

Investing in REITs is Investing in Real Estate

Academic Studies

- 1980s – mid-1990s: Academic studies suggested that REITs were more related to the stock market, especially small-cap value stocks, than to real estate
- 1997 – present: Academic studies confirm relationship between REITs and real estate
 - Ziering, Winograd & McIntosh (1997)
 - Clayton & MacKinnon (2001)
 - Clayton & MacKinnon (2004)
 - Chiang, Kozhevnikov, Lee & Wisen (2006)
 - Tsai, Chen & Sing (2007)
 - Lee, Lee & Chiang (2008)
 - Morawski, Rehkugler & Füss (2008)
 - Chiang (2009)
 - Anderson, Guirguis & Shilling (2009)
 - Oikarinen, Hoesli & Serrano (2009)
 - Sebastian & Schätz (2009)
 - Yunus, Hansz & Kennedy (2010)
 - Westerheide (2006)
 - Study examined REITs and REIT-like securities in 8 countries: U.S., Canada, Australia, Japan, Germany, France, Netherlands, and Belgium
 - *“Real estate securities seem to represent an asset class distinct from bonds and stocks in most countries. In the long run they seem to reflect the performance of direct real estate investments and provide a potential for further diversification of asset portfolios.”*