

# FTSE EPRA/NAREIT Developed REITs and Non-REITs Indices

Data as at: 29 December 2017

The FTSE EPRA/NAREIT Global Real Estate Index Series is designed to represent general trends in eligible real estate equities worldwide. Relevant activities are defined as the ownership, disposal and development of income-producing real estate. The index series now covers Global, Developed and Emerging indices, as well the UK's AIM market.

The FTSE EPRA/NAREIT Developed REITs and Non-REITs Indices are designed to provide investors with the diversification that real estate offers due to its low correlation with other asset classes, along with sufficient liquidity to gain access to the asset class easily. The new indices are a subset of the FTSE EPRA/NAREIT Developed Index, separating the existing constituents into both REIT and Non-REIT indices thereby providing investors with additional granularity in the market place. By making the constituents of the indices free-float adjusted, liquidity, size and revenue screened, they are suitable for use as the basis for investment products, such as derivatives and Exchange Traded Funds (ETFs).

## Definition of REITs and Non-REITs

A REIT is a publicly traded real estate company that owns, and in most cases, operates income-producing real estate such as apartments, shopping centres, offices, hotels and warehouses. Some REITs also engage in financing real estate. The shares of many REITs are freely traded, usually on a major stock exchange. REITs provide investors with a liquid and cost efficient way to earn the investment returns typically available from direct real estate investment. To qualify as a REIT, a company must satisfy certain requirements set forth by legislation or regulation in the country in which it is domiciled, including distributing at least 90 percent of its taxable income to its shareholders annually. A company that qualifies as a REIT is permitted to deduct dividends paid to its shareholders from its corporate taxable income. As a result, most remit 100 percent of their taxable income to their shareholders and therefore owe no corporate tax. Taxes are paid by shareholders on the dividends received and any capital gains. Half of the countries in the FTSE EPRA/NAREIT Global Real Estate Index Series have REIT legislation in place. As more countries seek to provide investors with publicly traded real estate investments, that number is expected to increase. Non-REIT property companies are those which are either domiciled in countries without REIT legislation or which have chosen not to opt for REIT status.

## FEATURES

### Coverage

The FTSE EPRA/NAREIT Developed REITs and Non-REITs Indices are a subset of the FTSE EPRA/NAREIT Developed Index, separating the existing constituents into both REITs and Non-REITs indices.

### Diversified Investment Opportunities

The indices provides investors with the diversification that real estate offers due to its low correlation with other asset classes, along with sufficient liquidity to gain access to the asset class.

### Objective

The indices are designed for the creation of index tracking funds, derivatives and as a performance benchmark.

### Investability

Stocks are selected and weighted to ensure that the index is investable.

### Liquidity

Stocks are screened to ensure that the index is tradable.

### Transparency

Index rules are freely available on the FTSE website.

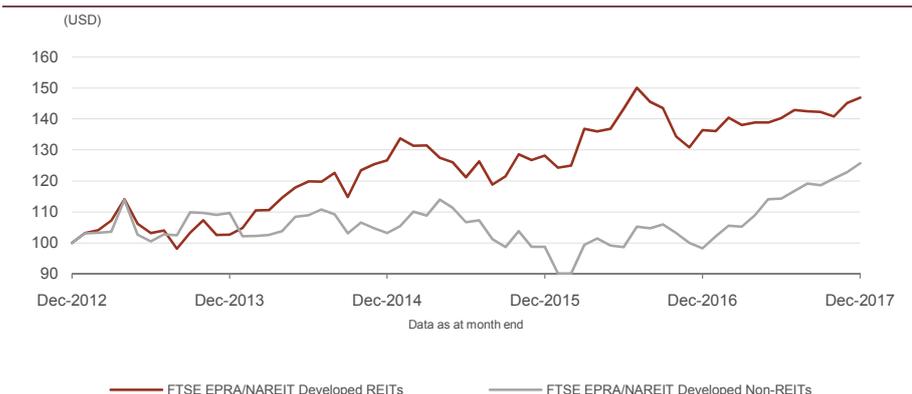
### Availability

The indices are calculated based on price and total return methodologies, both real time and end-of-day. Net TRI versions of the indices are also available.

### Property Sector Classification

Constituents are classified into distinct Property Sectors based on gross invested book assets as disclosed in the latest published financial statement.

**5-Year Performance - Total Return**



**Performance and Volatility - Total Return**

Index (USD)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE EPRA/NAREIT Developed REITs	3.3	4.7	7.7	7.7	16.0	46.9	5.1	8.0	8.1	12.9	12.3
FTSE EPRA/NAREIT Developed Non-REITs	6.0	10.0	28.0	28.0	21.8	25.7	6.8	4.7	8.8	14.7	13.3
FTSE EPRA/NAREIT Developed Europe REITs	7.4	11.4	23.3	23.3	13.3	45.8	4.3	7.8	12.0	19.5	16.2
FTSE EPRA/NAREIT Developed Europe Non-REITs	8.0	15.2	37.3	37.3	51.7	93.1	14.9	14.1	12.1	16.6	13.7
FTSE EPRA/NAREIT Developed North America REITs	1.8	2.7	4.5	4.5	15.1	49.7	4.8	8.4	10.2	14.9	13.4
FTSE EPRA/NAREIT Developed North America Non-REITs	2.8	5.5	14.7	14.7	24.2	44.5	7.5	7.6	11.0	15.5	14.5
FTSE EPRA/NAREIT Developed Asia REITs	6.2	8.0	10.6	10.6	21.6	38.9	6.7	6.8	9.0	13.3	14.1
FTSE EPRA/NAREIT Developed Asia Non-REITs	4.9	7.2	23.1	23.1	7.6	3.9	2.5	0.8	10.1	16.8	15.5

\* Compound annual returns measured over 3 and 5 years respectively

\*\* Volatility – 1YR based on 12 months daily data. 3YR based on weekly data (Wednesday to Wednesday). 5YR based on monthly data

**Year-on-Year Performance - Total Return**

Index % (USD)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
FTSE EPRA/NAREIT Developed REITs	-44.6	32.5	22.8	2.5	22.9	2.7	23.3	1.3	6.4	7.7
FTSE EPRA/NAREIT Developed Non-REITs	-53.7	51.3	15.6	-24.5	46.7	9.7	-5.9	-4.3	-0.5	28.0
FTSE EPRA/NAREIT Developed Europe REITs	-46.9	39.8	5.4	-12.9	32.4	17.3	9.7	4.2	-11.8	23.3
FTSE EPRA/NAREIT Developed Europe Non-REITs	-60.4	42.6	20.5	-11.4	27.3	13.8	11.8	10.8	-0.3	37.3
FTSE EPRA/NAREIT Developed North America REITs	-39.4	31.6	28.6	9.0	18.1	1.2	28.5	1.8	8.2	4.5
FTSE EPRA/NAREIT Developed North America Non-REITs	-62.3	51.4	30.8	-15.9	18.0	8.7	7.0	-0.1	8.4	14.7
FTSE EPRA/NAREIT Developed Asia REITs	-53.6	29.3	23.5	-6.3	34.4	-1.0	15.3	-2.8	13.2	10.6
FTSE EPRA/NAREIT Developed Asia Non-REITs	-51.8	52.4	13.7	-27.6	54.2	8.7	-11.1	-11.5	-1.3	23.1

**INFORMATION**

**Index Universe**

FTSE EPRA/NAREIT Global Real Estate Index Series

**Index Launch**

30 March 2006

**Base Date**

31 December 1999

**Base Value**

1000

**Investability Screen**

Actual free float applied and liquidity screened

**Index Calculation**

Real-time (FTSE EPRA/NAREIT Developed Europe REITs Index and FTSE EPRA/NAREIT Developed Europe Non-REITs index) and end-of-day

**End-of-Day Distribution**

Via FTP and email

**Currency**

USD, EUR, GBP, JPY, AUD

**Review Dates**

Quarterly in March, June, September and December

**History**

Available from December 2005. The FTSE EPRA/NAREIT Developed Europe REITs and Non-REITs Indices available from March 2006

**Return/Risk Ratio and Drawdown - Total Return**

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE EPRA/NAREIT Developed REITs	1.1	0.4	0.7	0.2	-5.6	-15.4	-16.2	-67.5
FTSE EPRA/NAREIT Developed Non-REITs	3.1	0.4	0.4	0.1	-4.9	-26.8	-27.3	-67.4
FTSE EPRA/NAREIT Developed Europe REITs	2.1	0.2	0.5	0.1	-4.5	-25.1	-25.1	-69.6
FTSE EPRA/NAREIT Developed Europe Non-REITs	3.1	0.9	1.0	0.2	-3.9	-19.4	-19.4	-74.5
FTSE EPRA/NAREIT Developed North America REITs	0.6	0.3	0.6	0.3	-6.5	-17.3	-17.8	-68.2
FTSE EPRA/NAREIT Developed North America Non-REITs	1.4	0.4	0.5	0.0	-6.6	-24.0	-24.0	-76.1
FTSE EPRA/NAREIT Developed Asia REITs	1.3	0.5	0.5	0.1	-7.9	-17.7	-19.6	-69.3
FTSE EPRA/NAREIT Developed Asia Non-REITs	2.2	0.1	0.0	0.0	-5.9	-35.8	-40.4	-65.8

Return/Risk Ratio – based on compound annual returns and volatility in Performance and Volatility table

Drawdown - based on daily data

**FTSE EPRA/NAREIT Developed REITs Index - Top 5 Constituents**

Constituent	Country	Property Sector	Net MCap (USDm)	Wgt %
Simon Property Group	USA	Retail	53,257	4.53
Prologis	USA	Industrial	33,910	2.88
Public Storage	USA	Self Storage	30,838	2.62
Unibail - Rodamco	Netherlands	Retail	24,971	2.12
Avalonbay Communities	USA	Residential	24,493	2.08
<b>Totals</b>			<b>167,468</b>	<b>14.24</b>

**FTSE EPRA/NAREIT Developed Non-REITs Index - Top 5 Constituents**

Constituent	Country	Property Sector	Net MCap (USDm)	Wgt %
Vonovia SE	Germany	Residential	24,110	7.91
Sun Hung Kai Props	Hong Kong	Diversified	23,670	7.77
CK Asset Holdings	Hong Kong	Diversified	23,498	7.71
Mitsui Fudosan	Japan	Diversified	21,161	6.94
Mitsubishi Estate	Japan	Diversified	20,523	6.73
<b>Totals</b>			<b>112,961</b>	<b>37.06</b>

## Country Breakdown

Country	FTSE EPRA/NAREIT Developed REITs			FTSE EPRA/NAREIT Developed Non-REITs		
	No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %
Australia	13	86,348	7.34	-	-	-
Austria	-	-	-	2	5,835	1.91
Belgium	9	9,203	0.78	-	-	-
Canada	16	38,297	3.26	2	4,931	1.62
Finland	-	-	-	2	1,700	0.56
France	7	26,877	2.28	-	-	-
Germany	2	2,952	0.25	10	59,043	19.37
Hong Kong	3	23,529	2.00	11	99,764	32.73
Ireland	3	3,173	0.27	-	-	-
Israel	-	-	-	1	1,662	0.55
Italy	2	1,358	0.12	-	-	-
Japan	32	77,241	6.57	8	68,856	22.59
Netherlands	5	30,589	2.60	-	-	-
New Zealand	1	1,416	0.12	-	-	-
Norway	-	-	-	1	1,629	0.53
Singapore	9	25,073	2.13	3	14,269	4.68
Spain	5	10,919	0.93	-	-	-
Sweden	-	-	-	13	21,942	7.20
Switzerland	-	-	-	4	14,242	4.67
UK	28	67,968	5.78	9	8,846	2.90
USA	129	771,457	65.58	1	2,079	0.68
<b>Totals</b>	<b>264</b>	<b>1,176,400</b>	<b>100.00</b>	<b>67</b>	<b>304,798</b>	<b>100.00</b>

## Index Characteristics

Attributes	FTSE EPRA/NAREIT Developed REITs	FTSE EPRA/NAREIT Developed Non-REITs
Number of constituents	264	67
Net MCap (USDm)	1,176,400	304,798
Dividend Yield %	4.19	2.48
Constituent Sizes (Net MCap USDm)		
Average	4,456	4,549
Largest	53,257	24,110
Smallest	73	293
Median	2,559	2,444
Weight of Largest Constituent (%)	4.53	7.91
Top 10 Holdings (% Index MCap)	23.66	54.85

Attributes	FTSE EPRA/NAREIT Developed Europe REITs	FTSE EPRA/NAREIT Developed Europe Non-REITs
Number of constituents	61	41
Net MCap (USDm)	153,039	113,237
Dividend Yield %	3.89	2.74
Constituent Sizes (Net MCap USDm)		
Average	2,509	2,762
Largest	24,971	24,110
Smallest	73	293
Median	1,276	1,629
Weight of Largest Constituent (%)	16.32	21.29
Top 10 Holdings (% Index MCap)	57.77	65.44

**Index Characteristics (Continued)**

Attributes	FTSE EPRA/NAREIT Developed North America REITs	FTSE EPRA/NAREIT Developed North America Non-REITs
Number of constituents	145	3
Net MCap (USDm)	809,754	7,011
Dividend Yield %	4.21	4
Constituent Sizes (Net MCap USDm)		
Average	5,585	2,337
Largest	53,257	2,487
Smallest	512	2,079
Median	3,128	2,444
Weight of Largest Constituent (%)	6.58	35.48
Top 10 Holdings (% Index MCap)	33.20	100

Attributes	FTSE EPRA/NAREIT Developed Asia REITs	FTSE EPRA/NAREIT Developed Asia Non-REITs
Number of constituents	58	22
Net MCap (USDm)	213,608	182,889
Dividend Yield %	4.32	2.27
Constituent Sizes (Net MCap USDm)		
Average	3,683	8,313
Largest	20,477	23,670
Smallest	937	1,244
Median	2,005	5,092
Weight of Largest Constituent (%)	9.59	12.94
Top 10 Holdings (% Index MCap)	49.75	77.22

**About EPRA/NAREIT**

The European Public Real Estate Association (EPRA) is a common interest group, which aims to promote, develop and represent the European public real estate sector. The National Association of Real Estate Investment Trusts® (NAREIT) is the trade association for REITs and publicly traded real estate companies with an interest in the US property and investment markets.



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