



NEWS RELEASE

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FTSE NAREIT PureProperty[®] Index Series Offers New Choices In Real Estate Investing with Daily Property-Level Returns

*Regional U.S. Benchmarks and Six Property Sectors Provide
New Opportunities for Investors and Risk Managers*

WASHINGTON, D.C., June 1 – FTSE Group and the National Association of Real Estate Investment Trusts[®] (NAREIT[®]) today launched the FTSE NAREIT PureProperty[®] Index Series providing a daily measure of real estate returns (price returns and total returns) at the level of both property and equity investments. The index series' values are inferred from price appreciation and income distributions generated by portfolios of properties owned by stock exchange-listed U.S. equity REITs.

Values are computed daily on the basis of the stock market valuation of constituents of the FTSE NAREIT Equity REITs Index, coupled with information on their property holdings and balance sheets. Property-level indices are also based on the values of fixed-income indices that reflect the cost of debt employed by REITs and that correspond to liquid fixed-income investment products. Property returns are available on a U.S. aggregate, regional and property sector basis, as well as for region/property type combinations.

“Direct real estate investors face the twin challenges of valuation accuracy and asset illiquidity that constrain their ability to speedily react to changing markets,” said NAREIT President and CEO Steven A. Wechsler. “By providing daily information on changes in property values, which enables more effective investment and hedging strategies, the FTSE NAREIT PureProperty indices enable real estate investors to seek to reduce their market risk and to increase the returns of their real estate portfolios.”

The FTSE NAREIT PureProperty Index Series provides property-level returns for the Apartment, Health Care, Hotel, Industrial, Office and Retail sectors, and for property markets in the East, Midwest, South and West regions of the United States. The index series also includes 11 type/region combinations (e.g., East region Apartments), as well as a nationwide all-property aggregate. Returns are based on actual holdings of listed U.S. equity REITs, including high-quality properties in and around major metropolitan areas of the country.

While other property-level indices are computed monthly or quarterly and are published with four- to eight-week delays, the FTSE NAREIT PureProperty indices are published on the same day as the returns they measure. Consequently, investors who want unlevered exposure to the real estate market cycle – in aggregate, in a property type, in a region, or in a type/region segment – will be able to get it simply by making investments in proportion to the weights on constituents of the FTSE NAREIT PureProperty indices (or in products that may be developed to track the indices) rather than seeking out, evaluating, buying and managing a portfolio of buildings.

Investors using the FTSE NAREIT PureProperty Index Series to guide their investments will be able to make tactical adjustments to their direct real estate portfolios quickly and efficiently. For example, if an investor believes South Region Apartments are undervalued while West Region Offices are overvalued, he or she can buy holdings corresponding to the South Region Apartment index while selling holdings corresponding to the West Region Office index.

Direct real estate investors with large positions in a particular category of the real estate market will be able to use the indices to make investments designed to hedge their over-exposure and reduce their overall real estate portfolio's concentration risk, as well as to assess and manage other aspects of portfolio risk.

The FTSE NAREIT PureProperty Index Series also provides valuable insights on a daily basis for developers, brokers, lenders and others who need to monitor the pulse of the real estate market to see how property values are changing.

To learn more about the FTSE NAREIT PureProperty Index Series, [click here](#).

***Editors' Note:** NAREIT provides media resources on [REIT Basics](#), a [Glossary of REIT Terms](#), as well as other industry data and information on the value that REITs provide to investors, the economy and our communities on [REIT.com](#). NAREIT also makes economists and other industry experts available for commentary on industry trends and research.*



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