United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2012

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________ to _________

Commission file number 1-11986 (Tanger Factory Outlet Centers, Inc.)
Commission file number 333-3526-01 (Tanger Properties Limited Partnership)

TANGER FACTORY OUTLET CENTERS, INC.
TANGER PROPERTIES LIMITED PARTNERSHIP
(Exact name of Registrant as specified in its charter)

North Carolina (Tanger Factory Outlet Centers, Inc.)	**56-1815473**
North Carolina (Tanger Properties Limited Partnership)	**56-1822494**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3200 Northline Avenue, Suite 360, Greensboro, NC 27408
(Address of principal executive offices)

(336) 292-3010
(Registrant's telephone number)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Tanger Factory Outlet Centers, Inc.	Yes ☒ No ☐
Tanger Properties Limited Partnership	Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Tanger Factory Outlet Centers, Inc.	Yes ☒ No ☐
Tanger Properties Limited Partnership	Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer”, “accelerated filer: and “smaller reporting company” (as defined in Rule 12b-2 of the Securities and Exchange Act of 1934).

Tanger Factory Outlet Centers, Inc.

☒ Large accelerated filer	☐ Accelerated filer	☐ Non-accelerated filer	☐ Smaller reporting company

Tanger Properties Limited Partnership

☐ Large accelerated filer	☐ Accelerated filer	☒ Non-accelerated filer	☐ Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Act).

Tanger Factory Outlet Centers, Inc.	Yes ☐ No ☒
Tanger Properties Limited Partnership	Yes ☐ No ☒

As of April 30, 2012, there were 92,628,588 common shares of Tanger Factory Outlet Centers, Inc. outstanding, $.01 par value.

EXPLANATORY NOTE

This report combines the quarterly reports on Form 10-Q for the quarter ended March 31, 2012 of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership. Unless the context indicates otherwise, the term, Company, refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term, Operating Partnership, refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

Tanger Factory Outlet Centers, Inc. and subsidiaries is one of the largest owners and operators of outlet centers in the United States. The Company is a fully-integrated, self-administered and self-managed real estate investment trust ("REIT") which, through its controlling interest in the Operating Partnership, focuses exclusively on developing, acquiring, owning, operating and managing outlet shopping centers. The outlet centers and other assets are held by, and all of the operations are conducted by, the Operating Partnership and its subsidiaries. Accordingly, the descriptions of the business, employees and properties of the Company are also descriptions of the business, employees and properties of the Operating Partnership.

The Company owns the majority of the units of partnership interest issued by the Operating Partnership through its two wholly-owned subsidiaries, Tanger GP Trust and Tanger LP Trust. Tanger GP Trust controls the Operating Partnership as its sole general partner. Tanger LP Trust holds a limited partnership interest. Through May 31, 2011, the Tanger family, through its ownership of the Tanger Family Limited Partnership, held the remaining units as a limited partner. On June 1, 2011, the Tanger Family Limited Partnership was dissolved, and the units of the Operating Partnership owned by the Tanger Family Limited Partnership were distributed to the individual beneficial owners of the Tanger Family Limited Partnership. Each such individual beneficial owner is now an individual limited partner of the Operating Partnership (collectively the "Family Limited Partners").

As of March 31, 2012, the Company, through its ownership of Tanger GP Trust and Tanger LP Trust, owned 23,156,847 units of the Operating Partnership and the Family Limited Partners collectively owned 1,540,440 units. Each unit held by the Family Limited Partners is exchangeable for four of the Company's common shares, subject to certain limitations to preserve the Company's REIT status. Prior to the Company's 2 for 1 splits of its common shares on January 24, 2011 and December 28, 2004, respectively, the exchange ratio was one for one.

Management operates the Company and the Operating Partnership as one enterprise. The management of the Company consists of the same members as the management of the Operating Partnership. These individuals are officers of the Company and employees of the Operating Partnership. The individuals that comprise the Company's Board of Directors are also the same individuals that make up the Tanger GP Trust's Board of Trustees.

We believe combining the quarterly reports on Form 10-Q of the Company and the Operating Partnership into this single report results in the following benefits:

- enhancing investors' understanding of the Company and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminating duplicative disclosure and providing a more streamlined and readable presentation since a substantial portion of the disclosure applies to both the Company and the Operating Partnership; and
- creating time and cost efficiencies through the preparation of one combined report instead of two separate reports.

There are few differences between the Company and the Operating Partnership, which are reflected in the disclosure in this report. We believe it is important to understand the differences between the Company and the Operating Partnership in the context of how the Company and the Operating Partnership operate as an interrelated consolidated company. As stated above, the Company is a REIT, whose only material asset is its ownership of partnership interests of the Operating Partnership through its wholly-owned subsidiaries, Tanger GP Trust and Tanger LP Trust. As a result, the Company does not conduct business itself, other than issuing public equity from time to time and incurring expenses required to operate as a public company. However, all operating expenses incurred by the Company are reimbursed by the Operating Partnership, thus the only material item on the Company's income statement is its equity in the earnings of the Operating Partnership. Therefore, the assets and liabilities and the revenues and expenses of the Company and the Operating Partnership are the same on their respective financial statements, except for immaterial differences related to cash, other assets and accrued liabilities that arise from public company expenses paid by the Company. The Company itself does not hold any indebtedness but does guarantee certain debt of the Operating Partnership, as disclosed in this report. The Operating Partnership holds substantially all the assets of the Company and holds the ownership interests in the Company's consolidated and unconsolidated joint ventures. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for net proceeds from public equity issuances by the Company, which are required to be contributed to the Operating Partnership in exchange for partnership units, the Operating Partnership generates the capital required through its operations, its incurrence of indebtedness or through the issuance of partnership units.

Noncontrolling interests, shareholder's equity and partners' capital are the main areas of difference between the consolidated financial statements of the Company and those of the Operating Partnership. The limited partnership interests in the Operating Partnership held by the Family Limited Partners are accounted for as partners' capital in the Operating Partnership's financial statements and as noncontrolling interests in the Company's financial statements.

To help investors understand the significant differences between the Company and the Operating Partnership, this report presents the following separate sections for each of the Company and the Operating Partnership:

- Consolidated financial statements;
- The following notes to the consolidated financial statements;
    - Debt;
    - Share-Based Compensation of the Company and Equity-Based Compensation of the Operating Partnership;
    - Earnings Per Share and Earnings Per Unit and
- Liquidity and Capital Resources in the Management's Discussion and Analysis of Financial condition and Results of Operations.

This report also includes separate Item 4. Controls and Procedures sections and separate Exhibit 31 and 32 certifications for each of the Company and the Operating Partnership in order to establish that the Chief Executive Officer and the Chief Financial Officer of each entity have made the requisite certifications and that the Company and Operating Partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934 and 18 U.S.C. §1350.

In order to highlight the differences between the Company and the Operating Partnership, the separate sections in this report for the Company and the Operating Partnership specifically refer to the Company and the Operating Partnership. In the sections that combine disclosure of the Company and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of the Company. Although the Operating Partnership is generally the entity that enters into contracts and joint ventures and holds assets and debt, reference to the Company is appropriate because the business is one enterprise and the Company operates the business through the Operating Partnership.

As the 100% owner of Tanger GP Trust, the general partner with control of the Operating Partnership, the Company consolidates the Operating Partnership for financial reporting purposes. The separate discussions of the Company and the Operating Partnership in this report should be read in conjunction with each other to understand the results of the Company on a consolidated basis and how management operates the Company.

TANGER FACTORY OUTLET CENTERS, INC. AND TANGER PROPERTIES LIMITED PARTNERSHIP

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PART I. - FINANCIAL INFORMATION

Item 1 - Financial Statements of Tanger Factory Outlet Centers, Inc.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data, unaudited)

	March 31, 2012	December 31, 2011
ASSETS		
Rental property		
Land	$ 148,002	$ 148,002
Buildings, improvements and fixtures	1,773,055	1,764,494
Construction in progress	4,545	3,549
	1,925,602	1,916,045
Accumulated depreciation	(530,150)	(512,485)
Total rental property, net	1,395,452	1,403,560
Cash and cash equivalents	10,787	7,894
Investments in unconsolidated joint ventures, net	48,483	28,481
Deferred lease costs and other intangibles, net	115,157	120,636
Deferred debt origination costs, net	10,775	8,861
Prepaids and other assets	54,304	52,383
Total assets	$ 1,634,958	$ 1,621,815
LIABILITIES AND EQUITY		
Liabilities		
Debt		
Senior, unsecured notes (net of discount of $2,171 and $2,237, respectively)	$ 547,829	$ 547,763
Unsecured term loans (net of discount of $656 and $692, respectively)	259,344	9,308
Mortgages payable (including premiums of $7,169 and $7,434, respectively)	110,483	111,379
Unsecured lines of credit	121,073	357,092
Total debt	1,038,729	1,025,542
Construction trade payables	15,698	13,656
Accounts payable and accrued expenses	43,165	37,757
Other liabilities	16,399	16,428
Total liabilities	1,113,991	1,093,383
Commitments and contingencies		
Equity		
Tanger Factory Outlet Centers, Inc.		
Common shares, $.01 par value, 300,000,000 shares authorized, 92,627,388 and 86,727,656 shares issued and outstanding at March 31, 2012 and December 31, 2011, respectively	926	867
Paid in capital	751,633	720,073
Accumulated distributions in excess of net income	(271,941)	(261,913)
Accumulated other comprehensive income	1,449	1,535
Equity attributable to Tanger Factory Outlet Centers, Inc.	482,067	460,562
Equity attributable to noncontrolling interests		
Noncontrolling interests in Operating Partnership	32,068	61,027
Noncontrolling interests in other consolidated partnerships	6,832	6,843
Total equity	520,967	528,432
Total liabilities and equity	$ 1,634,958	$ 1,621,815

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data, unaudited)

	Three months ended March 31, 2012	Three months ended March 31, 2011
Revenues		
Base rentals	$ 57,219	$ 46,219
Percentage rentals	1,744	1,391
Expense reimbursements	23,476	21,205
Other income	1,804	1,924
Total revenues	84,243	70,739
Expenses		
Property operating	26,088	24,108
General and administrative	10,020	6,767
Acquisition costs	—	567
Abandoned development costs	—	158
Depreciation and amortization	25,515	17,965
Total expenses	61,623	49,565
Operating income	22,620	21,174
Interest expense	12,334	10,325
Income before equity in losses of unconsolidated joint ventures	10,286	10,849
Equity in losses of unconsolidated joint ventures	(1,452)	(32)
Net income	8,834	10,817
Noncontrolling interests in Operating Partnership	(713)	(1,419)
Noncontrolling interests in other consolidated partnerships	7	—
Net income attributable to Tanger Factory Outlet Centers, Inc.	$ 8,128	$ 9,398
Basic earnings per common share:		
Net income	$ 0.09	$ 0.11
Diluted earnings per common share:		
Net income	$ 0.09	$ 0.11
Dividends paid per common share	$ 0.2000	$ 0.1938

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands, unaudited)

	Three months ended March 31, 2012	Three months ended March 31, 2011
Net income	$ 8,834	$ 10,817
Other comprehensive loss:		
Reclassification adjustment for amortization of gain on settlement of US treasury rate lock included in net income	(86)	(81)
Foreign currency translation adjustments	(6)	—
Changes in fair value of our portion of our unconsolidated joint ventures' cash flow hedges	—	46
Other comprehensive loss	(92)	(35)
Comprehensive income	8,742	10,782
Comprehensive income attributable to noncontrolling interests	(700)	(1,414)
Comprehensive income attributable to Tanger Factory Outlet Centers, Inc.	$ 8,042	$ 9,368

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except share and per share data, unaudited)

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive income	Total Tanger Factory Outlet Centers, Inc. equity	Noncontrolling interests in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, December 31, 2011	$ 867	$ 720,073	$ (261,913)	$ 1,535	$ 460,562	$ 61,027	$ 6,843	$ 528,432
Net income	—	—	8,128	—	8,128	713	(7)	8,834
Other comprehensive loss	—	—	—	(86)	(86)	(6)	—	(92)
Compensation under Incentive Award Plan	—	3,391	—	—	3,391	—	—	3,391
Issuance of 3,600 common shares upon exercise of options	—	46	—	—	46	—	—	46
Grant of 566,000 restricted shares, net of forfeitures	6	(6)	—	—	—	—	—	—
Adjustment for noncontrolling interests in Operating Partnership	—	28,178	—	—	28,178	(28,178)	—	—
Adjustment for noncontrolling interests in other consolidated partnerships	—	4	—	—	4	—	(4)	—
Exchange of 1,332,533 Operating Partnership units for 5,330,132 common shares	53	(53)	—	—	—	—	—	—
Common dividends ($.20 per share)	—	—	(18,156)	—	(18,156)	—	—	(18,156)
Distributions to noncontrolling interests in Operating Partnership	—	—	—	—	—	(1,488)	—	(1,488)
Balance, March 31, 2012	$ 926	$ 751,633	$ (271,941)	$ 1,449	$ 482,067	$ 32,068	$ 6,832	$ 520,967

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except share and per share data, unaudited)

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive income	Total Tanger Factory Outlet Centers, Inc. equity	Noncontrolling interests in Operating Partnership	Total equity
Balance, December 31, 2010	$ 810	$ 604,359	$ (240,024)	$ 1,784	$ 366,929	$ 54,966	$ 421,895
Net income	—	—	9,398	—	9,398	1,419	10,817
Other comprehensive loss	—	—	—	(30)	(30)	(5)	(35)
Compensation under Incentive Award Plan	—	1,798	—	—	1,798	—	1,798
Grant of 319,000 restricted shares, net of forfeitures	3	(3)	—	—	—	—	—
Adjustment for noncontrolling interests in Operating Partnership	—	(33)	—	—	(33)	33	—
Common dividends ($.19375 per share)	—	—	(15,746)	—	(15,746)	—	(15,746)
Distributions to noncontrolling interests in Operating Partnership	—	—	—	—	—	(2,351)	(2,351)
Balance, March 31, 2011	$ 813	$ 606,121	$ (246,372)	$ 1,754	$ 362,316	$ 54,062	$ 416,378

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, unaudited)

	Three Months Ended March 31,	
	2012	2011
OPERATING ACTIVITIES		
Net income	$ 8,834	$ 10,817
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	25,515	17,965
Amortization of deferred financing costs	561	466
Equity in losses of unconsolidated joint ventures	1,452	32
Share-based compensation expense	3,391	1,798
Amortization of debt (premiums) and discounts, net	(248)	24
Distributions of cumulative earnings from unconsolidated joint ventures	237	62
Net accretion of market rent rate adjustments	(234)	(155)
Straight-line rent adjustments	(997)	(794)
Changes in other assets and liabilities:		
Other assets	(1,287)	(495)
Accounts payable and accrued expenses	5,373	1,319
Net cash provided by operating activities	42,597	31,039
INVESTING ACTIVITIES		
Additions to rental property	(8,335)	(15,251)
Additions to investments in unconsolidated joint ventures	(21,371) —	—
Distributions in excess of cumulative earnings from unconsolidated joint ventures	63	238
Increases in escrow deposits	—	(8,350)
Net proceeds from sale of real estate	—	724
Additions to deferred lease costs	(1,329)	(1,531)
Net cash used in investing activities	(30,972)	(24,170)
FINANCING ACTIVITIES		
Cash dividends paid	(18,156)	(15,746)
Distributions to noncontrolling interests in Operating Partnership	(1,488)	(2,351)
Proceeds from debt issuances	341,781	67,950
Repayments of debt	(328,432)	(61,700)
Additions to deferred financing costs	(2,483)	(49)
Proceeds from exercise of options	46	—
Net cash used in financing activities	(8,732)	(11,896)
Net increase (decrease) in cash and cash equivalents	2,893	(5,027)
Cash and cash equivalents, beginning of period	7,894	5,758
Cash and cash equivalents, end of period	$ 10,787	$ 731

The accompanying notes are an integral part of these consolidated financial statements.

Item 1 - Financial Statements of Tanger Properties Limited Partnership

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, unaudited)

	March 31, 2012	December 31, 2011
ASSETS		
Rental property		
Land	$ 148,002	$ 148,002
Buildings, improvements and fixtures	1,773,055	1,764,494
Construction in progress	4,545	3,549
	1,925,602	1,916,045
Accumulated depreciation	(530,150)	(512,485)
Total rental property, net	1,395,452	1,403,560
Cash and cash equivalents	10,715	7,866
Investments in unconsolidated joint ventures, net	48,483	28,481
Deferred lease costs and other intangibles, net	115,157	120,636
Deferred debt origination costs, net	10,775	8,861
Prepaids and other assets	53,765	52,059
Total assets	$ 1,634,347	$ 1,621,463
LIABILITIES AND EQUITY		
Liabilities		
Debt		
Senior, unsecured notes (net of discount of $2,171 and $2,237, respectively)	$ 547,829	$ 547,763
Unsecured term loans (net of discount of $656 and $692, respectively)	259,344	9,308
Mortgages payable (including premiums of $7,169 and $7,434, respectively)	110,483	111,379
Unsecured lines of credit	121,073	357,092
Total debt	1,038,729	1,025,542
Construction trade payables	15,698	13,656
Accounts payable and accrued expenses	42,554	37,405
Other liabilities	16,399	16,428
Total liabilities	1,113,380	1,093,031
Commitments and contingencies		
Equity		
Partners' Equity		
General partner	4,863	4,972
Limited partners	507,901	515,154
Accumulated other comprehensive income	1,371	1,463
Total partners' equity	514,135	521,589
Noncontrolling interests in consolidated partnerships	6,832	6,843
Total equity	520,967	528,432
Total liabilities and equity	$ 1,634,347	$ 1,621,463

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERITES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per unit data, unaudited)

	Three months ended, March 31, 2012	Three months ended, March 31, 2011
Revenues		
Base rentals	$ 57,219	$ 46,219
Percentage rentals	1,744	1,391
Expense reimbursements	23,476	21,205
Other income	1,804	1,924
Total revenues	84,243	70,739
Expenses		
Property operating	26,088	24,108
General and administrative	10,020	6,767
Acquisition costs	—	567
Abandoned development costs	—	158
Depreciation and amortization	25,515	17,965
Total expenses	61,623	49,565
Operating income	22,620	21,174
Interest expense	12,334	10,325
Income before equity in losses of unconsolidated joint ventures	10,286	10,849
Equity in losses of unconsolidated joint ventures	(1,452)	(32)
Net income	8,834	10,817
Noncontrolling interests in consolidated partnerships	7	—
Net income available to partners	8,841	10,817
Net income available to limited partners	8,750	10,706
Net income available to general partner	$ 91	$ 111
Basic earnings per common unit:		
Net income	$ 0.36	$ 0.46
Diluted earnings per common unit:		
Net income	$ 0.35	$ 0.46
Distribution paid per common unit	$ 0.8000	$ 0.7750

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERITES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands, unaudited)

	Three months ended March 31, 2012	Three months ended March 31, 2011
Net income	$ 8,834	$ 10,817
Other comprehensive loss		
Reclassification adjustment for amortization of gain on settlement of US treasury rate lock included in net income	(86)	(81)
Foreign currency translation adjustments	(6)	—
Changes in fair value of our portion of our unconsolidated joint ventures' cash flow hedges	—	46
Other comprehensive loss	(92)	(35)
Comprehensive income	8,742	10,782
Comprehensive income attributable to noncontrolling interests in consolidated partnerships	7	—
Comprehensive income attributable to the Operating Partnership	$ 8,749	$ 10,782

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERITES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except unit and per unit data, unaudited)

	General partner	Limited partners	Accumulated other comprehensive income	Total partners' equity	Noncontrolling interests in consolidated partnerships	Total equity
Balance, December 31, 2011	$ 4,972	$ 515,154	$ 1,463	$ 521,589	$ 6,843	$ 528,432
Net income	91	8,750	—	8,841	(7)	8,834
Other comprehensive loss	—	—	(92)	(92)	—	(92)
Compensation under Incentive Award Plan	—	3,391	—	3,391	—	3,391
Issuance of 900 common units upon exercise of options	—	46	—	46	—	46
Adjustments for noncontrolling interests in consolidated partnerships	—	4	—	4	(4)	—
Common distributions ($.80 per unit)	(200)	(19,444)	—	(19,644)	—	(19,644)
Balance, March 31, 2012	$ 4,863	$ 507,901	$ 1,371	$ 514,135	$ 6,832	$ 520,967

	General partner	Limited partners	Accumulated other comprehensive income	Total equity
Balance, December 31, 2010	$ 5,221	$ 414,926	$ 1,748	$ 421,895
Net income	111	10,706	—	10,817
Other comprehensive loss	—	—	(35)	(35)
Compensation under Incentive Award Plan	—	1,798	—	1,798
Common distributions ($.775 per unit)	(181)	(17,916)	—	(18,097)
Balance, March 31, 2011	5,151	409,514	1,713	416,378

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, unaudited)

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
OPERATING ACTIVITIES		
Net income	$ 8,834	$ 10,817
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	25,515	17,965
Amortization of deferred financing costs	561	466
Equity in losses of unconsolidated joint ventures	1,452	32
Equity-based compensation expense	3,391	1,798
Amortization of debt (premiums) and discounts, net	(248)	24
Distributions of cumulative earnings from unconsolidated joint ventures	237	62
Net accretion of market rent rate adjustments	(234)	(155)
Straight-line rent adjustments	(997)	(794)
Changes in other assets and liabilities:		
Other assets	(1,072)	(425)
Accounts payable and accrued expenses	5,114	1,304
Net cash provided by operating activities	42,553	31,094
INVESTING ACTIVITIES		
Additions to rental property	(8,335)	(15,251)
Additions to investments in unconsolidated joint ventures	(21,371)	—
Distributions in excess of cumulative earnings from unconsolidated joint ventures	63	238
Increase in escrow deposits	—	(8,350)
Net proceeds from the sale of real estate	—	724
Additions to deferred lease costs	(1,329)	(1,531)
Net cash used in investing activities	(30,972)	(24,170)
FINANCING ACTIVITIES		
Cash distributions paid	(19,644)	(18,097)
Proceeds from debt issuances	341,781	67,950
Repayments of debt	(328,432)	(61,700)
Additions to deferred financing costs	(2,483)	(49)
Proceeds from exercise of options	46	—
Net cash used in financing activities	(8,732)	(11,896)
Net increase (decrease) in cash and cash equivalents	2,849	(4,972)
Cash and cash equivalents, beginning of period	7,866	5,671
Cash and cash equivalents, end of period	$ 10,715	$ 699

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Business

Tanger Factory Outlet Centers, Inc. and subsidiaries is one of the largest owners and operators of outlet centers in the United States. We are a fully-integrated, self-administered and self-managed real estate investment trust ("REIT") which, through our controlling interest in the Operating Partnership, focuses exclusively on developing, acquiring, owning, operating and managing outlet shopping centers. As of March 31, 2012, we owned and operated 36 outlet centers, with a total gross leasable area of approximately 10.7 million square feet. We also had partial ownership interests in 3 outlet centers totaling approximately 1.2 million square feet, including one outlet center in Ontario, Canada.

Our outlet centers and other assets are held by, and all of our operations are conducted by, Tanger Properties Limited Partnership and subsidiaries. Accordingly, the descriptions of our business, employees and properties are also descriptions of the business, employees and properties of the Operating Partnership. Unless the context indicates otherwise, the term, "Company", refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term, "Operating Partnership", refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

The Company owns the majority of the units of partnership interest issued by the Operating Partnership through its two wholly-owned subsidiaries, Tanger GP Trust and Tanger LP Trust. Tanger GP Trust controls the Operating Partnership as its sole general partner. Tanger LP Trust holds a limited partnership interest. In addition, the Family Limited Partners own the remaining Operating Partnership units.

2. Basis of Presentation

The unaudited consolidated financial statements included herein have been prepared pursuant to accounting principles generally accepted in the United States of America and should be read in conjunction with the consolidated financial statements and notes thereto of the Company's and the Operating Partnership's combined Annual Report on Form 10-K for the year ended December 31, 2011. The December 31, 2011 balance sheet data in this Form 10-Q was derived from audited financial statements. Certain information and note disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to the SEC's rules and regulations, although management believes that the disclosures are adequate to make the information presented not misleading.

Investments in real estate joint ventures that we do not control are accounted for using the equity method of accounting. These investments are recorded initially at cost and subsequently adjusted for our equity in the venture's net income (loss), cash contributions, distributions and other adjustments required under the equity method of accounting. These investments are evaluated for impairment when necessary. Control is determined using an evaluation based on accounting standards related to the consolidation of voting interest entities and variable interest entities. For joint ventures that are determined to be variable interest entities, the primary beneficiary consolidates the entity.

3. Investments in Unconsolidated Real Estate Joint Ventures

Our investments in unconsolidated joint ventures as of March 31, 2012 and December 31, 2011 aggregated $48.5 million and $28.5 million, respectively. We have evaluated the accounting treatment for each of the joint ventures and have concluded based on the current facts and circumstances that the equity method of accounting should be used to account for the individual joint ventures. At March 31, 2012, we were members of the following unconsolidated real estate joint ventures:

Joint Venture	Center Location	Ownership %	Square Feet	Carrying Value of Investment (in millions)	Total Joint Venture Debt (in millions)
Wisconsin Dells	Wisconsin Dells, Wisconsin	50.0%	265,086	$ 4.0	$ 24.3
Deer Park	Deer Park, Long Island NY	33.3%	741,976	4.7	246.9
Deer Park Warehouse	Deer Park, Long Island NY	33.3%	29,253	—	2.3
Galveston/Houston	Texas City, Texas	50.0%	—	13.9	—
RioCan Canada	Various	50.0%	157,382	24.8	—
National Harbor	Washington D.C. Metro Area	50.0%	—	0.9	—
Other		50.0%	—	0.2	—
Total				$ 48.5	$ 273.5

These investments are recorded initially at cost and subsequently adjusted for our equity in the venture's net income (loss), cash contributions, distributions and other adjustments required by the equity method of accounting as discussed below.

Management, leasing and marketing fees earned from services provided to our unconsolidated joint ventures were recognized as follows (in thousands):

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
Fee:		
Management and leasing	$ 479	$ 505
Marketing	53	44
Total Fees	$ 532	$ 549

Our investments in real estate joint ventures are reduced by the percentage of the profits earned for leasing and development services associated with our ownership interest in each joint venture. Our carrying value of investments in unconsolidated joint ventures differs from our share of the assets reported in the "Summary Balance Sheets - Unconsolidated Joint Ventures" shown below due to adjustments to the book basis, including intercompany profits on sales of services that are capitalized by the unconsolidated joint ventures. The differences in basis are amortized over the various useful lives of the related assets.

Deer Park Warehouse, Long Island, New York

In June 2008, we, along with our partners in Deer Park, entered into a joint venture to purchase a warehouse adjacent to the Deer Park project described above for a total purchase price of $3.3 million. The interest-only mortgage loan for the warehouse matured on May 17, 2011 and the joint venture did not qualify for the one-year extension option. As a result, the joint venture has accrued interest at a default rate of 8.25% from May 17, 2011 to March 31, 2012, and is currently in negotiations with the lender. As of March 31, 2012, the outstanding principal balance under the warehouse mortgage was $2.3 million. In December 2011, the joint venture recorded an impairment charge of approximately $900,000 to lower the basis of the warehouse to its estimated fair market value.

Galveston/Houston, Texas

In June 2011, we announced the formation of a joint venture with Simon Property Group, Inc. for the development of a Tanger Outlet Center south of Houston in Texas City, TX. We expect the center to be completed in October 2012 and to feature over 90 brand name and designer outlet stores in the first phase of approximately 350,000 square feet, with room for expansion for a total build out of approximately 470,000 square feet. In July 2011, the joint venture acquired the land underlying the site for approximately $5.6 million. As of March 31, 2012, we have contributed $13.7 million in cash to the joint venture to fund development activities. We will provide property management and marketing services to the center and with our partner, will jointly provide development and leasing services.

RioCan Canada

On December 9, 2011, the RioCan Canadian Joint Venture purchased the Cookstown Outlet Mall. The existing outlet center was acquired for $47.4 million, plus an additional $13.8 million for excess land upon the seller meeting certain conditions, for an aggregate purchase price of $61.2 million. RioCan will provide development and property management services to this existing outlet center and we will provide leasing and marketing services. In connection with the purchase, the joint venture assumed the in place financing of $29.6 million which carried an interest rate of 5.10% and had an original maturity date of June 21, 2014. In March, 2012, the joint venture negotiated the early payment of the financing. We contributed an additional $15.1 million to the joint venture to fund the payment.

During the quarter, the joint venture terminated an option contract to develop a center in Halton Hills, Ontario and accordingly pre-development costs of approximately $954,000 were written-off.

National Harbor, Washington, D.C. Metro Area

In May 2011, we announced the formation of a joint venture with The Peterson Companies for the development of a Tanger Outlets at National Harbor in the Washington, D.C. Metro area. The resulting Tanger Outlet Center is expected to contain approximately 80 outlet designer and name brand stores in a center measuring up to 350,000 square feet. The project is currently in the pre-development phase and in December 2011, both parties each made initial equity contributions of $850,000 to fund certain pre-development costs. We will provide property management, leasing and marketing services to the joint venture. We and The Peterson Companies will jointly provide site development and construction supervision services to the joint venture.

Condensed combined summary financial information of unconsolidated joint ventures accounted for using the equity method is as follows (in thousands):

Summary Balance Sheets - Unconsolidated Joint Ventures	As of March 31, 2012	As of December 31, 2011
Assets		
Investment properties at cost, net	$ 357,357	$ 344,098
Cash and cash equivalents	9,621	7,582
Deferred lease costs, net	14,294	14,815
Deferred debt origination costs, net	6,626	7,566
Prepaids and other assets	15,663	11,687
Total assets	$ 403,561	$ 385,748
Liabilities and Owners' Equity		
Mortgages payable	$ 273,534	$ 303,230
Construction trade payables	7,719	2,669
Accounts payable and other liabilities	24,788	27,246
Total liabilities	306,041	333,145
Owners' equity	97,520	52,603
Total liabilities and owners' equity	$ 403,561	$ 385,748

Summary Statements of Operations - Unconsolidated Joint Ventures	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
Revenues	$ 11,658	$ 9,562
Expenses		
Property operating	4,891	4,101
General and administrative	163	187
Acquisition costs	704	—
Abandoned development costs	954	—
Depreciation and amortization	4,608	3,611
Total expenses	11,320	7,899
Operating income	338	1,663
Interest expense	3,829	1,803
Net loss	$ (3,491)	$ (140)
The Company and Operating Partnership's share of:		
Net loss	$ (1,452)	$ (32)
Depreciation (real estate related)	$ 1,815	$ 1,306

4. Debt of the Company

All of the Company's debt is held directly by the Operating Partnership.

The Company guarantees the Operating Partnership's obligations with respect to its unsecured lines of credit which have a total borrowing capacity of $520.0 million. As of March 31, 2012 and December 31, 2011, the Operating Partnership had $121.1 million and $357.1 million, respectively, outstanding in total on these lines.

The Company also guarantees the Operating Partnership's unsecured term loan in the amount of $250.0 million as well as its obligation with respect to the mortgage assumed in connection with the acquisition of the outlet center in Ocean City, Maryland in July 2011.

5. Debt of the Operating Partnership

As of March 31, 2012 and December 31, 2011, the debt of the Operating Partnership consisted of the following (in thousands):

			March 31, 2012		December 31, 2011	
	Stated Interest Rate(s)	Maturity Date	Principal	Premium (Discount)	Principal	Premium (Discount)
Senior, unsecured notes:						
Senior notes	6.15%	November 2015	$ 250,000	(392)	$ 250,000	$ (417)
Senior notes	6.125%	June 2020	300,000	(1,779)	300,000	(1,820)
Mortgages payable [1]:						
Atlantic City	5.14%-7.65%	November 2021-December 2026	53,431	4,796	53,826	4,894
Ocean City	5.24%	January 2016	18,785	353	18,867	375
Hershey	5.17%-8.00%	August 2015	31,098	2,020	31,252	2,165
Note payable [1]	1.50%	June 2016	10,000	(656)	10,000	(692)
Unsecured term loan [2]	LIBOR + 1.80%	February 2019	250,000	—	—	—
Unsecured lines of credit [3]	LIBOR + 1.25%	November 2015	121,073	—	357,092	—
			$ 1,034,387	$ 4,342	$ 1,021,037	$ 4,505

(1) The effective interest rates assigned during the purchase price allocation to these assumed mortgages and note payable during acquisitions in 2011 were as follows: Atlantic City 5.05%, Ocean City 4.68%, Hershey 3.40% and note payable 3.15%.

(2) Our unsecured term loan as of March 31, 2012 bears interest at a rate of LIBOR + 1.80%, is interest only and expires on February 23, 2019. Our term loan is pre-payable without penalty beginning in February of 2015.

(3) Our unsecured lines of credit as of March 31, 2012 bear interest at a rate of LIBOR + 1.25% and expire on November 10, 2015. We have the option to extend the lines for an additional one year to November 10, 2016. These lines require a facility fee payment of 0.25% annually based on the total amount of the commitment. The credit spread and facility fee can vary depending on our investment grade rating.

2012 Transactions

On February 24, 2012, the Operating Partnership closed on a seven-year $250.0 million unsecured term loan. The term loan is interest only, matures in the first quarter of 2019 and is pre-payable without penalty beginning in February of 2015. Based on our current credit ratings, the new loan has an initial interest rate of LIBOR + 1.80%. We used the net proceeds of the term loan to reduce the outstanding balances on our unsecured lines of credit.

Debt Maturities

Maturities of the existing long-term debt as of March 31, 2012 are as follows (in thousands):

Year	Amount
2012	$ 1,931
2013	4,633
2014	3,599
2015	403,412
2016	30,279
Thereafter	590,533
Subtotal	1,034,387
Net premiums	4,342
Total	$ 1,038,729

6. Shareholders' Equity of the Company

Throughout the first quarter of 2012, various Family Limited Partners exchanged a total of 1,332,533 Operating Partnership units for 5,330,132 Company common shares. After the above described exchanges, the Family Limited Partners owned 1,540,440 Operating Partnership units.

7. Partners' Equity of the Operating Partnership

When the Company issues common shares upon exercise of options or issues restricted share awards, the Operating Partnership issues one corresponding unit to the Company for every four common shares issued. At March 31, 2012 and December 31, 2011, the ownership interests of the Operating Partnership consisted of the following:

	March 31, 2012	December 31, 2011
Common units:		
General partner	250,000	250,000
Limited partners	24,447,287	24,304,887
Total common units	24,697,287	24,554,887

8. Noncontrolling Interests

Noncontrolling interests relate to the interests in the Operating Partnership owned by Family Limited Partners, as discussed in Note 1, and interests in consolidated partnerships not wholly-owned by the Company or the Operating Partnership. Family Limited Partners are holders of Operating Partnership units that may be exchanged for Company common shares in a ratio of one unit for four common shares. The noncontrolling interests in other consolidated partnerships consist of outside equity interests in partnerships that are consolidated with the financial results of the Company and Operating Partnership because the Operating Partnership exercises control over the entities that own the properties.

As discussed in Note 6, during the quarter ended March 31, 2012, various Family Limited Partners exchanged a total of 1,332,533 Operating Partnership units for 5,330,132 Company common shares. Therefore, the Company recorded an increase to additional paid-in capital of $28.2 million during the quarter related to these exchanges. The changes in the Company's ownership interests in the subsidiaries impacted consolidated equity during the quarter as follows:

	Three Months Ended March 31,	
	2012	2011
Net income attributable to Tanger Factory Outlet Centers, Inc.	$ 8,128	$ 9,398
Increase (decrease) in Tanger Factory Outlet Centers, Inc. paid-in-capital adjustments to noncontrolling interests (1)	28,178	(33)
Changes from net income attributable to Tanger Factory Outlet Centers, Inc. and transfers from noncontrolling interest	$ 36,306	$ 9,365

(1) In 2012 and 2011, adjustments of the noncontrolling interest were made as a result of changes in the Company's ownership of the Operating Partnership in connection with the Company's issuance of common shares upon exercise of options, share-based compensation and the issuance of common shares upon exchange of Operating Partnership units by Family Limited Partners.

9. Share-Based Compensation of the Company

We have a shareholder approved share-based compensation plan, the Amended and Restated Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership (the "Plan"), which covers our independent directors, officers and our employees. During the first three months of 2012, the Company's Board of Directors approved grants of 571,000 restricted common shares to the Company's independent directors and the Company's senior executive officers. The weighted average fair value of the awards granted was $27.90 per share. The independent directors' restricted common shares vest ratably over a three year period and the majority of the senior executive officers' restricted shares vest ratably over a five year period. Compensation expense related to the amortization of the deferred compensation amount is being recognized in accordance with the vesting schedule of the restricted shares.

Included in the 571,000 restricted common shares above were 225,000 restricted common shares granted to Steven B. Tanger, our President and Chief Executive Officer, under the terms of his amended and restated Employment Agreement (the "Employment Agreement") signed on February 28, 2012. Under the terms of the Employment Agreement, the Company granted Mr. Tanger the following: 45,000 fully-vested common shares; 90,000 restricted common shares that vest ratably over five years based on Mr. Tanger's continued employment with the Company and 90,000 restricted common shares that vest ratably over five years based on Mr. Tanger's continued employment with the Company and the Company achieving certain minimum total returns to shareholders.

We recorded share-based compensation expense in general and administrative expenses in our consolidated statements of operations for the three months ended March 31, 2012 and 2011 as follows (in thousands):

	Three Months Ended March 31,	
	2012	2011
Restricted shares (1)	$ 2,850	$ 1,266
Notional unit performance awards	489	507
Options	52	25
Total share-based compensation	$ 3,391	$ 1,798

(1) Includes approximately $1.3 million of compensation expense related to 45,000 shares that vested immediately upon grant related to the Employment Agreement described above.

The following table summarizes information related to unvested restricted shares outstanding as of March 31, 2012:

Unvested Restricted Shares	Number of shares	Weighted-average grant date fair value
Unvested at December 31, 2011	791,337	$ 20.93
Granted	571,000	27.90
Vested	(273,800)	21.44
Forfeited	(5,000)	29.50
Unvested at March 31, 2012	1,083,537	$ 24.43

The total value of restricted shares vested during the three months ended March 31, 2012 and March 31, 2011 was $8.2 million and $5.4 million, respectively.

As of March 31, 2012, there was $31.8 million of total unrecognized compensation cost related to unvested share-based compensation arrangements granted under the Plan. That cost is expected to be recognized over a weighted-average period of 3.8 years.

10. Equity-Based Compensation of the Operating Partnership

As discussed in Note 9, the Operating Partnership and the Company have a joint plan whereby equity based and performance based awards may be granted to directors, officers and employees. When shares are issued by the Company, the Operating Partnership issues corresponding units to the Company based on the current exchange ratio as provided by the Operating Partnership agreement. Based on the current exchange ratio, each unit in the Operating Partnership is equivalent to four common shares of the Company. Therefore, when the Company grants an equity based award, the Operating Partnership treats each award as having been granted by the Operating Partnership.

The tables below set forth the equity based compensation expense and other related information as recognized in the Operating Partnership's consolidated financial statements.

We recorded equity-based compensation expense in general and administrative expenses in our consolidated statements of operations for the three months ended March 31, 2012 and 2011 as follows (in thousands):

	Three Months Ended March 31,	
	2012	2011
Restricted units (1)	$ 2,850	$ 1,266
Notional unit performance awards	489	507
Options	52	25
Total equity-based compensation	$ 3,391	$ 1,798

(1) Includes approximately $1.3 million of compensation expense related to 11,250 units issued related to a restricted share grant that vested immediately pursuant to the Employment Agreement as described in footnote 9.

The following table summarizes information related to unvested restricted units outstanding as of March 31, 2012:

Unvested Restricted Units	Number of units	Weighted-average grant date fair value
Unvested at December 31, 2011	197,834	$ 83.70
Granted	142,750	111.60
Vested	(68,450)	85.75
Forfeited	(1,250)	118.00
Unvested at March 31, 2012	270,884	$ 93.73

The total value of restricted units vested during the three months ended March 31, 2012 and March 31, 2011 was $8.2 million and $5.4 million, respectively.

As of March 31, 2012, there was $31.8 million of total unrecognized compensation cost related to unvested share-based compensation arrangements granted under the Plan. That cost is expected to be recognized over a weighted-average period of 3.8 years.

11. Earnings Per Share of the Company

The following table sets forth a reconciliation of the numerators and denominators in computing the Company's earnings per share for the three months ended March 31, 2012 and 2011, respectively (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2012	2011
Numerator		
Net income attributable to Tanger Factory Outlet Centers, Inc.	$ 8,128	$ 9,398
Less allocation of earnings to participating securities	(158)	(192)
Net income available to common shareholders of Tanger Factory Outlet Centers, Inc.	$ 7,970	$ 9,206
Denominator		
Basic weighted average common shares	89,671	80,353
Effect of notional units	1,096	—
Effect of senior exchangeable notes	—	125
Effect of outstanding options	65	74
Diluted weighted average common shares	90,832	80,552
Basic earnings per common share:		
Net income	$ 0.09	$ 0.11
Diluted earnings per common share:		
Net income	$ 0.09	$ 0.11

The notional units are considered contingently issuable common shares and are included in earnings per share if the effect is dilutive using the treasury stock method.

Outstanding senior, exchangeable notes were included in the diluted earnings per share computation, if the effect was dilutive, using the treasury stock method. In applying the treasury stock method, the effect was dilutive if the average market price of our common shares for at least 20 trading days in the 30 consecutive trading days at the end of each quarter were higher than the exchange price, which prior to redemption was $17.83 per share. There were no outstanding senior, exchangeable notes as of March 31, 2012.

The computation of diluted earnings per share excludes options to purchase common shares when the exercise price is greater than the average market price of the common shares for the period. For the three months ended March 31, 2012 and 2011, respectively, 174,600 and 191,500 options were excluded from the computation. The assumed exchange of the partnership units held by the Family Limited Partners as of the beginning of the year, which would result in the elimination of earnings allocated to the noncontrolling interest in the Operating Partnership, would have no impact on earnings per share since the allocation of earnings to a partnership unit, as if exchanged, is equivalent to earnings allocated to a common share.

Certain of the Company's unvested restricted share awards contain non-forfeitable rights to dividends or dividend equivalents. The impact of the unvested restricted share awards on earnings per share has been calculated using the two-class method whereby earnings are allocated to the unvested restricted share awards based on dividends declared and the unvested restricted shares' participation rights in undistributed earnings.

12. Earnings Per Unit of the Operating Partnership

The following table sets forth a reconciliation of the numerators and denominators in computing the Operating Partnership's earnings per unit for the three months ended March 31, 2012 and 2011, respectively (in thousands, except per unit amounts):

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011
Numerator		
Net income attributable to partners of the Operating Partnership	$ 8,841	$ 10,817
Less allocation of earnings to participating securities	(158)	(192)
Net income available to common unitholders of the Operating Partnership	$ 8,683	$ 10,625
Denominator		
Basic weighted average common units	24,382	23,121
Effect of notional units	274	—
Effect of senior exchangeable notes	—	31
Effect of outstanding options	16	19
Diluted weighted average common units	24,672	23,171
Basic earnings per common unit:		
Net income	$ 0.36	$ 0.46
Diluted earnings per common unit:		
Net income	$ 0.35	$ 0.46

The notional units are considered contingently issuable common units and are included in earnings per unit if the effect is dilutive using the treasury stock method.

When the Company issues common shares upon exercise of options or issues restricted share awards, the Operating Partnership issues one corresponding unit to the Company for every four common shares issued. Outstanding senior, exchangeable notes were included in the diluted earnings per unit computation, if the effect was dilutive, using the treasury stock method. In applying the treasury stock method, the effect was dilutive if the average market price of the Company's common shares for at least 20 trading days in the 30 consecutive trading days at the end of each quarter were higher than the exchange price, which prior to redemption was $17.83 per common share. There were no outstanding senior, exchangeable notes as of March 31, 2012.

The computation of diluted earnings per unit excludes units that would be issued upon the exercise of options to purchase the Company's common shares when the exercise price is greater than the average market price of the Company's common shares for the period. For the three months ended March 31, 2012 and 2011, respectively, 43,650 and 47,875 units which would be issued upon the exercise of outstanding options were excluded from the computation.

Certain of the Company's unvested restricted share awards contain non-forfeitable rights to distributions or distribution equivalents. The impact of the unvested restricted unit awards on earnings per unit has been calculated using the two-class method whereby earnings are allocated to the unvested restricted unit awards based on distributions declared and the unvested restricted units' participation rights in undistributed earnings.

13. Fair Value Measurements

Fair value guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers are defined as follows:

Tier	Description
Level 1	Defined as observable inputs such as quoted prices in active markets
Level 2	Defined as inputs other than quoted prices in active markets that are either directly or indirectly observable
Level 3	Defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions

We had no assets or liabilities measured at fair value on either a recurring or non-recurring basis as of March 31, 2012 or December 31, 2011, respectively.

The estimated fair value of our debt, consisting of senior unsecured notes, unsecured terms loans, secured mortgages and unsecured lines of credit, at March 31, 2012 and December 31, 2011, was $1.1 billion and $1.1 billion, respectively, and its recorded value was $1.0 billion and $1.0 billion, respectively. Fair values were determined, based on level 2 inputs, using discounted cash flow analysis with an interest rate or credit spread similar to that of current market borrowing arrangements.

14. Non-Cash Activities

We purchase capital equipment and incur costs relating to construction of facilities, including tenant finishing allowances. Expenditures included in construction trade payables as of March 31, 2012 and 2011 amounted to $15.7 million and $31.0 million, respectively.

15. Subsequent Events

Westgate, Glendale, Arizona

On May 4, 2012, we closed on the formation of a joint venture for the development of a Tanger Outlet Center in Glendale, Arizona. Construction of the center began in February, 2012. Situated on 38-acres, the outlet center will be located on Loop 101 and Glendale Avenue in Western Phoenix. This site is adjacent to Westgate City Center, Jobing.com Arena, University of Phoenix Stadium, Cabela's and The Renaissance Glendale Hotel and Spa. We currently expect this center to be completed in time for a November 2012 grand opening and will have approximately 85 brand name outlet stores in the first phase which will contain approximately 330,000 square feet. We will provide property management, construction supervision, leasing and marketing services to the joint venture.

RioCan Canada

On April 11, 2012, Tanger and RioCan Real Estate Investment Trust announced they have entered into an agreement with the Orlando Corporation to create a strategic alliance to develop a designer outlet center on land within the Heartland Town Centre. Located in the western Greater Toronto Area, Heartland Town Centre is Canada's largest power center with access to Highway 401. The parties intend to add a newly designed ground up outlet center of approximately 312,000 square feet to the approximately 2 million square feet of retail space currently at Heartland Town Centre.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The discussion of our results of operations reported in the unaudited, consolidated statements of operations compares the three months ended March 31, 2012 with the three months ended March 31, 2011. The results of operations discussion is combined for Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership because the results are virtually the same for both entities. The following discussion should be read in conjunction with the unaudited consolidated financial statements appearing elsewhere in this report. Historical results and percentage relationships set forth in the unaudited, consolidated statements of operations, including trends which might appear, are not necessarily indicative of future operations. Unless the context indicates otherwise, the term, "Company", refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term, "Operating Partnership", refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

Cautionary Statements

Certain statements made below are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995 and included this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies, beliefs and expectations, are generally identifiable by use of the words "believe", "expect", "intend", "anticipate", "estimate", "project", or similar expressions. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could materially affect our actual results, performance or achievements. Factors which may cause actual results to differ materially from current expectations include, but are not limited to, those set forth under Item 1A - "Risk Factors" in the Company's and the Operating Partnership's Annual Reports on Form 10-K for the year ended December 31, 2011. There have been no material changes to the risk factors listed there through March 31, 2012.

General Overview

At March 31, 2012 , we had 36 consolidated outlet centers in 24 states totaling 10.7 million square feet. The table below details our development and acquisition activities that significantly impacted our results of operations and liquidity from April 1, 2011 to March 31, 2012.

Center	Date Acquired/Open	Purchase Price (in millions)	Square Feet (in thousands)	Centers	States
As of March 31, 2011			9,368	32	21
Acquisitions:					
Jeffersonville, OH	June 28, 2011	$ 134.0	410	1	1
Atlantic City, NJ and Ocean City, MD (1)	July 15, 2011	$ 200.3	689	2	2
Hershey, PA (2)	September 30, 2011	$ 49.8	247	1	—
Other			12	—	—
As of March 31, 2012			10,726	36	24

(1) Substantially all of the economic interests in Phase I & II of Atlantic City Outlets The Walk and Ocean City were purchased on July 15, 2011, and substantially all of the economic interest in Phase III if Atlantic City Outlets The Walk was purchased on November 1, 2011.

(2) Excludes a $6.2 million loan to the noncontrolling interest holder collateralized by their ownership interest in the property.

The following table summarizes certain information for our existing outlet centers in which we have an ownership interest as of March 31, 2012. Except as noted, all properties are fee owned.

Location	Square	%
Consolidated Properties	**Feet**	**Occupied**
Riverhead, New York (1)	729,736	98
Rehoboth Beach, Delaware (1)	568,975	100
Foley, Alabama	557,228	98
Atlantic City, New Jersey (1)	489,762	98
San Marcos, Texas	441,929	99
Myrtle Beach Hwy 501, South Carolina	425,247	97
Sevierville, Tennessee (1)	419,038	99
Jeffersonville, Ohio	409,820	95
Myrtle Beach Hwy 17, South Carolina (1)	402,791	99
Washington, Pennsylvania	372,972	98
Commerce II, Georgia	370,512	98
Charleston, South Carolina	365,107	97
Howell, Michigan	324,632	97
Mebane, North Carolina	318,910	100
Branson, Missouri	302,922	98
Park City, Utah	298,379	99
Locust Grove, Georgia	298,268	98
Westbrook, Connecticut	289,950	98
Gonzales, Louisiana	282,403	99
Williamsburg, Iowa	277,230	98
Lincoln City, Oregon	270,212	95
Lancaster, Pennsylvania	254,002	100
Tuscola, Illinois	250,439	90
Hershey, Pennsylvania	247,448	97
Tilton, New Hampshire	245,698	99
Hilton Head II, South Carolina	206,529	100
Ocean City, Maryland (1)	199,243	91
Fort Myers, Florida	198,877	92
Terrell, Texas	177,800	94
Hilton Head I, South Carolina	177,199	100
Barstow, California	171,300	100
West Branch, Michigan	112,570	96
Blowing Rock, North Carolina	104,154	98
Nags Head, North Carolina	82,178	100
Kittery I, Maine	57,667	100
Kittery II, Maine	24,619	100
Totals	10,725,746	97
Unconsolidated Joint Ventures		
Deer Park, New York (2)	771,229	91
Wisconsin Dells, Wisconsin	265,086	98
Cookstown, Ontario	157,382	91

(1) These properties or a portion thereof are subject to a ground lease.

(2) Includes a 29,253 square foot warehouse adjacent to the shopping center.

Leasing Activity

The following table provides information for our consolidated outlet centers regarding space released or renewed during the three months ended March 31, 2012 and 2011, respectively:

2012

	# of Leases	Square Feet	Average Annual Straight-line Rent (psf)	Average Tenant Allowance (psf)	Average Initial Term (in years)	Net Average Annual Straight-line Rent (psf) (1)
Re-tenant	60	220,000	$ 32.53	$ 38.86	9.18	$ 28.30
Renewal	188	921,000	$ 21.97	$ —	4.58	$ 21.97

2011

	# of Leases	Square Feet	Average Annual Straight-line Rent (psf)	Average Tenant Allowance (psf)	Average Initial Term (in years)	Net Average Annual Straight-line Rent (psf) (1)
Re-tenant	96	336,000	$ 28.26	$ 38.51	8.55	$ 23.76
Renewal	180	932,000	$ 20.73	$ 2.09	5.02	$ 20.31

(1) Net average straight-line rentals is calculated by dividing the average tenant allowance costs per square foot by the average initial term and subtracting this calculated number from the average straight-line rent per year amount. The average annual straight-line rent disclosed in the table above includes all concessions, abatements and reimbursements of rent to tenants.

RESULTS OF OPERATIONS

Comparison of the three months ended March 31, 2012 to the three months ended March 31, 2011

NET INCOME

Net income decreased $2.0 million in the 2012 period to $8.8 million as compared to $10.8 million for the 2011 period. The decrease in net income was a result of a $2.0 million increase in operating expenses, a $3.3 million increase in general and administrative expenses, a $7.6 million increase in depreciation and amortization, $2.0 million in higher interest costs and $1.4 million higher loss from unconsolidated joint ventures partially offset by a $13.5 million increase in operating revenues.

BASE RENTALS

Base rentals increased $11.0 million, or 24%, in the 2012 period compared to the 2011 period. The following table sets forth the changes in various components of base rentals from the 2012 and 2011 periods (in thousands):

	2012	2011	Change
Existing property base rentals	$ 47,675	$ 45,898	$ 1,777
Base rentals from new developments	930	—	930
Base rentals from acquisitions	7,851	—	7,851
Termination fees	415	166	249
Amortization of net above and below market rent adjustments	348	155	193
	$ 57,219	$ 46,219	$ 11,000

Base rental income generated from existing properties in our portfolio increased due to increases in rental rates on lease renewals and incremental rents from re-tenanting vacant spaces.

During the first quarter of 2011, we completed the redevelopment and on March 31, 2011 opened our 177,000 square foot outlet center in Hilton Head I, SC. Additionally, throughout 2011 we acquired a total of four outlet centers adding approximately 1.3 million square feet to our consolidated outlet center portfolio.

At March 31, 2012, the net asset representing the amount of unrecognized, combined above and below market lease values, recorded as a part of the purchase price of acquired properties, totaled approximately $4.7 million. If a tenant vacates its space prior to the contractual termination of the lease and no rental payments are being made on the lease, any unamortized balance of the related above or below market lease value will be written off and could materially impact our net income positively or negatively.

PERCENTAGE RENTALS

Percentage rentals, which represent revenues based on a percentage of tenants' sales volume above predetermined levels, the breakpoint, increased $353,000, or 25%, from the 2011 period to the 2012 period. The following table sets forth the changes in various components of percentage rentals from the 2012 and 2011 periods (in thousands):

	2012	2011	Change
Existing property percentage rentals	$ 1,463	$ 1,391	$ 72
Percentage rentals from new developments	140	—	140
Percentage rentals from acquisitions	141	—	141
	$ 1,744	$ 1,391	$ 353

The increase in percentage rentals is primarily related to new developments and acquisitions completed in the 2011 period. Reported tenant comparable sales for our consolidated properties for the rolling twelve months ended March 31, 2012 increased 3.4% to $371 per square foot. Reported tenant comparable sales is defined as the weighted average sales per square foot reported in space open for the full duration of each comparison period.

EXPENSE REIMBURSEMENTS

Expense reimbursements increased $2.3 million, or 11%, in the 2012 period compared to the 2011 period. The following table sets forth the changes in various components of expense reimbursements from the 2012 and 2011 periods (in thousands):

	2012	2011	Change
Existing property expense reimbursements	$ 19,988	$ 20,878	$ (890)
Expense reimbursements from new developments	405	232	173
Expense reimbursements from acquisitions	2,954	—	2,954
Termination fees allocated to expense reimbursements	129	95	34
	$ 23,476	$ 21,205	$ 2,271

Expense reimbursements, which represent the contractual recovery from tenants of certain common area maintenance, insurance, property tax, promotional, advertising and management expenses, generally fluctuate consistently with the reimbursable property operating expenses to which they relate. Existing property expense reimbursements decreased in the 2012 period compared to the 2011 period as a result of a significant decrease in snow removal expenditures during the winter of 2012.

PROPERTY OPERATING EXPENSES

Property operating expenses increased $2.0 million , or 8% , in the 2012 period as compared to the 2011 period. The following table sets forth the changes in various components of property operating expenses from the 2012 and 2011 periods (in thousands):

	2012	2011	Change
Existing property operating expenses	$ 22,041	$ 23,845	$ (1,804)
Property operating expenses from new developments	440	263	177
Property operating expenses from acquisitions	3,607	—	3,607
	$ 26,088	$ 24,108	$ 1,980

Existing property operating expenses decreased in the 2012 period compared to the 2011 period as a result of a significant decrease in snow removal expenditures during the winter of 2012.

GENERAL AND ADMINISTRATIVE

General and administrative expenses increased $3.3 million, or 48% , in the 2012 period compared to the 2011 period. This increase was mainly due to additional share-based compensation expense related to the 2012 restricted share grant to directors and certain officers of the Company and share-based compensation granted to Steven B. Tanger in February 2012 pursuant to an amendment to his employment contract. Also, the 2012 period included higher payroll related expenses on a comparative basis to the 2011 period due to the addition of new employees since April 1, 2011.

ACQUISITION COSTS

The 2011 period includes costs related to the acquisition of the properties described above in the "General Overview".

DEPRECIATION AND AMORTIZATION

Depreciation and amortization increased $7.6 million, or 42% , in the 2012 period compared to the 2011 period. The following table sets forth the changes in various components of depreciation and amortization from the 2012 and 2011 periods (in thousands):

	2012	2011	Change
Existing property depreciation and amortization	$ 17,262	$ 17,965	$ (703)
Depreciation and amortization from new developments	507	—	507
Depreciation and amortization from acquisitions	7,746	—	7,746
	$ 25,515	$ 17,965	$ 7,550

Depreciation and amortization costs increased in the 2012 period compared to the 2011 period primarily as a result of the additional centers added to the portfolio after April 1, 2011. The depreciation and amortization from acquisitions includes amortization of lease related intangibles recorded as part of the acquisition price of the acquired properties which are amortized over shorter lives.

INTEREST EXPENSE

Interest expense increased approximately $2.0 million, or 19% , in the 2012 period compared to the 2011 period. The primary reason for the increase in interest expense is the increase in the average amount of debt outstanding from approximately $718.0 million for the 2011 period to approximately $1.0 billion for the 2012 period. The higher debt levels outstanding were a result of the mortgages assumed as part of the acquisition of four properties, additional funding necessary for the development and acquisition projects described above and other general operating purposes.

EQUITY IN LOSSES OF UNCONSOLIDATED JOINT VENTURES

Equity in losses of unconsolidated joint ventures increased approximately $1.4 million in the 2012 period compared to the 2011 period. Losses were higher in the 2012 period due to the increase in interest rates upon the refinancing for the Deer Park mortgage and mezzanine loans in December 2011. In addition, equity in losses of unconsolidated joint ventures included our portion of acquisition costs from the December 2011 Cookstown outlet center acquisition by RioCan and a write-off of pre-development costs related to the termination of an option contract to develop a center in Halton Hills, Ontario.

LIQUIDITY AND CAPITAL RESOURCES OF THE COMPANY

In this "Liquidity and Capital Resources of the Company" section, the term, the Company, refers only to Tanger Factory Outlet Centers, Inc. on an unconsolidated basis, excluding the Operating Partnership.

The Company's business is operated primarily through the Operating Partnership. The Company issues public equity from time to time, but does not otherwise generate any capital itself or conduct any business itself, other than incurring certain expenses in operating as a public company which are fully reimbursed by the Operating Partnership. The Company does not hold any indebtedness, and its only material asset is its ownership of partnership interests of the Operating Partnership. The Company's principal funding requirement is the payment of dividends on its common shares. The Company's principal source of funding for its dividend payments is distributions it receives from the Operating Partnership.

Through its ownership of the sole general partner of the Operating Partnership, the Company has the full, exclusive and complete responsibility for the Operating Partnership's day-to-day management and control. The Company causes the Operating Partnership to distribute all, or such portion as the Company may in its discretion determine, of its available cash in the manner provided in the Operating Partnership's partnership agreement. The Company receives proceeds from equity issuances from time to time, but is required by the Operating Partnership's partnership agreement to contribute the proceeds from its equity issuances to the Operating Partnership in exchange for partnership units of the Operating Partnership.

The Company is a well-known seasoned issuer with a shelf registration that expires in July 2012 that allows the Company to register unspecified various classes of equity securities and the Operating Partnership to register unspecified, various classes of debt securities. As circumstances warrant, the Company may issue equity from time to time on an opportunistic basis, dependent upon market conditions and available pricing. The Operating Partnership may use the proceeds to repay debt, including borrowings under its lines of credit, develop new or existing properties, to make acquisitions of properties or portfolios of properties, to invest in existing or newly created joint ventures or for general corporate purposes.

The liquidity of the Company is dependent on the Operating Partnership's ability to make sufficient distributions to the Company. The Company also guarantees some of the Operating Partnership's debt. If the Operating Partnership fails to fulfill its debt requirements, which trigger the Company's guarantee obligations, then the Company may be required to fulfill its cash payment commitments under such guarantees. However, the Company's only material asset is its investment in the Operating Partnership.

The Company believes the Operating Partnership's sources of working capital, specifically its cash flow from operations, and borrowings available under its unsecured credit facilities, are adequate for it to make its distribution payments to the Company and, in turn, for the Company to make its dividend payments to its shareholders. However, there can be no assurance that the Operating Partnership's sources of capital will continue to be available at all or in amounts sufficient to meet its needs, including its ability to make distribution payments to the Company. The unavailability of capital could adversely affect the Operating Partnership's ability to pay its distributions to the Company, which will in turn, adversely affect the Company's ability to pay cash dividends to its shareholders.

For the Company to maintain its qualification as a real estate investment trust, it must pay dividends to its shareholders aggregating annually at least 90% of its taxable income. While historically the Company has satisfied this distribution requirement by making cash distributions to its shareholders, it may choose to satisfy this requirement by making distributions of cash or other property, including, in limited circumstances, the Company's own shares.

As a result of this distribution requirement, the Operating Partnership cannot rely on retained earnings to fund its on-going operations to the same extent that other companies whose parent companies are not real estate investment trusts can. The Company may need to continue to raise capital in the equity markets to fund the Operating Partnership's working capital needs, as well as potential developments of new or existing properties, acquisitions or investments in existing or newly created joint ventures.

As the sole owner of the general partner with control of the Operating Partnership, the Company consolidates the Operating Partnership for financial reporting purposes. The Company does not have significant assets other than its investment in the Operating Partnership. Therefore, the assets and liabilities and the revenues and expenses of the Company and the Operating Partnership are the same on their respective financial statements, except for immaterial differences related to cash, other assets and accrued liabilities that arise from public company expenses paid by the Company. However, all debt is held directly or indirectly at the Operating Partnership level, and the Company has guaranteed some of the Operating Partnership's unsecured debt as discussed below. Because the Company consolidates the Operating Partnership, the section entitled "Liquidity and Capital Resources of the Operating Partnership" should be read in conjunction with this section to understand the liquidity and capital resources of the Company on a consolidated basis and how the Company is operated as a whole.

On April 5, 2012, the Company's Board of Directors declared a $.21 cash dividend per common share payable on May 15, 2012 to each shareholder of record on April 30, 2012, and caused an $.84 per Operating Partnership unit cash distribution to the Operating Partnership's unitholders.

LIQUIDITY AND CAPITAL RESOURCES OF THE OPERATING PARTNERSHIP

General Overview

In this "Liquidity and Capital Resources of the Operating Partnership" section, the terms "we", "our" and "us" refer to the Operating Partnership or the Operating Partnership and the Company together, as the text requires.

Property rental income represents our primary source to pay property operating expenses, debt service, capital expenditures and distributions, excluding non-recurring capital expenditures and acquisitions. To the extent that our cash flow from operating activities is insufficient to cover such non-recurring capital expenditures and acquisitions, we finance such activities from borrowings under our unsecured lines of credit or from the proceeds from the Operating Partnership's debt offerings and the Company's equity offerings.

We believe we achieve a strong and flexible financial position by attempting to: (1) maintain a conservative leverage position relative to our portfolio when pursuing new development, expansion and acquisition opportunities, (2) extend and sequence debt maturities, (3) manage our interest rate risk through a proper mix of fixed and variable rate debt, (4) maintain access to liquidity by using our lines of credit in a conservative manner and (5) preserve internally generated sources of capital by strategically divesting of underperforming assets and maintaining a conservative distribution payout ratio. We manage our capital structure to reflect a long term investment approach and utilize multiple sources of capital to meet our requirements.

The following table sets forth our changes in cash flows for the three months ended March 31, 2012 and 2011, respectively (in thousands):

	2012	2011	Change
Net cash provided by operating activities	$ 42,553	$ 31,094	$ 11,459
Net cash used in investing activities	(30,972)	(24,170)	(6,802)
Net cash used in financing activities	(8,732)	(11,896)	3,164
Net increase (decrease) in cash and cash equivalents	$ 2,849	$ (4,972)	$ 7,821

Operating Activities

The increase in cash provided by operating activities is primarily due to the incremental cash flow provided by the addition of the Hilton Head I, SC; Jeffersonville, OH; Atlantic City, NJ; and Ocean City, MD centers to our portfolio subsequent to the 2011 period. In addition, base rental income generated from existing properties in our portfolio increased due to increases in rental rates on lease renewals and incremental rents from re-tenanting vacant spaces.

Investing Activities

Cash flow used in investing activities was higher in the 2012 period due primarily to the additional investments in our unconsolidated joint ventures in Galveston/Houston, TX and Cookstown, ON. The capital contributions to the Galveston/Houston joint venture were construction related as we continue to develop the site and the Cookstown contributions were utilized to retire the mortgage debt that was assumed when the property was acquired in December 2011. The increase was partially offset by a decrease in additions to consolidated rental properties. During the 2011 period, we were completing the construction activities at our redeveloped center in Hilton Head, SC. Also, the 2011 period contained significant payments for acquisition deposits related to centers that we eventually acquired during the second and third quarters of 2011.

Financing Activities

Cash used in financing activities was lower in the 2012 period due to an increase in debt utilized to fund investing activities described above.

Capital Expenditures

The following table details our capital expenditures for the three months ended March 31, 2012 and 2011, respectively (in thousands):

	Three Months Ended March 31,		
	2012	2011	Change
Capital expenditures analysis:			
New center developments	$ 2,336	$ 443	$ 1,893
Center redevelopment	62	6,443	(6,381)
Major center renovations	1,480	—	1,480
Second generation tenant allowances	5,537	5,834	(297)
Other capital expenditures	962	1,684	(722)
	10,377	14,404	(4,027)
Conversion from accrual to cash basis	(2,042)	847	(2,889)
Additions to rental property-cash basis	$ 8,335	$ 15,251	$ (6,916)

- New center development expenditures, which includes first generation tenant allowances, increased in the 2012 period due to on-going expansion projects in Locust Grove, Georgia and Gonzales, Louisiana.

- Center redevelopment relates to our Hilton Head I, SC center which re-opened in March 2011.

- Major center renovations increased in the 2012 period due to our on-going renovation efforts at the centers acquired during the second and third quarters of 2011.

Current Developments

We intend to continue to grow our portfolio by developing, expanding or acquiring additional outlet centers. In the section below, we describe the new developments that are either currently planned, underway or recently completed. However, you should note that any developments or expansions that we, or a joint venture that we are involved in, have planned or anticipated may not be started or completed as scheduled, or may not result in accretive net income or funds from operations ("FFO"). See the section "Supplemental Earnings Measures" - "Funds From Operations" in the Management's Discussion and Analysis section for further discussion of FFO. In addition, we regularly evaluate acquisition or disposition proposals and engage from time to time in negotiations for acquisitions or dispositions of properties. We may also enter into letters of intent for the purchase or sale of properties. Any prospective acquisition or disposition that is being evaluated or which is subject to a letter of intent may not be consummated, or if consummated, may not result in an increase in liquidity, net income or FFO.

UNCONSOLIDATED JOINT VENTURES

We have formed joint venture arrangements to develop outlet centers that are currently in various stages of development in several markets. See "Off-Balance Sheet Arrangements" for a discussion of unconsolidated joint venture development activities.

Other Potential Future Developments

As of the date of this filing, we are in the initial study period for potential new developments, including sites located in Scottsdale, Arizona and Ottawa, Ontario. The Ottawa site, if developed, will be undertaken by our Canadian Joint Venture with our RioCan partner (see discussion under the caption "RioCan Canadian Joint Venture" in the section titled "Off-Balance Sheet Arrangements"). We may also use joint venture arrangements to develop other potential sites. There can be no assurance that these sites will ultimately be developed.

In the case of projects to be wholly-owned by us, we expect to fund these projects from amounts availalbe under our unsecured lines of credit, but may also fund them with capital from additional public debt and equity offerings. For projects to be developed through joint venture arrangements, we typically use collateralized construction loans to fund a portion of the project, with our share of the equity requirements funded from sources previously described.

Financing Arrangements

At March 31, 2012, 88% of our outstanding debt represented unsecured borrowings and 90% of the gross book value of our real estate portfolio was unencumbered. We maintain unsecured lines of credit that provide for borrowings of up to $520.0 million. Our unsecured lines of credit have an expiration date of November 10, 2015 with an option for a one year extension.

On February 24, 2012, the Operating Partnership closed on a seven-year $250.0 million unsecured term loan. The term loan is interest only, matures in the first quarter of 2019 and is pre-payable without penalty beginning in February of 2015. Based on our current credit ratings, the new loan has an initial interest rate of LIBOR + 1.80%. We used the net proceeds of the term loan to reduce the outstanding balances on our unsecured lines of credit.

We intend to retain the ability to raise additional capital, including public debt or equity, to pursue attractive investment opportunities that may arise and to otherwise act in a manner that we believe to be in the best interests of our shareholders and unitholders. The Company is a well-known seasoned issuer with a joint shelf registration with the Operating Partnership that allows us to register unspecified amounts of different classes of securities on Form S-3. To generate capital to reinvest into other attractive investment opportunities, we may also consider the use of additional operational and developmental joint ventures, the sale or lease of outparcels on our existing properties and the sale of certain properties that do not meet our long-term investment criteria. Based on cash provided by operations, existing credit facilities, ongoing negotiations with certain financial institutions and our ability to sell debt or issue equity subject to market conditions, we believe that we have access to the necessary financing to fund the planned capital expenditures during 2012.

We anticipate that adequate cash will be available to fund our operating and administrative expenses, regular debt service obligations, and the payment of dividends in accordance with REIT requirements in both the short and long-term. Although we receive most of our rental payments on a monthly basis, distributions to shareholders are made quarterly and interest payments on the senior, unsecured notes are made semi-annually. Amounts accumulated for such payments will be used in the interim to reduce the outstanding borrowings under our existing unsecured, lines of credit or invested in short-term money market or other suitable instruments.

We believe our current balance sheet position is financially sound; however, due to the uncertainty and unpredictability of the capital and credit markets, we can give no assurance that affordable access to capital will exist between now and 2015 when our next significant debt maturities occur. As a result, our current primary focus is to strengthen our capital and liquidity position by controlling and reducing construction and overhead costs, generating positive cash flows from operations to cover our dividend and reducing outstanding debt.

The Operating Partnership's debt agreements require the maintenance of certain ratios, including debt service coverage and leverage, and limit the payment of dividends such that dividends and distributions will not exceed funds from operations, as defined in the agreements, for the prior fiscal year on an annual basis or 95% on a cumulative basis. We have historically been and currently are in compliance with all of our debt covenants. We expect to remain in compliance with all of our existing debt covenants; however, should circumstances arise that would cause us to be in default, the various lenders would have the ability to accelerate the maturity on our outstanding debt.

The Operating Partnership's senior unsecured notes contain covenants and restrictions requiring us to meet certain financial ratios and reporting requirements. Key financial covenants and their covenant levels include:

Senior unsecured notes financial covenants	Required	Actual
Total consolidated debt to adjusted total assets	<60%	47%
Total secured debt to adjusted total assets	<40%	5%
Total unencumbered assets to unsecured debt	>135%	208%

OFF-BALANCE SHEET ARRANGEMENTS

The following table details certain information as of March 31, 2012 about various unconsolidated real estate joint ventures with operating properties in which we have an ownership interest:

Joint Venture	Center Location	Ownership %	Square Feet	Carrying Value of Investment (in millions)	Total Joint Venture Debt (in millions)
Wisconsin Dells	Wisconsin Dells, WI	50.0%	265,086	$ 4.0	$ 24.3
Deer Park	Deer Park, Long Island NY	33.3%	741,796	4.7	246.9
Deer Park Warehouse	Deer Park, Long Island NY	33.3%	29,253	—	2.3
Galveston/Houston	Texas City, TX	50.0%	—	13.9	—
RioCan Canada	Various	50.0%	157,382	24.8	—
National Harbor	Washington D.C. Metro Area	50.0%	—	0.9	—
Other		50.0%	—	0.2	—
Total				$ 48.5	$ 273.5

Each of the above ventures contain make whole provisions in the event that demands are made on any existing guarantees and other provisions where a venture partner can force the other partners to either buy or sell their investment in the joint venture. Should this occur, we may be required to sell the property to the venture partner or incur a significant cash outflow in order to maintain ownership of these outlet centers.

The following table details our share of the debt maturities of the unconsolidated joint ventures as of March 31, 2012 (in thousands):

Joint Venture	Our Portion of Joint Venture Debt	Maturity Date	Interest Rate
Wisconsin Dells	$ 12,125	December 2012	LIBOR + 3.00%
Deer Park	$ 82,315	May 2014	LIBOR + 3.50% to 5.00%
Deer Park Warehouse	$ 780	May 2011 (1)	8.25%

(1) The Deer Park Warehouse mortgage did not qualify for the associated one-year extension option which was exercisable in May 2011. See "Deer Park Warehouse, Long Island, New York" in this section for further discussion.

Deer Park Warehouse, Long Island, New York

In June 2008, we, along with our partners in Deer Park, entered into a joint venture to purchase a warehouse adjacent to the Deer Park project described above for a total purchase price of $3.3 million. The interest-only mortgage loan for the warehouse matured on May 17, 2011 and the joint venture did not qualify for the one-year extension option. As a result, the joint venture has accrued interest at a default rate of 8.25% from May 17, 2011 to March 31, 2012, and is currently in negotiations with the lender. As of March 31, 2012, the outstanding principal balance under the warehouse mortgage was $2.3 million. In December 2011, the joint venture recorded an impairment charge of approximately $900,000 to lower the basis of the warehouse to its estimated fair market value.

Galveston/Houston, Texas

In June 2011, we announced the formation of a 50/50 joint venture agreement with Simon Property Group, Inc. for the development of a Tanger Outlet Center south of Houston in Texas City, TX. We expect the center to be completed in October 2012 and to feature over 90 brand name and designer outlet stores in the first phase of approximately 350,000 square feet, with room for expansion for a total build out of approximately 470,000 square feet. In July 2011, the joint venture acquired the land underlying the site for approximately $5.6 million. As of March 31, 2012, we have contributed $13.7 million in cash to the joint venture to fund development activities. We will provide property management and marketing services to the center and with our partner, will jointly provide development and leasing services.

RioCan Canada

On December 9, 2011, the RioCan Canadian Joint Venture purchased the Cookstown Outlet Mall. The existing outlet center was acquired for $47.4 million, plus an additional $13.8 million for excess land upon the seller meeting certain conditions, for an aggregate purchase price of $61.2 million. RioCan will provide development and property management services to this existing outlet center and we will provide leasing and marketing services. In connection with the purchase, the joint venture assumed the in place financing of $29.6 million which carried an interest rate of 5.10% and had an original maturity date of June 21, 2014. In March, 2012, the joint venture negotiated the early payment of the financing. We contributed an additional $15.1 million to the joint venture to fund the payment.

During the quarter, the joint venture terminated an option contract to develop a center in Halton Hills, Ontario and accordingly pre-development costs of approximately $954,000 were written-off.

On April 11, 2012, Tanger and RioCan Real Estate Investment Trust announced they have entered into an agreement with the Orlando Corporation to create a strategic alliance to develop a designer outlet center on land within the Heartland Town Centre. Located in the western Greater Toronto Area, Heartland Town Centre is Canada's largest power center with access to Highway 401. The parties intend to add a newly designed ground up outlet center of approximately 312,000 square feet to the approximately 2 million square feet of retail space currently at Heartland Town Centre.

National Harbor, Washington, D.C. Metro Area

In May 2011, we announced the formation of a 50/50 joint venture agreement with The Peterson Companies for the development of a Tanger Outlets at National Harbor in the Washington, D.C. Metro area. The resulting Tanger Outlet Center is expect to contain approximately 80 outlet designer and name brand stores in a center measuring up to 350,000 square feet. The center is in the pre-development stage and in December 2011, both parties each made initial equity contributions of $850,000 to fund certain pre-development costs. We will provide property management, leasing and marketing services to the joint venture. We and The Peterson Companies will jointly provide site development and construction supervision services to the joint venture.

Westgate, Glendale, Arizona

On May 4 , 2012, we closed on the formation of a joint venture for the development of a Tanger Outlet Center in Glendale, Arizona. Construction of the center began in February, 2012. Situated on 38-acres, the outlet center will be located on Loop 101 and Glendale Avenue in Western Phoenix. This site is adjacent to Westgate City Center, Jobing.com Arena, University of Phoenix Stadium, Cabela's and The Renaissance Glendale Hotel and Spa. We currently expect this center to be completed in time for a November 2012 grand opening and will have approximately 85 brand name outlet stores in the first phase which will contain approximately 330,000 square feet. We will provide property management, construction supervision, leasing and marketing services to the joint venture.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Refer to our 2011 Annual Reports on Form 10-K of the Company and the Operating Partnership for a discussion of our critical accounting policies which include principles of consolidation, acquisition of real estate, cost capitalization, impairment of long-lived assets and revenue recognition. There have been no material changes to these policies in 2012.

RELATED PARTY TRANSACTIONS

Management, leasing and marketing fees, which we believe approximate current market rates, earned from services provided to our unconsolidated joint ventures were recognized during the three months ended March 31, 2012 and 2011 as follows (in thousands):

	Three Months Ended March 31,	
	2012	2011
Fee:		
Management and leasing	$ 479	$ 505
Marketing	53	44
Total Fees	$ 532	$ 549

SUPPLEMENTAL EARNINGS MEASURES

Funds From Operations

Funds from Operations ("FFO") represents income before extraordinary items and gains (losses) on sale or disposal of depreciable operating properties, plus depreciation and amortization uniquely significant to real estate, impairment losses on depreciable real estate of consolidated real estate and impairment losses on investments in unconsolidated joint ventures driven by a measurable decrease in the fair value of depreciable real estate held by the unconsolidated joint ventures and after adjustments for unconsolidated partnerships and joint ventures.

FFO is intended to exclude historical cost depreciation of real estate as required by Generally Accepted Accounting Principles ("GAAP") which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income.

We present FFO because we consider it an important supplemental measure of our operating performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is widely used by us and others in our industry to evaluate and price potential acquisition candidates. The National Association of Real Estate Investment Trusts, Inc., of which we are a member, has encouraged its member companies to report their FFO as a supplemental, industry-wide standard measure of REIT operating performance. In addition, a percentage of bonus compensation to certain members of management is based on our FFO performance.

FFO has significant limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- FFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and FFO does not reflect any cash requirements for such replacements;
- FFO, which includes discontinued operations, may not be indicative of our ongoing operations; and
- Other companies in our industry may calculate FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, FFO should not be considered as a measure of discretionary cash available to us to invest in the growth of our business or our dividend paying capacity. We compensate for these limitations by relying primarily on our GAAP results and using FFO only supplementally.

Below is a reconciliation of net income to FFO for the three months ended March 31, 2012 and 2011 as well as other data for those respective periods (in thousands):

	Three months ended March 31,	
	2012	2011
FUNDS FROM OPERATIONS		
Net income	$ 8,834	$ 10,817
Adjusted for:		
Depreciation and amortization uniquely significant to real estate - consolidated	25,301	17,807
Depreciation and amortization uniquely significant to real estate - unconsolidated joint ventures	1,815	1,306
Funds from operations (FFO)	35,950	29,930
FFO attributable to noncontrolling interests in other consolidated partnerships	(2)	—
Allocation of FFO to participating securities	(308)	(310)
Funds from operations available to common shareholders and noncontrolling interests in Operating Partnership	$ 35,640	$ 29,620
Tanger Factory Outlet Centers, Inc.:		
Weighted average common shares outstanding [(1) (2)]	98,690	92,685
Funds from operations per share	$ 0.36	$ 0.32
Tanger Properties Limited Partnership:		
Weighted average Operating Partnership units outstanding [(1)]	24,672	23,171
Funds from operations per unit	$ 1.44	$ 1.28

(1) Includes the dilutive effect of options and senior exchangeable notes.
(2) Assumes the partnership units of the Operating Partnership held by the noncontrolling interests are exchanged for common shares of the Company.

Adjusted Funds From Operations

We present Adjusted Funds From Operations ("AFFO") as a supplemental measure of our performance. We define AFFO as FFO further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance. These further adjustments are itemized below. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating AFFO you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of AFFO should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We present AFFO because we believe it assists investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we use AFFO, or some form of AFFO, when certain material, unplanned transactions occur, as a factor in evaluating management's performance when determining incentive compensation and to evaluate the effectiveness of our business strategies.

AFFO has limitations as an analytical tool. Some of these limitations are:

- AFFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- AFFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and AFFO does not reflect any cash requirements for such replacements;
- AFFO does not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; and
- Other companies in our industry may calculate AFFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, AFFO should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using AFFO only supplementally.

Below is a reconciliation of FFO to AFFO for the three months ended March 31, 2012 and 2011 as well as other data for those respective periods (in thousands):

	Three months ended March 31, 2012	Three months ended March 31, 2011
ADJUSTED FUNDS FROM OPERATIONS		
Funds from operations	$ 35,950	$ 29,930
Adjusted for non-core items:		
Acquisition costs	—	567
Abandoned development costs	—	158
AFFO adjustments from unconsolidated joint ventures (1)	686	—
Adjusted funds from operations (AFFO)	36,636	30,655
FFO attributable to noncontrolling interests in other consolidated partnerships	(2)	—
Allocation of AFFO to participating securities	(314)	(317)
Adjusted funds from operations available to common shareholders and noncontrolling interests in Operating Partnership	$ 36,320	$ 30,338
Tanger Factory Outlet Centers, Inc.:		
Weighted average common shares outstanding (2) (3)	98,690	92,685
Adjusted funds from operations per share	$ 0.37	$ 0.33
Tanger Properties Limited Partnership:		
Weighted average Operating Partnership units outstanding (2)	24,672	23,171
Adjusted funds from operations per unit	$ 1.47	$ 1.31

(1) Includes our share of acquisition costs, abandoned development costs and gain on early extinguishment of debt.

(2) Includes the dilutive effect of options and senior exchangeable notes.

(3) Assumes the partnership units of the Operating Partnership held by the noncontrolling interest are exchanged for common shares of the Company.

Same Center Net Operating Income

We present Same Center Net Operating Income ("NOI") as a supplemental measure of our performance. We define NOI as total operating revenues less property operating expenses. Same Center NOI represents the NOI for the stabilized properties that were operational for the entire portion of both comparable reporting periods and which were not acquired, expanded, renovated or subject to a material, non-recurring event, such as a natural disaster, during the comparable reporting periods. We believe that NOI and Same Center NOI provide useful information to our investors and analysts about our financial and operating performance because it provides a performance measure of the revenues and expenses directly involved in owning and operating real estate assets and provides a perspective not immediately apparent from net income or FFO. Because Same Center NOI excludes the change in NOI from properties developed, redeveloped, acquired and disposed of, it highlights operating trends such as occupancy levels, rental rates and operating costs on properties that were operational for both comparable periods. Other REITs may use different methodologies for calculating Same Center NOI, and accordingly, our Same Center NOI may not be comparable to other REITs.

Same Center NOI should not be viewed as an alternative measure of the Company's financial performance since it does not reflect the operations of the Company's entire portfolio, nor does it reflect the impact of general and administrative expenses, acquisition-related expenses, interest expense, depreciation and amortization costs, other nonproperty income and losses, the level of capital expenditures and leasing costs necessary to maintain the operating performance of the Company's properties, or trends in development and construction activities which are significant economic costs and activities that could materially impact the Company's results from operations.

Below is a reconciliation of income before equity in losses of unconsolidated joint ventures to same center net operating income for the three months ended March 31, 2012 and 2011 (in thousands):

	Three months ended March 31, 2012	Three months ended March 31, 2011
SAME CENTER NET OPERATING INCOME		
Income before equity in losses of unconsolidated joint ventures	$ 10,286	$ 10,849
Interest expense	12,334	10,325
Operating income	22,620	21,174
Adjusted to exclude:		
Depreciation and amortization	25,515	17,965
Abandoned development costs	—	158
Acquisition costs	—	567
General and administrative expenses	10,020	6,767
Property net operating income	58,155	46,631
Less: non-cash adjustments and termination rents (1)	(1,924)	(1,245)
Property net operating income - cash basis	56,231	45,386
Less: non-same center and other NOI	(8,889)	(804)
Total same center NOI - cash basis	$ 47,342	$ 44,582

(1) Non-cash items include straight-line rent, net above and below market rent amortization and gains or losses on outparcel sales.

ECONOMIC CONDITIONS AND OUTLOOK

The majority of our leases contain provisions designed to mitigate the impact of inflation. Such provisions include clauses for the escalation of base rent and clauses enabling us to receive percentage rentals based on tenants' gross sales (above predetermined levels, which we believe often are lower than traditional retail industry standards) which generally increase as prices rise. Most of the leases require the tenant to pay their share of property operating expenses, including common area maintenance, real estate taxes, insurance and advertising and promotion, thereby reducing exposure to increases in costs and operating expenses resulting from inflation.

While we believe outlet stores will continue to be a profitable and fundamental distribution channel for many brand name manufacturers, some retail formats are more successful than others. As typical in the retail industry, certain tenants have closed, or will close, certain stores by terminating their lease prior to its natural expiration or as a result of filing for protection under bankruptcy laws.

Due to the relatively short-term nature of our tenants' leases, a significant portion of the leases in our portfolio come up for renewal each year. As of January 1, 2012, we had approximately 1.6 million square feet, or 15%, of our consolidated portfolio coming up for renewal during 2012. During the first three months of 2012, we renewed approximately 921,000 square feet of this space at a 15% increase in the average base rental rate compared to the expiring rate. We also re-tenanted approximately 220,000 square feet at a 58% increase in the average base rental rate. In addition, we continue to attract and retain additional tenants. However, there can be no assurance that we can achieve similar increases in base rental rates. In addition, if we were unable to successfully renew or release a significant amount of this space on favorable economic terms, the loss in rent could have a material adverse effect on our results of operations.

Our outlet centers typically include well-known, national, brand name companies. By maintaining a broad base of well-known tenants and a geographically diverse portfolio of properties located across the United States, we reduce our operating and leasing risks. No one tenant (including affiliates) accounts for more than 8% of our square feet or 7% of our combined base and percentage rental revenues. Accordingly, we do not expect any material adverse impact on our results of operations and financial condition as a result of leases to be renewed or stores to be released. As of March 31, 2012 and 2011, respectively, occupancy at our consolidated centers was 97%.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market Risk

We are exposed to various market risks, including changes in interest rates. Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates. We may periodically enter into certain interest rate protection and interest rate swap agreements to effectively convert floating rate debt to a fixed rate basis. We do not enter into derivatives or other financial instruments for trading or speculative purposes. As of March 31, 2012, we were not a party to any interest rate protection agreements.

As of March 31, 2012, approximately 36% of our outstanding debt had a variable interest rate and was therefore subject to market fluctuations. An increase in the LIBOR rate of 100 basis points would result in an increase of approximately $3.7 million in interest expense on an annual basis. The information presented herein is merely an estimate and has limited predictive value. As a result, the ultimate effect upon our operating results of interest rate fluctuations will depend on the interest rate exposures that arise during the period, our hedging strategies at that time and future changes in the level of interest rates.

The estimated fair value of our debt, consisting of senior unsecured notes, unsecured terms loans, secured mortgages and unsecured lines of credit, at March 31, 2012 and December 31, 2011 was $1.1 billion and $1.1 billion, respectively, and its recorded value was $1.0 billion and $1.0 billion, respectively. A 1% increase from prevailing interest rates at March 31, 2012 and December 31, 2011 would result in a decrease in fair value of total debt of approximately $37.5 million at both March 31, 2012 and December 31, 2011. Fair values were determined, based on level 2 inputs, using discounted cash flow analysis with an interest rate or credit spread similar to that of current market borrowing arrangements.

Item 4. Controls and Procedures

Tanger Factory Outlet Centers, Inc. Controls and Procedures

Based on the most recent evaluation, the Company's Chief Executive Officer and Chief Financial Officer, have concluded the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) were effective as of March 31, 2012. There were no changes to the Company's internal controls over financial reporting during the quarter ended March 31, 2012, that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Tanger Properties Limited Partnership Controls and Procedures

Based on the most recent evaluation, the Chief Executive Officer of the Operating Partnership's general partner, and the Vice-President, Treasurer and Assistant Secretary (Principal Financial and Accounting Officer) of the Operating Partnership's general partner, have concluded the Operating Partnership's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) were effective as of March 31, 2012. There were no changes to the Operating Partnership's internal controls over financial reporting during the quarter ended March 31, 2012, that materially affected, or are reasonably likely to materially affect, the Operating Partnership's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Neither the Company nor the Operating Partnership is presently involved in any material litigation nor, to their knowledge, is any material litigation threatened against the Company or the Operating Partnership or its properties, other than routine litigation arising in the ordinary course of business and which is expected to be covered by liability insurance.

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in the "Risk Factors" section of our Annual Reports on Form 10-K for the year ended December 31, 2011.

Item 6. Exhibits

Exhibit Number	Exhibit Descriptions
10.1	Term loan credit agreement dated February 24, 2012 between Tanger Properties Limited Partnership and Wells Fargo Bank, National Assocation, as Adminstrative Agent, Wells Fargo Bank Securities, LLC, SunTrust Robinson Humphrey, Inc.m and PNC Capital MArkets LLC, as Joint Lead Arrangers, SunTrust Bank and PNC Bank, National Association, as Co-Syndication Agents, Regions Bank, as Documentation Agent and Wells Fargo Securities, LLC, as Sole Bookrunner. (Incorporated by reference to the exhibits to the Company's and Operating Partnership's Current Report on Form 8-K dated February 29, 2012.)
10.2*	Amended and restated employment agreement of Steven B. Tanger dated February 28, 2012. (Incorporated by reference to the exhibits to the Company's and Operating Partnership's Current Report on Form 8-K dated February 29, 2012.)
10.3*	Restricted Share Agreement between the Company and Steven. B. Tanger dated February 28, 2012.
12.1	Company's Ratio of Earnings to Fixed Charges.
12.2	Operating Partnership's Ratio of Earnings to Fixed Charges.
31.1	Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes - Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
31.2	Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes - Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
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32.1	Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
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32.4	Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002 for Tanger Properties Limited Partnership.
101	The following financial statements from Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership's dual Quarterly Report on Form 10-Q for the quarter ended March 31, 2012, formatted in XBRL: (i) Consolidated Balance Sheets (unaudited), (ii) Consolidated Statements of Operations (unaudited), (iii) Consolidated Statements of Other Comprehensive Income (unaudited), (iv) Consolidated Statements of Equity (unaudited), (v) Consolidated Statements of Cash Flows (unaudited), and (vi) Notes to Consolidated Financial Statements (unaudited). (In accordance with Rule 406T of Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.)

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

DATE: May 10, 2012

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ Frank C. Marchisello, Jr.

Frank C. Marchisello, Jr.
Executive Vice President, Chief Financial Officer & Secretary

TANGER PROPERTIES LIMITED PARTNERSHIP
By: TANGER GP TRUST, its sole general partner

By: /s/ Frank C. Marchisello, Jr.

Frank C. Marchisello, Jr.
Vice President and Treasurer

Exhibit Index

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*	Management contract or compensatory plan or arrangement.

Exhibit 10.3

RESTRICTED SHARE AGREEMENT
(2012 PERFORMANCE AWARD)

THIS RESTRICTED SHARE AGREEMENT (this “Agreement”) is made effective as of February 28, 2012, between Tanger Factory Outlet Centers, Inc., a corporation organized under the laws of the State of North Carolina (the “Company”), Tanger Properties Limited Partnership, a limited partnership organized under the laws of the State of North Carolina (the “Employer”), and Steven B. Tanger (the “Restricted Shareholder”).

WHEREAS, the Company has established the Amended and Restated Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership (the “Plan”);

WHEREAS, the Company, the Employer and the Restricted Shareholder have entered into an Amended and Restated Employment Agreement dated as of February 28, 2012 (the “Amended and Restated Employment Agreement”);

WHEREAS, the Company wishes to carry out the Plan (the terms of which are hereby incorporated by reference and made a part of this Agreement) and satisfy the terms of the Amended and Restated Employment Agreement;

WHEREAS, the Plan provides for the issuance of the Company's common shares, no par value (the “Common Shares”), subject to certain restrictions thereon (“Restricted Shares”);

WHEREAS, the Committee, appointed to administer the Plan, has determined that it would be to the advantage and in the best interest of the Company and its shareholders to issue the Restricted Shares provided for herein to the Restricted Shareholder as an inducement to enter into or remain in the service of the Employer, the Company or any Subsidiary, and as an incentive for increased efforts during such service, and has advised the Company thereof and instructed the undersigned officer to issue said Restricted Shares; and

WHEREAS, all capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Plan.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I.
AWARD OF RESTRICTED SHARES

Section 1.1 - Award of Restricted Shares

For good and valuable consideration, on the date hereof the Company hereby issues to the Restricted Shareholder **90,000** Common Shares upon the terms and conditions set forth in this Agreement at a purchase price of $0.00 per share. Notwithstanding anything to the contrary anywhere else in this Agreement, the Restricted Shares are subject to the terms, definitions and provisions of the Plan, which is incorporated herein by reference.

Section 1.2 - Consideration to Company

In consideration for the issuance of Restricted Shares by the Company, the Restricted Shareholder agrees to render faithful and efficient services to the Employer, the Company and/or any Subsidiary (as applicable), with such duties and responsibilities as shall from time to time be prescribed. Nothing in this Agreement or in the Plan shall confer upon the Restricted Shareholder any right to continue in the service of the Employer, the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Employer, the Company or any Subsidiary, which are hereby expressly reserved, to discharge the Restricted Shareholder at any time for any reason whatsoever, with or without cause, subject, in each case, to the terms and conditions of the Amended and Restated Employment Agreement.

ARTICLE II.
RESTRICTIONS

Section 2.1 - Forfeiture of Restricted Shares

(a) Immediately upon the Restricted Shareholder's Termination of Employment, the Restricted Shareholder shall forfeit any and all Restricted Shares then subject to Restrictions and the Restricted Shareholder's rights in any Restricted Shares then subject to Restrictions shall lapse; provided, however, no such forfeiture shall exist in the event of Restricted Shareholder's Termination of Employment because of Restricted Shareholder's death or Disability (each, a “Selected Termination Event”); provided, further, that upon any such Selected Termination Event, any unvested Restricted Shares shall accelerate and become immediately vested pursuant to Section 2.3(e) hereof.

(b) Immediately upon the 90th day following December 31, 2016 (but, for avoidance of doubt, after any vesting pursuant to Section 2.3(d) hereof), the Restricted Shareholder shall forfeit any and all Restricted Shares then subject to Restrictions and the Restricted Shareholder's rights in any Restricted Shares then subject to Restrictions shall lapse.

(c) For purposes of this Agreement, the term “Restrictions” shall mean the exposure to forfeiture set forth in this Section 2.1 and the restrictions on sale or other transfer set forth in Sections 2.4 and 2.5 hereof and the terms “Change of Control” and “Disability” shall have the same meanings set forth in the Amended and Restated Employment Agreement.

Section 2.2 - Legend

Certificates representing Restricted Shares issued pursuant to this Agreement shall, until all Restrictions lapse and new certificates are issued pursuant to Section 2.3(f) hereof, bear the following legend:

> “THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO FORFEITURE, REACQUISITION AND CERTAIN RESTRICTIONS ON TRANSFERABILITY UNDER THE TERMS OF THAT CERTAIN RESTRICTED SHARE AGREEMENT BY AND BETWEEN TANGER FACTORY OUTLET CENTERS, INC., TANGER PROPERTIES LIMITED PARTNERSHIP AND THE REGISTERED OWNER OF SUCH SECURITIES, AND SUCH SECURITIES MAY NOT BE, DIRECTLY OR INDIRECTLY, OFFERED, TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES, EXCEPT PURSUANT TO THE PROVISIONS OF SUCH AGREEMENT.”

Section 2.3 - Lapse of Restrictions

(a) Subject to Sections 2.1, 2.3(d), 2.3(e) and 3.4 hereof, the Restrictions shall lapse annually on the dates and with respect to the portions of Restricted Shares set forth in the following schedule, so long as (A) Restricted Shareholder remains in continuous employment to the last day of the Performance Year immediately prior to such date and (B) the Company's Total Shareholder Return (as described below) for the Performance Year immediately prior to such date was 8% or more:

Date	Portion of Restricted Shares No Longer Subject to Restrictions
90th day following December 31, 2012	20%
90th day following December 31, 2013	20%
90th day following December 31, 2014	20%
90th day following December 31, 2015	20%
90th day following December 31, 2016	20%

(b) "Total Shareholder Return" shall be determined by (i) subtracting the closing market price of a Common Share on the first day of the Performance Year (or, if not a business day, the first business day after such day) (the "initial share price") from the closing market price of a Common Share on the last day of the Performance Year (or, if not a business day, the last business day prior to such day), (ii) adding the dividends paid with respect to a Common Share during the Performance Year and (iii) dividing the sum by the initial share price. "Performance Year" shall mean each of the five calendar years during the term of the Amended and Restated Employment Agreement, beginning January 1, 2012.

(c) Dividends paid with respect to unvested shares under this award shall accumulate (without interest) and shall be paid to the Restricted Shareholder only if such shares become vested. Payment of the accumulated dividends shall be made in a single lump sum within thirty (30) days after the date on which the shares to which such dividends relate become vested.

(d) Subject to Section 3.4 hereof, if any portion of the award remains unvested after the end of the fifth Performance Year, such unvested portion of this award shall, as of the 90th day following December 31, 2016, become fully vested if (A) the Restricted Shareholder has remained in continuous employment to the last day of such Performance Year and (B) the Company's cumulative Total Shareholder Return for the five Performance Years was 40% or more. The cumulative Total Shareholder Return shall be determined by (i) subtracting the closing market price of a Common Share on January 1, 2012 (or, if not a business day, the first business day after such day) (the "cumulative TSR initial share price") from the closing market price of a Common Share on the last day of the fifth Performance Year (or, if not a business day, the last business day prior to such day), (ii) adding the dividends paid with respect to a Common Share during all Performance Years and (iii) dividing the sum by the cumulative TSR initial share price.

(e) Notwithstanding any other provision hereof, all Restrictions shall, subject to Section 3.4 hereof, lapse with respect to any remaining Restricted Shares upon the occurrence of (i) a Selected Termination Event in accordance with Section 2.1(a) hereof or (ii) a Change of Control.

(f) Upon the lapse of the Restrictions, the Company shall cause new certificates to be issued with respect to such shares and delivered to the Restricted Shareholder or his or her legal representative, free from the legend provided for in Section 2.2 hereof and any of the other Restrictions. Notwithstanding the foregoing, no such new certificate shall be delivered to the Restricted Shareholder or his or her legal representative unless and until the Restricted Shareholder or his or her legal representative shall have paid to the Company or the Employer, as applicable, in cash, the full amount of all federal and state withholding or other employment taxes applicable to the taxable income of the Restricted Shareholder resulting from the grant of Restricted Shares or the lapse of the Restrictions and all other conditions set forth in Section 3.2 hereof have been satisfied.

Section 2.4 - Restricted Shares Not Transferable

Until the Restrictions hereunder lapse or expire pursuant to this Agreement, neither the Restricted Shares (including any shares received by holders thereof with respect to Restricted Shares as a result of share dividends, share splits or any other form of recapitalization) nor any interest or right therein or part thereof shall be liable for the debts, contracts, or engagements of the Restricted Shareholder or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy) and any attempted disposition thereof shall be null and void and of no effect; provided, however, that, subject to the Ownership Limit (as defined in the Articles of Incorporation of the Company, as amended from time to time), this Section 2.4 shall not prevent transfers by will or by the applicable laws of descent and distribution.

Section 2.5 - Restrictions on New Shares

In addition to and not limited by any provisions of the Plan, in the event that the outstanding Common Shares are changed into or exchanged for a different number or kind of capital shares or other securities of the Company or of another corporation (other than in connection with a Change of Control) by reason of merger, consolidation, recapitalization, reclassification, share split, share dividend or combination of shares, such new or additional or different shares or securities which are issued upon conversion of or in exchange or substitution for Restricted Shares which are then subject to Restrictions shall be considered to be Restricted Shares and shall be subject to all of the Restrictions, unless the Committee provides for the expiration of the Restrictions on the Restricted Shares underlying the distribution of the new or additional or different shares or securities.

Section 2.6 - Section 83(b)

Notwithstanding the Plan, the Restricted Shareholder may make an election under Section 83(b) of the Code with respect to the receipt of the Restricted Shares. If the Restricted Shareholder makes such an election, he or she shall deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service along with proof of the timely filing thereof with the Internal Revenue Service.

ARTICLE III.
MISCELLANEOUS

Section 3.1 - Holding Period and Additional Restrictions as to Ownership and Transfer

(a) Notwithstanding any provision of this Agreement to the contrary, if the Restricted Shareholder is subject to Section 16 of the Exchange Act on the date on which the Restricted Shares are granted, the Restricted Shares may not be sold, assigned or otherwise transferred or exchanged until at least six months and one day have elapsed from the date on which the Restricted Shares were granted.

(b) The Restricted Shares (whether or not the Restrictions have lapsed with respect to such Restricted Shares) shall be subject to the restrictions on ownership and transfer set forth in the Articles of Incorporation of the Company and any other applicable written policies of the Company and the Employer (including, without limitation, any applicable insider trading policy or policies).

Section 3.2 - Conditions to Issuance of Share Certificates

Restricted Shares may be either previously authorized but unissued shares or issued shares which have then been reacquired by the Company. Such shares shall be fully paid and nonassessable. Neither the Company nor the Employer shall be required to issue or deliver any certificate or certificates for shares pursuant to this Agreement prior to fulfillment of all of the following conditions:

(a) The admission of such shares to listing on all stock exchanges on which such class of shares is then listed;

(b) The completion of any registration or other qualification of such shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Committee shall, in its sole discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Committee shall, in its sole discretion, determine to be necessary or advisable;

(d) The lapse of such reasonable period of time as the Committee may from time to time establish for reasons of administrative convenience; and

(e) The receipt by the Company of full payment for such shares, including payment of any applicable withholding tax to the Company or the Employer, as applicable.

Section 3.3 - Escrow

(a) The Restricted Shareholder hereby authorizes and directs the Secretary of the Company, or such other person designated by the Company, to transfer the Restricted Shares which are subject to the Restrictions from the Restricted Shareholder to the Company or the Employer, as applicable, in the event of forfeiture of such shares pursuant to Section 2.1 hereof.

(b) To insure the availability for delivery of the Restricted Shares upon forfeiture pursuant to Section 2.1 hereof, the Restricted Shareholder hereby appoints the Secretary of the Company, or any other person designated by the Company as escrow agent, as his or her attorney-in-fact to sell, assign and transfer unto the Company, such shares, if any, forfeited pursuant to this Agreement and shall, upon execution of this Agreement, deliver and deposit with the Secretary of the Company, or such other person designated by the Company, the share certificates representing the Restricted Shares, together with the share assignment duly endorsed in blank, attached hereto as Exhibit A. The Restricted Shares and share assignment shall be held by the Secretary of the Company in escrow, pursuant to the Joint Escrow Instructions of the Company and the Restricted Shareholder attached hereto as Exhibit B, until all of the Restrictions expire or shall have been removed. Upon the lapse of the Restrictions on the Restricted Shares, the escrow agent shall promptly deliver to the Restricted Shareholder the certificate or certificates representing such shares in the escrow agent's possession belonging to the Restricted Shareholder, and the escrow agent shall be discharged of all further obligations hereunder; provided, however, that the escrow agent shall nevertheless retain such certificate or certificates as escrow agent if so required pursuant to other restrictions imposed pursuant to this Agreement.

(c) The Company, or its designee, shall not be liable for any act it may do or omit to do with respect to holding the Restricted Shares in escrow and while acting in good faith and in the exercise of its judgment.

Section 3.4 - Ownership Limit and REIT Status.

Notwithstanding anything contained herein, the Restrictions on the Restricted Shares shall not lapse:

(a) to the extent the lapsing of such Restrictions could cause the Restricted Shareholder to be in violation of the Ownership Limit; or

(b) if, in the discretion of the Administrator, the lapsing of such Restrictions could impair the Company's status as a REIT.

Section 3.5 - Notices

Any notice to be given by the Restricted Shareholder under the terms of this Agreement shall be addressed to the Secretary of the Company. Any notice to be given to the Restricted Shareholder shall be addressed to him or her at the address given beneath his or her signature hereto. By a notice given pursuant to this Section 3.5, either party may hereafter designate a different address for notices to be given to him or her. Any notice which is required to be given to the Restricted Shareholder shall, if Restricted Shareholder is then deceased, be given to the Restricted Shareholder's personal representative if such representative has previously informed the Company of his or her status and address by written notice under this Section 3.5. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail, with postage and fees prepaid, addressed as set forth above.

Section 3.6 - Rights as Shareholder

Except as otherwise provided herein, upon the delivery of Restricted Shares to the escrow holder pursuant to Section 3.3 hereof, the holder of the Restricted Shares shall have all the rights of a shareholder with respect to the Restricted Shares, including the right to vote the Restricted Shares and the right to receive all dividends or other distributions paid or made with respect to the Restricted Shares.

Section 3.7 - Conformity to Securities Laws and Section 162(m) of the Code

(a) The Restricted Shareholder acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of all applicable federal and state laws, rules and regulations (including, but not limited to the Securities Act of 1933, as amended, and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, including without limitation the applicable exemptive conditions of Rule 16b-3) and to such approvals by any listing, regulatory or other governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Restricted Shares are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the Restricted Shares shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

(b) The Restricted Shareholder acknowledges that the Committee may determine that the Restricted Shares are intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code and, to the extent the Committee makes such determination, (i) the Restricted Shares shall be subject to the provisions of Section 3.2 of the Plan and (ii) notwithstanding any other provision of this Agreement, the Restricted Shares shall be subject to any additional limitations set forth in Section 162(m) of the Code and/or any regulations or rulings issued thereunder that are required for qualification as performance-based compensation as described in Section 162(m)(4)(C) of the Code and the Agreement shall be deemed amended to the extent necessary to conform to such requirements. In accordance with the foregoing, the Committee has determined that Total Shareholder Return is a Performance Criteria based on, among other things, the appreciation in the Fair Market Value of a Common Share within the meaning of Section 1.32 of the Plan.

Section 3.8 - Amendments

This Agreement and the Plan may be amended without the consent of the Restricted Shareholder; provided, however, that no such amendment shall, without the consent of the Restricted Shareholder, impair any rights of the Restricted Shareholder under this Agreement.

Section 3.9 - Tax Withholding

The Company or the Employer, as applicable, shall be entitled to require payment in cash or deduction from other compensation payable to the Restricted Shareholder of any sums required by federal, state or local tax law to be withheld with respect to the issuance, vesting, or payment of the Restricted Shares. The Committee may in its discretion and in satisfaction of the foregoing requirement allow the Restricted Shareholder to elect to have the Company or the Employer, as applicable, withhold Common Shares otherwise issuable under such award (or allow the return of Common Shares) having a Fair Market Value equal to the sums required to be withheld. Notwithstanding any other provision of the Plan or this Agreement, the number of Common Shares which may be withheld with respect to the issuance, vesting or payment of the Restricted Shares (or which may be repurchased from the Restricted Shareholder within six months after such Common Shares were acquired by the Restricted Shareholder from the Company or the Employer) in order to satisfy the Restricted Shareholder's federal and state income and payroll tax liabilities with respect to the issuance, vesting or payment of the Restricted Shares shall be limited to the number of shares which have a Fair Market Value on the date of withholding or repurchase equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal and state tax income and payroll tax purposes that are applicable to such supplemental taxable income.

Section 3.10 - Governing Law

This Agreement shall be administered, interpreted and enforced under the internal laws of the state of North Carolina without regard to conflicts of laws thereof.

Section 3.11 - Stop Transfer Instructions

To ensure compliance with the Restrictions, the Company may issue appropriate “stop transfer” instructions to its transfer agent with respect to the Restricted Shares.

Section 3.12 - Claw-back policies

The award under this Agreement (including, without limitation, any proceeds, gains or other economic benefit actually or constructively received by the Restricted Shareholder upon the receipt, vesting or sale of the Restricted Shares) shall be subject to the provisions of any claw-back policy implemented by the Company and/or the Employer, including, without limitation, any claw-back policy adopted to comply with the requirements of applicable law, including without limitation the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder, to the extent set forth in such claw-back policy.

[*SIGNATURE PAGE FOLLOWS*]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto as of the date first set forth above.

TANGER FACTORY OUTLET CENTERS, INC. ,

a corporation organized under the laws of North Carolina

By: /s/ Frank C. Marchisello, Jr.
Frank C. Marchisello, Jr.
Executive Vice President, CFO & Secretary

TANGER PROPERTIES LIMITED PARTNERSHIP , a

North Carolina Limited Partnership

By: TANGER GP TRUST, its sole General Partner

By: /s/ Frank C. Marchisello, Jr.
Frank C. Marchisello, Jr.
Vice President & Treasurer

RESTRICTED SHAREHOLDER

/s/ Steven B. Tanger
Steven B. Tanger

Address:

____

____

Taxpayer Identification Number: _______________

EXHIBIT A TO RESTRICTED SHARE AGREEMENT
SHARE ASSIGNMENT SEPARATE FROM CERTIFICATE(S)

FOR VALUE RECEIVED, ___________________________ hereby sells, assigns and transfers unto Tanger Factory Outlet Centers, Inc., a corporation organized under the laws of North Carolina (the “Company”), pursuant to the forfeiture provision under that certain Restricted Share Agreement, dated February 28, 2012 by and between the undersigned, the Company, and Tanger Properties Limited Partnership, a limited partnership organized under the laws of North Carolina (the “Agreement”), _______________ (_______________) Common Shares of the Company standing in the undersigned's name on the books of the Company represented by Certificate No(s). _______________ and does hereby irrevocably constitute and appoint the Company's Secretary to transfer said Common Shares on the books of the Company with full power of substitution in the premises.

This Share Assignment Separate from Certificate(s) may be used only in accordance with and subject to the terms and conditions of the Agreement, in connection with the forfeiture of Common Shares issued to the undersigned pursuant to the Agreement, and only to the extent that such shares remain subject to such forfeiture under the Agreement.

Dated: __________________ /s/ Steven B. Tanger
(Signature)

Steven B. Tanger
(Print Name)

(Instruction: Please do not fill in any blanks other than the “Signature” line and the “Print Name” line.)

EXHIBIT B TO RESTRICTED SHARE AGREEMENT

JOINT ESCROW INSTRUCTIONS

Tanger Factory Outlet Centers
3200 Northline Avenue, Suite 360
Greensboro, North Carolina 27408

Attn: Secretary

Dear Secretary of Tanger Factory Outlet Centers, Inc.:

As Escrow Agent for Tanger Factory Outlet Centers, Inc., (the "Company") and the undersigned holder of common shares of the Company, par value $0.01 per share ("Common Shares") of the Company (the "Restricted Shareholder"), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of that certain Restricted Share Agreement ("Agreement"), dated February 28, 2012, to which a copy of these Joint Escrow Instructions is attached as Exhibit B, in accordance with the following instructions:

1. In the event of the forfeiture of any shares pursuant to Section 2.1 of the Agreement, the Company or its assignee will give to the Restricted Shareholder and you a written notice specifying the number of Common Shares to be purchased, assigned or transferred, the purchase price, if any, and the time for a closing hereunder at the principal office of the Company. The Restricted Shareholder and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

2. At the closing you are directed (a) to date any share assignments necessary for the transfer in question, (b) to fill in the number of shares being transferred, and (c) to deliver same, together with the certificate evidencing the Common Shares to be transferred, to the Company against the simultaneous delivery to you of the purchase price, if any, (which may include suitable acknowledgment of cancellation of indebtedness) for the number of Common Shares being forfeited.

3. The Restricted Shareholder irrevocably authorizes the Company to deposit with you any certificates evidencing Common Shares to be held by you hereunder and any additions and substitutions to said shares as specified in the Agreement. The Restricted Shareholder does hereby irrevocably constitute and appoint you as the Restricted Shareholder's attorney-in-fact and agent for the term of this escrow to execute with respect to such securities and other property all documents of assignment and/or transfer and all share certificates necessary or appropriate to make all securities negotiable and complete any transaction herein contemplated.

4. This escrow shall terminate upon expiration or exercise in full of the Restrictions described in the Agreement, whichever occurs first.

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5. If at the time of termination of this escrow you should have in your possession any documents, securities, or other property belonging to the Restricted Shareholder, you shall deliver all of same to the Restricted Shareholder and shall be discharged of all further obligations hereunder; provided, however, that if at the time of termination of this escrow you are advised by the Company that the property subject to this escrow is the subject of a pledge or other security agreement, you shall deliver all such property to the pledgeholder or other person designated by the Company.

6. Except as otherwise provided in these Joint Escrow Instructions, your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

7. You shall be obligated only for the performance of such duties as are specifically set forth herein and may rely and shall be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties or their assignees. You shall not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact for the Restricted Shareholder while acting in good faith and any act done or omitted by you pursuant to the advice of your own attorneys shall be conclusive evidence of such good faith.

8. You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or corporation, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

9. You shall not be liable in any respect on account of the identity, authority or rights of the parties executing or delivering or purporting to execute or deliver the Agreement or any documents or papers deposited or called for hereunder.

10. You shall not be liable for the outlawing of any rights under any statute of limitations with respect to these Joint Escrow Instructions or any documents deposited with you.

11. Your responsibilities as Escrow Agent hereunder shall terminate if you shall cease to be Secretary of the Company or if you shall resign by written notice to each party. In the event of any such termination, the Company may appoint any officer or assistant officer of the Company as successor Escrow Agent and the Restricted Shareholder hereby confirms the appointment of such successor or successors as the Restricted Shareholder's attorney-in-fact and agent to the full extent of your appointment.

12. If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto shall join in furnishing such instruments.

13. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute shall have been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you shall be under no duty whatsoever to institute or defend any such proceedings.

14. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or sent by telegram or fax or upon deposit in the United States Post Office, by registered or certified mail with postage and fees prepaid, addressed to the other party at the addresses set forth on the signature pages hereto or at such other address as such party may designate by ten (10) days' advance written notice to the other party hereto.

15. By signing these Joint Escrow Instructions you become a party hereto only for the purpose of said Joint Escrow Instructions; you do not become a party to the Agreement.

16. You shall be entitled to employ such legal counsel and other experts (including without limitation the firms of Latham & Watkins or Vernon, Vernon, Wooten, Brown, Andrews & Garrett, P.A.) as you may deem necessary properly to advise you in connection with your obligations hereunder. You may rely upon the advice of such counsel, and may pay such counsel reasonable compensation therefor. The Company shall be responsible for all fees generated by such legal counsel in connection with your obligations hereunder.

17. These Joint Escrow Instructions shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. It is understood and agreed that references to “you” or “your” herein refer to the original Escrow Agent and to any and all successor Escrow Agents. It is understood and agreed that the Company may at any time or from time to time assign its rights under the Agreement and these Joint Escrow Instructions in whole or in part.

18. These Joint Escrow Instructions shall be governed by and interpreted and determined in accordance with the laws of the State of North Carolina, as such laws are applied by North Carolina courts to contracts made and to be performed entirely in North Carolina by residents of that state.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, these Joint Escrow Instructions have been executed and delivered by the parties hereto.

TANGER FACTORY OUTLET CENTERS, INC.
a corporation organized under the laws of North Carolina

By: /s/ Frank C. Marchisello. Jr.
Frank C. Marchisello, Jr.
Executive Vice President, CFO & Secretary

Address:

3200 Northline Avenue, Suite 360

Greensboro, NC 27408

RESTRICTED SHAREHOLDER

/s/ Steven B. Tanger
Steven B. Tanger

Address:

____

____

____

ACKNOWLEDGED AND AGREED:

ESCROW AGENT

By: /s/ Frank C. Marchisello, Jr.
Secretary

Address:

3200 Northline Avenue

Suite 360

Greensboro, NC 27408

Exhibit 12.1

TANGER FACTORY OUTLET CENTERS, INC.
RATIO OF EARNINGS TO FIXED CHARGES

	Three months ended March 31, 2012	Three months ended March 31, 2011
Earnings:		
Income before equity in losses of unconsolidated joint ventures and noncontrolling interests	$ 10,286	$ 10,849
Add:		
Distributed income of unconsolidated joint ventures	237	62
Amortization of capitalized interest	127	127
Interest expense	12,334	10,325
Portion of rent expense - interest factor	516	468
Total earnings	23,500	21,831
Fixed charges:		
Interest expense	12,334	10,325
Capitalized interest and capitalized amortization of debt issue costs	163	241
Portion of rent expense - interest factor	516	468
Total fixed charges	$ 13,013	$ 11,034
Ratio of earnings to fixed charges	1.8	2.0

Exhibit 12.2

TANGER PROPERTIES LIMITED PARTNERSHIP
RATIO OF EARNINGS TO FIXED CHARGES

	Three Month Ended March 31, 2012	Three Month Ended March 31, 2011
Earnings:		
Income before equity in losses of unconsolidated joint ventures and noncontrolling interests	$ 10,286	$ 10,849
Add:		
Distributed income of unconsolidated joint ventures	237	62
Amortization of capitalized interest	127	127
Interest expense	12,334	10,325
Portion of rent expense - interest factor	516	468
Total earnings	23,500	21,831
Fixed charges:		
Interest expense	12,334	10,325
Capitalized interest and capitalized amortization of debt issue costs	163	241
Portion of rent expense - interest factor	516	468
Total fixed charges	$ 13,013	$ 11,034
Ratio of earnings to fixed charges	1.8	2.0

Exhibit 31.1

I, Steven B. Tanger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tanger Factory Outlet Centers, Inc. for the period ended March 31, 2012;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2012

/s/ Steven B. Tanger
Steven B. Tanger
President and Chief Executive Officer
Tanger Factory Outlet Centers, Inc.

Exhibit 31.2

I, Frank C. Marchisello, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tanger Factory Outlet Centers, Inc. for the period ended March 31, 2012;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2012

/s/ Frank C. Marchisello, Jr.
Frank C. Marchisello, Jr.
Executive Vice-President, Chief Financial Officer and Secretary
Tanger Factory Outlet Centers, Inc.

Exhibit 31.3

I, Steven B. Tanger, certify that:

1 I have reviewed this quarterly report on Form 10-Q of Tanger Properties Limited Partnership for the period ended March 31, 2012;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2012

/s/ Steven B. Tanger

Steven B. Tanger
President and Chief Executive Officer
Tanger GP Trust, sole general partner of the Operating Partnership

Exhibit 31.4

I, Frank C. Marchisello, Jr., certify that:

1 I have reviewed this quarterly report on Form 10-Q of Tanger Properties Limited Partnership for the period ended March 31, 2012;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2012

/s/ Frank C. Marchisello, Jr.

Frank C. Marchisello, Jr.
Vice-President and Treasurer
Tanger GP Trust, sole general partner of the Operating Partnership
(Principal Financial Officer)

Exhibit 32.1

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Tanger Factory Outlet Centers, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2012 (the " Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2012	/s/ Steven B. Tanger
	Steven B. Tanger President and Chief Executive Officer Tanger Factory Outlet Centers, Inc.

Exhibit 32.2

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Tanger Factory Outlet Centers, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2012 (the " Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2012

/s/ Frank C. Marchisello, Jr.

Frank C. Marchisello, Jr.
Executive Vice President, Chief Financial Officer & Secretary

Exhibit 32.3

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Tanger Properties Limited Partnership (the "Operating Partnership") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Operating Partnership for the quarter ended March 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Date: May 10, 2012

/s/ Steven B. Tanger

Steven B. Tanger
President and Chief Executive Officer
Tanger GP Trust, sole general partner of the Operating Partnership

Exhibit 32.4

Certification of Principal Financial Officer

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Tanger Factory Outlet Centers, Inc. (the "Operating Partnership") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Operating Partnership for the quarter ended March 31, 2012 (the " Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Date: May 10, 2012

/s/ Frank C. Marchisello, Jr.

Frank C. Marchisello, Jr.
Vice President and Treasurer
Tanger GP Trust, sole general partner of the Operating Partnership
(Principal Financial Officer)