

Product highlights

Nareit

FTSE
Russell

FTSE Nareit RORI REITs Index

The FTSE Nareit RORI REITs Index is designed to track, benchmark and analyze the Residential, Office, Retail and Industrial (RORI) sectors of the US-listed REIT market. The Index also includes REITs classified in the unique RORI REITs Diversified category, defined as those where the combined ownership of Residential, Office, Retail and/or Industrial properties exceeds 75% of total property ownership.

The index was built together with the US real estate industry leader Nareit, a worldwide representative voice for REITs and publicly traded real estate companies with an interest in US real estate and capital markets.

The FTSE Nareit RORI REITs Index provides a relevant and informative way to measure the performance of listed real estate investments that are focused on the core property sectors.



Focused

Excludes REITs not included in one of the core US real estate property sectors: Residential, Office, Retail and Industrial.

Investable

The FTSE Nareit RORI REITs Index is free-float market cap-weighted to ensure that only the investable opportunity set is included. The parent FTSE Nareit Equity REITs Index is screened to ensure that the index is liquid and tradable.

Transparent

Transparent, rules-based construction and maintenance processes are freely available on ftserussell.com.

Widely tracked

More than \$341B in assets benchmarked to the FTSE Nareit US Real Estate Index Series and the FTSE EPRA Nareit Global Real Estate Index Series.

Data as of December 31, 2017 as reported on April 2, 2018 by eVestment for institutional assets, Morningstar for retail mutual funds, insurance products, and ETFs, and additional passive assets directly collected by FTSE Russell. AUM data includes blended benchmarks and excludes futures and options. Passive assets directly collected by FTSE Russell have been removed from third party sources to prevent double counting. No assurances are given by FTSE Russell as to the accuracy of the data.

Renewed focus on core property sectors

When institutional investors first began allocating to real estate in a meaningful way over 30 years ago, the dominant “core” property sectors offered the largest scale and investment opportunity, included apartment buildings, retail centers, office buildings and industrial warehouses.

Although today’s listed real estate market has evolved to include a far more diversified set of property types, including healthcare properties, hotels, data centers, storage

facilities, infrastructure, timberlands and others, core real estate investing remains widely entrenched among many institutional investors.

For those who have chosen to maintain the focus of their real estate allocations on the core sectors of Retail, Office, Residential and Industrial real estate, the FTSE Nareit RORI REITs Index provides the most relevant measure of this specific institutional opportunity set.

FTSE Nareit US Real Estate Index Series

FTSE NAREIT COMPOSITE INDEX (FNCO)

Investable US REITs Universe

- Qualify as a REIT according to the US Internal Revenue Code
- Listed on the New York Stock Exchange or NASDAQ
- Assigned by FTSE as US nationality
- Minimum size \$100m
- Liquidity screen
- Minimum 75% of total assets in qualifying real estate assets
- Free float > 5%

208 constituents
\$1.1 net market cap

FTSE NAREIT REAL ESTATE 50 INDEX (FNR5)

Largest REITs by Market Cap

50 constituents
70.2% of FNCO by market cap

FTSE NAREIT ALL EQUITY REITS INDEX (FNER)

Excludes Mortgage REITs

>50% of total assets in qualifying real estate assets OTHER THAN mortgages secured by real property

174 constituents
93.9% of FNCO by market cap

FTSE NAREIT MORTGAGE REITS INDEX (FNMR)

Mortgage REITs

>50% of total assets invested in mortgage loans or mortgage-backed securities secured by interests in real properties

34 constituents
6.1% of FNCO by market cap

FTSE NAREIT EQUITY REITS INDEX (FNRE)

Excludes Mortgages, Timberland and Infrastructure REITs

All Equity REITs except Timberland REITs or Infrastructure REITs

163 constituents
78.7% of FNCO by market cap

FTSE NAREIT RORI REITS INDEX (FNRR)

Further refined to include only RORI REITs

Residential, Office, Retail and Industrial REITs

103 constituents
48.1% of FNCO by market cap

Data as of September 28, 2018. See index factsheets on ftserussell.com for updated number of constituents and market cap.

For more information about our indexes, please visit ftserussell.com.

© 2018 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 Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE GDCM"), (4) MTSNext Limited ("MTSNext"), (5) Mergent, Inc. ("Mergent"), (6) FTSE Fixed Income LLC ("FTSE FI") and (7) The Yield Book Inc ("YB"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE GDCM, MTS Next Limited, Mergent, FTSE FI and YB. "FTSE®", "Russell®", "FTSE Russell®", "MTS®", "FTSE4Good®", "ICB®", "Mergent®", "WorldBIG®", "USBIG®", "EuroBIG®", "AusBIG®", "The Yield Book®", and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks 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, FTSE GDCM, Mergent, FTSE FI or YB. "TMX®" is a registered trademark of TSX Inc. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

"NAREIT®" is a trade mark of Nareit. All rights in the FTSE Nareit US Real Estate Index Series vest in FTSE and Nareit. Neither FTSE, nor the LSE Group, nor Nareit accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from FTSE or Nareit is permitted without FTSE's express written consent.

All information is provided for information purposes only. All information and data contained in this publication is obtained by the LSE Group, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information and data is provided "as is" without warranty of any kind. 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 accuracy, timeliness, completeness, merchantability of any information or of results to be obtained from the use of the FTSE Russell Products or the fitness or suitability of the FTSE Russell Products for any particular purpose to which they might be put. Any representation of historical data accessible through FTSE Russell Products is provided for information purposes only and is not a reliable indicator of future performance.

No responsibility or liability can be accepted by any member of the LSE Group nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of the LSE Group is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing contained in this document or accessible through FTSE Russell Products, including statistical data and industry reports, should be taken as constituting financial or investment advice or a financial promotion.

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.

This publication may contain forward-looking assessments. These are based upon a number of assumptions concerning future conditions that ultimately may prove to be inaccurate. Such forward-looking assessments are subject to risks and uncertainties and may be affected by various factors that may cause actual results to differ materially. No member of the LSE Group nor their licensors assume any duty to and do not undertake to update forward-looking assessments.

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 data requires a licence from FTSE, Russell, FTSE GDCM, MTSNext, Mergent, FTSE FI, YB and/or their respective licensors.

About FTSE Russell

FTSE Russell is a leading global index provider creating and managing a wide range of indexes, data and analytic solutions to meet client needs across asset classes, style and strategies. Covering 98% of the investable market, FTSE Russell indexes offer a true picture of global markets, combined with the specialist knowledge gained from developing local benchmarks around the world.

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create investment funds, ETFs, structured products and index-based derivatives. FTSE Russell indexes also provide clients with tools for asset allocation, investment strategy analysis and risk management.

A core set of universal principles guides FTSE Russell index design and management: a transparent rules-based methodology is informed by independent committees of leading market participants. FTSE Russell is focused on index innovation and customer partnership applying the highest industry standards and embracing the IOSCO Principles. FTSE Russell is wholly owned by London Stock Exchange Group.

For more information, visit ftserussell.com.

To learn more, visit ftserussell.com; email info@ftserussell.com; or call your regional Client Service Team office:

EMEA

+44 (0) 20 7866 1810

North America

+1 877 503 6437

Asia-Pacific

Hong Kong +852 2164 3333
Tokyo +81 3 4563 6346
Sydney +61 (0) 2 8823 3521