

Characteristics of Publicly Traded REITs, Public Non-Listed REITs and Private REITs

	PUBLICLY TRADED REITS	PUBLIC NON-LISTED REITS	PRIVATE REITS
Overview	REITs that file with the SEC and whose shares trade on national stock exchanges.	REITs that file with the SEC but whose shares do not trade on national stock exchanges.	REITs that are not registered with the SEC and whose shares do not trade on national stock exchanges.
Liquidity	Shares are listed and traded, like any other publicly-traded stock, on major stock exchanges. Most are NYSE listed.	Shares are not traded on public stock exchanges. Redemption programs for shares vary by company and are limited. Generally a minimum holding period for investment exists. Investor exit strategy generally linked to a required liquidation after some period of time (often 10 years) or, instead, the listing of the stock on a national stock exchange at such time.	Shares are not traded on public stock exchanges. Existence of, and terms of, any redemption programs vary by company and are generally limited in nature.
Transaction Costs	Brokerage costs the same as for buying or selling any other publicly traded stock.	Typically, distribution fees of up to 10 percent of the investment are charged for broker-dealer commissions and other up-front costs. Ongoing management fees and expenses also are typical. Back-end fees may be charged.	Varies by company.
Management	Typically self advised and self managed.	Typically externally advised and managed.	Typically externally advised and managed.
Minimum Investment Amount	One share.	Typically \$1,000 - \$2,500.	Typically \$10,000 - \$100,000; private REITs that are designed for institutional investors require a much higher minimum.
Independent Directors	Stock exchange rules require a majority of directors to be independent of management. NYSE and NASDAQ rules call for fully independent audit, nominating and compensation committees.	Subject to North American Securities Administrators Association (NASAA) regulations. NASAA rules require that boards consist of a majority of independent directors. NASAA rules also require that a majority of each board committee consist of independent directors.	Not required.
Investor Control	Investors re-elect directors.	Investors re-elect directors.	Investors re-elect directors.
Corporate Governance	Specific stock exchange rules on corporate governance.	Subject to state and NASAA regulations.	Not regulated.
Disclosure Obligation	Required to make regular financial disclosures to the investment community, including quarterly and yearly audited financial results with accompanying filings to the SEC.	Required to make regular SEC disclosures, including quarterly and yearly financial reports.	Not regulated.
Performance Measurement	Numerous independent performance benchmarks available for tracking listed REIT industry. Wide range of analyst reports available to the public.	Some independent performance reporting available.	No public or independent source of performance data available.