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

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934
FORM 10-K

For Fiscal Year Ended: December 31, 2000 Commission File No. 1-07533

FEDERAL REALTY INVESTMENT TRUST
(Exact name of registrant as specified in its charter)

Maryland	52-0782497
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer identification No.)

1626 East Jefferson Street, Rockville, Maryland 20852
(Address of principal executive offices) (Zip Code)

(301) 998-8100
(Registrant's telephone number, including area code)

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

Title of Each Class	Name of Each Exchange on Which Registered
Common Shares of Beneficial Interest	New York Stock Exchange
Common Stock Purchase Rights	New York Stock Exchange
7.95% Series A Cumulative Redeemable Preferred Shares	New York Stock Exchange

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

6 5/8% Senior Notes	6.74% Medium-Term Notes
7.48% Senior Debentures	6.99% Medium-Term Notes
8 7/8% Senior Notes	6.82% Medium-Term Notes
8% Senior Notes	8.75% Notes
Subordinated Debt Securities*	

* None issued, registered pursuant to a shelf registration

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

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

At March 9, 2001, the aggregate market value of Common Shares of Beneficial Interest of Federal Realty Investment Trust held by nonaffiliates was $793.5 million based upon the closing price of such Shares on the New York Stock Exchange.

Indicate the number of shares outstanding of each of the issuers' classes of common stock.

Class	Outstanding at March 9, 2001
Common Shares of Beneficial Interest	39,573,814

DOCUMENTS INCORPORATED BY REFERENCE

PART III

Portions of the Trust's Proxy Statement in connection with its Annual Meeting to be held on May 2, 2001 (hereinafter called "2001 Proxy Statement") are incorporated herein by reference.

PART I & II

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

The Trust and its representatives may from time to time make written or oral statements that are "forward-looking", within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievement's of the Trust to be materially different from the results of operations or plans expressed or implied by such forward-looking statements. Such factors include, among others,

- changes in our business strategy;
- general economic and business conditions which will affect the credit worthiness of tenants;
- financing availability and cost;
- retailing trends and rental rates;
- risks of real estate development and acquisitions, including the risk that potential acquisitions or development projects may not perform in accordance with expectations;
- our ability to satisfy the complex rules in order to qualify for taxation as a REIT for federal income tax purposes and to operate effectively within the limitations imposed by these rules;
- government approvals, actions and initiatives including the need for compliance with environmental and safety requirements, and changes in laws and regulations or the interpretation thereof; and
- competition with other real estate companies and technology.

We identify forward-looking statements by using words or phrases such as "anticipate", "believe", "estimate", "expect", "intend", "may be", objective", "plan", "predict", "project", and "will be" and similar words or phrases, or the negatives thereof or other similar variations thereof or comparable terminology. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances.

Item 1. Business

Federal Realty Investment Trust (the "Trust") is engaged in the ownership, management, development and redevelopment of prime retail and mixed-use properties. Founded in 1962, the Trust is a self-administered equity real estate investment trust. The Trust, which had been founded as a District of Columbia business trust, re-organized as a Maryland real estate investment trust in May, 1999 by amending and restating its declaration of trust and bylaws. The Trust consolidates the financial statements of various entities which it controls. At December 31, 2000 the Trust owned 123 retail or mixed-use properties and one apartment complex.

The Trust operates in a manner intended to enable it to qualify as a real estate investment trust (REIT) for federal income tax purposes. A REIT which distributes at least 95% of its real estate investment trust taxable income to its shareholders each year and which meets certain other conditions will not be taxed on that portion of its taxable income which is distributed to its shareholders. Therefore, no provision for Federal income taxes is required. Beginning in 2001, the distribution requirement for a REIT was lowered from 95% to 90% of its taxable income.

An important part of the Trust's strategy has been to acquire older, well-located properties in prime, densely populated and affluent areas and to enhance their operating performance through a program of renovation, expansion, reconfiguration and retenanting. The Trust's traditional focus has been on community and neighborhood shopping centers that are anchored by supermarkets, drug stores or high volume, value oriented retailers that provide consumer necessities. Late in 1994, recognizing a trend of consumer shopping preferences and retailer expansion to main streets, the Trust expanded its investment strategy to include shopping centers and retail and mixed-use buildings in prime established main street shopping areas. In addition, since 1997 the Trust has obtained control of various land parcels for the purpose of developing urban mixed-use projects that center around the retail component. The Trust believes that these mixed-use developments are an important source of future growth.

The Trust's diversification from being solely a company focused on acquiring and renovating grocery anchored shopping centers to also being a developer of mixed-use urban properties involves substantial risks, many of which are not entirely within the Trust's control. These factors include among others, the ability to obtain financing, interest rates, the ability to construct at reasonable prices, the demand for retail, residential and office space in the Trust's markets, zoning laws, government regulations and the overall economy. The Trust believes that the geographically desirable locations of these mixed-use urban properties will make these successful projects and positive contributors to the underlying net asset value of the Trust.

The Trust continually evaluates its properties for renovation, retenanting and expansion opportunities. Similarly, the Trust regularly reviews its portfolio and from time to time considers selling properties that no longer fit the Trust's investment criteria and therefore should be monetized or exchanged into other real estate assets. Proceeds from the sale of such properties may be used either to acquire other properties, fund the Trust's current development pipeline or, in 2000 and 1999, to repurchase the Trust's common shares.

The Trust's portfolio of properties has grown from 71 as of January 1, 1996 to 124 at December 31, 2000. During this five year period the Trust acquired 59 retail properties for approximately $554 million. During this same period six shopping centers were sold. Also during this period the Trust spent over $424 million to develop, renovate, expand, improve and retenant its properties.

At December 31, 2000 the Trust has invested $162 million in development in progress of three projects. During 2001 and 2002, the Trust estimates that it will spend $258 million and $161 million, respectively, to complete these three projects, which are located in Bethesda, Maryland, Arlington, Virginia and San Jose, California. Additional projects, which are in various stages of predevelopment, may also begin construction in 2001 and 2002.

Although the Trust usually purchases a 100% fee interest in its acquisitions, on occasion, it has entered into leases as a means of acquiring control of properties. In addition, the Trust has purchased certain properties in partnership with others. Certain of the partnerships, known as "downreit partnerships", are a means of allowing property owners to make a tax deferred contribution of their property in exchange for partnership units, which receive the same distributions as Trust common shares and may be convertible into common shares of the Trust. The majority of acquisitions are funded with cash, but, on occasion, debt financing is used. Since a significant portion of cash provided by operating activities is distributed to common and preferred shareholders, capital outlays for acquisitions, developments and redevelopments typically require debt or equity funding.

The Trust's 124 properties are located in fifteen states and the District of Columbia. Twenty-six of the properties are located in the Washington, D.C. metropolitan area; twenty-four are in California; fourteen are in Connecticut; eleven are in Texas; ten are in Pennsylvania, primarily in the Philadelphia area; ten are in New Jersey; eight are in New York; seven are in Illinois; four are in Massachusetts; three are in central Virginia; two are in Florida; two are in Arizona; and there is one in each of the following states: Michigan, North Carolina and Oregon. No single property accounts for over 10% of the Trust's revenues.

The Trust has traditionally operated its business as a single business segment. During the fourth quarter of 1998, however, the Trust completed a comprehensive restructuring program which, among other things, changed the Trust's operating structure from a functional hierarchy to an asset management model, where small focused teams are responsible for a portfolio of assets. As a result the Trust has divided its portfolio of properties into three operating regions: the Northeast, Mid-Atlantic and West. Each region is operated under the direction of a regional chief operating officer, with dedicated leasing, property management and financial staff and operates largely autonomously with respect to day to day operating decisions. (See "Segment Results" in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations for a further discussion of the segments and their results.)

The Trust has approximately 2,100 tenants, ranging from sole proprietors to major national retailers; no one tenant or corporate group of tenants accounts for more than 2.1% of revenue. The Trust's leases with these tenants are classified as operating leases and typically are structured to include minimum rents, percentage rents based on tenants' gross sales volumes and reimbursement of certain operating expenses and real estate taxes.

The Trust continues to seek older, well-located shopping centers and street retail projects to acquire, renovate, retenant and remerchandise, thereby enhancing their revenue potential. The Trust also continues to identify and secure additional sites for new development of urban mixed-use properties. During each of the years ended December 31, 2000, 1999 and 1998, retail or mixed-use properties have contributed 96% of the Trust's total revenue.

The success of the Trust is subject to various risks, including risks associated with changing economic conditions that affect the real estate industry as a whole. Such risks include the following:

- competition from other retail properties and developers;
- excessive building of comparable properties or increased unemployment in the areas in which its properties are located which may adversely affect occupancy levels or rental rates;
- increases in operating costs due to inflation and other factors, which increases may not necessarily be offset by increased rents;
- inability or unwillingness of tenants to pay rent increases;
- changes in general economic conditions or consumer preferences that affect its tenants or that result in the merger, closing or relocation of its tenants;
- limitation by local rental markets of the extent to which rents may be increased to meet increased expenses without decreasing occupancy rates;
- future enactment of laws regulating public places, including present and possible future laws relating to access by disabled persons;
- risks relating to leverage, including the ability to finance its development pipeline and to refinance its indebtedness, and the risk of higher interest rates;
- unsuccessful development activities which could reduce cash flow;
- the risk of uninsured losses; and
- the risk of not meeting the requirements under the REIT provisions of the Internal Revenue Code.

Investments in real property create a potential for environmental liability on the part of the current and previous owners of, or any mortgage lender on, such real property. If hazardous substances are discovered on or emanating from any property, the owner or operator of the property may be held liable for costs and liabilities relating to such hazardous substances. The Trust has environmental insurance on most of its properties. Subject to certain exclusions and deductibles, the insurance provides coverage for unidentified, pre-existing conditions and for future contamination caused by tenants and third parties. The Trust's current policy is to require an environmental study on each property it seeks to acquire. On recent acquisitions, any substances identified prior to closing which are required, by applicable laws, to be remediated have been or are in the process of investigation and remediation. Costs related to the abatement of asbestos which increase the value of Trust properties are capitalized. Other costs are expensed. In 2000 and 1999 approximately $1,453,000 and $952,000, respectively, was spent on environmental matters, of which $464,000 and $654,000, respectively, was capitalized abatement costs. The Trust has budgeted approximately $800,000 in 2001 for environmental matters, a majority of which is projected for asbestos abatement.

Current Developments

In 2000 improvements to properties totaled $153.1 million, including $82.1 million on development projects in Bethesda, Maryland; San Jose, California; and Arlington, Virginia. Construction of Woodmont East in Bethesda, Maryland neared completion with the first tenant opening in December 2000 and subsequent openings scheduled in 2001. In November 2000 construction began on the $475 million Phase 1 of Santana Row, a multi-phased mixed-use project to be built on 42 acres in San Jose, California. Santana Row Phase 1 is expected to begin generating revenues in mid-2002 and be stabilized during 2003. Construction also began on the $74 million Pentagon Row project in Arlington, Virginia with a phased-in completion expected throughout 2001.

Real estate acquisitions totaling $26.8 million were made in 2000. Such acquisitions consisted of two parcels of land held for future development in Hillsboro, Oregon and Bethesda, Maryland along with three small retail properties. Additionally, in connection with the purchase of the limited partnership interest in Loehmann's Plaza the Trust expended $3.0 million.

The Trust invested $5.7 million in mortgage notes receivable with an average weighted interest rate of 10.0%, with $6.2 million of notes being repaid. Peninsula Shopping Center in Palos Verdes, California was sold in June 2000 for $48.6 million, resulting in a gain of $3.7 million.

In December 1999, the Trustees authorized a share repurchase program for calendar year 2000 of up to an aggregate of 4 million of the Trust's common shares. A total of 1,325,900 shares were repurchased, at a cost of $25.2 million. The Trust does not expect to repurchase shares in 2001.

The Trust utilized its syndicated credit facility to fund these acquisitions, capital expenditures and share repurchases. Repayments on the syndicated credit facility were made from the proceeds of the sale of Peninsula Shopping Center as well as the placement, on October 23, 2000, of a $152 million mortgage loan, which is secured by five shopping centers.

In June 2000, the Trust modified certain covenants and extended its syndicated credit facility and its $125 million term loan for an additional year to December 19, 2003. Fees paid for this extension totaled $1.0 million.

At December 31, 2000 the Trust had 230 full-time employees.

Executive Officers of the Trust

The Executive Officers at December 31, 2000 were:

Name	Age	Position with Trust
Steven J. Guttman	54	Chairman of the Board and Chief Executive Officer, effective February 14, 2001. Previously, President and Chief Executive Officer
Nancy J. Herman	37	Senior Vice President, General Counsel and Secretary
Ron D. Kaplan	37	Senior Vice President-Capital Markets, Chief Investment Officer
Cecily A. Ward	54	Vice President-Chief Financial Officer and Treasurer
Donald C. Wood	40	President and Chief Operating Officer, effective February 14, 2001. Previously, Senior Vice President - Chief Operating Officer

Steven J. Guttman has been the Trust's President and Chief Executive Officer since April 1980. On February 14, 2001 Mr. Guttman was appointed Chairman of the Board and Chief Executive Officer. Mr. Guttman has been associated with the Trust since 1972, became Chief Operating Officer in 1975 and became a Managing Trustee in 1979.

Nancy J. Herman became the Trust's Vice President, General Counsel and Secretary on December 21, 1998 and was appointed Senior Vice President on July 1, 2000. In this position, Ms. Herman has overall responsibility for the Trust's legal affairs and human resources. Ms. Herman joined the Trust in 1990 as a staff attorney. Prior to joining the Trust in 1990, Ms. Herman practiced real estate law at Hogan & Hartson L.L.P.

Ron D. Kaplan joined the Trust in November 1992 as Senior Vice President-Capital Markets. Mr. Kaplan was formerly a Vice President of Salomon Brothers Inc where he was responsible for capital raising and financial advisory services for public and private real estate companies. While at Salomon Brothers which he joined in 1985, he participated in two of the Trust's debt offerings.

Cecily A. Ward was appointed Vice President - Controller and Treasurer on December 16, 1999. On February 9, 2000 Ms. Ward was appointed Vice President - Chief Financial Officer and Treasurer. Ms. Ward joined the Trust in April 1987 as Controller. Prior to joining the Trust, Ms. Ward, a certified public accountant, was employed by Grant Thornton LLP, the Trust's independent accountants at that time.

Donald C. Wood was appointed President and Chief Operating Officer on February 14, 2001. Since December 16, 1999 Mr. Wood served as Senior Vice President - Chief Operating Officer and Chief Financial Officer. Mr. Wood joined the Trust in May 1998 as Senior Vice President, Chief Financial Officer and Treasurer. Prior to joining the Trust, Mr. Wood was Senior Vice President and Chief Financial Officer for Caesars World, Inc., a wholly-owned subsidiary of ITT Corporation, where he was responsible for all aspects of finance throughout the company including strategic planning, process re-engineering, capital allocation and financial analysis. Prior to joining ITT in 1990, Mr. Wood was employed at Arthur Andersen LLP from 1982 where he served in numerous positions including audit manager.

Item 2. Properties

Retail Properties

The following table sets forth information concerning each retail property in which the Trust owns an equity interest or has a leasehold interest as of December 31, 2000. Except as otherwise noted, retail properties are 100% owned in fee by the Trust.

	Year Completed	Year Acquired	Square Feet (2)	Number of Tenants	Acres (3)	Occupancy (1) Overall / Economic	Principal Tenants
NORTHEAST							
Allwood Clifton, NJ 07013 (4)	1958	1988	52,000	8	5	100% / 100%	Grand Union Mandee Shop
Andorra Philadelphia, PA 19128 (5)	1953	1988	259,000	39	23	92% / 92%	Acme Markets Andorra Theater Kohl's
Bala Cynwyd Bala Cynwyd, PA 19004	1955	1993	279,000	22	22	100% / 100%	Acme Markets Lord & Taylor
Blue Star Watchung, NJ 07060 (4)	1959	1988	403,000	35	55	95% / 95%	Kohl's Michael's Shop Rite Toys R Us
Brick Plaza Brick Township, NJ 08723 (4)	1958	1989	409,000	36	42	100% / 100%	A&P Supermarket Barnes & Noble Sony Theatres Sports Authority
Bristol Bristol, CT 06010	1959	1995	296,000	34	22	94% / 94%	Bradlees Super Stop & Shop TJ Maxx
Brunswick North Brunswick, NJ 08902 (4) (11)	1957	1988	285,000	20	22	77% / 75%	A&P Supermarket Ames
Clifton Clifton, NJ 07013 (4)	1959	1988	80,000	13	8	93% / 93%	Acme Markets Drug Fair Dollar Express
Crossroads Highland Park, IL 60035	1959	1993	173,000	23	15	90% / 90%	Comp USA Golfsmith
Dedham Dedham, MA 02026	1959	1993	250,000	30	18	85% / 84%	Ames Pier One Imports
Ellisburg Circle Cherry Hill, NJ 08034	1959	1992	258,000	33	27	94% / 89%	Bed, Bath & Beyond Shop Rite
Feasterville Feasterville, PA 19047	1958	1980	116,000	9	12	89% / 89%	Genuardi Markets Office Max

	Year Completed	Year Acquired	Square Feet (2)	Number of Tenants	Acres (3)	Occupancy (1) Overall / Economic	Principal Tenants
Finley Square Downers Grove, IL 60515	1974	1995	313,000	18	21	83% / 83%	Bed, Bath & Beyond Service Merchandise Sports Authority
Flourtown Flourtown, PA 19031	1957	1980	191,000	20	15	100% / 100%	K Mart Genuardi Markets
Fresh Meadows Queens, NY 11365	1949	1997	410,000	72	25	97% / 97%	Cineplex Odeon Filene's K Mart
Garden Market Western Springs, IL 60558	1958	1994	134,000	18	12	84% / 84%	Dominick's
Gratiot Plaza Roseville, MI 48066	1964	1973	218,000	10	20	100% / 100%	Bed, Bath and Beyond Best Buy Farmer Jack
Greenlawn Plaza Greenlawn, NY 11740	1975	2000	92,000	14	13	78% / 78%	Waldbaum's
Hamilton Hamilton, NJ 08690 (4)	1961	1988	190,000	14	18	100% / 100%	Shop Rite Steven's Furniture A.C. Moore
Hauppauge Hauppauge, NY 11788	1963	1998	131,000	20	15	100% / 99%	Shop Rite Office Max Dress Barn
Huntington Huntington, NY 11746 (4)	1962	1988	279,000	14	21	100% / 100%	Barnes & Noble Bed, Bath and Beyond Buy Buy Baby Michael's Toys R Us
Lancaster Lancaster, PA 17601 (4)	1958	1980	107,000	14	11	91% / 91%	A.C. Moore Giant Food
Langhorne Square Levittown, PA 19056	1966	1985	210,000	29	21	100% / 100%	Drug Emporium Marshalls Redner's Market
Lawrence Park Broomall, PA 19008	1972	1980	326,000	40	28	98% / 98%	Acme Markets TJ Maxx Today's Man CHI

	Year Completed	Year Acquired	Square Feet (2)	Number of Tenants	Acres (3)	Occupancy (1) Overall / Economic	Principal Tenants
Northeast Philadelphia, PA 19114	1959	1983	297,000	36	19	94% / 94%	Burlington Coat Factory Marshalls Tower Records
North Lake Commons Lake Zurich, IL 60047	1989	1994	129,000	20	14	97% / 97%	Dominick's
Queen Anne Plaza Norwell, MA 02061	1967	1994	149,000	11	18	100% / 100%	TJ Maxx Victory Markets
Rutgers Franklin, N.J. 08873 (4)	1973	1988	216,000	18	27	99% / 99%	Edwards Super Food K Mart
Saugus Plaza Saugus, MA 01906	1976	1996	171,000	7	19	100% / 100%	K Mart Super Stop & Shop
Troy Parsippany-Troy, NJ 07054	1966	1980	202,000	21	19	100% / 100%	Comp USA Pathmark Toys R Us
Willow Grove Willow Grove, PA 19090	1953	1984	215,000	25	14	98% / 98%	Barnes and Noble Marshalls Toys R Us
Wynnewood Wynnewood, PA 19096	1948	1996	257,000	26	16	90% / 90%	Bed, Bath and Beyond Borders Books Genuardi's
Retail buildings							
Thirteen buildings in CT	1900 - 1991	1994 -1996	233,000	81	-	97% / 97%	Eddie Bauer Pottery Barn Sak Fifth Avenue
Three buildings in IL	1920 - 1927	1995 - 1997	24,000	4	-	100% / 100%	Foodstuffs Kate Spade The Gap
One building in MA	1930	1995	13,000	8	-	100% / 100%	
Four buildings in NY (12) (21)	1937 - 1987	1997	91,000	17	-	88% / 88%	Midway Theatre Duane Reade
One building in NJ	1940	1995	11,000	2	-	100% / 100%	Legg Mason

	Year Completed	Year Acquired	Square Feet (2)	Number of Tenants	Acres (3)	Occupancy (1) Overall / Economic	Principal Tenants
MID ATLANTIC							
Barracks Road Charlottesville, VA 22905	1958	1985	484,000	82	39	99% / 98%	Bed, Bath & Beyond Harris Teeter Kroger
Bethesda Row Bethesda, MD 20814 (8)	1945 - 1991	1993 - 1998	331,000	83	8	100% / 100%	Barnes and Noble Giant Food
Congressional Plaza Rockville, MD 20852 (6)	1965	1965	340,000	48	22	100% / 100%	Buy Buy Baby Fresh Fields Tower Records
Courthouse Center Rockville, MD 20852 (7)	1970	1997	38,000	11	2	72% / 68%	Rockville Interiors
Eastgate Chapel Hill, NC 27514	1963	1986	159,000	31	17	98% / 98%	Food Lion Southern Season
Falls Plaza Falls Church, VA 22046	1962	1967	74,000	10	6	100% / 100%	Giant Food
Falls Plaza - East Falls Church, VA 22046	1960	1972	71,000	19	5	100% / 100%	CVS Pharmacy Staples
Federal Plaza Rockville, MD 20852	1970	1989	242,000	39	18	100% / 99%	Comp USA Ross Dress For Less TJ Maxx
Gaithersburg Square Gaithersburg, MD 20878	1966	1993	208,000	36	17	94% / 94%	Bed, Bath & Beyond Borders Books and Music
Governor Plaza Glen Burnie, MD 21961 (5)	1963	1985	252,000	23	26	99% / 99%	Office Depot Syms
Idylwood Plaza Falls Church, VA 22030	1991	1994	73,000	17	6	100% / 100%	Fresh Fields
Laurel Centre Laurel, MD 20707	1956	1986	386,000	53	26	94% / 92%	Giant Food Marshalls Toys R Us
Leesburg Plaza Leesburg, VA 20176 (7)	1967	1998	247,000	26	24	99% / 99%	Giant Food K Mart Peebles
Loehmann's Plaza Fairfax, VA 22042 (7)	1971	1983	242,000	55	18	99% / 99%	Linens N Things Loehmann's Dress Shop

	Year Completed	Year Acquired	Square Feet (2)	Number of Tenants	Acres (3)	Occupancy (1) Overall / Economic	Principal Tenants
Magruder's Center Rockville, MD 20852 (7)	1955	1997	109,000	23	5	100% / 100%	Magruder's Tuesday Morning
Mid-Pike Plaza Rockville, MD 20852 (4)	1963	1982	312,000	21	20	91% / 91%	Bally Total Fitness Frugel Fannies Toys R Us
Old Keene Mill Springfield, VA 22152	1968	1976	92,000	21	11	100% / 100%	Fresh Fields
Pan Am Fairfax, VA 22031	1979	1993	218,000	29	25	89% / 89%	Michaels Micro Center Safeway
Park & Shop Washington, DC 20036	1930	1995	50,000	12	1	100% / 100%	Petco Pizzeria Uno
Perring Plaza Baltimore, MD 21134 (5)	1963	1985	412,000	16	27	99% / 99%	Burlington Coat Factory Home Depot Metro Foods
Pike 7 Plaza Vienna, VA 22180	1968	1997	164,000	26	13	100% / 100%	Staples TJ Maxx
Quince Orchard Gaithersburg, MD 20877 (9)	1975	1993	237,000	33	16	100% / 100%	Circuit City Dyncorp Staples
Shirlington Arlington, VA 22206	1940	1995	203,000	42	16	93% / 93%	Carlyle Grand Cafe Cineplex Odeon
Tower Shopping Center Springfield, VA 22150	1960	1998	109,000	29	12	85% / 85%	Virginia Fine Wine Talbot's Outlet
Tysons Station Falls Church, VA 22043	1954	1978	50,000	16	4	100% / 96%	Trader Joe's
Wildwood Bethesda, MD 20814	1958	1969	85,000	33	13	94% / 94%	CVS Pharmacy Sutton Place Gourmet
Williamsburg Williamsburg, VA 23187	1961	1986	251,000	30	21	97% / 97%	Food Lion Peebles Rose's
The Shops at Willow Lawn Richmond, VA 23230	1957	1983	448,000	93	37	89% / 89%	Dillards Hannaford Brothers Old Navy Virginia Department of Health

	Year Completed	Year Acquired	Square Feet (2)	Number of Tenants	Acres (3)	Occupancy (1) Overall / Economic	Principal Tenants
Development							
Woodmont East Bethesda, MD 20814 (14)	n/a	1997	n/a	n/a	1	n/a / n/a	
Pentagon Row Arlington, VA 22202 (9) (14)	n/a	1999	n/a	n/a	18	n/a / n/a	
Land in Bethesda, MD 20814		1997 - 2000			1		
Retail buildings							
Two buildings in FL	1920	1996	28,000	8	-	80% / 80%	Express
WEST COAST							
Escondido Promenade Escondido, CA 92029 (10)	1987	1996	222,000	57	18	99% / 92%	Toys R Us TJ Maxx
King's Court Los Gatos, CA 95032 (7) (9)	1960	1998	78,000	19	8	100% / 100%	Lunardi's Supermarket Longs Drug
Old Town Center Los Gatos, CA 95030 (10)	1962	1997	97,000	18	4	98% / 87%	Borders Books and Music Gap Kids Banana Republic
150 Post Street San Francisco, CA 94108	1965	1997	101,000	21	-	84% / 78%	Brooks Brothers Williams - Sonoma
Uptown Shopping Center Portland, OR 97210	Various	1997	100,000	69	7	100% / 100%	Elephant's Delicatessen Zupan's Markets
Development							
Santana Row San Jose, CA 95128 (10) (14)	n/a	1997	n/a	n/a	39	n/a / n/a	
Eleven buildings in San Antonio, TX (15)	1890 - 1935	1998	n/a	5	-	n/a / n/a	The Palm
Retail buildings							
Nine buildings in Santa Monica, CA (13) (16)	1888 - 1995	1996 - 2000	198,000	25	-	100% / 100%	Abercrombie & Fitch J. Crew Banana Republic
Three buildings in Hollywood, CA (17) (21)	1921 - 1991	1999	198,000	16	-	96% / 96%	General Cinema Hollywood Entertainment Museum

	Year Completed	Year Acquired	Square Feet (2)	Number of Tenants	Acres (3)	Occupancy (1) Overall / Economic	Principal Tenants
Four buildings in San Diego, CA (18) (21)	1888 - 1995	1996 - 1997	65,000	23	-	100% / 100%	Urban Outfitters
Three buildings in CA (19) (21)	1922	1996 - 1998	93,000	20	-	92% / 92%	Pottery Barn Banana Republic
Two buildings in AZ (20)	1996 - 1998	1998	40,000	10	-	100% / 100%	Gordon Biersch Brewing Co.

(1) Overall occupancy is expressed as a percentage of rentable square feet and includes square feet covered by leases for stores not yet opened. Economic occupancy is expressed as a percentage of rentable square feet, but only includes leases currently generating rental income.
(2) Represents the physical square feet of the property, which may exceed the rentable square feet used to express occupancy.
(3) Acreage on each individual main street retail building is not significant.
(4) The Trust has a leasehold interest in this property.
(5) The Trust owns a 99.99% general partnership interest in these properties.
(6) The Trust owns a 55.7% equity interest in this center.
(7) The Trust owns this property in a "downreit" partnership.
(8) This property contains eleven buildings; seven are subject to a leasehold interest, one is subject to a ground lease and three are owned 100% by the Trust.
(9) The Trust owns this property subject to a ground lease.
(10) The Trust owns the controlling interest in this center. A minority owner has an interest in the profits of the center.
(11) Under redevelopment.
(12) Occupancy is based on three occupied buildings. The other building is under redevelopment.
(13) The Trust owns a 90% general partnership interest in seven of these buildings and 100% of two buildings.
(14) Under development
(15) The Trust is redeveloping these properties, most of which are currently vacant.
(16) Occupancy is based on seven occupied buildings. The other two buildings are under redevelopment.
(17) Occupancy is based on one occupied building. The other two buildings are under redevelopment.
(18) Occupancy is based on two occupied building. The other two buildings are under redevelopment.
(19) Occupancy is based on two occupied buildings in Pasadena, CA. The other building, in Hermosa Beach, CA, is under redevelopment.
(20) The Trust owns 100% of one building and an 85% partnership interest in the second building.
(21) The Trust owns a 90% general partnership interest in these buildings.

Apartments

The following table sets forth information concerning the Trust's apartment development as of December 31, 2000 which is 100% owned by the Trust in fee. This development is not subject to rent control.

Property	Year Completed	Year Acquired	Acres	1-BR	2-BR	3-BR	Total	Occupancy
Rollingwood Silver Spring, MD 9 three-story buildings	1960	1971	14	58	163	61	282	100%

Leases Expiring

The following table summarizes leases expiring within the next five years. Leases which include options to renew are excluded.

Year	Total Anchor Square Feet Expiring (1)	Total Small Shop Square Feet Expiring (1)	Total Square Feet Expiring (1)	Percent of Total Portfolio (2)	Average Rent Per Square Foot
2001	0	622,949	622,949	4%	$ 18.12
2002	66,670	435,440	502,110	3%	$ 20.19
2003	19,600	449,106	468,706	3%	$ 21.27
2004	61,141	515,016	576,157	4%	$ 23.21
2005	18,500	448,910	467,410	3%	$ 24.09

(1) Excludes lease expirations with options.
(2) Total portfolio square footage at December 31, 2000 is 14,921,597 representing the physical square footage of the properties including redevelopments, which may exceed the rentable square footage used to express occupancy.

Item 3. Legal Proceedings.

None

Item 4. Submission of Matters to a Vote of Security Holders

None

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters.

The Trust's common shares of beneficial interest are listed on the New York Stock Exchange under the symbol "FRT".

Market Quotations

Quarter ended	High	Low	Dividends Declared
December 31, 2000	$20	$18 3/4	$.47
September 30, 2000	21 15/16	19 1/8	.47
June 30, 2000	22 5/16	18 15/16	.45
March 31, 2000	20 1/2	17 3/4	.45
December 31, 1999	$20 15/16	$17	$.45
September 30, 1999	24	20	.45
June 30, 1999	24 1/16	20 9/16	.44
March 31, 1999	24 7/8	20 1/4	.44

The number of holders of record for Federal Realty's common shares of beneficial interest at March 9, 2001 was 6,246.

For the years ended December 31, 2000 and 1999, $.11 and $.16, respectively, of dividends paid on common shares represented a return of capital. For the year ended December 31, 2000 $.04 of dividends paid on common shares represented capital gain. There were no capital gains for the year ended December 31, 1999.

Dividends paid on common shares per quarter during the last two fiscal years were as follows:

Quarter Ended	2000	1999
December 31	$.47	$.45
September 30	.45	.44
June 30	.45	.44
March 31	.45	.44

The Trust intends to pay regular quarterly distributions to its common stockholders. Future distributions will depend upon cash generated by operating activities, the Trust's financial condition, capital requirements, annual distribution requirements under the REIT provisions of the Internal Revenue Code and such other factors as the Board of Trustees deems relevant.

Item 6. Selected Financial Data.

In thousands, except per share data

	Year ended December 31, 2000	1999	1998	1997	1996
Operating Data					
Rental Income	$260,684	$245,833	$222,186	$188,529	$164,887
Income before gain (loss) on sale of real estate	56,842	55,493	44,960	40,129	28,754
Gain (loss) on sale of real estate	3,681	(7,050)	---	6,375	(12)
Net income	60,523	48,443	44,960	46,504	28,742
Net income available for common shareholders	52,573	40,493	37,010	44,627	28,742
Net cash provided by operating activities (1)	106,146	102,183	90,427	72,170	65,648
Net cash used in investing activities (1)	121,741	99,313	187,646	279,343	161,819
Net cash provided (used) by financing activities (1)	15,214	(8,362)	97,406	213,175	96,691
Dividends declared on common shares	72,512	71,630	69,512	66,636	56,607
Weighted average number of common shares outstanding:					
Basic	38,796	39,574	39,174	38,475	33,175
Diluted	39,910	40,638	40,080	38,988	33,573
Per share:					
Earnings per common share:					
Basic	$1.36	$1.02	$.94	$1.16	$.87
Diluted	1.35	1.02	.94	1.14	.86
Dividends declared per common share	1.84	1.78	1.74	1.70	1.66
Other Data					
Funds from Operations (2)	$102,173	$96,795	$86,536	$79,733	$65,254

	As of December 31,				
	2000	1999	1998	1997	1996
Balance Sheet Data					
Real Estate at cost	$1,854,913	$1,721,459	$1,642,136	$1,453,639	$1,147,865
Total assets	1,621,079	1,534,048	1,484,317	1,316,573	1,035,306
Mortgage and capital lease obligations	323,911	172,573	173,480	221,573	229,189
Notes payable	225,246	162,768	263,159	119,028	66,106
Senior notes	410,000	510,000	335,000	255,000	215,000
Convertible subordinated debentures	75,289	75,289	75,289	75,289	75,289
Redeemable Preferred Shares	100,000	100,000	100,000	100,000	---
Shareholders' equity	467,654	501,827	529,947	553,810	388,885
Number of common shares outstanding	39,469	40,201	40,080	39,148	35,886

(1) Determined in accordance with Financial Accounting Standards Board Statement No. 95, Statement of Cash Flows.

(2) As of January 1, 2000, Funds from operations is defined by the National Association of Real Estate Investment Trusts (NAREIT) as income available for common shareholders before depreciation and amortization of real estate assets and before extraordinary items less gains on sale of real estate. Prior to January 1, 2000 funds from operation also excluded significant nonrecurring events. Funds from operations differs from net cash provided by operating activities primarily because funds from operations does not include changes in operating assets and liabilities. Funds from operations is a supplemental measure of performance used in the real estate industry that does not replace net income as a measure of performance or net cash provided by operating activities as a measure of liquidity. Rather, funds from operations has been adopted by real estate investment trusts to provide a consistent measure of operating performance in the industry. Nevertheless, funds from operations, as presented by the Trust, may not be comparable to funds from operations as presented by other real estate investment trusts.

The calculation of funds from operations for the periods presented is reflected in the following table:

	Year ended December 31,				
	2000	1999	1998	1997	1996
	(in thousands)				
Net income available for common shareholders	$52,573	$40,493	$37,010	$44,627	$28,742
Depreciation and Amortization	48,456	45,388	41,792	37,281	34,128
Amortization of initial direct cost of leases	3,514	3,033	2,491	2,249	2,372
(Gain) loss on sale of real estate	(3,681)	7,050	---	(6,375)	12
Income attributable to partnership units	1,311	831	578	---	---
Non-recurring items	---	---	4,665	1,951	---
Funds from Operations	$102,173	$96,795	$86,536	$79,733	$65,254

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

The following discussion should be read together with the Consolidated Financial Statements and Notes thereto of Federal Realty Investment Trust (the "Trust").

The Trust is engaged in the ownership, management, development and redevelopment of prime retail and mixed-use properties. The Trust, which has traditionally acquired and redeveloped strip retail shopping centers, has expanded its investments to the development of urban mixed-used properties. Management continually evaluates the future prospects of its real estate portfolio, not only to identify expansion and renovation opportunities, but also to identify properties that no longer fit the Trust's investment criteria and therefore, should be monetized or exchanged into other real estate assets. At December 31, 2000 the Trust owned 123 retail properties and one apartment complex.

Liquidity and Capital Resources

The Trust meets its liquidity requirements through net cash provided by operating activities, along with traditional debt and equity funding alternatives available to it. A significant portion of cash provided by operating activities is distributed to common and preferred shareholders in the form of dividends. Accordingly, capital outlays for property acquisitions, major renovation and development projects and balloon debt repayments require debt or equity funding. Proceeds from the sale of selected assets may also provide an additional source of capital in 2001 and 2002.

Net cash provided by operating activities was $106.1 million in 2000, $102.2 million in 1999, and $90.4 million in 1998, of which $77.5 million, $76.6 million, and $74.3 million, respectively, was distributed to shareholders. Contributions from newly acquired properties and from retenanted and redeveloped properties, as more fully described below, were the primary sources of these increases.

Net cash used in investing activities was $121.7 million in 2000, $99.3 million in 1999, and $187.6 million in 1998. The Trust acquired properties totaling $26.8 million in 2000, $26.4 million in 1999, and $120.4 million in 1998 requiring cash outlays of $23.6 million, $25.3 million, and $92.9 million, respectively. During these same three years the Trust expended an additional $145.8 million, $90.8 million, and $73.0 million in capital improvements to its properties, of which $82.1 million in 2000, $38.7 million in 1999 and $25.0 million in 1998 related to new development. The Trust received mortgage note repayments, net of funds invested, of $494,000 in 2000. The Trust invested, net of loan repayments, $2.3 million, and $21.4 million in 1999 and 1998, respectively, in mortgage notes receivable. The average weighted stated interest rate on these loans was 10.0% for the years 1998 through 2000. Certain of these mortgages also participate in the gross revenues and appreciation and are convertible into ownership interests in the properties by which they are secured. Cash of $47.2 million in 2000 and $19.2 million in 1999 was received from the sale of properties.

During 2000 the Trust expended cash of $23.6 million to acquire real estate and an additional $145.8 million to improve, redevelop and develop its existing real estate. The Trust purchased the 75,000 square foot Greenlawn Plaza in Greenlawn, New York for $6.2 million. Control of a parcel of land for future development in Hillsboro, Oregon was acquired for $11.7 million; an additional $1.6 million will be owed if certain cash flow criteria are met during the first ten years of operations. Other acquisitions include a parcel of land in Bethesda, Maryland for $461,000; an additional property for the Trust's Houston Street project in San Antonio, Texas for cash of $1.2 million and the assumption of a $345,000 mortgage; a retail building in Santa Monica, California in satisfaction of a $5.2 million mortgage note receivable and cash of $1.7 million; and the $2.3 million redemption of 100,000 partnership units which had been issued in connection with the purchase of the Courthouse Square and Magruders Shopping Centers.

Of the $145.8 million spent in 2000 on the Trust's existing real estate portfolio, approximately $82.1 million was invested in development projects in Bethesda, Maryland; San Jose, California; and in Arlington, Virginia. The remaining $63.7 million of capital expenditures relates to improvements to common areas, tenant work and various redevelopments, including the renovation of Greenlawn Plaza, the office expansion and retenanting of Willow Lawn Shopping Center, the renovation of Brunswick Shopping Center, and the redevelopment of retail buildings in Forest Hills, New York, San Antonio, Texas and southern California.

The Trust, which held the 1% general partnership interest, obtained an additional 98% general partnership interest in the future operations of Loehmann's Plaza. The minority partner received 190,000 partnership units valued at $3.6 million and the satisfaction of amounts due the Trust from the partnership.

Peninsula Shopping Center in Palos Verdes, California was sold in June 2000 for $48.6 million, resulting in a gain of $3.7 million.

Net cash provided by financing activities, before dividend payments, was $92.7 million in 2000, $68.3 million in 1999, and $171.7 million in 1998. The Trust utilized the proceeds from the sale of Peninsula Shopping Center and its syndicated credit facility to fund acquisitions, most capital expenditures, share repurchases and balloon debt repayments.

On February 29, 2000, the Trust obtained a construction loan for up to $24.5 million in connection with the Trust's Woodmont East development in Bethesda, Maryland. The loan, which has a floating interest rate of LIBOR plus 1.2% to 1.5%, depending on occupancy levels, matures August 29, 2002 with two one-year extension options. At December 31, 2000, the outstanding balance on the loan was $16.2 million. The property secures the construction loan facility.

In connection with the land for future development in Hillsboro, Oregon, the Trust issued a $3.4 million note which is due June 30, 2001. The loan bears interest at LIBOR plus 1.25%. The property secures the loan facility. The Trust assumed a mortgage with the purchase of the new East Houston Street property in San Antonio, Texas. The mortgage, which matures in October 2008, bears interest at 7.5% and provides for monthly principal and interest payments.

On October 23, 2000, the Trust obtained a $152 million mortgage loan which is secured by five shopping centers. The mortgage, which bears interest at 7.95%, matures November 1, 2015 and required an up-front fee of $988,000. The loan provides for interest only payments for the initial three years, then monthly principal and interest payments based on a twenty-seven year amortization schedule until the maturity date. The proceeds from the mortgage loan were used to pay down the Trust's syndicated credit facility.

The Trust has a $300 million syndicated credit facility with seven banks, originally due December 2002. This facility requires fees and has various covenants including the maintenance of a minimum shareholders' equity and a maximum ratio of debt to net worth. At December 31, 2000, 1999 and 1998, $78.0 million, $34.0 million and $134.1 million, respectively, was borrowed under the syndicated credit facility. The maximum borrowed during 2000, 1999 and 1998 was $218.1 million, $205.0 million and $259.1 million, respectively. The weighted average interest rate on borrowings during 2000, 1999 and 1998 was 7.1%, 5.9% and 6.1%, respectively.

In December 1998, the Trust obtained a four-year loan of $125 million from five institutional lenders. The loan requires fees and has the same covenants as the syndicated credit facility. The average weighted interest rate on the term loan was 7.4% in 2000 and 6.1% in 1999.

In June 2000, the Trust modified certain covenants and extended its syndicated credit facility and its $125 million term loan for an additional year to December 19, 2003. Fees paid for this extension totaled $1.0 million.

In July 2000, citing the Trust's pursuit of development and the resultant capital requirements, Standard and Poor's lowered the rating on the Trust's senior notes from BBB+ to BBB flat with a positive outlook. Under the terms of the syndicated credit facility, this lowered rating resulted in an increase in the Trust's borrowing rate from LIBOR plus 65 basis points to LIBOR plus 80 basis points. The interest rate on the term loan increased from LIBOR plus 75 basis points to LIBOR plus 95 basis points.

On November 30, 1999 the Trust issued $175 million of 8.75% Notes due December 1, 2009, netting cash proceeds of $172.2 million. The notes pay interest semi-annually on June 1 and December 1.

In order to minimize the risk of changes in interest rates, from time to time in connection with the issuance of certain debt issues the Trust will enter into interest rate hedge agreements. In anticipation of the mortgage placement in the third quarter of 2000, the Trust purchased a Treasury Yield Hedge (notional amount of $140 million) to minimize the risk of increased interest rates prior to closing the mortgage. The hedge was terminated on June 30, 2000 at a gain of $165,000 which is being recognized as a reduction of interest expense over the term of the mortgage loan. There were no open hedge agreements at December 31, 2000 and 1999.

In December 1999 the Trustees authorized a share repurchase program for calendar year 2000 of up to an aggregate of 4 million of the Trust's common shares. A total of 1,325,900 shares were repurchased, at a cost of $25.2 million. The Trust does not expect to repurchase shares in 2001.

Capital requirements in 2001 will depend upon acquisition opportunities, new development efforts, the rate of build-out on the Trust's current development pipeline and the level of improvements and redevelopments on existing properties. The Trust has budgeted approximately $258 million for 2001 for its three developments in progress and $75 million for new development, redevelopments, tenant work and improvements to the core portfolio.

The Trust will need additional capital in order to fund acquisitions, expansions and developments, particularly Santana Row, and to refinance its maturing debt. Sources of this funding may be additional debt, both secured and unsecured, additional equity and joint venture relationships. In addition, the Trust has identified certain of its properties that may be exchanged or sold as a source of funding, if the Trust's sales price is met.

The Trust's long term debt has varying maturity dates and in a number of instances includes balloon payments or other contractual provisions that could require significant repayments during a particular period. In 2001, $30.7 million of mortgage debt matures, as well as the $3.4 million note held in connection with the land held for future development in Hillsboro, Oregon. The next significant maturities are $25.0 million of Senior Notes, due April 2002 and the Woodmont East construction loan due August, 2002. The construction loan contains two, one-year options to extend.

Santana Row

In the next several years, the Trust's single largest capital need is expected to come from the development of Santana Row, a multi-phase mixed-use project to be built on 42 acres in San Jose, California in the heart of Silicon Valley. The project will consist of residential, retail and hotel components, creating a community with the feel of an urban district. Phase 1 of the project, for which construction began November 2000, includes Santana Row, the "1,500 foot long main street" framed by nine buildings which will contain approximately 538,000 square feet of retail space, 501 residential units, a 214 room hotel and the supporting infrastructure. Phase 1 is expected to begin generating revenues in mid-2002 and be stabilized during 2003. The total cost of Phase 1, which includes the land and infrastructure for the later phases, is expected to be $475 million. As of December 31, 2000, the Trust has incurred costs of $97 million including the purchase of the land; the trust estimates that it will spend approximately $200 million in 2001 and the balance in 2002 to complete the first phase of the project. The Trust has a signed commitment from three banks for up to $295 million of construction financing for Phase 1. Closing on the commitment is subject to the completion of customary due diligence for loans of this type and funding is subject to satisfaction of leasing and other contingencies. Phase 1, which includes the land and infrastructure for future phases, comprises approximately 40% of the residential and 75% of the retail entitlement currently projected for the entire project.

The success of Santana Row will depend on many factors which cannot be assured and are not entirely within the Trust's control. These factors include among others, continued strong demand for retail and residential space at current or increasing prices, the ability to construct the later phases at reasonable prices, the cost of operations, including utilities, the availability and cost of capital and the general economy, particularly in the Silicon Valley.

The timing and choice of capital sources will depend on the cost and availability of that capital, among other things. The Trust believes, based on past experience, that access to capital needed to execute its business plan will be available to it.

Contingencies
- -------------

Pentagon Row is a mixed-use project with the retail component being developed by the Trust and the residential component being developed by an unrelated developer. In October 2000 the general contractor on the project was replaced by the Trust and the residential developer, because of schedule delays and other events that caused the Trust and the residential developer to conclude that the original contractor was either unable or unwilling to comply with its contractual obligations. The Trust and the residential developer filed suit against the original contractor to recover damages that they anticipate they will incur as a result of defaults under the contract. The original contractor filed a counter-claim against the Trust and the residential developer for damages of $7 million plus interest, attorneys' fees and litigation costs. The Trust believes that the counterclaim is generally without merit and that the outcome of the counterclaim will not have a material adverse effect on its financial condition, results of operations or on the project. Work continues under the direction of the new general contractor and the Trust does not believe that there will be any material impairment on the project as a result of the schedule delays.

In addition, the Trust is involved in various other lawsuits and environmental matters arising in the normal course of business. Management believes that such matters will not have a material effect on the financial condition or results of operations of the Trust.

Pursuant to the provisions of the Congressional Plaza partnership agreement, in the event of the exercise of put options by another partner, which are currently exercisable and have no expiration date, the Trust would be required to purchase a 37.5% interest at Congressional Plaza at its then fair market value. Based on management's current estimate of fair market value, the Trust's estimated cash requirement upon exercise of the put option is approximately $27 million.

Under the terms of six other partnership agreements, if certain leasing and revenue levels are obtained for the properties owned by the partnerships, the limited partners may require the Trust to purchase their partnership interests at a formula price based upon net operating income. The purchase price may be paid in cash or a limited number of common shares of the Trust, at the election of the limited partners. In certain of the partnerships, if the limited partners do not redeem their interest, the Trust may choose to purchase the limited partnership interests upon the same terms.

The limited partners of two partnerships owning street retail properties in southern California have exercised their rights under these agreements. The Trust purchased their interests in March 2001 for approximately $18 million, approximately $7 million in common shares of the Trust and the balance in cash.

Under the terms of other partnership agreements, the partners may redeem their 904,589 operating units for cash or exchange into the same number of common shares of the Trust, at the option of the Trust. During the third quarter of 2000 the Trust redeemed 100,000 operating units for cash of $2.3 million.

As of December 31, 2000 in connection with renovation and development projects, the Trust has contractual obligations of approximately $46 million.

Results of Operations

The Trust's retail leases generally provide for minimum rents with periodic increases. Most retail tenants pay a majority of on-site operating expenses and real estate taxes. Many leases also contain a percentage rent clause which calls for additional rents based on gross tenant sales. These features in the Trust's leases reduce the Trust's exposure to higher costs caused by inflation and allow it to participate in improved tenant sales.

Consolidated Results

2000 vs. 1999

Rental income, which consists of minimum rent, percentage rent and cost recoveries, increased 6.0 % from $245.8 million in 1999 to $260.7 million in 2000. On a same center basis, rental income increased 7.7%, due primarily to the favorable impact of redeveloped and retenanted centers, as well as, increases associated with lease rollovers. Same center basis, in 2000, excludes properties acquired in 2000 and 1999, Peninsula Shopping Center in Palos Verdes, California and Northeast Plaza in Atlanta, Georgia which were sold on June 30, 2000 and October 18, 1999, respectively and properties developed in 2000 and 1999, including Bethesda Row Phase 3 in Bethesda, Maryland, Old Town in Los Gatos, California and Town & Country Shopping Center in San Jose, California which was vacated as the Santana Row development began.

Other property income includes items which, although recurring, tend to fluctuate from period to period, such as utility reimbursements, telephone income, merchant association dues, late fees and temporary tenant income. Also included are less regularly recurring items, such as lease termination fees. Other property income remained constant in 2000 compared to 1999. On a same center basis, other property income decreased $473,000 in 2000 compared to 1999, due mostly to decreases in lease termination fees.

Rental expenses increased 4.8% from $53.7 million in 1999 to $56.3 million in 2000. On a same center basis, rental expenses increased 6.0% from $49.6 million in 1999 to $52.6 million in 2000, primarily due to general cost increases along with increased snow removal and utility costs in 2000. Rental expense as a percentage of property income, rental income plus other property income, remained constant in both periods at 21%.

Real estate taxes increased 6.4% from $25.0 million in 1999 to $26.6 million in 2000. On a same center basis, real estate taxes increased 5.9% due primarily to increased taxes on recently redeveloped properties.

Depreciation and amortization expenses increased 6.5% from $50.0 million in 1999 to $53.3 million in 2000 reflecting the impact of recent tenant work and property improvements.

In 2000, the Trust incurred interest expense of $79.7 million, of which $13.3 million was capitalized, as compared to 1999's $68.4 million, of which $6.9 million was capitalized. The increase in interest expense reflects the additional debt issued to fund the Trust's share repurchase and capital improvement programs and increased borrowing costs. The weighted average interest rate was 8.0% in 2000 compared with 7.6% in 1999. The ratio of earnings to combined fixed charges and preferred dividends was 1.40x in 2000 and 1.52x in 1999. The ratio of earnings to fixed charges was 1.50x in 2000 and 1.70x in 1999. The ratio of funds from operations to combined fixed charges and preferred dividends was 2.0x in 2000 and 2.2x in 1999.

Administrative expenses decreased from $15.1 million in 1999 to $13.3 million in 2000. In 1999 the Trust incurred expenses of approximately $2.8 million related to a terminated merger transaction. The decrease in these costs was offset by increased personnel costs and several key new hires. The tight labor market in the Trust's operating regions resulted in higher compensation costs both to existing and new employees.

Investors share of operations represents the minority interest in the income of certain properties. The majority of the $2.6 million increase from $3.9 million in 1999 to $6.5 million in 2000 is due to the allocation of operating losses to minority owners in 1999 and 1998 in accordance with the respective partnership agreements. The remainder of the increase represents the minority partners share of increased earnings in certain shopping center and street retail assets.

On June 30, 2000, the Trust sold the 296,000 square foot Peninsula Shopping Center located in Palos Verdes, California for $48.6 million resulting in a gain of $3.7 million. During the second quarter of 1999, the Trust recorded a $7.1 million charge, representing the estimated loss on a potential sale of certain assets, principally Northeast Plaza in Atlanta, Georgia, thereby valuing the assets at their estimated fair value less estimated costs to sell. On October 18, 1999, the Trust sold Northeast Plaza for $19.6 million, realizing a loss of $6.3 million.

As a result of the foregoing items, net income before gain (loss) on the sale of real estate increased from $55.5 million in 1999 to $56.8 million in 2000, while net income increased from $48.4 million in 1999 to $60.5 million in 2000 and net income available for common shareholders increased from $40.5 million to $52.6 million.

Growth in net income and funds from operations in 2001 is expected to be slower than in 2000 based on the following factors; there will be a lower contribution from redevelopment projects as much of the Trust's southern California redevelopments were completed in 2000, higher administrative expenses necessitated by tight labor markets and the addition of key positions and a temporary reduction in earnings caused by the demolition of the old Town & Country Shopping Center in 2000 to make way for the new Santana Row development. The growth in 2001 will continue to be primarily dependent on contributions from the core portfolio. Growth of net income from the core portfolio is, in part, dependent on the financial health of the Trust's tenants and on controlling expenses, some of which are beyond the control of the Trust, such as snow removal and real estate tax assessments. The

Trust expects that demand for its retail space should remain at its current levels. A weakening of the retail environment could, however, adversely impact the Trust by increasing vacancies and decreasing rents. In past weak retail and real estate environments, the Trust has been able to replace weak and bankrupt tenants with stronger tenants; management believes that due to the quality of the Trust's properties there will continue to be demand for its space.

Growth in net income is also dependent on the amount of leverage and interest rates. The Trust's leverage is increasing as it finances its development pipeline. In addition, the Trust will continue to have exposure to changes in market interest rates. If interest rates increase, net income and funds from operations, as well as the ultimate cost of the Trust's development projects, will be negatively impacted.

1999 vs. 1998

Rental income, which consists of minimum rent, percentage rent and cost recoveries, increased 11% from $222.2 million in 1998 to $245.8 million in 1999. If properties acquired and sold in 1999 and 1998 are excluded, rental income increased 6%, with the recently renovated and retenanted centers contributing heavily to the growth, as well as, increases associated with lease rollovers.

Other property income includes items, such as utility reimbursements, telephone income, merchant association dues, late fees, temporary income and lease termination fees. Other income increased 9% from $10.3 million in 1998 to $11.2 million in 1999. An increase of $650,000 in temporary tenant income, an area identified by the Trust as one with additional growth opportunity, and an increase of $550,000 in lease termination fees surpassed decreases in telephone income and decreases in marketing dues, as the Trust discontinued marketing funds at certain shopping centers in 1999.

Rental expenses increased 8% from $49.5 million in 1998 to $53.7 million in 1999. If properties acquired and sold in 1999 and 1998 are excluded, rental expenses increased 5%. A $1.2 million increase in the write off of tenant work and lease costs associated with bankrupt or terminated leases coupled with a $975,000 increase in snow removal costs offset the decrease in marketing expenses, consistent with the decrease in marketing dues.

Real estate taxes increased 7% from $23.3 million in 1998 to $25.0 million in 1999. If properties acquired and sold in 1999 and 1998 are excluded, real estate taxes increased 4%, primarily due to increased taxes on recently redeveloped properties.

Depreciation and amortization expense increased 9% from $46.0 million in 1998 to $50.0 million in 1999. If properties acquired and sold in 1999 and 1998 are excluded, depreciation and amortization expense increased 7% due to the impact of recent tenant work and redevelopments.

Interest income increased 29% from $5.9 million in 1998 to $7.6 million in 1999 due primarily to the issuance of approximately $24 million of mortgage notes receivable in 1999 and 1998.

In 1999 the Trust incurred interest expense of $68.4 million, of which $6.9 million was capitalized, as compared to 1998's $60.2 million, of which $5.1 million was capitalized. The increase in interest expense reflects the additional debt issued to help fund the Trust's 1999 real estate acquisitions and capital improvements of approximately $116 million. The weighted average interest rate was 7.6% in 1999 compared with 8% in 1998. The ratio of earnings to combined fixed charges and preferred dividends was 1.52x in 1999 and 1.46x in 1998. The ratio of earnings to fixed charges was 1.70x in 1999 and 1.65x in 1998. The ratio of funds from operations to combined fixed charges and preferred dividends was 2.2x in 1999 and 1998.

Administrative expenses decreased from $16.5 million in 1998 to $15.1 million in 1999. Both years contained unusual expenses. During the third quarter of 1998, the Trust recorded a $4.7 million charge related to a comprehensive restructuring program. During the third quarter of 1999, the Trust, in exploring strategic alternatives to maximize shareholder value, considered spinning off certain of its assets and merging the remaining assets with another publicly traded shopping center company. The Trust incurred expenses of approximately $2.8 million in connection with this proposed merger and spin-off which were not consummated. In addition, costs related to abandoned acquisition and development projects increased approximately $1.5 million in 1999 over 1998.

Investors' share of operations represents the minority interest in the income of certain properties. One third of the increase from $3.1 million in 1998 to $3.9 million in 1999 is due to the income attributable to the operating partnership units issued upon the acquisition of Kings Court and Leesburg Plaza in the second half of 1998. The majority of the remaining increase represents the minority partners' share of the increased earnings in the southern California street retail assets, many of which have been redeveloped during 1998 and 1999.

As a result of the foregoing items, net income before loss on the sale of real estate increased from $45.0 million in 1998 to $55.5 million in 1999, reflecting both the contribution to net income from the Trust's acquisitions and the contribution from the core portfolio, primarily the recently redeveloped and retenanted properties.

During the second quarter of 1999, the Trust recorded a $7.1 million charge, representing the estimated loss on the potential sale of certain assets, principally Northeast Plaza in Atlanta, Georgia. On October 18, 1999 the Trust sold Northeast Plaza for $19.6 million, realizing a loss of $6.3 million. Consequently, net income increased from $45.0 million in 1998 to $48.4 million in 1999 with net income available for common shareholders increasing from $37.0 million in 1998 to $40.5 million in 1999.

Segment Results

The Trust has traditionally operated its business as a single business segment. During the fourth quarter of 1998, however, the Trust completed a comprehensive restructuring program which, among other things, changed the Trust's operating structure from a functional hierarchy to an asset management model, where small focused teams are responsible for a portfolio of assets. As a result the Trust has divided its portfolio of properties into three geographic operating regions: Northeast, Mid-Atlantic and West. Each region is operated under the direction of a chief operating officer, with dedicated leasing, property management and financial staff and operates largely autonomously with respect to day to day operating decisions. Incentive compensation, throughout the regional teams, is tied to the net operating income of the respective portfolios.

Historical operating results for the three regions are as follows (in thousands):

	2000	1999	1998
Rental Income			
Northeast	$113,078	$102,452	$93,632
Mid-Atlantic	114,371	111,624	103,676
West	33,235	31,757	24,878
Total	$260,684	$245,833	$222,186
Net Operating Income			
Northeast	$79,685	$74,276	$66,396
Mid-Atlantic	84,346	81,425	76,065
West	24,818	22,665	17,311
Total	$188,849	$178,366	$159,772

The Northeast

The Northeast region is comprised of 54 assets, extending from suburban Philadelphia north to New York and its suburbs into New England and west to Illinois and Michigan. A significant portion of this portfolio has been held by the Trust for many years although acquisitions, redevelopment and retenanting remain major components to the current and future performance of the region. Several redevelopment projects were completed in 2000, which enhanced revenues and net operating income in 2000.

When comparing 2000 with 1999, rental income increased 10% from $102.5 million in 1999 to $113.1 million in 2000. Excluding Greenlawn Plaza in Greenlawn, New York which was acquired on January 5, 2000, on a same center basis, rental income also increased 10%, primarily due to increases at the recently redeveloped and retenanted shopping centers such as, Bala Cynwyd, Lawrence Park, Gratiot, Langhorne Square, and Wynnewood.

Net operating income increased 7% from $74.3 million in 1999 to $79.7 million in 2000. Excluding Greenlawn Plaza in Greenlawn, New York which was acquired on January 5, 2000, on a same center basis, net operating income also increased 7%, primarily due to increases at the recently redeveloped and retenanted Bala Cynwyd, Lawrence Park, Gratiot, Langhorne Square, and Wynnewood shopping centers.

When comparing 1999 with 1998, rental income increased 9% from $93.6 million in 1998 to $102.5 million in 1999. Excluding properties acquired during the two periods, rental income increased 7%, driven by increases at the recently redeveloped and retenanted Brick, Feasterville, Gratiot, Huntington and Wynnewood shopping centers.

Net operating income increased 12% from $66.4 million in 1998 to $74.3 million in 1999. Excluding properties acquired in 1998 and 1999, net operating income increased 9%, primarily due to increases at the recently redeveloped and retenanted Brick, Feasterville, Gratiot, Huntington and Wynnewood shopping centers.

The Mid-Atlantic

The Mid-Atlantic region is comprised of 32 assets, including Pentagon Row which is currently under development, extending from Baltimore south to metropolitan Washington D.C. and further south through Virginia and North Carolina into Florida. As with the Northeast region, a significant portion of this portfolio has been held by the Trust for many years although acquisitions, redevelopment and retenanting remain major components to its current and future performance. Two of the Trust's major new development projects, Pentagon Row and additional phases of Bethesda Row, will be managed by this regional operating team upon their completion.

When comparing 2000 with 1999, rental income increased 3% from $111.6 million in 1999 to $114.4 million in 2000. On a same center basis, excluding Northeast Plaza in Atlanta, Georgia which was sold in 1999 and the recently developed Phase 3 of the Bethesda Row project in Bethesda, Maryland, rental income increased 4%, due in part to new anchor leases at several centers. Net operating income increased 4% from $81.4 million in 1999 to $84.3 million in 2000. On a same center basis as above, net operating income increased 5%, due primarily to new anchor leases and lease termination fees.

When comparing 1999 with 1998, rental income increased 8% from $103.7 million in 1998 to $111.6 million in 1999. Excluding properties acquired and sold in 1999 and 1998, rental income increased 5%.

Net operating income increased 7% from $76.1 million in 1998 to $81.4 million in 1999. Excluding properties acquired and sold in 1999 and 1998, net operating income increased 3%.

The West

The West region is comprised of 38 assets, including Santana Row which is currently under development, extending from Texas to the West Coast. Unlike the Northeast and Mid-Atlantic regions, this portfolio is relatively new to the Trust and is part of a deliberate expansion west over the past several years. This region is the fastest growing at the Trust and includes the Trust's largest new development project, Santana Row in San Jose, California. Several redevelopment projects were completed in 2000 and several more are currently underway, particularly in southern California and San Antonio, Texas, which are expected to add to revenues and net operating income in 2001 and future years.

When comparing 2000 with 1999 on a same center basis, which excludes newly developed properties, Santana Row, which is currently under development, and properties sold and acquired since January 1, 1999, rental income increased 20% from $19.7 million in 1999 to $23.5 million in 2000, due primarily to recently redeveloped and retenanted properties in the Los Angeles and San Francisco, California areas. On an overall basis, which includes the impact of the sale of Peninsula Shopping Center on June 30, 2000 and the temporary reduction in earnings caused by the demolition of the old Town & Country Shopping Center to make way for the new Santana Row development, rental income increased 5% from $31.8 million in 1999 to $33.2 million in 2000.

On the same center basis as defined above, net operating income increased 25% from $14.2 million in 1999 to $17.8 million in 2000, due to increases from the recently redeveloped and retenanted properties in the Los Angeles and San Francisco, California areas. Overall net operating income increased 10% from $22.7 million in 1999 to $24.8 million in 2000, again reflecting the sale of Peninsula Shopping Center and the temporary reduction in earnings caused by the Santana Row development.

When comparing 1999 with 1998, rental income increased 28% from $24.9 million in 1998 to $31.8 million in 1999. Excluding properties acquired in 1999 and 1998, rental income increased 11%, driven by the redevelopment of Old Town in Los Gatos, California and several street retail buildings in southern California.

Net operating income increased 31% from $17.3 million in 1998 to $22.7 million in 1999. Excluding properties acquired in 1999 and 1998, net operating income increased 14%, driven by the redevelopment of Old Town in Los Gatos, California and several street retail buildings in southern California.

Funds from Operations

The Trust has historically reported its funds from operations in addition to its net income and net cash provided by operating activities. Funds from operations is a supplemental measure of real estate companies' operating performance. As of January 1, 2000, the National Association of Real Estate Investment Trusts (NAREIT) defines funds from operations as follows: income available for common shareholders before depreciation and amortization of real estate assets and before extraordinary items less gains on sale of real estate. Prior to January 1, 2000, funds from operations also excluded significant nonrecurring events. Funds from operations does not replace net income as a measure of performance or net cash provided by operating activities as a measure of liquidity. Rather, funds from operations has been adopted by real estate investment trusts to provide a consistent measure of operating performance in the industry. Nevertheless, funds from operations, as presented by the Trust, may not be comparable to funds from operations as presented by other real estate investment trusts.

The reconciliation of net income to funds from operations is as follows (in thousands):

	Year ended December 31, 2000	1999	1998
Net income available for common shareholders	$52,573	$40,493	$37,010
Depreciation and amortization of real estate assets	48,456	45,388	41,792
Amortization of initial direct costs of leases	3,514	3,033	2,491
Income attributable to operating partnership units	1,311	831	578
(Gain) loss on sale of real estate	(3,681)	7,050	---
Non-recurring items	---	---	4,665
Funds from operations for common shareholders	$102,173	$96,795	$86,536

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The Trust's primary financial market risk is the fluctuation in interest rates. At December 31, 2000, the Trust had $232.0 million of variable rate debt. Based upon this balance of variable debt, if interest rates increased 1%, the Trust's earnings and cash flows would decrease by $2.3 million. If interest rates decreased 1%, the Trust's earnings and cash flows would increase by $2.3 million. The Trust believes that the change in the fair value of its financial instruments resulting from a forseeable fluctuation in interest rates would be immaterial to its total assets and total liabilities.

Item 8. Financial Statements and Supplementary Data.

Included in Item 14.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

On May 5, 1999, the Trust appointed the accounting firm of Arthur Andersen LLP as independent public accountants to replace Grant Thornton LLP, which was dismissed effective the same date. The Trust's Board of Trustees approved the decision to change independent public accountants upon the recommendation of the Trust's Audit Committee. During the Trust's fiscal year ended December 31, 1998 and the interim period through March 31, 1999 there were no disagreements with Grant Thornton LLP on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure. The reports issued by Grant Thornton LLP on the financial statements for the year ended December 31, 1998 contained no adverse opinion or disclaimer of opinion, and were not qualified as to uncertainty, audit scope or accounting principles.

During the Trust's fiscal year ended December 31, 1998 and the interim period through March 31, 1999, the Trust had not consulted with Arthur Andersen LLP regarding the application of accounting principles to a specified transaction, the type of audit opinion that might be rendered on the Trust's financial statements, or any matter that was either the subject of a disagreement or a reportable event.

Part III

Item 10. Directors and Executive Officers of the Registrant.

(a) The table identifying the Trust's Trustees under the caption "Election of Trustees" of the 2001 Proxy Statement is incorporated herein by reference.

(b) Executive Officers of the Registrant

The information required by this item is included in this report at Item 1 under the caption "Executive Officers of the Registrant".

Item 11. Executive Compensation.

The sections entitled "Summary Compensation Table" and "Aggregated Option Exercises in 2000 and December 31, 2000 Option Values" of the 2001 Proxy Statement are incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

The sections entitled "Ownership of Shares by Certain Beneficial Owners" and "Ownership of Shares by Trustees and Officers" of the 2001 Proxy Statement are incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions.

The section entitled "Certain Relationships and Related Transactions" of the 2001 Proxy Statement is incorporated herein by reference.

Part IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) 1. Financial Statements

2. Financial Statement Schedules

(a) 3. Exhibits

(3) (i) Declaration of Trust of Federal Realty Investment Trust dated May 5, 1999 filed with the Commission on May 25, 1999 as an exhibit to the Trust's Current Report on Form 8-K is incorporated herein by reference thereto.

(ii) Bylaws of the Trust dated May 5, 1999 filed with the Commission on May 25, 1999 as an exhibit to the Trust's Current Report on Form 8-K is incorporated herein by reference thereto.

(4) (i) A description of a Common Share of Beneficial Interest certificate filed with the Commission as a portion of Exhibit 4 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1999 is incorporated herein by reference thereto.

(ii) A description of a 7.95% Series A Cumulative Redeemable Preferred Share certificate filed with the Commission as a portion of Exhibit 4 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1999 is incorporated herein by reference thereto.

(iii) Statement of Designation for Shares, filed on Form 8-K with the Commission on October 3, 1997, is incorporated herein by reference thereto.

(iv) The 5 1/4% Convertible Subordinated Debenture due 2002 as described in Amendment No. 1 to Form S-3 (File No. 33-15264), filed with the Commission on August 4, 1987 is incorporated herein by reference thereto.

(v) Amended and Restated Rights Agreement, dated March 11, 1999, between the Trust and American Stock Transfer & Trust Company, filed as an exhibit to the Trust's Form 8-A/A filed with the Commission on March 11, 1999, is incorporated herein by reference thereto.

(vi) Indenture dated December 13, 1993, related to the Trust's 7.48% Debentures due August 15, 2026; 8 7/8% Senior Notes due January 15, 2000; 8% Notes due April 21, 2002; 6 5/8% Notes due 2005; 6.82% Medium Term Notes due August 1, 2027; 6.74% Medium Term Notes due March 10, 2004; and 6.99% Medium Term Notes due March 10, 2006, filed with the commission on December 13, 1993 as exhibit 4(a) to the Trust's Registration Statement on Form S-3, (File No. 33-51029) and amended on Form S-3 (File No. 33-63687), effective December 4, 1995 is incorporated herein by reference thereto.

(vii) Indenture dated September 1, 1998 related to the Trust's 8.75% Notes due December 1, 2009 filed as exhibit 4(a) to the Trust's Registration Statement on Form S-3 (File No. 333-63619) is incorporated herein by reference thereto.

(viii) Dividend Reinvestment and Share Purchase Plan, dated November 3, 1995, filed with the Commission on Form S-3 on November 3, 1995 (File No. 33-63955) is incorporated herein by reference thereto.

(10) (i) Consultancy Agreement with Samuel J. Gorlitz, as amended, filed with the Commission as Exhibit 10 (v) to the Trust's Annual Report on Form 10-K for the year ended December 31, 1983, is incorporated herein by reference thereto.

(ii) The Trust's 1983 Stock Option Plan adopted May 12, 1983, filed with the Commission as Exhibit 10 (vi) to the Trust's Annual Report on Form 10-K for the year ended December 31, 1983, is incorporated herein by reference.

(iii) Deferred Compensation Agreement with Steven J. Guttman dated December 13, 1978, filed with the Commission as Exhibit 10 (iv) to the Trust's Annual Report on Form 10-K for the year ended December 31, 1980 is incorporated herein by reference thereto.

(iv) The Trust's 1985 Non-Qualified Stock Option Plan, adopted on September 13, 1985, filed with the Commission as a portion of Exhibit 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1985 is incorporated herein by reference thereto.

(v) Amendment No. 3 to Consultancy Agreement with Samuel J. Gorlitz, filed as a portion of Exhibit 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1988 is incorporated herein by reference thereto.

(vi) The 1991 Share Purchase Plan, dated January 31, 1991, filed with the Commission as a portion of Exhibit 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1990 is incorporated herein by reference thereto.

(vii) Amendment No. 4 to Consultancy Agreement with Samuel J. Gorlitz, filed with the Commission as an exhibit to the Trust's Annual Report on Form 10-K for the year ended December 31, 1992 is incorporated herein by reference thereto.

(viii) Employment and Relocation Agreement between the Trust and Ron D. Kaplan, dated September 30, 1992, filed as an exhibit to the Trust's Annual Report on Form 10-K for the year ended December 31, 1992 is incorporated herein by reference thereto.

(ix) Amendment dated October 1, 1992, to Voting Trust Agreement dated as of March 3, 1989 by and between I. Wolford Berman and Dennis L. Berman filed as an exhibit to the Trust's Annual Report on Form 10-K for the year ended

December 31, 1992 is incorporated herein by reference thereto.

(x) Federal Realty Investment Trust Amended and Restated 1993 Long-Term Incentive Plan, as amended on October 6, 1997 and further amended on May 6, 1998 , filed with the Commission as portions of Item 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1998, is incorporated herein by reference thereto.

The following documents, filed with the Commission as portions of Item 6 to the Trust's Quarterly Report on Form 10-Q for the quarter ended September 30, 1993 are incorporated herein by reference thereto:

(xi) Fiscal Agency Agreement dated as of October 28, 1993 between Federal Realty Investment Trust and Citibank, N.A.

(xii) Other Share Award and Purchase Note between Federal Realty Investment Trust and Ron D. Kaplan, dated January 1, 1994, filed with the Commission as a portion of Item 6 to the Trust's Quarterly Report on Form 10-Q for the quarter ended March 31, 1994 is incorporated herein by reference thereto.

(xiii) Amended and Restated 1983 Stock Option Plan of Federal Realty Investment Trust and 1985 Non-Qualified Stock Option Plan of Federal Realty Investment Trust, filed with the Commission on August 17, 1994 on Form S-8, (File No. 33-55111) is incorporated herein by reference thereto.

(xiv) Form of Severance Agreement between Federal Realty Investment Trust and Certain of its Officers dated December 31, 1994, filed with the Commission as a portion of Exhibit 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1994, is incorporated herein by reference thereto.

The following filed with the Commission as portions of Exhibit 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1997, are incorporated herein by reference thereto:

(xv) Credit Agreement Dated as of December 19, 1997 by and among Federal Realty Investment Trust, as Borrower, The Financial Institutions Party Thereto and Their Assignees Under Section 13.5.(a), as Lenders, Corestates Bank, N.A., as Syndication Agent, First Union National Bank, as Administrative Agent and as Arranger, and Wells Fargo Bank, as Documentation Agent and as Co- Arranger.

(xvi) Performance Share Award Agreement between Federal Realty Investment Trust and Steven J. Guttman, as of January 1, 1998.

(xvii) Form of Amended and Restated Restricted Share Award Agreements between Federal Realty Investment Trust and Steven J. Guttman for the years 1998 through 2002.

(xviii) Performance Share Award Agreements between Federal Realty Investment Trust and Ron D. Kaplan, as of January 1, 1998.

(xix) Restricted Share Award Agreements between Federal Realty Investment Trust and Ron D. Kaplan, as of January 1, 1998.

(xx) Amended and Restated Employment Agreement between the Trust and Steven J. Guttman as of March 6, 1998.

(xxi) Amended and Restated Executive Agreement between the Trust and Steven J. Guttman as of March 6, 1998.

(xxii) Executive Agreement between the Trust and Ron D. Kaplan as of March 6, 1998.

(xxiii) Amended and Restated Severance Agreement between the Trust and Ron D. Kaplan as of March 6, 1998.

(xxiv) Severance Agreement between the Trust and Catherine R. Mack as of March 6, 1998.

The following filed with the Commission as portions of Exhibit 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1998, is incorporated herein by reference thereto:

(xxv) Term Loan Agreement, dated as of December 22, 1998 by and among Federal Realty Investment Trust, as Borrower, the Financial Institutions Party Thereto and Their Assignees Under Section 13.5.(d), as Lenders, Commerzbank Aktiengesellschaft, New York Branch as Syndication Agent, PNC, National Association, as Administrative Agent and Fleet National Bank, as documentation agent.

The following filed with the Commission as portions of Exhibit 10 to the Trust's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by reference thereto:

(xxvi) Amended and Restated Severance Agreement between the Trust and Nancy J. Herman as of December 27, 1999.

(xxvii) Performance Share Award Agreement dated as of February 9, 2000 between the Trust and Donald C. Wood.

(xxviii) Restricted Share Award Agreement dated as of February 9, 2000 between the Trust and Donald C. Wood.

(xxix) Amendment to Performance Share Award Agreement dated as of February 25, 2000 between Federal Realty Investment Trust and Steven J. Guttman.

(xxx) Amendments to Performance Share Award Agreements dated as of February 25, 2000 between Federal Realty Investment Trust and Ron D. Kaplan.

The following are filed as exhibits hereto:

(xxxi) Amendment to Restricted Share Award Agreement dated December 8, 2000 between Federal Realty Investment Trust and Ron D. Kaplan.

(xxxii) Amendment to Restricted Share Award Agreement dated December 8, 2000 between Federal Realty Investment Trust and Ron D. Kaplan.

(xxxiii) Amendment to Restricted Share Award Agreement dated December 8, 2000 between Federal Realty Investment Trust and Don C. Wood.

(xxxiv) Split Dollar Life Insurance Agreement dated May 20, 1998 between Federal Realty Investment Trust and The Ronald D. Kaplan Family Trust.

(xxxv) Split Dollar Life Insurance Agreement dated June 7, 1998 between Federal Realty Investment Trust and The Guttman Family 1998 Trust.

(xxxvi) Split Dollar Life Insurance Agreement dated August 12, 1998 between Federal Realty Investment Trust and Donald C. Wood.

(xxxvii) Split Dollar Life Insurance Agreement dated November 2, 2000 between Federal Realty Investment Trust and The Nancy J. Herman Insurance Trust.

(12) Statements regarding computation of ratios.......

(21) Subsidiaries of the registrant....................
Filed as an exhibit hereto.

(23) Consent of Grant Thornton LLP....................

(b) Reports on Form 8-K Filed during the Last Quarter

A Form 8-K, dated November 3, 2000, was filed in response to Item 5.
A Form 8-K, dated February 14, 2001 was filed in response to Item 5.

+ For Edgar filing only.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FEDERAL REALTY INVESTMENT TRUST

Date: March 15, 2001

By:Steven J. Guttman
Steven J. Guttman
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
Steven J. Guttman Steven J. Guttman	Chairman of the Board and Chief Executive Officer	March 15, 2001
Donald C. Wood Donald C. Wood	President and Chief Operating Officer	March 15, 2001
Cecily A. Ward Cecily A. Ward	Vice-President, Chief Financial Officer And Treasurer (Chief Accounting Officer)	March 15, 2001
Dennis L. Berman Dennis L. Berman	Trustee	March 15, 2001
Kenneth D. Brody Kenneth D. Brody	Trustee	March 15, 2001
Kristin Gamble Kristin Gamble	Trustee	March 15, 2001
Walter F. Loeb Walter F. Loeb	Trustee	March 15, 2001
Mark S. Ordan Mark S. Ordan	Trustee	March 15, 2001

FINANCIAL STATEMENTS
AND
SCHEDULES

REPORT OF INDEPENDENT
PUBLIC ACCOUNTANTS

To the Trustees and Shareholders of
Federal Realty Investment Trust:

We have audited the accompanying consolidated balance sheets of Federal Realty Investment Trust (a Maryland real estate investment trust) and subsidiaries as of December 31, 2000 and 1999 and the related consolidated statements of operations, common shareholders' equity, and cash flows for each of the years in the two year period ended December 31, 2000. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Federal Realty Investment Trust and subsidiaries as of December 31, 2000 and 1999 and the results of their operations and their cash flows for each of the years in the two year period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States.

Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The financial statement schedules included on pages F-28 through F-33 of the Form 10-K are presented for purposes of complying with the Securities and Exchange Commission's rules and are not a required part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in our audit of the basic consolidated financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Arthur Andersen LLP
Vienna, Virginia
February 13, 2001

REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS

Trustees and Shareholders
Federal Realty Investment Trust

We have audited the accompanying consolidated statement of operations, shareholders' equity and cash flows of Federal Realty Investment Trust for the period ended December 31, 1998. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated results of Federal Realty Investment Trust operations and its consolidated cash flows for the year ended December 31, 1998 in conformity with generally accepted accounting principles.

In connection with our audits of the consolidated financial statements referred to above, we have also audited Schedules III and IV for the year ended December 31, 1998. In our opinion, these schedules present fairly, in all material respects, the information required to be set forth therein.

Grant Thornton LLP
Washington, D.C.
February 8, 1999

Federal Realty Investment Trust

CONSOLIDATED BALANCE SHEETS

	December 31, 2000	December 31, 1999
ASSETS	(in thousands)	
Investments		
Real estate, at cost	$1,854,913	$1,721,459
Less accumulated depreciation and amortization	(351,258)	(317,921)
	1,503,655	1,403,538
Other Assets		
Cash	11,357	11,738
Mortgage notes receivable	47,360	53,495
Accounts and notes receivable	13,092	23,130
Prepaid expenses and other assets, principally property taxes and lease commissions	38,140	36,807
Debt issue costs, net of accumulated amortization of 3,982 and 3,885, repsectively	7,475	5,340
	$1,621,079	$1,534,048
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Obligations under capital leases	$ 121,611	$ 122,026
Mortgages payable	202,300	50,547
Notes payable	225,246	162,768
Accounts payable and accrued expenses	36,810	34,974
Dividends payable	19,892	19,431
Security deposits	5,537	5,068
Prepaid rents	8,819	6,788
Senior notes and debentures	410,000	510,000
5 1/4% Convertible subordinated debentures	75,289	75,289
Investors' interest in consolidated assets	47,921	45,330
Commitments and contingencies		
Shareholders' equity		
Preferred stock, authorized 15,000,000 shares, $.01 par 7.95% Series A Cumulative Redeemable Preferred Shares, (stated at liquidation preference $25 per share), 4,000,000 shares issued in 1997	100,000	100,000
Common shares of beneficial interest, $.01 par , 100,000,000 shares authorized, 40,910,972 and 40,418,766 issued, respectively	410	404
Additional paid in capital	723,078	713,354
Accumulated dividends in excess of Trust net income	(306,287)	(286,348)
	517,201	527,410
Less:1,441,594 and 217,644 common shares in treasury - at cost, respectively	(27,753)	(4,334)
Deferred compensation on restricted shares	(17,254)	(15,219)
Notes receivable from employee stock plans	(4,540)	(6,030)
	467,654	501,827
	$1,621,079	$1,534,048

The accompanying notes are an integral part of these consolidated statements.

Federal Realty Investment Trust

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31, 2000	1999	1998
	(In thousands, except per share data)		
Revenue			
Rental income	$260,684	$245,833	$222,186
Interest and other income	7,532	7,649	5,945
Other property income	11,065	11,231	10,347
	279,281	264,713	238,478
Expenses			
Rental	56,280	53,677	49,490
Real estate taxes	26,620	25,021	23,271
Interest	66,418	61,492	55,125
Administrative	13,318	15,120	16,461
Depreciation and amortization	53,259	50,011	46,047
	215,895	205,321	190,394
Operating income before investors' share of operations and gain (loss) on sale of real estate	63,386	59,392	48,084
Investors' share of operations	(6,544)	(3,899)	(3,124)
Income before gain (loss) on sale of real estate	56,842	55,493	44,960
Gain (loss) on sale of real estate	3,681	(7,050)	-
Net income	60,523	48,443	44,960
Dividends on preferred stock	(7,950)	(7,950)	(7,950)
Net income available for common shareholders	$ 52,573	$ 40,493	$ 37,010
Earnings per common share, basic			
Income before gain (loss) on sale of real estate	$ 1.26	$ 1.20	$ 0.94
Gain (loss) on sale of real estate	0.10	(0.18)	-
	$ 1.36	$ 1.02	$ 0.94
Weighted average number of common shares, basic	38,796	39,574	39,174
Earnings per common share, diluted			
Income before gain (loss) on sale of real estate	$ 1.26	$ 1.19	$ 0.94
Gain (loss) on sale of real estate	0.09	(0.17)	-
	$ 1.35	$ 1.02	$ 0.94
Weighted average number of common shares, diluted	39,910	40,638	40,080

The accompanying notes are an integral part of these consolidated statements.

Federal Realty Investment Trust

CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY

(in thousands, except share data)	2000 Shares	2000 Amount	2000 Additional Paid-in Capital	1999 Shares	1999 Amount	1999 Additional Paid-in Capital
Common Shares of Beneficial Interest						
Balance, beginning of year	40,418,766	$ 404	$ 713,354	40,139,675	$ 707,724	-
Adjustment to reflect change in par value	-	-	-	-	(707,323)	$ 707,323
Exercise of stock options	67,684	1	1,398	52,667	-	1,092
Shares issued under dividend reinvestment plan	153,713	2	3,136	165,770	2	3,566
Performance and Restricted Shares granted, net of Restricted Shares retired	270,809	3	5,190	60,654	1	1,373
Balance, end of year	40,910,972	$ 410	$ 723,078	40,418,766	$ 404	$ 713,354
Accumulated Dividends in Excess of Trust Net Income						
Balance, beginning of year		($286,348)			($255,211)	
Net income		60,523			48,443	
Dividends declared to common shareholders		(72,512)			(71,630)	
Dividends declared to preferred shareholders		(7,950)			(7,950)	
Balance, end of year		($306,287)			($286,348)	
Common Shares of Beneficial Interest in Treasury						
Balance, beginning of year	(217,644)	($4,334)		(59,425)	($1,376)	
Performance and Restricted Shares issued	-	-		-	-	
Performance and Restricted Shares forfeited	(38,550)	(787)		(17,719)	(393)	
Purchase of treasury shares	(1,185,400)	(22,632)		(140,500)	(2,565)	
Balance, end of year	(1,441,594)	($27,753)		(217,644)	($4,334)	
Deferred Compensation on Restricted Shares						
Balance, beginning of year	(599,427)	($15,219)		(582,910)	($14,892)	
Performance and Restricted Shares issued, net of forfeitures	(218,771)	(4,151)		(31,660)	(730)	
Vesting of Performance and Restricted Shares	82,323	2,116		15,143	403	
Balance, end of year	(735,875)	($17,254)		(599,427)	($15,219)	
Subscriptions receivable from employee stock plans						
Balance, beginning of year	(317,606)	($6,030)		(337,111)	($6,298)	
Subscription loans issued	(5,500)	(115)		(9,083)	(190)	
Subscription loans paid	80,468	1,605		28,588	458	
Balance, end of year	(242,638)	($4,540)		(317,606)	($6,030)	

(In thousands, except share data)	1998 Shares	1998 Amount	1998 Additional Paid-in Capital
Common Shares of Beneficial Interest			
Balance, beginning of year	39,200,201	$ 684,823	-
Adjustment to reflect change in par value	-	-	-
Exercise of stock options	230,908	4,880	-
Shares issued under dividend reinvestment plan	167,511	3,990	-
Performance and Restricted Shares granted, net of Restricted Shares retired	541,055	14,031	-
Balance, end of year	40,139,675	$ 707,724	-
Accumulated Dividends in Excess of Trust Net Income			
Balance, beginning of year		($222,709)	
Net income		44,960	
Dividends declared to common shareholders		(69,512)	
Dividends declared to preferred shareholders		(7,950)	
Balance, end of year		($255,211)	

Common Shares of Beneficial Interest in Treasury

Balance, beginning of year	(52,386)	($1,002)
Performance and Restricted Shares issued	35,000	649
Performance and Restricted Shares forfeited	(42,039)	(1,023)
Purchase of treasury shares	-	-
Balance, end of year	(59,425)	($1,376)

Deferred Compensation on Restricted Shares		
Balance, beginning of year	(22,000)	($621)
Performance and Restricted Shares issued, net of forfeitures	(576,055)	(14,679)
Vesting of Performance and Restricted Shares	15,145	408
Balance, end of year	(582,910)	($14,892)
Subscriptions receivable from employee stock plans		
Balance, beginning of year	(382,725)	($6,681)
Subscription loans issued	(111,114)	(2,378)
Subscription loans paid	156,728	2,761
Balance, end of year	(337,111)	($6,298)

The accompanying notes are an integral part of these consolidated statements.

Federal Realty Investment Trust

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31, 2000	1999	1998
		(In thousands)	
OPERATING ACTIVITIES			
Net income	$60,523	$48,443	$44,960
Items not requiring cash outlays			
Depreciation and amortization	53,259	50,011	46,047
(Gain) loss on sale of real estate	(3,681)	7,050	-
Other, net	1,634	2,395	2,301
Changes in assets and liabilities			
Decrease (increase) in accounts receivable	323	(5,257)	878
Increase in prepaid expenses and other assets before depreciation and amortization	(6,834)	(2,183)	(9,571)
Increase (decrease) in operating accounts payable, security deposits and prepaid rent	3,342	(1,202)	2,148
(Decrease) increase in accrued expenses	(2,420)	2,926	3,664
Net cash provided by operating activities	106,146	102,183	90,427
INVESTING ACTIVITIES			
Acquisition of real estate	(23,554)	(25,337)	(92,946)
Capital expenditures	(145,838)	(90,796)	(73,030)
Repayments (Issuance) of mortgage notes receivable, net	494	(2,341)	(21,375)
Proceeds from sale of real estate, net of costs	47,157	19,161	-
Other, net	-	-	(295)
Net cash used in investing activities	(121,741)	(99,313)	(187,646)
FINANCING ACTIVITIES			
Borrowing (repayment) of short-term debt, net	47,400	(100,147)	144,357
Proceeds from mortgage and construction financing, net of costs	166,383	-	-
(Repayment) issuance of senior notes, net of costs	(100,000)	172,193	79,540
Issuance of common shares	3,428	2,243	5,310
Common shares repurchased	(22,632)	(2,565)	-
Payments on mortgages, capital leases and notes payable	(2,169)	(1,151)	(55,248)
Dividends paid	(77,499)	(76,617)	(74,284)
Increase (decrease) in minority interest, net	303	(2,318)	(2,269)
Net cash provided by (used in) financing activities	15,214	(8,362)	97,406
(Decrease) increase in cash	(381)	(5,492)	187
Cash at beginning of year	11,738	17,230	17,043
Cash at end of year	$11,357	$11,738	$17,230

The accompanying notes are an integral part of these consolidated statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Federal Realty Investment Trust (the "Trust") is a full-service real estate company, which owns and operates community and neighborhood shopping centers and which owns and develops main street retail properties, retail buildings and mixed-use properties located in densely developed urban and suburban areas.

The Trust operates in a manner intended to enable it to qualify as a real estate investment trust for federal income tax purposes. A trust which distributes at least 95% of its real estate investment trust taxable income to its shareholders each year and which meets certain other conditions will not be taxed on that portion of its taxable income which is distributed to its shareholders. Therefore, no provision for Federal income taxes is required.

The consolidated financial statements of the Trust include the accounts of the Trust, its wholly owned corporate subsidiaries, several corporations where the Trust has a majority ownership, numerous partnerships and a joint venture, all of which it controls. The equity interests of other investors are reflected as investors' interest in consolidated assets. All significant intercompany transactions and balances are eliminated in consolidation.

Revenue Recognition. Leases with tenants are classified as operating leases. Minimum rents are recognized on a straight-line basis over the terms of the related leases net of valuation adjustments based on management's assessment of credit, collection and other business risk. Percentage rents, which represent additional rents based on gross tenant sales, are recognized at the end of the lease year or other period in which tenant sales' volumes have been reached and the percentage rents are due. Real estate tax and other cost reimbursements are recognized on an accrual basis over the periods in which the expenditures occurred.

Real Estate. Land, buildings and real estate under development are recorded at cost. Depreciation is computed using the straight-line method. Estimated useful lives range from three to 25 years on apartment buildings and improvements, and from three to 35 years on retail properties and improvements. Maintenance and repair costs are charged to operations as incurred. Tenant work and other major improvements are capitalized and depreciated over the life of the lease and their estimated useful life, respectively. The gain or loss resulting from the sale of properties is included in net income at the time of sale. Upon termination of a lease, undepreciated tenant improvement costs are charged to operations if the assets are replaced and the asset and the corresponding accumulated depreciation are retired.

The Trust evaluates the carrying value of its long-lived assets in accordance with Statement of Financial Accounting Standard ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of". In cases where particular assets are being held for sale, impairment is based on whether the fair value (estimated sales price less costs of disposal) of each individual property to be sold is less than the net book value. Otherwise, impairment is based on whether it is probable that undiscounted future cash flows from each property will be less than its net book value. If a property is impaired, its basis is adjusted to its fair market value.

The Trust, when applicable as lessee, classifies its leases of land and buildings as operating or capital leases in accordance with the provisions of SFAS No. 13, "Accounting for Leases".

Certain external and internal costs directly related to the development, redevelopment and leasing of real estate including applicable salaries and their related direct costs are capitalized. The capitalized costs associated with developments, redevelopments and leasing are depreciated or amortized over the life of the improvement and lease, respectively. Unamortized leasing costs are charged to operations if the applicable tenant vacates before the expiration of their lease. Through March 1998, internal costs of preacquisition activities incurred in connection with the acquisition of an operating property were capitalized. On March 19, 1998 the Emerging Issues Task Force ("EITF") of the Financial Accounting Standards Board reached a consensus opinion on issue #97-11, "Accounting for Internal Costs Relating to Real Estate Property Acquisitions" which requires that the internal costs of preacquisition activities incurred in connection with the acquisition of an operating property be expensed as incurred. Consequently, the Trust has been expensing these costs since March 1998.

Interest costs on developments and major redevelopments are capitalized as part of the development and redevelopment.

Debt Issue Costs. Costs related to the issuance of debt instruments are capitalized and are amortized as interest expense over the life of the related issue using the effective interest method. Upon conversion or in the event of redemption, applicable unamortized costs are charged to shareholders' equity or to operations, respectively.

Cash and Cash Equivalents. The Trust defines cash as cash on hand, demand deposits with financial institutions and short term liquid investments with an initial maturity under three months. Cash balances in individual banks may exceed insurable amounts from time to time.

Risk Management. The Trust has occasionally entered into derivative contracts prior to a scheduled financing or refinancing in order to minimize the risk of changes in interest rates. The derivative contracts are designated as hedges when acquired. The gain or loss on these transactions is recognized as a component of interest expense over the life of the financing.

The Trust does not use derivative financial instruments for trading or speculative purposes. There were no open derivative contracts at December 31, 2000 or 1999. In June 1998, SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities" was issued. This statement established accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. If certain conditions are met, a derivative may be specifically designated as a hedge of the exposure to certain risks. SFAS No. 137 "Deferral of Effective Date of SFAS No. 133" was issued and delayed the effective date of SFAS No. 133. SFAS No. 133 is effective January 1, 2001 for the Trust. As previously stated, the Trust has no derivatives as of December 31, 2000 and as a result, there is no related transition adjustment upon transition.

Acquisition, Development and Construction Loan Arrangements. The Trust has made certain mortgage loans that, because of their nature, qualify as loan receivables. At the time the loans were made the Trust did not intend for the arrangement to be anything other than a financing and did not contemplate a real estate investment. Using guidance set forth in the Third Notice to Practitioners issued by the AICPA in February 1986 entitled "ADC Arrangements" ("the Third Notice"), the Trust evaluates each investment to determine whether the loan arrangement qualifies under the Third Notice as a loan, joint venture or real estate investment and the appropriate accounting thereon; such determination affects the Trust's balance sheet classification of these investments and the recognition of interest income derived therefrom. Generally, the Trust receives additional interest on these loans, however the Trust never receives in excess of 50% of the residual profit in the project (as defined in the Third Notice) and because the borrower has either a substantial investment in the project or has guaranteed all or a portion of the Trust's loan (or a combination thereof) the loans qualify for loan accounting. The amounts under ADC arrangements at December 31, 2000 and 1999 are $47.4 million and $53.5 million, respectively and interest income recognized thereon was $5.0 million and $5.7 million, respectively.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. These estimates are prepared using management's best judgment, after considering past and current events. Actual results could differ from these estimates.

Comprehensive Income. The Trust has no comprehensive income and therefore does not require separate reporting in the accompanying consolidated statements of operations.

Earnings Per Share. The Trust calculates basic and diluted earnings per share in accordance with SFAS No. 128, "Earnings Per Share". Basic EPS excludes dilution and is computed by dividing net income available for common shareholders by the weighted number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted into common shares and then shared in the earnings of the Trust.

The following table sets forth the reconciliation between basic and diluted EPS (in thousands):

	2000	1999	1998
Numerator			
Net income available for common shareholders - basic	$52,573	$40,493	$37,010
Income attributable to operating partnership units	1,311	831	578
Net income available for common shareholders - diluted	$53,884	$41,324	$37,588
Denominator			
Denominator for basic EPS- weighted average shares	38,796	39,574	39,174
Effect of dilutive securities			
Stock options and awards	155	214	292
Operating partnership units	959	850	614
Weighted average shares - diluted	39,910	40,638	40,080

Stock options are accounted for in accordance with APB 25, whereby if options are priced at fair market value or above at the date of grant, no compensation expense is recognized.

NOTE 1: REAL ESTATE AND ENCUMBRANCES

A summary of the Trust's properties at December 31, 2000 and 1999 is as follows (in thousands):

2000	Cost	Accumulated depreciation and amortization	Encumbrances
Retail properties	$1,633,448	$276,982	$ 202,300
Retail properties under capital leases	214,805	68,564	121,611
Apartments	6,660	5,712	-
	$1,854,913	$351,258	$323,911
1999			
Retail properties	$1,506,684	$251,946	$ 50,547
Retail properties under capital leases	208,135	60,487	122,026
Apartments	6,640	5,488	-
	$1,721,459	$317,921	$172,573

During 2000, the Trust expended cash of $23.6 million to acquire real estate and an additional $145.8 million to improve, redevelop and develop its existing real estate. The Trust purchased the 75,000 square foot Greenlawn Plaza in Greenlawn, New York for $6.2 million. Control of a parcel of land for future development in Hillsboro, Oregon was acquired for $11.7 million; an additional $1.6 million will be owed if certain cash flow criteria are met during the first ten years of operations. Other acquisitions include a parcel of land in Bethesda, Maryland for $461,000; an additional property for the Trust's Houston Street project in San Antonio, Texas for cash of $1.2 million and the assumption of a $345,000 mortgage; a retail building in Santa Monica, California in satisfaction of a $5.2 million mortgage note receivable and cash of $1.7 million; and the $2.3 million redemption of 100,000 operating partnership units which had been issued in connection with the purchase of Courthouse Square and Magruders Shopping Centers.

Of the $145.8 million spent in 2000 on the Trust's existing real estate portfolio, approximately $82.1 million was invested in development projects in Bethesda, Maryland; San Jose, California; and in Arlington, Virginia. The remaining $63.7 million of capital expenditures relates to improvements to common areas, tenant work and various redevelopments, including the renovation of Greenlawn Plaza, the office expansion and retenanting of Willow Lawn Shopping Center, the renovation of Brunswick Shopping Center, and the redevelopment of retail buildings in Forest Hills, New York, San Antonio, Texas and southern California.

The Trust, which held the 1% general partnership interest, obtained an additional 98% general partnership interest in the future operations of Loehmann's Plaza. The minority partner received 190,000 partnership units valued at $3.6 million and the satisfaction of amounts due the Trust from the partnership.

The Trust's 123 retail properties at December 31, 2000 are located in 15 states and the District of Columbia. There are approximately 2,100 tenants providing a wide range of retail products and services. These tenants range from sole proprietorships to national retailers; no one tenant or corporate group of tenants accounts for more than 2.1% of revenue.

Mortgage notes receivable of $47.4 million are due over various terms from January 2001 to May 2021 and have an average weighted interest rate of 10.0%. Under the terms of certain of these mortgages, the Trust will receive additional interest based upon the gross income of the secured properties and, upon sale of the properties, the Trust will share in the appreciation of the properties.

On June 30, 2000, the Trust sold the 296,000 square foot Peninsula Shopping Center located in Palos Verdes, California for $48.6 million resulting in a gain of $3.7 million.

During the second quarter of 1999,the Trust recorded a $7.1 million charge, representing the estimated loss on the potential sale of certain assets, principally Northeast Plaza in Atlanta, Georgia. On October 18, 1999 the Trust sold Northeast Plaza for $19.6 million, realizing a loss of $6.3 million.

Mortgages payable and capital lease obligations are due in installments over various terms extending to 2016 and 2060, respectively, with interest rates ranging from 5.5% to 11.25%. Certain of the capital lease obligations require additional interest payments based upon property performance. There were no maturing mortgages in 2000 or 1999. In 1998 the Trust paid off maturing mortgages totaling $53.5 million.

On October 23, 2000, the Trust obtained a $152 million mortgage loan which is secured by five shopping centers. The mortgage, which bears interest at 7.95%, matures November 1, 2015 and required an up-front fee of $988,000. The loan provides for interest only payments for the initial three years, then monthly principal and interest payments based on a twenty-seven year amortization schedule until the maturity date. The proceeds from the mortgage loan were used to pay down the Trust's syndicated credit facility.

In anticipation of the mortgage loan placement in the third quarter of 2000, the Trust purchased a Treasury Yield Hedge (notional amount of $140 million) to hedge the risk of changes in interest rates. The hedge was terminated on June 30, 2000 at a gain of $165,000 which is being recognized as a reduction of interest expense over the term of the mortgage loan.

Scheduled principal payments on mortgage indebtedness as of December 31, 2000 are as follows (in thousands):

Year ending December 31,	
2001	$ 30,696
2002	35
2003	172
2004	1,725
2005	1,886
Thereafter	167,786
	$ 202,300

Future minimum lease payments and their present value for property under capital leases as of December 31, 2000, are as follows (in thousands):

Year ending December 31,	
2001	$ 11,736
2002	11,528
2003	11,458
2004	11,673
2005	11,673
Thereafter	504,161
	562,229
Less amount representing interest	(440,618)
Present value	$ 121,611

Leasing Arrangements

The Trust's leases with retail property and apartment tenants are classified as operating leases. Leases on apartments are generally for a period of one year, whereas retail property leases generally range from three to 10 years (certain leases with anchor tenants may be longer), and usually provide for contingent rentals based on sales and sharing of certain operating costs.

The components of rental income are as follows (in thousands):

	Year ended December 31,		
	2000	1999	1998
Retail properties			
Minimum rents	$208,474	$197,299	$178,936
Cost reimbursements	43,056	39,574	34,897
Percentage rent	6,364	6,277	5,766
Apartments - rents	2,790	2,683	2,587
	$260,684	$245,833	$222,186

The components of rental expense are as follows (in thousands):

	Year ended December 31, 2000	1999	1998
Repairs and maintenance	$16,590	$15,347	$13,942
Management fees and costs	9,831	10,635	9,510
Utilities	8,096	7,120	7,625
Payroll - properties	4,510	4,440	3,775
Ground rent	3,190	2,933	2,829
Insurance	2,900	2,774	2,610
Other operating	11,163	10,428	9,199
	$56,280	$53,677	$49,490

Minimum future retail property rentals on noncancelable operating leases, before any reserve for uncollectible amounts, on operating properties as of December 31, 2000 are as follows (in thousands):

Year ending December 31,	
2001	$ 201,753
2002	188,629
2003	169,579
2004	148,357
2005	127,460
Thereafter	713,263
	$1,549,041

NOTE 2. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following disclosure of estimated fair value was determined by the Trust, using available market information and appropriate valuation methods. Considerable judgment is necessary to develop estimates of fair value. The estimates presented herein are not necessarily indicative of the amounts that could be realized upon disposition of the financial instruments.

The Trust estimates the fair value of its financial instruments using the following methods and assumptions: (1) quoted market prices, when available, are used to estimate the fair value of investments in marketable debt and equity securities; (2) quoted market prices are used to estimate the fair value of the Trust's marketable convertible subordinated debentures; (3) discounted cash flow analyses are used to estimate the fair value of mortgage notes receivable and payable, using the Trust's estimate of current interest rates for similar notes; (4) carrying amounts in the balance sheet approximate fair value for cash, accounts payable, accrued expenses and short term borrowings. Notes receivable from officers are excluded from fair value estimation since they have been issued in connection with employee stock ownership programs.

(in thousands)	December 31, 2000 Carrying Value	December 31, 2000 Fair Value	December 31, 1999 Carrying Value	December 31, 1999 Fair Value
Cash & equivalents	$11,357	$11,357	$11,738	$11,738
Investments	2,356	2,356	2,403	2,403
Mortgage notes receivable	47,360	48,039	53,495	54,174
Mortgages and notes payable	427,546	427,937	213,315	213,579
Convertible debentures	75,289	71,058	75,289	71,058
Senior notes	410,000	411,934	510,000	488,355

NOTE 3. NOTES PAYABLE

The Trust's notes consist of the following (in thousands):

	2000	1999
Revolving credit facilities	$ 78,000	$ 34,000
Term note with banks	125,000	125,000
Construction loan	16,241	-
Other	6,005	3,768
	$225,246	$162,768

In December 1997 the Trust obtained a five year syndicated revolving credit facility for $300 million due December 2002. The syndicated facility requires fees and has various covenants including the maintenance of a minimum shareholders' equity and a maximum ratio of debt to net worth.

In December 1998 the Trust obtained a four year loan of $125 million from five institutional lenders. The loan, due December 2002, requires fees and has the same covenants as the syndicated credit facility.

In June 2000, the Trust modified certain covenants and extended the maturity date to December 19, 2003 of its syndicated credit facility and its $125 million term loan. Fees paid for this extension totaled $1.0 million. The Trust is in compliance with all covenants.

In July 2000, citing the Trust's pursuit of development and the resulting capital requirements, Standard and Poor's lowered the rating on the Trust's senior notes from BBB+ to BBB flat with a positive outlook. Under the terms of the syndicated credit facility, this lowered rating resulted in an increase in the Trust's borrowing rate from LIBOR plus 65 basis points to LIBOR plus 80 basis points. The interest rate on the term loan increased from LIBOR plus 75 basis points to LIBOR plus 95 basis points.

The maximum drawn under these facilities during 2000, 1999 and 1998 was $343.1 million, $330.0 million and $259.1 million, respectively. In 2000, 1999 and 1998 the weighted average interest rate on borrowings was 7.2%, 5.9% and 6.1%, respectively, and the average amount outstanding was $283.2 million, $296.4 million and $163.6 million, respectively.

On February 29, 2000, the Trust obtained a construction loan for up to $24.5 million in connection with the Trust's Woodmont East development in Bethesda, Maryland. The loan, which has a floating interest rate of LIBOR plus 1.2% to 1.5%, depending on occupancy levels, matures August 29, 2002 with two one-year extension options. At December 31, 2000, the outstanding balance on the construction loan was $16.2 million. No principal payments are due until maturity. The property secures the construction loan facility.

In connection with the land held for future development in Hillsboro, Oregon, the Trust issued a $3.4 million note which is due June 30, 2001. The loan bears interest at LIBOR plus 1.25%. The property secures the loan facility.

NOTE 4. 5 1/4% CONVERTIBLE SUBORDINATED DEBENTURES

In October 1993 the Trust issued $75.0 million of 5 1/4% convertible subordinated debentures, realizing cash proceeds of approximately $73.0 million. The debentures were not registered under the Securities Act of 1933, and were not publicly distributed within the United States. The debentures, which mature in 2003, are convertible into shares of beneficial interest at $36 per share. The debentures are redeemable by the Trust, in whole, at any time after October 28, 1998 at 100% of the principal amount plus accrued interest.

At December 2000 and 1999 the Trust had outstanding $289,000 of 5 1/4% convertible subordinated debentures due 2002. The debentures which are convertible into shares of beneficial interest at $30.625 were not registered under the Securities Act of 1933 and were not publicly distributed within the United States.

The Trust is in compliance with the terms of these borrowings. No principal is due on these notes prior to maturity.

NOTE 5. SENIOR NOTES AND DEBENTURES

Unsecured senior notes and debentures at December 31, 2000 and 1999 consist of the following (in thousands):

	2000	1999
8.875% Notes due January 15, 2000	$ -	$100,000
8% Notes due April 21, 2002	25,000	25,000
6.74% Medium-Term Notes due March 10, 2004	39,500	39,500
6.625% Notes due December 1, 2005	40,000	40,000
6.99% Medium-Term Notes due March 10, 2006	40,500	40,500
6.82% Medium-Term Notes due August 1, 2027, redeemable at par by holder August 1, 2007	40,000	40,000
7.48% Debentures due August 15, 2026, redeemable at par by holder August 15, 2008	50,000	50,000
8.75% Notes due December 1, 2009	175,000	175,000
	$410,000	$510,000

On January 17, 2000 the Trust's $100 million of 8.875% Notes matured and were paid with borrowings from the Trust's syndicated credit facilities.

The loan agreements contain various covenants, including limitations on the amount of debt and minimum debt service coverage ratios. The Trust is in compliance with all covenants. No principal is due on these notes prior to maturity.

In September 1998 the Trust filed a $500 million shelf registration statement with the Securities and Exchange Commission which allows the issuance of debt securities, preferred shares and common shares. As of December 31, 2000, $325 million is available under the shelf registration.

NOTE 6. DIVIDENDS

On November 2, 2000 the Trustees declared a quarterly cash dividend of $.47 per common share, payable January 15, 2001 to common shareholders of record January 2, 2001. For the years ended December 31, 2000, 1999 and 1998, $.11, $.16, and $.31 of dividends paid per common share, respectively, represented a return of capital.

On November 2, 2000 the Trustees declared a quarterly cash dividend of $.49687 per share on its Series A Cumulative Redeemable Preferred Shares, payable on January 31, 2001 to shareholders of record on January 15, 2001.

For the year ended December 31, 2000, $.04 of dividends paid per common share and per preferred share represent a capital gain. There were no capital gains in 1999 or 1998.

NOTE 7. COMMITMENTS AND CONTINGENCIES

Pentagon Row is a mixed-use project with the retail component being developed by the Trust and the residential component being developed by an unrelated residential developer. In October 2000 the general contractor on the project was replaced by the Trust and the residential developer, because of schedule delays and other events that caused the Trust and the residential developer to conclude that the original contractor was either unable or unwilling to comply with its contractual obligations. The Trust and the residential developer filed suit against the original contractor to recover damages that they anticipate they will incur as a result of defaults under the contract. The original contractor filed a counter-claim against the Trust and the residential developer for damages of $7 million plus interest, attorneys' fees and litigation costs. The Trust believes that the counterclaim is generally without merit and that the outcome of the counterclaim will not have a material adverse effect on its financial condition, results of operations or on the project. Work continues under the direction of the new general contractor and the Trust does not believe that there will be any material impairment on the project as a result of the schedule delays.

In addition, the Trust is involved in various other lawsuits and environmental matters arising in the normal course of business. Management believes that such matters will not have a material effect on the financial condition or results of operations of the Trust.

Pursuant to the provisions of the Congressional Plaza partnership agreement, in the event of the exercise of put options by another partner, which are currently exercisable and have no expiration date, the Trust would be required to purchase a 37.5% interest at Congressional Plaza at its then fair market value. Based on management's current estimate of fair market value, the Trust's estimated liability upon exercise of the put option is approximately $27 million.

Under the terms of six other partnership agreements, if certain leasing and revenue levels are obtained for the properties owned by the partnerships, the limited partners may require the Trust to purchase their partnership interests at a formula price based upon net operating income. The purchase price may be paid in cash or a limited number of common shares of the Trust, at the election of the limited partners. In certain of the partnerships if the limited partners do not redeem their interest, the Trust may choose to purchase the limited partnership interests upon the same terms.

The limited partners of two partnerships, owning street retail properties in southern California, have exercised their rights under these agreements. The Trust purchased their interests in March 2001 for approximately $18 million, approximately $7 million in common shares of the Trust and the balance in cash.

Under the terms of certain other partnership agreements, the partners may exchange their 904,589 operating partnership units for cash or exchange into the same number of common shares of the Trust, at the option of the Trust. During the third quarter of 2000 the Trust redeemed 100,000 operating units for cash of $2.3 million

As of December 31, 2000 in connection with renovation and development projects, the Trust has contractual obligations of approximately $46 million.

The Trust is obligated under ground lease agreements on several shopping centers requiring minimum annual payments as follows (in thousands):

2001	$4,095
2002	4,321
2003	4,398
2004	4,409
2005	4,463
Thereafter	278,608
	$300,294

NOTE 8. SHAREHOLDERS' EQUITY

In May 1999, the Trust reorganized as a Maryland real estate investment trust by amending and restating its declaration of trust and bylaws. The Amended Declaration of Trust changed the number of authorized shares of common and preferred shares from unlimited to 100,000,000 and 15,000,000, respectively. In addition, all common shares of beneficial interest, no par value, which were issued and outstanding were changed to common shares of beneficial interest, $0.01 par value per share and all Series A Cumulative Redeemable Preferred Shares of beneficial interest, no par value, which were issued and outstanding were changed to Series A Cumulative Redeemable Preferred Shares of beneficial interest, $0.01 par value per share.

On October 6, 1997 the Trust issued four million 7.95% Series A Cumulative Redeemable Preferred Shares at $25 per share in a public offering, realizing cash proceeds of approximately $96.6 million after costs of $3.4 million. The Series A Preferred Shares are not redeemable prior to October 6, 2002. On or after that date, the Preferred Shares may be redeemed, in whole or in part, at the option of the Trust, at a redemption price of $25 per share plus all accrued and unpaid dividends. The redemption price is payable solely out of proceeds from the sale of other capital shares of the Trust. Dividends on the Preferred Shares are payable quarterly in arrears on the last day of January, April, July and October.

The Trust has a Dividend Reinvestment Plan, whereby shareholders may use their dividends and make optional cash payments to purchase shares. In 2000, 1999, and 1998, 153,713 shares, 165,770 shares, and 167,511 shares, respectively, were issued under the Plan.

In December 1999, the Trustees authorized a share repurchase program for calendar year 2000 of up to an aggregate of 4 million of the Trust's common shares. A total of 1,325,900 shares were repurchased, at a cost of $25.2 million. The Trust does not expect to repurchase shares in 2001.

In 2000, 270,809 common shares were awarded to the Trust's president and other key employees under various incentive compensation programs designed to directly link a significant portion of their current and long term compensation to the prosperity of the Trust and its shareholders. The shares vest over terms from 3 to 8 years.

In 1999, 65,660 common shares were awarded, and 5,006 shares were forfeited and retired, to the Trust's president and other key employees under various incentive compensation programs. Fifteen thousand shares vested upon award, and the balance vest over terms from 5 to 13 years.

In 1998, 576,055 common shares, of which 35,000 were issued from treasury shares, were awarded to the Trust's president and certain other officers under various incentive compensation programs. Ten thousand shares vested upon award, 491,055 shares vest over terms from 5 to 13 years, and 75,000 shares vest upon the obtainment of certain performance criteria.

In January 1994 under the terms of the 1993 Long Term Incentive Plan, an officer of the Trust purchased 40,000 common shares at $25 per share with the assistance of a $1.0 million loan from the Trust. The loan, which has a term of 12 years and a current balance of $562,500, bears interest at

6.24%. Forgiveness of up to 75% of the loan is subject to the future performance of the Trust. One eighth of the loan was forgiven on January 31, 1995 and an additional one sixteenth has been forgiven each January 31 since then as certain performance criteria of the Trust were met.

In January 1991 the Trustees adopted the Federal Realty Investment Trust Share Purchase Plan. Under the terms of this plan, officers and certain employees of the Trust purchased 446,000 common shares at $15.125 per share with the assistance of loans of $6.7 million from the Trust. Originally, the Plan called for one sixteenth of the loan to be forgiven each year for eight years, as long as the participant was still employed by the Trust. The loans for all participants, but two, were modified in 1994 to extend the term an additional four years and to tie forgiveness in 1995 and thereafter to certain performance criteria of the Trust. One sixteenth of the loan has been forgiven during each year of the plan. At December 31, 2000 the Trust has outstanding purchase loans to participants of $1.4 million. The purchase loans bear interest at 9.39%. The shares purchased under the plan may not be sold, pledged or assigned until both the purchase and tax loans associated with the plan are satisfied and the term has expired, without the consent of the Compensation Committee of the Board of Trustees.

Tax loans with a balance of $2.2 million in 2000, $1.3 million in 1999 and $1.1 million in 1998 have been made in connection with restricted share grants to the Trust's President, Chief Investment Officer and Chief Operating Officer and in connection with the Share Purchase Plans. The loans, which bear interest ranging from 6.36% to 9.39%, are due over periods ranging from 8 to 13 years from the date of the loan.

On April 13, 1999, the Shareholder Rights Plan adopted in 1989 expired. On March 11, 1999 the Trust entered into an Amended and Restated Rights Agreement with American Stock Transfer and Trust Company, pursuant to which (i)the expiration date of the Trust's shareholder rights plan was extended for an additional ten years to April 24, 2009, (ii)the beneficial ownership percentage at which a person becomes an "Acquiring Person" under the plan was reduced from 20% to 15%, and (iii)certain other amendments were made.

NOTE 9. STOCK OPTION PLAN

The 1993 Long Term Incentive Plan ("Plan") has been amended to authorize the grant of options and other stock based awards for up to 5.5 million shares. Options granted under the Plan have ten year terms and vest in one to five years. Under the Plan, on each annual meeting date during the term of the Plan, each nonemployee Trustee will be awarded 2,500 options.

The option price to acquire shares under the 1993 Plan and previous plans is required to be at least the fair market value at the date of grant. As a result of the exercise of options, the Trust had outstanding from its officers and employees notes for $2.6 million, $3.6 million and $3.4

million at December 31, 2000, 1999 and 1998, respectively. The notes issued under the 1993 Plan bear interest at the dividend rate on the date of exercise divided by the purchase price of such shares. The notes issued under the previous plans bear interest at the lesser of (i) the Trust's borrowing rate or (ii) the current indicated annual dividend rate on the shares acquired pursuant to the option, divided by the purchase price of such shares. The notes are collateralized by the shares and are with recourse. The loans have a term extending to the employee's or officer's retirement date.

SFAS Statement No. 123, "Accounting for Stock-Based Compensation" requires pro forma information regarding net income and earnings per share as if the Trust accounted for its stock options under the fair value method of that Statement. The fair value for options issued in 2000, 1999, and 1998 has been estimated as $549,000, $434,000, and $2.6 million, respectively, as of the date of grant, using a binomial model with the following weighted-average assumptions for 2000, 1999 and 1998, respectively: risk-free interest rates of 5.2%, 5.4%,and 5.7%; volatility factors of the expected market price of the Trust's shares of 14%, 15%, and 19%; and a weighted average expected life of the option of 5.7 years, 6.6 years, and 6.3 years.

Because option valuation models require the input of highly subjective assumptions, such as the expected stock price volatility, and because changes in these subjective input assumptions can materially affect the fair value estimate, the existing model may not necessarily provide a reliable single measure of the fair value of its stock options.

For purposes of pro forma disclosures, the estimated fair value of the options are amortized to expense over the options' vesting period. The pro forma information is as follows (in thousands except for earnings per share):

	2000	1999	1998
Pro forma net income	$59,445	$46,368	$43,179
Pro forma earnings per share, basic	$1.33	$.97	$.90
Pro forma earnings per share, diluted	$1.32	$.97	$.88

A summary of the Trust's stock option activity for the years ended December 31, is as follows:

	Shares Under Option	Weighted Average Exercise Price
January 1, 1998	2,848,342	$24.73
Options granted	1,293,500	25.06
Options exercised	(228,908)	21.14
Options forfeited	(304,118)	25.62
December 31, 1998	3,608,816	25.00
Options granted	720,000	21.12
Options exercised	(52,667)	20.73
Options forfeited	(380,635)	25.29
December 31, 1999	3,895,514	24.31
Options granted	737,500	19.75
Options exercised	(67,684)	20.50
Options forfeited	(847,049)	24.27
December 31, 2000	3,718,281	23.46

At December 31, 2000 and 1999, options for 2.3 million and 1.9 million shares, respectively, were exercisable. The average remaining contractual life of options outstanding at December 31, 2000 and 1999 was 8.1 years and 6.7 years, respectively. The weighted average grant date fair value per option for options granted in 2000 and 1999 was $.72 and $.65, respectively. The exercise price of options outstanding at December 31, 2000 ranged from $18.00 per share to $27.13 per share.

NOTE 10. SAVINGS AND RETIREMENT PLANS

The Trust has a savings and retirement plan in accordance with the provisions of Section 401(k) of the Internal Revenue Code. Employees' contributions range, at the discretion of each employee, from 1% to 20% of compensation up to a maximum of $10,500. Under the plan, the Trust, out of its current net income, contributes 50% of each employee's first 5% of contributions. In addition, the Trust may make discretionary contributions within the limits of deductibility set forth by the Code. Employees of the Trust are immediately eligible to become plan participants. Employees are not eligible to receive matching contributions until their first anniversary of employment. The Trust's expense for the years ended December 31, 2000, 1999 and 1998 was $216,000, $223,000 and $218,000, respectively.

A nonqualified deferred compensation plan for Trust officers was established in 1994. The plan allows the officers to defer future income until the earlier of age 65 or termination of employment with the Trust. As of December 31, 2000, the Trust is liable to participants for approximately $2.4 million under this plan. Although this is an unfunded plan, the Trust has purchased certain investments with which to match this obligation.

NOTE 11. INTEREST EXPENSE

The Trust incurred interest expense totaling $79.7 million, $68.4 million and $60.2 million in 2000, 1999 and 1998, respectively, of which $13.3 million, $6.9 million, and $5.1 million respectively, was capitalized. Interest paid was $83.1 million in 2000, $67.0 million in 1999, and $57.8 million in 1998.

NOTE 12. ADMINISTRATIVE EXPENSES

During 1999 while exploring strategic alternatives to maximize shareholder value, the Trust considered spinning off certain of its assets (primarily those related to the development and operation of its main street retail program) in a taxable transaction to shareholders. Shortly thereafter, the remaining assets of the Trust were to be merged with another publicly traded shopping center company in exchange for cash and stock consideration. On September 24, 1999, the Trust announced that merger negotiations were terminated and that the spin-off was being reevaluated.

In preparing for these transactions, the Trust incurred expenses of approximately $2.8 million related to legal, accounting, tax and other advisory services related to the spin-off and the merger. Such costs have been expensed and are reflected as administrative expenses in the accompanying consolidated statement of operations

At September 30, 1998 the Trust recorded a $4.7 million charge related to a comprehensive restructuring program, the implementation of which was begun during the fourth quarter of 1998. All costs related to the reorganization have been expended as of December 31, 2000.

NOTE 13. SUBSEQUENT EVENTS

Under a Restricted Share Agreement designed to link his compensation with the prosperity of the shareholders, the Trust's Chief Executive Officer elected to accept stock in lieu of cash for both his 2000 bonus and his 2001 salary. As a result, in 2001, 35,000 common shares were awarded to the Chief Executive Officer in lieu of his 2001 cash salary and 26,869 shares were awarded in lieu of his 2000 cash bonus. The shares vest at the end of five years if the Chief Executive Officer is still employed by the Trust.

Pursuant to the 1999 Incentive Bonus Plan, vice presidents and certain key employees receive part of their 2000 bonus in Federal Realty shares which vest over three years. Consequently, on February 14, 2001, 23,390 shares were awarded under this plan.

On February 16, 2001, the Trust bought the land underlying the capital lease obligation, thereby, terminating the capital lease on Brick Plaza in Brick, New Jersey for $28 million. Concurrent with this transaction, the mortgage note receivable of $3.2 million owed to the Trust by the lessor was repaid.

NOTE 14. SEGMENT INFORMATION

The Trust traditionally operated its business as a single business segment. During the fourth quarter of 1998, however, the Trust completed a comprehensive restructuring program which, among other things, divided its portfolio of assets into three geographic operating regions: Northeast, Mid-Atlantic and West.

A summary of the Trust's operations by geographic region is presented below (in thousands):

2000	North East	Mid Atlantic	West	Other	Consolidated
Rental income	$113,078	$114,371	$ 33,235	-	$ 260,684
Other income	4,215	3,900	2,950	-	11,065
Rental expense	(23,261)	(24,766)	(8,253)	-	(56,280)
Real estate tax	(14,347)	(9,159)	(3,114)	-	(26,620)
Net operating income	79,685	84,346	24,818		188,849
Interest income	-	-	-	7,532	7,532
Interest expense	-	-	-	(66,418)	(66,418)
Administrative expense	-	-	-	(13,318)	(13,318)
Depreciation and Amortization	(25,169)	(21,915)	(5,242)	(933)	(53,259)
Income before investors' Share of operations and Gain on sale of real Estate	$ 54,516	$ 62,431	$ 19,576	$(73,137)	$ 63,386
Capital expenditures	$ 38,696	$ 60,783	$ 83,205	_	$ 182,684
Real estate assets	$754,048	$720,208	$380,657	_	$1,854,913

1999	North East	Mid Atlantic	West	Other	Consolidated
Rental income	$102,452	$111,624	$ 31,757	-	$ 245,833
Other income	5,672	3,903	1,656	-	11,231
Rental expense	(20,702)	(25,096)	(7,879)	-	(53,677)
Real estate tax	(13,146)	(9,006)	(2,869)	-	(25,021)
Net operating income	74,276	81,425	22,665		178,366
Interest income	-	-	-	7,649	7,649
Interest expense	-	-	-	(61,492)	(61,492)
Administrative expense	-	-	-	(15,120)	(15,120)
Depreciation and Amortization	(22,648)	(22,473)	(4,101)	(789)	(50,011)
Income before investors' Share of operations and Loss on sale of real Estate	$ 51,628	$ 58,952	$ 18,564	$(69,752)	$ 59,392
Capital expenditures	$ 32,547	$ 26,444	$ 62,512	-	$ 121,503
Real estate assets	$715,772	$663,019	$342,668	-	$1,721,459

1998	North East	Mid Atlantic	West	Other	Consolidated
Rental income	$ 93,632	$103,676	$ 24,878	-	$ 222,186
Other income	5,768	3,637	942	-	10,347
Rental expense	(20,259)	(22,826)	(6,405)	-	(49,490)
Real estate tax	(12,745)	(8,422)	(2,104)	-	(23,271)
Net operating income	66,396	76,065	17,311		159,772
Interest income	-	-	-	5,945	5,945
Interest expense	-	-	-	(55,125)	(55,125)
Administrative expense	-	-	-	(11,796)	(11,796)
Reorganization expense	-	-	-	(4,665)	(4,665)
Depreciation and Amortization	(20,224)	(22,218)	(2,650)	(955)	(46,047)
Income before investors' Share of operations and Gain on sale of real Estate	$ 46,172	$ 53,847	$ 14,661	$ (66,596)	$ 48,084
Capital expenditures	$ 56,629	$ 60,687	$ 76,414	-	$ 193,730
Real estate assets	$684,318	$676,842	$280,976	-	$1,642,136

There are no transactions between geographic areas.

NOTE 15. QUARTERLY DATA (UNAUDITED)

The following summary represents the results of operations for each quarter in 2000 and 1999 (in thousands, except per share data):

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2000				
Revenue	$69,104	$68,806	$68,581	$72,790
Net income available for common shares	12,151	16,087 (1)	12,433	11,902
Earnings per common share - basic	.31	.42	.32	.31
Earnings per common share - diluted	.31	.41	.32	.31

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
1999				
Revenue	$63,583	$64,195	$67,255	$69,680
Net income available for common shares	11,566	4,828 (2)	12,198	11,901
Earnings per common share - basic	.29	.12	.31	.30
Earnings per common share - diluted (3)	.29	.12	.30	.30

(1)Net income includes a $3.7 million gain on sale of real estate ($.10 gain per share - basic and $.09 gain per share - diluted).

(2)Net income includes a $7.1 million loss on sale of real estate ($.18 loss per share - basic and $.17 loss per share - diluted).

(3)The sum of quarterly earnings per common share - diluted, $1.01 differs from the annual earnings per common share - diluted, $1.02, due to rounding.

FEDERAL REALTY INVESTMENT TRUST
SCHEDULE III
SUMMARY OF REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 2000

COLUMN A	COLUMN B	COLUMN C		COLUMN D	COLUMN E	
		Initial cost to company			Gross amount at which carried	
Descriptions	Encumbrance	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements
ALLWOOD (New Jersey)	$ 3,533,000	$	$ 3,920,000	$ 342,000	$	$ 4,262,000
ANDORRA (Pennsylvania)		2,432,000	12,346,000	3,453,000	2,432,000	15,799,000
ARIZONA BUILDINGS (2)		1,334,000	9,104,000	585,000	1,334,000	9,689,000
BALA CYNWYD (Pennsylvania)		3,565,000	14,466,000	5,625,000	3,565,000	20,091,000
BARRACKS ROAD (Virginia)	44,300,000	4,363,000	16,459,000	17,706,000	4,363,000	34,165,000
BETHESDA ROW (Maryland)	12,576,000	2,157,000	20,821,000	21,668,000	2,171,000	42,475,000
BLUESTAR (New Jersey)	26,966,000		29,922,000	8,453,000		38,375,000
BRICK PLAZA (New Jersey)	21,362,000		24,715,000	25,103,000		49,818,000
BRISTOL (Connecticut)		3,856,000	15,959,000	1,523,000	3,856,000	17,482,000
BRUNSWICK (New Jersey)	11,225,000		12,456,000	6,861,000		19,317,000
CALIFORNIA RETAIL BUILDINGS						
SANTA MONICA (9)		22,645,000	12,709,000	25,715,000	22,645,000	38,424,000
SAN DIEGO (4)		3,844,000	1,352,000	6,022,000	3,844,000	7,374,000
150 POST STREET (San Francisco)		11,685,000	9,181,000	5,089,000	11,685,000	14,270,000
OTHER (6)		15,563,000	21,462,000	7,538,000	15,563,000	29,000,000
CLIFTON (New Jersey)	3,286,000		3,646,000	1,116,000		4,762,000
CONGRESSIONAL PLAZA (Maryland)		2,793,000	7,424,000	35,560,000	2,793,000	42,984,000
CONNECTICUT RETAIL BUILDINGS (13)		25,061,000	27,739,000	2,438,000	25,061,000	30,177,000
COURTHOUSE CENTER (Maryland)		1,750,000	1,869,000	91,000	1,750,000	1,960,000
CROSSROADS (Illinois)		4,635,000	11,611,000	5,168,000	4,635,000	16,779,000
DEDHAM PLAZA (Massachusetts)		12,369,000	12,918,000	1,685,000	12,369,000	14,603,000
EASTGATE (North Carolina)		1,608,000	5,775,000	4,728,000	1,608,000	10,503,000
ELLISBURG CIRCLE (New Jersey)		4,028,000	11,309,000	9,966,000	4,028,000	21,275,000
ESCONDIDO PROMENADE (California)	9,400,000	11,505,000	12,147,000	719,000	11,505,000	12,866,000
FALLS PLAZA (Virginia)		1,260,000	735,000	6,150,000	1,260,000	6,885,000
FALLS PLAZA - East (Virginia)		538,000	535,000	2,272,000	559,000	2,786,000
FEASTERVILLE (Pennsylvania)		1,431,000	1,600,000	8,384,000	1,431,000	9,984,000
FEDERAL PLAZA (Maryland)	26,675,000	10,216,000	17,895,000	32,396,000	10,216,000	50,291,000
FINLEY SQUARE (Illinois)		9,252,000	9,544,000	6,667,000	9,252,000	16,211,000
FLORIDA RETAIL BUILDINGS (2)		5,206,000	1,631,000	17,000	5,206,000	1,648,000
FLOURTOWN (Pennsylvania)		1,345,000	3,943,000	3,145,000	1,345,000	7,088,000
FRESH MEADOWS (New York)		24,625,000	25,255,000	13,336,000	24,625,000	38,591,000
GAITHERSBURG SQUARE (Maryland)		7,701,000	5,271,000	10,174,000	6,012,000	17,134,000
GARDEN MARKET (Illinois)		2,677,000	4,829,000	2,429,000	2,677,000	7,258,000
GOVERNOR PLAZA (Maryland)		2,068,000	4,905,000	10,050,000	2,068,000	14,955,000
GRATIOT PLAZA (Michigan)		525,000	1,601,000	14,516,000	525,000	16,117,000
GREENLAWN (New York)		2,294,000	3,864,000	3,907,000	2,294,000	7,771,000
HAMILTON (New Jersey)	4,871,000		5,405,000	2,174,000		7,579,000
HAUPPAUGE (New York)	16,700,000	8,791,000	15,262,000	2,107,000	8,791,000	17,369,000
HUNTINGTON (New York)	14,426,000		16,008,000	6,352,000		22,360,000
IDYLWOOD PLAZA (Virginia)		4,308,000	10,026,000	456,000	4,308,000	10,482,000
ILLINOIS RETAIL BUILDINGS (3)		2,694,000	2,325,000	3,609,000	2,694,000	5,934,000
KINGS COURT (California)			10,714,000	94,000		10,808,000
LANCASTER (Pennsylvania)	322,000		2,103,000	2,524,000		4,627,000
LANGHORNE SQUARE (Pennsylvania)		720,000	2,974,000	13,725,000	720,000	16,699,000
LAUREL (Maryland)		7,458,000	22,525,000	14,609,000	7,458,000	37,134,000
LAWRENCE PARK (Pennsylvania)	31,400,000	5,723,000	7,160,000	10,372,000	5,734,000	17,521,000
LEESBURG PLAZA (Virginia)	9,900,000	8,184,000	10,722,000	866,000	8,184,000	11,588,000
LOEHMANN'S PLAZA (Virginia)		1,237,000	15,096,000	8,589,000	1,248,000	23,674,000

COLUMN A		COLUMN F	COLUMN G	COLUMN H	COLUMN I
	at close of period				
Descriptions	Total	Accumulated Depreciation and Amortization	Date of Construction	Date Acquired	Life on which depreciation in latest income statements is computed
ALLWOOD (New Jersey)	$ 4,262,000	$ 1,512,000	1958	12/12/88	35 years
ANDORRA (Pennsylvania)	18,231,000	6,108,000	1953	01/12/88	35 years
ARIZONA BUILDINGS (2)	11,023,000	666,000	1995-1998	05/07/98	35 years
BALA CYNWYD (Pennsylvania)	23,656,000	4,142,000	1955	09/22/93	35 years
BARRACKS ROAD (Virginia)	38,528,000	15,837,000	1958	12/31/85	35 years
BETHESDA ROW (Maryland)	44,646,000	6,505,000	1945-1999	12/31/93	35 years
BLUESTAR (New Jersey)	38,375,000	11,528,000	1959	12/12/88	35 years
BRICK PLAZA (New Jersey)	49,818,000	14,467,000	1958	12/28/89	35 years
BRISTOL (Connecticut)	21,338,000	2,681,000	1959	9/22/95	35 years
BRUNSWICK (New Jersey)	19,317,000	5,228,000	1957	12/12/88	35 years
CALIFORNIA RETAIL BUILDINGS					
SANTA MONICA (9)	61,069,000	2,854,000	1888-2000	1996-2000	35 years
SAN DIEGO (4)	11,218,000	155,000	1888-1995	1996-1997	35 years
150 POST STREET (San Francisco)	25,955,000	1,086,000	1908	10/23/97	35 years
OTHER (6)	44,563,000	871,000	var	1996-1999	35 years
CLIFTON (New Jersey)	4,762,000	1,532,000	1959	12/12/88	35 years
CONGRESSIONAL PLAZA (Maryland)	45,777,000	17,920,000	1965	04/01/65	35 years
CONNECTICUT RETAIL BUILDINGS (13)	55,238,000	4,714,000	1900-1991	1994-1996	35 years
COURTHOUSE CENTER (Maryland)	3,710,000	171,000	1975	12/17/97	35 years

CROSSROADS (Illinois)	21,414,000	3,823,000	1959	07/19/93	35 years
DEDHAM PLAZA (Massachusetts)	26,972,000	3,269,000	1959	12/31/93	35 years
EASTGATE (North Carolina)	12,111,000	5,266,000	1963	12/18/86	35 years
ELLISBURG CIRCLE (New Jersey)	25,303,000	7,547,000	1959	10/16/92	35 years
ESCONDIDO PROMENADE (California)	24,371,000	1,482,000	1987	12/31/96	35 years
FALLS PLAZA (Virginia)	8,145,000	1,998,000	1962	09/30/67	22 3/4 years
FALLS PLAZA - East (Virginia)	3,345,000	2,496,000	1960	10/05/72	25 years
FEASTERVILLE (Pennsylvania)	11,415,000	4,149,000	1958	07/23/80	20 years
FEDERAL PLAZA (Maryland)	60,507,000	14,950,000	1970	06/29/89	35 years
FINLEY SQUARE (Illinois)	25,463,000	3,432,000	1974	04/27/95	35 years
FLORIDA RETAIL BUILDINGS (2)	6,854,000	233,000	1920	02/28/96	35 years
FLOURTOWN (Pennsylvania)	8,433,000	2,845,000	1957	04/25/80	35 years
FRESH MEADOWS (New York)	63,216,000	2,698,000	1946-1949	12/05/97	35 years
GAITHERSBURG SQUARE (Maryland)	23,146,000	4,741,000	1966	04/22/93	35 years
GARDEN MARKET (Illinois)	9,935,000	1,275,000	1958	07/28/94	35 years
GOVERNOR PLAZA (Maryland)	17,023,000	8,404,000	1963	10/01/85	35 years
GRATIOT PLAZA (Michigan)	16,642,000	3,360,000	1964	03/29/73	25 3/4 years
GREENLAWN (New York)	10,065,000	141,000	1975	01/05/00	35 years
HAMILTON (New Jersey)	7,579,000	3,209,000	1961	12/12/88	35 years
HAUPPAUGE (New York)	26,160,000	1,086,000	1963	08/06/98	35 years
HUNTINGTON (New York)	22,360,000	7,935,000	1962	12/12/88	35 years
IDYLWOOD PLAZA (Virginia)	14,790,000	2,071,000	1991	04/15/94	35 years
ILLINOIS RETAIL BUILDINGS (3)	8,628,000	791,000	1900-1927	1995-1997	35 years
KINGS COURT (California)	10,808,000	928,000	1960	08/24/98	26 years
LANCASTER (Pennsylvania)	4,627,000	3,838,000	1958	04/24/80	22 years
LANGHORNE SQUARE (Pennsylvania)	17,419,000	5,295,000	1966	01/31/85	35 years
LAUREL (Maryland)	44,592,000	15,918,000	1956	08/15/86	35 years
LAWRENCE PARK (Pennsylvania)	23,255,000	12,498,000	1972	07/23/80	22 years
LEESBURG PLAZA (Virginia)	19,772,000	765,000	1967	09/15/98	35 years
LOEHMANN'S PLAZA (Virginia)	24,922,000	1,045,000	1971	07/21/83	35 years

COLUMN A	COLUMN B	COLUMN C		COLUMN D	COLUMN E	
		Initial cost to company			Gross amount at which carried	
Descriptions	Encumbrance	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements
MAGRUDERS (Maryland)		4,554,000	4,859,000	411,000	4,554,000	5,270,000
MASSACHUSETTS RETAIL BLDG (1)		1,873,000	1,884,000	231,000	1,873,000	2,115,000
MID PIKE PLAZA (Maryland)	10,041,000		10,335,000	6,308,000		16,643,000
NEW JERSEY RETAIL BUILDING (1)		737,000	1,466,000	1,056,000	737,000	2,522,000
NEW YORK RETAIL BUILDINGS (4)		7,541,000	7,912,000	10,492,000	7,541,000	18,404,000
NORTHEAST (Pennsylvania)		1,152,000	10,596,000	9,315,000	1,153,000	19,910,000
NORTH LAKE COMMONS (Illinois)		2,782,000	8,604,000	1,558,000	2,782,000	10,162,000
OLD KEENE MILL (Virginia)		638,000	998,000	3,405,000	638,000	4,403,000
OLD TOWN CENTER (California)		3,420,000	2,765,000	25,561,000	3,420,000	28,326,000
PAN AM SHOPPING CENTER (Virginia)		8,694,000	12,929,000	2,604,000	8,694,000	15,533,000
PARK & SHOP (District of Columbia)		4,840,000	6,319,000	539,000	4,840,000	6,858,000
PERRING PLAZA (Maryland)		2,800,000	6,461,000	14,627,000	2,800,000	21,088,000
PIKE 7 (Virginia)		9,709,000	22,799,000	547,000	9,709,000	23,346,000
QUEEN ANNE PLAZA (Massachusetts)		3,319,000	8,457,000	2,873,000	3,319,000	11,330,000
QUINCE ORCHARD PLAZA (Maryland)		3,197,000	7,949,000	6,216,000	2,928,000	14,434,000
ROLLINGWOOD APTS. (Maryland)		552,000	2,246,000	3,862,000	572,000	6,088,000
RUTGERS (New Jersey)	13,003,000		14,429,000	1,388,000		15,817,000
SAUGUS (Massachusetts)		4,383,000	8,291,000	296,000	4,383,000	8,587,000
SHIRLINGTON (Virginia)		9,761,000	14,808,000	4,995,000	9,816,000	19,748,000
TEXAS RETAIL BUILDINGS (11)	337,000	14,680,000	1,976,000	16,529,000	14,680,000	18,505,000
TOWER (Virginia)		7,170,000	10,518,000	147,000	7,129,000	10,706,000
TROY (New Jersey)		3,126,000	5,193,000	11,925,000	3,126,000	17,118,000
TYSONS STATION (Virginia)	3,988,000	388,000	453,000	2,292,000	475,000	2,658,000
UPTOWN (Oregon)		10,257,000	5,846,000	295,000	10,257,000	6,141,000
WILDWOOD (Maryland)	27,600,000	9,111,000	1,061,000	5,400,000	9,111,000	6,461,000
WILLIAMSBURG (Virginia)		2,758,000	7,160,000	3,602,000	2,758,000	10,762,000
WILLOW GROVE (Pennsylvania)		1,499,000	6,643,000	17,279,000	1,499,000	23,922,000
WILLOW LAWN (Virginia)		3,192,000	7,723,000	48,099,000	7,790,000	51,224,000
WYNNEWOOD (Pennsylvania)	32,000,000	8,055,000	13,759,000	12,052,000	8,055,000	25,811,000
DEVELOPMENT PROJECTS:						
PENTAGON ROW (Virginia)			2,955,000	36,854,000		39,809,000
WOODMONT EAST (Bethesda, MD)		6,957,000		18,538,000	6,957,000	18,538,000
TANASBOURNE (Oregon)				13,553,000		13,553,000
SANTANA ROW (California)		41,969,000	1,161,000	53,637,000	41,969,000	54,798,000
TOTALS	$323,911,000	$422,560,000	$719,793,000	$712,560,000	$425,379,000	$1,429,534,000

COLUMN A		COLUMN F	COLUMN G	COLUMN H	COLUMN I
	at close of period				
Descriptions	Total	Accumulated Depreciation and Amortization	Date of Construction	Date Acquired	Life on which depreciation in latest income statements is computed
MAGRUDERS (Maryland)	9,824,000	466,000	1955	12/17/97	35 years
MASSACHUSETTS RETAIL BLDG (1)	3,988,000	382,000	1930	09/07/95	35 years
MID PIKE PLAZA (Maryland)	16,643,000	8,318,000	1963	05/18/82	35 years
NEW JERSEY RETAIL BUILDING (1)	3,259,000	442,000	1940	08/16/95	35 years
NEW YORK RETAIL BUILDINGS (4)	25,945,000	921,000	1937-1987	12/16/97	35 years
NORTHEAST (Pennsylvania)	21,063,000	9,185,000	1959	08/30/83	35 years
NORTH LAKE COMMONS (Illinois)	12,944,000	1,935,000	1989	04/27/94	35 years
OLD KEENE MILL (Virginia)	5,041,000	2,825,000	1968	06/15/76	33 1/3 years
OLD TOWN CENTER (California)	31,746,000	1,426,000	1997-1998	10/22/97	35 years
PAN AM SHOPPING CENTER (Virginia)	24,227,000	4,853,000	1979	02/05/93	35 years
PARK & SHOP (District of Columbia)	11,698,000	1,131,000	1930	12/01/95	35 years
PERRING PLAZA (Maryland)	23,888,000	9,383,000	1963	10/01/85	35 years
PIKE 7 (Virginia)	33,055,000	2,650,000	1968	03/31/97	35 years
QUEEN ANNE PLAZA (Massachusetts)	14,649,000	2,640,000	1967	12/23/94	35 years
QUINCE ORCHARD PLAZA (Maryland)	17,362,000	4,684,000	1975	04/22/93	35 years
ROLLINGWOOD APTS. (Maryland)	6,660,000	5,712,000	1960	01/15/71	25 years
RUTGERS (New Jersey)	15,817,000	5,360,000	1973	12/12/88	35 years
SAUGUS (Massachusetts)	12,970,000	1,085,000	1976	10/01/96	35 years
SHIRLINGTON (Virginia)	29,564,000	2,609,000	1940	12/21/95	35 years
TEXAS RETAIL BUILDINGS (11)	33,185,000	34,000	var	1998-1999	35 years
TOWER (Virginia)	17,835,000	738,000	1953-1960	08/24/98	35 years
TROY (New Jersey)	20,244,000	9,725,000	1966	07/23/80	22 years
TYSONS STATION (Virginia)	3,133,000	2,171,000	1954	01/17/78	17 years
UPTOWN (Oregon)	16,398,000	615,000	1913-1959	09/26/97	35 years
WILDWOOD (Maryland)	15,572,000	5,686,000	1958	05/05/69	33 1/3 years
WILLIAMSBURG (Virginia)	13,520,000	5,059,000	1961	04/30/86	35 years
WILLOW GROVE (Pennsylvania)	25,421,000	10,265,000	1953	11/20/84	35 years
WILLOW LAWN (Virginia)	59,014,000	22,008,000	1957	12/05/83	35 years
WYNNEWOOD (Pennsylvania)	33,866,000	2,900,000	1948	10/29/96	35 years
DEVELOPMENT PROJECTS:					
PENTAGON ROW (Virginia)	39,809,000			1998	
WOODMONT EAST (Bethesda, MD)	25,495,000			06/03/97	
TANASBOURNE (Oregon)	13,553,000			2000	
SANTANA ROW (California)	96,767,000	585,000		03/05/97	35 years

TOTALS	$1,854,913,000	$351,258,000

FEDERAL REALTY INVESTMENT TRUST
SCHEDULE III
SUMMARY OF REAL ESTATE AND ACCUMULATED
DEPRECIATION - CONTINUED
Three Years Ended December 31, 2000

Reconciliation of Total Cost

Balance, January 1, 1998	$1,453,639,000
Additions during period	
Acquisitions	120,434,000
Improvements	73,296,000
Deduction during period - disposition of property and miscellaneous retirements	(5,233,000)
Balance, December 31, 1998	1,642,136,000
Additions during period	
Acquisitions	26,355,000
Improvements	95,148,000
Deduction during period - disposition of property and miscellaneous retirements and impairments	(42,180,000)
Balance, December 31, 1999	1,721,459,000
Additions during period	
Acquisitions	26,794,000
Improvements	156,021,000
Deduction during period - disposition of property and miscellaneous retirements	(49,361,000)
	$1,854,913,000
Balance, December 31, 2000	

(A) For Federal tax purposes, the aggregate cost basis is approximately $1,651,062,000 as of December 31, 2000.

FEDERAL REALTY INVESTMENT TRUST
SCHEDULE III
SUMMARY OF REAL ESTATE AND ACCUMULATED
DEPRECIATION - CONTINUED
Three Years Ended December 31, 2000

Reconciliation of Accumulated Depreciation and Amortization

Balance, January 1, 1998	$247,497,000
Additions during period	
Depreciation and amortization expense	42,542,000
Deductions during period - disposition of property and miscellaneous retirements	(3,986,000)
Balance, December 31, 1998	286,053,000
Additions during period	
Depreciation and amortization expense	46,133,000
Deductions during period - disposition of property and miscellaneous retirements	(14,265,000)
Balance, December 31, 1999	317,921,000
Additions during period	
Depreciation and amortization expense	49,176,000
Deductions during period - disposition of property, miscellaneous retirements and acquisition of minority interest	(15,839,000)
Balance, December 31, 2000	$351,258,000

FEDERAL REALTY INVESTMENT TRUST
SCHEDULE IV
MORTGAGE LOANS ON REAL ESTATE
Year Ended December 31, 2000

Column A	Column B	Column C	Column D	Column E	Column F	Column G
Description of Lien	Interest Rate	Maturity Date	Periodic Payment Terms	Prior Liens	Face Amount of Mortgages	Carrying Amount of Mortgages(1)
Leasehold mortgage on shopping center in New Jersey	10%	December 2003	Interest only monthly; $10,000,000 balloon payment due at maturity	---	$10,000,000	$10,000,000 (2)
Mortgages on retail buildings in Pennsylvania	10%	February 2001	Interest only monthly; balloon payment due at maturity	---	5,352,000	5,352,000
Land in San Jose, California	10%	December 2003	Interest only monthly; balloon payment due at maturity	---	5,250,000	5,250,000
Mortgage on shopping center in New Jersey	10%	March 2001	Interest only monthly; balloon payment due at maturity	---	4,020,000	3,227,000(3)
Mortgage on retail buildings in Philadelphia	Greater of prime plus 2% or 10%	May 2021	Interest only monthly; balloon payment due at maturity	---	25,000,000	11,112,000(4)
Mortgage on retail buildings in Philadelphia	10% plus participation	May 2021	Interest only; balloon payment due at maturity	---	9,250,000	9,250,000
Mortgage on land in Santa Monica, California	10% plus participation	July 2001	None. Balloon and accrued interest due at maturity	---	2,569,000 plus accrued interest and development cost	3,169,000
				---	$61,441,000	$47,360,000

1) For Federal tax purposes, the aggregate tax basis is approximately $47,360,000 as of December 31, 2000. No payments are delinquent on these mortgages.
2) This mortgage is extendable for up to 45 years with interest increasing to a maximum of 11%.
3) This mortgage is available for up to $4,020,000. At December 31, 2000, $3,227,000 was outstanding.
4) This mortgage is available for up to $25,000,000.

FEDERAL REALTY INVESTMENT TRUST
SCHEDULE IV
MORTGAGE LOANS ON REAL ESTATE - CONTINUED
Three Years Ended December 31, 2000

Reconciliation of Carrying Amount

Balance, January 1, 1998	$ 38,360,000
Additions during period	
Issuance of loan	21,375,000
Deductions during period	
Collection of loan	(8,581,000)
Balance, December 31, 1998	51,154,000
Additions during period	
Issuance of loan	2,516,000
Deductions during period	
Collection of loan	(175,000)
Balance, December 31, 1999	53,495,000
Additions during period	
Issuance of loans	5,701,000
Deductions during period	
Collections and satisfaction of loans	(11,836,000)
Balance, December 31, 2000	$ 47,360,000

Exhibit 10.xxxi

AMENDMENT TO
RESTRICTED SHARE AWARD AGREEMENT AND
AMENDMENT TO PROMISSORY NOTE

This Amendment to Restricted Share Award Agreement and Amendment to Promissory Note (this "Amendment") is made as of December 8, 2000, between Federal Realty Investment Trust, a Maryland real estate investment trust (the "Trust"), and Ron D. Kaplan, an individual employee of the Trust (the "Key Employee").

WHEREAS, the Trust and the Key Employee entered into that certain Restricted Share Award Agreement dated as of January 1, 1998, setting forth the terms of the award by the Trust to the Key Employee under the Trust's Amended and Restated 1993 Long-Term Incentive Plan (the "Amended Plan") of a Restricted Share Award of 50,000 shares of beneficial interest of the Trust (such shares being hereinafter referred to as the "Restricted Shares" and such agreement being hereinafter referred to as the "Restricted Share Agreement"); and

WHEREAS, the Restricted Share Agreement provides for the Trust to make a Tax Loan to the Key Employee each time the Restriction Period lapses with regard to a number of Restricted Shares, in the amount of fifty percent of the aggregate value of such Restricted Shares, in order to enable the Key Employee to pay state and federal taxes on the income created by the lapsing of the Restriction Period on such Restricted Shares, and for such Tax Loan to be secured by all the Restricted Shares as to which the Restriction Period has lapsed (the "Vested Shares"); and

WHEREAS, the Compensation Committee of the Board of Trustees of the Trust (the "Committee") has determined that it is unnecessary for the Tax Loans to be secured by all of the Vested Shares and that the Trust's interests would be adequately protected by requiring each such Tax Loan to be secured instead by that number of shares having an aggregate value on the date of vesting equal to 125% of the amount of the Tax Loan.

NOW, THEREFORE, in consideration of the foregoing, the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Paragraph 4 of the Restricted Share Agreement is hereby amended to read in its entirety as follows:

"Tax Loan. (a) The Trust shall extend loans to the Key Employee from time to time to provide him with funds to pay the federal and state taxes that he will incur as a result of the lapsing of the Restriction Period with respect to Restricted Shares except with respect to federal and state taxes incurred as a result of the lapsing of the Restriction Period with respect to Restricted Shares under Paragraph 3.3 ("Tax Loans"). The Key Employee will execute promissory notes in the form attached to this Agreement to evidence his obligation to repay such Tax Loans. As of each date a Tax Loan is extended to the Key Employee, the dollar amount of such Tax Loan so issued to the Key Employee hereunder shall not exceed 50% of the Fair Market Value of the Shares awarded to the Key Employee hereunder as to which the Restriction Period has then lapsed. As collateral to secure his obligation to repay any Tax Loan extended to him hereunder and any accrued but unpaid Interest on such Tax Loan, the Key Employee hereby (i) pledges to the Trust that number of Restricted Shares awarded to him hereunder as to which the Restriction Period has lapsed having an aggregate value which is equal on the date of the Tax Loan to 125% of the amount of such Tax Loan, and (ii) assigns to the Trust all quarterly cash or other dividends paid on such Restricted Shares.

(b) In the event of a Change in Control, the Trust shall extend a loan to the Key Employee to provide him with funds to pay the federal and state income taxes that he will incur as a result of (i) the forgiveness of any Tax Loans extended under Paragraph 4(a) and (ii) receipt of the Income Tax Payment (in accordance with Paragraph 3.3) (the "Change in Control Tax Loan"). The Key Employee will execute a promissory note in the form attached to this Agreement to evidence his obligation to repay such Change in Control Tax Loan."

2. The last sentence of Paragraph 1 of the Tax Note dated March 31, 1998, made by the Key Employee in favor of the Trust is hereby amended to read in its entirety as follows:

"The performance of the Borrower's obligations hereunder is secured by (a) a pledge of that number of Shares as to which the Restriction Period has lapsed under the Restricted Share Award Agreement having an aggregate value which is equal, on the date a Loan is made, to 125% of the principal amount of the Loan, and (b) an assignment to Payee of all quarterly cash Dividends paid on such Shares sufficient to pay the Interest (as hereinafter defined) hereon."

3. Capitalized terms used in this Amendment, unless otherwise defined herein, have the respective meanings given to such terms in the Restricted Share Agreement.

4. Except as specifically modified hereby, the Restricted Share Agreement and Tax Note remain in full force and effect, and the Trust and the Key Employee hereby ratify and reaffirm each and all of the terms and provisions of the Restricted Share Agreement and Tax Note as modified hereby.

5. This Amendment may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

IN WITNESS WHEREOF, the Trust has caused this Amendment to be duly executed and the Key Employee has hereunto set his hand effective as of the day and year first above written.

FEDERAL REALTY INVESTMENT TRUST

By:___________________________________
Name: Mark S. Ordan
Title: Chairman, Compensation Committee

Address:
1626 East Jefferson Street
Rockville, Maryland 20852

RON D. KAPLAN

____

Address:
7909 Greentree Road
Bethesda, Maryland 20817

Exhibit 10.xxxii

AMENDMENT TO
RESTRICTED SHARE AWARD AGREEMENT AND
AMENDMENT TO PROMISSORY NOTE

This Amendment to Restricted Share Award Agreement and Amendment to Promissory Note (this "Amendment") is made as of December 8, 2000, between Federal Realty Investment Trust, a Maryland real estate investment trust (the "Trust"), and Ron D. Kaplan, an individual employee of the Trust (the "Key Employee").

WHEREAS, the Trust and the Key Employee entered into that certain Restricted Share Award Agreement dated as of January 1, 1998, setting forth the terms of the award by the Trust to the Key Employee of a Restricted Share Award of 12,500 shares of beneficial interest of the Trust (such shares being hereinafter referred to as the "Restricted Shares" and such agreement being hereinafter referred to as the "Restricted Share Agreement"); and

WHEREAS, the Restricted Share Agreement provides for the Trust to make a Tax Loan to the Key Employee each time the Restriction Period lapses with regard to a number of Restricted Shares, in the amount of fifty percent of the aggregate value of such Restricted Shares, in order to enable the Key Employee to pay state and federal taxes on the income created by the lapsing of the Restriction Period on such Restricted Shares, and for such Tax Loan to be secured by all the Restricted Shares as to which the Restriction Period has lapsed (the "Vested Shares"); and

WHEREAS, the Compensation Committee of the Board of Trustees of the Trust (the "Committee") has determined that it is unnecessary for the Tax Loans to be secured by all of the Vested Shares and that the Trust's interests would be adequately protected by requiring each such Tax Loan to be secured instead by that number of shares having an aggregate value on the date of vesting equal to 125% of the amount of the Tax Loan.

NOW, THEREFORE, in consideration of the foregoing, the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Paragraph 4 of the Restricted Share Agreement is hereby amended to read in its entirety as follows:

> "<u>Tax Loan</u>. (a) The Trust shall extend loans to the Key Employee from time to time to provide him with funds to pay the federal and state taxes that he will incur as a result of the lapsing of the Restriction Period

with respect to Restricted Shares except with respect to federal and state taxes incurred as a result of the lapsing of the Restriction Period with respect to Restricted Shares under Paragraph 3.3 ("Tax Loans"). The Key Employee will execute promissory notes in the form attached to this Agreement to evidence his obligation to repay such Tax Loans. As of each date a Tax Loan is extended to the Key Employee, the dollar amount of such Tax Loan so issued to the Key Employee hereunder shall not exceed 50% of the Fair Market Value of the Shares awarded to the Key Employee hereunder as to which the Restriction Period has then lapsed. As collateral to secure his obligation to repay any Tax Loan extended to him hereunder and any accrued but unpaid Interest on such Tax Loan, the Key Employee hereby (i) pledges to the Trust that number of Restricted Shares awarded to him hereunder as to which the Restriction Period has lapsed having an aggregate value which is equal on the date of the Tax Loan to 125% of the amount of such Tax Loan, and (ii) assigns to the Trust all quarterly cash or other dividends paid on such Restricted Shares.

(b) In the event of a Change in Control, the Trust shall extend a loan to the Key Employee to provide him with funds to pay the federal and state income taxes that he will incur as a result of (i) the forgiveness of any Tax Loans extended under Paragraph 4(a) and (ii) receipt of the Income Tax Payment (in accordance with Paragraph 3.3) (the "Change in Control Tax Loan"). The Key Employee will execute a promissory note in the form attached to this Agreement to evidence his obligation to repay such Change in Control Tax Loan."

2. The last sentence of Paragraph 1 of the Tax Note dated March 31, 1998, made by the Key Employee in favor of the Trust is hereby amended to read in its entirety as follows:

"The performance of the Borrower's obligations hereunder is secured by (a) a pledge of that number of Shares as to which the Restriction Period has lapsed under the Restricted Share Award Agreement having an aggregate value which is equal, on the date a Loan is made, to 125% of the principal amount of the Loan, and (b) an assignment to Payee of all quarterly cash Dividends paid on such Shares sufficient to pay the Interest (as hereinafter defined) hereon."

3. Capitalized terms used in this Amendment, unless otherwise defined herein, have the respective meanings given to such terms in the Restricted Share Agreement.

4. Except as specifically modified hereby, the Restricted Share Agreement and Tax Note remain in full force and effect, and the Trust and the Key Employee hereby ratify and reaffirm each and all of the terms and provisions of the Restricted Share Agreement and Tax Note as modified hereby.

5. This Amendment may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

IN WITNESS WHEREOF, the Trust has caused this Amendment to be duly executed and the Key Employee has hereunto set his hand effective as of the day and year first above written.

FEDERAL REALTY INVESTMENT TRUST

By:_________________________________
Name: Mark S. Ordan
Title: Chairman, Compensation Committee

Address:
1626 East Jefferson Street
Rockville, Maryland 20852

RON D. KAPLAN

____

Address:
7909 Greentree Road
Bethesda, Maryland 20817

Exhibit 10.xxxiii

AMENDMENT TO
RESTRICTED SHARE AWARD AGREEMENT AND
AMENDMENT TO PROMISSORY NOTE

This Amendment to Restricted Share Award Agreement and Amendment to Promissory Note (this "Amendment") is made as of December 8, 2000, between Federal Realty Investment Trust, a Maryland real estate investment trust (the "Trust"), and Donald C. Wood, an individual employee of the Trust (the "Key Employee").

WHEREAS, the Trust and the Key Employee entered into that certain Restricted Share Award Agreement dated as of February 9, 2000, setting forth the terms of the award by the Trust to the Key Employee of a Restricted Share Award of 37,500 shares of beneficial interest of the Trust (such shares being hereinafter referred to as the "Restricted Shares" and such agreement being hereinafter referred to as the "Restricted Share Agreement"); and

WHEREAS, the Restricted Share Agreement provides for the Trust to make a Tax Loan to the Key Employee each time the Restriction Period lapses with regard to a number of Restricted Shares, in the amount of fifty percent of the aggregate value of such Restricted Shares, in order to enable the Key Employee to pay state and federal taxes on the income created by the lapsing of the Restriction Period on such Restricted Shares, and for such Tax Loan to be secured by all the Restricted Shares as to which the Restriction Period has lapsed (the "Vested Shares"); and

WHEREAS, the Compensation Committee of the Board of Trustees of the Trust (the "Committee") has determined that it is unnecessary for the Tax Loans to be secured by all of the Vested Shares and that the Trust's interests would be adequately protected by requiring each such Tax Loan to be secured instead by that number of shares having an aggregate value on the date of vesting equal to 125% of the amount of the Tax Loan.

NOW, THEREFORE, in consideration of the foregoing, the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Paragraph 4 of the Restricted Share Agreement is hereby amended to read in its entirety as follows:

> "<u>Tax Loan</u>. (a) The Trust shall extend loans to the Key Employee from time to time to provide him with funds to pay the federal and state taxes that he will incur as a result of the lapsing of the Restriction Period

with respect to Restricted Shares except with respect to federal and state taxes incurred as a result of the lapsing of the Restriction Period with respect to Restricted Shares under Paragraph 3.3 ("Tax Loans"). The Key Employee will execute promissory notes in the form attached to this Agreement to evidence his obligation to repay such Tax Loans. As of each date a Tax Loan is extended to the Key Employee, the dollar amount of such Tax Loan so issued to the Key Employee hereunder shall not exceed 50% of the Fair Market Value of the Shares awarded to the Key Employee hereunder as to which the Restriction Period has then lapsed. As collateral to secure his obligation to repay any Tax Loan extended to him hereunder and any accrued but unpaid Interest on such Tax Loan, the Key Employee hereby (i) pledges to the Trust that number of Restricted Shares awarded to him hereunder as to which the Restriction Period has lapsed having an aggregate value which is equal on the date of the Tax Loan to 125% of the amount of such Tax Loan, and (ii) assigns to the Trust all quarterly cash or other dividends paid on such Restricted Shares.

(b) In the event of a Change in Control, the Trust shall extend a loan to the Key Employee to provide him with funds to pay the federal and state income taxes that he will incur as a result of (i) the forgiveness of any Tax Loans extended under Paragraph 4(a) and (ii) receipt of the Income Tax Payment (in accordance with Paragraph 3.3) (the "Change in Control Tax Loan"). The Key Employee will execute a promissory note in the form attached to this Agreement to evidence his obligation to repay such Change in Control Tax Loan."

2. The last sentence of Paragraph 1 of the Tax Note dated March 31, 2000, made by the Key Employee in favor of the Trust is hereby amended to read in its entirety as follows:

"The performance of the Borrower's obligations hereunder is secured by (a) a pledge of that number of Shares as to which the Restriction Period has lapsed under the Restricted Share Award Agreement having an aggregate value which is equal, on the date a Loan is made, to 125% of the principal amount of the Loan, and (b) an assignment to Payee of all quarterly cash Dividends paid on such Shares sufficient to pay the Interest (as hereinafter defined) hereon."

3. Capitalized terms used in this Amendment, unless otherwise defined herein, have the respective meanings given to such terms in the Restricted Share Agreement.

4. Except as specifically modified hereby, the Restricted Share Agreement and Tax Note remain in full force and effect, and the Trust and the Key Employee hereby ratify and reaffirm each and all of the terms and provisions of the Restricted Share Agreement and Tax Note as modified hereby.

5. This Amendment may be executed in multiple counterparts with the same effect as if each of the signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

IN WITNESS WHEREOF, the Trust has caused this Amendment to be duly executed and the Key Employee has hereunto set his hand effective as of the day and year first above written.

FEDERAL REALTY INVESTMENT TRUST

By:_________________________________
Name: Mark S. Ordan
Title: Chairman, Compensation Committee

Address:
1626 East Jefferson Street
Rockville, Maryland 20852

DONALD C. WOOD

____

Address:
55 Warwick Stone Way
Great Falls, Virginia 22066

Exhibit 10.xxxiv

SPLIT-DOLLAR LIFE INSURANCE AGREEMENT

THIS SPLIT-DOLLAR LIFE INSURANCE AGREEMENT (this "Agreement") is made, entered into and effective for all purposes this 20th day of May, 1998, by and between (i) FEDERAL REALTY INVESTMENT TRUST, an unincorporated Business Trust organized under the laws of the District of Columbia ("FRIT"), (ii) THE RONALD D. KAPLAN FAMILY TRUST, a trust organized under the laws of the State of Maryland (the "Trust") acting by and through its Trustees, Lauren Heyman and Justin Heyman (collectively, the "Trustee"), and (iii) RONALD D. KAPLAN ("Executive").

WHEREAS, Executive is the Senior Vice President - Capital Markets and Chief Investment Officer of FRIT and FRIT desires to provide life insurance protection for the Executive's family under certain circumstances, as described herein;

WHEREAS, Executive and FRIT have entered or intend to enter into agreements related to employment and severance, as amended (the "Employment Agreement"), whereby certain events described herein are more fully defined: and

WHEREAS, the parties hereto desire to split the ownership rights, premiums and cash surrender value with respect to a certain life insurance policy, subject to the terms and conditions more specifically set forth herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, do hereby agree as follows.

1. <u>Description of Policy</u>. The life insurance policy described in and subject to the terms of this Agreement is that certain life insurance policy No.______ (the "Policy") issued by Massachusetts Mutual Life Insurance Company (the "Insurer") insuring the Executive.

2. <u>Ownership of Policy</u>. Except as otherwise provided in this Agreement, the Trust shall be the sole and absolute owner of the Policy, and shall retain all rights and privileges of ownership with respect thereto. Notwithstanding the foregoing, the Trust shall not borrow against the cash surrender value of the Policy (the "Cash Surrender Value").

3. <u>Payment of Premiums</u>.

A. FRIT shall pay the annual premium on the Policy for a period of seven (7) years to the Insurer for the Policy; which payment shall be made on or before the due date of each premium payment on the Policy, or within the grace period with respect thereto. Notwithstanding the preceding sentence, during such seven (7) year period, the Trust shall contribute not less than the greater of (i) the amounts set forth in Exhibit A attached hereto, or (ii) the amounts equal to the Economic Benefit, as defined in Revenue Rulings 64-328 and 66-110 promulgated by the Internal Revenue Service.

B. After such seven (7) year period, the Trust shall have the option, but not the obligation, to continue making all or any portion of the contributions described in subparagraph 3A.

C. All optional contributions made by the Trust after the seventh year shall be deemed to be reimbursements made by the Trust to FRIT.

4. Collateral Assignment of Policy. Simultaneously with the execution of this Agreement, the Trust and FRIT shall enter into a Collateral Assignment Agreement (the "Collateral Assignment"), substantially in the form of Exhibit B attached hereto and made a part hereof.

5. Promissory Note. Upon the occurrence of an event described in subparagraphs 6A(5) or 6A(7) below, the Trust shall deliver a Promissory Note payable to the order of FRIT, substantially in the form of Exhibit C attached hereto and made a part hereof (the "Note"), in the amount described in subparagraphs 6A(5) or 6A(7) hereof, as the case may be. Amounts payable under the Note will be guaranteed by a personal guaranty to be delivered by the Executive dated of even date with such Note, substantially in the form of Exhibit D hereof (the "Guaranty").

6. Termination of Agreement.

A. This Agreement shall terminate upon the earliest to occur of any of the following events:

(1) the death of the Executive;

(2) the close of the fifteenth (15th) year of the Policy;

(3) the cancellation or surrender of the Policy by the Trust;

(4) the termination by FRIT of Executive's employment for Cause (as defined in the Employment Agreement), unless there has been a Change in Control of FRIT (as defined in the Employment Agreement) within six (6) months of the termination by FRIT of the Executive's employment;

(5) the termination of Executive's employment by FRIT without Cause, if the Executive has been employed by FRIT for less than five (5) years as of the date of the termination of Executive's employment;

(6) the resignation and/or retirement, for any reason other than Disability (as defined in the Employment Agreement), of the Executive, unless there has been a Change of Control of FRIT within six (6) months of the resignation and/or retirement;

(7) the (i) resignation, (ii) retirement of the Executive, or (iii) termination of Executive's employment by FRIT; within six (6) months of a Change of Control of FRIT, if the Executive has been employed by FRIT for less than five (5) years as of the date of the Change in Control; or

(8) the unilateral termination of this Agreement by the Trust.

B. If this Agreement is terminated pursuant to paragraph 6A(1) hereof, FRIT and the Trust shall promptly take all actions necessary in order to collect the death benefits payable under the Policy. Such death benefits shall be distributed as follows:

(1) FRIT shall be entitled to receive that portion of the death benefits payable under the Policy which is equal to the aggregate amount of premiums paid by it under this Agreement, pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust).

(2) The balance, if any, of the death benefits provided under the Policy shall be paid directly to the Trust, as beneficiary under the Policy.

(3) The payment from the Insurer to FRIT of the amount described in paragraph 6B(1) hereof shall constitute full and complete satisfaction of the obligations of the Trust under this Agreement. Upon receipt of this amount, FRIT shall execute any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

C. If this Agreement is terminated pursuant to paragraphs 6A(2), 6A(3), 6A(4), 6A(6) or 6A(8) hereof, the Trust shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust). Thereafter, the Trust shall become the sole owner of the Policy, and FRIT shall execute and deliver to the Trust any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

D. If this Agreement is terminated pursuant to paragraphs 6A(5) or 6A(7) hereof, the Trust shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust), in the form of a Promissory Note, pursuant to paragraph 5 above. The Trust shall become the sole owner of the Policy and FRIT and the Trust shall terminate the Collateral Assignment and shall execute and deliver to the Trust any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral

Assignment. Upon the payment of all amounts due under the Note, FRIT shall execute and deliver to the Trust any and all documents necessary to effect a cancellation of the Note and the Guaranty.

7. Disability of Executive. Upon the resignation and/or retirement of the Executive as a result of his or her Disability, FRIT's obligation to pay such amounts toward the premiums on the Policy pursuant to paragraph 3 of this Agreement shall continue for as many years remaining in the seven (7) year period set forth in paragraph 3, as are equal to the number of full calendar years the Executive has been employed by FRIT at the time of his resignation and/or retirement. Thereafter, upon the happening of an event described in paragraph 6A(1), the rights and obligations of the Trust and FRIT shall be as set forth in paragraph 6B of the Agreement; or, upon the happening of an event described in paragraph 6A(2), 6A(3) or 6A(8), if sooner, the rights and obligations of the Trust and FRIT shall be as set forth in paragraph 6C of the Agreement.

8. Insurer Not a Party. Insurer shall be fully discharged from any and all liability under the Policy upon payment of the death benefits payable under the Policy or performance of its other obligations in accordance with the terms and conditions of the Policy. In no event shall Insurer be deemed to be a party to this Agreement, or any modification or amendment hereof.

9. Amendment of Agreement. This Agreement may not be amended, altered or modified, except by a writing signed by all of the parties to this Agreement.

10. Assignment of Agreement. Subject to the terms of the Collateral Assignment and the provisions of paragraph 2 hereof, the Trust shall have the right at any time to assign or transfer any or all of its interest in the Policy and this Agreement to any person or entity, by execution of a written assignment delivered to FRIT and to Insurer.

11. Trustee Not Liable. The parties hereto hereby acknowledge that the Trustee shall act hereunder solely as the trustee for the Trust, and shall not be personally liable or responsible in any manner whatsoever for any amounts payable by any party hereunder.

12. Benefits and Burdens. This Agreement shall be binding upon, and shall inure to the benefit of, (i) FRIT and the Trust, and their successors and assigns, and (ii) the Executive, and his executors or administrators, heirs, legatees, assigns and personal and legal representatives.

13. Notices. Any and all notices provided for herein shall be sufficient if in writing, and sent by recognized overnight courier or hand delivery (with receipt therefor) or by certified or registered mail (return receipt requested and first-class postage prepaid), as follows: (i) in the case of FRIT, to its principal office, (ii) in the case of Executive, to his address as shown on FRIT's records, and (iii) in the case of the Trust, to the Trustee c/o Lauren Heyman, 7909 Greentree Road, Bethesda, Maryland 20817.

14. Severability. The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity and enforceability of the other provisions hereof.

15. Headings. The headings or other captions contained in this Agreement are for convenience of reference only and shall not be used in interpreting, construing or enforcing any of the provisions of this Agreement.

16. Governing Law. This Agreement shall be governed by the laws of the State of Maryland, without giving effect to its conflict of laws provisions, except to the extent preempted by Federal law.

17. Liability of FRIT.

A. The financial obligations of FRIT under this Agreement shall be limited to the payment of premiums described in paragraph 3 above, and FRIT does not have or assume any liability or responsibility with respect to the obligations of the Insurer under the Policy or otherwise. Without limiting the generality of the foregoing, it is specifically provided that in the event of insolvency or other default of payment by either the Insurer or the Trust, FRIT shall have no responsibility to make any payment to the Trust, the Executive or any other person or entity. Any person or entity claiming entitlement to payments under the Policy may look only to the assets of the Insurer, and any person or entity claiming entitlement to payments under the Trust may look only to the assets of the Trust.

B. The name "FEDERAL REALTY INVESTMENT TRUST" refers to the Trustees of FRIT, as Trustees, but not individually or personally, under a Third Amended and Restated Declaration of Trust on file in the office of the Recorder of Deeds of the District of Columbia, which Declaration provides that neither the shareholders nor said Trustees, or any officer, employee, representative or agent of FRIT shall be personally liable for the satisfaction of obligations of any nature whatsoever of FRIT. Accordingly, in addition to the other limitations on liability set forth herein, specifically, subparagraph 17A above, Executive and Trust agree to look solely to FRIT's trust property for the satisfaction of any claim arising from this Agreement and shall not seek to impose personal liability on any shareholder, Trustee, officer, employee, representative or agent of FRIT.

18. Entire Agreement. This Agreement and the Exhibits hereto set forth all of the promises, agreements and understandings of the parties hereto with respect to the matters described herein, and there are no promises, agreements or understandings, oral or written, express or implied, between them with respect to such matters other than as set forth herein. Any and all prior promises, agreements and understandings between the parties hereto with respect to the matters described herein are hereby revoked.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, FRIT, the Trust and Executive have executed this Agreement as of the day and year first above written.

FEDERAL REALTY INVESTMENT TRUST,
an unincorporated Business Trust organized under
the laws of the District of Columbia

By:_____________________________
Title:

TRUST:

THE RONALD D. KAPLAN FAMILY TRUST

By:_____________________________
Lauren Heyman, Trustee

By:_____________________________
Justin Heyman, Trustee

EXECUTIVE:

____
Ronald D. Kaplan

Exhibit 10.xxxv

SPLIT-DOLLAR LIFE INSURANCE AGREEMENT

THIS SPLIT-DOLLAR LIFE INSURANCE AGREEMENT (this "Agreement") is made, entered into and effective for all purposes this 7th day of June, 1998, by and between (i) FEDERAL REALTY INVESTMENT TRUST, an unincorporated Business Trust organized under the laws of the District of Columbia ("FRIT"), (ii) THE GUTTMAN FAMILY 1998 TRUST, a trust organized under the laws of the State of Maryland (the "Trust") acting by and through its Trustees, Ron Kaplan, Evan Novenstein and Robert Tanenbaum (collectively, the "Trustee"), and (iii) STEVEN J. GUTTMAN ("Executive").

WHEREAS, Executive is the President and Chief Executive Officer of FRIT and FRIT desires to provide life insurance protection for the Executive's family under certain circumstances, as described herein;

WHEREAS, Executive and FRIT have entered or intend to enter into agreements related to employment and severance, as amended (the "Employment Agreement"), whereby certain events described herein are more fully defined: and

WHEREAS, the parties hereto desire to split the ownership rights, premiums and cash surrender value with respect to a certain life insurance policy, subject to the terms and conditions more specifically set forth herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, do hereby agree as follows.

1. Description of Policy. The life insurance policy described in and subject to the terms of this Agreement is that certain life insurance policy No.______ (the "Policy") issued by Massachusetts Mutual Life Insurance Company (the "Insurer") insuring the Executive.

2. Ownership of Policy. Except as otherwise provided in this Agreement, the Trust shall be the sole and absolute owner of the Policy, and shall retain all rights and privileges of ownership with respect thereto. Notwithstanding the foregoing, the Trust shall not borrow against the cash surrender value of the Policy (the "Cash Surrender Value").

3. Payment of Premiums.

A. FRIT shall pay the annual premium on the Policy for a period of seven (7) years to the Insurer for the Policy; which payment shall be made on or before the due date of each premium payment on the Policy, or within the grace period with respect thereto. Notwithstanding the preceding sentence, during such seven (7) year period, the Trust shall contribute not less than the greater of (i) the amounts set forth in Exhibit A attached hereto, or (ii) the amounts equal to the Economic Benefit, as defined in Revenue Rulings 64-328 and 66-110 promulgated by the Internal Revenue Service.

B. After such seven (7) year period, the Trust shall have the option, but not the obligation, to continue making all or any portion of the contributions described in subparagraph 3A.

C. All optional contributions made by the Trust after the seventh year shall be deemed to be reimbursements made by the Trust to FRIT.

4. Collateral Assignment of Policy. Simultaneously with the execution of this Agreement, the Trust and FRIT shall enter into a Collateral Assignment Agreement (the "Collateral Assignment"), substantially in the form of Exhibit B attached hereto and made a part hereof.

5. Promissory Note. Upon the occurrence of an event described in subparagraphs 6A(5) or 6A(7) below, the Trust shall deliver a Promissory Note payable to the order of FRIT, substantially in the form of Exhibit C attached hereto and made a part hereof (the "Note"), in the amount described in subparagraphs 6A(5) or 6A(7) hereof, as the case may be. Amounts payable under the Note will be guaranteed by a personal guaranty to be delivered by the Executive dated of even date with such Note, substantially in the form of Exhibit D hereof (the "Guaranty").

6. Termination of Agreement.

A. This Agreement shall terminate upon the earliest to occur of any of the following events:

(1) the death of the Executive;

(2) the close of the fifteenth (15th) year of the Policy;

(3) the cancellation or surrender of the Policy by the Trust;

(4) the termination by FRIT of Executive's employment for Cause (as defined in the Employment Agreement), unless there has been a Change in Control of FRIT (as defined in the Employment Agreement) within six (6) months of the termination by FRIT of the Executive's employment;

(5) the termination of Executive's employment by FRIT without Cause, if the Executive has been employed by FRIT for less than five (5) years as of the date of the termination of Executive's employment;

(6) the resignation and/or retirement, for any reason other than Disability (as defined in the Employment Agreement), of the Executive, unless there has been a Change of Control of FRIT within six (6) months of the resignation and/or retirement;

(7) the (i) resignation, (ii) retirement of the Executive, or (iii) termination of Executive's employment by FRIT; within six (6) months of a Change of Control of FRIT, if the Executive has been employed by FRIT for less than five (5) years as of the date of the Change in Control; or

(8) the unilateral termination of this Agreement by the Trust.

B. If this Agreement is terminated pursuant to paragraph 6A(1) hereof, FRIT and the Trust shall promptly take all actions necessary in order to collect the death benefits payable under the Policy. Such death benefits shall be distributed as follows:

(1) FRIT shall be entitled to receive that portion of the death benefits payable under the Policy which is equal to the aggregate amount of premiums paid by it under this Agreement, pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust).

(2) The balance, if any, of the death benefits provided under the Policy shall be paid directly to the Trust, as beneficiary under the Policy.

(3) The payment from the Insurer to FRIT of the amount described in paragraph 6B(1) hereof shall constitute full and complete satisfaction of the obligations of the Trust under this Agreement. Upon receipt of this amount, FRIT shall execute any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

C. If this Agreement is terminated pursuant to paragraphs 6A(2), 6A(3), 6A(4), 6A(6) or 6A(8) hereof, the Trust shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust). Thereafter, the Trust shall become the sole owner of the Policy, and FRIT shall execute and deliver to the Trust any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

D. If this Agreement is terminated pursuant to paragraphs 6A(5) or 6A(7) hereof, the Trust shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust), in the form of a Promissory Note, pursuant to paragraph 5 above. The Trust shall become the sole owner of the Policy and FRIT and the Trust shall terminate the Collateral Assignment and shall execute and deliver to the Trust any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment. Upon the payment of all amounts due under the Note, FRIT shall execute and deliver to the Trust any and all documents necessary to effect a cancellation of the Note and the Guaranty.

7. Disability of Executive. Upon the resignation and/or retirement of the Executive as a result of his or her Disability, FRIT's obligation to pay such amounts toward the premiums on the Policy pursuant to paragraph 3 of this Agreement shall continue for as many years remaining in the seven (7) year period set forth in paragraph 3, as are equal to the number of full calendar years the Executive has been employed by FRIT at the time of his resignation and/or retirement. Thereafter, upon the happening of an event described in paragraph 6A(1), the rights and obligations of the Trust and FRIT shall be as set forth in paragraph 6B of the Agreement; or, upon the happening of an event described in paragraph 6A(2), 6A(3) or 6A(8), if sooner, the rights and obligations of the Trust and FRIT shall be as set forth in paragraph 6C of the Agreement.

8. Insurer Not a Party. Insurer shall be fully discharged from any and all liability under the Policy upon payment of the death benefits payable under the Policy or performance of its other obligations in accordance with the terms and conditions of the Policy. In no event shall Insurer be deemed to be a party to this Agreement, or any modification or amendment hereof.

9. Amendment of Agreement. This Agreement may not be amended, altered or modified, except by a writing signed by all of the parties to this Agreement.

10. Assignment of Agreement. Subject to the terms of the Collateral Assignment and the provisions of paragraph 2 hereof, the Trust shall have the right at any time to assign or transfer any or all of its interest in the Policy and this Agreement to any person or entity, by execution of a written assignment delivered to FRIT and to Insurer.

11. Trustee Not Liable. The parties hereto hereby acknowledge that the Trustee shall act hereunder solely as the trustee for the Trust, and shall not be personally liable or responsible in any manner whatsoever for any amounts payable by any party hereunder.

12. Benefits and Burdens. This Agreement shall be binding upon, and shall inure to the benefit of, (i) FRIT and the Trust, and their successors and assigns, and (ii) the Executive, and his executors or administrators, heirs, legatees, assigns and personal and legal representatives.

13. Notices. Any and all notices provided for herein shall be sufficient if in writing, and sent by recognized overnight courier or hand delivery (with receipt therefor) or by certified or registered mail (return receipt requested and first-class postage prepaid), as follows: (i) in the case of FRIT, to its principal office, (ii) in the case of Executive, to his address as shown on FRIT's records, and (iii) in the case of the Trust, to the Trustee c/o Evan Novenstein, 8720 Harness Trail, Potomac, Maryland 20854.

14. Severability. The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity and enforceability of the other provisions hereof.

15. Headings. The headings or other captions contained in this Agreement are for convenience of reference only and shall not be used in interpreting, construing or enforcing any of the provisions of this Agreement.

16. Governing Law. This Agreement shall be governed by the laws of the State of Maryland, without giving effect to its conflict of laws provisions, except to the extent preempted by Federal law.

17. Liability of FRIT.

A. The financial obligations of FRIT under this Agreement shall be limited to the payment of premiums described in paragraph 3 above, and FRIT does not have or assume any liability or responsibility with respect to the obligations of the Insurer under the Policy or otherwise. Without limiting the generality of the foregoing, it is specifically provided that in the event of insolvency or other default of payment by either the Insurer or the Trust, FRIT shall have no responsibility to make any payment to the Trust, the Executive or any other person or entity. Any person or entity claiming entitlement to payments under the Policy may look only to the assets of the Insurer, and any person or entity claiming entitlement to payments under the Trust may look only to the assets of the Trust.

B. The name "FEDERAL REALTY INVESTMENT TRUST" refers to the Trustees of FRIT, as Trustees, but not individually or personally, under a Third Amended and Restated Declaration of Trust on file in the office of the Recorder of Deeds of the District of Columbia, which Declaration provides that neither the shareholders nor said Trustees, or any officer, employee, representative or agent of FRIT shall be personally liable for the satisfaction of obligations of any nature whatsoever of FRIT. Accordingly, in addition to the other limitations on liability set forth herein, specifically, subparagraph 17A above, Executive and Trust agree to look solely to FRIT's trust property for the satisfaction of any claim arising from this Agreement and shall not seek to impose personal liability on any shareholder, Trustee, officer, employee, representative or agent of FRIT.

18. Entire Agreement. This Agreement and the Exhibits hereto set forth all of the promises, agreements and understandings of the parties hereto with respect to the matters described herein, and there are no promises, agreements or understandings, oral or written, express or implied, between them with respect to such matters other than as set forth herein. Any and all prior promises, agreements and understandings between the parties hereto with respect to the matters described herein are hereby revoked.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, FRIT, the Trust and Executive have executed this Agreement as of the day and year first above written.

FEDERAL REALTY INVESTMENT TRUST,
an unincorporated Business Trust organized under
the laws of the District of Columbia

By:_______________________________________

Title:____________________________________

TRUST:

THE GUTTMAN FAMILY 1998 TRUST

By:_______________________________________
Evan Novenstein, Trustee

EXECUTIVE:

____
Steven J. Guttman

SPLIT-DOLLAR LIFE INSURANCE AGREEMENT

THIS SPLIT-DOLLAR LIFE INSURANCE AGREEMENT (this "Agreement") is made, entered into and effective for all purposes this 12th day of August, 1998, by and between (i) FEDERAL REALTY INVESTMENT TRUST, an unincorporated Business Trust organized under the laws of the District of Columbia ("FRIT"), (ii) DONALD C. WOOD ("Executive"), and (iii) DONALD C. WOOD ("Owner").

WHEREAS, Executive is the Senior Vice President and Chief Financial Officer of FRIT and FRIT desires to provide life insurance protection for the Executive's family under certain circumstances, as described herein;

WHEREAS, Executive and FRIT have entered or intend to enter into agreements related to employment and severance, as amended (the "Employment Agreement"), whereby certain events described herein are more fully defined: and

WHEREAS, the parties hereto desire to split the ownership rights, premiums and cash surrender value with respect to a certain life insurance policy, subject to the terms and conditions more specifically set forth herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, do hereby agree as follows:

1. Description of Policy. The life insurance policy described in and subject to the terms of this Agreement is that certain life insurance policy No.__________ (the "Policy") issued by Massachusetts Mutual Life Insurance Company (the "Insurer") insuring the Executive.

2. Ownership of Policy. Except as otherwise provided in this Agreement, Owner shall be the sole and absolute owner of the Policy, and shall retain all rights and privileges of ownership with respect thereto. Notwithstanding the foregoing, Owner shall not borrow against the cash surrender value of the Policy (the "Cash Surrender Value").

3. Payment of Premiums

A. FRIT shall pay the annual premium on the Policy for a period of seven (7) years to the Insurer for the Policy; which payment shall be made on or before the due date of each premium payment on the Policy, or within the grace period with respect thereto. Notwithstanding the preceding sentence, during such seven (7) year period, Executive or Owner shall contribute not less than the greater of (i) the amounts set forth in Exhibit A attached hereto, or (ii) the amounts equal to the Economic Benefit, as defined in Revenue Rulings 64-328 and 66-110 promulgated by the Internal Revenue Service.

B. After such seven (7) year period, Executive or Owner shall have the option, but not the obligation, to continue making all or any portion of the contributions described in subparagraph 3A.

C. All optional contributions made by Executive or Owner after the seventh year shall be deemed to be reimbursements made by Owner to FRIT.

4. Collateral Assignment of Policy. Simultaneously with the execution of this Agreement, Owner and FRIT shall enter into a Collateral Assignment Agreement (the "Collateral Assignment"), substantially in the form of Exhibit B attached hereto and made a part hereof.

5. Promissory Note. Upon the occurrence of an event described in subparagraphs 6A(5) or 6A(7) below, Owner shall deliver a Promissory Note payable to the order of FRIT, substantially in the form of Exhibit C attached hereto and made a part hereof (the "Note"), in the amount described in subparagraphs 6A(5) or 6A(7) hereof, as the case may be. Amounts payable under the Note will be guaranteed by a personal guaranty to be delivered by the Executive dated of even date with such Note, substantially in the form of Exhibit D hereof (the "Guaranty").

6. Termination of Agreement.

A. This Agreement shall terminate upon the earliest to occur of any of the following events:

(1) the death of the Executive;

(2) the close of the fifteenth (15th) year of the Policy;

(3) the cancellation or surrender of the Policy by Owner;

(4) the termination by FRIT of Executive's employment for Cause (as defined in the Employment Agreement), unless there has been a Change in Control of FRIT (as defined in the Employment Agreement) within six (6) months of the termination by FRIT of the Executive's employment;

(5) the termination of Executive's employment by FRIT without Cause, if the Executive has been employed by FRIT for less than five (5) years as of the date of the termination of Executive's employment;

(6) the resignation and/or retirement, for any reason other than Disability (as defined in the Employment Agreement), of the Executive, unless there has been a Change of Control of FRIT within six (6) months of the resignation and/or retirement;

(7) the (i) resignation, (ii) retirement of the Executive, or (iii) termination of Executive's employment by FRIT; within six (6) months of a Change of Control of FRIT, if the Executive has been employed by FRIT for less than five (5) years as of the date of the Change in Control; or

(8) the unilateral termination of this Agreement by Owner.

B. If this Agreement is terminated pursuant to paragraph 6A(1) hereof, FRIT and Owner shall promptly take all actions necessary in order to collect the death benefits payable under the Policy. Such death benefits shall be distributed as follows:

(1) FRIT shall be entitled to receive that portion of the death benefits payable under the Policy which is equal to the aggregate amount of premiums paid by it under this Agreement, pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by Executive or Owner).

(2) The balance, if any, of the death benefits provided under the Policy shall be paid directly to Owner, as beneficiary under the Policy.

(3) The payment from the Insurer to FRIT of the amount described in paragraph 6B(1) hereof shall constitute full and complete satisfaction of the obligations of Owner under this Agreement. Upon receipt of this amount, FRIT shall execute any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

C. If this Agreement is terminated pursuant to paragraphs 6A(2), 6A(3), 6A(4), 6A(6) or 6A(8) hereof, Owner shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by Executive or Owner). Thereafter, Owner shall become the sole owner of the Policy, and FRIT shall execute and deliver to Owner any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

D. If this Agreement is terminated pursuant to paragraphs 6A(5) or 6A(7) hereof, Owner shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by Executive or Owner), in the form of a Promissory Note, pursuant to paragraph 5 above. Owner shall become the sole owner of the Policy and FRIT and Owner shall terminate the Collateral Assignment and shall execute and deliver to Owner any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment. Upon the payment of all amounts due under the Note, FRIT shall execute and deliver to Owner any and all documents necessary to effect a cancellation of the Note and the Guaranty.

7. Disability of Executive. Upon the resignation and/or retirement of the Executive as a result of his or her Disability, FRIT's obligation to pay such amounts toward the premiums on the Policy pursuant to paragraph 3 of this Agreement shall continue for as many years remaining in the seven (7) year period set forth in paragraph 3, as are equal to the number of full calendar years the Executive has been employed by FRIT at the time of his resignation and/or retirement. Thereafter, upon the happening of an event described in paragraph 6A(1), the rights and obligations of Owner and FRIT shall be as set forth in paragraph 6B of the Agreement; or, upon the happening of an event described in paragraph 6A(2), 6A(3) or 6A(8), if sooner, the rights and obligations of Owner and FRIT shall be as set forth in paragraph 6C of the Agreement.

8. Insurer Not a Party. Insurer shall be fully discharged from any and all liability under the Policy upon payment of the death benefits payable under the Policy or performance of its other obligations in accordance with the terms and conditions of the Policy. In no event shall Insurer be deemed to be a party to this Agreement, or any modification or amendment hereof.

9. Amendment of Agreement. This Agreement may not be amended, altered or modified, except by a writing signed by all of the parties to this Agreement.

10. Assignment of Agreement.

Subject to the terms of the Collateral Assignment and the provisions of paragraph 2 hereof, Owner shall have the right at any time to assign or transfer any or all of its interest in the Policy and this Agreement to any person or entity, by execution of a written assignment delivered to FRIT and to Insurer.

11. Benefits and Burdens. This Agreement shall be binding upon, and shall inure to the benefit of, (i) FRIT and Owner, and their successors and assigns, and (ii) the Executive, and his executors or administrators, heirs, legatees, assigns and personal and legal representatives.

12. Notices. Any and all notices provided for herein shall be sufficient if in writing, and sent by recognized overnight courier or hand delivery (with receipt therefor) or by certified or registered mail (return receipt requested and first-class postage prepaid), as follows: (i) in the case of FRIT, to its principal office, (ii) in the case of Executive, to his address as shown on FRIT's records, and (iii) in the case of Owner, to 504 Harvest Court, Wyckoff, NJ 07481.

13. Severability. The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity and enforceability of the other provisions hereof.

14. Headings. The headings or other captions contained in this Agreement are for convenience of reference only and shall not be used in interpreting, construing or enforcing any of the provisions of this Agreement.

15. Governing Law. This Agreement shall be governed by the laws of the State of Maryland, without giving effect to its conflict of laws provisions, except to the extent preempted by Federal law.

16. Liability of FRIT.

A. The financial obligations of FRIT under this Agreement shall be limited to the payment of premiums described in paragraph 3 above, and FRIT does not have or assume any liability or responsibility with respect to the obligations of the Insurer under the Policy or otherwise. Without limiting the generality of the foregoing, it is specifically provided that in the event of insolvency or other default of payment by either the Insurer or Owner, FRIT shall have no responsibility to make any payment to Owner, the Executive or any other person or entity. Any person or entity claiming entitlement to payments under the Policy may look only to the assets of the Insurer, and any person or entity claiming entitlement to payments under Owner may look only to the assets of Owner.

B. The name "FEDERAL REALTY INVESTMENT TRUST" refers to the Trustees of FRIT, as Trustees, but not individually or personally, under a Third Amended and Restated Declaration of Trust on file in the office of the Recorder of Deeds of the District of Columbia, which Declaration provides that neither the shareholders nor said Trustees, or any officer, employee, representative or agent of FRIT shall be personally liable for the satisfaction of obligations of any nature whatsoever of FRIT. Accordingly, in addition to the other limitations on liability set forth herein, specifically, subparagraph 16A above, Executive and Owner agree to look solely to FRIT's trust property for the satisfaction of any claim arising from this Agreement and shall not seek to impose personal liability on any shareholder, Trustee, officer, employee, representative or agent of FRIT.

17. Entire Agreement. This Agreement and the Exhibits hereto set forth all of the promises, agreements and understandings of the parties hereto with respect to the matters described herein, and there are no promises, agreements or understandings, oral or written, express or implied, between them with respect to such matters other than as set forth herein. Any and all prior promises, agreements and understandings between the parties hereto with respect to the matters described herein are hereby revoked.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, FRIT, Owner and Executive have executed this Agreement as of the day and year first above written.

FEDERAL REALTY INVESTMENT TRUST,
an unincorporated Business Trust organized under
the laws of the District of Columbia

By:___________________________________
Title:

EXECUTIVE:

____
Donald C. Wood

OWNER:

____
Donald C. Wood

SPLIT-DOLLAR LIFE INSURANCE AGREEMENT

THIS SPLIT-DOLLAR LIFE INSURANCE AGREEMENT (this "Agreement") is made, entered into and effective for all purposes this 2nd day of November, 2000, by and between (i) FEDERAL REALTY INVESTMENT TRUST, a Maryland real estate investment trust ("FRIT"), (ii) NANCY J. HERMAN INSURANCE TRUST, a trust organized under the laws of the District of Columbia (the "Trust") acting by and through its Trustee, Leah Kirk Thayer (the "Trustee"), and (iii) NANCY J. HERMAN ("Executive").

WHEREAS, Executive is the Senior Vice President - General Counsel and Secretary of FRIT and FRIT desires to provide life insurance protection for the Executive's family under certain circumstances, as described herein;

WHEREAS, Executive and FRIT have entered or intend to enter into agreements related to employment and severance, as amended (the "Employment Agreement"), whereby certain events described herein are more fully defined; and

WHEREAS, the parties hereto desire to split the ownership rights, premiums and cash surrender value with respect to a certain life insurance policy, subject to the terms and conditions more specifically set forth herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto, intending legally to be bound, do hereby agree as follows.

1. Description of Policy. The life insurance policy described in and subject to the terms of this Agreement is that certain life insurance policy No. ______ (the "Policy") issued by Massachusetts Mutual Life Insurance Company (the "Insurer") insuring the Executive.

2. Ownership of Policy. Except as otherwise provided in this Agreement, the Trust shall be the sole and absolute owner of the Policy, and shall retain all rights and privileges of ownership with respect thereto. Notwithstanding the foregoing, the Trust shall not borrow against the cash surrender value of the Policy (the "Cash Surrender Value").

3. Payment of Premiums.

A. FRIT shall pay the annual premium on the Policy for a period of seven (7) years to the Insurer for the Policy; which payment shall be made on or before the due date of each premium payment on the Policy, or within the grace period with respect thereto. Notwithstanding the preceding sentence, during such seven (7) year period, the Trust shall contribute not less than the greater of (i) the amounts set forth in Exhibit A attached hereto, or (ii) the amounts equal to the Economic Benefit, as defined in Revenue Rulings 64-328 and 66-110 promulgated by the Internal Revenue Service.

B. After such seven (7) year period, the Trust shall have the option, but not the obligation, to continue making all or any portion of the contributions described in subparagraph 3A.

C. All optional contributions made by the Trust after the seventh year shall be deemed to be reimbursements made by the Trust to FRIT.

4. Collateral Assignment of Policy. Simultaneously with the execution of this Agreement, the Trust and FRIT shall enter into a Collateral Assignment Agreement (the "Collateral Assignment"), substantially in the form of Exhibit B attached hereto and made a part hereof.

5. Promissory Note. Upon the occurrence of an event described in subparagraphs 6A(5) or 6A(7) below, the Trust shall deliver a Promissory Note payable to the order of FRIT, substantially in the form of Exhibit C attached hereto and made a part hereof (the "Note"), in the amount described in subparagraphs 6A(5) or 6A(7) hereof, as the case may be. Amounts payable under the Note will be guaranteed by a personal guaranty to be delivered by the Executive dated of even date with such Note, substantially in the form of Exhibit D hereof (the "Guaranty").

6. Termination of Agreement.

A. This Agreement shall terminate upon the earliest to occur of any of the following events:

(1) the death of the Executive;

(2) the close of the fifteenth (15th) year of the Policy;

(3) the cancellation or surrender of the Policy by the Trust;

(4) the termination by FRIT of Executive's employment for Cause (as defined in the Employment Agreement), unless there has been a Change in Control of FRIT (as defined in the Employment Agreement) within six (6) months of the termination by FRIT of the Executive's employment;

(5) the termination of Executive's employment by FRIT without Cause, if the Executive has been employed by FRIT for less than five (5) years as of the date of the termination of Executive's employment;

(6) the resignation and/or retirement, for any reason other than Disability (as defined in the Employment Agreement), of the Executive, unless there has been a Change of Control of FRIT within six (6) months of the resignation and/or retirement;

(7) the (i) resignation, (ii) retirement of the Executive, or (iii) termination of Executive's employment by FRIT; within six (6) months of a Change of Control

of FRIT, if the Executive has been employed by FRIT for less than five (5) years as of the date of the Change in Control; or

(8) the unilateral termination of this Agreement by the Trust.

B. If this Agreement is terminated pursuant to paragraph 6A(1) hereof, FRIT and the Trust shall promptly take all actions necessary in order to collect the death benefits payable under the Policy. Such death benefits shall be distributed as follows:

(1) FRIT shall be entitled to receive that portion of the death benefits payable under the Policy which is equal to the aggregate amount of premiums paid by it under this Agreement, pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust).

(2) The balance, if any, of the death benefits provided under the Policy shall be paid directly to the Trust, as beneficiary under the Policy.

(3) The payment from the Insurer to FRIT of the amount described in paragraph 6B(1) hereof shall constitute full and complete satisfaction of the obligations of the Trust under this Agreement. Upon receipt of this amount, FRIT shall execute any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

C. If this Agreement is terminated pursuant to paragraphs 6A(2), 6A(3), 6A(4), 6A(6) or 6A(8) hereof, the Trust shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust). Thereafter, the Trust shall become the sole owner of the Policy, and FRIT shall execute and deliver to the Trust any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment.

D. If this Agreement is terminated pursuant to paragraphs 6A(5) or 6A(7) hereof, the Trust shall have the obligation to repay FRIT within sixty (60) days after the date of termination, an amount equal to the aggregate amount of premiums paid by FRIT pursuant to paragraph 3 herein (less any prior reimbursements, if any, made by the Trust), in the form of a Promissory Note, pursuant to paragraph 5 above. The Trust shall become the sole owner of the Policy and FRIT and the Trust shall terminate the Collateral Assignment and shall execute and deliver to the Trust any and all documents required by the Insurer or otherwise necessary to effect a release of the Collateral Assignment. Upon the payment of all amounts due under the Note, FRIT shall execute and deliver to the Trust any and all documents necessary to effect a cancellation of the Note and the Guaranty.

7. Disability of Executive. Upon the resignation and/or retirement of the Executive as a result of his or her Disability, FRIT's obligation to pay such amounts toward the premiums on the Policy pursuant to paragraph 3 of this Agreement shall continue for as many years remaining in the seven (7) year period set forth in paragraph 3, as are equal to the number of full

calendar years the Executive has been employed by FRIT at the time of her resignation and/or retirement. Thereafter, upon the happening of an event described in paragraph 6A(1), the rights and obligations of the Trust and FRIT shall be as set forth in paragraph 6B of the Agreement; or, upon the happening of an event described in paragraph 6A(2), 6A(3) or 6A(8), if sooner, the rights and obligations of the Trust and FRIT shall be as set forth in paragraph 6C of the Agreement.

8. Insurer Not a Party. Insurer shall be fully discharged from any and all liability under the Policy upon payment of the death benefits payable under the Policy or performance of its other obligations in accordance with the terms and conditions of the Policy. In no event shall Insurer be deemed to be a party to this Agreement, or any modification or amendment hereof.

9. Amendment of Agreement. This Agreement may not be amended, altered or modified, except by a writing signed by all of the parties to this Agreement.

10. Assignment of Agreement. Subject to the terms of the Collateral Assignment and the provisions of paragraph 2 hereof, the Trust shall have the right at any time to assign or transfer any or all of its interest in the Policy and this Agreement to any person or entity, by execution of a written assignment delivered to FRIT and to Insurer.

11. Trustee Not Liable. The parties hereto hereby acknowledge that the Trustee shall act hereunder solely as the trustee for the Trust, and shall not be personally liable or responsible in any manner whatsoever for any amounts payable by any party hereunder.

12. Benefits and Burdens. This Agreement shall be binding upon, and shall inure to the benefit of, (i) FRIT and the Trust, and their successors and assigns, and (ii) the Executive, and her executors or administrators, heirs, legatees, assigns and personal and legal representatives.

13. Notices. Any and all notices provided for herein shall be sufficient if in writing, and sent by recognized overnight courier or hand delivery (with receipt therefor) or by certified or registered mail (return receipt requested and first-class postage prepaid), as follows: (i) in the case of FRIT, to its principal office, (ii) in the case of Executive, to her address as shown on FRIT's records, and (iii) in the case of the Trust, to the Trustee at 3012 Rodman Street, N.W., Washington, D.C. 20008.

14. Severability. The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any one or more of the provisions hereof shall not affect the validity and enforceability of the other provisions hereof.

15. Headings. The headings or other captions contained in this Agreement are for convenience of reference only and shall not be used in interpreting, construing or enforcing any of the provisions of this Agreement.

16. Governing Law. This Agreement shall be governed by the laws of the State of Maryland, without giving effect to its conflict of laws provisions, except to the extent preempted by Federal law.

17. Liability of FRIT. The financial obligations of FRIT under this Agreement shall be limited to the payment of premiums described in paragraph 3 above, and FRIT does not have or assume any liability or responsibility with respect to the obligations of the Insurer under the Policy or otherwise. Without limiting the generality of the foregoing, it is specifically provided that in the event of insolvency or other default of payment by either the Insurer or the Trust, FRIT shall have no responsibility to make any payment to the Trust, the Executive or any other person or entity. Any person or entity claiming entitlement to payments under the Policy may look only to the assets of the Insurer, and any person or entity claiming entitlement to payments under the Trust may look only to the assets of the Trust.

18. Entire Agreement. This Agreement and the Exhibits hereto set forth all of the promises, agreements and understandings of the parties hereto with respect to the matters described herein, and there are no promises, agreements or understandings, oral or written, express or implied, between them with respect to such matters other than as set forth herein. Any and all prior promises, agreements and understandings between the parties hereto with respect to the matters described herein are hereby revoked.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, FRIT, the Trust and Executive have executed this Agreement as of the day and year first above written.

FEDERAL REALTY INVESTMENT TRUST,
a Maryland real estate investment trust

By:________________________________
Title:

TRUST:

NANCY J. HERMAN INSURANCE TRUST

By:________________________________
Leah Kirk Thayer, Trustee

EXECUTIVE:

____
Nancy J. Herman

Exhibit 21

Subsidiaries of the Registrant

NAME	STATE OF INCORPORATION	DOING BUSINESS AS NAME
Street Retail, Inc.	Maryland	Street Retail, Inc.

Exhibit 23

Consent of Independent Accountants
- ----------------------------------

We have issued our reports dated February 8, 1999 accompanying the consolidated financial statements and schedules included in the Annual Report of Federal Realty Investment Trust on Form 10K for the year ended December 31, 1998. We hereby consent to the incorporation by reference of said reports in the Registration Statements of Federal Realty Investment Trust on Form S-3 (File No. 333-63619, effective September 30, 1998, which pursuant to Rule 429 of the Securities and Exchange Act of 1934 constitutes a post-effective amendment to File No. 33-63687, effective December 4, 1995; File No. 33-63955, effective November 3, 1995; File No. 33-15264, effective August 4, 1987) and Form S-8 (File No. 33-55111, effective August 17, 1994).

Grant Thornton LLP
Washington, D.C.
March 15, 2001