

REIT Forecaster

Introduction

The market capitalization and trading liquidity of REITs have grown dramatically in recent years. Yet many diversified equity managers have avoided investing in individual REITs. One key reason is the challenge of adapting an equity research methodology to the different business model and financial statements of REITs.

Traditional analyst-driven REIT evaluation can certainly be useful, but we believe disciplined quantitative analysis provides a complementary perspective that can help REIT investors make better buy *and* sell decisions.

What is REIT Forecaster?

REIT Forecaster forecasts relative returns for Equity REITs using an objective, weight-of-the-evidence approach. Each week REIT Forecaster ranks the long-term relative return prospects of the approximately 160 Equity REITs in the MSCI USA Investable Market Index.

REIT Forecaster originated from extensive research to discover which REIT investment attributes are most highly correlated to future returns. Based on those findings, REIT Forecaster uses 12 diverse valuation, financial, and sentiment research concepts to score each REIT's investment merits. The higher a REIT's composite score, the more likely that REIT will outperform over the next 3-24 months.

How Can REIT Forecaster help you?

REIT Forecaster is designed to improve portfolio performance while saving research time and expense. REIT Forecaster's independent research viewpoint can be used as an overlay to your current investment process, or it can be fully integrated into most REIT research and portfolio management strategies. REIT Forecaster's power and versatility can help you:

Make better purchase decisions

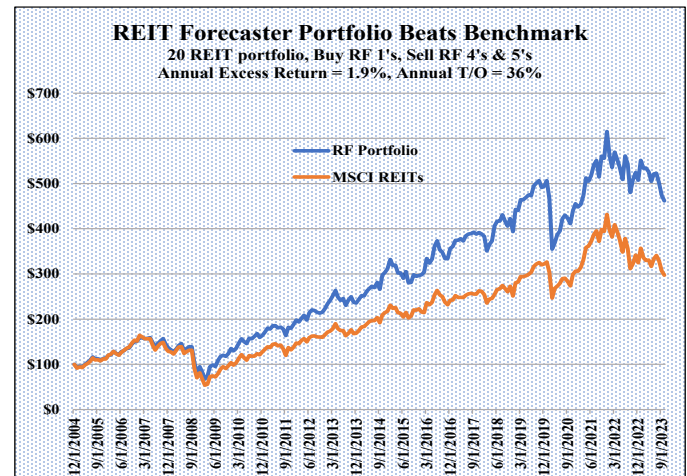
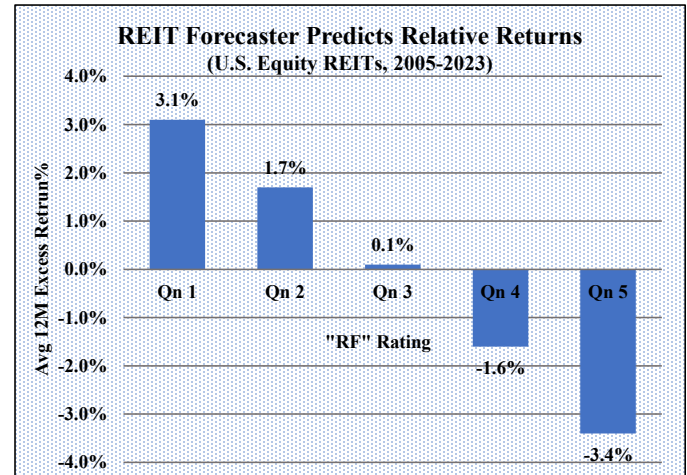
- Create a 'green light' screen of new ideas worthy of further fundamental research
- Validate buy ideas generated from fundamental analysis with an independent quantitative appraisal
- Confirm or veto recommendations from sell-side analysts

Make better sell decisions

- Identify REITs with weak return prospects to immediately sell from portfolios
- Isolate potential underperformers and their specific problem areas to focus portfolio reviews
- Reduce behavioral biases associated with evaluating existing holdings

REIT Forecaster Performance

Historically, REIT Forecaster's favored names have *outperformed* by a significant margin.



Special Features of REIT Forecaster

Powerful

- Ratings help identify the best REITs to "buy" and the worst REITs to "sell/avoid"
- Portfolios managed using REIT Forecaster outperform the REIT universe with significantly less risk
- Ratings perform well in up and down markets

Easy to use

- Quantitative ratings and input factor scores provide an objective, transparent view that complements analyst appraisals of management strategy and property holdings
- Long-term predictive horizon gives clients ample time to review scores and helps to minimize portfolio turnover
- Historical scores available for client backtesting
- Free trials available