

FTSE Nareit US Real Estate Index Series - Ground Rule Update

01 April 2021

FTSE Russell and Nareit would like to inform clients of the following Ground Rule clarification to the FTSE Nareit US Real Estate Index Series which is effective immediately.

Section 5: Qualification Criteria and Periodic Review of Constituents

5.6 Screen Three – Invested Assets (updated in bold)

- 5.6.1 Only tax qualified REITs with at least 75 percent of their total assets invested in qualifying real estate assets, which include interests in real property (at non-depreciated cost), interests in mortgages on real property, or shares in other REITs, **or Goodwill (except when clearly generated by non-real estate activities)** will be included in the index. New issues, including initial public offerings, with qualifying real estate assets less than 75 percent of their total assets but equal to at least 125 percent of their net IPO proceeds also will be included in the index. The invested assets test will be conducted on an annual basis at the December annual review and if total invested assets of any constituent of the index fall below 50 percent of its total assets, the constituent will be deleted from the index.

Updated copies of the FTSE Nareit US Real Estate Index Series Ground Rules (v4.6) is now available using the following link:

[FTSE_Nareit_US_Real_Estate_Index_Series.pdf](#)

Or on the FTSE Russell website: www.ftserussell.com

For further information please contact FTSE Russell Client Services at info@ftserussell.com or call:

Australia	+1800 653 680
Hong Kong	+852 2164 3333
Japan	+81 3 4563 6346
London	+44 (0) 20 7866 1810
New York	+1866 551 0617

Alternatively please visit our website at www.ftserussell.com

[Terms of Use](#) | Copyright © 2021 FTSE Russell