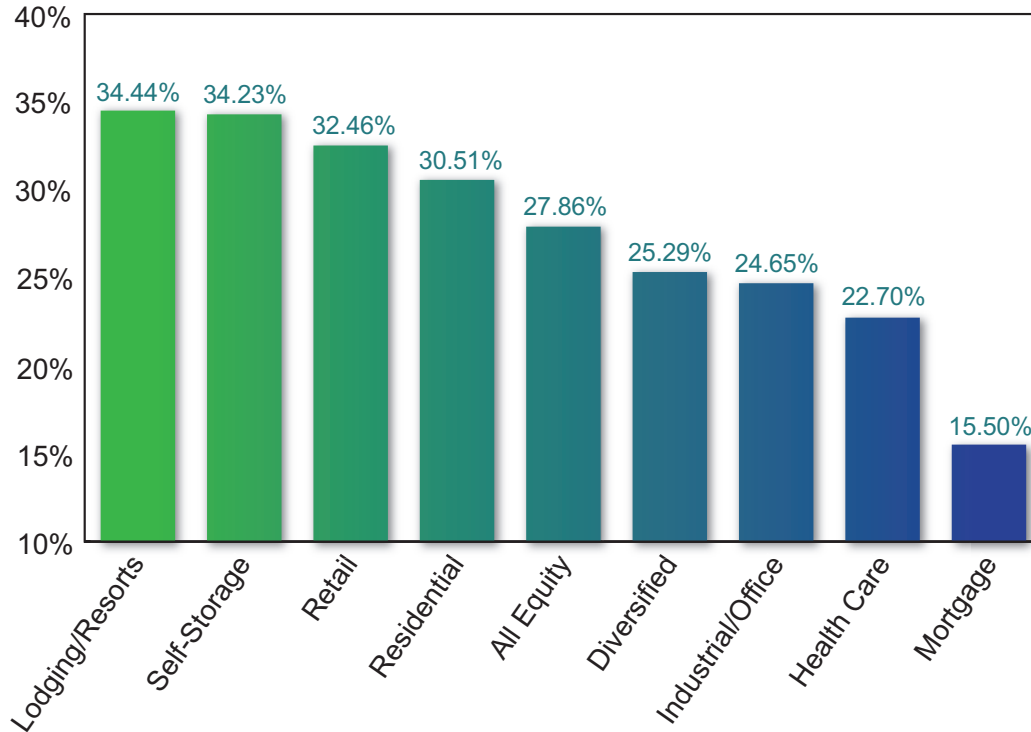


What The Recovery In REITs Looks Like

Average Annualized Total Returns
on various FTSE NAREIT Indices (3/6/09-8/14/15)



Source: Bloomberg. The 3/6/09 date marked the bear market low for the FTSE NAREIT All Equity REITs Index. Past performance is no guarantee of future results.

View from the Observation Deck

1. The FTSE NAREIT All Equity REITs (Real Estate Investment Trusts) Total Return Index closed 7.48% below its all-time high on 8/14/15, according to Bloomberg.
2. The index's all-time high was set on 1/26/15, an indication that equity REITs had fully recovered from the previous bear market, which ended in March 2009.
3. Prior to the bear market, the all-time high had been set on 2/7/07. From 2/7/07 through 3/6/09, the FTSE NAREIT All Equity REITs Total Return Index plunged 73.18%, according to Bloomberg.
4. The one niche of the REIT market that has yet to fully recover is mortgage REITs. On 8/14/15, the FTSE NAREIT Mortgage REITs Total Return Index closed 23.6% below its 2/7/07 mark, according to Bloomberg.
5. One of the most common concerns about investing in equity REITs is how they might perform in a rising interest rate climate. Research from The Street.com addressed that point.
6. It found that, from 1972 to 2013, equity REITs returned 16.77% annually in those periods when the Federal Reserve was lowering interest rates, compared to 9.77% annually when it was increasing interest rates.

This chart is for illustrative purposes only and not indicative of any actual investment. The illustration excludes the effects of taxes and brokerage commissions and other expenses incurred when investing. Investors cannot invest directly in an index. Each of the indices featured in the chart is a free float adjusted market capitalization-weighted index that includes all tax qualified REITs, for the broader all equity index as well as the various component sector indices, listed on the NYSE, AMEX and NASDAQ National Market.