

2005 Greater Washington Real Estate Entrepreneur Of The Year

AWARD RECIPIENT

Donald Wood

President and CEO,
Federal Realty
Investment Trust



Don Wood did not grow up in an affluent family. In high school, he started a landscaping company to earn money and he also earned a college scholarship. After graduating with honors, Wood sold his landscaping business for \$10,000, began his career at Arthur Andersen, and received his CPA.

Drawing on his real estate experience with Andersen, Wood joined the Trump Organization and then Caesars World. In 1998, he joined Federal Realty Investment Trust as CFO. Though everything had looked good from the "outside," Wood quickly realized the company had major financial problems. He set out to fix those problems, and while he did not found Federal Realty, it was under his entrepreneurial leadership that one of the nation's oldest real estate investment trusts was reborn.

Since its start in 1962, Federal Realty's strategy had been to buy older, well-located neighborhood and community shopping centers and enhance operating performance

through expansion and re-tenanting. However, prior to Wood coming on board, management had begun to develop large-scale retail and mixed-use developments. This exposed the company to significant risks and negatively affected valuation.

Wood recognized that while the existing properties had considerable value, the new business plan lacked sustainability. He developed a new strategy to re-establish the company's reputation as the premier owner of high-quality retail assets in strategic East Coast and California markets. In March of 2002, under Wood's supervision and with the backing of the Board of Trustees, Federal Realty "returned to its roots."

The company was on track with its new business plan when a crisis occurred: a major fire took place during the construction of Santana Row, one of the large-scale retail and mixed-use developments Federal Realty had taken on. The company's guarantee of the construction loan put the company in financial danger. Though Wood was at the time receiving treatment for cancer, he led Federal Realty employees, city officials, and insurance adjusters in finding a solution and the retail portion of Santana Row opened on time.

When Wood was promoted to CEO in December 2002, he established a new

management team to execute his new business plan to leverage the existing portfolio to maximize the value of the company's superior real estate, drive internal growth, and make strategic property acquisitions in core markets. He also implemented financial, structure, and process disciplines. He implemented initiatives to change Federal Realty's corporate culture to identify, reward, and advance top performers. In addition, Wood guided Federal Realty in creating an innovative joint venture with Clarion Lion Properties fund in which the company, as the manager of the venture and its properties, earns fees and can participate in performance-based earnings.

Wood's strategic vision and leadership have led Federal Realty to record earnings in 2004 and 2005, positioning it as a leader in the retail REIT sector.

In addition to running a successful business, Wood is very involved in family life and in the local community and is currently serving as Chairman of the Washington, D.C. Metro Chapter of the Cystic Fibrosis Foundation. Wood has translated his personal commitment to "giving back" to the community into corporate culture: In 2004 alone, Federal Realty and its employees raised over \$95,000 for a variety of causes.