

# FTSE NAREIT Equity REITs Index

Data as at: 31 January 2018

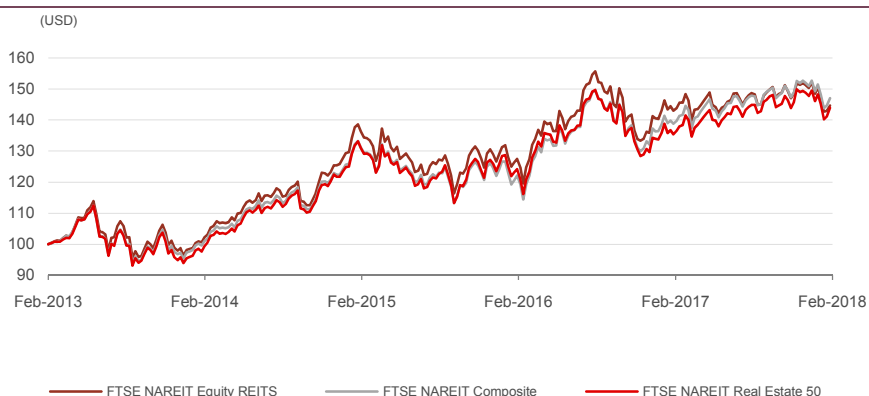
The FTSE NAREIT US Real Estate Index Series is designed to present investors with a comprehensive family of REIT performance indexes that spans the commercial real estate space across the US economy. The index series provides investors with exposure to all investment and property sectors. In addition, the more narrowly focused property sector and sub-sector indexes provide the facility to concentrate commercial real estate exposure in more selected markets.

The FTSE NAREIT Equity REITs index contains all Equity REITs not designated as Timber REITs or Infrastructure REITs.

## About REITs

A REIT is a company that owns, and in most cases, operates income-producing real estate such as apartments, shopping centers, 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. To qualify as a REIT, a company must distribute at least 90% 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 REITs remit at least 100% 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. Most states honor this federal treatment and also do not require REITs to pay state income tax. Like other businesses, but unlike partnerships, a REIT cannot pass any tax losses through to its investors.

## 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 NAREIT Equity REITs	-1.8	-3.0	-4.2	0.7	5.8	45.1	1.9	7.7	10.4	14.8	13.6
FTSE NAREIT Composite	-0.9	-0.9	-3.2	5.6	11.7	47.5	3.8	8.1	9.5	14.2	12.6
FTSE NAREIT Real Estate 50	-0.2	-0.4	-2.8	6.2	10.1	44.9	3.3	7.7	9.8	14.4	13.0

\* 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

## FEATURES

### Coverage

Publicly listed US REITs.

### Objective

The indexes are designed for the creation of structured products, index tracking funds, or as a performance benchmark.

### Investability

Stocks are free-float weighted to ensure that only the investable opportunity set is included within the indexes.

### Liquidity

Stocks are screened to ensure that the indexes are tradable.

### Transparency

Index methodologies are freely available on the FTSE Russell website.

### Availability

The index is calculated based on price and total return methodologies, both real time and end-of-day.

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

Index % (USD)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
FTSE NAREIT Equity REITS	-37.7	28.0	28.0	8.3	18.1	2.5	30.1	3.2	8.5	5.2
FTSE NAREIT Composite	-37.8	27.8	27.6	7.3	19.7	2.3	27.2	2.1	9.4	9.3
FTSE NAREIT Real Estate 50	-37.3	27.6	26.7	9.4	18.0	-0.5	28.7	4.4	5.5	9.2

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

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE NAREIT Equity REITS	0.1	0.1	0.6	0.3	-7.4	-15.9	-18.0	-67.7
FTSE NAREIT Composite	0.6	0.3	0.6	0.3	-6.3	-15.0	-18.2	-66.2
FTSE NAREIT Real Estate 50	0.6	0.2	0.6	0.3	-6.8	-14.8	-18.8	-66.6

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

Drawdown - based on daily data

**Top 5 Constituents**

Constituent	Property Subsector	Net MCap (USDm)	Wgt %
Simon Property Group	Regional Malls	50,661	6.20
Equinix Inc	Data Centers	35,269	4.31
Prologis	Industrial	34,225	4.19
Public Storage	Self Storage	28,884	3.53
Avalonbay Communities	Apartments	23,393	2.86
<b>Totals</b>		<b>172,433</b>	<b>21.09</b>

**Subsector Breakdown**

Property Subsector	No. of Cons	Net MCap (USDm)	Wgt %
Apartments	14	105,091	12.85
Data Centers	5	69,331	8.48
Diversified	17	53,852	6.59
Free Standing	7	32,397	3.96
Health Care	19	91,507	11.19
Industrial	11	71,797	8.78
Lodging/Resorts	17	55,330	6.77
Manufactured Homes	3	14,127	1.73
Office	23	96,432	11.79
Regional Malls	7	80,126	9.80
Self Storage	5	48,845	5.97
Shopping Centers	16	50,974	6.23
Single Family Homes	3	12,109	1.48
Specialty	10	35,693	4.37
<b>Totals</b>	<b>157</b>	<b>817,610</b>	<b>100.00</b>

**Index Characteristics**

Attributes	FTSE NAREIT Equity REITS
Number of constituents	157
Net MCap (USDm)	817,610
Dividend Yield %	4.36
Constituent Sizes (Net MCap USDm)	
Average	5,208
Largest	50,661
Smallest	128
Median	2,893
Weight of Largest Constituent (%)	6.20
Top 10 Holdings (% Index MCap)	33.98

**INFORMATION****Index Universe**

NAREIT Domestic Real Estate Index Series

**Index Launch**

6 March 2006

**Base Date**

31 December 1999

**Base Value**

100

**Investability Screen**

Free-float adjusted and liquidity screened

**Index Calculation**

Real-time and end-of-day indices available

**End-of-Day Distribution**

Via FTP and email

**Currency**

USD, EUR, GBP, JPY and Local

**Review Dates**

Quarterly in March, June, September and December

## About the National Association of Real Investment Trusts

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. See [www.reit.com](http://www.reit.com) for more information.

# Nareit®

© 2017 London Stock Exchange Group plc and its applicable group undertakings (the "LSE Group"). The LSE Group includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE TMX Global Debt Capital Markets Inc. and FTSE TMX Global Debt Capital Markets Limited (together, "FTSE TMX") and (4) MTSNext Limited ("MTSNext"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE TMX and MTS Next Limited. "FTSE®", "Russell®", "FTSE Russell®", "MTS®", "FTSE TMX®", "FTSE4Good®" and "ICB®" and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of the LSE Group or their respective licensors and are owned, or used under licence, by FTSE, Russell, MTSNext, or FTSE TMX.

NAREIT® is a trade mark of National Association of Real Estate Investment Trusts® ("Partner"). All rights in and to the FTSE NAREIT Equity REITs ("Index") vest in FTSE and/or its relevant Partner(s).

All information is provided for information purposes only. Every effort is made to ensure that all information given in this publication is accurate, but no responsibility or liability can be accepted by any member of the LSE Group nor their respective directors, officers, employees, partners or licensors for any errors or for any loss from use of this publication or any of the information or data contained herein.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE NAREIT Equity REITs or the fitness or suitability of the FTSE NAREIT Equity REITs for any particular purpose to which they might be put.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of the LSE Group nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset. A decision to invest in any such asset should not be made in reliance on any information herein. Indexes cannot be invested in directly. Inclusion of an asset in an index is not a recommendation to buy, sell or hold that asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of the LSE Group. Use and distribution of the LSE Group index data and the use of their data to create financial products require a licence from FTSE, Russell, FTSE TMX, MTSNext and/or their respective licensors.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. However, back-tested data may reflect the application of the index methodology with the benefit of hindsight, and the historic calculations of an index may change from month to month based on revisions to the underlying economic data used in the calculation of the index.

Data definitions available from  
[info@ftserussell.com](mailto:info@ftserussell.com)

To learn more, visit [www.ftserussell.com](http://www.ftserussell.com);  
email [info@ftserussell.com](mailto:info@ftserussell.com); or  
call your regional Client Services Team office:

### EMEA

+44 (0) 20 7866 1810

### North America

+1 877 503 6437

### Asia-Pacific

Hong Kong +852 2164 3333

Tokyo +81 3 3581 2764

Sydney +61 (0) 2 8823 3521