MEDIA BRIEF
MAY 2015

	YTD TOTAL RETURN	APR 30 DIV YIELD	1-YEAR TOTAL ANNUALIZED RETURN	5-YEAR TOTAL ANNUALIZED RETURN	10-YEAR TOTAL ANNUALIZED RETURN
FTSE NAREIT ALL REIT INDEX	(0.85%)	4.00%	12.86%	12.87%	7.76%
FTSE NAREIT COMPOSITE INDEX	(0.99%)	4.05%	12.56%	12.61%	7.54%
FTSE NAREIT ALL EQUITY REIT INDEX	(1.17%)	3.57%	13.22%	12.90%	8.42%
FTSE NAREIT MORTAGE REIT INDEX	1.64%	10.59%	5.82%	10.14%	(1.27%)
S&P 500 INDEX	1.92%	2.01%	12.98%	14.33%	8.32%

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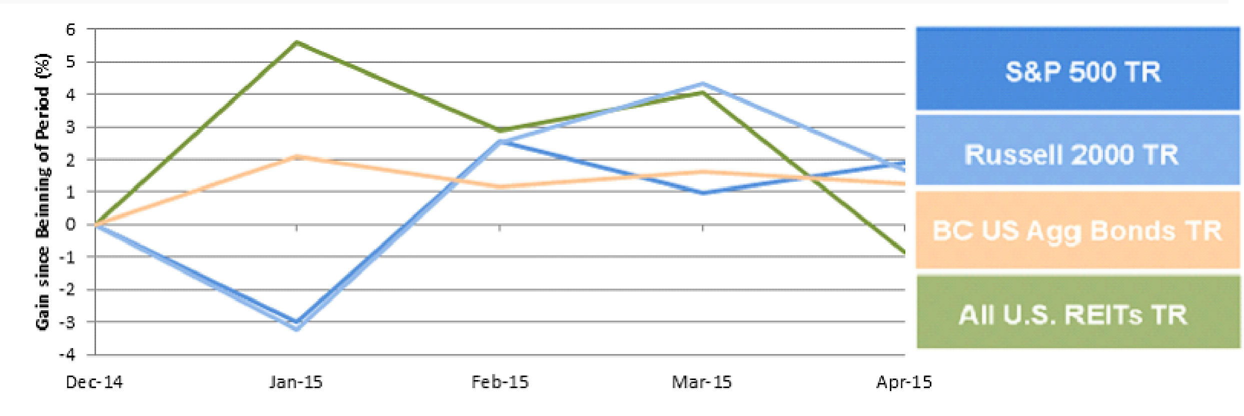
A TOUGH APRIL ERASES REITs' FIRST QUARTER GAINS



For the year to date, the FTSE NAREIT All REITs Index, the broadest benchmark of the U.S. REIT industry, containing both equity and mortgage REITs, delivered a total return of (0.85) percent and a dividend yield of 4.00 percent, compared to the S&P 500 Index which delivered a year-to-date total return of 1.92 percent and a dividend yield of 2.01 percent at the end of April. The FTSE NAREIT All REITs Index includes 221 REITs with a combined equity market capitalization of $926 billion.

For the month of April, the FTSE NAREIT All REITs Index was down 4.71 percent on a total return basis, eliminating first quarter gains of 4.05 percent. In contrast, the S&P 500 Index increased by 0.96 percent at the end of April on a total return basis, up from 0.95 percent at the close of the first quarter.

The FTSE EPRA/NAREIT Global Real Estate Index delivered a total return of 4.08 percent (based in U.S. dollars) for 2015 year-to-date, and produced a dividend yield of 3.27 percent at the end of April. The global index includes 472 companies from around the world with a combined equity market capitalization of $1.46 trillion, 72 percent of which is from REITs. The FTSE EPRA/NAREIT Middle East/Africa Index delivered the best performance of any region, with a total return of 10.71 percent for the year through April. The FTSE EPRA/NAREIT Asia/Pacific Index delivered a 10.70 percent total return for the year, while total returns for Europe and the Americas respectively were 8.62 and (1.42) percent.

Thirty countries in addition to the United States have now enacted REIT legislation to foster the development of commercial real estate markets and facilitate investment in real estate securities.

See all REIT market data

VIDEO: QUICK STUDY: REITs DOWN IN APRIL, BUT NOT OUT

REITs were down in April, but it's unlikely that their bull run is over, said NAREIT Senior Vice President for Research and Industry Information Brad Case. Case noted that April was a difficult month for many investments, as the Russell 2000 Index fell 2.5 percent and the S&P 500 gained less than 1 percent in the month.

Case said investor concerns about a weakening economy and higher interest rates likely were the primary causes of the April slowdown. He noted, however, that a rise in interest rates would likely come only with stronger economic growth. He added that equity REITs historically have more often shown improved returns in periods of rising interest rates, as rising rates have accompanied periods of growing economic strength that supported increased property values and rents. Case also pointed out that the real estate market continues to enjoy a favorable balance between the supply of properties and tenant demand for space – a condition typical of the bull phase of real estate market cycles.

Watch the Video

SECTOR RESULTS: COMMERCIAL FINANCING REITs LEAD REIT MARKET IN YEAR-TO-DATE RETURNS

The Commercial Financing sub-sector of the FTSE NAREIT Mortgage REITs Index led the U.S. REIT market in the first four months of the year with a 5.69 percent total return. Home Financing REITs delivered a 0.43 percent return, and the overall FTSE NAREIT Mortgage REITs Index provided a 1.64 percent year-to-date return with a 10.59 percent dividend yield at April 30.

The FTSE NAREIT All Equity REITs Index delivered a total return of (1.17) percent in 2015 through the end of April, with a dividend yield of 3.57 percent at April 30. Self-Storage REITs led the gains for the year-to-date with total returns of 4.36 percent. Residential REITs continued their strong performance with year-to-date gains of 3.81 percent for Apartments and 3.33 percent for Manufactured Homes.

Diversified REITS delivered a 0.94 percent total return for the year-to-date and Office REITs delivered 0.31 percent. The office recovery to date has been moderate, led by central business district offices in gateway cities. These markets, supported by solid rent growth and declining vacancies, have surpassed prior peaks in property prices, according to NAREIT Senior Vice President for Research and Economic Analysis Calvin Schnure. These demand driven trends and the limited supply of new office properties are providing support for the Office sector of the REIT market.

Among other major equity REIT sectors, Infrastructure REITs delivered a 0.56 percent total return in the first four months of 2015, Retail REITs were down 1.81 percent, and Health Care, Timber, and Lodging and Resorts REITs trailed, down 3.94 percent, 8.21 percent and 8.39 percent respectively on a total return basis.

See all REIT sector data

STOCK EXCHANGE-LISTED REITs RAISE $28.35 BILLION OF CAPITAL IN FIRST FOUR MONTHS OF 2015

Stock exchange-listed REITs raised a total of $28.35 billion in public capital in the first four months of 2015 to deploy as part of their value creation strategies, compared to $17.65 billion in the same period of 2014.

Listed REITs raised $17.59 billion of common and preferred equity in the first four months of this year, including $1.23 million in five IPOs, as well as $10.76 billion of unsecured debt.

The U.S. REIT industry continued to maintain conservative leverage. The debt ratio (total debt divided by total market capitalization) of the FTSE NAREIT All REITs Index was 42.8 percent, and the debt ratio of the FTSE NAREIT All Equity REITs Index was 31.3 percent.

See all REIT capital markets data

UNDERSTANDING REITs: WHAT ROLE HAVE REITS PLAYED IN COMMUNITY AND ECONOMIC DEVELOPMENT?

In every state, REITs are revitalizing cities and towns, making community life better and acting as the engines of economic growth. In Bethesda, Maryland, a REIT turned eight acres of outdated retail and office buildings into Bethesda Row – a thriving new development with shopping, restaurants and entertainment, as well as apartments and offices. In the process, it created a new urban center that helped re-ignite the community's economy and that the EPA heralded as an example of smart growth.

In Philadelphia, another REIT helped transform the rusting hulk of the decommissioned Naval Shipyard into a new, economically vibrant city neighborhood. The REIT's investment in 13 buildings that now provide office, industrial and hotel space helped bring a long-declining part of

Philadelphia back to life.

In San Francisco, REITs redeveloped a brownfields district of railroad yards in the Mission Bay area, turning it into a dynamic life sciences office campus. The biotechnology and pharmaceutical companies that have located in the campus have created hundreds of jobs, helping to fuel the city's knowledge-based economy.

Learn more

CONTACT INFORMATION

To speak to our economists and other industry experts about economic and industry trends, and investment issues, contact:

Ron Kuykendall
(202) 739-9425
rkuykendall@nareit.com

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