

**Forest City Enterprises, Inc.**

FCEA NYSE

Real Estate Operations

Market Capitalization USD:

\$1,600.41 mm**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: David J. LaRue**Age: 50****CEO Since: 2011**

	2009	2010	2011
Base Salary	\$500,000	\$500,000	\$561,683
Discretionary Bonus	\$0	\$162,500	\$0
Annual Cash Incentive	\$400,000	\$410,000	\$1,935,000
Benefits and Perquisites	\$68,645	\$71,202	\$66,916
TOTAL ANNUAL COMPENSATION	\$968,645	\$1,143,702	\$2,563,599
Increase in Post-Retirement Benefits	\$9,396	\$6,949	\$6,851
Stock Option Awards	\$110,431	\$402,495	\$719,999
Stock Awards	\$0	\$79,990	\$1,239,992
TOTAL COMPENSATION	\$1,088,472	\$1,633,136	\$4,530,441
Median of Other Named Executive Officers Total Compensation	\$1,048,336	\$2,020,505	\$2,563,964
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$0	\$0	\$497,737
TOTAL REALIZED EQUITY COMPENSATION	\$0	\$0	\$497,737

Proxy Date: 30 Apr 2012

Annual Meeting Date: 13 Jun 2012

Equity Reserves: 5.10%

Stock Option Run Rate: 0.28%

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Performance Comparison

■ S&P500 ■ Industry ■ FCEA



Peer Comparisons (TRBC) =Real Estate Operations

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
FCEA	Forest City Enterprises, Inc.	\$1,088,472	\$1,633,136	\$4,530,441	\$1,600,413,046
CBG	CBRE Group, Inc.	\$7,224,535	\$11,539,125	\$5,350,398	\$4,375,806,454
JLL	Jones Lang LaSalle Incorporated	\$2,329,657	\$6,466,397	\$7,121,986	\$2,250,348,905
HHC	Howard Hughes Corporation (The)		\$110,256	\$2,500,000	\$1,597,362,704
JOE	St. Joe Company (The)	\$2,808,270	\$4,508,249	\$1,159,827	\$1,383,312,756
AEC	Associated Estates Realty Corporation	\$2,350,077	\$3,301,316	\$2,598,907	\$642,119,705
MGRC	McGrath RentCorp	\$1,188,481	\$1,378,504	\$1,763,001	\$579,547,309

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Alexandria Real Estate Equities, Inc., Apartment Investment and Management Company, AvalonBay Communities, Inc., Boston Properties, Inc., Brookfield Office Properties, Inc., CBL & Associates Properties, Inc., DDR Corporation, Duke Realty Corporation, Equity Residential, Kimco Realty Corporation, Macerich Company, SL Green Realty Corp., UDR, Inc., and Vornado Realty Trust.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Scott S. Cowen	Chairman	65	Male	23	Outside Related
Arthur F. Anton	Member	54	Male	2	Outside
Deborah L. Harmon	Member	52	Female	4	Outside
Louis Stokes	Member	87	Male	13	Outside Related
Michael P. Esposito	Member	72	Male	17	Outside Related
Stan Ross	Member	76	Male	13	Outside Related

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