RAMCO GERSHENSON PROPERTIES TRUST
Form 424B5
October 17, 2003

Rule 424(b)5
Registration Statement No. 333-99345

PROSPECTUS SUPPLEMENT

(To prospectus dated September 27, 2002)

Ramco-Gershenson Properties Trust

2,000,000 Shares

Common Shares of Beneficial Interest

This is a public offering of 2,000,000 of our common shares of beneficial interest, par value $0.01 per share. All the common shares offered pursuant to this prospectus supplement are being offered by us.

Our common shares are listed on The New York Stock Exchange under the symbol RPT. On October 15, 2003, the last reported sale price of our common shares on the New York Stock Exchange was $25.94 per common share.

Investing in our common shares involves risk. See Risk Factors beginning on Page 1 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$ 25.20	$ 50,400,000
Underwriting discounts and commissions	$ 0.50	$ 1,000,000
Proceeds, before expenses, to us	$ 24.70	$ 49,400,000

We have granted the underwriters an option to purchase up to 300,000 additional common shares to cover over-allotments.

The underwriters expect to deliver the common shares to purchasers on or about October 20, 2003.

Joint Book-Running Managers

McDonald Investments Inc. **RBC Capital Markets**

The date of this prospectus supplement is October 15, 2003.

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. Because it is a summary, it may not contain all the information that is important to you. You should read carefully this entire prospectus supplement and the accompanying prospectus, especially the section entitled Where You Can Find More Information on page (i) of the accompanying prospectus and the section entitled Risk Factors beginning on page 1 of the accompanying prospectus, as well as the documents incorporated by reference in this prospectus supplement and in the accompanying prospectus, before making a decision to invest in the common shares. Throughout this prospectus supplement, we refer to Ramco-Gershenson Properties Trust, a Maryland real estate investment trust, and its subsidiaries, including Ramco-Gershenson Properties, L.P. and Ramco-Gershenson, Inc. and their predecessors, as we, our, us or the Company unless otherwise noted.

Ramco-Gershenson Properties Trust

We are a fully integrated, self-administered and self-managed real estate investment trust, also known as a REIT, that acquires, develops, manages and owns community shopping centers in the midwestern, southeastern and mid-Atlantic regions of the United States. As of September 30, 2003, we had a portfolio of 64 shopping centers totaling approximately 12.8 million square feet of gross leaseable area located in 12 states. Our properties consist of 63 community shopping centers, ten of which are power centers and three of which are single tenant facilities. We also own one enclosed regional mall. Our shopping centers are located in convenient and easily-accessible locations with abundant parking which are close to residential communities and offer excellent visibility for our tenants and easy access for shoppers.

For approximately half a century, Ramco-Gershenson, Inc. and its predecessor developed and owned shopping centers throughout the United States. Over that time, we developed or acquired over 60 shopping centers with a total of over 16.5 million square feet.

In May 1996, RPS Realty Trust 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 its affiliates. The resulting trust changed its name to Ramco-Gershenson Properties Trust.

We conduct substantially all of our business, and hold substantially all of our interests in our properties, through our operating partnership, Ramco-Gershenson Properties, L.P., either directly or indirectly through partnerships or limited liability companies which hold fee title to the properties. We have the exclusive power to manage and conduct the business of our operating partnership. As of June 30, 2003, our company owned approximately 83.2% of the interests in our operating partnership.

Competitive Strengths

Based on our long history in the shopping center industry, the caliber of our management team and the quality of our assets, we feel that we are uniquely positioned to capitalize on opportunities in the real estate market as they present themselves.

Community Shopping Center Focus

We are predominantly a community shopping center company with a focus on acquiring, developing and managing centers primarily anchored by grocery stores and nationally-recognized discount department stores. It is our belief that centers with a grocery and/or discount components attract consumers seeking value-oriented goods and services. Since these products are required to satisfy everyday needs, customers usually visit the centers on a weekly basis.

Markets In Which We Operate

Our shopping centers are primarily located in major metropolitan areas in the midwestern and southeastern regions of the United States. Within specific markets, we seek convenient, easily accessible locations with abundant parking facilities, close to residential communities, with excellent visibility for our tenants and easy access for shoppers. In both of these regions we have concentrated a number of centers in reasonable proximity to each other in order to achieve market penetration as well as efficiencies in management, oversight and purchasing.

Proactive Asset Management

We use our asset management personnel to perform a variety of functions, including playing a major role in creating and assessing redevelopment, acquisition, development and leasing opportunities. Our proactive approach to leasing has allowed us to consistently maintain a high occupancy rate, which has ranged between 89.6% and 95.5% as of the end of each quarter during the last five years. Our asset management team also helps to ensure that our centers remain competitive in their respective trade areas. In addition, when considering an acquisition, we use our experience and tenant contacts to look for value-added opportunities. We maintain strong relationships with national and regional anchor tenants, allowing us to assess their interest in our prospective developments.

Experienced Management Team

Our management team has an average of approximately 28 years of experience in the real estate industry, including acquisition, development, construction, financing, leasing and asset management experience. Our 46-year history as a shopping center developer provides us with the ability to discover attractive investment opportunities. Our management and trustees currently own 14.3% of our company (assuming the conversion into our common shares of all of the outstanding units in our operating partnership but excluding outstanding options to purchase our common shares), which aligns management s interests with those of our shareholders.

Business Strategy

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

A proactive approach to redeveloping, renovating and expanding our shopping centers.

The acquisition of community shopping centers in the midwestern, southeastern and mid-Atlantic regions of the United States 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 leasing vacant spaces and entering into new leases for occupied spaces where leases are about to expire.

Geographic Diversification

The following table sets forth the distribution by region and by state of our gross leaseable area and annualized base rent as of June 30, 2003.

Region/State	Number of Properties	Company Owned Gross Leaseable Area: Total Sq. Ft.(1)	Company Owned Gross Leaseable Area: % of Total Portfolio	Annualized Base Rent(2): Total	Annualized Base Rent(2): % of Total Portfolio
Midwestern					
Michigan	23	4,398,799	42.0%	$ 32,065,023	43.0%
Ohio	4	817,981	7.8	6,490,242	8.7
Wisconsin	2	538,675	5.1	3,653,993	4.9
Subtotal Midwestern	29	5,755,455	55.0%	42,209,258	56.6%
Southeastern					
Florida	13	1,735,772	16.6%	12,591,392	16.9%
Georgia	5	642,332	6.1	4,348,285	5.8
Tennessee	6	779,826	7.4	3,796,590	5.1
South Carolina	2	361,828	3.5	1,912,038	2.6
North Carolina	2	363,833	3.5	2,001,370	2.7
Alabama	1	126,701	1.2	756,728	1.0
Subtotal Southeastern	29	4,010,292	38.3%	25,406,403	34.1%
Mid-Atlantic					
New Jersey	1	224,138	2.1%	2,867,411	3.8%
Virginia	1	228,617	2.2	2,471,165	3.3
Maryland	1	251,547	2.4	1,589,278	2.1
Subtotal Mid-Atlantic	3	704,302	6.7%	6,927,854	9.3%
Total	**61**	**10,470,049**	**100%**	**$ 74,543,515**	**100%**

(1) Represents (a) gross leaseable area with respect to our shopping centers and (b) rentable square feet with respect to our single-tenant properties.

(2) We calculate annualized base rent for all leases in place on June 1, 2003 by multiplying total base rent for June 2003 by 12.

Occupancy

Our overall occupancy rates as of December 31, 2001, December 31, 2002 and June 30, 2003 were 95.5%, 90.5% and 89.6%, respectively.

Tenant Mix

The following table sets forth information regarding our top ten tenants as of June 30, 2003, determined by the percentage of our total annualized base rent in place at June 1, 2003.

		Company Owned Gross Leaseable Area		Annualized Base Rent(1)		
Tenant	**Number of Stores**	**Total Sq. Ft.**	**% of Total Portfolio**	**Total**	**% of Total Portfolio(2)**	**Type of Business**
Wal-Mart	13	1,227,126	11.72%	$ 5,289,203	7.10%	Discount Department Store
Kmart	5	538,638	5.14	2,994,005	4.02	Discount Department Store
Publix	7	324,765	3.10	2,583,349	3.47	Supermarket
Farmer Jack/ A & P	5	252,280	2.41	2,430,660	3.26	Supermarket
Lowe s Home Centers	2	270,720	2.59	1,735,056	2.33	Home Improvement Store
T.J. Maxx/ Marshalls	8	223,206	2.13	1,639,488	2.20	Off-Price Department Store
Circuit City	3	104,839	1.00	1,488,731	2.00	Electronics Store
Jo-Ann Fabrics	6	153,758	1.47	1,457,457	1.96	Fabric & Craft Retailer
Kohl s	4	274,084	2.62	1,455,855	1.95	Department Store
OfficeMax	7	161,998	1.55	1,283,989	1.72	Office Supply Store

(1) We calculate annualized base rent for all leases in place on June 1, 2003 by multiplying total base rent for June 2003 by 12.

(2) Represents the total annualized base rent for the tenant divided by our total company annualized base rent of $74,543,515 as of June 1, 2003.

Recent Developments

On September 15, 2003, we announced that we acquired the 313,000 square foot Fairlane Meadows shopping center in Dearborn, Michigan. The center is anchored by Target and Mervyns, which were not included in the acquisition as they own their own spaces, as well as Best Buy and Kids R Us. The shopping center also consists of 20 smaller tenant spaces. The $19.4 million transaction was financed with a portion of the proceeds from our equity offering completed in June 2003 as well as the assumption of debt in the amount of $12.0 million. Fairlane Meadows is located within the metropolitan Detroit area, approximately 1/2 mile from the Ford World Headquarters complex and super regional Fairlane Town Center.

On August 19, 2003, we announced that we acquired the 361,000 square foot Lakeshore Marketplace in Norton Shores, Michigan, a suburb of Muskegon. The shopping center is anchored by TJ Maxx, Barnes & Noble, Old Navy, Elder Beerman, Hobby Lobby, Toys R Us, Dunhams and Petco. The shopping center was purchased for $22.5 million, which was financed with a portion of the proceeds from our June 2003 equity offering and included the assumption of approximately $15.7 million of debt. Lakeshore Marketplace is located across the street from The Lakes Mall, a super regional mall. Norton Shores is approximately 35 miles west of Grand Rapids, Michigan.

On July 14, 2003, we announced that we acquired the 247,000 square foot Clinton Pointe shopping center in Clinton Township, Michigan, a suburb of Detroit. The shopping center is anchored by Target, which was not part of the purchase, OfficeMax and Sports Authority. A portion of the proceeds from our June 2003 equity offering was utilized to purchase the $11.6 million shopping center.

We have previously issued guidance that we expect our 2003 funds from operations, also known as FFO, to be between $2.03 and $2.08 per diluted common share and our net income for 2003 to be between $0.49 and $0.53 per diluted common share. As a result of this offering, we expect our actual FFO and net income per diluted common share for 2003 to be at the low end of this range, at or about $2.03 and $0.49, respectively. This revision reflects the greater number of common shares which will be outstanding as a result of this offering and the lag in time between the closing of this offering and the full deployment of the net proceeds thereof.

We consider FFO to be 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 income before minority interest, excluding extraordinary items, as defined under accounting principles generally accepted in the United States of America (GAAP), gains 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 should not be considered an alternative to GAAP net income as an indication of our performance. We consider FFO to be a useful measure for reviewing our comparative operating and financial performance between periods or to compare our performance to different REITs. However, our computation of FFO may differ from the methodology for calculating FFO utilized by other real estate companies, and therefore, may not be comparable to these other real estate companies.

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of 2,000,000 common shares in this offering will be approximately $49,200,000, after payment of the underwriting discounts and offering expenses.

We intend to use the net proceeds of the sale of our common shares in this offering initially to pay in full the balance outstanding under our unsecured credit facility, which currently is approximately $3.4 million, and to pay down the outstanding balance under our secured credit facility by approximately $16.3 million, with the remaining proceeds invested in short term investments. Our unsecured credit facility expires in December 2005 and has a variable interest rate which ranges between 325 and 375 basis points above LIBOR, depending on certain debt ratios, and was 363 basis points above LIBOR at September 30, 2003. Our secured credit facility also expires in December 2005 and has a variable interest rate which ranges between 150 and 200 basis points over LIBOR, depending on certain debt ratios, and was 175 basis points above LIBOR at September 30, 2003.

Following this offering, we expect to utilize the proceeds invested in short term investments and to borrow additional amounts under our credit facilities to acquire or develop additional shopping centers and to expand or renovate our existing centers. We are currently in negotiations to acquire two community centers located in the Midwest for an aggregate purchase price of approximately $70.5 million, including approximately $35.0 million of assumed debt. We expect to close these acquisitions by the end of the first quarter of 2004. The consummation of these acquisitions is contingent upon the successful negotiation of definitive purchase agreements and satisfaction of the applicable conditions to closing. We also intend to complete the redevelopment of five of our community shopping centers, which includes the expansion, renovation or retenanting of these centers. We expect to complete these redevelopment projects during the summer of 2004 for an estimated aggregate project cost of $26.1 million.

The description above reflects our current intentions for how we will use the estimated net proceeds from the sale of common shares in this offering. We might change how we use the estimated net proceeds in response to, among other things, changes in our business plans, future revenues and expenses and industry, regulatory or competitive conditions. The amount of our expenses and their timing will vary depending on a number of factors, including changes in our expected operations or business plan and changes in economic and industry conditions. Any such changes will be at the discretion of our Board of Trustees and officers.

CAPITALIZATION

The following table sets forth our actual capitalization at June 30, 2003 and as adjusted to give effect to the sale of 2,000,000 common shares we are offering by this prospectus supplement, the application of the estimated net proceeds to us from that offering and the consummation of the transactions described under Use of Proceeds. See Use of Proceeds.

	June 30, 2003	
	Actual	**As Adjusted**
	(In thousands, except share data)	
Debt:		
Mortgage and construction loans	$ 327,835	$ 327,835
Secured credit facility	75,000	75,000(3)
Unsecured credit facility		(4)
Total debt	402,835	402,835
Minority interest	43,852	43,852
Shareholders equity:		
Preferred shares, par value $0.01; 10,000,000 shares authorized; 1,000,000 Series B shares issued and outstanding, liquidation values of $25,000,000	23,804	23,804
Common shares, par value $0.01; 30,000,000 shares authorized; 14,466,591 issued and outstanding (1) (16,466,591 shares as adjusted (2))	144	164
Additional paid-in capital	285,164	334,344
Accumulated other comprehensive loss	(2,895)	(2,895)
Cumulative distributions in excess of net income	(63,438)	(63,438)
Total shareholders equity	242,779	291,979
Total Capitalization	$ 689,466	$ 738,666

(1) The number of common shares outstanding as of June 30, 2003 does not include:

570,325 common shares issuable as of June 30, 2003 upon exercise of outstanding options granted under our stock option plans, and

2,929,262 common shares issuable as of June 30, 2003 upon exchange of outstanding units in our operating partnership, Ramco-Gershenson Properties, LP.

(2) The number of common shares outstanding as adjusted does not include the 300,000 common shares that will be issued if the underwriters exercise their overallotment option in full.

(3) The current balance outstanding under the secured credit facility is approximately $91.3 million, and we intend to use approximately $16.3 million of the proceeds of this offering initially to pay down the outstanding balance of this facility to $75.0 million.

(4) The current balance outstanding under the unsecured credit facility is approximately $3.4 million, and we intend to use a portion of the proceeds of this offering initially to pay in full the outstanding balance of this facility.

COMMON SHARE PRICE AND DIVIDEND PERFORMANCE

Our common shares are listed on The New York Stock Exchange under the trading symbol RPT. The following table sets forth, for the periods indicated, the range of high and low closing sales prices for our common shares as reported on The New York Stock Exchange and the cash dividends paid per share.

	High	Low	Dividends
Year Ended December 31, 2001			
First Quarter	$ 15.00	$ 13.25	$ 0.42
Second Quarter	17.55	13.70	0.42
Third Quarter	18.15	14.33	0.42
Fourth Quarter	17.57	16.05	0.42
Year Ending December 31, 2002			
First Quarter	$ 18.30	$ 16.15	$ 0.42
Second Quarter	20.85	17.64	0.42
Third Quarter	20.50	17.49	0.42
Fourth Quarter	20.06	16.91	0.42
Year Ending December 31, 2003			
First Quarter	$ 22.32	$ 19.44	$ 0.42
Second Quarter	24.95	21.81	0.42
Third Quarter	26.37	23.18	0.42
Fourth Quarter (through October 15, 2003)	26.25	25.41	

On October 15, 2003, the last sales price for our common shares reported on The New York Stock Exchange was $25.94 per share. As September 30, 2003, we had 2,609 shareholders of record.

Dividend Policy

Dividends are paid to our shareholders on a quarterly basis if, as and when declared by our Board of Trustees. In order to maintain our status as a REIT, we are generally required to distribute annually to our shareholders at least 90% of our adjusted REIT taxable income (as defined in the Internal Revenue Code).

Future dividends on our common shares will be at the discretion of our Board of Trustees and will depend on, among other things, our results of operations, financial condition and capital requirements, the annual distribution requirements under the REIT provisions of the Internal Revenue Code, our debt service requirements and other factors as our Board of Trustees may deem relevant. In addition, our credit facilities contain financial covenants which could limit the amount of dividends we could pay in the event of a deterioration in our results of operations or financial condition and which prohibits the payment of dividends on our common shares in the event that we fail to pay when due (subject to any applicable grace period) any principal of or interest on borrowings under the credit facilities. Accordingly, we cannot assure you that future dividends will be paid or sustained at current levels.

Historically, our retained funds from operation have allowed us to maintain strong dividend coverage. The chart below sets forth our distribution coverage for 2001 and 2002 and the six months ended June 30, 2003:

	For the Year Ended December 31,		Six Months Ended June 30,
	2001	2002	2003
	(dollars in thousands)		
Net income available to common shareholders	$ 10,503	$ 12,280	$ 1,445
Add:			
Depreciation and amortization expense	17,148	17,969	10,680
Loss on sale of real estate			1,367
Minority interest in partnership:			
Continuing operations	5,500	2,618	691
Discontinued operations	303	74	
Less:			
Discontinued operations, gain on sale of property		(2,164)	
Gain on redemption of preferred shares		(2,425)	
Gain on sale of real estate	(5,207)		
Funds from Operations Basic	28,247	28,352	14,183
Add:			
Convertible preferred share dividends	3,360	828	
Funds from Operations diluted	31,607	29,180	14,183
Less: Distributions	(20,233)	(24,184)	(13,703)
Retained Funds from Operations Diluted	$ 11,374	$ 4,996	$ 480
Diluted Funds from Operations Payout Ratio(1)	64.0%	82.9%	96.6%
Distribution Coverage(2)	1.6	1.2	1.0(3)

(1) Represents distributions divided by total funds from operations diluted.

(2) Represents total funds from operations diluted divided by distributions.

(3) Includes a $2,988 non-cash write-off of straight-line rent receivable that negatively impacted this ratio by 0.3 for the six months ended June 30, 2003.

SELECTED FINANCIAL DATA

The following table sets forth our unaudited selected financial data on a consolidated basis for the six months ended June 30, 2003 and 2002, and selected financial data on a consolidated basis for the year ended December 31, 2002 and should be read in conjunction with the financial statements and related notes that are incorporated by reference into this prospectus supplement. The financial information is derived from our consolidated financial statements. The results of the six-month period ended June 30, 2003 may not be indicative of the results to be expected for the full year.