MORGAN STANLEY INCOME SECURITIES INC
Form DEF 14A
May 19, 2010

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of

the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

o	Preliminary Proxy Statement
o	**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
x	Definitive Proxy Statement
o	Definitive Additional Materials
o	Soliciting Material Pursuant to §240.14a-12

MORGAN STANLEY CHINA A SHARE FUND, INC.

MORGAN STANLEY EASTERN EUROPE FUND, INC.

MORGAN STANLEY EMERGING MARKETS DEBT FUND, INC.

MORGAN STANLEY EMERGING MARKETS DOMESTIC DEBT FUND, INC.

MORGAN STANLEY EMERGING MARKETS FUND, INC.

MORGAN STANLEY FRONTIER EMERGING MARKETS FUND, INC.

MORGAN STANLEY INCOME SECURITIES INC.

MORGAN STANLEY INDIA INVESTMENT FUND, INC.

THE LATIN AMERICAN DISCOVERY FUND, INC.

THE THAI FUND, INC.

THE TURKISH INVESTMENT FUND, INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x	No fee required.		
o	Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.		
	(1)	Title of each class of securities to which transaction applies:	
	(2)	Aggregate number of securities to which transaction applies:	

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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THE LATIN AMERICAN DISCOVERY FUND, INC.
THE THAI FUND, INC.
THE TURKISH INVESTMENT FUND, INC.

c/o Morgan Stanley Investment Advisors Inc.
Morgan Stanley Investment Management Inc.
522 Fifth Avenue
New York, New York 10036

NOTICE OF ANNUAL MEETINGS OF STOCKHOLDERS

To Our Stockholders:

Notice is hereby given that the Annual Meeting of Stockholders (the "Meeting") of each of the funds listed above (each a "Fund" and collectively, the "Funds") will be held on Wednesday, June 16, 2010, at the offices of Morgan Stanley Investment Advisors Inc. and Morgan Stanley Investment Management Inc., 522 Fifth Avenue, 3rd Floor, New York, New York 10036 at the following times:

Conference Room R	
The Thai Fund, Inc. ("TTF")	8:50 a.m.
Morgan Stanley China A Share Fund, Inc. ("CAF")	9:10 a.m.
Morgan Stanley India Investment Fund, Inc. ("IIF")	9:30 a.m.
Morgan Stanley Emerging Markets Fund, Inc. ("MSF")	9:50 a.m.
The Turkish Investment Fund, Inc. ("TKF")	10:10 a.m.
Morgan Stanley Eastern Europe Fund, Inc. ("RNE")	10:10 a.m.
Conference Room Q	
Morgan Stanley Income Securities, Inc. ("ICB")	8:30 a.m.
The Latin American Discovery Fund, Inc. ("LDF")	8:50 a.m.
Morgan Stanley Frontier Emerging Markets Fund, Inc. ("FFD")	9:10 a.m.
Morgan Stanley Emerging Markets Debt Fund, Inc. ("MSD")	9:30 a.m.
Morgan Stanley Emerging Markets Domestic Debt Fund, Inc. ("EDD")	9:30 a.m.

The Meetings are being held for the following purposes:

1. To elect Directors of the Funds to serve until the year 2013 annual meeting of stockholders or until (i) his or her successor has been elected and qualified, (ii) his or her death, (iii) his or her resignation or (iv) his or her removal as provided by statute or the applicable charter.

2. To consider and act upon any other business as may properly come before the Meetings or any adjournment thereof.

Only stockholders of record of a particular Fund at the close of business on April 14, 2010, the record date for the Meetings, are entitled to notice of, and to vote at, the Meeting of that Fund or any adjournments thereof.

MARY E. MULLIN
Secretary

Dated: May 19, 2010

You can help avoid the necessity and expense of sending follow-up letters to ensure a quorum by promptly returning the enclosed Proxy Card(s). If you are unable to be present in person, please fill in, sign and return the enclosed Proxy Card(s) in order that the necessary quorum may be represented at the Meetings. The enclosed envelope requires no postage if mailed in the United States. Certain stockholders will be able to vote telephonically by touchtone telephone or electronically on the Internet by following instructions contained on their Proxy Card(s) or on the enclosed Voting Information Card.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETINGS OF STOCKHOLDERS TO BE HELD ON JUNE 16, 2010:

The Joint Proxy Statement for the Annual Meetings of Stockholders is available on the Internet at the website address located on the enclosed Proxy Card(s).

MORGAN STANLEY CHINA A SHARE FUND, INC. ("CAF")
MORGAN STANLEY EASTERN EUROPE FUND, INC. ("RNE")
MORGAN STANLEY EMERGING MARKETS DEBT FUND, INC. ("MSD")
MORGAN STANLEY EMERGING MARKETS DOMESTIC DEBT FUND, INC. ("EDD")
MORGAN STANLEY EMERGING MARKETS FUND, INC. ("MSF")
MORGAN STANLEY FRONTIER EMERGING MARKETS FUND, INC. ("FFD")
MORGAN STANLEY INCOME SECURITIES INC. ("ICB")
MORGAN STANLEY INDIA INVESTMENT FUND, INC. ("IIF")
THE LATIN AMERICAN DISCOVERY FUND, INC. ("LDF")
THE THAI FUND, INC. ("TTK")
THE TURKISH INVESTMENT FUND, INC. ("TKF")

c/o Morgan Stanley Investment Advisors Inc.
Morgan Stanley Investment Management Inc.
522 Fifth Avenue
New York, New York 10036

JOINT PROXY STATEMENT

This Joint Proxy Statement is furnished by the Board of Directors (each a "Board" and collectively, the "Boards") of each of the funds listed above (each a "Fund" and collectively, the "Funds") in connection with the solicitation of Proxies by the Board of Directors for use at the Annual Meeting of Stockholders of each Fund (each a "Meeting" and collectively, the "Meetings") to be held on Wednesday, June 16, 2010, at 522 Fifth Avenue, 3rd Floor, New York, New York 10036. It is expected that the Notice of Annual Meetings, Joint Proxy Statement and Proxy Card(s) will first be mailed to stockholders of the Funds ("Stockholders") on or about May 19, 2010. The purpose of the Meetings, the matters to be acted upon and the commencement time of each Meeting are set forth in the accompanying Notice of Annual Meetings of Stockholders.

If the enclosed form of Proxy for a Fund is properly executed and returned in time, or is submitted by telephone or Internet, to be voted at the Meetings, the proxies named therein will vote the shares of common stock with respect to the Funds (collectively, the "Shares") represented by it in accordance with the instructions marked thereon. Unmarked proxies submitted by Stockholders will be voted FOR each of the nominees for election as Director of that Fund as set forth in the attached Notice of Annual Meeting of Stockholders. A Proxy may be revoked at any time prior to its exercise by any of the following: written notice of revocation to the Secretary of the Funds, execution and delivery of a later dated Proxy to the Secretary of the Funds (whether by mail or, as discussed below, by touchtone telephone or the Internet) (if returned and received in time to be voted), or attendance and voting at the Meetings. Attendance at the Meetings will not in and of itself revoke a Proxy. In order to revoke a Proxy in person, Stockholders must submit a subsequent Proxy. Stockholders whose Shares are held in street name by a broker of record and who wish to vote in person at the Meetings must obtain a legal proxy from their broker and present it at the Meetings to the inspector of elections.

The Board has fixed the close of business on April 14, 2010 as the record date for the determination of Stockholders entitled to notice of, and to vote at, the Meetings and at any adjournments thereof. On that date, the following number of Shares of each Fund were outstanding and entitled to vote:

CAF	16,322,714	Shares
RNE	4,116,225	Shares
MSD	23,669,536	Shares
EDD	72,431,536	Shares
MSF	17,224,813	Shares
FFD	6,874,861	Shares
ICB	9,028,744	Shares
IIF	22,330,895	Shares
LDF	8,080,547	Shares
TTF	15,890,623	Shares
TKF	7,492,118	Shares

The cost of soliciting proxies for the Meeting, consisting principally of printing and mailing expenses, will be borne by each respective Fund. The solicitation of proxies will be by mail, which may be supplemented by solicitation by mail, telephone or otherwise through Directors and officers of the Funds or officers and regular employees of the investment adviser for each Fund (except ICB), Morgan Stanley Investment Management Inc. ("MSIM"), Morgan Stanley Investment Advisors Inc., the investment adviser for ICB ("MSIA," and together with MSIM, the "Adviser"), Morgan Stanley Services Company Inc., the administrator for ICB, Morgan Stanley & Co. Incorporated ("Morgan Stanley & Co.") and/or Morgan Stanley Smith Barney LLC, without special compensation therefor. In addition, each Fund may employ Computershare Fund Services, Inc. ("Computershare") to make telephone calls to Stockholders to remind them to vote. Each Fund may also employ Computershare as proxy solicitor if it appears that the required number of votes to achieve a quorum will not be received. The transfer agent services for each Fund are currently provided by Computershare Trust Company, N.A. (the "Transfer Agent").

Stockholders may be able to vote their Shares by touchtone telephone or by Internet by following the instructions on the Proxy Card accompanying this Joint Proxy Statement. The Internet procedures are designed to authenticate a Stockholder's identity to allow Stockholders to vote their Shares and confirm that their instructions have been properly recorded. To vote by Internet or by touchtone telephone, Stockholders can access the website or call the toll-free number listed on the Proxy Card. To vote by touchtone telephone or by Internet, Stockholders will need the number that appears on the Proxy Card or Voting Information Card in the shaded box.

In certain instances, Computershare may call Stockholders to ask if they would be willing to have their votes recorded by telephone. The telephone voting procedure is designed to authenticate Stockholders' identities, to allow Stockholders to authorize the voting of their Shares in accordance with their instructions and to confirm that their instructions have been recorded properly. No recommendation will be made as to how a Stockholder should vote on any Proposal other than to refer to the recommendations of the Board. Each Fund has been advised by counsel that these procedures are consistent with the requirements of applicable law. Stockholders voting by telephone in this manner will be asked for identifying information and will be given an opportunity to authorize proxies to vote their Shares in accordance with their instructions. To ensure that the Stockholders' instructions have been recorded correctly, they will receive a confirmation of their instructions in the mail. A special toll-free number set forth in the confirmation will be available in case the information contained in the confirmation is incorrect. Although a Stockholder's vote may be taken by telephone, each Stockholder will receive a copy of this Joint Proxy Statement and may vote by mail using the enclosed Proxy Card or by Internet or touchtone telephone as set forth above. The last proxy vote received in time to be voted, whether by Internet, mailed Proxy Card or touchtone telephone, will be the vote that is counted and will revoke

all previous votes by the Stockholder. In the event that Computershare is retained as proxy solicitor, Computershare will be paid a project management fee as well as telephone solicitation expenses incurred for reminder calls, outbound telephone voting, confirmation of telephone votes, inbound telephone contact, obtaining Stockholders' telephone numbers and providing additional materials upon Stockholder request, at an estimated cost of $2,000 per Fund, which would be borne by each respective Fund.

Each Fund will furnish, without charge, a copy of its annual report for its fiscal year ended December 31, 2009 (September 30, 2009 for ICB and October 31, 2009 for EDD, FFD and TKF) to any Stockholder of such Fund requesting such report. Requests for annual and/or semi-annual reports should be made in writing to the respective Fund, c/o Morgan Stanley Client Relations, Attn: Closed End Funds, Harborside Plaza II, Floor 03, Jersey City, New Jersey 07311, by calling (800) 231-2608 or by visiting the Adviser's Internet website at www.morganstanley.com/im.

Morgan Stanley Investment Management Inc. serves as each Fund's administrator (except ICB). Morgan Stanley Services Company Inc. serves as administrator to ICB. The business address of Morgan Stanley Services Company Inc. is 522 Fifth Avenue, New York, New York 10036. State Street Bank and Trust Company also provides administrative services to the Funds. The business address of State Street Bank and Trust Company is One Lincoln Street, Boston, Massachusetts 02111-2101.

This Joint Proxy Statement is being used in order to reduce the preparation, printing, handling and postage expenses that would result from the use of a separate proxy statement for each Fund. Shares of a Fund are entitled to one vote each at the respective Fund's Meeting and each fraction of a share will be entitled to the fraction of a vote equal to the proportion of a full share represented by the fractional share. To the extent information relating to common ownership is available to the Funds, a Stockholder that owns record Shares in two or more of the Funds will receive a package containing a Joint Proxy Statement and Proxy Cards for the Funds in which such Stockholder is a record owner. If the information relating to common ownership is not available to the Funds, a Stockholder that beneficially owns Shares in two or more Funds may receive two or more packages each containing a Joint Proxy Statement and a Proxy Card for each Fund in which such Stockholder is a beneficial owner. If the proposed election of Directors is approved by Stockholders of one Fund and disapproved by Stockholders of other Funds, the Proposal will be implemented for the Fund that approved the Proposal and will not be implemented for any Fund that did not approve the Proposal. Thus, it is essential that Stockholders complete, date, sign and return each enclosed Proxy Card or vote by telephone as indicated in each Fund's Proxy Card.

Only one Proxy Statement will be delivered to multiple Stockholders sharing an address, unless a Fund has received contrary instructions. Each Fund will furnish, upon written or oral request, a separate copy of the Joint Proxy Statement to a Stockholder at a shared address to which a single Joint Proxy Statement was delivered. Requests for a separate Joint Proxy Statement, and notifications to a Fund that a Stockholder wishes to receive separate copies in the future, should be made in writing to the respective Fund, c/o Morgan Stanley Client Relations, Attn: Close End Funds, Harborside Plaza II, Floor 03, Jersey City, New Jersey 07311, or by calling (800) 231-2608. Multiple Stockholders who are sharing an address and currently receiving multiple copies of periodic reports and proxy statements may request to receive only one copy of such reports and proxy statements by calling (800) 231-2608 (toll-free).

The Board of Directors of each Fund unanimously recommends that you vote "FOR" the election of the nominees as Directors as set forth in Proposal No. 1 of the Notice of Annual Meetings. Your vote is important. Please return your Proxy Card promptly no matter how many Shares you own.

ELECTION OF DIRECTORS
(Proposal No. 1)

At the Meetings, Stockholders will be asked to consider the election of Directors to hold office for a term stated below and until their successors are duly elected and qualified. It is the intention of the persons named in the accompanying Proxy Cards to vote, on behalf of the Stockholders, for the election of:

(i) Frank L. Bowman, James F. Higgins and Manuel H. Johnson as Class III Directors for a term expiring in 2013, for all Funds except IIF and ICB;

(ii) Fergus Reid and Randy Takian as Class I Directors for a term expiring in 2013, for IIF; and

(iii) Michael F. Klein, Michael E. Nugent and W. Allen Reed as Class III Directors for a term expiring in 2013, for ICB.

Pursuant to each Fund's By-Laws, the terms of office of the Directors are staggered. The Board of Directors of each Fund is divided into three classes, designated Class I, Class II and Class III, with each class having a term of three years. Each year the term of one class expires.

	Class I	Class II	Class III
All Funds[1] (except IIF and ICB)	Kathleen A. Dennis Joseph J. Kearns Michael E. Nugent Fergus Reid	Michael Bozic Michael F. Klein W. Allen Reed	Frank L. Bowman James F. Higgins Manuel H. Johnson
IIF[2]	Fergus Reid Randy Takian	Gaetan Bouic Ravindranath Santosh Kumar Hazareesing	Joseph J. Kearns M.J. Marcel Vivian Descroizilles
ICB[3]	Frank L. Bowman Michael Bozic James F. Higgins	Kathleen A. Dennis Manuel H. Johnson Joseph J. Kearns Fergus Reid	Michael F. Klein Michael E. Nugent W. Allen Reed

(1) Only the Directors in Class III are being considered for election at this Meeting with respect to all Funds other than IIF and ICB.

(2) Only the Directors currently in Class I are being considered for election at this Meeting with respect to IIF.

(3) Only the Directors currently in Class III are being considered for election at this Meeting with respect to ICB.

Pursuant to each Fund's By-Laws, each Director holds office until (i) the expiration of his or her term and until his or her successor has been elected and qualified, (ii) his or her death, (iii) his or her resignation or (iv) his or her removal as provided by statute or the Articles of Incorporation. Each officer of the Funds will hold such office until his or her death or resignation or a successor has been duly elected and qualified.

Board Structure and Oversight Function

Each Board's leadership structure features an Independent Director serving as Chairperson and the Board Committees described below. The Chairperson participates in the preparation of the agenda for meetings of Board of Directors of each Fund and the preparation of information to be presented to the Board with respect to matters to be acted upon by the Board of Directors of each Fund. The Chairperson also presides at all meetings of the Board of Directors of each Fund and is involved in discussions regarding matters pertaining to the oversight of the management of the Funds between meetings.

The Board of Directors of each Fund operates using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Directors, the Funds and Fund Stockholders, and to facilitate compliance with legal and regulatory requirements and oversight of the Fund's activities and associated risks. The Board of Directors of each Fund (except IIF) has established four standing committees: (1) Audit Committee, (2) Governance Committee, (3) Compliance and Insurance Committee and (4) Investment Committee. The Board of Directors of IIF has established two standing committees: (1) Audit Committee and (2) Governance Committee. The Audit Committee and the Governance Committee are comprised exclusively of Independent Directors. Each committee charter governs the scope of the committee's responsibilities with respect to the oversight of the Funds. The responsibilities of each committee, including their oversight responsibilities, are described further under the caption "Board Meetings and Committees."

In addition, appropriate personnel, including but not limited to the Funds' Chief Compliance Officer, members of the Fund's administration and accounting teams, representatives from the Funds' independent registered public accounting firm, the Funds' Treasurer and portfolio management personnel, make regular reports regarding the Funds' activities and related risks to the Board of Directors of each Fund and the committees, as appropriate. These reports include, among others, quarterly performance reports, quarterly derivatives activity, and risk reports and discussions with members of the risk teams relating to each asset class.

As needed between meetings of the Board of Directors of each Fund, the Board or a specific committee receives and reviews reports relating to the Funds and engages in discussions with appropriate parties relating to the Funds' operations and related risks.

Board Meetings and Committees

The Board of Directors of each Fund has a separately-designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Each Audit Committee is charged with recommending to the full Board the engagement or discharge of each Fund's independent registered public accounting firm; directing investigations into matters within the scope of the independent registered public accounting firm's duties, including the power to retain outside specialists; reviewing with the independent registered public accounting firm the audit plan and results of the auditing engagement; approving professional services provided by the independent registered public accounting firm and other accounting firms prior to the performance of the services; reviewing the independence of the independent registered public accounting firm; considering the range of audit and non-audit fees; reviewing the adequacy of each Fund's system of internal controls; reviewing the valuation process; and preparing and submitting committee meeting minutes to the full Board. Each Fund has adopted a formal, written Audit Committee Charter, which is attached hereto as Exhibit A.

The members of the Audit Committee of each Fund other than IIF are currently Joseph J. Kearns, Michael E. Nugent and W. Allen Reed. The members of IIF's Audit Committee are currently Gaetan Bouic, Joseph J. Kearns, Ravindranath Santosh Kumar Hazareesing, M.J. Marcel Vivian Descroizilles and Fergus Reid. None of the members of the Funds' Audit Committees is an "interested person," as defined under the Investment Company Act of 1940, as amended (the "1940 Act"), of any of the Funds (with such disinterested Directors being "Independent Directors" or individually, an "Independent Director"). Each Independent Director is also "independent" from each Fund as defined under the listing standards of the New York Stock Exchange, Inc. ("NYSE"). The Chairperson of the Audit Committee of all of the Funds is Joseph J. Kearns.

The Board of Directors of each Fund also has a Governance Committee. The Governance Committee identifies individuals qualified to serve as Independent Directors on each Fund's Board and on committees of such Board and recommends such qualified individuals for nomination by the Fund's

Independent Directors as candidates for election as Independent Directors, advises each Fund's Board with respect to Board composition, procedures and committees, develops and recommends to each Fund's Board a set of corporate governance principles applicable to the Funds, monitors and makes recommendations on corporate governance matters and policies and procedures of each Fund's Board of Directors and any Board committees and oversees periodic evaluations of each Fund's Board and its committees. Each Fund has adopted a formal, written Governance Committee Charter, which was attached to the proxy statement for the Funds distributed in 2008. A further description of, among other things, the goals and responsibilities of the Governance Committee with respect to Board candidates and nominees and Board composition, procedures and committees can be found in the Governance Committee Charter for each Fund. The members of the Governance Committee of each Fund other than IIF are Kathleen A. Dennis, Michael F. Klein and Fergus Reid, each of whom is an Independent Director. The members of IIF's Governance Committee are currently Gaetan Bouic, Ravindranath Santosh Kumar Hazareesing, Joseph J. Kearns, M.J. Marcel Vivian Descroizilles and Fergus Reid, each of whom is an Independent Director. The Chairperson of each Fund's Governance Committee is Fergus Reid.

None of the Funds has a separate nominating committee. While each Fund's Governance Committee recommends qualified candidates for nominations as Independent Directors, the Board of Directors of each Fund believes that the task of nominating prospective Independent Directors is important enough to require the participation of all current Independent Directors, rather than a separate committee consisting of only certain Independent Directors. Accordingly, each current Independent Director (Frank L. Bowman, Michael Bozic, Kathleen A. Dennis, Manuel H. Johnson, Joseph J. Kearns, Michael F. Klein, Michael E. Nugent, W. Allen Reed and Fergus Reid, for all Funds other than IIF, and Gaetan Bouic, Joseph J. Kearns, Ravindranath Santosh Kumar Hazareesing, M.J. Marcel Vivian Descroizilles and Fergus Reid for IIF) participates in the election and nomination of candidates for election as Independent Directors for the respective Funds for which the Independent Director serves. Persons recommended by each Fund's Governance Committee as candidates for nomination as Independent Directors shall possess such experience, qualifications, attributes, skills and diversity so as to enhance the Board's ability to manage and direct the affairs and business of the Fund, including, when applicable, to enhance the ability of committees of the Board to fulfill their duties and/or to satisfy any independence requirements imposed by law, regulation or any listing requirements of the NYSE. In addition, the Board of Directors considers diversity when nominating a prospective Independent Director. While the Independent Directors of each of the Funds expect to be able to continue to identify from their own resources an ample number of qualified candidates for each Fund's Board as they deem appropriate, they will consider nominations from Stockholders to the Board. Nominations from Stockholders should be in writing and sent to the Independent Directors as described below under "Stockholder Communications."

The Board of each Fund (other than IIF) formed a Compliance and Insurance Committee to address insurance coverage and oversee the compliance function for the Fund and the Board. The Compliance and Insurance Committee of each Fund currently consists of Frank L. Bowman, Michael Bozic, James F. Higgins and Manuel H. Johnson. Frank L. Bowman, Michael Bozic and Manuel H. Johnson are Independent Directors. Michael Bozic is the Chairperson of the Compliance and Insurance Committee of each Fund. The Compliance and Insurance Committee has a Sub-Committee to review and monitor the insurance coverage maintained by the Funds. The Chairperson of the Insurance Sub-Committee is Frank L. Bowman.

Each Fund (other than IIF) has an Investment Committee that oversees the portfolio investment process for and reviews the performance of the Fund. The Investment Committee also recommends to the Board to approve or renew the Fund's Investment Advisory and Administration Agreements. The members of the Investment Committee are Frank L. Bowman, Michael Bozic, Kathleen A. Dennis, James F. Higgins, Manuel H. Johnson, Joseph J. Kearns, Michael F. Klein, Michael E. Nugent, W. Allen Reed and Fergus Reid. The Chairperson of the Investment Committee of each Fund is Manuel H. Johnson.

The Investment Committee of each Fund (other than IIF) has three Sub-Committees, each with its own Chairperson. Each Sub-Committee focuses on the Funds' primary areas of investment, namely equities, fixed income and alternatives. The Sub-Committees and their members are as follows:

(1) Equity W. Allen Reed (Chairperson), Frank L. Bowman and Michael E. Nugent.

(2) Fixed Income Michael F. Klein (Chairperson), Michael Bozic and Fergus Reid.

(3) Money Market and Alternatives Kathleen A. Dennis (Chairperson), James F. Higgins and Joseph J. Kearns.

During each Fund's fiscal year ended December 31, 2009 (September 30, 2009 for ICB and October 31, 2009 for EDD, FFD and TKF), the Board of Directors held the following meetings:

	Number of meetings					
	All Funds (except IIF, ICB, EDD, FFD and TKF)	**IIF**	**ICB**	**EDD**	**FFD**	**TKF**
Board of Directors	9	5	6	9	9	9
Committee/Sub-Committee:						
Audit Committee	4	4	4	4	4	4
Governance Committee	4	4	4	4	4	4
Compliance and Insurance Committee	4	N/A	4	4	4	4
Insurance Sub-Committee	1	N/A	1	1	1	1
Investment Committee	5	N/A	5	5	5	5
Equity Sub-Committee	6	N/A	7	7	7	7
Fixed Income Sub-Committee	5	N/A	6	5	5	5
Money Market and Alternatives Sub-Committee	5	N/A	5	5	5	5

For the 2009 fiscal year, each current Director attended at least seventy-five percent of the aggregate number of meetings of the Board and of any committee on which he or she served, held during the time such Director was a member of the Board. For annual Stockholder meetings, Directors may, but are not required to, attend the meetings; and for each Fund's last annual Stockholder meeting, none of the Directors attended the meeting.

Stockholder Communications

Stockholders may send communications to each Fund's Board of Directors. Stockholders should send communications intended for each Fund's Board by addressing the communication directly to that Board (or individual Board members) and/or otherwise clearly indicating in the salutation that the communication is for the Board (or individual Board members) and by sending the communication to either the Fund's office or directly to such Board member(s) at the address specified for each Director below. Other Stockholder communications received by the Funds not directly addressed and sent to the Boards will be reviewed and generally responded to by management, and will be forwarded to the Boards only at management's discretion based on the matters contained therein.

Each of the nominees for Director has consented to be named in this Joint Proxy Statement and to serve as a Director of the Funds if elected. The Board of Directors of each Fund has no reason to believe that any of the nominees named above will become unavailable for election as a Director, but if that should occur before the Meeting for that Fund, the persons named as proxies on the Proxy Cards will vote for such persons as the Board of Directors of the Fund may recommend.

Information Regarding Directors and Nominee Directors

Each Fund seeks as Directors individuals of distinction and experience in business and finance, government service or academia. In determining that a particular Director was and continues to be qualified to serve as Director, the Board of each Fund has considered a variety of criteria, none of which, in isolation, was controlling. Based on a review of the experience, qualifications, attributes or skills of each Director, including those enumerated in the table below, the Board has determined that each of the Directors is qualified to serve as a Director of a Fund. In addition, the Board of each Fund believes that, collectively, the Directors have balanced and diverse experience, qualifications, attributes and skills that allow the Board to operate effectively in governing a Fund and protecting the interests of Stockholders. Information about a Fund's Governance Committee and Board of Director nomination process is provided above under the caption "Board Meetings and Committees."

Certain information regarding the Directors of the Funds and nominees for election as Directors is set forth below:

Name, Address and Age	Position Held with Funds	Term of Office and Length of Time Served*	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Director or Nominee for Director	Other Directorships Held by Director or Nominee for Director**
Independent Director					
Frank L. Bowman (65) c/o Kramer Levin Naftalis & Frankel LLP Counsel to the Independent Directors 1177 Avenue of the Americas New York, NY 10036	Class III Director of each of the Funds (except IIF and ICB); Class I Director of ICB	Since August 2006	President, Strategic Decisions, LLC (consulting) (since February 2009); Director or Trustee of various funds advised by MSIA (the "Retail Funds") and funds advised by MSIM and Morgan Stanley AIP GP LP (the "Institutional Funds") (since August 2006); Chairperson of the Insurance Sub-Committee of the Compliance and Insurance Committee (since February 2007); served as President and Chief Executive Officer of the Nuclear Energy Institute (policy organization) through November 2008; retired as Admiral, U.S. Navy in January 2005 after serving over 8 years as Director of the Naval Nuclear Propulsion Program and Deputy Administrator Naval Reactors in the National Nuclear Security Administration at the U.S. Department of Energy (1996-2004), Knighted as Honorary Knight Commander of the Most Excellent Order of the British Empire; Awarded the Officer de l'Orde National du Mérite by the French Government.	162	Director of the Armed Services YMCA of the USA; member, BP America External Advisory Council (energy); member, National Academy of Engineers.

* This is the earliest date the Director began serving the Retail Funds or Institutional Funds. Each class of Directors has a term of office of three years.

** This includes any directorships at public companies and registered investment companies held by the Director at any time during the past five years.

Nominee for election as a Director of one or more Funds at the Meetings.

Name, Address and Age Independent Director	Position Held with Funds	Term of Office and Length of Time Served*	Principal Occupation(s) During Past Five Years	Number of Portfolios in Fund Complex Overseen by Director or Nominee for Director	Other Directorships Held by Director or Nominee for Director**
Gaetan Bouic (75) Poste Lafayette Poste de Flacq, Mauritius	Class II Director and Chairman of the Board of IIF only	Since June 2001	Non-executive independent director of a number of private companies registered in Mauritius.	1	Formerly, independent director of the following public companies: Harel Mallac & Co. Ltd., Harel Freres Ltd., Mauritian Eagle Insurance Co. Ltd. and Mauritian Eagle Leasing Co. Ltd.
Michael Bozic (69) c/o Kramer Levin Naftalis & Frankel LLP Counsel to the Independent Directors 1177 Avenue of the Americas New York, NY 10036	Class II Director of each of the Funds (except IIF and ICB); Class I Director of ICB	Since April 1994	Private investor; Chairperson of the Compliance and Insurance Committee (since October 2006); Director or Trustee of the Retail Funds (since April 1994) and Institutional Funds (since July 2003); formerly, Chairperson of the Insurance Committee (July 2006-September 2006); Vice Chairman of Kmart Corporation (December 1998-October 2000), Chairman and Chief Executive Officer of Levitz Furniture Corporation (November 1995-November 1998) and President and Chief Executive Officer of Hills Department Stores (May 1991-July 1995); variously Chairman, Chief Executive Officer, President and Chief Operating Officer (1987-1991) of the Sears Merchandise Group of Sears, Roebuck & Co.	164	Director of various business organizations.

* This is the earliest date the Director began serving the Retail Funds or Institutional Funds. Each class of Directors has a term of office of three years.

RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Investment in Real Estate, Net

Investment in real estate consists of the following:

	March 31, 2007 (Unaudited)	December 31, 2006
Land	$ 141,962	$ 132,327
Buildings and improvements	886,484	905,669
Construction in progress	10,770	10,606
	1,039,216	1,048,602
Less: accumulated depreciation	(152,679)	(150,627)
Investment in real estate, net	$ 886,537	$ 897,975

5. Other Assets, Net

Other assets consist of the following:

	March 31, 2007 (Unaudited)	December 31, 2006
Leasing costs	$ 30,973	$ 30,644
Intangible assets	9,518	9,592
Deferred financing costs	6,663	6,872
Other assets	5,139	5,813
	52,293	52,921
Less: accumulated amortization	(28,350)	(27,834)
	23,943	25,087
Prepaid expenses and other	11,941	11,819
Proposed development and acquisition costs	768	1,151
Other assets, net	$ 36,652	$ 38,057

Intangible assets at March 31, 2007 include $6,502 of lease origination costs and $2,935 of favorable leases related to the allocation of the purchase price for acquisitions made since 2002. These assets are being amortized over the lives of the applicable leases as reductions or additions to minimum rent revenue, as appropriate, over the initial terms of the respective leases. The average amortization period for intangible assets attributable to lease origination costs and for favorable leases is 7.4 years and 7.6 years, respectively.

The Company recorded amortization of deferred financing costs of $339 and $256, respectively, during the three months ended March 31, 2007 and 2006. This amortization has been recorded as interest expense in the Company s consolidated statements of income.

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table represents estimated future amortization expense related to intangible assets as of March 31, 2007 (unaudited):

Year Ending December 31,	
2007 (April 1 December 31)	$ 4,414
2008	4,927
2009	3,808
2010	2,925
2011	2,146
Thereafter	5,723
Total	$ 23,943

6. Mortgages and Notes Payable

Mortgages and notes payable consist of the following:

	March 31, 2007 (Unaudited)	**December 31, 2006**
Fixed rate mortgages with interest rates ranging from 4.8% to 8.1%, due at various dates through 2018	$ 383,216	$ 419,824
Floating rate mortgages with interest rates ranging from 6.6% to 7.9%, due at various dates through 2008	27,906	15,718
Secured Term Loan, with an interest rate at LIBOR plus 115 to 150 basis points, due December 2008. The effective rate at March 31, 2007 and December 31, 2006 was 6.7%	4,641	4,641
Unsecured Term Loan Credit Facility, with an interest rate at LIBOR plus 130 to 165 basis points, due December 2010, maximum borrowings $100,000. The effective rate at March 31, 2007 and December 31, 2006 was 6.5%	100,000	100,000
Unsecured Revolving Credit Facility, with an interest rate at LIBOR plus 115 to 150 basis points, due December 2008, maximum borrowings $150,000. The effective rate at March 31, 2007 and December 31, 2006 was 6.7%	102,400	103,550
Unsecured Bridge Term Loan, with an interest rate at LIBOR plus 135 basis points, due June 2007. The effective rate at March 31, 2007 and December 31, 2006 was 6.7%	22,600	22,600
Unsecured Subordinated Term Loan, with an interest rate at LIBOR plus 225 basis points, paid in full in March 2007, effective rate of 7.6% at December 31,		9,892

2006		
	$ 640,763	$ 676,225

The mortgage notes are secured by mortgages on properties that have an approximate net book value of $508,544 as of March 31, 2007.

With respect to the various fixed rate mortgages, floating rate mortgages, and the unsecured bridge term loan due in 2007, it is the Company s intent to refinance these mortgages and notes payable.

The Company has a $250,000 unsecured credit facility (the Credit Facility) consisting of a $100,000 unsecured term loan credit facility and a $150,000 unsecured revolving credit facility. The Credit Facility provides that the unsecured revolving credit facility may be increased by up to $100,000 at the Company s request, for a total unsecured revolving credit facility commitment of $250,000. The unsecured term loan credit facility matures in December 2010 and bears interest at a rate equal to LIBOR plus 130 to 165 basis points, depending on certain debt

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

ratios. The unsecured revolving credit facility matures in December 2008 and bears interest at a rate equal to LIBOR plus 115 to 150 basis points, depending on certain debt ratios. The Company has the option to extend the maturity date of the unsecured revolving credit facility to December 2010. It is anticipated that funds borrowed under the Credit Facility will be used for general corporate purposes, including working capital, capital expenditures, the repayment of indebtedness or other corporate activities.

At March 31, 2007, outstanding letters of credit issued under the Credit Facility, not reflected in the accompanying consolidated balance sheet, total approximately $3,410.

The Credit Facility, the unsecured bridge term loan and the secured term loan contain financial covenants relating to total leverage, fixed charge coverage ratio, loan to asset value, tangible net worth and various other calculations. As of March 31, 2007, the Company was in compliance with the covenant terms.

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

Under terms of various debt agreements, the Company may be required to maintain interest rate swap agreements to reduce the impact of changes in interest rates on its floating rate debt. The Company has interest rate swap agreements with an aggregate notional amount of $80,000 at March 31, 2007. Based on rates in effect at March 31, 2007, the agreements provide for fixed rates ranging from 6.2% to 6.6% and expire December 2008 through March 2009.

The following table presents scheduled principal payments on mortgages and notes payable as of March 31, 2007 (unaudited):

Year Ending December 31,	
2007 (April 1 - December 31)	$ 84,267
2008	219,100
2009	27,481
2010	119,723
2011	27,932
Thereafter	162,260
Total	$ 640,763

7. Equity Investments in and Advances to Unconsolidated Entities

As of March 31, 2007, the Company had investments in the following unconsolidated entities:

Entity Name	**Ownership as of March 31, 2007**
S-12 Associates	50%
Ramco/West Acres LLC	40%
Ramco/Shenandoah LLC	40%
Ramco/Lion Venture LP	30%
Ramco Jacksonville LLC	20% (1)
Ramco 450 LLC	20%
Ramco 191 LLC	20%

RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(1) On April 16, 2007, the Company acquired the remaining 80% ownership interest in Ramco Jacksonville LLC. See Note 11.

The Company s investments in S-12 Associates, Ramco/West Acres LLC, and Ramco/Shenandoah LLC are not material to the Company s financial position or results of operations. A discussion of the Company s more significant investments in unconsolidated entities follows.

Ramco 450 LLC

In December 2006, the Company formed Ramco 450 LLC, a joint venture with an investor advised by Heitman LLC. The joint venture will acquire up to $450 million of core and core-plus community shopping centers located in the Midwestern and Mid-Atlantic United States. The Company owns 20% of the equity in the joint venture and its joint venture partner owns 80%. The leverage on the acquired assets is expected to be 65%. In December 2006, the Company sold its Merchants Square shopping center in Carmel, Indiana and its Crofton Centre shopping center in Crofton, Maryland to the joint venture. The Company recognized 80% of the gain on the sale of these two centers, representing the gain attributable to the joint venture partner s 80% ownership interest. The remaining 20% of the gain on the sale of these two centers has been deferred and recorded as a reduction in the carrying amount of the Company s equity investments in and advances to unconsolidated entities.

In February 2007, the joint venture acquired a shopping center in Georgia at a cost of $24,100. The joint venture financed the acquisition of this shopping center through a short-term loan from a bank in the amount of $24,800. Subsequent to the acquisition of this shopping center, the joint venture paid down the loan to $16,300 as of March 31, 2007.

In March 2007, the Company sold its Chester Springs Shopping Center in Chester, New Jersey to the joint venture. The joint venture assumed debt of $23,841 in connection with the sale of this center. The Company recognized a gain of $22,745, net of taxes of $2,316, on the sale of this center, representing the gain attributable to the joint venture partner s 80% ownership interest. The remaining 20% of the gain on the sale of this center has been deferred and recorded as a reduction in the carrying amount of the Company s equity investments in and advances to unconsolidated entities.

Ramco 191 LLC

In November 2006, the Company also formed Ramco 191 LLC, a joint venture with Heitman Value Partners Investments LLC, to acquire $75 million of neighborhood, community or power shopping centers with significant value-added opportunities in infill locations in metropolitan trade areas. The Company owns 20% of the equity in the joint venture and its joint venture partner owns 80%. In November 2006, the Company sold Collins Pointe Plaza to the joint venture. The Company recognized 80% of the gain on the sale of this center, representing the gain attributable to the joint venture partner s 80% ownership interest. The remaining 20% of the gain on the sale of this center has been deferred and recorded as a reduction in the carrying amount of the Company s equity investments in and advances to unconsolidated entities. The Company may sell one additional shopping center to the joint venture in 2007.

Ramco/Lion Venture LP

In December 2004, the Company formed Ramco/Lion Venture LP with affiliates of Clarion Lion Properties Fund (Clarion), a private equity real estate fund sponsored by ING Clarion Partners. The Company owns 30% of the equity in the joint venture and Clarion owns 70%. The joint venture plans to acquire up to $450,000 of stable, well-located community shopping centers located in the Southeastern and Midwestern United States.

In December 2006, the joint venture acquired a shopping center located in Michigan at a cost of $13,350. The joint venture did not incur or assume any mortgage indebtedness in connection with this acquisition.

In February 2007, the joint venture acquired two shopping centers located in Florida at a cost of $38,000. The joint venture assumed $14,500 of mortgage indebtedness in connection with the acquisition of one of the shopping

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

centers. On a cumulative basis, the joint venture has acquired 15 shopping centers with a total aggregate purchase price of $429,750.

Ramco Jacksonville, LLC

In March 2005, the Company formed Ramco Jacksonville, LLC (Jacksonville) to develop a shopping center in Jacksonville, Florida. The Company invested $929 for a 20% interest in Jacksonville and an unrelated party contributed capital of $3,715 for an 80% interest. The Company also transferred land and certain improvements to the joint venture in the amount of $7,994 and $1,072 of cash for a note receivable from the joint venture in the aggregate amount of $9,066. The note receivable was repaid by Jacksonville in 2005.

On June 30, 2005, Jacksonville obtained a construction loan and mezzanine financing from a financial institution, in the amount of $58,772. As of December 31, 2006, Jacksonville had $47,622 of total borrowings, of which $41,091 represented borrowings on the construction loan and the remainder represented mezzanine financing. The construction loan and the mezzanine financing were repaid in March 2007 in connection with the permanent mortgage loan discussed below.

In 2006, the Operating Partnership entered into a note receivable from Jacksonville in the amount of $10,000. In addition, the Operating Partnership made advances of $4,128 to Jacksonville.

In March 2007, Jacksonville closed on a permanent mortgage loan with a third party lender. The total mortgage loan commitment was $110,000, of which $75,000 was funded as of March 31, 2007. See Note 11. The mortgage loan is an interest only loan for ten years with an interest rate of 5.4% and matures on April 1, 2017. Upon the occurrence of certain events, such as fraud or filing of a bankruptcy petition by Jacksonville, the Operating Partnership would be liable for the entire outstanding balance of the loan, all interest accrued thereon and certain other costs, penalties and expenses. The proceeds of the mortgage loan were used to repay the construction loan and mezzanine financing discussed above, to repay the Operating Partnership for the note receivable and advances discussed above, and to pay for the completion of the construction of the River City Marketplace development.

Debt

The Company s unconsolidated entities had the following debt outstanding at March 31, 2007 (unaudited):

Entity Name		Balance Outstanding	Interest Rate	Maturity Date	
S-12 Associates	$	1,059	6.8%	May 2016	(1)
Ramco/West Acres LLC		8,904	8.1%	April 2030	(2)
Ramco/Shenandoah LLC		12,328	7.3%	February 2012	
Ramco Jacksonville LLC		75,000	5.4%	April 2017	(3)
Ramco Lion Venture LP		232,520	Various	Various	(4)
Ramco 450 LLC		78,424	Various	Various	(5)

$	408,235

(1) Interest rate is fixed until June 2007, then resets per formula annually.

(2) Under terms of the note, the anticipated payment date is April 2010.

(3) Interest only for ten years. See Note 11.

(4) Interest rates range from 4.6% to 8.3% with maturities ranging from November 2009 to June 2020.

(5) Interest rates range from 5.5% to 7.1% with maturities ranging from February 2008 to January 2017.

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Fees and Management Income

Under the terms of agreements with certain joint ventures, Ramco is the manager of the joint ventures and their properties, earning fees for acquisitions, development, management, leasing, and financing. The fees earned by Ramco, which are reported in the consolidated statements of income as fees and management income, are summarized as follows:

	Three Months Ended	
	March 31, 2007	March 31, 2006
	(Unaudited)	
Acquisition fee income	$ 865	$ 543
Financing fee income	861	
Management fee income	426	275
Leasing fee income	269	294
Total	$ 2,421	$ 1,112

Combined Condensed Financial Information

Combined condensed financial information for the Company s unconsolidated entities is summarized as follows:

	March 31, 2007 (Unaudited)	December 31, 2006
ASSETS		
Investment in real estate, net	$ 699,083	$ 576,428
Other assets	24,964	19,214
Total Assets	$ 724,047	$ 595,642
LIABILITIES AND OWNERS EQUITY		
Mortgage notes payable	$ 408,235	$ 343,094
Other liabilities	22,412	23,143
Owners equity	293,400	229,405
Total Liabilities and Owners Equity	$ 724,047	$ 595,642

Company s equity investments in and advances to unconsolidated entities	$	71,403	$	75,824

		Three Months Ended March 31, 2007		Three Months Ended March 31, 2006
		(Unaudited)		
TOTAL REVENUES	$	15,605	$	12,023
TOTAL EXPENSES		14,549		9,668
Net Income	$	1,056	$	2,355
Company s share of earnings from unconsolidated entities	$	406	$	737

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. Earnings Per Common Share

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

	Three Months Ended March 31,	
	2007	2006
	(Unaudited)	
Numerator:		
Income from continuing operations before minority interest	$ 28,393	$ 5,091
Minority interest	(4,528)	(786)
Preferred stock dividends	(1,663)	(1,664)
Income from continuing operations available to common shareholders	22,202	2,641
Discontinued operations, net of minority interest:		
Gain on sale of real estate assets		957
Income from operations		323
Net income available to common shareholders	$ 22,202	$ 3,921
Denominator:		
Weighted-average common shares for basic EPS	16,590	16,847
Effect of dilutive securities:		
Preferred Shares	1,888	
Options outstanding	75	42
Weighted-average common shares for diluted EPS	18,553	16,889
Basic EPS:		
Income from continuing operations	$ 1.34	$ 0.16
Income from discontinued operations		0.07
Net income	$ 1.34	$ 0.23
Diluted EPS:		
Income from continuing operations	$ 1.25	$ 0.16
Income from discontinued operations		0.07
Net income	$ 1.25	$ 0.23

During the three months ended March 31, 2007, the Company s Series C Preferred Shares were dilutive and therefore the Series C Preferred Shares were included in the calculation of diluted EPS. However, for the three months ended March 31, 2006, the Series C Preferred Shares were antidilutive and therefore the Series C Preferred Shares were not included in the calculation of diluted EPS. See Note 11.

RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

9. Leases

Approximate future minimum revenues from rentals under noncancelable operating leases in effect at March 31, 2007, assuming no new or renegotiated leases or option extensions on lease agreements, are as follows (unaudited):

Year Ending December 31,	
2007 (April 1 - December 31)	$ 68,033
2008	85,328
2009	72,825
2010	63,782
2011	54,299
Thereafter	257,511
Total	$ 601,778

The Company leases certain office facilities, including its corporate office, under leases that expire through 2014. The Company s corporate office lease has an option to renew for two consecutive periods of five years each.

Approximate future minimum rental payments under the Company s noncancelable office leases, assuming no options extensions, and a capital ground lease at one of its shopping centers, are as follows (unaudited):

Year Ending December 31,	Office Leases	Capital Lease
2007 (April 1 - December 31)	$ 556	$ 508
2008	757	677
2009	776	677
2010	784	677
2011	788	677
Thereafter	2,189	7,309
Total minimum lease payments	5,850	10,525
Less: amounts representing interest		(2,902)
Total	$ 5,850	$ 7,623

10. Commitments and Contingencies

Construction Costs

In connection with the development and expansion of various shopping centers, as of March 31, 2007 we have entered into agreements for construction costs of approximately $7,128, including approximately $5,471 for costs related to the development of River City Marketplace in Jacksonville, Florida.

Internal Revenue Service Examinations

IRS Audit Resolution for Years 1991 to 1995

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

In May 1996, RPS acquired, through a reverse merger, substantially all the shopping centers and retail properties as well as the management company and business operations of Ramco-Gershenson, Inc. and certain of

RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

its affiliates. The resulting trust changed its name to Ramco-Gershenson Properties Trust and Ramco-Gershenson, Inc. s officers assumed management responsibility for the Company. The trust also changed its operations from a mortgage REIT to an equity REIT and contributed certain mortgage loans and real estate properties to Atlantic Realty Trust (Atlantic), an independent, newly formed liquidating real estate investment trust. The shares of Atlantic were immediately distributed to the shareholders of Ramco-Gershenson Properties Trust.

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

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

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

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

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

Pursuant to the Closing Agreement we agreed to an adjustment to our taxable income for each of our taxable years ended December 31, 1991 through 1995. The Company has determined that it is obligated to advise the relevant taxing authorities for the state and local jurisdictions where it conducted business during those years of the fact of such adjustments and the terms of the Closing Agreement. We believe that our exposure to state and local tax, penalties, interest and other miscellaneous expenses will not exceed $1,698 as of March 31, 2007. It is management s belief that any liability for state and local tax, penalties, interest, and other miscellaneous expenses that may exist in relation to the IRS Audit will be covered under the Tax Agreement.

Effective March 31, 2006, Atlantic was merged into (acquired by) SI 1339, Inc., a wholly-owned subsidiary of Kimco Realty Corporation (Kimco), with SI 1339, Inc. continuing as the surviving corporation. By way of the merger, SI 1339, Inc. acquired Atlantic s assets, subject to its liabilities, including its obligations to the Company under the Tax Agreement. Subsequent to the merger, SI 1339, Inc. changed its name to Kimco SI 1339, Inc. In a press release issued on the effective date of the merger, Kimco disclosed that the shareholders of Atlantic received common shares of Kimco valued at $81.8 million in exchange for their shares in Atlantic.

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Litigation

The Company is currently involved in certain litigation arising in the ordinary course of business. The Company believes that this litigation will not have a material adverse effect on our consolidated financial statements.

Environmental Matters

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

In connection with ownership (direct or indirect), operation, management and development of real properties, we may be potentially liable for remediation, releases or injury. In addition, Environmental Laws impose on owners or operators the requirement of ongoing compliance with rules and regulations regarding business-related activities that may affect the environment. Such activities include, for example, the ownership or use of transformers or underground tanks, the treatment or discharge of waste waters or other materials, the removal or abatement of asbestos-containing materials (ACMs) or lead-containing paint during renovations or otherwise, or notification to various parties concerning the potential presence of regulated matters, including ACMs. Failure to comply with such requirements could result in difficulty in the lease or sale of any affected property and/or the imposition of monetary penalties, fines or other sanctions in addition to the costs required to attain compliance. Several of our properties have or may contain ACMs or underground storage tanks (USTs); however, we are not aware of any potential environmental liability which could reasonably be expected to have a material impact on our financial position or results of operations. No assurance can be given that future laws, ordinances or regulations will not impose any material environmental requirement or liability, or that a material adverse environmental condition does not otherwise exist.

Repurchase of Common Shares of Beneficial Interest

In December 2005, the Board of Trustees authorized the repurchase, at management s discretion, of up to $15,000 of the Company s common shares of beneficial interest. The program allows the Company to repurchase its common shares of beneficial interest from time to time in the open market or in privately negotiated transactions. As of March 31, 2007, the Company had purchased and retired 287,900 shares of the Company s common shares of beneficial interest under this program at an average cost of $27.11 per share.

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RAMCO-GERSHENSON PROPERTIES TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

11. Subsequent Events

On April 2, 2007, the Company announced that it would redeem all of its outstanding 7.95% Series C Cumulative Convertible Preferred Shares of Beneficial Interest on June 1, 2007. The shares will be redeemed at $28.50 per share, plus accrued and unpaid dividends to the redemption date without interest. The Company expects that most of the Series C Preferred shareholders will convert the Series C Preferred Shares to common shares prior to June 1, 2007.

On April 11, 2007, the 80% partner in Jacksonville (see Note 7) submitted a written offer to sell their interest in the joint venture to the Company. On April 16, 2007, the Company acquired the remaining 80% ownership interest in Jacksonville for $5,100 in cash and the assumption of the $110,000 mortgage loan, of which $75,000 was outstanding on the date of acquisition, and other liabilities. The additional investment will result in Jacksonville being consolidated as of April 16, 2007.

On April 25, 2007, Jacksonville borrowed the remaining $35,000 of its $110,000 mortgage loan commitment. See Note 7.

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

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

Overview

We are a publicly-traded real estate investment trust (REIT) which owns, develops, acquires, manages and leases community shopping centers (including power centers and single-tenant retail properties) and one regional mall in the Midwestern, Southeastern and Mid-Atlantic regions of the United States. At March 31, 2007, our portfolio consisted of 84 shopping centers, of which 16 were power centers and two were single-tenant retail properties, as well as one enclosed regional mall, totaling approximately 18.8 million square feet of gross leasable area (GLA). We owned approximately 15.1 million square feet of such GLA, with the remaining portion owned by various anchor stores.

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

- The acquisition of community shopping centers, either through on-balance sheet purchases or through joint ventures, with a focus on grocery and nationally-recognized discount department store anchor tenants;
- The development of new shopping centers in metropolitan markets where we believe demand for a center exists;
- A proactive approach to redeveloping, renovating and expanding our shopping centers; and
- A proactive approach to leasing vacant spaces and entering into new leases for occupied spaces when leases are about to expire.

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

The highlights of our first quarter of 2007 activity reflect this strategy:

Joint Venture Acquisitions

- In February 2007, our $450 million joint venture with an investor advised by Heitman LLC acquired Peachtree Hill shopping center in Duluth, Georgia, a suburb of Atlanta. Peachtree Hill is a 149,233 square foot community shopping center and is anchored by a Kroger Supermarket. In March 2007, we sold our Chester Springs Shopping Center in Chester, New Jersey to this joint venture. The joint venture assumed debt of $23.8 million in connection with the sale of this center. This joint venture now consists of four shopping centers with a total initial value of $149.0 million.
- Our $450 million joint venture with ING Clarion acquired Cocoa Commons, a 75,120 square foot community shopping center in Cocoa, Florida anchored by Publix, and Cypress Point, a 158,685 square foot community shopping center in Clearwater, Florida anchored by Fresh Market and Burlington Coat Factory. With the

acquisitions of these two centers, this joint venture now owns 15 shopping centers with an aggregate initial value of $429.8 million.

Development

Our Ramco Jacksonville LLC joint venture substantially completed the River City Marketplace development in Jacksonville, Florida. As of March 31, 2007, it had secured retailer commitments for 96% of the shopping center, including anchor owned space. The shopping center is anchored by a Wal-Mart Supercenter and a Lowe s Home Improvement. In addition to Wal-Mart and Lowe s, Wallace (Hollywood) Theatres, Ross Dress for Less, PetSmart, Michaels, Old Navy, Bed Bath & Beyond, and Office Max are open, and we have executed leases with Gander Mountain, Ashley Furniture and Best Buy. On April 16, 2007, we acquired our 80% joint venture partner s interest in this shopping center.

We have two additional ongoing developments at Rossford Pointe in Rossford, Ohio and The Shoppes of Fairlane Meadows in Dearborn, Michigan. Rossford Pointe is a ten acre development adjacent to our Crossroads Centre and includes PetSmart which is open in 20,339 square feet, an additional 40,000 square feet of mid-box use and 6,400 square feet of retail space. The Shoppes of Fairlane Meadows is an approximate two acre development with 19,000 square feet of retail space and is being developed to complement our 313,000 square foot Fairlane Meadows shopping center.

Redevelopment

We commenced the redevelopment of Collins Pointe Plaza, an 81,042 square foot shopping center in Cartersville, Georgia, a suburb of Atlanta. We are in the process of retenanting a 46,300 square foot vacant Winn Dixie space and are constructing an outlot building and additional small shop space of approximately 25,000 square feet. We purchased this shopping center in August 2006, and sold it in November 2006 to our $75 million joint venture with Heitman Value Partners Investment LLC. The estimated total cost of this redevelopment project is $4.7 million.

At March 31, 2007, we have five additional value-added redevelopment projects in process with a total project cost of $20.7 million. Each of these value-added redevelopments involves the expansion or addition of at least one national anchor tenant.

Leasing

During the quarter, we opened 27 new non-anchor stores totaling 71,068 square feet, at an average base rent of $19.92 per square foot, an increase of 28.9% over the portfolio average for non-anchor stores. We also renewed 40 non-anchor leases totaling 103,148 square feet, at an average base rent of $15.53 per square foot, achieving an increase of 9.7% over prior rental rates.

In addition, we opened one new anchor store in 22,350 square feet, at a base rent of $8.25 per square foot, an increase of 7.0% over the portfolio average for anchor stores. During the quarter, tenants at three anchor spaces totaling 201,562 square feet exercised lease options at an average base rent of $3.23 per square foot, consistent with prior rental rates for such spaces.

Overall total portfolio average base rents increased to $15.45 in the first quarter of 2007, as compared to $15.10 at December 31, 2006.

Our portfolio was 92.8% occupied at of March 31, 2007, as compared to 93.6% at December 31, 2006.

Financing and Treasury

In March, our Ramco Jacksonville LLC joint venture entered into a $110 million long-term fixed-rate financing agreement with a third party lender, of which $75 million was funded and used to replace construction financing on the River City Marketplace development. The loan is interest only for 10 years and has a rate of 5.4%. On April 25, 2007, after acquiring our joint venture partner s 80% ownership interest in the joint venture, we borrowed the remaining $35 million available under the loan, and we utilized these funds to repay the construction loan and mezzanine financing, and to pay for future development costs for the project.

In March, our Board of Trustees approved a 3.4% increase in the common share dividend paid quarterly. On an annual basis, the dividend to common shareholders is now $1.85 per common share.

Critical Accounting Policies and Estimates

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

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apparent from other sources. Senior management has discussed the development, selection and disclosure of these estimates with the audit committee of our board of trustees. Actual results could differ from these estimates under different assumptions or conditions.

Critical accounting policies are those that are both significant to the overall presentation of our financial condition and results of operations and require management to make difficult, complex or subjective judgments. For example, significant estimates and assumptions have been made with respect to useful lives of assets, capitalization of development and leasing costs, recoverable amounts of receivables and initial valuations and related amortization periods of deferred costs and intangibles, particularly with respect to property acquisitions. Our critical accounting policies as discussed in our Annual Report on Form 10-K for the year ended December 31, 2006 have not materially changed during the first three months of 2007.

Comparison of Three Months Ended March 31, 2007 to Three Months Ended March 31, 2006

For purposes of comparison between the three months ended March 31, 2007 and 2006, Same Center refers to the shopping center properties owned by our consolidated entities as of January 1, 2006 and March 31, 2007.

In 2006, we acquired Paulding Pavilion, and we also acquired an additional 90% partnership interest in Beacon Square, bringing our total ownership interest to 100%. Subsequent to the acquisition of the additional 90% partnership interest, Beacon Square has been consolidated in our financial statements. These properties acquired by our consolidated entities are collectively referred to as Acquisitions in the following discussion.

In December 2006, we sold two shopping centers, Crofton Centre and Merchants Square, to our $450 million joint venture with an investor advised by Heitman LLC. In March 2007, we sold Chester Springs Shopping Center to this same joint venture. These properties disposed of by our consolidated entities are collectively referred to as Dispositions in the following discussion.

Revenues

Total revenues for the three months ended March 31, 2007 were $40.1 million, a $3.5 million increase over the comparable period in 2006.

Minimum rents decreased $361,000 to $24.3 million for the three months ended March 31, 2007 as compared to $24.6 million for the first quarter of 2006. The Dispositions resulted in a decrease of approximately $1.3 million in minimum rents, offset by an increase of approximately $400,000 from the Acquisitions, and an increase of approximately $600,000 from Same Center properties. The $600,000 increase at the Same Center properties represents a 2.8% increase over the comparable period in 2006, and is the result of the completion of redevelopment projects at certain of our shopping centers, in particular Tel-Twelve and Spring Meadows Place. Both of these redevelopments involved the expansion or addition of at least one national anchor tenant.

Recoveries from tenants increased $1.8 million to $11.7 million for the first quarter of 2007 as compared to $9.9 million for the same period in 2006. The Dispositions resulted in a decrease of approximately $200,000 in recoveries from tenants, offset by an increase of approximately $100,000 from the Acquisitions. The increase of approximately $1.9 million for the Same Center properties was due to a negative billing adjustment for 2005 year-end accruals made in the first quarter of 2006. The overall property operating expense recovery ratio was 99.0% for the three months ended March 31, 2007 as compared to 94.2% for the three months ended March 31, 2006. The increase was due to the negative billing adjustment in the first quarter of 2006 previously noted. We expect our recovery ratio to be between 95% and 99% for the full year 2007.

Fees and management income increased $1.4 million to $2.6 million for the three months ended March 31, 2007 as compared to $1.2 million for the three months ended March 31, 2006. The increase was mainly attributable to a net increase in development and financing fees of approximately $700,000, as well as approximately $500,000 of acquisition fees. The incremental development and financing fees were related to our Ramco Jacksonville LLC joint venture. The acquisition fees earned relate to the purchase of Cocoa Commons and Cypress Pointe by our ING Clarion joint venture, as well as the purchase of Peachtree Hill and Chester Springs Shopping Center by our $450 million joint venture with an investor advised by Heitman LLC.

Other income for the three months ended March 31, 2007 was $1.2 million, an increase of $738,000 over the comparable period in 2006. The increase was due mainly to additional interest income of approximately $500,000

earned by Ramco-Gershenson Properties L.P. (the Operating Partnership) on advances to Ramco Jacksonville LLC related to the River City Marketplace development, as well as approximately $200,000 of miscellaneous income related to the favorable resolution of disputes with tenants and the favorable resolution of contingencies associated with previous center acquisitions.

Expenses

Total expenses for the three months ended March 31, 2007 increased $622,000 to $34.6 million as compared to $33.9 million for the three months ended March 31, 2006.

Recoverable operating expenses increased by $1.1 million to $6.7 million for the three months ended March 31, 2007 as compared to $5.6 million for the three months ended March 31, 2006. The decrease in recoverable operating expenses as a result of the Dispositions was offset by a comparable increase from the Acquisitions. Same Center recoverable operating expenses increased approximately $1.1 million. This increase is attributable mainly to a $325,000 increase in utilities expense, in particular electric expense at Tel-Twelve, $370,000 of additional snow removal expense, and $260,000 of additional insurance expense, which was attributable to higher property insurance costs at our Florida shopping centers.

Real estate taxes increased by $294,000 during the first quarter of 2007 to $5.2 million, as compared to $4.9 million during the first quarter of 2006. The majority of the increase relates to increases at the Same Center properties, and is due to the recording of Michigan Single Business Tax expense in real estate taxes in the first quarter of 2007. In the first quarter of 2006, this expense was recorded in general and administrative expenses.

Depreciation and amortization was $8.1 million for the first quarter of 2007, consistent with the comparable period in 2006. The increase in depreciation and amortization resulting from the Acquisitions was offset by a comparable decrease from the Dispositions.

Other operating expenses decreased $193,000 to $509,000 for the quarter ended March 31, 2007, as compared to $702,000 for the comparable quarter in 2006. The decrease is primarily due to a reversal of the previous write-off of receivables due from Atlantic Realty Trust in connection with our IRS examinations. These amounts are due to us under our Tax Agreement with Atlantic Realty Trust.

General and administrative expenses decreased $1.1 million, from $4.1 million for the three months ended March 31, 2006 to $3.0 million for the three months ended March 31, 2007. The decrease in general and administrative expenses was primarily due to the Company recording its share of acquisition and financing fees earned during the quarter as an offset to general and administrative expense. The Company s share of acquisition and financing fees were $334,000 higher during the first quarter of 2007 than in the first quarter of 2006. In addition, during the first quarter, salary expenses decreased approximately $270,000 due to a favorable adjustment to year-end bonus accruals as well as one-time hiring costs incurred in the first quarter of 2006; legal, audit and tax fees decreased approximately $144,000; Michigan Single Business Tax expense decreased approximately $154,000 due to the recording of this expense in real estate taxes as discussed above; and the amount of general and administrative costs capitalized as project costs increased approximately $132,000.

Interest expense increased $448,000 to $11.0 million for the three months ended March 31, 2007, as compared to $10.6 million for the three months ended March 31, 2006. Average monthly debt outstanding was $18.5 million lower for the first quarter of 2007, resulting in a decrease in interest expense of approximately $295,000. The lower average monthly debt outstanding was offset by higher average interest rates during the first quarter of 2007 of approximately 25 basis points, resulting in an increase in interest expense of approximately $430,000. Interest expense during the first quarter of 2007 also increased approximately $140,000 as a result of lower capitalized interest on development

and redevelopment projects, $83,000 due to increased amortization of deferred financing costs, and $81,000 due to the lost benefit of marked to market debt for the Dispositions.

Other

Gain on sale of real estate assets increased $20.7 million to $22.4 million for the three months ended March 31, 2007, as compared to $1.7 million for the three months ended March 31, 2006. The increase is due primarily to the gain on the sale of Chester Springs Shopping Center to our $450 million joint venture with an investor advised by Heitman LLC. We recognized 80% of the gain on the sale, representing the portion of the gain attributable to our

joint venture partner s ownership interest. The remaining portion of the gain on the sale of this center has been deferred as we have a 20% ownership interest in the joint venture.

Minority interest represents the equity in income attributable to the portion of the Operating Partnership not owned by us. Minority interest for the first quarter of 2007 increased $3.7 million to $4.5 million, as compared to $786,000 for the first quarter of 2006. The increase is primarily attributable to the minority interest s proportionate share of the gain on the sale of Chester Springs Shopping Center discussed above.

Earnings from unconsolidated entities represent our proportionate share of the earnings of various joint ventures in which we have an ownership interest. Earnings from unconsolidated entities decreased $331,000, from $737,000 for the three months ended March 31, 2006 to $406,000 for the three months ended March 31, 2007. $172,000 of the decrease is attributable to our ownership interest in Ramco Jacksonville LLC. The decrease at Ramco Jacksonville LLC consists of unfavorable recovery adjustments in the first quarter of 2007 related to 2006 year-end accruals, as well as interest expense on higher rate construction and mezzanine loans. As discussed above, in March 2007 we entered into a $110 million long-term fixed-rate financing agreement with an outside lender, of which $75 million was funded and used to replace the higher rate construction and mezzanine loans. $171,000 of the decrease in earnings from unconsolidated entities is attributable to our ownership interest in the ING Clarion joint venture. The decrease is attributable to a decision to redevelop Hunter s Square, one of the shopping centers owned by the joint venture, and to take certain space at this center offline.

Discontinued operations, net of minority interest, were $1.3 million for the first quarter of 2006. In 2006, we sold seven of our shopping centers held for sale to an unrelated third party for $47.0 million in aggregate. Discontinued operations include a gain of $957,000, net of minority interest, on the sale of these assets, as well as $323,000 from the operations of these assets. There were no operations for these assets during the first quarter of 2007.

Liquidity and Capital Resources

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

For the three months ended March 31, 2007, we generated $14.6 million in cash flows from operating activities, as compared to $10.4 million for the same period in 2006. Cash flows from operating activities were higher during the first quarter of 2007 mainly due to higher net income during the period, as well as lower net cash outflows related to accounts receivable, other assets, accounts payable, and accrued expenses. For the first quarter of 2007, investing activities provided $41.7 million of cash flows, as compared to $43.1 million in the first quarter of 2006. Cash flows from investing activities were lower in 2007 due to additional investments in real estate and additional investments in our joint venture with ING Clarion and our $450 million joint venture with an investor advised by Heitman LLC, offset by cash received from sales of shopping centers to our joint ventures, as well as cash received on a note receivable due from Ramco Jacksonville LLC. During the quarter ended March 31, 2007, cash flows used in financing activities were $58.4 million, as compared to $52.3 million during the quarter ended March 31, 2006. During the quarter ended March 31, 2007, we repaid in full all amounts due under our Unsecured Subordinated Term Loan.

We have a $250 million unsecured credit facility (the Credit Facility) consisting of a $100 million unsecured term loan credit facility and a $150 million unsecured revolving credit facility. The Credit Facility provides that the

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

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

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

Under terms of various debt agreements, we may be required to maintain interest rate swap agreements to reduce the impact of changes in interest rates on our floating rate debt. We have interest rate swap agreements with an aggregate notional amount of $80.0 million at March 31, 2007. Based on rates in effect at March 31, 2007, the agreements provide for fixed rates ranging from 6.2% to 6.6% and expire December 2008 through March 2009.

After taking into account the impact of converting our variable rate debt into fixed rate debt by use of the interest rate swap agreements, at March 31, 2007 our variable rate debt accounted for approximately $177.6 million of outstanding debt with a weighted average interest rate of 6.8%. Variable rate debt accounted for approximately 27.8% of our total debt and 12.4% of our total capitalization.

The joint ventures in which our Operating Partnership owns an interest and which are accounted for by the equity method of accounting are subject to mortgage indebtedness which in most instances is non-recourse. At March 31, 2007, our pro rata share of mortgage debt for the unconsolidated joint ventures (accounted for by the equity method) was $109.5 million with a weighted average interest rate of 6.5%. Fixed rate debt for the unconsolidated joint ventures amounted to $106.2 million, or 97.0%, of our pro rata share. The mortgage debt of $16.3 million at Peachtree Hill, a shopping center owned by our $450 million joint venture with an investor advised by Heitman LLC, is recourse debt.

In March 2007, our Ramco Jacksonville LLC joint venture closed on a permanent mortgage loan with a third party lender. The total mortgage loan commitment was $110 million, of which $75 million was funded as of March 31, 2007. An additional advance of $35 million occurred on April 25, 2007, after the acquisition of our joint venture partner s 80% ownership interest in the joint venture. The mortgage loan is an interest only loan for ten years with an interest rate of 5.4% and matures on April 1, 2017. Upon the occurrence of certain events, such as fraud or filing of a bankruptcy petition by Jacksonville, the Operating Partnership would be liable for the entire outstanding balance of the loan, all interest accrued thereon and certain other costs, penalties and expenses. The proceeds of the mortgage loan were used to repay the construction and mezzanine loans for the project, to repay the Operating Partnership for a note receivable and advances made to the joint venture, and to pay for the completion of the construction of the River City Marketplace development.

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

Capitalization

At March 31, 2007, our market capitalization amounted to $1.4 billion. Market capitalization consisted of $640.8 million of debt (including property-specific mortgages, an unsecured credit facility consisting of an unsecured term loan credit facility and an unsecured revolving credit facility, a secured term loan, and an unsecured bridge term

loan), $25.4 million of Series B Preferred Shares, $68.9 million of Series C Preferred Shares, and $697.1 million of our common shares and Operating Partnership Units (Series B Preferred Shares, Series C Preferred Shares, common shares, and Operating Partnership Units are at market value). Our debt to total market capitalization was 44.7% at March 31, 2007, as compared to 44.5% at December 31, 2006. After taking into account the impact of converting our variable rate debt into fixed rate debt by use of interest rate swap agreements, our outstanding debt at March 31, 2007 had a weighted average interest rate of 6.3%, and consisted of $463.2 million of

fixed rate debt and $177.6 million of variable rate debt. Outstanding letters of credit issued under the Credit Facility total approximately $3.4 million.

On April 2, 2007, the Company announced that it would redeem all of its outstanding 7.95% Series C Cumulative Convertible Preferred Shares of Beneficial Interest on June 1, 2007. The shares will be redeemed at $28.50 per share, plus accrued and unpaid dividends to the redemption date without interest. We expect that most of the Series C Preferred Shareholders will convert the Series C Preferred Shares to common shares prior to June 1, 2007.

At March 31, 2007, the minority interest in the Operating Partnership represented a 15.0% ownership in the Operating Partnership. The units in the Operating Partnership (OP Units) may, under certain circumstances, be exchanged for our common shares of beneficial interest on a one-for-one basis. We, as sole general partner of the Operating Partnership, have the option, but not the obligation, to settle exchanged OP Units held by others in cash based on the current trading price of our common shares of beneficial interest. Assuming the exchange of all OP Units, there would have been 19,520,675 of our common shares of beneficial interest outstanding at March 31, 2007, with a market value of approximately $697.1 million (based on the closing price of $35.71 per share on March 31, 2007).

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

Inflation

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

Funds from Operations

We consider funds from operations, also known as FFO, an appropriate supplemental measure of the financial performance of an equity REIT. Under the National Association of Real Estate Investment Trusts (NAREIT) definition, FFO represents net income, excluding extraordinary items (as defined under GAAP) and gains (losses) on sales of depreciable property, plus real estate related depreciation and amortization (excluding amortization of financing costs), and after adjustments for unconsolidated partnerships and joint ventures. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate investments, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions and many companies utilize different depreciable lives and methods. Because FFO adds back depreciation and amortization unique to real estate, and excludes gains and losses from depreciable property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, acquisition and development activities and

interest costs, which provides a perspective of our financial performance not immediately apparent from net income determined in accordance with GAAP. In addition, FFO does not include the cost of capital improvements, including capitalized interest.

For the reasons described above we believe that FFO provides us and our investors with an important indicator of our operating performance. This measure of performance is used by us for several business purposes and for

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REITs it provides a recognized measure of performance other than GAAP net income, which may include non-cash items. Other real estate companies may calculate FFO in a different manner.

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

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

	Three Months Ended March 31,	
	2007	2006
	(Unaudited)	
Net Income	$ 23,865	$ 5,585
Add:		
Depreciation and amortization expense	8,962	8,665
Minority interest in partnership:		
Continuing operations	4,503	786
Discontinued operations		57
Less:		
Gain on sale of real estate(1)	(22,498)	
Discontinued operations, gain on sale of real estate, net of minority interest		(957)
Funds from operations	14,832	14,136
Less:		
Series B Preferred Stock dividends	(594)	(594)
Funds from operations available to common shareholders	$ 14,238	$ 13,542
Weighted average equivalent shares outstanding, diluted	21,474	21,707
Funds from operations available to common shareholders per diluted share	$ 0.66	$ 0.62

(1) Excludes loss on sale of undepreciated land of $63 in 2007 and gain on sale of undepreciated land of $1,708 in 2006.

Capital Expenditures

During the three months ended March 31, 2007, we spent approximately $1.7 million on revenue-generating capital expenditures including tenant allowances, leasing commissions paid to third-party brokers, legal costs related to lease documents, and capitalized leasing and construction costs. These types of costs generate a return through rents from tenants over the term of their leases. Revenue-enhancing capital expenditures, including expansions, renovations or repositionings, were approximately $3.8 million. Revenue neutral capital expenditures, such as roof and parking lot repairs which are anticipated to be recovered from tenants, amounted to approximately $698,000.

Forward Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements represent our expectations, plans or beliefs concerning future events and may be identified by terminology such as may, will, should, believe, expect, estimate, anticipate, continue, predict or similar terms. Although forward-looking statements made in this document are based on our good faith beliefs, reasonable assumptions and our best judgment based upon current information, certain factors could cause

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actual results to differ materially from those in the forward-looking statements, including: our success or failure in implementing our business strategy; economic conditions generally and in the commercial real estate and finance markets specifically; our cost of capital, which depends in part on our asset quality, our relationships with lenders and other capital providers; our business prospects and outlook; changes in governmental regulations, tax rates and similar matters; our continuing to qualify as a REIT; and other factors discussed elsewhere in this document and our other filings with the Securities and Exchange Commission. Given these uncertainties, you should not place undue reliance on any forward-looking statements. Except as required by law, we assume no obligation to update these forward-looking statements, even if new information becomes available in the future.

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

We have exposure to interest rate risk on our variable rate debt obligations. We are not subject to any foreign currency exchange rate risk or commodity price risk, or other material rate or price risks. Based on our debt and interest rates and the interest rate swap agreements in effect at March 31, 2007, a 100 basis point change in interest rates would affect our annual earnings and cash flows by approximately $1.0 million. We believe that a 100 basis point change in interest rates would impact the fair value of our total outstanding debt at March 31, 2007 by approximately $13.1 million.

Under the terms of various debt agreements, we may be required to maintain interest rate swap agreements to reduce the impact of changes in interest rate on our floating rate debt. We have interest rate swap agreements with an aggregate notional amount of $80.0 million at March 31, 2007. Based on rates in effect at March 31, 2007, the agreements provide for fixed rates ranging from 6.2% to 6.6% and expire December 2008 through March 2009.

The following table sets forth information as of March 31, 2007 concerning our long-term debt obligations, including principal cash flows by scheduled maturity, weighted average interest rates of maturing amounts and fair market value (dollars in thousands).

	2007	2008	2009	2010	2011	Thereafter	Total	Fair Value
Fixed-rate debt	$ 44,258	$ 101,562	$ 27,481	$ 99,723	$ 27,932	$ 162,260	$ 463,216	$ 470,228
Average interest rate	6.8%	5.3%	7.0%	6.6%	7.4%	5.4%	6.1%	5.8%
Variable-rate debt	$ 40,009	$ 117,538	$	$ 20,000	$		$ 177,547	$ 177,547
Average interest rate	7.0%	6.7%		6.8%			6.8%	6.8%

We estimated the fair value of fixed rate mortgages using a discounted cash flow analysis, based on our incremental borrowing rates for similar types of borrowing arrangements with the same remaining maturity. Considerable judgment is required to develop estimated fair values of financial instruments. The table incorporates only those exposures that exist at March 31, 2007 and does not consider those exposures or positions which could arise after that date or firm commitments as of such date. Therefore, the information presented therein has limited predictive value. Our actual interest rate fluctuations will depend on the exposures that arise during the period and interest rates.

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

Disclosure Controls and Procedures

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

We carried out an assessment as of March 31, 2007 of the effectiveness of the design and operation of our disclosure controls and procedures. This assessment was done under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based on such evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that such disclosure controls and procedures were effective as of March 31, 2007.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

Item 1. ***Legal Proceedings***

There are no material pending legal or governmental proceedings, other than the IRS Examination, against or involving us or our properties. For a description of the IRS Examination, see Note 10 to the consolidated financial statements, which is incorporated by reference herein.

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

You should review our Annual Report on Form 10-K for the year ended December 31, 2006, which contains a detailed description of risk factors that may materially affect our business, financial condition or results of operations. There are no material changes to the disclosure on these matters set forth in such Form 10-K.

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

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

No common shares were repurchased during the three months ended March 31, 2007. As of March 31, 2007, we had purchased and retired 287,900 shares of our common stock under this program at an average cost of $27.11 per share. Approximately $7.2 million of common shares may yet be purchased under such repurchase program.

Item 6. ***Exhibits***

Exhibit No	Description
10.1*	Summary of Compensation for the Board of Trustees for Ramco-Gershenson Properties Trust
31.1	Certification of CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.
32.2	Certification of CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley Act of 2002.

* Filed herewith

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SIGNATURES

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

RAMCO-GERSHENSON PROPERTIES TRUST

By: /s/ Dennis Gershenson

Dennis Gershenson
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

Date: May 4, 2007

By: /s/ Richard J. Smith

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

Date: May 4, 2007

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