

FREEX**Franklin Real Estate Securities Fund****Real Estate Mutual Fund**

Ticker	FREEX
Fund Name	Franklin Real Estate Securities Fund
Main Telephone	800-342-5236
Main Fax	NA
Website Address	www.franklintempleton.com
Total Assets (in millions) as of 12/31/02	\$565.4

Top Ten Holdings as of 12/31/02

1.	Simon Property Group	5.29%
2.	Vornado Realty Trust	4.28%
3.	Equity Office Properties Trust	3.94%
4.	Public Storage	3.77%
5.	The Macerich Co	3.54%
6.	ProLogis	3.50%
7.	AMB Property Corp	3.15%
8.	iStar Financial	3.13%
9.	Equity Residential	3.11%
10.	CarrAmerica Realty Corp	3.02%

Total Return

2002	Trailing 3-Year	Trailing 5-Year
1.70%	12.72%	2.73%

Data as of 12/31/02

Source: *Realty Stock Review*, Company Websites
and Lipper Inc. (Total Return Data)