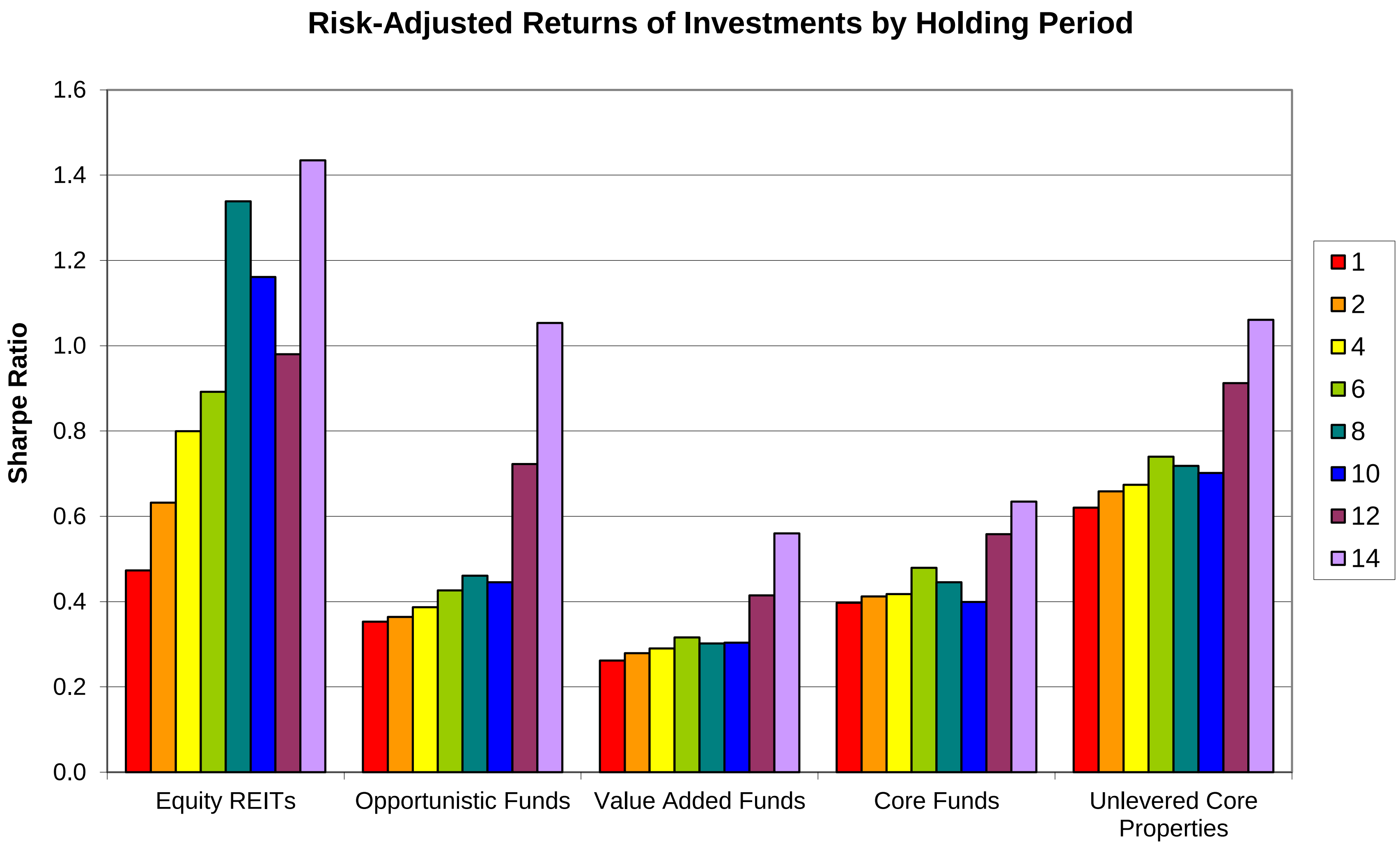
Publicly Traded Equity REITs Provide Better Risk-Adjusted Net Returns than Private Equity Real Estate Funds



Note: Based on quarterly net returns over the available historical period: 1978Q1-2012Q3 for equity REITs, core funds (ODCE), and unlevered core properties (NCREIF Property Index); 1983Q2-2012Q3 for value added funds (NCREIF/Townsend Fund Indices); and 1988Q4-2012Q3 for opportunistic funds (NCREIF/Townsend). Fees are assumed to total 50 basis points per year for publicly traded equity REITs and 115 basis points per year for unlevered core properties; fees for other investments are as given. Risk-adjusted rate is Citigroup 1-mo U.S. Treasury TR. Source: NAREIT analysis of data from NCREIF and FTSE NAREIT Equity REITs Index.