NEW PLAN EXCEL REALTY TRUST INC
Form DEF 14A
March 24, 2005

SCHEDULE 14A INFORMATION

(Rule 14a-101)

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

NEW PLAN EXCEL REALTY TRUST, 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.

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(3) Filing Party:

(4) Date Filed:

NEW PLAN EXCEL REALTY TRUST, INC.

420 Lexington Avenue
New York, New York 10170

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on May 11, 2005

Dear Stockholder:

You are cordially invited to attend our 2005 annual meeting of stockholders to be held on Wednesday, May 11, 2005, at 9:00 a.m., New York City time, at

The Cornell Club of New York
The Ivy Room
6 East 44th Street
New York, New York 10017

for the following purposes:

1. To elect three directors to serve three-year terms expiring in 2008.

2. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Only stockholders of record at the close of business on March 1, 2005 will be entitled to notice of and to vote at the meeting.

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE URGED TO COMPLETE, DATE AND SIGN THE ACCOMPANYING PROXY CARD AND RETURN IT PROMPTLY IN THE POSTAGE-PAID ENVELOPE PROVIDED. IF YOU ATTEND THE MEETING, YOU MAY WITHDRAW YOUR PROXY AND VOTE IN PERSON, IF YOU DESIRE.

By Order of the Board of Directors,
/s/ WILLIAM NEWMAN
WILLIAM NEWMAN
Chairman of the Board

New York, New York
March 21, 2005

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NEW PLAN EXCEL REALTY TRUST, INC.

420 Lexington Avenue
New York, New York 10170

PROXY STATEMENT

ABOUT THE MEETING

Why am I receiving this proxy statement?

This proxy statement contains information related to the solicitation of proxies for use at our 2005 annual meeting of stockholders, to be held at 9:00 a.m., New York City time, on Wednesday, May 11, 2005 at The Cornell Club of New York, The Ivy Room, 6 East 44th Street, New York, New York 10017, for the purposes stated in the accompanying Notice of Annual Meeting of Stockholders. This solicitation is made on behalf of our Board of Directors. We, our, us, the Company and New Plan refer to New Plan Excel Realty Trust, Inc. and its subsidiaries and affiliates. This proxy statement, the enclosed proxy card and our 2004 annual report to stockholders are being mailed to stockholders beginning on or about April 7, 2005.

Who is entitled to vote at the annual meeting?

Only holders of record of our common stock and our voting Series D depositary shares at the close of business on March 1, 2005, the record date for the annual meeting, are entitled to receive notice of the annual meeting and to vote at the meeting. Our common stock and Series D depositary shares constitute the only classes of securities entitled to vote at the meeting.

What are the voting rights of stockholders?

Each share of common stock outstanding on the record date entitles its holder to cast one vote on each matter to be voted on. Each Series D depositary share outstanding on the record date entitles its holder to cast one vote on each matter upon which holders of the common stock have the right to vote.

William Newman, the chairman of our board of directors, is obligated to vote all of his shares of common stock in favor of the proposals described in this proxy statement. As of the record date, he beneficially owned or controlled the vote with respect to a total of approximately 1,766,417 shares of common stock, excluding shares that may be acquired upon exercise of stock options, which shares of common stock represent approximately 1.7% of the outstanding shares entitled to vote at the annual meeting.

Who can attend the annual meeting?

All holders of our common stock and our Series D depositary shares at the close of business on March 1, 2005, the record date for the annual meeting, or their duly appointed proxies, are authorized to attend the annual meeting. If you attend the meeting, you may be asked to present valid picture identification, such as a driver s license or passport, before being admitted. Cameras, recording devices, and other electronic devices will not be permitted at the meeting.

Please also note that if you hold your shares in street name (that is, through a bank, broker or other nominee), you will need to bring a copy of the brokerage statement reflecting your stock ownership as of March 1, 2005.

What will constitute a quorum at the annual meeting?

The presence at the meeting, in person or by proxy, of the holders of a majority of the shares of our common stock and Series D depositary shares outstanding on March 1, 2005, in the aggregate, will constitute a quorum, permitting the stockholders to conduct business at the meeting. We will include abstentions and broker non-votes in the calculation of the number of shares considered to be present at the meeting. A broker non-vote occurs when a nominee holding shares for a beneficial owner has not received instructions from the beneficial owner and does not have discretionary authority to vote the shares.

As of the record date, there were 103,008,605 shares of common stock outstanding, and 1,500,000 Series D depositary shares outstanding.

How do I vote?

You may vote either by completing and returning the accompanying proxy card or by completing a written ballot at the annual meeting.

How do I vote my shares that are held by my broker?

If your shares are held by a bank or broker, you should follow the instructions provided to you by the bank or broker. Although most banks and brokers now offer voting by mail, telephone and on the Internet, availability and specific procedures will depend on their voting arrangements.

How are proxy card votes counted?

If the accompanying proxy card is properly signed and returned to us, and not revoked, it will be voted as directed by you. Unless contrary instructions are given, the persons designated as proxy holders on the proxy card will vote **FOR** the election of all nominees for our Board of Directors named in this proxy statement, and as recommended by our Board of Directors with regard to any other matters, or, if no such recommendation is given, in their own discretion.

May I change my vote after I return my proxy card?

Yes. You may revoke a previously granted proxy at any time before it is exercised by filing with our Secretary a notice of revocation or a duly executed proxy bearing a later date. Additionally, the powers of the proxy holders will be suspended regarding any person who executed a proxy but then attends the meeting in person and requests that their proxy be revoked. Attendance at the meeting will not, in itself, constitute revocation of a previously granted proxy.

Who pays the costs of soliciting proxies?

We will pay the costs of soliciting proxies. In addition to soliciting proxies by mail, our officers, directors and other employees, without additional compensation, may solicit proxies personally or by other appropriate means. It is anticipated that banks, brokers, fiduciaries, custodians and nominees will forward proxy soliciting materials to their principals, and that we will reimburse such persons out-of-pocket expenses.

You should rely only on the information provided in this proxy statement. We have not authorized anyone to provide you with different or additional information. You should not assume that the information in this proxy statement is accurate as of any date other than the date of this proxy statement or, where information relates to another date set forth in this proxy statement, then as of that date.

PROPOSAL 1:

ELECTION OF DIRECTORS

Our Board of Directors is currently comprised of 11 directors, divided into three classes, with approximately one-third of the directors scheduled to be elected by the stockholders annually. The terms of three current directors, Raymond H. Bottorf, Matthew Goldstein and Gregory White, expire at the 2005 annual meeting, while the terms of the remaining directors expire at the annual meeting of stockholders to be held in 2006 and 2007, as described below. The nominees have been recommended by our Board of Directors for re-election to serve as directors for three-year terms expiring in 2008. Based on its review of the relationships between its existing directors (including the director nominees) and the Company, the Board of Directors has affirmatively determined that if these nominees are elected, eight of the 11 directors serving on the Board of Directors will be independent directors under the rules of the New York Stock Exchange.

The Board of Directors knows of no reason why any nominee would be unable to serve as a director. If any nominee is unavailable for election or service, the Board of Directors may designate a substitute nominee and the persons designated as proxy holders on the proxy card will vote for the substitute nominee recommended by the Board of Directors, or the Board of Directors may, as permitted by our bylaws, decrease the size of our Board of Directors.

Who are the nominees for election to the Board of Directors?

The following information is submitted with respect to the nominees for election to the Board of Directors.

Nominees for Election for Terms Expiring at the 2008 Annual Meeting of Stockholders

Raymond H. Bottorf, age 63, has been a director since 1991. He has been Managing Partner of Global Real Estate Partners, LLC, a private merchant bank, since July 1999. Mr. Bottorf was the Managing Director of the New York office of the Global Real Estate Group of ABN-AMRO, Inc., an investment bank, from 1997 through July 1999. From 1990 to 1997, he was the President and sole director of U.S. Alpha, Inc., a wholly owned subsidiary of Stichting Pensioenfonds ABP, formerly Algemeen Burgerlijk Pensioenfonds, a Dutch pension fund.

Matthew Goldstein, age 63, has been a director since 2000. He has been Chancellor of The City University of New York since September 1999. He formerly held the positions of President of Adelphi University from June 1998 to August 1999 and President of Baruch College of The City University of New York from 1991 to June 1998. He is currently a member of the Board of Trustees of the JP Morgan Funds, which currently consists of 70 investment companies and which will increase to 99 upon completion of a pending consolidation with another fund complex.

Gregory White, age 49, has been a director since 1994. Mr. White is a founding partner of Prima Capital Advisors, an investment advisory firm formed in January 2003. Mr. White served as Senior Vice President of Conning Asset Management Company, an investment advisory firm, from August 1998 until January 2003. From 1992 to August 1998, Mr. White was a founding partner and Managing Director of Schroder Mortgage Associates, an investment advisory firm. From 1982 to 1992, he was associated with Salomon Brothers Inc. where from 1988 until 1992 he was a Managing Director of the real estate finance department.

Who are our other directors?

The following information is submitted with respect to those directors whose terms of office will continue after the annual meeting.

Incumbent Directors Terms Expiring at the 2007 Annual Meeting of Stockholders

Norman Gold, age 74, has been a director since our organization in 1972. He is currently of Counsel to the law firm of Wildman, Harrold, Allen & Dixon LLP and was a partner in the law firm of Altheimer & Gray from 1962 until July 2003.

Nina Matis, age 57, has been a director since 2002. Ms. Matis is currently, and has been since 1986, a partner at the law firm of Katten Muchin Zavis Rosenman. She is also currently, and has been since November 1999, Executive Vice President of iStar Financial Inc., a publicly-traded real estate investment trust (REIT) specializing in commercial real estate financing, where she also currently serves, and has served since 1996, as General Counsel.

William Newman, age 78, has been our Chairman of the Board of Directors since our organization in 1972. He served as our Chief Executive Officer from 1972 to 1998 and as our President from 1972 to 1988. He served as President and Chief Executive Officer of our predecessor corporation, New Plan Realty Corporation, from the corporation s organization in 1961 through its reorganization in 1972. He is a past Chairman of the National Association of Real Estate Investment Trusts (NAREIT) and has been actively involved in real estate for over 50 years. Mr. Newman s employment agreement with us provided that we nominate him at the 2004 annual meeting to serve as a director for a three-year term.

George Puskar, age 61, has been a director since 2003. He currently serves as Chairman of Solutions Manufacturing, Inc., a contract manufacturer of electronic components, and is a private investor. From June 1997 until June 2000, Mr. Puskar served as Chairman of the Board of Lend Lease Real Estate Investments, formerly known as ERE Yarmouth, the U.S. real estate unit of Lend Lease Corporation, an international financial services and real estate company. From 1988 to June 1997, he served as Chairman and Chief Executive Officer of Equitable Real Estate Management, Inc., a full service commercial real estate investment management company that was the largest manager of pension funds invested in real estate and a subsidiary of The Equitable Life Assurance Society of the United States. He is also currently a director of iStar Financial Inc. and a member of its investment committee.

***Incumbent Directors*—**Terms Expiring at the 2006 Annual Meeting of Stockholders

Irwin Engelman, age 70, has been a director since 2003. He is currently a consultant to various industrial companies. From November 1999 until April 2002, he served as Executive Vice President and Chief Financial Officer of YouthStream Media Networks, Inc., a media and retailing company serving high school and college markets. From 1992 until April 1999, he served as Executive Vice President and Chief Financial Officer of MacAndrews & Forbes Holdings, Inc., a privately-held financial holding company. From November 1998 until April 1999, he also served as Vice Chairman, Chief Administrative Officer and a director of Revlon, Inc., a publicly-traded consumer products company. From 1978 until 1992, he served as an executive officer of various public companies including International Specialty Products, Inc. (a subsidiary of GAF Holdings Inc.), CitiTrust Bancorporation, General Foods Corporation and The Singer Company. He is currently a director of Sanford Bernstein Mutual Funds, a publicly-traded company, and a member of its audit committee.

H. Carl McCall, age 69, has been a director since 2003. He is currently, and has been since June 2004, a principal of Convent Capital, LLC, a financial advisory firm. From February 2003 to June 2004, he served as Vice Chairman of Healthpoint, a private equity firm investing in the healthcare industry. From May 1993 until December 2002, he served as Comptroller of the State of New York, from 1991 until May 1993, he served as President of the New York City Board of Education and from 1985 to 1993 he served as Vice President of Citicorp. He is also currently a director of Tyco International LTD, a publicly-traded diversified manufacturing and service company.

Melvin Newman, age 63, has been a director since 1983. Mr. Newman is a private investor and the brother of William Newman.

Glenn J. Rufrano, age 55, has been a director since 2000 and our Chief Executive Officer since February 2000. From February 2000 until March 2002, Mr. Rufrano also served as our President. He was a partner in The O Connor Group, a diversified real estate firm, from its inception in 1983 until March 2000. He was Chief Financial Officer of The O Connor Group from June 1990 to November 1994 and President and Chief Operating Officer from November 1994 to March 2000. He also was Co-Chairman of The Peabody Group, an association between The O Connor Group and J.P. Morgan & Co., Inc., from September 1998 to March 2000. He currently serves on a number of boards at New York University s Real Estate Institute, where he is an adjunct professor, is a member of the Board of Governors and the Executive Committee of NAREIT and is a trustee of the International Council of Shopping Centers. He is also currently a director and member of the audit committee of Trizec Properties, Inc., a publicly-traded REIT that owns and operates office properties, and a director of CRIIMI MAE Inc., a publicly-traded REIT that owns and manages a portfolio of commercial mortgage-related assets. Mr. Rufrano s employment agreement with us provided that we nominate him at the 2003 annual meeting to serve as a director for a three-year term.

Vote Required

The affirmative vote of a plurality of all the votes cast at the annual meeting, assuming a quorum is present, is necessary for the election of a director. Therefore, the three individuals with the highest number of affirmative votes will be elected to the three directorships. For purposes of the election of directors, abstentions and other shares not voted (whether by broker non-vote or otherwise) will not be counted as votes cast and will have no effect on the result of the vote.

Recommendation of the Board of Directors

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH OF THE NOMINEES SET FORTH ABOVE.

INFORMATION REGARDING CORPORATE GOVERNANCE AND THE BOARD OF DIRECTORS AND ITS COMMITTEES

Has the Company adopted corporate governance guidelines?

Yes. The Company has adopted corporate governance guidelines which serve as guidelines and principles for the conduct of the Board of Directors. They reflect the Board s commitment to monitoring the effectiveness of decision-making at the Board and management level and ensuring adherence to good corporate governance principles, all with a goal of enhancing stockholder value over the long term. The corporate governance guidelines, which meet the requirements of the New York Stock Exchange listing standards, address a number of topics, including, among other things, director qualifications and responsibilities, the functioning of the Board, the responsibilities and composition of the Board committees, director compensation, management succession and annual Board review and self-evaluations. The corporate governance guidelines are available on our website at www.newplan.com and are also available in print to any stockholder who requests them. You can obtain such copy in print by contacting our Senior Vice President of Corporate Communications, either by mail at our corporate office or by e-mail at corporatecommunications@newplan.com.

Does the Company have a code of ethics?

Yes. The Company has adopted a Code of Business Conduct and Ethics which applies to all of our employees, officers and directors and meets the requirements for such code as set forth in the New York Stock Exchange listing standards. The Company has also adopted a Code of Ethics for Principal Executive Officer and Senior Financial Officers which meets the requirements of a code of ethics as defined by the rules and regulations of the Securities and Exchange Commission. Both the Code of Business Conduct and Ethics and the Code of Ethics for Principal Executive Officer and Senior Financial Officers are available on our website at www.newplan.com and are also available in print to any stockholder who requests them. You can obtain such copies in print by contacting our Senior Vice President of Corporate Communications, either by mail at our corporate office or by e-mail at corporatecommunications@newplan.com.

Does the Board of Directors have a lead director?

The Board of Directors established the position of lead director in 2003. The Board will, on an annual basis, select the lead director from among the Board s independent directors. The lead director is currently H. Carl McCall. The role of the lead director is to serve as liaison between (i) the Board of Directors and management, including the Chief Executive Officer, (ii) independent directors and (iii) interested third parties and the Board of Directors. The lead director serves as the focal point of communication with the Board of Directors regarding management plans and initiatives, and ensures that the role between board oversight and management operations is respected. The lead director also provides the medium for informal dialogue with and between independent directors, allowing for free and open communication within that group. In addition, the lead director will serve as the communication conduit for third parties who wish to communicate with the Board.

How often did the Board of Directors meet during 2004?

During 2004, the Board of Directors held eight meetings, including telephonic meetings, and took action by unanimous written consent twice. All directors attended at least 75% of Board and applicable committee meetings on which he or she served during his or her period of service. In addition, pursuant to our corporate governance guidelines, directors are expected to attend the annual meetings of stockholders. Last year, all of our directors attended the annual meeting of stockholders.

Does the Board of Directors have executive sessions of non-management directors?

Yes. Pursuant to our corporate governance guidelines and the New York Stock Exchange listing standards, in order to promote open discussion among non-management directors, the Board devotes a portion of each regularly scheduled Board meeting to executive sessions without management participation. In addition, our corporate governance guidelines provide that if the group of non-management directors includes directors who are not independent, as defined in the New York Stock Exchange s listing standards, at least one such executive session convened per year will include only independent directors. The lead director presides at these executive sessions.

How can I communicate with the Board of Directors?

Interested third parties may communicate with the Board by communicating directly with its presiding lead director, either (i) by sending any correspondence they may have in writing to the Lead Director c/o General Counsel of New Plan, who will then directly forward such correspondence to the lead director, or (ii) by e-mailing correspondence directly to the lead director at lead.director@newplan.com. The lead director will decide what action should be taken with respect to the communication, including whether such communication will be reported to the Board of Directors.

Are a majority of our directors independent?

Yes. The Board of Directors has evaluated the status of each director and has affirmatively determined that Ms. Matis and Messrs. Bottorf, Engelman, Gold, Goldstein, McCall, Puskar and White are independent, as such term is defined in the New York Stock Exchange s listing standards. William Newman and Glenn Rufrano are not independent as they are employees of the Company. In addition, Melvin Newman is not independent as he is the brother of William Newman.

Pursuant to our corporate governance guidelines and the New York Stock Exchange listing standards, in order for a director to be deemed independent, the Board of Directors must affirmatively determine that a director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). After broadly considering all facts and circumstances, the Board of Directors determined that Ms. Matis and Messrs. Bottorf, Engelman, Gold, Goldstein, McCall, Puskar and White have no known relationship (material or otherwise) with the Company.

Mr. Goldstein is the Chancellor of The City University of New York. Baruch College is one of the colleges in The City University of New York system. William Newman, our Chairman of the Board of Directors, recently agreed to make a personal charitable contribution in the amount of $25 million over 5 years to Baruch College. This was a personal gift by Mr. Newman that was not sponsored or endorsed by the Company in any manner. The Board of Directors determined that since the gift was personal and did not involve the Company or its management, no relationship existed between Mr. Goldstein and the Company as a result of Mr. Newman s gift, and determined that this charitable gift by Mr. Newman does not in any way interfere with or influence Mr. Goldstein s exercise of independent judgment as a director of the Company.

What committees has the Board of Directors established and how often did those committees meet during 2004?

The Board of Directors has an audit committee, an executive compensation and stock option committee, a nominating committee and a corporate governance committee. All members of the committees described below are independent of the Company as that term is defined in the New York Stock Exchange s listing standards and as affirmatively determined by the Board of Directors.

Audit Committee

The audit committee currently consists of four directors, Irwin Engelman, who is chairman, Raymond H. Bottorf, H. Carl McCall and George Puskar, all of whom are independent. The principal purposes of the audit committee are to assist the Board of Directors in the oversight of (i) the integrity of our financial statements; (ii) our compliance with legal and regulatory requirements; (iii) the qualification, independence and performance of our independent auditors; and (iv) the performance of our internal audit function. The audit committee is directly responsible for the appointment, compensation, retention and oversight of the work of our independent auditors and is also responsible to review with our independent auditors any audit problems or difficulties they have encountered in the course of their audit work. The audit committee is also charged with the tasks of reviewing our financial statements, financial reporting issues and adequacy of internal control over financial reporting with management and our independent auditors.

Our audit committee s written charter requires that all members of the committee meet the independence, experience, financial literacy and expertise requirements of the New York Stock Exchange, the Sarbanes-Oxley Act of 2002, the Securities Exchange Act of 1934, as amended, and applicable rules and regulations of the Securities and Exchange Commission, all as in effect from time to time. All of the members of the audit committee meet the foregoing requirements. The Board of Directors has determined that Irwin Engelman is an audit committee financial expert as defined by the rules and regulations of the Securities and Exchange Commission.

The Board of Directors has adopted a written charter for the audit committee, a copy of which is available on our website at www.newplan.com and is available in print free of charge to any stockholder who requests it. You can obtain such copy in print by contacting our Senior Vice President of Corporate Communications, either by mail at our corporate office or by e-mail at corporatecommunications@newplan.com. The audit committee met seven times during 2004, including telephonic meetings.

Executive Compensation and Stock Option Committee

The executive compensation and stock option committee, which we refer to as the compensation committee, currently consists of three directors, Gregory White, who is chairman, Matthew Goldstein and Nina Matis, all of whom are independent. The principal purposes of the compensation committee are to (i) review and approve our corporate goals and objectives with respect to the compensation of our executive officers, including the chief executive officer, evaluate the executive officers performance in light of those goals and objectives, and determine the appropriate level and structure of the executive officers compensation, subject to the approval of a majority of the Company s independent directors (including members of the compensation committee); (ii) make recommendations to the Board of Directors regarding compensation of the directors; and (iii) recommend, implement and administer our incentive and equity-based compensation plans.

The Board of Directors has adopted a written charter for the compensation committee, a copy of which is available on our website at www.newplan.com and is available in print free of charge to any stockholder who requests it. You can obtain such copy in print by contacting our Senior Vice President of Corporate Communications, either by mail at our corporate office or by e-mail at corporatecommunications@newplan.com. The compensation committee met two times, including telephonic meetings, and took action by unanimous written consent 12 times during 2004.

Nominating Committee

The nominating committee currently consists of three directors, George Puskar, who is chairman, Irwin Engelman and Nina Matis, all of whom are independent. The principal purposes of the nominating committee are to (i) identify individuals that are qualified to serve as directors; (ii) recommend such individuals to the Board of Directors, either to fill vacancies that occur on the Board from time to time or in connection with the selection of director nominees for each annual meeting of stockholders; and (iii) periodically assess the size of the Board of Directors to ensure that the Board of Directors can effectively carry out its obligations.

The nominating committee has approved, and the Board of Directors has adopted, policies and procedures to be used for considering potential director candidates to continue to ensure that our Board of Directors consists of a diversified group of qualified individuals that function effectively as a group. These policies and procedures provide that qualifications and credentials for consideration as a director nominee may vary according to the particular areas of expertise being sought as a complement to the existing composition of the Board of Directors. However, at a minimum, candidates for director must possess: (1) high integrity; (2) an ability to exercise sound judgment; (3) an ability to make independent analytical inquiries; (4) a willingness and ability to devote adequate time and resources to diligently perform Board duties; and (5) a reputation, both personal and professional, consistent with the image and reputation of the Company. In addition to the aforementioned minimum qualifications, the nominating committee also believes that there are other factors that, while not a prerequisite for nomination, should be taken into account when considering whether to recommend a particular person. These factors include: (1) whether the person possesses specific real estate expertise and familiarity with general issues affecting the Company s business; (2) whether the person s nomination and election would enable the Board of Directors to have a member that qualifies as an audit committee financial expert as such term is defined by the Securities and Exchange Commission; (3) whether the person would qualify as an independent director under the New York Stock Exchange s listing standards and our corporate governance guidelines; (4) the importance of continuity of the existing composition of the Board of Directors; and (5) the importance of a diversified Board membership, in terms of both the individuals involved and their various experiences and areas of expertise.

The nominating committee will seek to identify director candidates based on input provided by a number of sources, including (i) nominating committee members, (ii) other members of the Board of Directors, and (iii) stockholders of the Company. The nominating committee also has the authority to consult with or retain advisors or search firms to assist in the identification of qualified director candidates; however, we do not currently employ a search firm, or pay a fee to any other third party, to locate qualified director candidates. As part of the identification process, the nominating committee takes into account the number of expected director vacancies and whether existing directors have indicated a willingness to continue to serve as directors if re-nominated. Once a director candidate has been identified, the nominating committee will then evaluate this candidate in light of his or her qualifications and credentials, and any additional factors that it deems necessary or appropriate. Existing directors who are being considered for re-nomination will be re-evaluated as part of the nominating committee s process of recommending director candidates.

The nominating committee will consider all persons recommended by stockholders in the same manner as all other director candidates. Stockholders who wish to submit qualified candidates must comply with the advance notice provisions and other requirements of Article II, Section 11 of our bylaws. These notice provisions require that recommendations for directors must be received no more than 150 days and no less than 120 days prior to the first anniversary of the date of the proxy statement for the preceding year (that is, no earlier than October 22, 2005 and no later than November 21, 2005 for candidates for election at the 2006 annual meeting).

After completing the identification and evaluation process described above, the nominating committee will recommend to the Board of Directors the nomination of a number of candidates equal to the number of director vacancies that will exist at the annual meeting of stockholders. The Board of Directors will then select director nominees for stockholders to consider and vote upon at the annual stockholders meeting.

The Board of Directors has adopted a written charter for the nominating committee, a copy of which is available on our website at www.newplan.com and is available in print free of charge to any stockholder who requests it. You can obtain such copy in print by contacting our Senior Vice President of Corporate Communications, either by mail at our corporate office or by e-mail at corporatecommunications@newplan.com. The nominating committee met two times during 2004, including telephonic meetings.

Corporate Governance Committee

The corporate governance committee currently consists of four directors, Norman Gold, who is chairman, Raymond Bottorf, H. Carl McCall and Gregory White, all of whom are independent. The principal purposes of the corporate governance committee are to (i) develop, recommend, implement and monitor our corporate governance guidelines, our code of business conduct and ethics and our code of ethics for our principal executive officer and senior financial officers; (ii) oversee the evaluation of the Board of Directors and management; and (iii) ensure that we are in compliance with all New York Stock Exchange listing requirements.

The Board of Directors has adopted a written charter for the corporate governance committee, which is available on our website at www.newplan.com and is available in print free of charge to any stockholder who requests it. You can obtain such copy in print by contacting our Senior Vice President of Corporate Communications, either by mail at our corporate office or by e-mail at corporatecommunications@newplan.com. The corporate governance committee met two times, including telephonic meetings, during 2004.

Do our directors receive any compensation for their service as directors?

Directors who are not otherwise paid employees or consultants of the Company currently receive an annual retainer fee of $40,000, plus a fee of $1,000 for attendance, in person or telephonically, at each meeting of the Board of Directors. Non-employee directors also currently receive $1,000 for each committee meeting attended, including telephonic meetings, that is not on the same day as a meeting of the Board of Directors. The lead director currently receives an additional annual retainer fee of $10,000. The chairman of the audit committee currently receives an additional annual retainer fee of $10,000, and the chairman of each of the executive compensation and stock option committee, the nominating committee and the corporate governance committee currently receives an additional annual retainer fee of $5,000. In addition, the other directors who are members of the audit committee currently receive an additional annual retainer fee of $5,000. Each director is reimbursed for expenses incurred in attending meetings, including committee meetings. The $40,000 annual retainer fee is paid 50% in cash and 50% through the issuance of shares of our common stock.

In addition, directors who are not otherwise paid employees or consultants of the Company are entitled to receive, on an annual basis, options to purchase shares of our common stock in accordance with the following formula: 3,000 shares, plus 250 shares multiplied by the number of years of continuous service beginning in 1997, including any portion of any fiscal year of service as a full year. The option price is the fair market value of the underlying shares of our common stock on the date of grant and the options are fully vested upon grant.

Do we have minimum stock ownership guidelines for our non-management directors?

Yes. In February 2005, the Board of Directors adopted a policy declaring that all non-management directors should hold meaningful equity ownership positions in the Company. We believe that stock ownership requirements for non-management directors ensure that all of our directors have a proprietary stake in the Company and that the interests of the directors continue to be closely aligned with the interests of our stockholders. The compensation committee is responsible for determining the minimum stock ownership requirements for the non-management directors from time to time. Under the current requirements adopted by the compensation committee, non-management directors are expected to own, within five years of initial election to the Board (or by December 31, 2009 in the case of current directors), shares of our common stock with a market value of at least $150,000.

EXECUTIVE COMPENSATION AND OTHER INFORMATION

Who are our executive officers?

The following is a list of our current executive officers, their ages and principal functions.

William Newman, age 78, has been our Chairman of the Board of Directors since our organization in 1972. He served as our Chief Executive Officer from 1972 to 1998 and as our President from 1972 to 1988. He served as President and Chief Executive Officer of our predecessor corporation, New Plan Realty Corporation, from the corporation s organization in 1961 through its reorganization in 1972. He is a past Chairman of NAREIT and has been actively involved in real estate for over 50 years.

Glenn J. Rufrano, age 55, has been a director since 2000 and our Chief Executive Officer since February 2000. From February 2000 until March 2002, Mr. Rufrano also served as our President. He was a partner in The O Connor Group, a diversified real estate firm, from its inception in 1983 until March 2000. He was Chief Financial Officer of The O Connor Group from June 1990 to November 1994 and President and Chief Operating Officer from November 1994 to March 2000. He also was Co-Chairman of The Peabody Group, an association between The O Connor Group and J.P. Morgan & Co., Inc., from September 1998 to March 2000. He currently serves on a number of boards at New York University s Real Estate Institute, where he is an adjunct professor, is a member of the Board of Governors and the Executive Committee of NAREIT and is a trustee of the International Council of Shopping Centers. He is also currently a director and member of the audit committee of Trizec Properties, Inc., a publicly-traded REIT that owns and operates office properties, and a director of CRIIMI MAE Inc., a publicly-traded REIT that owns and manages a portfolio of commercial mortgage-related assets.

Scott D. MacDonald, age 57, has been our President and Chief Operating Officer since March 2002. From July 1995 until March 2002, he was President and CEO of CenterAmerica Property Trust, L.P., a private real estate company. As previously disclosed, Mr. MacDonald anticipates relocating to the West Coast during the second quarter of 2005, and, as a result, will relinquish his role as President and Chief Operating Officer effective April 30, 2005.

John B. Roche, age 47, has been an Executive Vice President since March 2002 and our Chief Financial Officer since May 2000. He was Senior Vice President of the financial services division of The Related Companies, a fully integrated real estate firm, from May 1998 until May 2000.

Leonard I. Brumberg, age 61, has been an Executive Vice President since September 2000. Mr. Brumberg was Managing Director and Chief Operating Officer of City Center Retail Trust, a private REIT, from October 1997 until September 2000.

Steven F. Siegel, age 45, has been an Executive Vice President since March 2002 and our General Counsel since 1991. He was our Senior Vice President from September 1998 to March 2002. Mr. Siegel has also served as our Secretary from 1991 to September 1998 and since April 1999.

Dean R. Bernstein, age 47, has been our Executive Vice President—Acquisitions/Dispositions since March 2005 and has been employed by us since 1991. He was our Senior Vice President—Acquisitions/Dispositions from January 2001 to February 2005 and our Senior Vice President—Finance from September 1998 to January 2001. Mr. Bernstein is the son-in-law of William Newman.

Michael A. Carroll, age 36, has been our Executive Vice President Real Estate Operations since March 2005 and has been employed by us since November 1992. From March 2002 to March 2005, he was our Senior Vice President—Director of Redevelopment. Between November 1992 and March 2002, Mr. Carroll held various positions at the Company, including Vice President Asset Management, Vice President Leasing and Assistant Vice President Leasing.

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Compensation Tables

The following tables contain certain compensation information for our Chief Executive Officer and our four other most highly compensated executive officers who were serving as executive officers on December 31, 2004 (our named executive officers):

(a) Summary Compensation Table

		Annual Compensation		Long-Term Compensation(1)		
Name & Principal Position	**Year**	**Salary**	**Bonus(1)**	**Restricted Stock Awards (2)**	**Securities Underlying Options (#)**	**All Other Compensation(3)**
Glenn J. Rufrano	2004	$ 576,346	$ 800,000	$ 413,255	125,000	$ 6,150
Chief Executive Officer	2003	$ 555,000	$ 750,000	$ 397,500	115,000	$ 6,000
	2002	$ 555,000	$ 400,000	$ 258,960	75,000	$ 5,500
Scott MacDonald	2004	$ 449,615	$ 225,000	$ 0	0	$ 6,150
President and Chief Operating	2003	$ 425,000	$ 225,000	$ 182,320	54,900	$ 6,000
Officer	2002	$ 337,340 (4)	$ 212,500	$ 172,640	295,000 (5)	$ 5,500
John B. Roche	2004	$ 321,547	$ 250,000	$ 169,110	51,000	$ 6,150
Executive Vice President and	2003	$ 300,494	$ 195,000	$ 148,135	42,700	$ 6,000
Chief Financial Officer	2002	$ 291,578	$ 195,000	$ 140,270	35,000	$ 5,500
Steven F. Siegel	2004	$ 293,196	$ 180,000	$ 140,025	42,300	$ 6,150
Executive Vice President,	2003	$ 274,135	$ 175,000	$ 148,135	42,700	$ 6,000
General Counsel and Secretary	2002	$ 266,000	$ 175,000	$ 140,270	35,000	$ 5,500
Leonard I. Brumberg	2004	$ 288,766	$ 130,000	$ 140,025	42,300	$ 6,150
Executive Vice President	2003	$ 268,863	$ 125,000	$ 148,135	42,700	$ 6,000
Portfolio Management	2002	$ 260,885	$ 115,000	$ 140,270	35,000	$ 5,500

(1) Shows bonus and long-term compensation paid with respect to the year listed (for example, bonuses and long-term compensation with respect to 2004 were approved in February 2005, but relate to 2004 performance, and therefore are shown as being paid with respect to 2004).

(2) Represents the value of grants of restricted stock made under our 2003 Stock Incentive Plan, based on the last sale price of our common stock on the grant date. A total of 50% of the shares of restricted stock vest ratably over a five-year period, assuming the grantee is still an employee of the Company or otherwise eligible for vesting on the vesting date, while the remaining 50% vests ratably over a five-year period, but subject to the achievement of certain annual performance goals established annually by the Executive Compensation and Stock Option Committee. Grantees are entitled to receive any dividends paid on the restricted stock during the vesting period, and have voting rights with respect to such shares. As of December 31, 2004, the total holdings of unvested restricted stock of the named executive officers and the market value of such holdings based on the last sale price of our common stock on the New York Stock Exchange on December 31, 2004 ($27.08) were as follows: Mr. Rufrano: 24,600 shares ($666,168); Mr. MacDonald: 13,280 shares ($359,622); and Messrs. Roche, Siegel and Brumberg: 10,790 shares each ($292,193 each).

(3) Represents our 401(k) plan contribution for each named executive officer. Excludes certain other personal benefits, the total value of which was less than the lesser of $50,000 or 10% of the total salary and bonus paid or accrued by the Company for services rendered by each named executive officer during the year indicated.

(4) The amount set forth as salary for Mr. MacDonald for 2002 represents actual salary paid to him from his hire date (March 1, 2002) to December 31, 2002. His annualized salary for 2002 was $425,000.

(5) Includes options to purchase 250,000 shares granted when Mr. MacDonald commenced employment with the Company.

(b) Option Grants in 2004

Name	Number of Securities Underlying Options Granted	% of Total Options Granted to Employees in 2004	Exercise Price Per Share	Expiration Date	Potential Realizable Value at Assumed Rates of Stock Price Appreciation for Option Term 5%(1)	10%(1)
Glenn J. Rufrano	115,000	18.2 %	$ 26.10	3/2/2014	$ 1,887,627	$ 4,783,618
Scott MacDonald	54,900	8.7 %	$ 26.10	3/2/2014	$ 901,137	$ 2,283,658
John B. Roche	42,700	6.8 %	$ 26.10	3/2/2014	$ 700,884	$ 1,776,678
Steven F. Siegel	42,700	6.8 %	$ 26.10	3/2/2014	$ 700,884	$ 1,776,678
Leonard I. Brumberg	42,700	6.8 %	$ 26.10	3/2/2014	$ 700,884	$ 1,776,678

(1) The 5% and 10% rates of appreciation were set by the Securities and Exchange Commission and are not intended to forecast future appreciation, if any, of our common stock.

(c) Aggregated Option Exercises in 2004 and Fiscal Year-End Option Values

Name	Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options at December 31, 2004 Exercisable	Unexercisable	Value of Unexercised In-The-Money Options at December 31, 2004(1) Exercisable	Unexercisable
Glenn J. Rufrano	7,804	$ 106,427	418,132	450,400	$ 5,649,500	$ 3,979,472
Scott MacDonald	10,000	$ 70,600	68,480	271,420	$ 490,902	$ 1,620,900
John B. Roche	80,040	$ 605,242		211,260	$	$ 1,690,466
Steven F. Siegel	55,000	$ 551,866	89,610	189,960	$ 886,184	$ 1,455,793
Leonard I. Brumberg	11,500	$ 137,375	93,740	189,960	$ 1,022,777	$ 1,430,499

(1) Based upon a closing price per share of our common stock of $27.08 on December 31, 2004.

Do we have employment agreements with our named executive officers?

We have entered into employment agreements with each of Messrs. Rufrano, Roche, Siegel and Brumberg. Our employment agreement with Mr. MacDonald expired on March 1, 2005 and was not renewed. The principal terms of each of these agreements are summarized below.

Glenn J. Rufrano Employment Agreement. On March 15, 2005, the Company entered into a new employment agreement with Mr. Rufrano, replacing the original employment agreement that was entered into upon commencement of Mr. Rufrano s employment with the Company in February 2000. The new employment agreement has a term commencing on March 15, 2005 and ending on June 30, 2010. The employment agreement also provides that, during the employment period, Mr. Rufrano continue to be nominated by us at our annual meetings of stockholders to serve as our director, and that we use reasonable good faith efforts to cause Mr. Rufrano to be elected as a director. In addition, the employment agreement provides that, during the employment period, Mr. Rufrano be our Chief Executive Officer and be appointed as a full voting member of our Investment Committee, or any successor committee.

Under the employment agreement, Mr. Rufrano will receive a minimum annual base salary of $600,000. The employment agreement also provides for Mr. Rufrano to receive a minimum cash bonus of $800,000 for calendar year 2005 services, such bonus to be paid on or before March 15, 2006. Thereafter, any annual cash bonus shall be determined in the discretion of the Company s compensation committee. In addition, the employment agreement provides for Mr. Rufrano to receive a grant of stock options and/or restricted stock valued at not less than $800,000 for calendar year 2005 services, such grant to be awarded on or before March 15, 2006. Thereafter, the grant of any annual long term incentive compensation shall be determined in the discretion of the Company s compensation committee. During the employment period, Mr. Rufrano will also be entitled to receive business expense reimbursements and an automobile allowance, and to participate in the incentive, retirement, welfare benefit and fringe benefit programs made available to the Company s senior executives.

Pursuant to the terms of his employment agreement, Mr. Rufrano may also become entitled to an award of common stock, termed outperform shares, in the event that over designated performance periods either of two specified performance criteria are achieved (total return on Company shares or total return on Company shares in relation to a designated peer group). The value of the common stock award will vary based on the level of performance achieved, but the maximum award of common stock that can be achieved is $6 million.

The first performance period will be a four-year period commencing on February 23, 2005 and ending on February 22, 2009. Any common stock awarded for this performance period would be subject to a one year vesting schedule and would become fully vested and non-forfeitable on February 22, 2010 (but Mr. Rufrano would be entitled to receive the dividend on, and the voting rights with respect to, any such shares during the one-year vesting period). In the event that the maximum performance level is not achieved during the initial four-year performance period, then there will be a second performance period running from February 23, 2005 until February 22, 2010, and if at the end of such five-year period a performance level is achieved that is greater than the performance level that was achieved over the initial four-year period, Mr. Rufrano will be entitled to receive an incremental award of common stock based on the greater performance level achieved over such five-year performance period. Any common stock awarded based on the five-year performance period will fully vest and be non-forfeitable on February 22, 2010.

If Mr. Rufrano s employment is terminated by us without cause or by Mr. Rufrano for good reason, Mr. Rufrano will be entitled to severance benefits, including:

- A lump-sum amount equal to two times Mr. Rufrano s average annualized compensation (counting base salary and bonus) for the two fiscal years preceding the date of termination of employment;

- Mr. Rufrano s outstanding stock options and outstanding restricted stock granted more than one year prior to the date of termination will fully vest as of the date of such termination;

- If a performance level is achieved as measured through the date of termination, then Mr. Rufrano will be entitled to receive an award of common stock corresponding to the performance level so achieved (and if the date of termination is after February 23, 2009, any outperform shares previously awarded will fully vest as of the date of termination); and

- For three years following the termination or, if earlier, until reemployment with equivalent benefits, Mr. Rufrano will be provided with medical, hospitalization, dental and life insurance coverage at substantially the same level in effect at the date of termination.

In addition, if Mr. Rufrano s termination without cause or for good reason occurs before payment of the guaranteed bonus for 2005 services, the bonus nevertheless will be paid to Mr. Rufrano, and, if the termination without cause or for good reason occurs before the guaranteed equity award in respect of 2005 service, Mr. Rufrano will be paid the minimum guaranteed value of the award.

Good reason is defined to include, among other things, a change in control of the Company, as defined in the employment agreement. Termination for cause does not constitute good reason.

All of the foregoing severance benefit payments are subject to certain provisions of the Internal Revenue Code of 1986, as amended, concerning excess parachute payments.

The employment agreement also provides for certain benefits upon Mr. Rufrano s death or disability.

If the employment agreement is terminated by Mr. Rufrano without good reason or by us for cause, for one year following the date of termination, Mr. Rufrano may not serve as an officer, employee, director or consultant of a REIT or other real estate business with a significant portion of its business involved with community or neighborhood shopping centers; however, if the employment agreement is terminated by Mr. Rufrano without good reason on or after February 23, 2008, the one-year noncompetition restriction described above shall be inapplicable unless following Mr. Rufrano s notice of resignation, the Company were to offer Mr. Rufrano a new employment contract on terms and conditions consistent with then current chief executive officer contracts for the Company s peer group. Mr. Rufrano will not be subject to any noncompetition restriction following expiration of the employment agreement without renewal on June 30, 2010.

John B. Roche Employment Agreement. Mr. Roche s employment agreement provides for a term ending on May 15, 2006 and extends automatically for additional one-year periods unless either New Plan or Mr. Roche elects not to extend the term. The employment agreement also provides that Mr. Roche be our Chief Financial Officer and that his annual salary cannot be reduced during the term of the agreement. In addition, the employment agreement provides that Mr. Roche receive an annual cash bonus of up to 100% of his base salary as determined by the compensation committee. The employment agreement also provides that, during the employment period, Mr. Roche will also be entitled to receive business expense reimbursements and an automobile allowance, and to participate in the incentive, retirement, welfare benefit and fringe benefit programs made available to the Company s senior executives.

In accordance with the terms of his employment agreement and related option agreement, Mr. Roche was granted options to purchase 150,000 shares of our common stock on May 15, 2000, at an exercise price of $14.4375 per share, the closing price of our common stock on May 15, 2000. A total of 108,000 of these options vest ratably over five years commencing on the first anniversary of the grant date, while the remaining 42,000 vest upon the eighth anniversary of the grant date, subject to acceleration in the fourth and fifth years in the event certain performance criteria are achieved. A total of 21,000 of these 42,000 options vested on May 15, 2004 because the applicable performance criteria were satisfied.

If Mr. Roche s employment is terminated by us without cause or by Mr. Roche for good reason, as such terms are defined in the employment agreement, Mr. Roche will be entitled to severance benefits consisting of a lump sum payment equal to twice his average total compensation, including bonus, for the two fiscal years ending prior to termination date, continuation for a period of three years of all insurance coverage in effect for Mr. Roche on the termination date and the full vesting of all stock options granted more than one year prior to the date of termination. In addition, Mr. Roche s stock options will fully vest as of the date of such termination. However, all of the foregoing is subject to certain provisions of the Internal Revenue Code of 1986, as amended, concerning excess parachute payments. Good reason is defined to include a change of control of New Plan, as defined in the employment agreement. The employment agreement also provides for certain benefits upon Mr. Roche s death or disability. If the employment agreement is terminated by Mr. Roche without good reason or by us, regardless of whether we have cause, for one year following the date of termination Mr. Roche may not:

- serve as an officer, employee, director or consultant of a REIT or other real estate business with a significant portion of its business involved with community shopping centers,
- generally, engage in any business which is competing with us,
- divert to any entity any of our business, or
- solicit any of our officers, employees or consultants to leave.

Steven F. Siegel Employment Agreement. The employment agreement of Mr. Siegel provides for a term ending on December 31, 2006, and extends automatically for additional one-year periods unless either New Plan or Mr. Siegel elects not to extend the term. The employment agreement also provides that Mr. Siegel be our Senior Vice President and General Counsel, and that his annual salary cannot be reduced during the term of the agreement. In addition, the employment agreement provides that Mr. Siegel receive an annual cash bonus of up to 50% of his base salary as determined by the compensation committee. The employment agreement also provides that, during the employment period, Mr. Siegel will also be entitled to receive business expense reimbursements and an automobile allowance, and to participate in the incentive, retirement, welfare benefit and fringe benefit programs made available to the Company s senior executives.

If Mr. Siegel s employment is terminated by us without cause or by Mr. Siegel for good reason, as such terms are defined in the employment agreement, Mr. Siegel will be entitled to severance benefits consisting of a lump sum payment equal to twice his average total compensation, including bonus, for the two fiscal years ending prior to the termination date, continuation for a period of three years of all insurance coverage in effect for Mr. Siegel on the termination date, the full vesting of all stock options granted more than one year prior to the date of termination. However, all of the foregoing is subject to certain provisions of the Internal Revenue Code of 1986, as amended, concerning excess parachute payments. Good reason is defined to include a change in control of New Plan, as defined in the employment agreement. The employment agreement also provides for certain benefits upon the death or disability of Mr. Siegel. If the employment agreement is terminated by Mr. Siegel without good reason or by us for cause, for one year following the date of termination, Mr. Siegel will not:

- engage in any business which is competing us,
- divert to any entity any of our business, or
- solicit any of our officers, employees or consultants to leave.

Leonard I. Brumberg Employment Agreement. The employment agreement of Mr. Brumberg originally provided for a term ending on September 25, 2005, and extends automatically for additional one-year periods unless either New Plan or Mr. Brumberg elects not to extend the term. We recently extended this agreement until September 25, 2007. The employment agreement, as amended, also provides that Mr. Brumberg be our Executive Vice President Portfolio Management, and that his annual salary cannot be reduced during the term of the agreement. In addition, the employment agreement provides that Mr. Brumberg receive an annual cash bonus as determined by the compensation committee. The employment agreement also provides that, during the employment period, Mr. Brumberg will also be entitled to receive business expense reimbursements and an automobile allowance, and to participate in the incentive, retirement, welfare benefit and fringe benefit programs made available to the Company s senior executives.

In accordance with the terms of his employment agreement and related option agreement, Mr. Brumberg was granted options to purchase 75,000 shares of our common stock on September 25, 2000, at an exercise price of $14.00 per share, the closing price of our common stock on September 22, 2000. A total of 54,000 of these options vest ratably over five years commencing on the first anniversary of the grant date, while the remaining 21,000 vest upon the eighth anniversary of the grant date, subject to acceleration in the fourth and fifth years in the event certain performance criteria are achieved. A total of 10,500 of these 21,000 options vested on September 25, 2004 because the applicable performance criteria were satisfied.

If Mr. Brumberg s employment is terminated by us without cause or by Mr. Brumberg for good reason, as such terms are defined in the employment agreement, Mr. Brumberg will be entitled to severance benefits consisting of a lump sum payment equal to twice his average total compensation, including bonus, for the two fiscal years ending prior to the termination date, continuation for a period of three years of all insurance coverage in effect for Mr. Brumberg on the termination date, the full vesting of all stock options granted more than one year prior to the date of termination and the cancellation of any loans made by us to Mr. Brumberg after the date of the employment agreement. In addition, Mr. Brumberg s stock options will fully vest as of the date of such termination. However, all of the foregoing is subject to certain provisions of the Internal Revenue Code of 1986, as amended, concerning excess parachute payments. Good reason is defined to include a change in control of New Plan, as defined in the employment agreement. The employment agreement also provides for certain benefits upon the death or disability of Mr. Brumberg. If the employment agreement is terminated by Mr. Brumberg without good reason or by us for cause, for one year following the date of termination, Mr. Brumberg will not:

- engage in any business which is competing with us,
- divert to any entity any of our business, or
- solicit any of our officers, employees or consultants to leave.

Notwithstanding anything to the contrary set forth in any of our filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, that might incorporate Securities and Exchange Commission filings, in whole or in part, the following performance graph, the compensation committee report on executive compensation and the audit committee report will not be incorporated by reference into any such filings.

PERFORMANCE GRAPH

The following graph compares the cumulative total stockholder return of our common stock for the period from December 31, 1999 to December 31, 2004 to the S&P 500 Index and to the published NAREIT All Equity REIT Index over the same five-year period. The graph assumes that the value of the investment in our common stock and each index was $100 at December 31, 1999 and that all dividends were reinvested. The stockholder return shown on the graph below is not indicative of future performance.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

AMONG NEW PLAN EXCEL REALTY TRUST, INC., THE S & P 500 INDEX

AND THE NAREIT EQUITY INDEX

* $100 invested on 12/31/99 in stock or index-including reinvestment of dividends. Fiscal year ending December 31.

Index	**12/31/99**	**12/31/00**	**12/31/01**	**12/31/02**	**12/31/03**	**12/31/04**
New Plan Excel Realty Trust, Inc.	100.00	93.83	149.82	163.22	227.09	265.79
S&P 500	100.00	90.89	80.09			