The FTSE Nareit US Real Estate Index Series provides investors with a comprehensive family of indexes designed to measure the entire commercial real estate sector of the US economy.

FTSE Russell works in partnership with Nareit, the US-based association for REITs and publicly traded real estate companies with an interest in US real estate and capital markets, to calculate and oversee the index series.

A REIT is a company that owns, and in most cases, operates income-producing real estate such as apartments, shopping centers, offices, hotels and warehouses. Some REITs also engage in financing real estate.

The FTSE Nareit US Real Estate Index Series provides investors with the broadest picture of the US real estate market, while the sector and sub-sector indexes included in this series provide more narrowly-focused views of commercial real estate. The FTSE Nareit US Real Estate Indexes can be used to benchmark the performance of real estate investment portfolios, and they are also suitable for use as the basis for index-linked investment products such as Exchange Traded Funds (ETFs) and derivatives.

FTSE Nareit Property Sectors
The FTSE Nareit US Real Estate Index Series uses a real estate-specific sector framework.

Comprehensive
Spans the entire commercial real estate sector of the US economy.

Includes exchange-listed REITs from all investment and property sectors.

Modular
Property sector and sub-sector indexes available to facilitate more narrowly focused exposure to commercial real estate.

Investable
The broad FTSE Nareit Composite Index and its sub-indexes are 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.
** Investable FTSE Nareit indexes**

- Constituents are market cap-weighted
- Reviewed quarterly in March, June, September and December with changes implemented on the third Friday of the month
- Indexes are calculated in USD, EUR, GBP, JPY
- Additional property sector and sub-sector indexes are available

**Additional FTSE Nareit indexes available**

**FTSE Nareit US Real Estate Capped Index Series**
Designed to provide a comprehensive assessment of overall REIT industry performance

**FTSE Nareit Preferred Stock Index**
Designed to track the performance of preferred stocks based on eligible US REITs

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### FTSE Nareit US Real Estate Index Series

<table>
<thead>
<tr>
<th>Index</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FTSE NAREIT COMPOSITE INDEX (FNCO)</strong></td>
<td>Investable US REITs Universe&lt;br&gt;• Qualify as a REIT according to the US Internal Revenue Code&lt;br&gt;• Listed on the New York Stock Exchange or NASDAQ&lt;br&gt;• Assigned by FTSE as US nationality&lt;br&gt;• Minimum size $100M&lt;br&gt;• Liquidity screen&lt;br&gt;• Minimum 75% of total assets in qualifying real estate assets&lt;br&gt;• Free float &gt; 5%&lt;br&gt;208 constituents $1.1 net market cap</td>
</tr>
<tr>
<td><strong>FTSE NAREIT REAL ESTATE 50 INDEX (FNR5)</strong></td>
<td>Largest REITs by Market Cap&lt;br&gt;50 constituents 70.2% of FNCO by market cap</td>
</tr>
<tr>
<td><strong>FTSE NAREIT ALL EQUITY REITS INDEX (FNRE)</strong></td>
<td>Excludes Mortgage REITs&lt;br&gt;• &gt;50% of total assets in qualifying real estate assets OTHER THAN mortgages secured by real property&lt;br&gt;174 constituents 93.9% of FNCO by market cap</td>
</tr>
<tr>
<td><strong>FTSE NAREIT EQUITY REITS INDEX (FNER)</strong></td>
<td>Excludes Mortgages, Timberland and Infrastructure REITs&lt;br&gt;All Equity REITs except Timberland REITs or Infrastructure ReITs&lt;br&gt;163 constituents 78.7% of FNCO by market cap</td>
</tr>
<tr>
<td><strong>FTSE NAREIT MORTGAGE REITS INDEX (FNMR)</strong></td>
<td>Mortgage REITs&lt;br&gt;• &gt;50% of total assets invested in mortgage loans or mortgage-backed securities secured by interests in real properties&lt;br&gt;34 constituents 6.1% of FNCO by market cap</td>
</tr>
<tr>
<td><strong>FTSE NAREIT RORI REITS INDEX (FNRR)</strong></td>
<td>Further refined to include only RORI REITs&lt;br&gt;• Residential, Office, Retail and Industrial REITs&lt;br&gt;103 constituents 48.1% of FNCO by market cap</td>
</tr>
</tbody>
</table>

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

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1 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.
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