

# REITs: Real Estate Investment Trusts

OLLI Investment Forum  
April 28, 2021

Bob Baker  
[rbaker\\_va@msn.com](mailto:rbaker_va@msn.com)

<https://olligmu.org/finforum/index.html>

# Disclaimer

- Today's presentation is intended for educational purposes only regarding Real Estate Investment Trusts (REITs)
- Any REITs or ETFs discussed are for illustration purpose only, and are not recommendations to buy or sell.
- No investment advice is given at the OLLI Investment Forum.  
Always perform your own Due Diligence on any information you hear or see.

# Equity REITs

Stock Exchange-Listed  
Investment Benefits

---



# REIT Resources

- [National Association of Real Estate Investment Trusts \(Nareit\)](#)
- [Hoya Capital Real Estate](#) (website and Seeking Alpha)
- [Million Acres](#) (a Motley Fool Service)
- [Wide Moat Research](#)
- [Seeking Alpha](#) (multiple authors/analysts)
- [Simply Safe Dividends](#) (subscription)
- Barron's & Wall Street Journal
- "The Intelligent REIT Investor – How To Build Wealth With Real Estate Investment Trusts," Stephanie Krewson-Kelly and Brad Thomas, Wiley 2016
- "The Intelligent REIT Investor Guide: How to Build Wealth with Real Estate Investment Trusts," Brad Thomas, Release date: Tuesday, July 27, 2021

# Nareit Digital Magazine

**reit**  
REAL ESTATE INVESTMENT TODAY  
MARCH/APRIL 2021



## PRIME POSITION

JBG SMITH CEO Matt Kelly on tech, Amazon, and the path ahead.

**INSIDE:**  
REITs Assess Climate Risk **PAGE 18**  
Bridging the Affordable Housing Gap **PAGE 26**  
Fund Managers on 2021 **PAGE 40**

## contents

### DEPARTMENTS



**4**  
**FROM THE CHAIR**  
REITs address climate risk

**6**  
**EDITOR'S DESK**  
A staggering year

**8**  
**DEVELOPMENTS**  
- On the Web  
- 4 Quick Questions  
- Research Desk  
- By the Numbers  
- Sector Spotlight

**46**  
**SHAPING COMMUNITIES**  
Kimco Realty's Lincoln Square has created a community focal point in Philadelphia

**52**  
**CAPITAL MARKETS**  
Morgan Stanley's Laurel Durkay takes a global view

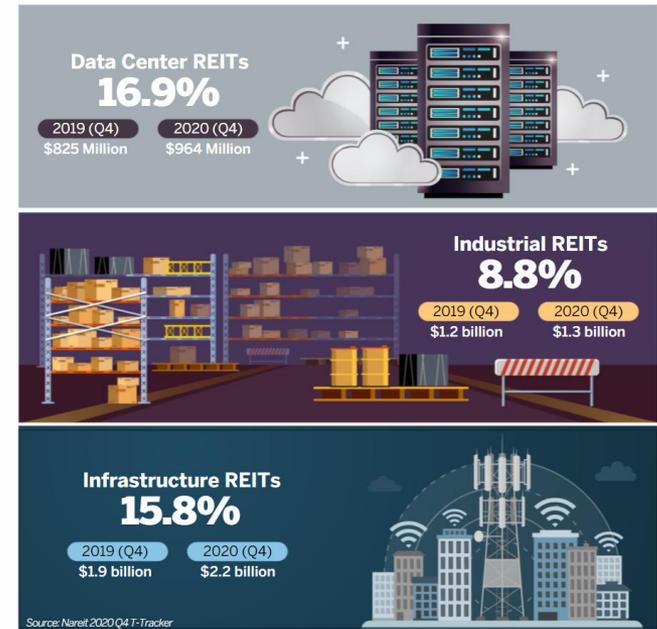
**56**  
**GET TO KNOW**  
Brookstone Net Lease continues to take a disciplined approach to capital deployment

**66**  
**THE DNA OF ESG**  
Physicians Realty advances sustainability across its medical office building portfolio

## developments

### BY THE NUMBERS

A recovery in REIT earnings is well underway after the sharp decline that occurred during the shutdowns at the beginning of the pandemic, according to the Nareit T-Tracker®, a quarterly monitor of the operating performance of the entire U.S. listed REIT industry. Recent T-Tracker data also show that digital economy sectors continued a year of strong performance, including the following increases in FFO:



## Nareit

1875 St. NW, Suite 500  
Washington, D.C. 20006-5413

Follow Nareit on reit.com

**PUBLISHER**

Steven A. Wechsler

ASSOCIATE PUBLISHER

Sheldon M. Groner

**EDITOR IN CHIEF**

Matthew Bechard

**EDITORIAL DIRECTOR**

Sarah Borchersen-Keto

**SENIOR DIRECTOR, EDITORIAL**  
Diene Rusignola

**SENIOR VICE PRESIDENT, SALES**  
Chris Flood

**VP, CONTENT STRATEGY**  
Kylie Gustafson

**DIRECTOR, DIGITAL MEDIA & MARKETING**  
Lizzy Lees

**VP & SR. CREATIVE DIRECTOR**  
Wesley Kirk

**ART DIRECTION & PRODUCTION**  
LTD Creative

**EDITORIAL ADVISORY BOARD**  
Jason Fox

W.P. Carey Inc.  
Merrie Frankel

Minerals Realty Consultants  
Alexander D. Goldfarb

Sandler O'Neill + Partners, L.P.  
Cedric Lachance

Green Street Advisors  
Wesley Kirk

Connie Moore  
Former CEO, BRE Properties

10 | reit

**8**  
**2**  
(202) 739-9412  
Zack.Bush@nareit.com  
**FOR REPRINTS, CONTACT**  
**Wright's Media**  
(877) 652-5295  
REITreprints@wrightsmedia.com

SECTOR FOCUS

## These 6 Commercial REITs Are Too Cheap, Morgan Stanley Says

By Alexandra Scaggs Updated April 20, 2021 9:24 am ET / Original April 20, 2021 9:23 am ET



Simon Property Group has been unloved for too long, says Morgan Stanley, and could be worth a flier. Here, a drone photo of a Simon-owned mall in Hurst, Texas. Tom Pennington/Getty Images

Text size ⊖ ⊕

The widely expected collapse in the commercial real-estate market may not come to pass, analysts at Morgan Stanley argue. If they're right, that should be good news for investors who want to look for yield in real estate investment trusts.

REAL ESTATE | THE TRADER

## Why Real Estate Stocks Still Have Room to Run

By Ben Levisohn April 23, 2021 7:48 pm ET

Text size ⊖ ⊕

 Listen to this article  
4 minutes



Rubenhk/Dreamstime.com

If the reopening trade is dead, the real estate sector, which finally closed above pre-Covid levels this past week, didn't get the message. Further gains could be ahead.

Few stocks were hit as hard as real estate investment trusts. Normally a fairly defensive sector, the group, which owns malls, office buildings, nursing homes, and other properties that no one wanted to go near at the height of the pandemic, fell 5.3% in 2020, even as the S&P 500 rose 18%. The release of successful trial data from Pfizer's vaccine in November didn't jump-start the group the way it did other pandemic-stricken sectors.

Now REITs are making up for lost time. The iShares U.S. Real Estate exchange-traded fund (ticker: IYR) has gained 15% in 2021, putting it among this year's better-performing sectors as the reopening trade and increased demand for in-person shopping spur gains. Yet despite that run-up, the sector still looks cheap and could even offer some protection from rising inflation.

# What is a REIT

- Sept. 14, 1960 – President Dwight D. Eisenhower signed legislation that created a new approach to income-producing real estate investment, allowing a simple, cost-effective way for investors to add real estate to their portfolios.
- A REIT is a company that owns, operates or finances income-producing real estate. A REIT must earn at least 75% of its income from rental properties and/or real estate investments.
- Modeled after mutual funds, REITs historically have provided investors regular income streams, diversification, and long-term capital appreciation.
- REITs have a current U.S. market capitalization over \$1.2 trillion.
- REITs pay higher dividends because they are required\* to distribute at least 90% of their taxable income to shareholders.

\* REITs are referred to as “pass-through” equities in which the company pays no corporate taxes as long as it annually pays out at least 90% of its taxable income as unqualified dividends to investors.

# U.S. and Global REITs

# U.S. REIT Property Sectors

There are currently more than 225 REITs in the U.S. registered with the SEC that trade on one of the major stock exchanges — majority on the NYSE, several on Nasdaq.

Healthcare	Hotels & Lodging	Net Lease*	Mall	Shopping Center
Industrial & Logistics	Billboard & Advertising	Office	Cell Tower	Data Center
Self-Storage	Apartment	Manufactured Housing	Single-Family Rental	Campus Housing
Private Prisons	Timber	Cannabis	Commercial Mortgage	Casinos & Gaming

\*Net Lease: typically long-term leases (10-25 years) to high-quality tenants, usually in the retail, entertainment and restaurant spaces. Operating under triple-net lease, tenants pay all expenses related to property management: property taxes, insurance, and maintenance.

# List of Public REITs in the United States

- [Link to most commonly traded REITs \(Investopedia\).](#)
- [Link to “Safety” rated REITs \(Simply Safe Dividends\)](#)

Company Name	REIT Type	Ticker Symbol
Lamar Advertising Company	Advertising	Nasdaq: LAMR
Outfront Media	Advertising	NYSE: OUT
Aimco	Apartments	NYSE: AIV
AvalonBay Communities	Apartments	NYSE: AVB
Camden Property Trust	Apartments	NYSE: CPT
Equity Residential	Apartments	NYSE: EQR
Essex Property Trust	Apartments	NYSE: ESS
Mid-America Apartment Communities	Apartments	NYSE: MAA
UDR, Inc.	Apartments	NYSE: UDR
CoreSite	Data Center	NYSE: COR
CyrusOne	Data Center	Nasdaq: CONE
Digital Realty	Data Center	NYSE: DLR
Equinix	Data Center	Nasdaq: EQIX
Iron Mountain	Data Center	Nasdaq: IRM
Quality Technology Services	Data Center	NYSE: QTS
Alexander's	Diversified	NYSE: ALX
EPR Properties	Diversified	NYSE: EPR
JBG Smith	Diversified	NYSE: JBGS
Vornado Realty Trust	Diversified	NYSE: VNO
W. P. Carey	Diversified	NYSE: WPC

Name	Market Cap	Beta (Volatility)	Timeliness	Dividend Yield	Dividend Safety	Dividend Growth	5-Year Dividend Growth	20-Year Dividend Growth	Dividend Growth Streak	Payout Ratio
<b>FRT</b> <a href="#">Federal Realty Investment Tr...</a> Federal Realty is a recognized leader in the ownership, operation and <a href="#">Research</a>	\$8.53 billion Mid Cap	1.27 High	May be undervalued FRT's dividend yield is 21% above its 5-year average	<b>3.86%</b>	60 borderline	1% in Aug '20 Very Slow	3% Slow	4% Slow	53 years	93% Edging high for REITs
<b>UHT</b> <a href="#">Universal Health Realty Inco...</a> Universal Health Realty Income Trust, a real estate investment trust, invests in	\$950 million Small Cap	1.45 High	Looks reasonably valued UHT's dividend yield is 2% above its 5-year average	<b>3.98%</b>	65 Safe	0.7% in Dec '20 Very Slow	2% Very Slow	2% Very Slow	35 years	84% Low for medical building REITs
<b>NNN</b> <a href="#">National Retail Properties</a> National Retail Properties invests primarily in high-quality retail properties <a href="#">Research</a>	\$8.29 billion Mid Cap	1.17 High	Looks reasonably valued NNN's dividend yield is 1% above its 5-year average	<b>4.42%</b>	50 borderline	1% in Jul '20 Very Slow	4% Slow	3% Slow	31 years	82% Edging high for REITs
<b>O</b> <a href="#">Realty Income</a> Realty Income, The Monthly Dividend Company, is an S&P 500 company <a href="#">Research</a>	\$25.9 billion Large Cap	0.92 Average	Looks reasonably valued O's dividend yield is 7% below its 5-year average	<b>4.07%</b>	70 Safe	3% 2019-20 Slow	4% Slow	5% Average	26 years	83% Edging high for REITs
<b>ESS</b> <a href="#">Essex Property Trust</a> Essex Property Trust, an S&P 500 company, is a fully integrated real estate	\$19.3 billion Large Cap	1.05 Average	Looks reasonably valued ESS's dividend yield is 3% below its 5-year average	<b>2.82%</b>	93 Very Safe	0.6% in Feb '21 Very Slow	8% Fast	6% Average	26 years	70% Low for REITs
<b>WPC</b> <a href="#">W. P. Carey</a> W. P. Carey ranks among the largest net lease REITs with an enterprise value of <a href="#">Research</a>	\$13 billion Large Cap	1.08 Average	Looks reasonably valued WPC's dividend yield is 5% below its 5-year average	<b>5.69%</b>	73 Safe	1% 2019-20 Very Slow	2% Very Slow	5% Average	22 years	88% Edging high for REITs

# REIT Membership in the S&P 500

Company Name	Ticker	Entrance Date			
<b>S&amp;P 500</b>			Host Hotels & Resorts	HST	3/19/2007
AIMCO	AIV	3/13/2003	Iron Mountain	IRM	1/5/2009
Alexandria Real Estate Equities	ARE	3/20/2017	Kimco Realty Corporation	KIM	4/3/2006
American Tower Corp.	AMT	11/16/2007	Macerich	MAC	5/8/2013
AvalonBay Communities	AVB	1/9/2007	Mid-America Apartment Communities, Inc.	MAA	12/1/2016
Boston Properties	BXP	3/31/2006	Prologis	PLD	7/16/2003
Crown Castle International	CCI	3/14/2012	Public Storage, Inc.	PSA	8/18/2005
Digital Realty Trust	DLR	5/17/2016	Realty Income Corporation	O	4/6/2015
Duke Realty Corporation	DRE	7/26/2017	Regency Centers	REG	3/2/2017
Equinix, Inc.	EQIX		SBA Communications Corp.	SBAC	9/1/2017
Equity Residential	EQR	11/1/2001	Simon Property Group	SPG	6/25/2002
Essex Property Trust	ESS	4/1/2014	SL Green Realty Corp.	SLG	12/23/2008
Extra Space Storage	EXR	1/15/2016	UDR	UDR	3/4/2016
Federal Realty Investment Trust	FRT	1/29/2016	Ventas, Inc.	VTR	3/4/2009
Healthpeak Properties, Inc.	PEAK	3/31/2008	Vornado Realty Trust	VNO	8/11/2005
Host Hotels & Resorts	HST	3/19/2007	Welltower, Inc.	HCN	1/30/2009
			Weyerhaeuser	WY	3/31/1964

# Global Real Estate Investment via REITs

## Countries and Regions that Have Adopted the U.S. REIT Approach

**G7 Countries**

Canada  1993	France  2003
Germany  2007	Italy  2007
Japan  2000	United Kingdom  2007
United States  1960	

Australia  1971	Bahrain  2015	Belgium  1995	Brazil  1993	Bulgaria  2005	Costa Rica  2009
Dubai  2006	Finland  2009	Greece  1999	Hong Kong  2003	Hungary  2011	India  2014
Ireland  2013	Israel  2006	Kenya  2014	Malaysia  2005	Mexico  2010	Netherlands  1969
New Zealand  1969	Oman  2018	Pakistan  2008	Philippines  2010	Portugal  2019	Saudi Arabia  2016
Singapore  1999	South Africa  2013	South Korea  2001	Spain  2009	Sri Lanka  2020	Taiwan  1969
Thailand  2005	Turkey  1995	Vietnam  2015			

**Countries Considering REITs**

Argentina 	Cambodia 
China 	Ghana 
Indonesia 	Malta 
Nigeria 	Poland 
Sweden 	Tanzania 

Source: Nareit®  
Date indicates adoption year of REIT rules.

# REITs of Interest for Today

- REIT holdings – past and present // Watchlist
- Current data (via Schwab) COB 4/27/21
- ~ Mid-cap and above
- 21 REITs with daily volume > 100K shares
  - 10 with yields between 4% and 7%
  - 11 with yields between 2.6% and 4%
- S&P 500 ETF (SPY) as benchmark (yield 1.33%)

Watch List: REITs - Holdings / Watchlist

Symbol	Description	Sub-Industry	Market Cap	Dividend Yield	Dividend Amount	Ex-Date	News	Last Trade	% Change	Low 52 Wk	High 52 Wk	% Chg frm 52 Wk High	Volume	Avg Vol 20 Days
OHI	Omega Hlthcare Invts	Health Care REITs	8.87B	6.94	2.68	04/30/2021		38.62	-0.08	23.89	39.24	-1.58	1,373,600	1,738,227
IRM	Iron Mtn Inc New	Specialized REITs	11.64B	6.17	2.47	03/12/2021		40.04	-0.10	21.54	41.32	-3.10	1,515,610	1,907,587
WPC	W.P. Carey Inc.	Diversified REITs	12.96B	5.71	4.19	03/30/2021		73.35	-0.71	52.22	76.12	-3.64	656,173	871,381
MPW	Medical Properties	Health Care REITs	13.13B	4.99	1.12	03/17/2021		22.44	-1.06	15.55	22.82	-1.67	2,172,546	3,160,771
NNN	Natl Retail Ppty	Retail REITs	8.29B	4.42	2.08	04/29/2021		47.09	--	25.87	47.69	-1.26	771,495	895,181
CTRE	Caretrust Reit Inc	Health Care REITs	2.34B	4.36	1.06	03/30/2021		24.32	-1.02	14.98	24.89	-2.29	371,181	512,968
SPG	Simon Ppty Group	Retail REITs	38.37B	4.25	5.20	04/08/2021		122.36	+1.82	47.25	121.92	--	3,298,076	2,614,008
VICI	Vici Properties Inc	Specialized REITs	16.54B	4.14	1.32	03/24/2021		31.91	+0.74	13.97	31.12	--	6,026,800	5,044,380
O	Realty Incm Corp	Retail REITs	25.92B	4.09	2.82	04/30/2021		68.90	-0.66	47.68	70.05	-1.50	1,950,123	2,279,287
STOR	Store Capital Corp	Diversified REITs	9.62B	4.02	1.44	03/30/2021		35.81	-0.28	15.70	36.19	-1.05	1,335,248	1,233,593
COR	Coresite Realty Corp	Specialized REITs	5.39B	3.96	4.92	03/30/2021		124.20	-1.04	107.23	141.50	-12.23	268,568	241,425
SKT	Tanger Fctry Outlet	Retail REITs	1.71B	3.88	0.71	04/29/2021		18.30	+7.26	5.05	22.40	-18.30	4,089,525	2,180,911
FRT	Federal Realty Invnt Tr	Retail REITs	8.53B	3.79	4.24	03/15/2021		111.80	+1.73	64.11	111.60	--	966,055	648,272
KIM	Kimco Realty Corp	Retail REITs	8.83B	3.28	0.68	03/09/2021		20.76	+0.87	8.35	20.83	-0.34	6,086,473	5,370,148
VTR	Ventas Inc	Health Care REITs	20.54B	3.23	1.80	03/31/2021		55.65	+0.07	25.38	58.10	-4.22	1,609,596	2,237,247
WELL	Welltower Inc	Health Care REITs	31.50B	3.19	2.44	02/19/2021		76.47	+0.76	36.08	76.87	-0.52	1,715,010	1,882,074
DLR	Digital Realty Trust	Specialized REITs	41.94B	3.14	4.64	03/12/2021		147.93	-0.20	124.65	165.49	-10.61	1,082,469	1,231,605
IIPR	Innovative Industrial Pr	Industrial REITs	4.35B	2.92	5.28	03/30/2021		180.83	+0.88	66.86	222.08	-18.57	111,950	215,731
PSA	Public Storage	Specialized REITs	48.38B	2.91	8.00	03/15/2021		275.06	-0.02	172.11	278.78	-1.33	481,107	705,717
ESS	Essex Property Tr	Residential REITs	19.33B	2.81	8.36	03/30/2021		297.04	+0.05	186.30	300.74	-1.23	267,867	361,229
MAA	Mid America Apartment Co	Residential REITs	17.76B	2.64	4.10	04/14/2021		155.19	-0.03	102.23	157.65	-1.56	329,670	563,154
SPY	Spdr S&P 500 Etf Iv	--	361.58B	1.33	5.56	03/19/2021		417.54	-0.02	272.99	418.25	-0.16	51,152,823	74,633,211

# Several higher yielding, relatively safe REITs

- ➔ ● Iron Mountain (IRM) – 6.17% yield (S&P 500)
- ➔ ● W. P. Carey\* (WPC) – 5.71% yield
- Medical Properties Trust (MPW) – 4.99% yield
- National Retail Properties\* (NNN) – 4.42% yield
- VICI Properties (VICI) – 4.14% yield
- ➔ ● Realty Income Corp\* (O) – 4.09% yield (S&P 500)
- ➔ ● STORE Capital (STOR) – 4.02% yield (Berkshire Hathaway)

\*Triple Net Lease REITs

# Triple Net Lease (NNN)

**Net Lease:** A net lease is one where the Lessee (the person borrowing the asset) pays the rent to the Lessor (the owner of the asset) after reducing the expenses to be paid for maintenances, taxes, insurance, and repair of the asset.



- NNN tends to have a lower rent charge since the tenant assumes more of the ongoing expenses for the property.
- NNN leased property REITs favor dividend growth income investors because they offer low-risk, steady income and inflation protection (i.e. property prices and rental incomes tend to rise with rising inflation).

# Iron Mountain (IRM)



## Iron Mountain at a glance

### Global presence

- ~720m Cu Ft global physical volume
- ~1,450 facilities
- 56 countries  
6 continents

### Significant size & scale

- ~\$10B<sup>(1)</sup> equity market capitalization
- \$19B<sup>(1)</sup> total enterprise value
- \$4.1B of revenue
- ~280 owned facilities
- 15 operating Data Centers
- RMZ, FTSE NAREIT and S&P 500 Member

### Unmatched customer base

- ~225,000 customers
- Serving ~95% of Fortune 1,000 companies
- Customers from over 50 different industries

(1) As of 2/26/2021.

IRON MOUNTAIN®

- IRM stores and protects billions of valued assets, including critical business information, highly sensitive data, and cultural and historical artifacts.
- Provides solutions for information management, digital transformation, secure storage, secure destruction, as well as data centers, cloud services and art storage and logistics
- Helps customers lower cost and risk, comply with regulations, recover from disaster, and enable digital transformation

## Diversified business model

### Storage Business Mix

Category	Percentage
Records management	73%
Data management	12%
Data center	10%
Adjacent businesses	3%

Storage Revenue: 66% of total

### Service Business Mix

Category	Percentage
Records management	43%
Data management	17%
Data center	10%
Adjacent businesses	4%
Global digital solutions	17%
Secure shred	24%
Consumer Storage	10%

Service Revenue: 34% of total

Total Revenue: \$4.1B

- Records management
- Data management
- Data center
- Adjacent businesses
- Global digital solutions
- Secure shred
- Consumer Storage

NYSE: IRM

Real Estate > Specialized REITs

# Iron Mountain

Dividend Yield

**6.18%**



Dividend Safety

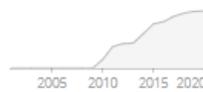
**50**

Borderline Safe

Dividend Growth

**0%** since Nov '19

Very Slow



Price

**\$40.04** ▼ 0.1%

Today, Apr 27

Market Cap

**\$11.6 billion**

Large Cap

Beta (Volatility)

**0.60**

Low

## Key Metrics

Payout Ratio

**81%**

Edging high for REITs

Forward Payout Ratio

**73%**

Low for REITs

Net Debt to EBITDA

**5.15**

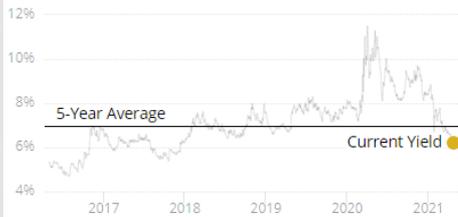
Low for REITs

Net Debt to Capital

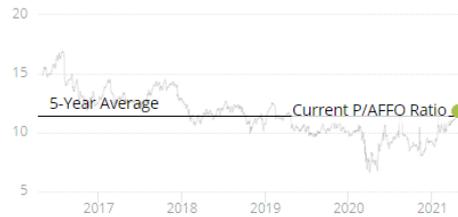
**90%**

Not meaningful due to accounting noise

## Dividend Yield



## Forward P/AFFO Ratio



## Sector P/AFFO Ratio Comparison

Iron Mountain

11.8

Real Estate

20.6

## 52-Week Price Range



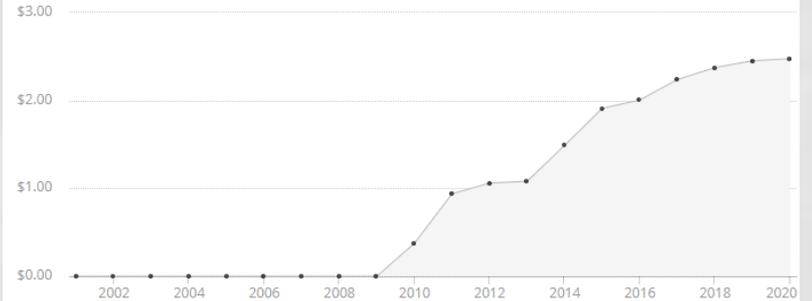
## Dividend Growth

Latest  
0% since Nov '19  
Very Slow

Last 5 Years  
5% per year  
Average

Last 10 Years  
21% per year  
Very Fast

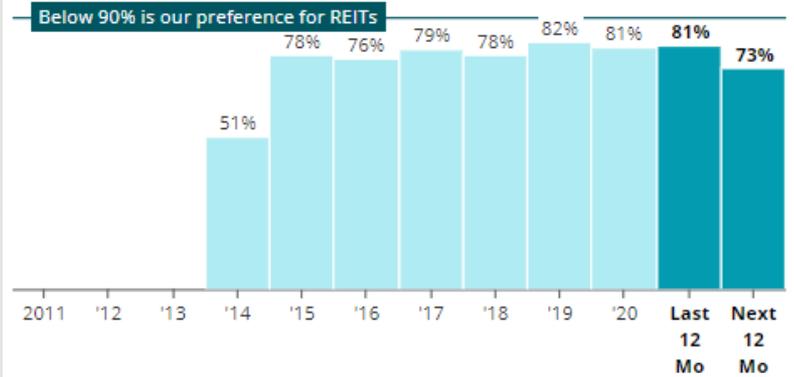
## Annual Dividends Per Share



Dividend Growth Streak  
10 years  
of consecutive increases

Uninterrupted Dividend Streak  
10 years  
without a reduction

## Adjusted FFO Payout Ratio



# W. P. Carey (WPC)

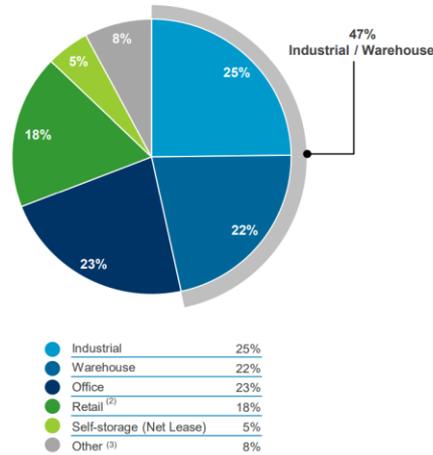


## W. P. Carey Inc. Investor Presentation 4Q20

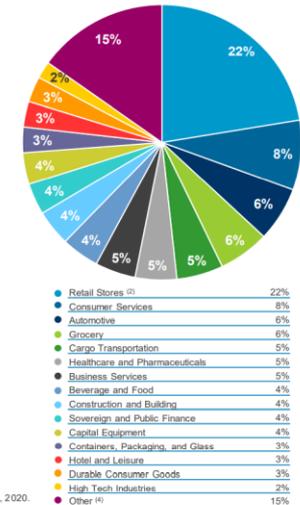
- Among the largest net lease REITs with an enterprise value approximately \$19B.
- Diversified portfolio of operationally-critical commercial real estate that includes 1,243 net lease properties covering approx 144M Sq Ft
- Approx 50 years of investments in high-quality single-tenant industrial, warehouse, office, retail and self-storage properties subject to long-term net leases with built-in rent escalators.
- WPC portfolio located primarily in the U.S. and Northern and Western Europe, and well-diversified by tenant, property type, geographic location and tenant industry.

### Property and Industry Diversification <sup>(1)</sup>

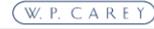
By Property Type (% of ABR)



By Tenant Industry (% of ABR)



(1) Portfolio information reflects pro rata ownership of real estate assets (excluding operating properties) as of December 31, 2020.  
 (2) Includes automotive dealerships.  
 (3) Includes education facilities, hotel (net lease), laboratory, fitness facility, student housing (net lease), theater and restaurants.  
 (4) Includes tenants in the following industries: insurance, banking, telecommunications, aerospace and defense, media, broadcasting and subscription, media: advertising, printing and publishing, chemicals, plastics and rubber, wholesale, non-durable consumer goods, metals and mining, oil and gas, environmental industries, electricity, consumer transportation, forest products and paper, real estate and finance.  
 Investing for the Long Run® | 10



### Top Ten Tenants <sup>(1)</sup>

One of the lowest Top 10 concentrations among the net lease peer group

Tenant	Description	Number of Properties	ABR (\$ millions)	WALT (years)	% of Total
U-HAUL	Net lease self-storage properties in the U.S.	78	\$39	3.3	3.3%
HELLWEG	Do-it-yourself retail properties in Germany	42	37	16.2	3.1%
State of Andalusia	Government office properties in Spain	70	31	14.0	2.7%
METRO	Business-to-business wholesale stores in Italy & Germany	20	30	6.3	2.5%
Pendragon   PLC <sup>(2)</sup>	Automotive dealerships in the United Kingdom	69	24	9.4	2.0%
ExtraSpace Storage	Net lease self-storage properties in the U.S.	27	20	23.3	1.7%
Marriott	Net lease hotel properties in the U.S.	18	20	2.9	1.7%
EROSKI	Grocery stores and warehouses in Spain	58	20	15.2	1.6%
NORD ANGLIA EDUCATION	K-12 private schools in the U.S.	3	19	22.7	1.6%
FORTERRA	Industrial properties in the U.S. and Canada	27	19	22.5	1.6%
<b>Top 10</b>		<b>412</b>	<b>\$258</b>	<b>12.6 yrs</b>	<b>21.8%</b>

(1) Portfolio information reflects pro rata ownership of real estate assets (excluding operating properties) as of December 31, 2020.  
 Investing for the Long Run® | 11



NYSE: WPC

Real Estate > Diversified REITs

# W. P. Carey

Dividend Yield  
**5.73%**

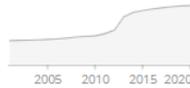


Dividend Safety



Dividend Growth

**1%** 2019-20  
*Very Slow*



Price

**\$73.15** ▼ 0.7%

Today, Apr 27

Market Cap

**\$13 billion**

Large Cap

Beta (Volatility)

**1.08**

Average

## Key Metrics

Payout Ratio  
**88%**

Edging high for REITs

Forward Payout Ratio  
**86%**

Edging high for REITs

Net Debt to EBITDA  
**6.09**

Low for REITs

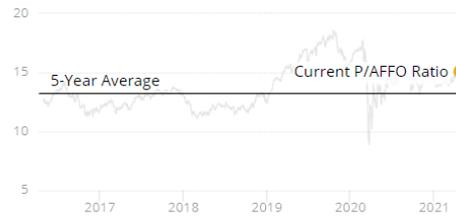
Net Debt to Capital  
**49%**

Edging high for REITs

## Dividend Yield



## Forward P/AFFO Ratio



## Sector P/AFFO Ratio Comparison

W. P. Carey	Real Estate
15.1	20.6

## 52-Week Price Range



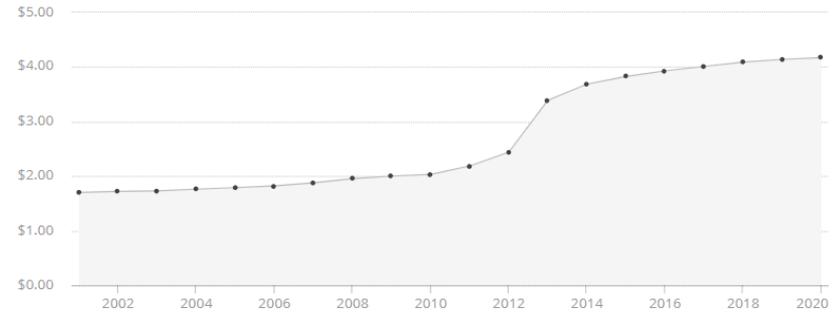
## Dividend Growth

Last Full Year  
**1%** 2019-20  
*Very Slow*

Last 5 Years  
**2%** per year  
*Very Slow*

Last 20 Years  
**5%** per year  
*Average*

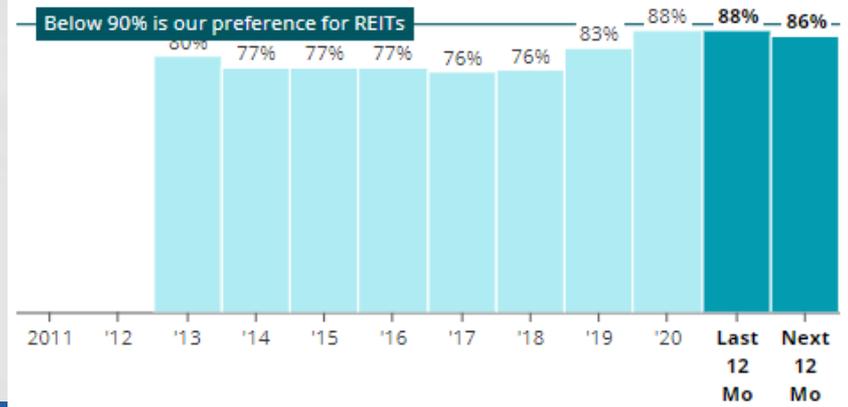
## Annual Dividends Per Share



Dividend Growth Streak  
**22 years**  
of consecutive increases

Uninterrupted Dividend Streak  
**22 years**  
without a reduction

## Adjusted FFO Payout Ratio



# Realty Income (O)

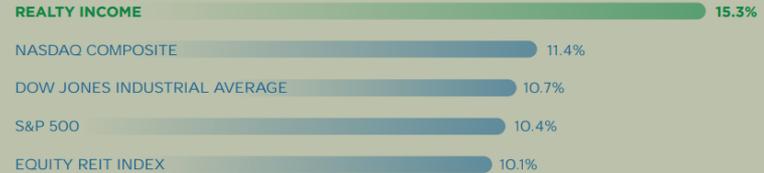


The Monthly Dividend Company®



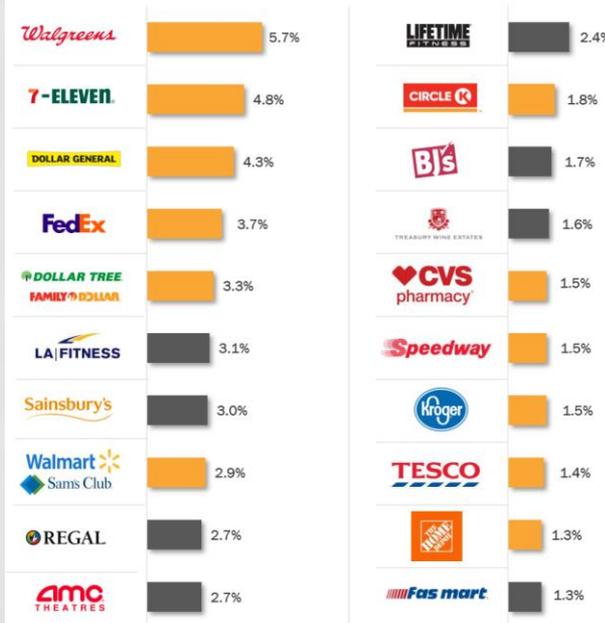
## COMPANY PERFORMANCE

COMPOUND AVERAGE ANNUAL TOTAL SHAREHOLDER RETURN SINCE 1994 NYSE LISTING<sup>(1)</sup>  
(AS OF DECEMBER 31, 2020)



## Portfolio Diversification: Client

Diverse client roster, investment grade concentration reduces overall portfolio risk



REALTY INCOME  
The Monthly Dividend Company®

Orange represents investment grade clients that are defined as clients with a credit rating of Baa3/BBB- or higher from one of the three major rating agencies (Moody's/S&P/Fitch). Approximately 51% of our annualized rental revenue is generated from properties leased to investment grade clients, their subsidiaries or affiliated companies.

NYSE: O

Real Estate > Retail REITs

# Realty Income

Dividend Yield  
**4.10%**

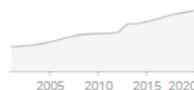


Dividend Safety



Dividend Growth

**3%** 2019-20  
Slow



Price  
**\$68.86** ▼ 0.7%  
Today, Apr 27

Market Cap  
**\$25.9 billion**  
Large Cap

Beta (Volatility)  
**0.92**  
Average

## Key Metrics

Payout Ratio  
**83%**  
Edging high for REITs

Forward Payout Ratio  
**81%**  
Edging high for REITs

Net Debt to EBITDA  
**5.01**  
Low for REITs

Net Debt to Capital  
**43%**  
Edging high for REITs

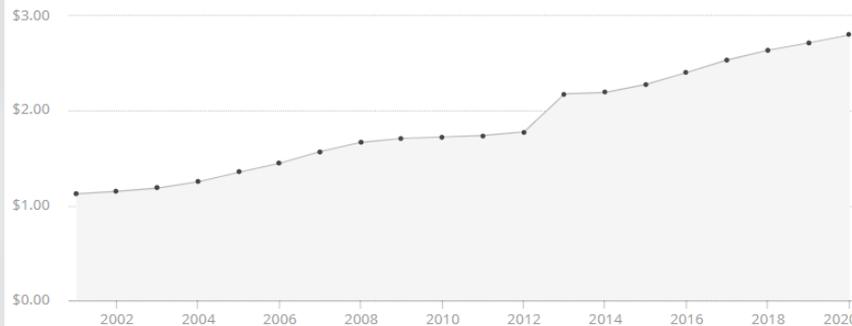
## Dividend Growth

Last Full Year  
**3%** 2019-20  
Slow

Last 5 Years  
**4%** per year  
Slow

Last 20 Years  
**5%** per year  
Average

Annual Dividends Per Share



Dividend Growth Streak  
**26 years**  
of consecutive increases

Uninterrupted Dividend Streak  
**26 years**  
without a reduction

## Dividend Yield



## Forward P/AFFO Ratio



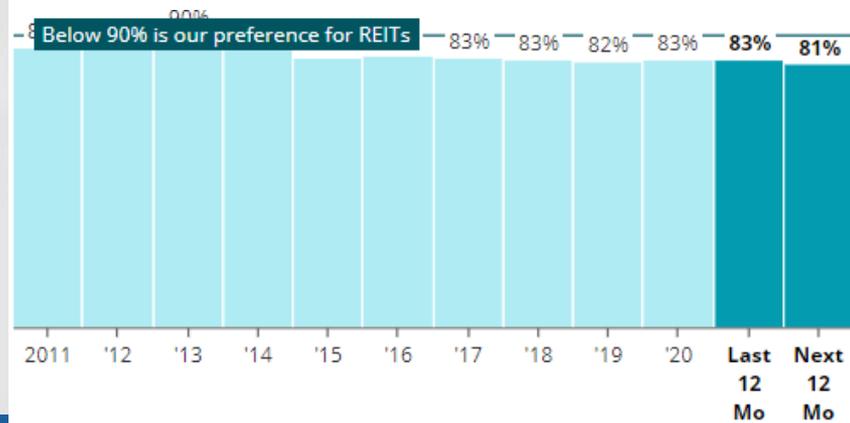
## Sector P/AFFO Ratio Comparison

Realty Income	Real Estate
19.8	20.6

## 52-Week Price Range



## Adjusted FFO Payout Ratio



# STORE Capital (STOR)



STORE Capital Corporation is an internally managed net-lease real REIT, that is the leader in the acquisition, investment and management of Single Tenant Operational Real Estate, its target market.

STORE Capital is one of the largest and fastest growing net-lease REITs and owns a large, well-diversified portfolio that consists of investments in more than 2,500 property locations across the United States.



**2017**

Warren Buffett's company, Berkshire Hathaway invested \$377 million in STORE Capital, representing 9.8% of total shares outstanding.

## Top 10 Customers Represent 18% of Base Rent

		% Base Rent and Interest <sup>2</sup>	# of Properties
1	spring EDUCATION GROUP	3.1%	27
2	Fleet Farm Built for real life	2.4%	9
3	Bass Pro Shops	1.8%	10
4	Cadence EDUCATION	1.8%	49
5	Ashley HOMESTORE	1.7%	25
6	U.S. LBM	1.6%	57
7	CAMPING WORLD	1.6%	20
8	AMC THEATRES	1.4%	14
9	LOVES FURNITURE & MATTRESSES	1.4%	19
10	TIPS	1.3%	40
		<b>18.1%</b>	<b>270</b>

NYSE: STOR

Real Estate > Diversified REITs

# STORE Capital

Dividend Yield

**4.02%**



Dividend Safety

**50**

Borderline Safe

Dividend Growth

**2.9%** in Sep '20

Very Slow



Price

**\$35.83** ▼ 0.3%

Today, Apr 27

Market Cap

**\$9.68 billion**

Mid Cap

Beta (Volatility)

**1.30**

High

## Key Metrics

Payout Ratio

**78%**

Low for REITs

Forward Payout Ratio

**75%**

Low for REITs

Net Debt to EBITDA

**5.23**

Low for REITs

Net Debt to Capital

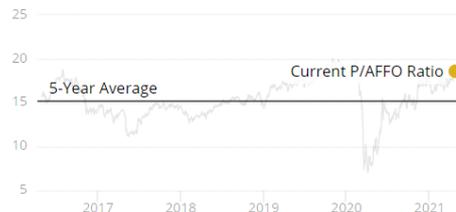
**42%**

Edging high for REITs

## Dividend Yield



## Forward P/AFFO Ratio



## Sector P/AFFO Ratio Comparison

STORE	Real Estate
18.6	20.6

## 52-Week Price Range

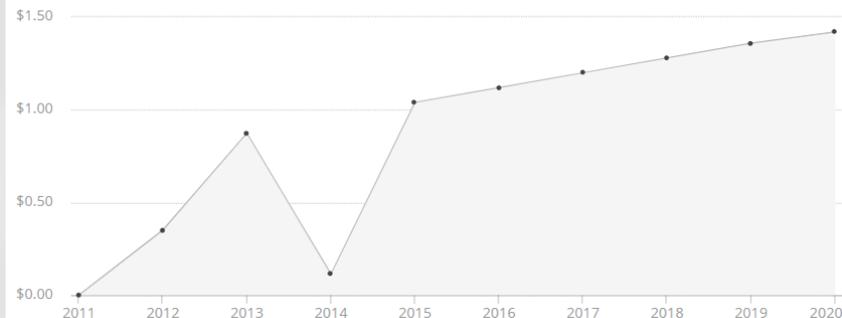


## Dividend Growth

Latest  
2.9% in Sep '20  
Very Slow

Last 5 Years  
6% per year  
Average

### Annual Dividends Per Share

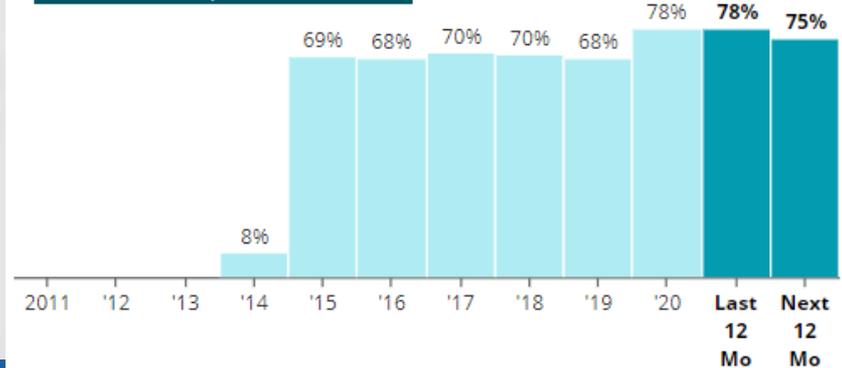


Dividend Growth Streak  
6 years  
of consecutive increases

Uninterrupted Dividend Streak  
6 years  
without a reduction

## Adjusted FFO Payout Ratio

Below 90% is our preference for REITs



# Sector Performance

# 2020 EoY Results by Sectors

Index / Property Sector	Constituents	Market Cap (\$M)	Total Return (%)				Full Year 2020
			Q1	Q2	Q3	Q4	
All Equity REITs	162	1,144,435	(23.4)	13.2	1.2	8.1	(5.1)
Equity REITs	153	913,575	(27.3)	11.8	1.4	11.6	(8.0)
Infrastructure	5	198,332	(0.7)	17.4	(1.9)	(6.2)	7.3
Residential	22	164,047	(24.5)	9.1	(3.4)	12.3	(10.7)
Industrial	13	129,781	(10.3)	14.1	6.5	2.9	12.2
Retail	32	121,078	(48.7)	23.3	(4.1)	23.4	(25.2)
Data Centers	5	119,874	8.8	9.5	5.6	(3.8)	21.0
Health Care	17	108,624	(36.8)	18.0	3.8	16.4	(9.9)
Office	20	82,448	(28.0)	4.9	(7.5)	16.9	(18.4)
Self Storage	5	63,734	(8.0)	(1.7)	16.9	6.7	12.9
Specialty	11	47,126	(36.2)	19.1	5.6	14.3	(8.2)
Diversified	15	44,142	(39.1)	14.0	(3.8)	17.3	(21.8)
Lodging/Resorts	13	32,721	(51.3)	5.5	(1.4)	50.9	(23.6)
Timber	4	32,529	(39.3)	26.7	22.1	17.5	10.3
Home Financing	21	38,539	(56.4)	35.6	6.7	22.8	(22.6)
Commercial Financing	13	22,854	(55.4)	42.8	5.9	32.4	(10.7)
Memo: Russell 1000			(20.2)	21.8	9.5	13.7	21.0

Source: FTSE, Nareit, FactSet.

# REITs Rose Across the Board – Week Ending 4/23/21

Index / Property Sector	Constituents	Market Cap (\$B)	Total Return (%) Weekly						2021: YTD
			Mar-19	Mar-26	Apr-2	Apr-9	Apr-16	Apr-23	
All Equity REITs	158	1,317.9	1.2	3.4	0.7	0.3	2.6	1.9	15.6
Equity REITs	150	1,056.0	1.9	2.8	0.6	0.3	2.3	1.8	16.0
Infrastructure	4	224.3	3.3	6.3	0.4	0.1	3.5	3.0	13.8
Residential	20	193.2	2.0	3.6	0.2	0.1	2.5	2.6	19.4
Retail	32	155.0	3.1	1.3	0.7	0.8	2.2	2.3	27.0
Industrial	13	150.0	0.1	5.3	1.1	0.8	2.6	1.8	14.6
Data Centers	5	123.3	1.3	5.4	0.1	0.1	3.2	1.7	3.5
Health Care	17	121.2	2.7	1.7	0.9	0.3	1.2	0.6	11.7
Office	19	90.0	1.8	1.5	0.1	0.5	2.0	0.3	10.2
Self Storage	5	78.3	3.5	4.5	2.6	2.2	3.3	3.7	23.3
Specialty	10	55.8	1.9	0.4	2.0	0.6	3.1	2.5	22.2
Diversified	16	50.0	3.1	0.3	1.9	0.8	1.0	1.0	12.9
Lodging/Resorts	13	39.0	1.1	3.0	0.7	1.0	0.7	0.1	19.3
Timber	4	37.6	5.8	4.2	4.0	2.5	5.0	2.8	16.1
Home Financing	20	43.3	0.6	0.6	1.1	0.3	0.8	0.3	13.2
Commercial Financing	13	26.8	1.8	0.4	0.6	0.1	2.7	1.1	18.9
Memo: Russell 1000			0.8	1.3	1.3	2.7	1.5	0.1	11.7

Source: FTSE, Nareit, FactSet.

Property Sector/Subsector	Number of REITs	Period to Date Performance (%)						Compound Annual Total Returns (%)			
		Dividend Yield	Price Return 27-Apr-21	Total Returns			1-Year	3-Year	5-Year	10-year	
				27-Apr-21	MTD	QTD					YTD
FTSE Nareit All Equity REITs	158	3.10	-0.01	-0.01	7.05	7.05	15.96	33.54	13.01	8.83	9.62
FTSE Nareit Equity REITs	150	3.34	0.04	0.04	7.01	7.01	16.50	39.64	11.28	7.04	8.78
Industrial	13	2.33	-0.41	-0.41	7.72	7.72	14.54	29.97	22.66	21.85	15.70
Office	19	3.54	0.09	0.09	5.75	5.75	11.24	22.52	2.71	3.13	4.94
Retail	32	4.09	0.82	0.82	9.45	9.45	29.23	85.88	4.43	-1.79	5.57
Shopping Centers	18	3.80	1.22	1.22	11.25	11.25	40.28	99.94	8.28	-1.59	5.11
Regional Malls	4	4.51	1.91	1.91	9.09	9.09	43.53	119.47	-5.47	-7.57	2.96
Free Standing	10	4.04	-0.31	-0.31	8.04	8.04	12.12	56.51	15.25	8.32	9.98
Residential	20	2.76	0.04	0.04	6.98	6.98	19.69	31.10	14.39	10.36	10.58
Apartments	15	3.14	-0.06	-0.06	6.68	6.68	22.92	30.09	12.48	8.26	9.25
Manufactured Homes	3	2.10	0.36	0.36	8.62	8.62	9.27	19.01	20.78	19.67	19.74
Single Family Homes	2	1.70	0.16	0.16	6.70	6.70	16.77	53.70	18.34	19.13	-
Diversified	16	4.81	-0.04	-0.04	4.55	4.55	13.42	37.96	3.58	0.76	3.68
Lodging/Resorts	13	3.51	1.64	1.64	3.54	3.54	22.13	88.54	-1.86	4.12	4.07
Health Care	17	4.09	-0.32	-0.32	5.43	5.43	12.36	56.81	13.96	6.20	7.08
Self Storage	5	2.93	0.06	0.06	11.07	11.07	22.52	55.65	17.53	8.96	15.81
Timber	4	2.02	0.99	0.99	11.30	11.30	19.34	85.01	5.83	8.86	8.18
Infrastructure	4	2.14	-0.44	-0.44	6.52	6.52	12.92	6.52	24.71	20.75	-
Data Centers	5	2.35	-0.53	-0.53	5.18	5.18	2.71	1.76	18.30	16.92	-
Specialty	10	5.22	0.03	0.03	7.54	7.54	22.85	75.39	13.61	9.33	-
FTSE Nareit Mortgage REITs	33	8.04	1.24	1.24	3.83	3.83	16.16	93.23	4.89	9.12	7.02
Home Financing	20	8.80	1.54	1.54	3.22	3.22	14.23	82.61	0.89	7.02	4.95
Commercial Financing	13	6.80	0.75	0.75	4.84	4.84	19.43	114.28	14.02	13.21	12.99

Source: FTSE™, Factset, Nareit®.

# REIT Sector Relative Performance (4/27/21)



### Average Yield

*REIT Sector Indexes*

Casino & Gaming	5.1%
Net Lease	4.3%
Regional Mall	4.3%
Student Housing	4.1%
Healthcare	3.9%
Office	3.8%
Shopping Center	3.4%
<b>REIT Average</b>	3.1%
Cannabis	3.0%
Self-Storage	2.9%
Apartment	2.9%
Industrial	2.4%
Data Center	2.2%
Billboard	2.2%
Manufactured Home	2.2%
Cell Tower	2.1%
Timber	2.1%
Single Family Rental	1.7%
Hotel & Lodging	0.1%
Prison	0.0%

Powered By 



### 5-Year Dividend Growth

*REIT Sector Indexes*

Cannabis	35%
Cell Tower	27%
Single Family Rental	22%
Data Center	9%
Industrial	9%
Casino & Gaming	7%
Manufactured Home	7%
Self-Storage	7%
Apartment	5%
<b>REIT Average</b>	4%
Student Housing	4%
Office	3%
Regional Mall	2%
Net Lease	2%
Healthcare	1%
Billboard	-1%
Shopping Center	-3%
Timber	-4%
Hotel & Lodging	-14%
Prison	-16%

Powered By 



### FFO Payout Ratio

*REIT Sector Indexes*

Student Housing	80%
Casino & Gaming	76%
Net Lease	72%
Self-Storage	70%
Healthcare	65%
Apartment	63%
<b>REIT Average</b>	61%
Manufactured Home	58%
Industrial	57%
Cannabis	57%
Shopping Center	56%
Cell Tower	53%
Data Center	50%
Regional Mall	49%
Office	49%
Single Family Rental	42%
Billboard	37%
Timber	36%
Hotel & Lodging	10%
Prison	0%

Powered By 

# Screening for REITs

# Noteworthy REIT Profitability Metric: AFFO

- REIT investment DD should examine dividend yield, dividend safety, dividend growth history, payout ratio, and potential for long-term capital appreciation.
- For assessing dividend safety, traditional EPS payout ratio doesn't apply.\*
- The REIT industry uses net income as defined under Generally Accepted Accounting Principles (GAAP) as the primary operating performance measure. The industry also uses funds from operations (FFO) as a supplemental measure of a REIT's operating performance. Nareit defines FFO as net (GAAP) income excluding gains or losses from sales of most property and depreciation of real estate – hence the Adjusted Funds from Operations (AFFO) Payout Ratio.
- Due to a REITs obligatory high payout ratio, which leaves little retained cash flow, the REIT business model is predicated on periodically raising capital from the debt and equity markets to grow its portfolio of cash-producing properties, thus allowing dividend growth and share price appreciation over time.

\*The unique nature of real estate assets, particularly that well-maintained properties tend to appreciate in value rather than depreciate over time, means that GAAP earnings don't actually represent a REIT's ability to cover and grow its dividend over time. The adopted profitability metric AFFO is a more precise measure of a REIT's earnings.

# Evaluating REITs: Key Valuation Metrics

<b>Dividend Yield</b>	Current dividend yield relative to the 5 year average helps determine how reasonably valued the REIT is (i.e, overvalued, fairly valued, undervalued).
<b>Dividend Safety</b>	Determines degree of risk for maintaining and growing dividends to shareholders.
<b>Dividend Streak</b>	Number of years of dividend growth or uninterrupted dividend payments.
<b>Adjusted FFO Payout Ratio</b>	Percentage of (TTM) AFFO paid out as dividends. For REITs, goal is a payout ratio below 90%.
<b>Forward P/AFFO Payout Ratio</b>	Projected 12 month AFFO, with goal below 90%.
<b>Adjusted FFO Per Share</b>	AFFO adjusts net income for non-cash charges, maintenance costs, etc. Look for upward growth trend.
<b>Adjusted FFO Per Share Growth</b>	Rising AFFO/share growth needed to drive stock price higher and support dividend growth (as a percentage).
<b>Sales Growth</b>	REIT revenue is driven by property expansion, rental income, occupancy. Look for moderate growth (5-10%).
<b>Shares Outstanding (Millions)</b>	REITs depend on issuing equity to fund property acquisitions since they retain little organic cash flow after paying dividends.
<b>Total Sales (Millions)</b>	Look for growth in sales over the long term. Increasing revenue base is key to driving sustainable long-term earnings growth.
<b>Net Debt to Capital</b>	Proportion of a company's financing that is from debt (net of cash) rather than equity. Look for below 0.5% ratio.

# Screening #1: Finviz



Search ticker, company or profile

Home News Screener Maps Groups Portfolio Insider Futures Forex Crypto Backtests Elite Sun APR 25 2021 9:04 PM ET Help rbaker\_va

My Presets Order: Dividend Yield Desc Signal: None (all stocks) Tickers: > Filters Settings

Filters: 4										Descriptive(4)	Fundamental	Technical	All(4)
Exchange	Any	Index	Any	Sector	Real Estate	Industry	Any	Country	USA				
Market Cap.	+Large (over \$10bln)	Dividend Yield	Over 4%	Float Short	Any	Analyst Recom.	Any	Option/Short	Any				
Earnings Date	Any	Average Volume	Any	Relative Volume	Any	Current Volume	Any	Price	Any				
Target Price	Any	IPO Date	Any	Shares Outstanding	Any	Float	Any	Reset (4)					

Overview Valuation Financial Ownership Performance Technical Custom Charts Tickers Basic TA News Snapshot Stats

Total: 9 #1 save as portfolio | create alert Auto Refresh: 3min | off Page 1/1

No.	Ticker	Company	Industry	Market Cap	Dividend	Perf Year	Perf YTD	Beta	52W High	Price	Change	Volume
1	NLY	Annaly Capital Management, Inc.	REIT - Mortgage	12.25B	9.89%	51.62%	5.33%	1.29	-1.32%	8.90	1.60%	11,165,855
2	IRM	Iron Mountain Incorporated	REIT - Specialty	11.66B	6.13%	65.04%	36.77%	0.82	-2.42%	40.32	-0.12%	1,797,260
3	WPC	W. P. Carey Inc.	REIT - Diversified	13.03B	5.71%	26.41%	3.97%	0.75	-3.60%	73.38	-0.53%	571,059
4	GLPI	Gaming and Leisure Properties, Inc.	REIT - Specialty	10.51B	5.66%	86.77%	8.35%	1.03	-0.86%	45.94	1.73%	690,081
5	MGP	MGM Growth Properties LLC	REIT - Diversified	17.15B	5.63%	51.59%	12.36%	0.80	-1.51%	35.17	-0.11%	523,920
6	MPW	Medical Properties Trust, Inc.	REIT - Healthcare Facilities	13.06B	4.95%	44.57%	3.90%	0.55	-0.57%	22.64	0.58%	1,948,934
7	SPG	Simon Property Group, Inc.	REIT - Retail	37.95B	4.45%	119.98%	37.10%	1.54	-4.10%	116.92	1.10%	2,349,546
8	VICI	VICI Properties Inc.	REIT - Diversified	19.36B	4.29%	101.57%	20.78%	1.12	0.42%	30.80	0.69%	3,301,799
9	O	Realty Income Corporation	REIT - Retail	25.80B	4.06%	40.71%	11.63%	0.73	-0.93%	69.40	0.46%	2,020,399

Filters: cap:largeover fa\_div:o4 geo:usa sec:realestate export

# Screening #2: Seeking Alpha

All Screens | Top REITs

Quant ratings beat the market »

Rank By: Quant Rating  Ascending  Descending

Search Results: 10

Save As

Edit Filters

Industries : Diversified REITs, Industrial REITs, Hotel and Resort REITs, Office REITs, Health Care REITs, Residential REITs, Retail REITs, Specialized REITs |  
 Countries : United States | Market Cap ≥ 2000.00M | Div Yield ≥ 3.75% | Quant Rating ≥ Bullish | SAAuthors Rating ≥ Bullish | Wall St. Analysts Rating ≥ Bullish



Rank	Ticker	Company Name	Quant Rating	SA Authors Rating	Wall St. Rating	Market Cap	Div Yield	Value	Growth	Profitability	Momentum	EPS Rev.
1	<b>VICI</b>	VICI Properties Inc.	4.93	4.00	4.60	16.60B	4.24%	B+	A+	A+	B+	A
2	<b>STAG</b>	STAG Industrial, Inc.	4.65	3.60	3.91	5.84B	4.00%	B-	B	B	C-	A+
3	<b>OHI</b>	Omega Healthcare Invest...	4.50	3.66	4.15	9.24B	6.98%	A	B	A-	D+	A
4	<b>CTRE</b>	CareTrust REIT, Inc.	4.43	3.50	4.50	2.36B	4.36%	B+	B+	A+	C	A-
5	<b>SRC</b>	Spirit Realty Capital, Inc.	4.37	4.00	3.93	5.30B	5.43%	B+	D+	B-	B-	A
6	<b>MPW</b>	Medical Properties Trust, I...	4.18	4.00	4.38	13.26B	4.99%	A-	A	A-	D+	A-
7	<b>MGP</b>	MGM Growth Properties L...	4.06	4.50	4.52	10.70B	5.60%	A-	B-	C+	C+	B+
8	<b>STOR</b>	STORE Capital Corporation	3.81	3.60	3.81	9.68B	4.02%	B	B+	A	B	C-
9	<b>NNN</b>	National Retail Properties,...	3.62	3.66	3.91	8.27B	4.42%	B	B-	A-	B-	C-
10	<b>VER</b>	VEREIT, Inc.	3.50	3.50	3.80	9.56B	4.47%	A-	C+	A	C+	C-

# Screening #3: Simply Safe Dividends

## Screener

[Reset Screener to the default filters](#)

Show companies that match these filters:

**5-Year Dividend Growth** ✕  
 Zero, Very Low, Low, Edging High, or High

**Timeliness** ✕  
 Undervalued, Reasonably Valued, or Overvalued

**Market Cap** ✕  
 Mega Caps, Large Caps, and Mid Caps

**Dividend Safety** ✕  
 > 40 (borderline safe or better)

**Latest Dividend Growth** ✕  
 Any rate

**20-Year Dividend Growth** ✕  
 > 0%

**Dividend Growth Streak** ✕  
 Any length

**Free Cash Flow** ✕  
 Positive in 3 or more of the last ten years

**Net Debt to Capital** ✕  
 Zero, Very Low, Low, Edging High, or High

**Payout Ratio** ✕  
 Very Low, Low, Edging High, or High

**Dividend Yield** ✕  
 > 4.0%

**Net Debt to EBITDA** ✕  
 Zero, Very Low, Low, Edging High, or High

**Sector** ✕  
 1 shown

**Research** ✕  
 Only companies we've published research on

**Uninterrupted Dividend Streak** ✕  
 Any length

[Add a filter](#)

6 companies match

Columns ▼ Export

Name	Market Cap	Timeliness	Dividend Yield	Dividend Safety	Dividend Growth	5-Year Dividend Growth	20-Year Dividend Growth	Dividend Growth Streak	Payout Ratio
O • Real Estate <b>Realty Income</b> Realty Income, The Monthly Dividend Company, is an S&P 500 company <a href="#">Research</a>	\$25.9 billion Large Cap	Looks reasonably valued O's dividend yield is 7% below its 5-year average	4.07% 	70 Safe	3% 2019-20 Slow 	4% Slow	5% Average	26 years	83% Edging high for REITs
WPC • Real Estate <b>W. P. Carey</b> W. P. Carey ranks among the largest net lease REITs with an enterprise value of <a href="#">Research</a>	\$13 billion Large Cap	Looks reasonably valued WPC's dividend yield is 6% below its 5-year average	5.68% 	73 Safe	1% 2019-20 Very Slow 	2% Very Slow	5% Average	22 years	88% Edging high for REITs
OHI • Real Estate <b>Omega Healthcare</b> Omega is a real estate investment trust that invests in the long-term healthcare <a href="#">Research</a>	\$8.87 billion Mid Cap	Looks reasonably valued OHI's dividend yield is 9% below its 5-year average	6.96% 	46 Borderline	0% since Oct '19 Very Slow 	4% Slow	5% Average	17 years	88% Edging high for senior living REITs
NNN • Real Estate <b>National Retail Properties</b> National Retail Properties invests primarily in high-quality retail properties <a href="#">Research</a>	\$8.29 billion Mid Cap	Looks reasonably valued NNN's dividend yield is 1% above its 5-year average	4.40% 	50 Borderline	1% in Jul '20 Very Slow 	4% Slow	3% Slow	31 years	82% Edging high for REITs
RIOCP • Real Estate <b>RioCan</b> RioCan is one of Canada's largest real estate investment trusts. RioCan owns. <a href="#">Research</a>	\$5.23 billion Mid Cap	Could be overvalued RIOCP's dividend yield is 17% below its 5-year average	4.68% 	60 Borderline	-33% in Jan '21 Negative 	0% Very Slow	1% Very Slow	0 years	103% High for REITs
NHI • Real Estate <b>National Health Investors</b> Incorporated in 1991, National Health Investors (NYSE: NHI) is a real estate <a href="#">Research</a>	\$3.3 billion Mid Cap	May be undervalued NHI's dividend yield is 13% above its 5-year average	5.96% 	50 Borderline	0% since Feb '20 Very Slow 	5% Average	6% Average	11 years	82% Edging high for senior living REITs

# Real Estate ETFs

# Real Estate ETFs

## Real Estate ETFs

04/27/2021, 9:42 PM ET - Today column is in real-time. Otherwise as of previous close.

### ETFs Performance Data

- Key Market ETFs
- Bond ETFs
- Commodity ETFs
- Country ETFs
- Currency ETFs
- Dividend ETFs
- Emerging Market ETFs
- Global & Regional ETFs
- Growth vs. Value ETFs
- Market Cap ETFs
- Real Estate ETFs**
- Sector ETFs
- ETF Strategies
- Smart Beta
- Themes & Subsectors
- ETFs

### Global Real Estate (REITs)

ETF or ETN	Today	1 Mths	1 Yr▼	YTD
World ( <b>RWO</b> )	-0.2%	4.9%	37.6%	12.7%
US ( <b>VNQ</b> )	-0.0%	5.6%	34.8%	15.5%
World ex-U.S. ( <b>VNQI</b> )	-0.5%	3.1%	33.7%	6.3%

### U.S. Sector REITs

ETF or ETN	Today	1 Mths	1 Yr▼	YTD
Mortgage ( <b>REM</b> )	1.2%	2.4%	79.4%	13.5%
Net-Lease ( <b>NETL</b> )	-0.1%	6.7%	62.3%	12.6%
Residential ( <b>REZ</b> )	0.0%	5.9%	42.8%	16.9%
Industrial ( <b>INDS</b> )	-0.6%	5.8%	42.5%	13.1%

### Strategies

ETF or ETN	Today	1 Mths	1 Yr▼	YTD
Homebuilders ( <b>XHB</b> )	0.9%	6.6%	131.1%	31.0%
Total U.S. Housing Market ( <b>HOMZ</b> )	0.8%	4.8%	95.1%	23.9%
Small Cap ( <b>ROOF</b> )	0.5%	3.2%	61.8%	17.6%
Short-Term REITs ( <b>NURE</b> )	0.4%	4.6%	52.2%	19.1%

# Real Estate ETFs: NETL (Source: Seeking Alpha, ETFdb.com)

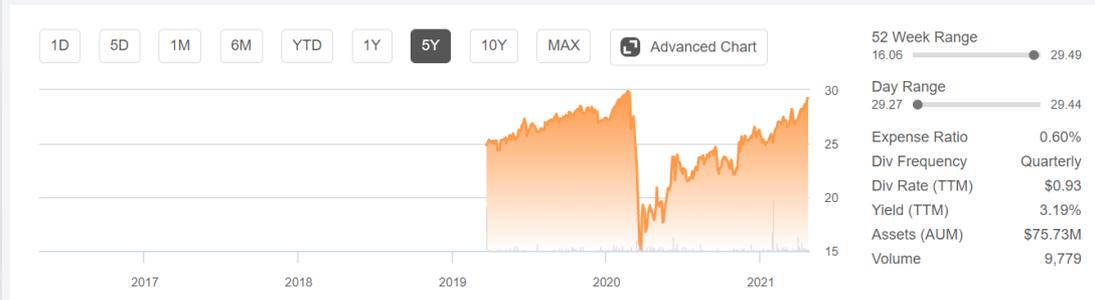
## NETL - ETF Series Solutions - NETLease Corporate Real Estate ETF

**29.27** 0.05 (+0.17%) 3:30 PM 04/26/21

NYSEARCA | Close

Summary Holdings Key Data Ratings Dividends Momentum Peers Charting

All | Analysis | News | Press Releases | Related Analysis | More Headlines



### Top 15 Holdings

Symbol	Holding	% Assets
O	Realty Income Corporation	8.47%
WPC	W. P. Carey Inc.	7.94%
NNN	National Retail Properties, Inc.	7.92%
N/A		7.81%
STOR	STORE Capital Corporation	7.80%
STAG	STAG Industrial, Inc.	4.28%
LXP	Lexington Realty Trust	4.14%
EPRT	Essential Properties Realty Trust, Inc.	4.10%
ADC	Agree Realty Corporation	4.08%
SRC	Spirit Realty Capital, Inc.	3.95%
EPR	EPR Properties	3.89%
GNL	Global Net Lease Inc	3.78%
ILPT	Industrial Logistics Properties Trust	3.73%
VICI	VICI Properties Inc	3.45%
IIPR	Innovative Industrial Properties Inc	3.40%

# Real Estate ETFs: VNQ (Source: Seeking Alpha, ETFdb.com)

## VNQ - Vanguard Real Estate ETF

**98.07** 0.29 (+0.30%) 4:00 PM 04/26/21

NYSEARCA | Post-Market: \$98.10 +0.03 (+0.03%) 6:34 PM

Summary Holdings Key Data Ratings Dividends Momentum Peers Charting

All | Analysis | News | Related Analysis | More Headlines

1D 5D 1M 6M YTD 1Y **5Y** 10Y MAX Advanced Chart



52 Week Range  
63.71 — 98.65

Day Range  
97.84 — 98.65

Expense Ratio 0.12%

Div Frequency Quarterly

Div Rate (TTM) \$3.21

Yield (TTM) 3.29%

Assets (AUM) \$36.90B

Volume 5,404,615

Metric: Total Return 1M 6M 1Y 3Y 5Y 10Y MAX + Add Comparison

**VNQ** 40.22% Total Return

**SP500TR** 50.10% Total Return



## Top 15 Holdings

Symbol	Holding	% Assets
VRTPX	Vanguard Real Estate II Index Fund Institutional Plus Shares	11.85%
AMT	American Tower Corporation	7.10%
PLD	Prologis, Inc.	5.24%
CCI	Crown Castle International Corp	4.90%
EQIX	Equinix, Inc.	4.02%
PSA	Public Storage	2.60%
DLR	Digital Realty Trust, Inc.	2.59%
SPG	Simon Property Group, Inc.	2.43%
SBAC	SBA Communications Corp. Class A	2.06%
WELL	Welltower, Inc.	2.00%
WY	Weyerhaeuser Company	1.78%
CBRE	CBRE Group, Inc. Class A	1.77%
EQR	Equity Residential	1.75%
AVB	AvalonBay Communities, Inc.	1.72%
O	Realty Income Corporation	1.49%

# Real Estate ETFs: XLRE (Source: Seeking Alpha, ETFdb.com)

## XLRE - Real Estate Select Sector SPDR ETF

**42.40** 0.07 (+0.17%) 10:30 AM 04/28/21

NYSEARCA | IEX real time price

Summary Holdings Key Data Ratings Dividends Momentum Peers Charting

All Analysis News Related Analysis More Headlines



52 Week Range 28.95 - 42.57  
 Day Range 42.28 - 42.48  
 Expense Ratio 0.12%  
 Div Frequency Quarterly  
 Div Rate (TTM) \$1.33  
 Yield (TTM) 3.15%  
 Assets (AUM) \$2.69B  
 Volume 682,088

Metric: Total Return 1M 6M 1Y 3Y 5Y 10Y MAX Add Comparison



### Top 15 Holdings

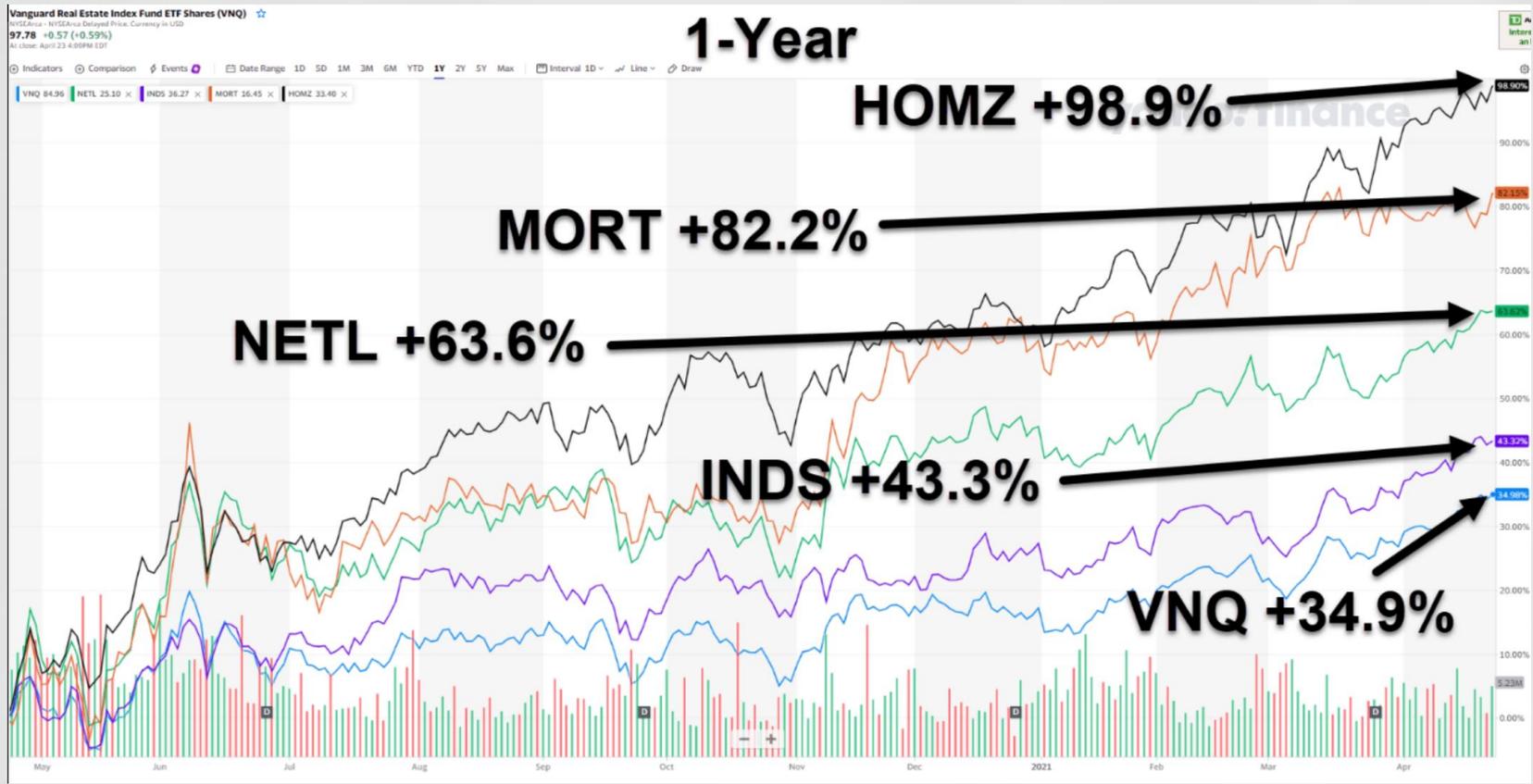
Symbol	Holding	% Assets
AMT	American Tower Corporation	12.67%
PLD	Prologis, Inc.	9.61%
CCI	Crown Castle International Corp	9.05%
EQIX	Equinix, Inc.	7.22%
PSA	Public Storage	4.72%
DLR	Digital Realty Trust, Inc.	4.70%
SPG	Simon Property Group, Inc.	4.45%
SBAC	SBA Communications Corp. Class A	3.66%
WELL	Welltower, Inc.	3.57%
WY	Weyerhaeuser Company	3.27%
CBRE	CBRE Group, Inc. Class A	3.18%
AVB	AvalonBay Communities, Inc.	3.06%
O	Realty Income Corporation	2.92%
EQR	Equity Residential	2.89%
ARE	Alexandria Real Estate Equities, Inc.	2.57%

# Real Estate ETFs: Covid-19 REIT ETF Recovery

## Who's Buying Into America's Largest Landlords

Apr. 26, 2021 7:00 AM ET | AMT, CCI, DLR... | 34 Comments | 44 Likes

“... the “specialty” REIT ETFs like Hoya Capital Housing ETF ([HOMZ](#)), VanEck Vectors Mortgage REIT Income ETF ([MORT](#)), NETLease Corporate Real Estate ETF ([NETL](#)), and Pacer Benchmark Industrial Real Estate SCTR ETF ([INDS](#)) delivered much better performance – from the bottom on the pandemic until now.”  
(Brad Thomas, Seeking Alpha)



# REITs vs ETFs: The Case for Sector Diversification

HOVA CAPITAL REAL ESTATE		Real Estate Sector Performance: Total Return										The REIT Forum High Yield • Global Growth • Real Estate	
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			
Apartments 47%	Storage 35%	Homebuilders 79%	Hotel 27%	MF Housing 46%	Storage 41%	Industrial 31%	Homebuilders 59%	Net Lease 14%	MF Housing 49%	Homebuilders 28%			
Hotel 43%	Mall 22%	Timber 37%	Homebuilders 18%	Apartments 40%	MF Housing 26%	SF Rental 27%	Cell Tower 35%	MF Housing 11%	Industrial 48%	Data Center 21%			
Net Lease 37%	MF Housing 20%	Industrial 31%	MF Housing 10%	Healthcare 33%	Apartments 16%	Data Center 26%	Data Center 28%	Healthcare 8%	Homebuilders 46%	Storage 13%			
Mall 35%	Apartments 15%	Cell Tower 30%	Storage 9%	Mall 33%	Net Lease 6%	Hotel 24%	MF Housing 25%	Cell Tower 7%	SF Rental 44%	Industrial 12%			
Shopping Center 31%	Healthcare 14%	Mall 28%	Timber 8%	Hotel 33%	Homebuilders 5%	Net Lease 17%	Timber 22%	Apartments 4%	Data Center 44%	Timber 10%			
Storage 29%	REIT Index 8%	Shopping Center 25%	Industrial 7%	Storage 31%	Shopping Center 5%	MF Housing 14%	Industrial 21%	Storage 3%	Timber 42%	Cell Tower 7%			
REIT Index 28%	Timber 8%	Net Lease 22%	Net Lease 7%	REIT Index 30%	Mall 4%	Office 13%	SF Rental 17%	Industrial -3%	Cell Tower 42%	SF Rental 6%			
MF Housing 27%	Net Lease 0%	Healthcare 20%	Office 6%	Shopping Center 30%	Cell Tower 4%	Cell Tower 10%	Hotel 7%	REIT Index -4%	Office 31%	MF Housing -2%			
Healthcare 19%	Shopping Center -1%	Storage 20%	Shopping Center 5%	Office 26%	REIT Index 3%	REIT Index 9%	REIT Index 5%	Mall -7%	REIT Index 29%	REIT Index -8%			
Industrial 19%	Office -1%	REIT Index 18%	Cell Tower 5%	Industrial 21%	Industrial 3%	Timber 8%	Office 5%	SF Rental -11%	Apartments 26%	Net Lease -10%			
Office 18%	Industrial -5%	Office 14%	REIT Index 3%	Cell Tower 20%	SF Rental 2%	Healthcare 6%	Storage 4%	Hotel -13%	Shopping Center 25%	Healthcare -10%			
Homebuilders 21%	Homebuilders -9%	Hotel 13%	Mall -1%	Net Lease 10%	Data Center 2%	Shopping Center 4%	Apartments 4%	Data Center -14%	Net Lease 25%	Apartments -15%			
	Hotel -14%	MF Housing 7%	Apartments -6%	Timber 9%	Office 0%	Apartments 3%	Net Lease 3%	Office -15%	Healthcare 21%	Office -18%			
		Apartments 7%	Healthcare -7%	Homebuilders 5%	Timber -7%	Homebuilders 2%	Healthcare 1%	Shopping Center -15%	Hotel 16%	Hotel -24%			
					Healthcare -7%	Mall -5%	Mall -3%	Homebuilders -30%	Storage 14%	Shopping Center -28%			
					Hotel -24%	Storage -8%	Shopping Center -11%	Timber -32%	Mall -9%	Mall -37%			
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			

Source: NAREIT, S&P Home Builder Select Industry Index  
2020 Returns As of 12-31-2020

# In Summary . . .

- REITs are appealing additions for any investment portfolio.
- Proven to be a solid long-term asset class over time.
- Net lease REITs offer bond-like income for investors who seek high current income with inflation protection & diversification.
- Multiple available screening tools and resources to identify REITs priced at or below fair value.
- Look for quality, safe REITs on sale, start with partial positions, add incrementally to full position based on valuations.
- REIT ETFs are an option for portfolio diversification – with tradeoffs (lower yields, expense ratios, broad sector dilution).
- Most REIT investors focus on dividend income with some growth, some focus on growth with some income.
- REIT bottom line: dividend growth income = ***cash flow***.

# Q & A