet our operating expenses, including future debt service, our income and results of operations would be adversely affected. During 2001 and the six months ended June 30, 2002, ten of our tenants filed for bankruptcy protection, representing a total of 26 locations. One of our tenants, Kmart Corporation, which filed for bankruptcy protection in January 2002, represented nine locations and approximately 6.1% of our annualized base rental income as of December 31, 2001.

In particular, if any of our anchor tenants becomes insolvent, suffers a downturn in business, or decides not to renew its lease or vacates a property and prevents us from re-letting that property by continuing to pay rent for the balance of the term, it may adversely impact our business. In addition, a lease termination by an anchor tenant or a failure of an anchor tenant to occupy the premises could result in lease terminations or reductions in rent by some of our non-anchor tenants in the same shopping center pursuant to the terms of their leases. In that event, we may be unable to re-let the vacated space.

Similarly, the leases of some anchor tenants may permit them to transfer their leases to other retailers. The transfer to a new anchor tenant could cause customer traffic in the retail center to decrease, which would reduce the income generated by that retail center. In addition, a transfer of a lease to a new anchor tenant could also give other tenants the right to make reduced rental payments or to terminate their leases with us.

We may be unable to collect balances due from any tenants in bankruptcy, which would adversely affect our operating results.

Any bankruptcy filings by or relating to one of our tenants or a lease guarantor would bar all efforts by us to collect pre-bankruptcy debts from that tenant, the lease guarantor or their property, unless we receive an order permitting us to do so from the bankruptcy court. The bankruptcy of a tenant or lease guarantor could delay our efforts to collect past due balances under the relevant leases and could ultimately preclude full collection of these sums. If a lease is assumed by the tenant in bankruptcy, all pre-bankruptcy balances due under the lease must be paid to us in full. However, if a lease is rejected by a tenant in bankruptcy, we would have only a general unsecured claim for damages. Any unsecured claim we hold may be paid only to the extent that funds are available and only in the same percentage as is paid to all other holders of unsecured claims. It is possible that we may recover substantially less than the full value of any unsecured claims we hold, if at all, which may adversely affect our operating results and financial condition.

Nine of our ten tenants who declared bankruptcy in 2001 or during the six months ended June 30, 2002 have made full and timely payments of rent to us following their bankruptcy filings, or through the date of rejection with respect to any leases which have been rejected by such tenants. However, as of June 30, 2002, eight of these nine tenants owed us a combined total of approximately $1,096,398 in unpaid rent relating to the period prior to their bankruptcy filings. Kmart Corporation owed us approximately $650,984 as of June 30, 2002 in unpaid rent relating to the period prior to its bankruptcy filing with regard to leases which it has not rejected. If these leases are rejected, we may not be able to collect the related unpaid amounts. In addition, we cannot assure you that these tenants will continue to pay us rent.

Several of our tenants represent a significant portion of our leasing revenues.

As of June 30, 2002, we received 8.0% of our annualized base rent from Wal-Mart Stores Inc. and 5.0% from Kmart Corporation. Six other tenants each represented at least 2.0% of our total annualized base rent. The concentration in our leasing revenues from a small number of tenants creates the risk that, should these tenants experience financial difficulties, our operating results could be adversely affected.

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

We compete with many other entities for the acquisition of retail shopping centers and land that is appropriate for new developments, including other REITs,