

Weekly REIT and Lodging Strategy

Citi's Fantasy REIT Draft – A Guide to the Draft

- **Fantasy REIT Draft** – With the NFL season starting, we held our sixth annual "Fantasy REIT draft" highlighting our top picks heading into the Fall. Following an exciting training camp and pre-season where REITs went fully mainstream becoming the 11th GICS sector - the stage is now set for the "new" season to begin. Careful player/stock selection is critical at this stage, especially following an unexpected ~4% selloff in stocks the day before the draft. Our strategy is to own a mix of "top line marquee players" that can provide reliable defense and growth from their best in class management teams, assets, markets and financial strength (**AKR, BXP, SPG**), a few "creative coaches" that have developed unique plays for their team that haven't yet been fully materialized on the field (**FCEA, GGP, SLG, HST**), a handful of "breakout players" that could see some near term catalysts to drive their performance above fans' expectations (**HLT, RPAI, SUI, VNO**) and a couple of players off the "injured reserve" list that can be drafted at a good price given recent weak performance (**AVB, LSI**). We detail the investment thesis on each pick herein.
- **Top-Line Marquee Players** – While everyone wants to own as many top line players as possible, they traditionally come at a hefty price, especially with REITs up ~10% YTD. Our top line "picks" **AKR, BXP** and **SPG** share some similar characteristics: 1) high quality asset portfolios in good markets, 2) deep and experienced management teams, 3) same store growth that is generally toward the high end of the peer range, 4) solid balance sheet capacity, and 5) continued value creation and growth through development and redevelopment programs.
- **Creative Coaches** – Creative coaches are not afraid to think outside of the box and come up with unique plays to beat the competition. These coaches are often underappreciated or viewed as "higher risk", given their strategies haven't been fully materialized on the field yet. However, these coaches offer the potential for higher reward in our view, given good anticipation in taking the right risks. Our "Creative Coach" draft picks include **FCEA, GGP, SLG** and **HST**.
- **Breakout Players** – Some players are drafted to serve as a near term catalyst to help drive their team's performance above fan's expectations. The team likely has solid bones but needs an edge to drive performance higher in the near term. We looked for breakout players with one or more near term catalysts that could drive performance above expectations and drafted **HLT, RPAI, SUI** and **VNO**.

Injured Reserve – Some injuries are temporary while others are season-ending. When a player is coming off of an injury, a team can pick them up for below their actual value. Herein we highlight stocks that have underperformed for company and sector specific reasons that we believe have the potential to outperform over the next 12-months. Our Injured Reserve picks include **AVB** and **LSI**.

See Appendix A-1 for Analyst Certification, Important Disclosures and non-US research analyst disclosures.

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Upcoming Events and Performance Indices

Figure 1. Upcoming Events

Citi Upcoming Events		
Date	Citi Sponsored Events	Location
September 12, 2016	Citi Hosted Dinner with DDR's New Management Team	New York, NY
September 20, 2016	Citi Hosted Tour of Woodbury Common with SPG & Outlet Retailers	New York, NY
September 27, 2016	Citi Hosted A Morning with EQR, A Lunch with ELS, and a Tour with VNO in the Windy City	Chicago, IL
October 5-6, 2016	Citi Hosted Seattle Multifamily/Office/Lab Office Property Tour (AIV, ARE, AVB, EQR, ESS, HPP, KRC, and UDR)	Seattle, WA
October 17, 2016	Citi Hosted Kansas City Retail Tour (CBL, MAC/TCO, WPG)	Kansas City, MO
November 9-10, 2016	Citi Hosted NYC Area Industrial Property Tour & Broker Dinner (DCT, DRE, LPT, PLD, CBRE, and Brookfield)	New York, NY
November 14, 2016	Citi Hosted A Day in the Desert with Equity Lifestyle (ELS) and Sun Communities (SUI), MH and RV Property Tour	Phoenix, AZ
December 6, 2016	Citi Hosted Northern New Jersey Retail Tour (MAC, Others TBC)	Northern NJ
December 7, 2016	Citi Hosted NYC Area Mall Tour with MAC (Kings Plaza, Green Acres Mall & Commons, Queens Center)	New York, NY
March 5-8, 2017	Citi 2017 Global Property CEO Conference	Hollywood, FL
March 20, 2017	Citi Hosted Dinner with AVB Senior Management Team	Washington, DC
March 20-21, 2017	Citi Hosted Washington D.C. Multifamily Property Tour	Washington, DC

Date	Citi Sponsored NDRs	Location
September 12-14, 2016	NDR with UDR's Management Team, Europe	Europe
September 27-29, 2016	NDR with WRI's Management Team, Denver & Chicago	Denver & Chicago
October 4-5, 2016	NDR with AIV's Management Team, Canada	Canada
October 4-6, 2016	NDR with RPAI's Management Team, Europe	Europe

Date	Industry Events & Conferences (Sector)	Location
September 14-16, 2016	NIC Fall Senior Housing Conference (Senior Housing)	Washington, DC
September 26-27, 2016	NAREIT SFO Workshop	Denver, CO
September 28-30, 2016	2016 NMHC Student Housing Conference & Exposition (Student Housing)	New Orleans, LA
September 28-30, 2016	PREA Fall Conference (All)	Washington, DC
October 25-27, 2016	ULI Fall Meeting (All)	Dallas, TX
November 15-17, 2016	NAREIT REITWORLD (All)	Phoenix, AZ
January 24-26, 2017	NHMC Annual Meeting (Multifamily)	San Diego, CA
September 25-27, 2017	2017 NMHC Student Housing Conference & Exposition (Student Housing)	Tampa, FL
March 22-24, 2017	NAREIT Law & Accounting Conference (All)	La Quinta, CA
June 6-8, 2017	NAREIT REITWeek (All)	New York, NY
September 18-19, 2017	NAREIT SFO Workshop	Boston, MA
November 14-16, 2017	NAREIT REITWORLD (All)	Dallas, TX

Date	Analyst & Investor Days	Location
September 29, 2016	Aimco (AIV) - Indigo Property Tour and Reception	Redwood City, CA
November 14, 2016	American Campus (ACC)	Tempe, AZ
November 14, 2016	Colony Starwood Homes (SFR)	Scottsdale, AZ
November 14, 2016	Cousins Properties (CUZ)	Tempe, AZ
November 14, 2016	Host Hotels (HST)	Phoenix, AZ
November 14, 2016	Macerich (MAC)	Phoenix, AZ
November 14, 2016	Weingarten (WRI)	Phoenix, AZ
November 22, 2016	Hyatt Hotels (H)	New York, NY
November 30, 2016	Alexandria Real Estate (ARE)	New York, NY

Source: Citi Research and Company Reports

Figure 2. Performance Indices

Performance Indices - (* denotes price only returns)	WTD Change (%)	QTD Change (%)	YTD Change (%)
NAREIT Equity Total Return Index	(3.8)	(2.9)	10.3
Citi Model REIT Portfolio	(4.0)	(2.9)	8.9
Citi Model Hedge Portfolio	(0.3)	0.1	4.0
Russell 2000*	(2.6)	5.8	7.3
Dow Jones Industrial Average*	(2.2)	0.9	3.8
S&P 500*	(2.4)	1.4	4.1
S&P 500 Financials*	(2.2)	5.2	0.9
Nasdaq Composite*	(2.4)	5.8	2.4
10-Year Treasury Yield bps change	7.6	18.4	(59.7)
Global Real Estate (USD)	1.0	4.0	13.7
Asia Real Estate (local currency)	2.1	4.8	12.2
Europe Real Estate (local currency)	(0.4)	6.7	(1.2)

Source: FactSet, NAREIT, Bloomberg, Company Reports, and Citi Research. Global pricings are as of 9/8/16.

Source: Citi Research

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Our strategy is to own a mix of "**top line marquee players**" that can provide reliable defense and growth from their best in class management teams, assets, markets and financial strength (**AKR, BXP, SPG**), a few "**creative coaches**" that have developed unique plays for their team that haven't yet been fully materialized on the field (**GGP, SLG, HST, FCEA**), a handful of "**breakout players**" that could see some near term catalysts to drive their performance above fans' expectations (**RPAI, VNO, SUI, HLT**) and a couple of players off the "**injured reserve**" list that can be drafted at a good price given recent weak performance (**AVB, LSI**).

Sector "Power Rankings"

Our investment strategy in our REIT model portfolio continues to place more emphasis on stock picking with some overriding sector preferences.

From a stock perspective, we are generally overweight companies that we find trading at attractive absolute and/or relative valuations. Our picks represent a variety of factors including growth, value, defense, quality and even some event driven names. Overall, many of the key holdings in our model REIT portfolio have strong balance sheets, positive fundamentals and company specific catalysts, based on our analysis. We generally have sought to own companies that can increase earnings and NAV grow without the need of substantial external capital.

From a property sector perspective, we continue to be more attracted to the valuations in the core real estate sectors which is where the majority of our overweight positions reside. This includes larger overweight positions in Urban Office, Class A Regional Malls and Industrial, and larger underweight positions in Lodging, Suburban Office, Healthcare and Net Lease. We are modestly overweight or market weight Data Centers, Self-Storage, Manufactured Housing, Multifamily, shopping Centers and Student Housing as shown in Figure 3.

Figure 3. Sector "Power Rankings"

Sector	Position	Model Portfolio Weight	Index Weight	Diff
CBD Office	O/W	12.8	9.5	3.3
Malls & Outlets	O/W	15.6	12.9	2.7
Industrial/Mixed	O/W	9.1	7.2	1.9
Data Centers	O/W	7.4	6.3	1.1
Diversified	O/W	2.5	1.8	0.8
Storage	O/W	6.8	6.1	0.7
Manufactured Homes	O/W	1.8	1.3	0.5
Apartments	O/W	12.1	11.7	0.4
Shopping Centers	M/W	8.3	8.2	0.0
Student Housing	M/W	1.2	1.2	0.0
Lodging	U/W	4.9	5.2	(0.3)
Suburban Office	U/W	2.4	3.7	(1.3)
Healthcare	U/W	10.7	12.9	(2.2)
Net Lease	U/W	4.5	7.6	(3.1)
Specialty	N/A	0.0	3.2	(3.2)

Source: Citi Research

Drafting Guide and Picks

"Top Line Blue Chip Players"

While everyone wants to own as many top line players as possible, they traditionally come at a hefty price, especially with REITs up ~10% YTD. We've highlighted some top line value players that are still available at relatively attractive prices. These "high IQ" players perform well over time and have earned the respect of fans, and deserve appropriate credit for their athletic abilities.

Our "Blue Chip Player" draft picks include strip center REIT **Acadia Realty Trust (AKR)**, office owner and developer **Boston Properties (BXP)** and retail giant **Simon Property Group (SPG)** as outlined below.

These players share some similar characteristics: 1) high quality asset portfolios in good markets, 2) deep and experienced management teams, 3) same store growth that is generally toward the high end of the peer range, 4) solid balance sheet

capacity, and 5) continued value creation and growth through development and redevelopment programs.

- **Acadia Realty (AKR):** We view AKR as a blue chip in the strip center space and rate the stock Buy with an Overweight position in our model portfolio. AKR has a proven track record for creating value both for equity shareholders as well as investors in the company's opportunity funds – allowing for continued access to low cost capital. In recent years, the company has remained on track with core and fund deal volume, continuing to recycle capital, generate strong returns on investment, and grow the street and urban retail platforms. AKR has also maintained a strong balance sheet that will keep the company well-positioned to remain opportunistic without the need to raise equity during unfavorable times. The valuation is attractive in our view, trading at a 5% premium to NAV and a 4.4% cap rate. Our \$41.50 price target is based on a 20% premium to spot NAV of \$34, which assumes an applied cap rate of 4.6%.
- **Boston Properties (BXP):** Blue-chip team Boston Properties makes our roster yet again with a time tested formula of good portfolio/markets, good balance sheet, and management quality as well as visible growth pipeline coming from key developments. We continue to believe that investing in core CBD product will benefit from equity capital, particularly foreign, that will continue to invest in trophy assets in the safe haven of the U.S. While NOI growth in 2017 growth will be weighed down by some expirations and vacancies, this is well known and is offset by stronger growth into 2018. We believe that longer term the quality improvement and higher income from these spaces will justify the near term stress. BXP's recent entry into Los Angeles with the purchase of Colorado Center did come as a bit of a surprise and investors await the longer term outcome of this investment. Shares now trade at a ~10% discount to NAV following recent outperformance.
- **Simon Property Group (SPG):** We continue to view SPG as one of the strongest players in the game – a true MVP – and as such we expect the stock to continue to outperform with a Buy rating and Overweight position in our model portfolio. With solid pricing power, a sizeable re/development pipeline, a strong balance sheet, and significant access to low cost capital globally, we see SPG as well-positioned for continued strong internal and external growth. Additionally, with the majority of Class A malls and outlet centers owned within the public domain, we view SPG's portfolio of flagship centers to be irreplaceable. We view the valuation as attractive at a 9% discount to spot NAV and a 4.8% implied cap rate. Our price target is \$252, based on a 10% premium to spot NAV of \$229, which assumes a 4.5% applied cap rate. SPG has historically traded at a premium to NAV, reflecting an irreplaceable platform and a strong track record of creating value over time, resulting in superior FFO, NAV, and dividend growth.

“Creative Coaches”

We've highlighted several teams that are led by creative coaches who aren't afraid to think outside of the box and come up with unique plays to beat the competition. These coaches are often underappreciated or viewed as “higher risk”, given their strategies haven't been fully materialized on the field yet. However, these coaches offer the potential for higher reward in our view, given good anticipation in taking the right risks.

Our “Creative Coach” draft picks include diversified REIT **Forest City Realty Trust (FCEA)**, mall landlord **General Growth Properties (GGP)**, lodging REIT **Host Hotels (HST)** and office owner and developer **SL Green (SLG)** as outlined below.

While each is suffering from various spectator concerns outlined below – we believe each of the management teams has the ability to overcome the odds and drive the play up field.

- **Forest City Realty Trust (FCEA):** While we had already viewed FCE as in a creative mindset given the company's ongoing transformation, the company continues to look for ways to refine the playbook to further drive public market value recognition and reduce risk with last month's announcement of a strategic alternatives process for the retail portfolio. While likely initially dilutive, monetizing the retail has the potential to crystallize value and further reduce the discount to NAV, decrease portfolio diversification, and allow for further debt reduction. We expect the stock to attract greater investor interest over time as management continues to execute on initiatives, including a focus on improving operating margins, executing on non-core asset sales, strengthening the balance sheet, and improving disclosure and investor communication. A positive catalyst could be for Coach LaRue to call the family ownership group to significantly improve corporate governance and eliminate the A/B share structure at no cost. It's the right play for all shareholders. We continue to believe an NAV discount is warranted given execution risk inherent in the long term simplification strategy, the complex business model, and split A/B share structure. But the stock still screens attractive to us, trading at a 24% NAV discount and a 6.5% implied cap. Our \$27 target is based on a 10% discount to spot NAV of ~\$30, which assumes an applied blended cap rate of 5.4%.
- **General Growth (GGP):** GGP changed its playbook earlier this year and has become more focused not only on reducing the risk profile of the company but taking advantage of strong private market pricing to sell stabilized assets and reallocate proceeds to debt reduction and the value creation pipeline. As part of that, the company has also been very proactive in anchor replacement – reducing exposure to underperforming department stores and bringing in mall tenants that drive greater traffic – an example of which has been a more aggressive approach to the Seritage JV vs. peers SPG and MAC. We favor GGP's more creative strategy in the current environment, and rate the shares Buy with an Overweight position in our model portfolio. We see growth driven by SS NOI upside, NAV accretion from the re/development pipeline, and street retail lease-up. We also view the valuation as attractive at a 5.4% implied cap rate and a 21% discount to NAV. Our \$35 target is based on a 2.5% discount to NAV of \$36, which assumes a 4.6% applied cap rate.
- **Host Hotels (HST):** HST has underperformed REITs YTD by ~210bps while outperforming the Lodging REIT sector by ~420bps in part due to the company's "creative coaches" who have continued to be opportunistic by repurchasing shares (\$162m repurchased YTD with \$162m remaining under current authorization), which we expect to continue given significant discount to NAV and very low leverage, and likely pay a special dividend at year-end due to non-core asset sales (\$466m completed YTD with \$31m of sales under contract expected to close in 3Q). With \$500m of dispositions still expected in 2016 and early 2017, we expect pricing trends and size of the buyer pool will be key. The company has already started to see tangible benefits from their recently completed redevelopment projects at the Hyatt San Francisco Airport and San Diego Marquis with group bookings for the next two years at the Hyatt up 35% ahead of preconstruction levels and at the San Diego Marquis, bookings through the next two years have increased 40% compared to preconstruction levels. With the acquisition of a ground lease at the Key Bridge Marriott in Arlington, VA, we believe this site could have significant redevelopment potential given its prime location in the DC area. We expect HST's experienced coaching staff to

continue to draw up creative plays using their superior balance sheet, share buyback program and potential asset sales, all positive factors that support our recommendation.

- **SL Green (SLG):** We continue to believe that SLG's coaching staff has demonstrated their willingness to "think outside the box" in drafting their playbook and have been running some unique plays and likely to continue. Not all investors have been fans of the team, pointing out the high leverage profile, the acquisition of 11 Madison, the high cost One Vanderbilt development and the debt and preferred book, among others. Management has heard this loud and clear and have been running different plays to please the crowd. So far in 2016, SLG has de-levered by close to two turns by selling 388/390 Greenwich Street to Citi earlier than expected and has executed a joint venture for 11 Madison, selling a 40% interest to PGIM, and thus reducing its capital at risk in the asset. Management is also mitigating some risk on OVA by finalizing a construction loan, and examining JV options. The company continues to believe in the preferred business, refilling and trying to grow the book, especially given the gap created between the continued demand for debt capital, and lower supply from traditional sources (i.e. US banks). SLG also recently instituted a \$1bn share buyback program, and while this would have been better utilized in 1Q16, the stock is still trading at close to an 18% discount to NAV. The company has also shown a penchant for trying to get the most results from the cycle, by both buying and sell assets. We continue to believe that the management team will not sit idle and will put their creativity in full gear. The high quality portfolio should also allow the company to win some games by both accelerating growth as well as rationalizing NAV value through sales given continued strong interest in NYC assets.

“Breakout Players”

Some players are drafted to serve as a near term catalyst to help drive their team's performance above fan's expectations. The team likely has solid bones but needs an edge to drive performance higher in the near term.

We looked for breakout players with one or more near term catalysts that could drive performance above expectations. Our draft picks include lodging C-Corps **Hilton (HLT)**, shopping center REIT **Retail Properties of America (RPAI)**, apartment REIT **Sun Communities (SUI)** and CBD/Urban Office REIT **Vornado (VNO)** as outlined below:

- **Hilton (HLT):** While HLT has outperformed its Lodging C-Corp peers both QTD and YTD, it trades at an attractive 10x 2017E EBITDA multiple and once the upcoming spins of Park Hotels & Resort and Hilton Grand Vacations are completed (expected by year end), we believe the management company should see an expanded valuation multiple given a faster growth trajectory. HLT is on track to add 45,000-50,000 rooms (~6% growth) for the year with 300k+ in gross pipeline, which we expect should drive outsized growth over the next several years (over half under construction). Another near-term catalyst that we believe could be a “breakout” moment is implementing a share repurchase plan, which management remains committed to doing post spins.
- **Retail Properties of America (RPAI):** We look to RPAI's upcoming investor day in DC on Sept. 21-22nd that could act as a catalyst for the shares, which we view as among the most attractive in the strip center space at an 11% discount to NAV (vs. strips at a 3% premium) and a 6.8% implied cap. We rate the stock Buy with an Overweight position in our model portfolio. Management continues to execute

on the significant portfolio transformation strategy, resulting in a higher quality and more concentrated target-market portfolio. Also, the riskiest non-core / non-target market assets have now been sold and the remaining dispositions are higher quality (and as such the cap rate spread between acquisitions and dispositions will be narrower going forward), reducing remaining dilution and execution risk associated with the transformation. Additionally, we favor RPAI's low leverage, allowing the company to remain opportunistic from a balance sheet perspective. Our \$20 target price is based on a 5% premium to spot NAV of \$19, which assumes an applied cap rate of 6.2%.

- **Sun Communities (SUI):** We upgraded mid-cap manufactured housing and RV REIT Sun Communities (SUI) to Buy and view it as a “breakout player” this Fall ([SUI: The Sun Also Rises; Upgrade to Buy](#)). As a result of its ~\$1.7bn acquisition of the Carefree portfolio in 2Q16, SUI is well positioned to drive value in 2H16 and 2017 through its increased scale and improved portfolio. We see 3 near term catalysts: (1) 2017 guidance vs. consensus, (2) potential asset sales, and (3) continued deleveraging even after the recent ~\$250m equity raise. This is balanced by a few risks, namely an elevated valuation vs. NAV, a lower quality earnings stream vs. ELS, and higher leverage vs. peers.
- **Vornado (VNO):** Vornado's long discussed spinout of their Washington DC business remains top of mind for investors who wonder if breaking up the company will allow shares to breakout and make them a standout player during the season. We believe that the spin will either be announced, or maybe even executed before the end of this year. Key questions remain on the structure of a new entity and whether a standalone spin is the likely solution, with other options being a merger or sale for example. The company has demonstrated success in spinning out its shopping center portfolio into Urban Edge, and has made it very clear that they are willing to do “whatever it takes” to bridge the NAV discount (stock trades at a hefty ~21% discount). More so, we think that a spin will lead to a simpler NYC office and street retail story and hopefully help to address or solve concerns over management succession. The resulting VNO would also benefit from significant NOI upside that management laid out over the last few quarters and at NAREIT as well as from continued health rent rollup in NYC.

“Injured Reserve”

Some injuries are temporary while others can deflate a season. When a player is coming off of an injury, a team can pick them up for below their actual value. Here we highlight a couple stocks that have underperformed for sector or company specific reasons that we believe have the potential to outperform over the next 12-months.

Our “Injured Reserve” draft picks include multifamily landlord **Avalon Bay (AVB)** and self storage REIT **Life Storage (LSI)** as outlined below:

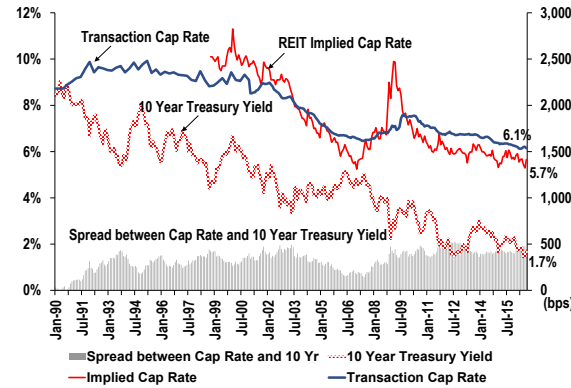
- **AvalonBay (AVB):** We are overweight AVB in our model portfolio as growth remains solid and valuation is discounted. AVB is on the injured reserve with a total return of -6% ytd vs. apartment peers +2% (straight average) and REITs +10%. Underperformance has left shares trading at an ~11% discount to consensus NAV, the second widest in the residential sector after EQR who had to decrease guidance 3 times this year. Concerns surrounding the impact of new supply on same store revenue growth have impacted the multifamily sector and AVB. While we do expect same store revenue growth to continue to slow, we believe that the deceleration is already priced into shares. For 2016, we believe that AVB's updated 2016 same store guidance is achievable. In terms of 2017,

while we expect same store revenue and NOI growth to decelerate from 2016, we expect core FFO growth of ~8%, ahead of REITs overall and the 2nd highest in the multifamily sector. Overall, AVB is well positioned to drive earnings and NAV growth through its development pipeline and operations.

- **Life Storage (LSI):** We recently upgraded mid-cap Self-Storage REIT Life Storage (LSI) to Buy ([LSI: New Life for Uncle Bob; Upgrade to Buy](#)). Shares are attractively valued in our view, trading at a discount to NAV, ~15 times 2017E FFO, and offer a ~4% current yield. We also anticipate at least a high single digit increase in the dividend in 1Q17. Since LSI released 2Q results and revised 2016 guidance, the stock has underperformed peers ~390bps, down ~690bps. While we viewed 2Q results and reduced guidance as disappointing, we believe the stock has been hit too hard for what remains a solid core business. We do anticipate that the pace of same-store NOI growth will continue to slow, but lowered expectations are largely factored in at current levels: LSI currently trades at 16.2x 2017 AFFO, a ~20% discount to peers, a much wider spread versus 11% over the past five years. While partially warranted, shares are overly penalized in our view, and LSI looks attractive on an absolute basis with the stock at a ~9% discount to consensus NAV, which incorporates a 5.8% applied cap rate (conservative in our view).

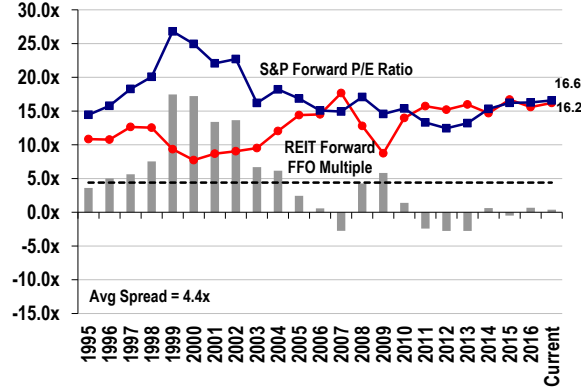
REIT Valuation – Implied Cap Rates

Figure 4. Implied Cap Rates Are Currently Above Previous Peak Levels in February 2007



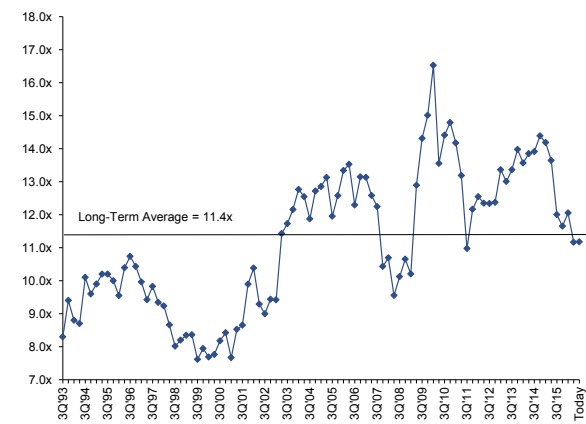
Source: Citi Research, FactSet, RCA and Company Reports

Figure 5. The REIT Forward FFO Multiple Is Just Above the S&P 500 P/E Multiple



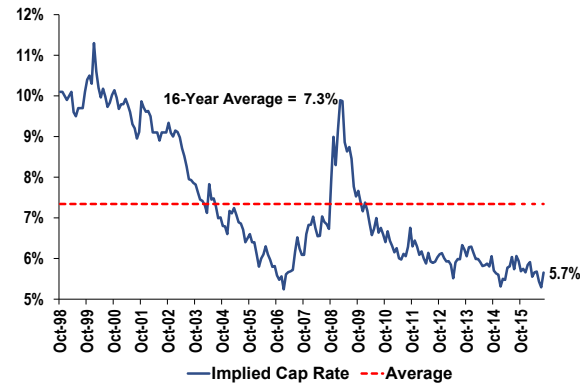
Source: Citi Research and FactSet, Based on one year forward multiples

Figure 6. Lodging Stocks Valuation: TEV/12-Month Forward EBITDA – Multiples Have Contracted but Remain Above Avg



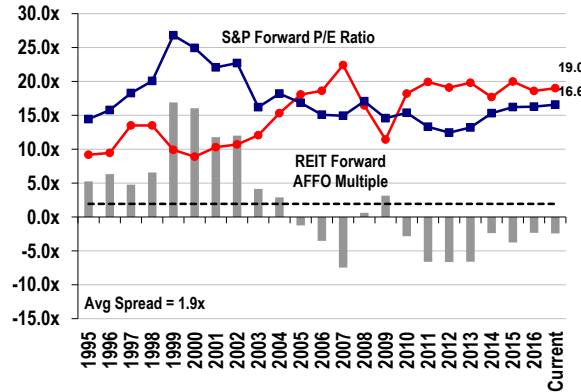
Source: Citi Research and FactSet

Figure 7. The 16-Year Average REIT Implied Cap Rate Is Currently at 7.4%



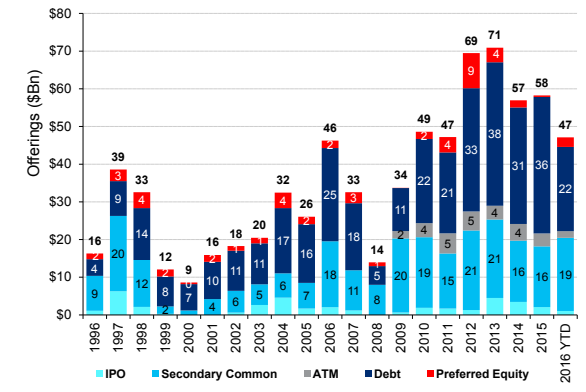
Source: Citi Research, FactSet and Company Reports

Figure 8. REIT Forward AFFO Multiples Are Above the S&P 500 P/E Multiple



Source: Citi Research and FactSet, Based on one year forward multiples

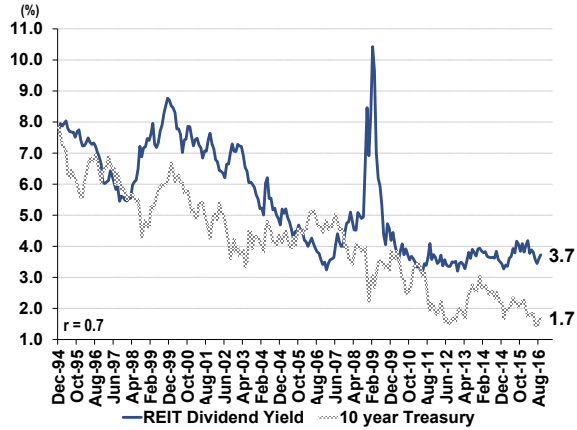
Figure 9. Historical REIT Capital Offerings By Year and By Type



Source: Citi Research

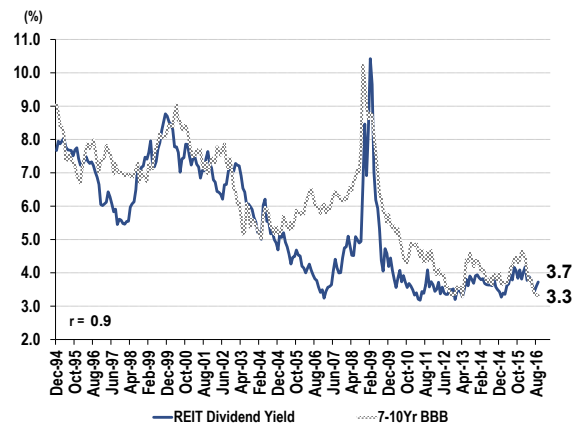
Dividend Yield Spreads

Figure 10. REIT Dividend Yield vs. 10-Year U.S. Treasury Yield



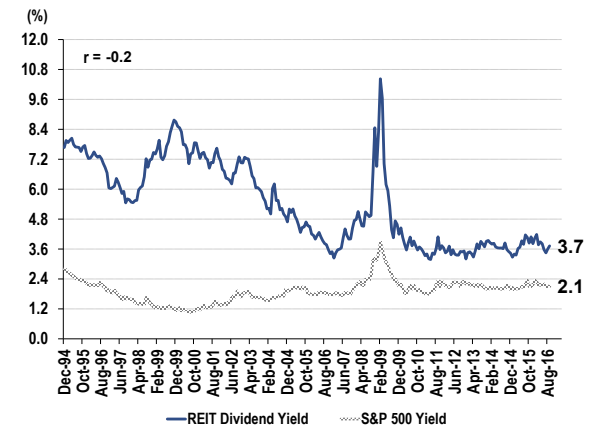
Source: Citi Research, FactSet, and YieldBook

Figure 11. REIT Dividend Yield vs. BBB Corporate Yield (7-10 Year)



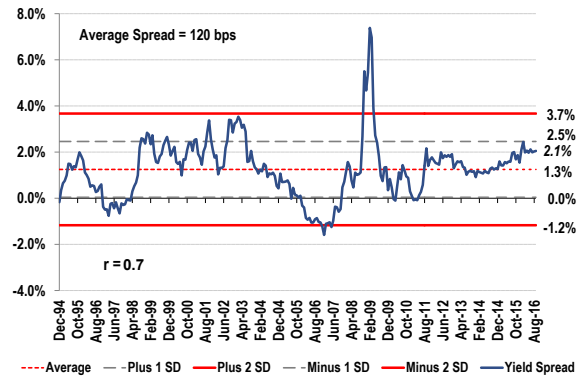
Source: Citi Research, FactSet, and YieldBook

Figure 12. REIT Dividend Yield vs. S&P 500 Yield



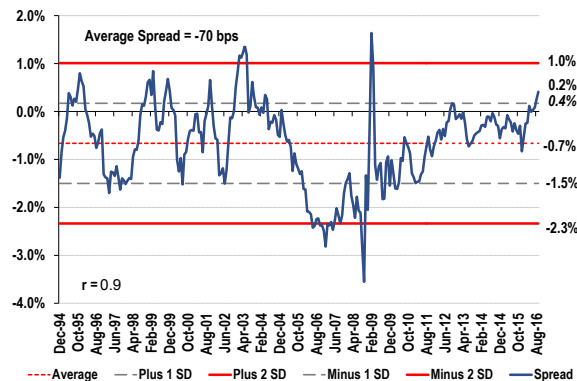
Source: Citi Research, FactSet, and YieldBook

Figure 13. Spread Between REIT Dividend Yield and 10-Year U.S. Treasury Yield



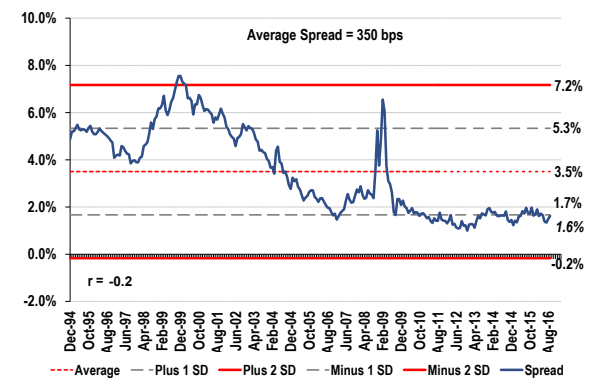
Source: Citi Research, FactSet, and YieldBook

Figure 14. Spread Between REIT Dividend Yield and BBB Corporate Yield (7-10 Year)



Source: Citi Research, FactSet, and YieldBook

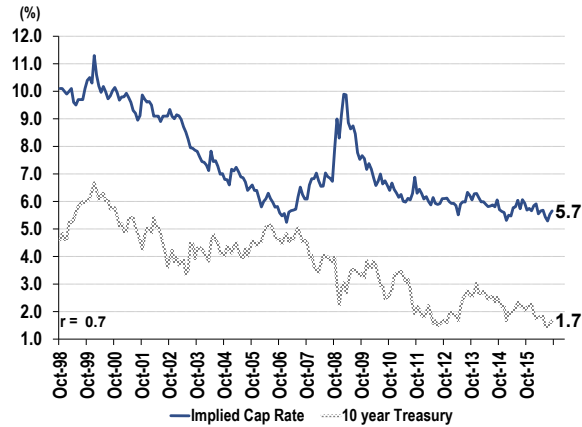
Figure 15. Spread Between REIT Dividend Yield and S&P 500 Yield



Source: Citi Research, FactSet, and YieldBook

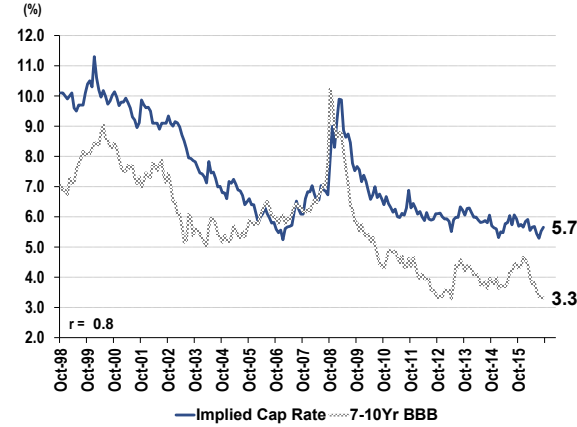
Implied Cap Rates Spreads

Figure 16. REIT Implied Cap Rate vs. 10-Year U.S. Treasury Yield



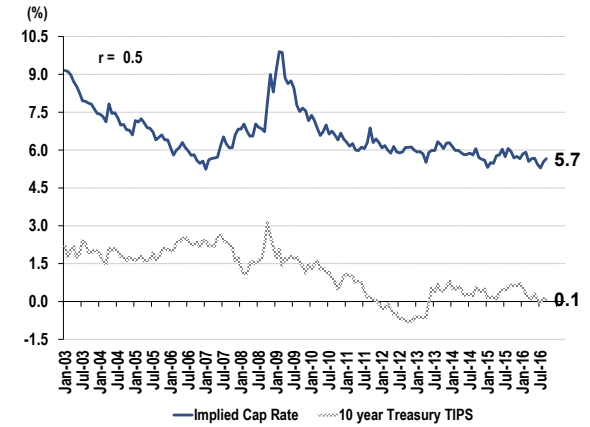
Source: Citi Research, FactSet, and YieldBook

Figure 17. REIT Implied Cap Rate vs. BBB Corporate Yield (7-10 Year)



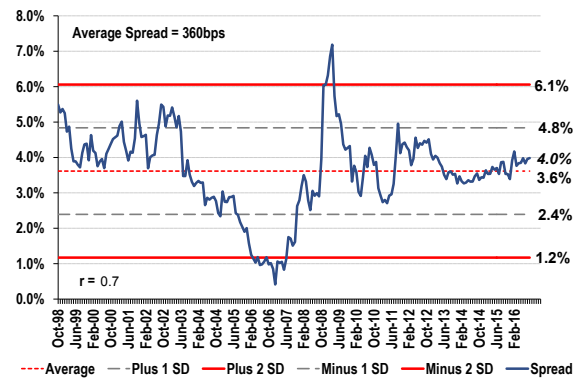
Source: Citi Research, FactSet, and YieldBook

Figure 18. REIT Implied Cap Rate vs. TIPS (10 Year)



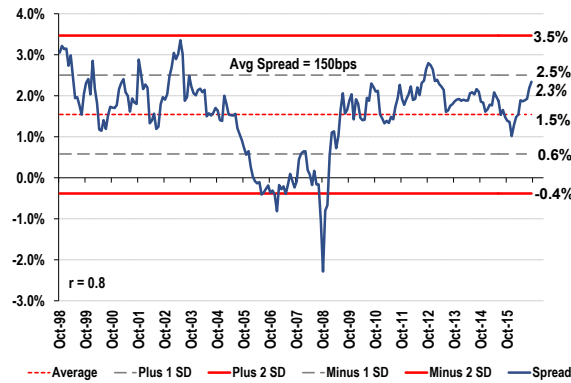
Source: Citi Research, FactSet, and YieldBook

Figure 19. Spread Between Implied Cap Rate vs. 10-Year U.S. Treasury



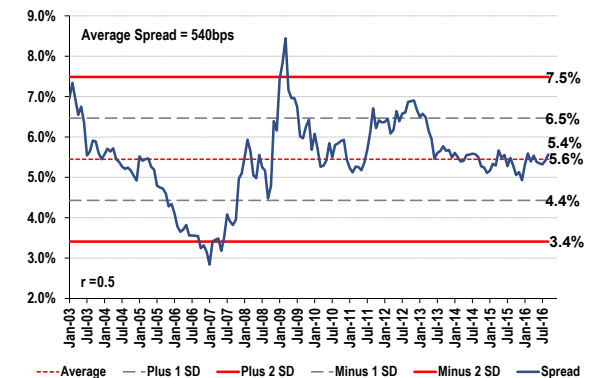
Source: Citi Research, FactSet, and YieldBook

Figure 20. Spread Between Implied Cap Rate vs. BBB Corporate Yield (7-10 Year)



Source: Citi Research, FactSet, and YieldBook

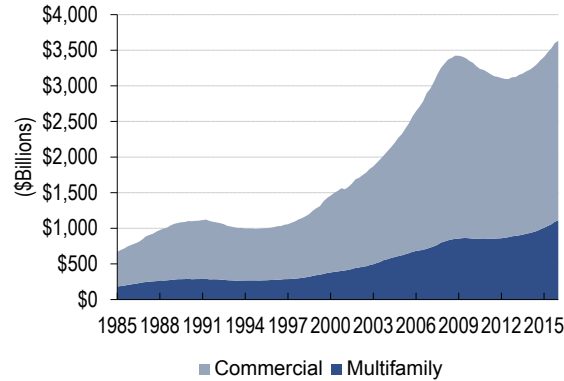
Figure 21. Spread Between Implied Cap Rate vs. TIPS (10 Year)



Source: Citi Research, FactSet, and YieldBook

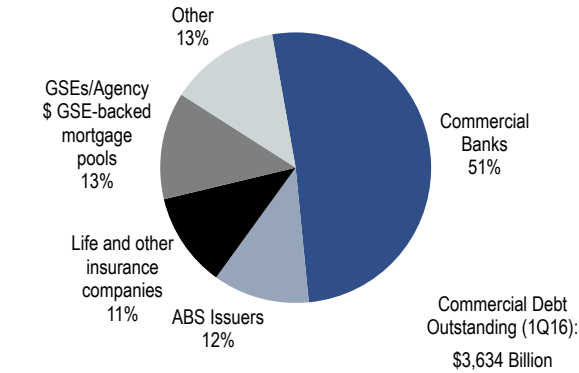
Outstanding Commercial Real Estate Mortgage Loans

Figure 22. Significant Growth in Commercial Real Estate Debt Outstanding



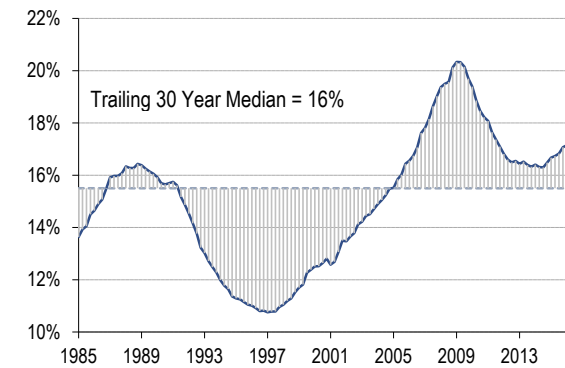
Source: Citi Research and Federal Reserve

Figure 23. Commercial Mortgage Debt Outstanding (as of 1Q16)



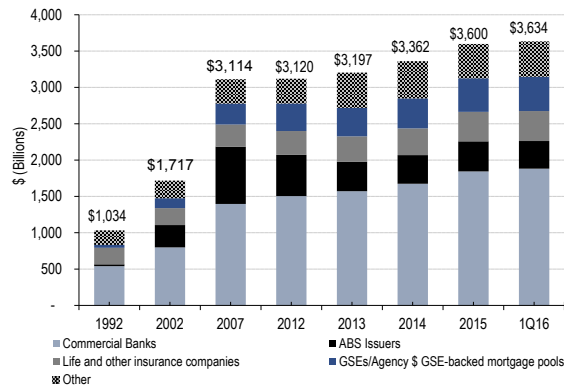
Source: Citi Research and Federal Reserve

Figure 24. Real Estate Debt as Percentage of GDP Remains Elevated



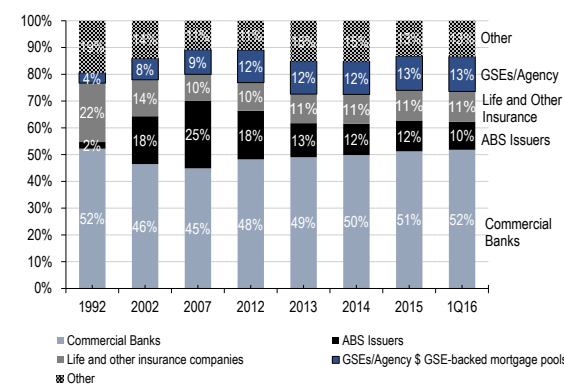
Source: Citi Research and Federal Reserve

Figure 25. Breakdown of Commercial Mortgage Loans (\$ Billions)



Source: Citi Research and Federal Reserve

Figure 26. Composition of Commercial Mortgage Debt Outstanding (%)



Source: Citi Research and Federal Reserve

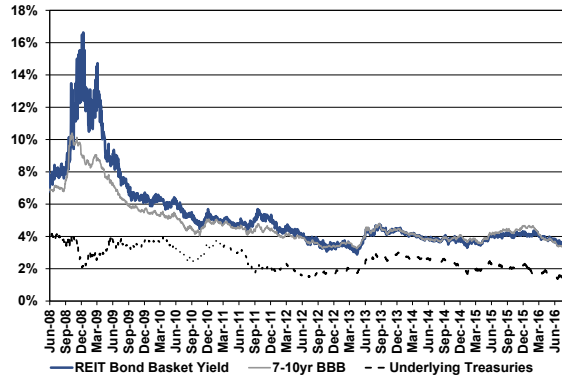
Figure 27. Composition of Commercial Mortgage Debt Outstanding (\$ Billion)

	1992	2002	2007	2012	2013	2014	2015	1Q16
Commercial Banks	\$106	\$94	\$168	\$260	\$289	\$327	\$379	\$389
ABS Issuers	7	59	125	80	71	68	62	57
Life and other insurance companies	27	37	48	51	54	56	61	62
Savings institutions	0	0	0	0	0	0	0	0
GSEs/Agency \$ GSE-backed mortg	40	136	287	380	391	413	461	472
Other	92	90	118	118	119	122	128	131
Multifamily Total	\$271	\$416	\$747	\$888	\$923	\$987	\$1,092	\$1,111
Commercial Banks	\$434	\$704	\$1,228	\$1,245	\$1,282	\$1,347	\$1,464	\$1,494
ABS Issuers	19	248	663	488	337	326	352	324
Life and other insurance companies	200	197	257	277	294	311	345	349
Savings institutions	0	0	0	0	0	0	0	0
GSEs/Agency \$ GSE-backed mortg	0	0	0	0	0	0	0	0
Other	109	152	218	223	367	391	346	356
Commercial Total	\$763	\$1,301	\$2,367	\$2,232	\$2,281	\$2,375	\$2,507	\$2,523
Commercial Banks	\$540	\$798	\$1,397	\$1,505	\$1,571	\$1,674	\$1,844	\$1,883
ABS Issuers	26	307	788	567	408	394	415	380
Life and other insurance companies	227	234	305	328	348	368	408	412
Savings institutions	0	0	0	0	0	0	0	0
GSEs/Agency \$ GSE-backed mortg	40	136	287	380	391	413	461	472
Other	201	242	336	341	486	512	474	487
Combined Total	\$1,034	\$1,717	\$3,114	\$3,120	\$3,204	\$3,362	\$3,599	\$3,634

Source: Citi Research and Federal Reserve

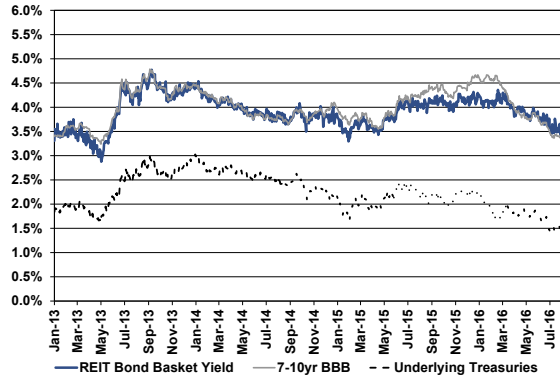
REIT Unsecured Debt and CDS Spreads

Figure 28. REIT Unsecured Debt Yields vs. BBB Corporate Yields and Underlying Treasuries (Since 2008)



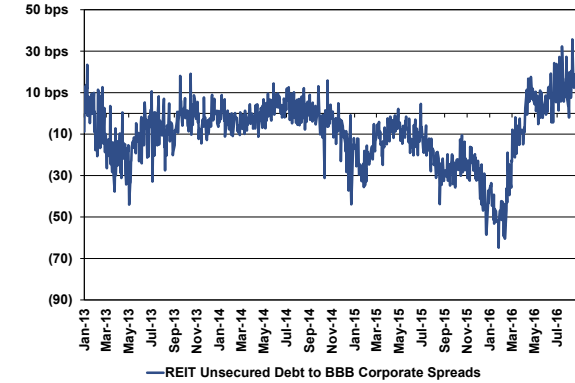
Source: Citi Research and Bloomberg

Figure 29. REIT Unsecured Debt Yields vs. BBB Corporate Yields and Underlying Treasuries (Since 2013)



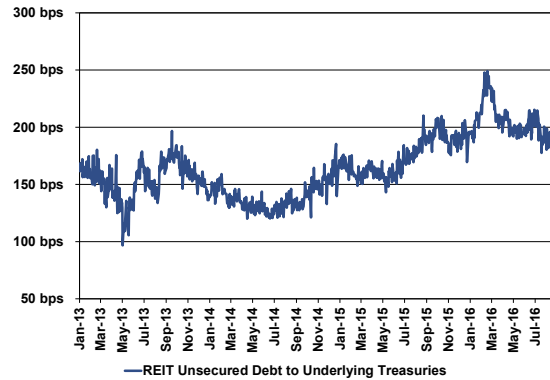
Source: Citi Research and Bloomberg

Figure 30. REIT Unsecured Debt Spreads to BBB Corporate Yields (Since 2013)



Source: Citi Research and Bloomberg

Figure 31. REIT Unsecured Debt Spreads to Underlying Treasuries (Since 2013)



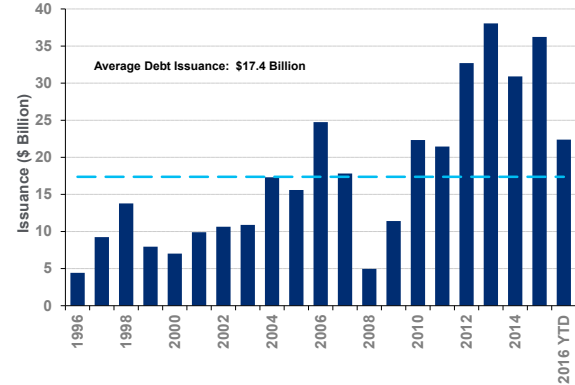
Source: Citi Research and Bloomberg

Figure 32. REIT CDS Spreads (5 Years)



Source: Citi Research and Bloomberg

Figure 33. Historical REIT Debt Issuance

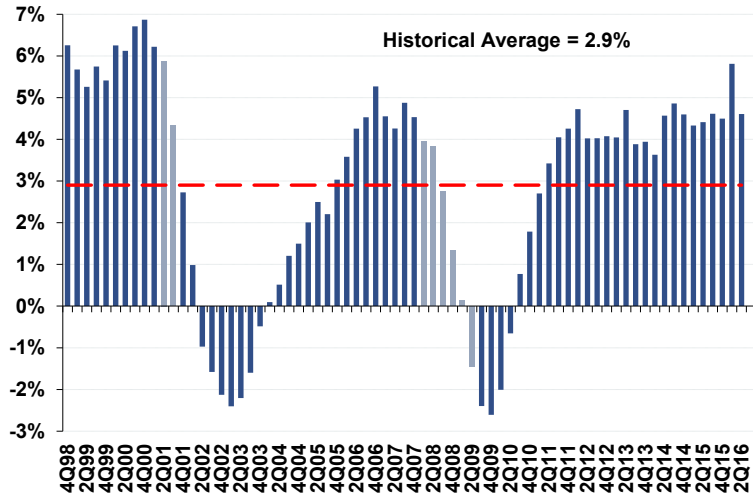


Source: Citi Research and SNL

Figures 28-32 Basket comprised of ~7-10 yr maturity notes issued by ACC, AEC, AMB, AMT, ARCP, ARE, AVB, AVIV, BMR, BRE, BRX, BXP, BXR, CBL, CLI, CONE, CPT, CUBE, CXP, CXW, DCT, DDR, DFT, DLR, DRE, EPR, EQIX, EQR, EQY, ESS, EXL, FCH, FRT, GEO, GLPI, HCN, HCP, HIW, HPT, HST, HTA, HTH, KIM, KRC, LPT, LRP, LRY, LXP, MAA, MPW, NNN, O, OFC, OHI, PDM, PLD, PST, QTS, REG, RHP, ROIC, RPT, SBRA, SIR, SKT, SLG, SNH, SPG, UDR, VNO, VTR, WPC, WRE and WRI.

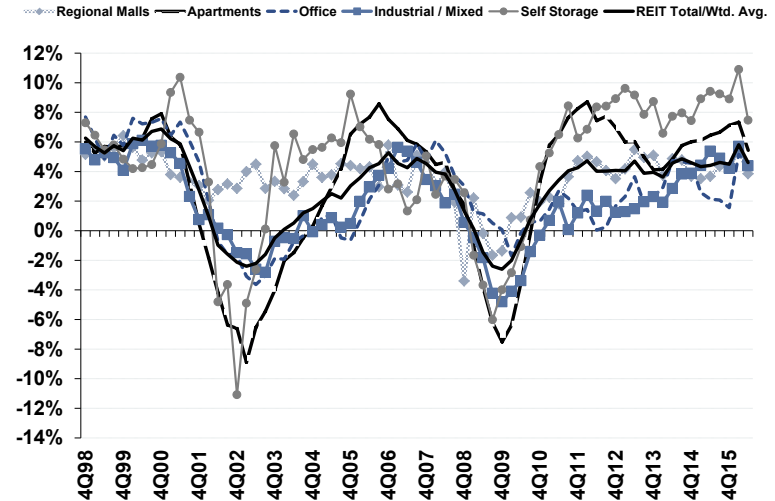
REIT Fundamentals – NOI Growth Positive

Figure 34. REIT Same-Store NOI Growth Remains Positive



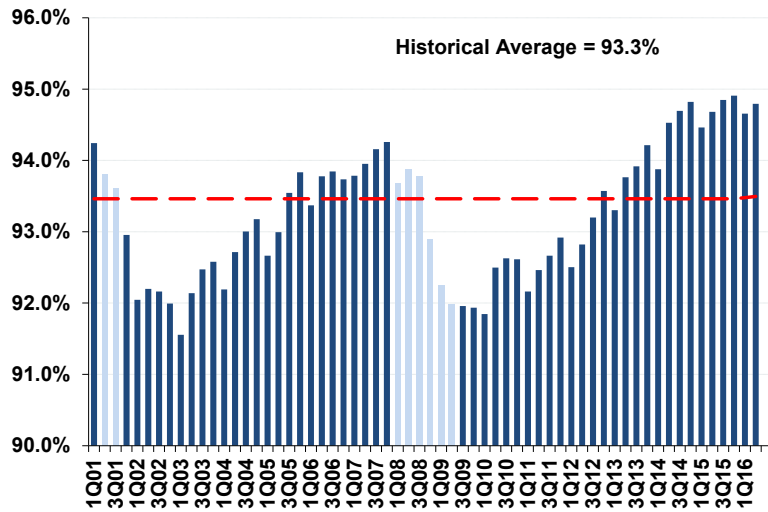
Source: Company Reports and Citi Research, as of 6/30/2016

Figure 35. Same Store NOI Improvement Has Been Broad Based Across Sectors



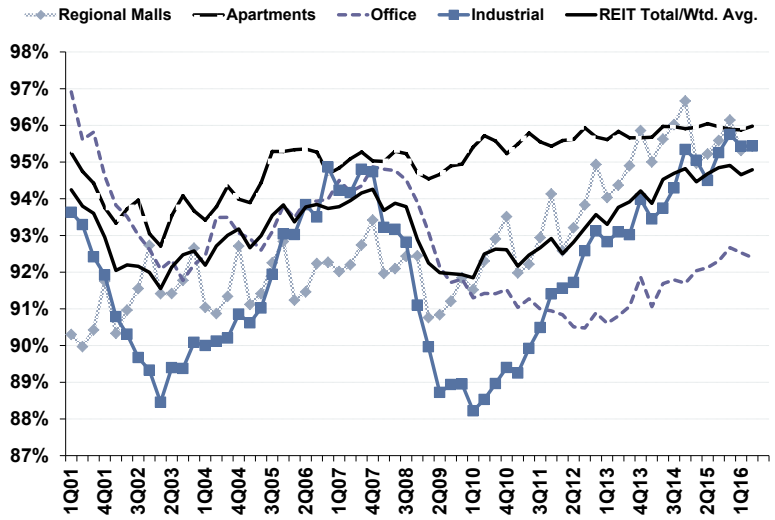
Source: Company Reports and Citi Research, as of 6/30/2016

Figure 36. REIT Occupancy is At Peak Levels



Source: Company Reports and Citi Research, as of 6/30/2016

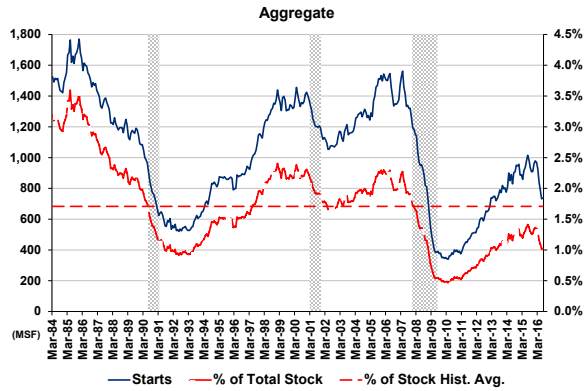
Figure 37. Most Sectors – Except Office – Are Above Their Pre-Recession Highs



Source: Company Reports and Citi Research, as of 6/30/2016

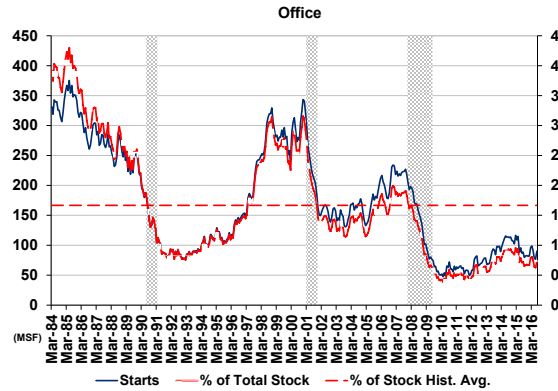
Construction Starts – New Supply Comes off the Bottom Led by Multifamily

Figure 38. Aggregate Construction Remains Low



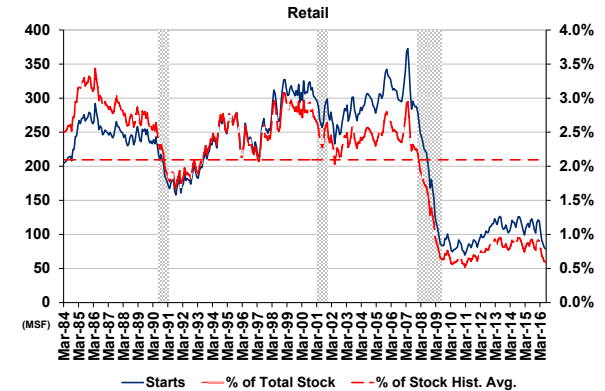
Source: CBRE and Citi Research

Figure 39. Office Sector Construction Starts (Annualized)



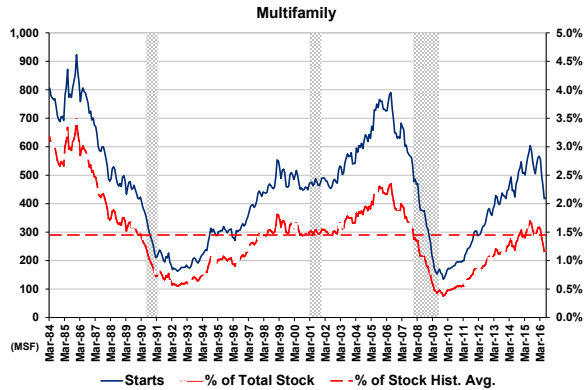
Source: CBRE and Citi Research

Figure 40. Retail Sector Construction Starts (Annualized)



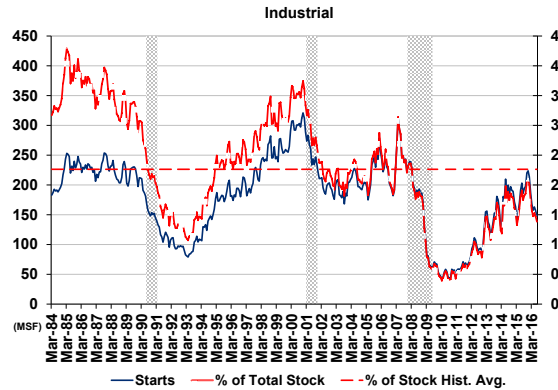
Source: CBRE and Citi Research

Figure 41. Multifamily Sector Construction Starts (Annualized)



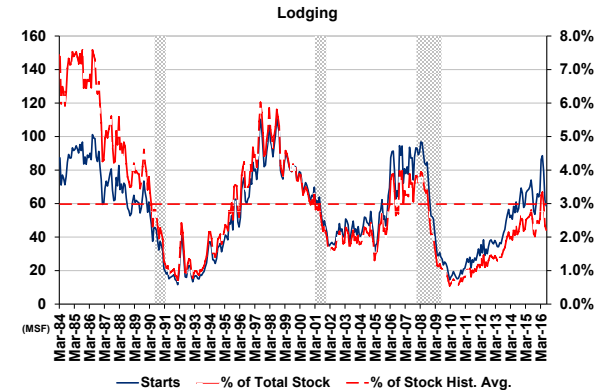
Source: CBRE and Citi Research

Figure 42. Industrial Sector Construction Starts (Annualized)



Source: CBRE and Citi Research

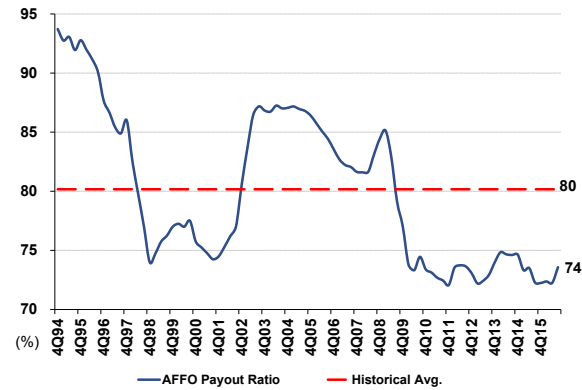
Figure 43. Lodging Sector Construction Starts (Annualized)



Source: CBRE and Citi Research

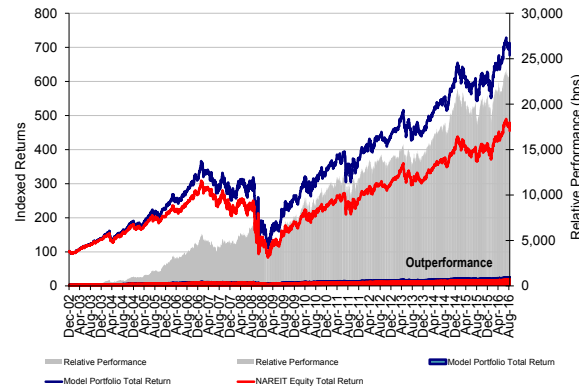
Dividend Payout Ratios At Lows, Short Interest Down and M&A Activity Up

Figure 44. Dividend Payout Ratios Near Historical Low



Source: Citi Research and Company Reports

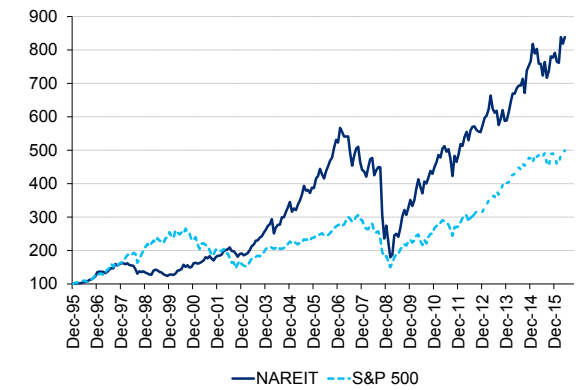
Figure 45. The Citi Model Portfolio (U.S. Only) Continues to Outperform the NAREIT Equity Index



Note: Past performance is no guarantee of future results. Returns are gross of management and transaction fees. A full history of changes to our portfolio is available upon request.

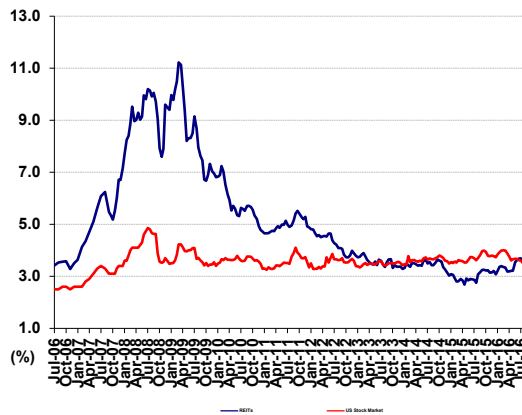
Source: Citi Research

Figure 46. REIT Returns vs. the S&P 500 Index



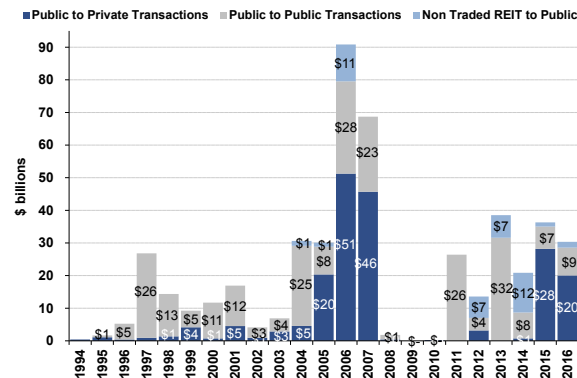
Source: Citi Research and Bloomberg

Figure 47. Short Interest to Shares Outstanding Ratio, July 30, 2006 to August 15, 2016



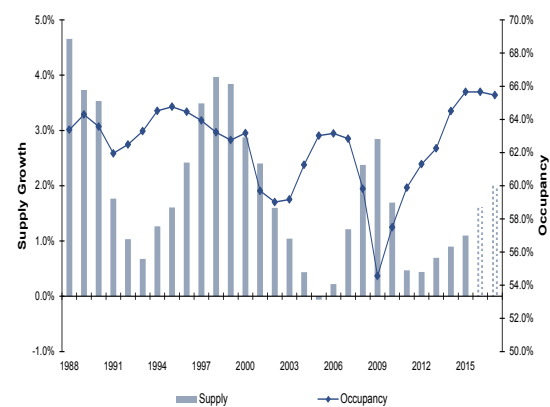
Source: Citi Research and Bloomberg

Figure 48. M&A Returned to REIT Sector in 2013, After Being Dormant Since Late 2007



Source: Citi Research and Company Reports

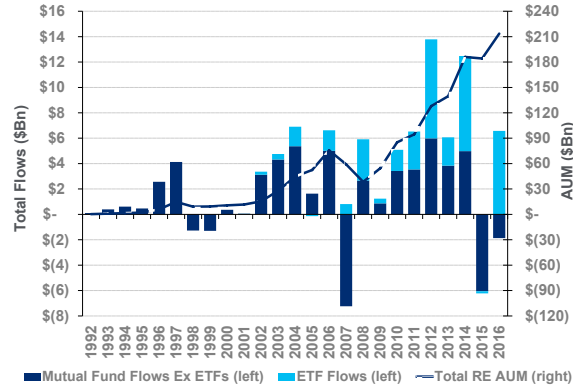
Figure 49. Lodging Supply Growth vs. Occupancy



Source: Citi Research and Smith Travel Research

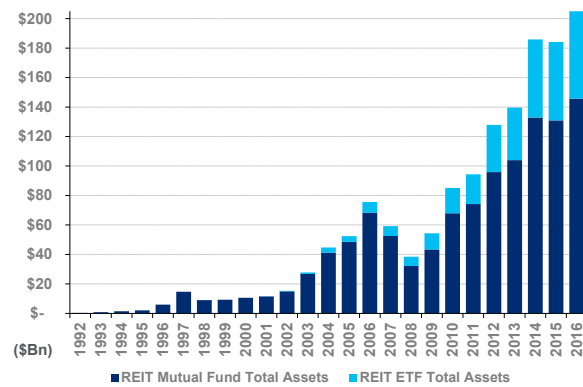
Mutual Fund Flow Pace Positive

Figure 50. U.S. Registered REIT Mutual Fund and ETF Total Assets Under Management



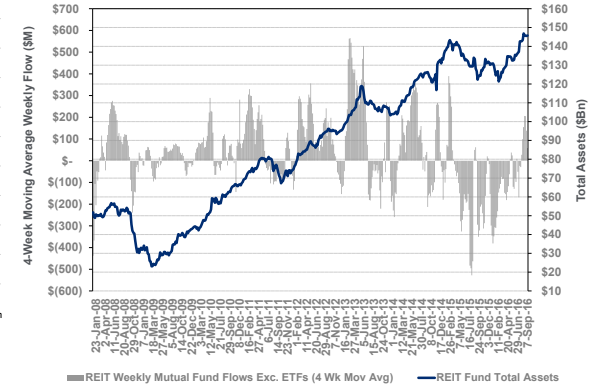
Source: Citi Research and Lipper as of 9/8/2016

Figure 51. U.S. Registered Annual REIT Mutual Fund and ETF Flows and Total Assets Under Management



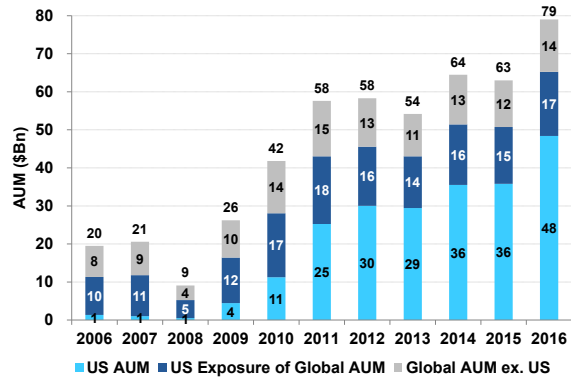
Source: Citi Research and Lipper as of 9/8/2016

Figure 52. Registered Weekly REIT Mutual Fund Flows and Total Assets Under Management



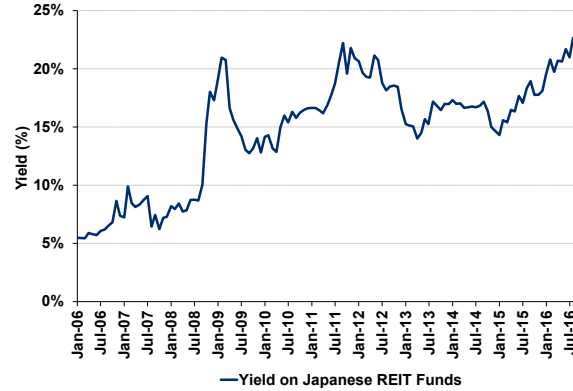
Source: Citi Research and Lipper as of 9/8/2016

Figure 53. Japanese Registered REIT Mutual Fund Total Assets Under Management



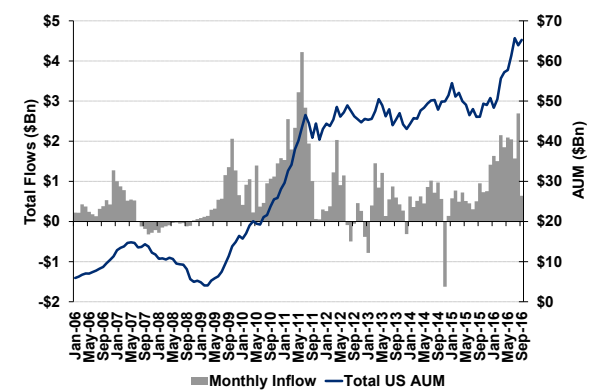
Source: Citi Research and Bloomberg

Figure 54. Japan Registered Mutual Funds Annualized Dividend Yield



Source: Citi Research and Bloomberg

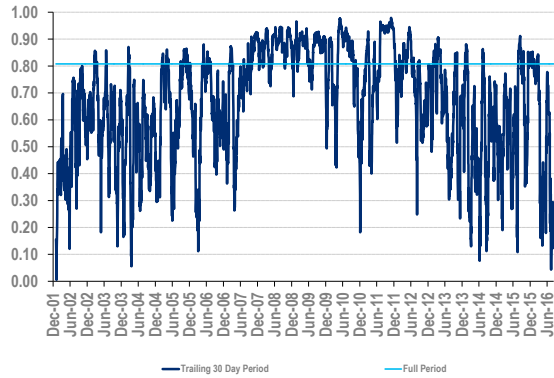
Figure 55. Japanese Registered Monthly REIT Mutual U.S. Fund Flows and Total Assets Under Management



Source: Citi Research and Bloomberg

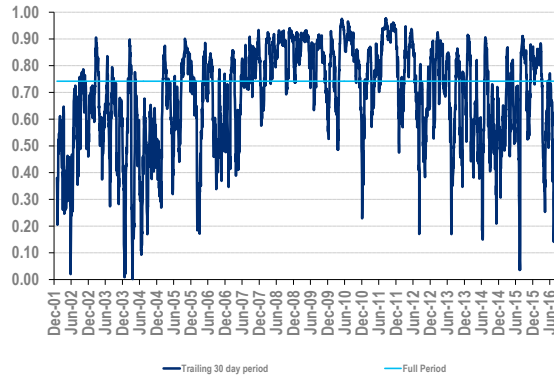
Correlations and Volatility Decline; Large Caps Reduce Their Weight

Figure 56. REITs Correlation with Financials Since December 2001



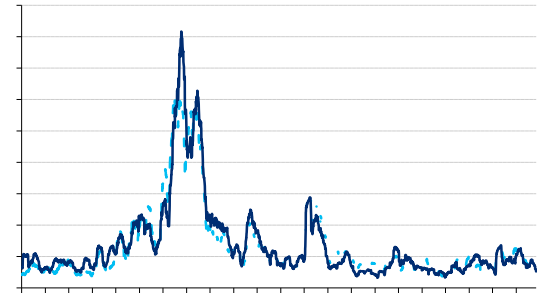
Source: Citi Research and FactSet

Figure 57. REITs Correlation with S&P 500 Since December 2001



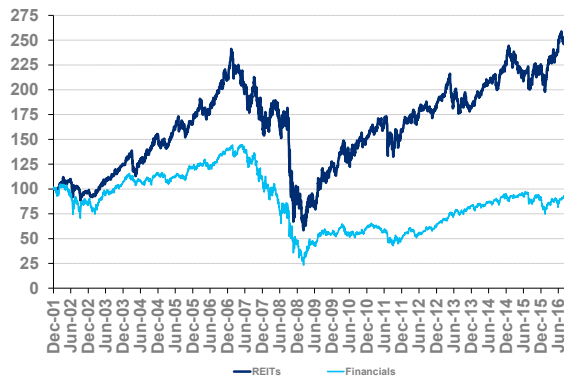
Source: Citi Research and FactSet

Figure 58. 30-Day Volatility for REITs and Financials



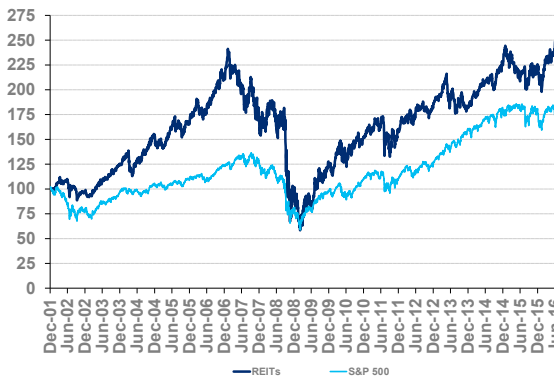
Source: Citi Research and Bloomberg

Figure 59. REITs vs. Financials – Since December 2001



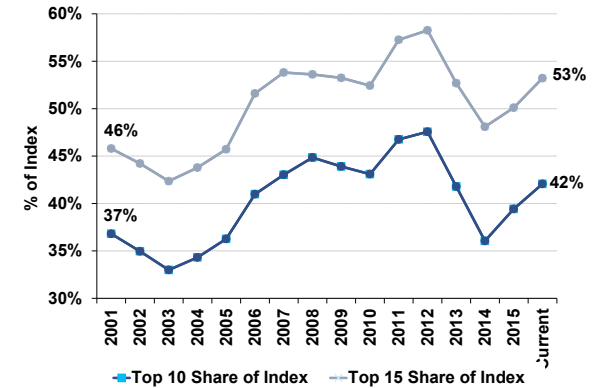
Source: Citi Research and FactSet

Figure 60. REITs vs. S&P 500 Performance – Since December 2001



Source: Citi Research and FactSet

Figure 61. Largest Companies Share of REITs Index



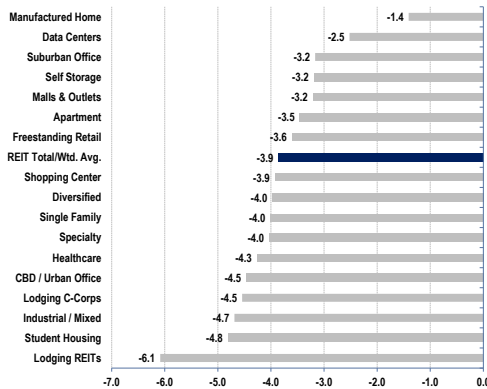
Source: Citi Research and Bloomberg

Figure 62. Most REIT Property Sectors Are Trading at Higher FFO Multiples Than Have Been Observed Historically

Property Sector	WTD	YTD	Div	2016E FFO		2016E AFFO		TEV/	Implied	Prem/	Model	REIT Index
	Price	Total		Growth	Multiple	Growth	Multiple	EBITDA	Cap	(Disc) to	Portfolio	
	Return	Return	Yield	(%)	(x)	(%)	(x)	Multiple	Rate	Spot NAV	Weight	Weight
	(%)	(%)	(%)	(%)	(x)	(%)	(x)	(x)	(%)	(%)	(%)	(%)
Apartment	(3.5)	(4.2)	3.2	3.1	19.5	3.7	22.3	20.9	5.3	(8.5)	12.1	11.7
Data Centers	(2.5)	26.7	2.7	11.7	22.4	7.2	20.2	20.4	6.3	13.0	7.4	6.3
Diversified	(4.0)	8.3	4.4	2.8	15.4	2.6	14.5	28.1	6.5	(19.5)	2.5	1.8
Freestanding Retail	(3.6)	26.7	4.7	4.4	16.1	5.5	15.7	18.2	5.4	34.1	4.5	7.6
Industrial / Mixed	(4.7)	25.1	3.3	10.3	19.8	7.9	24.7	19.4	5.3	6.7	9.1	7.2
CBD / Urban Office	(4.5)	6.0	2.4	5.4	19.5	2.3	34.8	20.3	5.1	(12.6)	12.8	9.5
Healthcare	(4.3)	16.7	5.1	1.5	14.7	4.7	16.1	17.8	6.1	12.1	10.7	12.9
Suburban Office	(3.2)	18.2	3.6	(3.3)	14.0	(5.1)	21.6	15.8	6.7	(2.0)	2.4	3.7
Lodging C-Corps	(4.5)	3.9	1.6	0.0	0.0	0.0	0.0	N/A	N/A	N/A	1.6	0.0
Lodging REITs	(6.1)	4.1	5.6	6.8	8.9	6.8	11.4	9.6	8.5	(24.3)	3.3	5.2
Malls & Outlets	(3.2)	8.7	3.3	7.6	17.6	9.7	20.8	19.9	5.3	(12.0)	15.6	12.9
Manufactured Home	(1.4)	15.8	2.7	5.6	22.0	3.2	25.3	23.4	4.9	15.6	1.8	1.3
Self Storage	(3.2)	(9.8)	3.5	11.7	21.5	12.3	22.5	22.3	4.9	6.9	6.8	6.1
Shopping Center	(3.9)	12.4	3.3	2.9	18.8	8.2	23.3	19.7	5.5	2.5	8.3	8.2
Single Family	(4.0)	29.1	1.8	22.0	20.4	42.4	25.3	33.4	N/A	7.3	0.0	0.7
Specialty	(4.0)	7.5	6.3	6.5	12.3	8.5	12.5	12.7	N/A	(53.9)	0.0	3.2
Student Housing	(4.8)	19.5	3.5	(3.1)	22.2	(2.4)	25.7	23.5	5.1	6.9	1.2	1.2
REIT Total/Wtd. Avg.	(3.9)	10.3	3.7	5.6	16.9	6.4	19.9	19.6	5.7	0.0	100	99

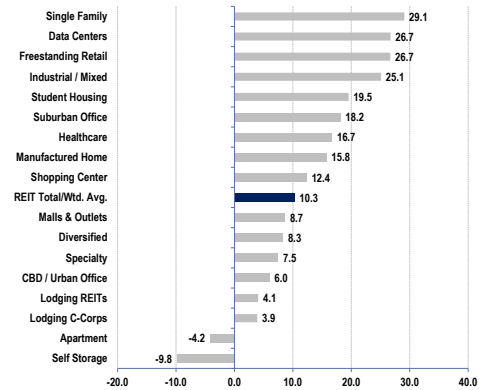
Source: Citi Research and FactSet

Figure 63. Week-to-Date Real Estate and Lodging Prices Returns (%)



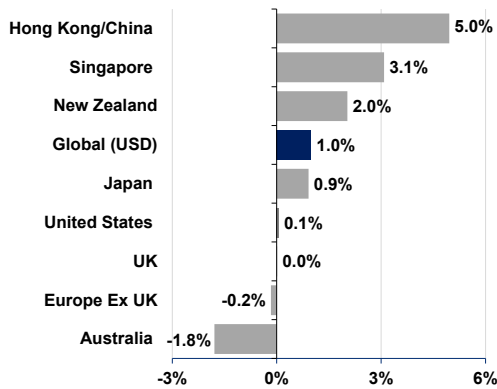
Source: Citi Research (9/8/2016)

Figure 64. Year-to-Date Real Estate and Lodging Total Return (%)



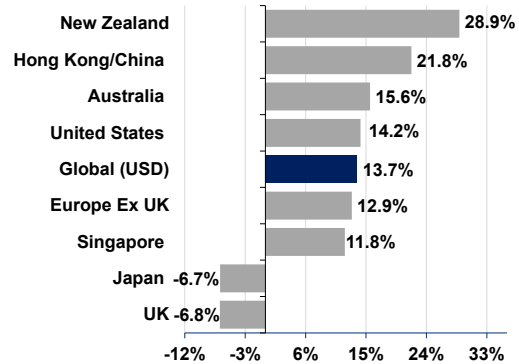
Source: Citi Research (9/8/2016)

Figure 65. Week-to-Date Global Real Estate Return (%)



Note: Total Returns calculated based on local currency; except for Global
Source: Bloomberg and Citi Research; performance as of 9/8/2016.

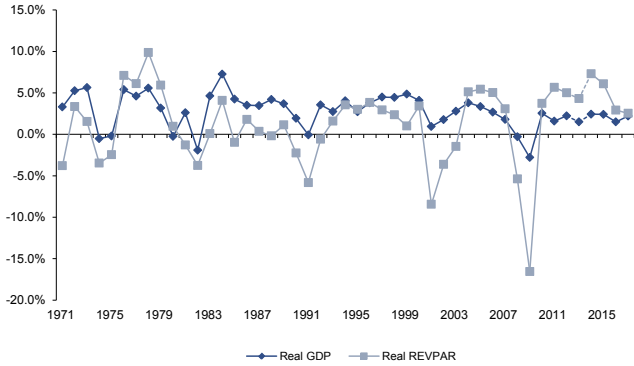
Figure 66. Year-to-Date Global Real Estate Returns (%)



Note: Total Returns calculated based on local currency; except for Global
Source: Bloomberg and Citi Research; performance as of 9/8/2016.

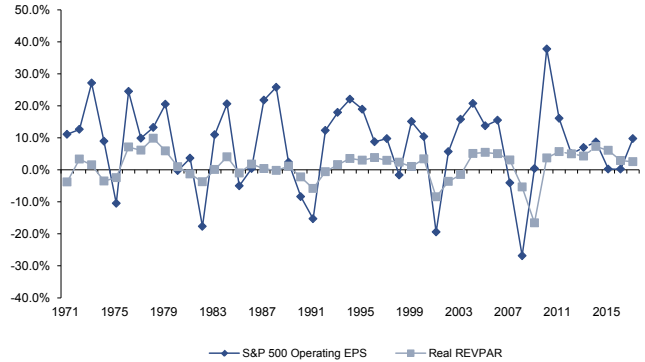
Lodging Industry Charts

Figure 67. US Real GDP vs. US Real REVPAR



Source: Citi Research, Smith Travel Research and Haver Analytics

Figure 68. S&P Operating EPS vs. US Real REVPAR



Source: Citi Research, Smith Travel Research and Haver Analytics

Figure 69. Citi Research Lodging Industry Forecasts

Year	Occupancy Rate	% Chg.	Room Rate % Chg.	RevPAR % Chg.	"Real" Rm Rate % Chg. (a)	"Real" RevPAR % Change	Annual Room Supply (Rooms 000's)	
							Total Rooms	% Chg.
1970-87 Average	66.9%	0.0%	7.7%	7.7%	1.7%	1.7%	---	---
1987	63.5	-0.5	3.6	4.1	-0.1	0.4	3,003	3.8%
1988	63.6	0.1	3.7	3.8	-0.3	-0.2	3,135	4.4%
1989	64.5	1.4	4.1	5.5	-0.3	1.1	3,245	3.5%
1990	63.8	-1.0	3.3	2.2	-1.2	-2.2	3,345	3.1%
1991	62.1	-2.7	0.2	-2.4	-3.3	-5.8	3,384	1.2%
1992	62.7	1.0	1.4	2.4	-1.5	-0.6	3,412	0.8%
1993	63.6	1.4	2.4	3.8	0.2	1.6	3,444	0.9%
1994	64.7	1.8	3.7	5.7	1.6	3.5	3,491	1.3%
1995	65.0	0.4	4.8	5.3	2.6	3.0	3,554	1.8%
1996	64.8	-0.3	6.4	6.1	4.2	3.8	3,661	3.0%
1997	64.2	-0.7	5.8	4.9	3.8	2.9	3,806	4.0%
1998	63.4	-1.3	4.5	3.2	3.5	2.4	3,956	3.9%
1999	63.0	-0.7	3.5	2.6	1.8	1.0	4,092	3.4%
2000	63.4	0.8	5.3	6.0	2.7	3.4	4,203	2.7%
2001	60.0	-5.6	-1.5	-7.0	-3.4	-8.4	4,285	2.0%
2002	59.3	-1.2	-1.5	-2.7	-2.6	-3.6	4,349	1.5%
2003	59.4	0.3	0.2	0.5	-1.8	-1.5	4,383	0.8%
2004	61.5	3.5	4.2	7.8	1.5	5.1	4,385	0.0%
2005	63.3	2.9	5.6	8.6	2.5	5.4	4,378	-0.2%
2006	63.4	0.3	7.6	7.9	4.7	5.0	4,412	0.8%
2007	63.1	-0.5	6.4	5.8	3.6	3.1	4,486	1.7%
2008	60.0	-5.0	2.9	-2.2	-0.5	-5.4	4,623	3.1%
2009	54.7	-8.8	-8.4	-16.4	-8.6	-16.6	4,743	2.6%
2010	57.8	5.6	-0.2	5.4	-1.8	3.7	4,783	0.8%
2011	60.3	4.5	3.7	8.3	1.2	5.7	4,806	0.5%
2012	61.9	2.6	4.2	6.8	2.4	5.0	4,816	0.5%
2013	62.9	1.7	3.8	5.5	2.6	4.3	4,940	0.7%
2014	65.2	3.6	4.4	8.2	3.5	7.3	4,979	0.9%
2015	66.3	1.8	4.4	6.3	4.2	6.1	5,033	1.1%
2016E	66.4	0.0	3.2	3.2	2.9	2.9	5,114	(b) 1.6%
2017E	66.2	-0.3	3.1	2.8	2.8	2.5	5,216	(b) 2.0%

Notes: Historical data before 1990 from the now-defunct Laventhal firm and data since 1990 are from Smith Travel Research; but 1987-1990 data are "transition" years, averaging the two sources.

(a) Deflated by the personal consumption deflator.

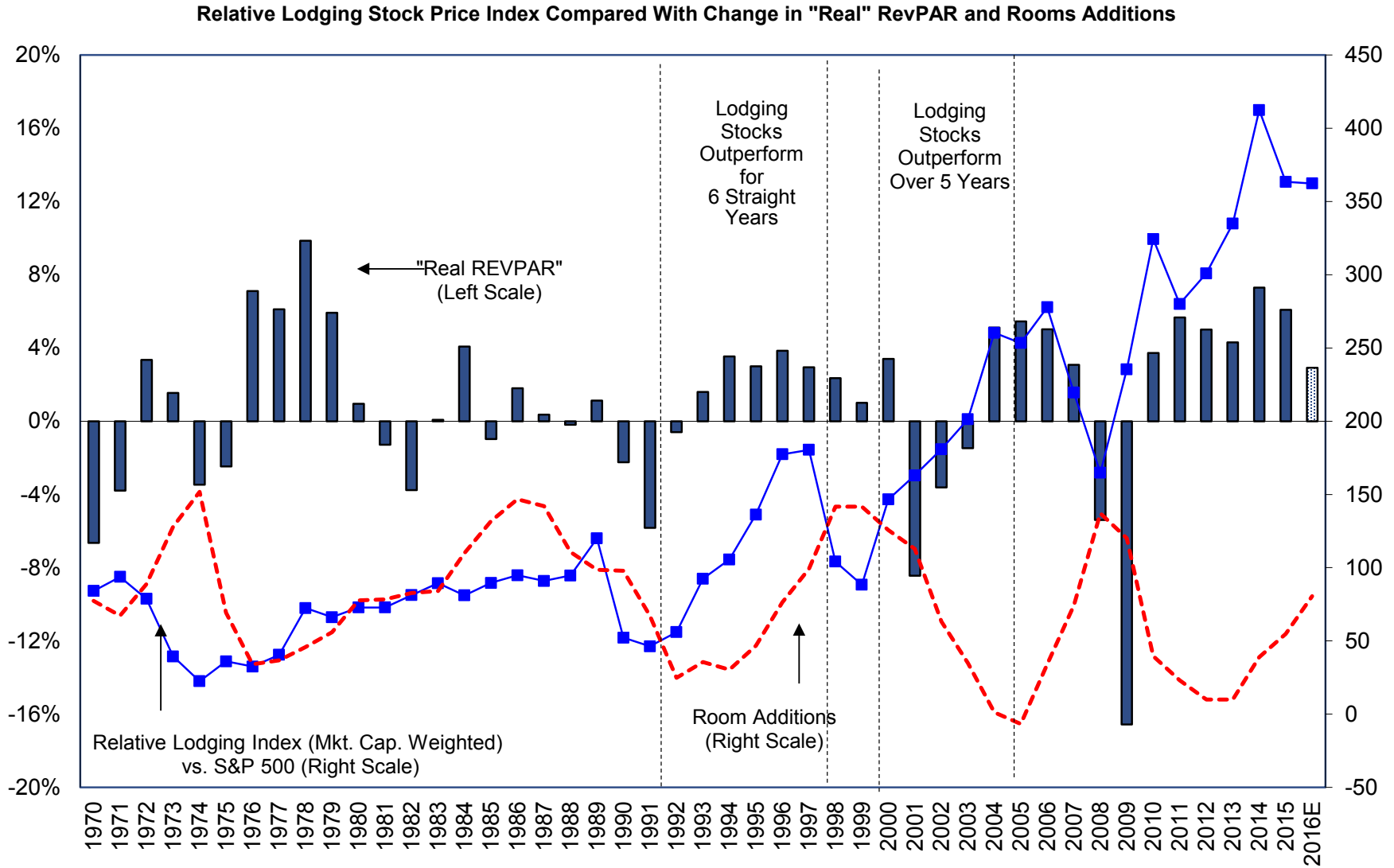
(b) Smith Travel Research forecasts for 2016E and 2017E.

(c) Room supply is total rooms at year end. Supply growth measures the yr/yr change in room nights available, which adjusts for openings throughout the year.

Source: Smith Travel Research and Citi Investment Research & Analysis estimates.

Source: Citi Research and Smith Travel Research

Figure 70. Relative Lodging Stock Price Performance vs. Changes in Real REVPAR and Room Additions



Stock index data is through August 31, 2016

Source: Citi Research and Smith Travel Research

Recommended Lists for Investment Strategies – Blue Chip, Mid Cap, Small Cap and Yield

Citi Research Blue Chip List

Company Name	Ticker	Rating	9/9/2016 Price	Spot NAV	Implied Cap Rate	Prem/(Disc) to Spot NAV	Price Change		YTD		Div. Yield	16 AFFO Payout Ratio	2016E FFO		2016E AFFO		TEV/EBITDA Mult.	Debt/GAV	Fixed Cov. Ratio	Public Float	2Q16 SS NOI	Model Port Weight	REIT Index Weight
							WTD	QTD	Total Return	Return			Growth	Mult.	Growth	Mult.							
AvalonBay	AVB	2	169.69	182.81	5.0	(7.2)	(3.3)	(5.9)	(6.4)	3.2	75	8.6	20.7	11.0	23.6	23.6	21	4.3	23,267	5.0	4.5	2.8	
Boston Prop.	BXP	1	135.22	149.68	4.8	(9.7)	(5.0)	2.5	7.0	1.9	60	11.0	22.7	17.6	31.1	18.7	28	3.4	20,780	4.7	3.9	2.5	
Essex Property	ESS	2	219.97	237.15	4.9	(7.2)	(2.6)	(3.6)	(6.8)	2.9	65	12.3	20.0	13.8	22.2	22.3	28	4.2	14,403	8.2	2.7	1.7	
Extra Space Storage	EXR	2	79.92	72.43	4.8	10.3	(2.4)	(13.6)	(7.8)	3.9	89	20.2	21.3	21.5	22.8	25.9	29	4.8	10,009	9.4	1.5	1.1	
General Growth	GGP	1	28.11	35.67	5.4	(21.2)	(4.0)	(5.7)	4.7	2.8	58	6.4	18.4	7.9	20.5	22.0	36	2.6	26,769	4.0	3.5	1.7	
Host Hotels & Resorts	HST	1	16.20	21.91	9.2	(26.1)	(7.0)	(0.1)	8.2	4.9	62	7.0	9.8	8.0	12.5	11.4	18	8.4	11,999	N/A	2.3	1.5	
Kimco Realty	KIM	2	28.96	28.85	5.6	0.4	(4.0)	(7.7)	11.4	3.5	88	(12.6)	21.3	4.5	24.9	19.8	32	2.9	12,163	3.1	1.5	1.5	
Simon Property	SPG	1	209.90	229.35	4.8	(8.5)	(3.1)	(3.2)	10.4	3.1	68	10.0	19.4	11.3	21.7	20.6	26	4.0	65,404	3.2	10.2	8.0	
SL Green	SLG	1	111.00	135.62	4.9	(18.2)	(4.9)	4.3	(0.5)	2.6	64	29.6	13.4	37.9	24.8	16.9	39	2.7	11,104	6.5	3.3	1.4	
Ventas	VTR	2	68.86	62.89	5.8	9.5	(6.2)	(5.4)	24.6	4.2	77	N/A	16.7	N/A	18.1	19.0	35	4.4	23,689	3.5	3.9	3.0	
Vornado Realty	VNO	1	99.45	126.53	5.7	(21.4)	(4.1)	(0.7)	1.4	2.5	156	(10.3)	20.4	(22.6)	61.5	21.6	27	2.4	20,065	3.9	3.3	2.0	
Blue Chip/Wtd. Avg.					5.3	(9.2)	(4.1)	(3.5)	6.1	3.2	76	7.8	19.0	9.8	25.5	20.5	29	3.9	239,654	4.5	40.4	27.3	
Blue Chip/Str. Avg.					5.5	(9.0)	(4.2)	(3.6)	4.2	3.2	78	8.2	18.5	11.1	25.8	20.2	29	4.0	239,654	5.2			
REIT Total/Wtd. Avg.					5.7	0.0	(3.9)	(3.3)	10.3	3.7	76	5.6	16.9	6.4	19.9	19.6	33	3.9	860,476	4.5			

Citi Research REIT Mid Cap List

Company Name	Ticker	Rating	Price	Spot NAV	Implied Cap Rate	Prem/(Disc) to Spot NAV	Price Change		YTD		Div. Yield	16 AFFO Payout Ratio	2016E FFO		2016E AFFO		TEV/EBITDA Mult.	Debt/GAV	Fixed Cov. Ratio	Public Float	2Q16 SS NOI	Model Port Weight	REIT Index Weight
							WTD	QTD	Total Return	Return			Growth	Mult.	Growth	Mult.							
AIMCO	AIV	2	43.83	46.26	5.6	(5.3)	(4.3)	(0.7)	12.0	3.0	66	5.4	18.7	6.6	22.0	19.1	33	2.6	6,848	4.1	2.2	0.8	
Alexandria R.E.	ARE	2	106.31	106.79	5.3	(0.4)	(5.0)	2.7	19.4	3.0	99	4.6	19.3	(27.6)	32.8	23.8	32	2.9	8,940	6.4	1.5	1.0	
American Campus	ACC	2	48.57	45.11	5.1	7.7	(4.7)	(8.1)	20.5	3.5	86	(3.6)	21.4	(3.6)	24.8	22.3	29	4.2	6,336	2.5	1.2	0.8	
Duke Realty	DRE	2	26.77	23.70	5.1	12.9	(5.4)	0.4	29.9	2.7	70	10.0	22.3	(13.9)	26.1	22.6	29	3.2	9,562	3.5	2.2	1.1	
Forest City Realty Trust	FCE.A	1	23.05	30.49	6.5	(24.4)	(4.2)	3.3	6.4	1.0	N/A	2.7	16.5	1.3	26.9	17.7	40	2.9	6,145	4.3	2.5	0.7	
Kilroy Realty	KRC	2	69.18	80.19	5.5	(13.7)	(4.4)	4.4	10.5	2.2	81	0.3	20.3	12.4	37.6	21.3	20	2.8	6,382	12.4	0.8	0.8	
Life Storage	LSI	1	91.17	100.68	6.4	(9.4)	(0.8)	(13.1)	(12.5)	4.2	76	8.2	17.1	13.6	18.2	17.8	26	5.8	4,227	6.8	1.5	0.5	
Sun Comm	SUI	1	76.60	70.25	5.3	9.0	(0.6)	(0.1)	13.7	3.4	81	1.8	20.4	(4.5)	23.8	23.9	39	2.9	5,175	6.9	1.8	0.6	
REIT Mid Cap/Wtd. Avg.					5.5	(1.8)	(4.0)	(0.7)	14.8	2.8	80	4.0	19.8	(4.4)	27.2	21.3	32	3.3	53,616	5.7	13.6	6.3	
REIT Mid Cap/Str. Avg.					5.6	(3.0)	(3.7)	(1.4)	12.5	2.9	80	3.7	19.5	(1.9)	26.5	21.0	31	3.4	53,616	5.9			
REIT Total/Wtd. Avg.*					5.7	0.0	(3.9)	(3.3)	10.3	3.7	76	5.6	16.9	6.4	19.9	19.6	33	3.9	860,476	4.5			

Citi Research Small Cap List

Company Name	Ticker	Rating	Price	Spot NAV	Implied Cap Rate	Prem/(Disc) to Spot NAV	Price Change		YTD		Div. Yield	16 AFFO Payout Ratio	2016E FFO		2016E AFFO		TEV/EBITDA Mult.	Debt/GAV	Fixed Cov. Ratio	Public Float	2Q16 SS NOI	Model Port Weight	REIT Index Weight
							WTD	QTD	Total Return	Return			Growth	Mult.	Growth	Mult.							
Acadia Realty	AKR	1	36.09	34.38	4.4	5.0	(2.4)	1.6	10.4	2.8	78	1.7	22.8	5.2	28.2	25.2	24	4.9	2,699	2.3	1.1	0.3	
DuPont Fabros Tech.	DFT	2	42.96	42.74	7.1	0.5	(0.1)	(9.6)	38.1	4.4	66	13.4	15.4	11.0	15.1	19.4	23	3.3	3,246	N/A	0.9	0.4	
EastGroup Prop.	EGP	1	70.62	71.27	5.6	(0.9)	(5.4)	2.5	29.1	3.5	75	8.7	17.7	8.0	21.4	20.4	29	3.9	2,323	2.6	1.5	0.3	
Kite Realty Group	KRG	1	27.96	30.05	6.3	(6.9)	(3.5)	(0.2)	11.1	4.1	66	3.7	13.5	1.7	16.1	17.4	40	3.4	2,331	3.6	0.9	0.3	
Mack-Cali Realty	CLI	1	27.73	30.11	7.2	(7.9)	(2.8)	2.7	20.7	2.2	53	12.7	13.1	0.4	24.4	18.7	46	2.3	2,486	7.7	1.7	0.3	
Retail Prop. of America	RPAL	1	16.63	18.61	6.8	(10.6)	(3.0)	(1.6)	14.8	4.0	85	(0.2)	15.7	(3.6)	21.3	16.8	34	3.1	3,041	4.2	2.0	0.5	
Life Storage	LSI	1	91.17	100.68	6.4	(9.4)	(0.8)	(13.1)	(12.5)	4.2	76	8.2	17.1	13.6	18.2	17.8	26	5.8	4,227	6.8	1.5	0.5	
Small Cap/Wtd. Avg.					6.3	(4.7)	(2.3)	(3.7)	14.2	3.7	72	7.0	16.6	5.9	20.4	19.3	31	4.0	20,353	4.8	9.6	2.6	
Small Cap/Str. Avg.					6.2	(4.3)	(2.6)	(2.5)	16.0	3.6	71	6.9	16.5	5.2	20.7	19.4	32	3.8	20,353	4.5			
REIT Total/Wtd. Avg.*					5.7	0.0	(3.9)	(3.3)	10.3	3.7	76	5.6	16.9	6.4	19.9	19.6	33	3.9	860,476	4.5			

Citi Research Yield List

Company Name	Ticker	Rating	Price	Spot NAV	Implied Cap Rate	Prem/(Disc) to Spot NAV	Price Change		YTD		Div. Yield	16 AFFO Payout Ratio	2016E FFO		2016E AFFO		TEV/EBITDA Mult.	Debt/GAV	Fixed Cov. Ratio	Public Float	2Q16 SS NOI	Model Port Weight	REIT Index Weight
							WTD	QTD	Total Return	Return			Growth	Mult.	Growth	Mult.							
Easterly Government Prop.	DEA	2	19.10	18.43	5.2	3.6	(2.4)	(3.2)	15.1	4.8	82	N/A	15.3	N/A	17.1	26.2	19	6.9	644	0.0	0.1	0.0	
EPR Properties	EPR	2	76.60	57.29	5.9	33.7	(3.7)	(5.1)	35.4	5.0	83	6.3	16.2	8.6	16.5	18.6	35	3.5	4,874	N/A	2.2	0.6	
LaSalle Hotel	LHO	2	25.16	33.02	9.0	(23.8)	(6.2)	6.7	3.6	7.2	73	3.3	8.6	0.9	10.3	11.2	22	6.1	2,850	N/A	1.0	0.3	
Liberty Prop.	LPT	2	39.87	39.34	6.5	1.4	(4.7)	0.4	31.5	4.8	110	(13.6)	17.2	(3.1)	22.9	16.5	29	3.4	5,845	2.6	1.9	0.7	
Retail Prop. of America	RPAL	1	16.63	18.61	6.8	(10.6)	(3.0)	(1.6)	14.8	4.0	85	(0.2)	15.7	(3.6)	21.3	16.8	34	3.1	3,041	4.2	2.0	0.5	
Welltower Inc.	HCN	2	73.75	69.33	6.1	6.4	(3.8)	(3.2)	12.2	4.7	86	3.7	16.2	4.5	18.4	18.2	33	3.6	26,468	3.3	4.8	3.2	
Yield/Wtd. Avg.					6.4	5.6	(4.0)	(2.2)	17.0	4.8	88	1.3	15.8	3.1	18.5	17.6	32	3.7	43,721	3.2	12.0	5.4	
Yield/Str. Avg.					6.6	1.8	(4.0)	(1.0)	18.8	5.1	87	(0.1)	14.8	1.5	17.7	17.9	29	4.4	43,721	2.5			
REIT Total/Wtd. Avg.*					5.7	0.0	(3.9)	(3.3)	10.3	3.7	76	5.6	16.9	6.4	19.9	19.6	33	3.9	860,476	4.5			

* Year-to-date and week-to-date total return pursuant to NAREIT Equity Total Return Index.

Note: Total return of the blue chip, small cap and yield lists represents the returns of the stocks recommended throughout the year, not just the stocks currently on the lists.

Source: Citi Research

Welcome to *theHunter*

We began publishing our Weekly REIT Strategy in 1995, with the compilation of REIT industry statistical data as one of its cornerstones. We have continually adapted our REIT industry comparative valuation analysis, *theHunter*, since then to capture key valuation parameters and the needs of a broadening investor base.

We distribute a new electronic version of *theHunter* each day after the market close with that day's closing prices. (For the Friday market close, we send *theHunter* out Monday morning.) We update data points in *theHunter* throughout the week as they become available.

theHunter tracks over 150 property and lodging companies with a total float of ~\$860 billion and a total market cap of over \$1 trillion.

We segment these companies into 17 sectors by property type: malls & outlets, shopping centers, free standing retail (triple net lease), apartments, manufactured housing, student housing, single family, self-storage, office, industrial, mixed office/industrial, lab office, data centers, healthcare, diversified, lodging REITs and lodging c-corps.

The companies we cover are printed in bold face type. We want *theHunter* to be useful for you, so please let us know how we can improve it for your needs. As always, happy Hunting!

We divide *theHunter* into two sections: *theHunter* Set I and *theHunter* Set II.

theHunter Set I contains company name, ticker, rating, and price performance data.

Set I also features valuation measures and earnings estimates including FFO, AFFO, and historical FFO multiples.

theHunter Set II features quarterly balance sheet, income statement, AFFO adjustment, and historical FFO multiples.

theHunter Set I

theHunter Set I features the following data:

- Current rating, weightings in our Citi Research Model REIT Portfolio and the Bloomberg REIT Index, current and historical price performance, dividend yield, total return performance year to date; TEV/EBITDA multiples, implied values per square foot, and implied cap rates;
- Estimates of funds from operations (FFO), including growth rates, the price-to-FFO multiple, the current sector average and historical sector average, and multiple premium/discount percentage;
- Estimates of adjusted funds from operations (AFFO), net asset value (NAV), and cumulative average growth rates, as well as a summary of balance sheet data. We note consensus AFFO and NAV estimates for uncovered companies are from SNL.

theHunter Set II

theHunter Set II features data from the quarterly balance sheet, income statement AFFO adjustments, historical FFO multiples, NAV, dividend and volume data, the FFO multiple-to-growth ratio, and space expiring this year.

theHunter Set I

Citi Research—theHunter Set I										Funds From Operations (FFO)								Implied			Prem/
Ranked by 2017E FFO Multiple										Growth				Multiple				TEV/	Value /	Cap	(Disc)
Company	Rating	Price	Price Change				Total Return		Div	Est.	Citi	Est.	Citi	Growth		Multiple		EBITDA	Unit or	Rate	(Disc)
		9-Sep	Day	Wk	Mnth	QTD	YTD	'15	2016E	vs.	2017E	vs.	'16E	'17E	'16E	'17E	Mult.	Sq. Ft.		to NAV	
		(\$)	(%)	(%)	(%)	(%)	(%)	(%)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(%)	(%)	(x)	(x)	(x)	(\$/sf)	(%)	(%)	
Malls & Outlets																					
Taubman Centers	2	76.42	(3.8)	(3.5)	(1.6)	3.0	1.2	3.3	3.1	3.59	(0.17)	4.03	0.10	5.1	12.4	21.3	18.9	22.9	598	5.1	(18.1)
Macerich Co.	2	80.03	(2.8)	(2.3)	(2.3)	(6.3)	1.7	4.7	3.4	4.12	0.01	4.45	0.02	4.3	8.0	19.4	18.0	19.8	746	4.7	(6.7)
Simon Property	1	209.90	(3.3)	(3.1)	(2.6)	(3.2)	10.4	10.1	3.1	10.84	(0.03)	11.69	(0.03)	10.0	7.8	19.4	18.0	20.6	769	4.8	(8.5)
General Growth	1	28.11	(3.8)	(4.0)	(3.5)	(5.7)	4.7	(0.7)	2.8	1.53	(0.00)	1.60	0.00	6.4	4.7	18.4	17.5	22.0	628	5.4	(21.2)
Tanger Factory	2	39.09	(4.0)	(3.8)	(3.8)	(2.7)	22.4	(8.0)	3.3	2.35	(0.00)	2.52	(0.00)	5.7	7.3	16.7	15.5	19.1	408	6.1	2.5
Pennsylvania REIT	2H	23.75	(5.6)	(4.2)	(5.3)	10.7	11.5	(3.2)	3.5	1.87	0.02	1.97	(0.00)	(0.9)	5.2	12.7	12.1	15.9	299	7.5	(16.8)
Washington Prime Group		12.95	(5.1)	(6.5)	(5.7)	15.7	29.1	(32.6)	7.7	1.78		1.80		(6.8)	1.1	7.3	7.2	N/A	N/A	N/A	(21.8)
CBL & Associates	2H	13.34	(6.1)	(2.3)	(6.5)	43.3	12.1	(30.8)	7.9	2.37	(0.01)	2.39	0.00	2.1	1.1	5.6	5.6	10.1	138	9.6	(29.5)
Seitage Growth Properties		48.23	(2.0)	7.4	8.4	(3.2)	21.2	9.8	N/A	N/A		N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Malls & Outlets Tot/Wtd. Avg.			(3.5)	(3.2)	(2.8)	(2.8)	8.7	3.5	3.3					7.6	7.0	17.6	16.5	19.9	678	5.3	(12.0)
Malls & Outlets Tot/Str. Avg.			(4.1)	(2.5)	(2.6)	5.7	12.7	(5.3)	4.4					3.2	6.0	15.1	14.1	18.6		6.2	(15.0)
Federal Realty	2	154.48	(3.7)	(3.1)	(2.8)	(6.7)	7.0	12.2	2.4	5.66	(0.00)	6.19	0.06	6.4	9.4	27.3	25.0	26.9	551	4.1	15.8
Regency Centers	2	77.38	(4.2)	(4.6)	(3.9)	(7.6)	15.8	9.8	2.6	3.26	(0.00)	3.46	(0.02)	7.0	6.1	23.8	22.4	22.9	342	5.0	4.7
Acadia Realty	1	36.09	(2.9)	(2.4)	(2.3)	1.6	10.4	7.3	2.8	1.58	0.01	1.68	0.02	1.7	6.5	22.8	21.4	25.2	552	4.4	5.0
Equity One	2	30.30	(3.6)	(3.5)	(2.4)	(5.8)	13.2	10.5	2.9	1.38	(0.01)	1.48	(0.00)	4.7	6.8	21.9	20.5	24.4	414	5.0	5.6
Retail Opp Inv Corp	2	21.86	(3.9)	(3.9)	(2.0)	0.9	24.1	10.7	3.3	1.06	(0.00)	1.09	(0.03)	10.1	2.7	20.7	20.1	23.9	398	4.5	18.1
Saul Centers		64.28	(4.8)	(5.0)	(3.0)	4.2	28.0	(8.1)	2.9	3.08		3.27		4.4	6.2	20.9	19.7	N/A	N/A	N/A	(0.8)
Kimco Realty	2	28.96	(4.5)	(4.0)	(3.6)	(7.7)	11.4	9.1	3.5	1.36	(0.03)	1.62	(0.02)	(12.6)	19.4	21.3	17.8	19.8	244	5.6	0.4
Urstadt Biddle		21.98	(6.2)	(4.7)	(3.2)	(11.3)	16.9	(7.4)	4.6	1.20		1.26		0.8	5.0	18.3	17.4	19.9	N/A	N/A	(12.1)
Retail Prop. of America	1	16.63	(3.8)	(3.0)	(2.2)	(1.6)	14.8	(7.5)	4.0	1.06	(0.01)	1.02	(0.00)	(0.2)	(4.2)	15.7	16.4	16.8	217	6.8	(10.6)
Weingarten Realty	2	39.19	(4.6)	(5.8)	(5.0)	(4.0)	16.5	3.0	3.7	2.29	(0.01)	2.43	0.00	4.9	6.2	17.1	16.1	18.4	243	5.7	(3.3)
DDR Corp	2	18.28	(3.1)	(3.5)	(3.3)	0.8	10.8	(4.5)	4.2	1.25	0.00	1.27	(0.01)	1.8	1.3	14.6	14.4	17.0	204	6.3	(5.2)
Kite Realty Group	1	27.96	(4.4)	(3.5)	(3.2)	(0.2)	11.1	(6.0)	4.1	2.07	0.01	2.17	0.01	3.7	4.9	13.5	12.9	17.4	248	6.3	(6.9)
Cedar Realty Trust		7.55	(3.8)	(1.2)	(0.3)	1.6	8.8	(0.8)	2.6	0.56		0.59		3.7	5.4	13.5	12.8	17.3	N/A	N/A	(2.5)
Ramco-Gershenson		18.41	(5.0)	(4.8)	(5.2)	(6.1)	13.4	(7.0)	4.3	1.37		1.44		(1.4)	5.1	13.4	12.8	17.0	N/A	N/A	(3.7)
Brixmor Prop. Group	1	27.44	(4.4)	(4.5)	(3.9)	3.7	9.1	7.6	3.6	2.05	(0.01)	2.17	0.02	4.3	5.4	13.4	12.7	16.4	162	6.4	(2.9)
Shp Ctr Tot/Wtd. Avg.			(4.1)	(3.9)	(3.4)	(3.8)	12.4	5.1	3.3					2.9	7.7	18.8	17.6	19.7	305	5.5	2.5
Shp Ctr Tot/Str. Avg.			(4.2)	(3.8)	(3.1)	(2.8)	14.5	2.3	3.4					4.8	5.7	18.7	17.7	20.3		5.5	0.7
Realty Income	3	64.26	(4.7)	(3.0)	(2.2)	(7.4)	27.6	13.0	3.8	2.85	(0.00)	2.98	(0.06)	3.0	4.7	22.6	21.6	22.9	278	4.7	65.1
National Retail	2	48.59	(5.0)	(4.4)	(3.0)	(6.1)	24.6	6.1	3.7	2.38	0.03	2.53	0.02	6.7	6.6	20.5	19.2	21.6	379	5.2	44.0
EPR Properties	2	76.60	(3.8)	(3.7)	(2.2)	(5.1)	35.4	7.7	5.0	4.74	(0.03)	4.98	(0.11)	6.3	5.2	16.2	15.4	18.6	373	5.9	33.7
Getty Realty		23.25	(2.9)	(2.0)	(1.2)	8.4	38.5	0.5	4.3	1.53		1.55		(25.0)	1.3	15.2	15.0	18.1	N/A	N/A	N/A
Spirit Realty		12.98	(4.7)	(2.6)	(2.0)	1.6	33.0	(10.0)	5.4	0.87		0.92		6.7	5.2	14.8	14.1	16.8	N/A	N/A	13.8
W.P. Carey	3	64.65	(3.8)	(2.8)	(3.0)	(6.9)	12.9	(10.4)	6.1	4.88	(0.05)	4.63	(0.07)	12.0	(5.2)	13.2	14.0	17.3	110	6.6	10.6
Gramercy Property Trust		9.29	(5.1)	(3.6)	(4.0)	0.8	23.2	2.1	4.7	0.72		0.71		18.0	(1.9)	12.9	13.2	N/A	N/A	N/A	N/A
Lexington Realty		10.27	(5.7)	(5.4)	(4.8)	1.6	32.6	(20.9)	6.6	1.09		1.02		(0.9)	(6.4)	9.4	10.1	13.2	N/A	N/A	(4.9)
Fr-Stnd Rtl Tot/Wtd. Avg.			(4.7)	(3.6)	(3.1)	(4.1)	26.7	(0.4)	4.7					4.4	2.3	16.1	15.9	18.2	274	5.4	34.1
Fr-Stnd Rtl Tot/Str. Avg.			(4.5)	(3.5)	(3.0)	(1.9)	29.4	0.6	4.8					3.2	2.3	15.9	15.4	18.9		5.6	26.1
Monogram Residential		10.07	(3.3)	(4.9)	(4.3)	(1.4)	4.7	8.6	3.0	0.36		0.46		(5.3)	27.8	28.0	21.9	25.1	N/A	N/A	N/A
AvalonBay	2	169.69	(3.6)	(3.3)	(3.0)	(5.9)	6.4	15.8	3.2	8.20	(0.13)	8.82	(0.04)	8.6	7.5	20.7	19.2	23.6	333	5.0	(7.2)
Post Properties	N/A	65.16	(2.3)	(3.6)	(1.7)	6.7	11.7	3.6	2.9	3.23		3.39		8.4	5.0	20.2	19.2	22.0	N/A	5.3	(0.6)
Equity Res	2	62.80	(2.5)	(2.8)	(3.2)	(8.8)	(12.0)	16.6	3.2	3.07	(0.01)	3.20	0.02	(11.1)	4.3	19.5	18.7	19.7	286	5.4	(16.1)
Camden Prop	2	85.29	(3.6)	(4.8)	(2.8)	(3.5)	13.1	7.7	3.5	4.55	0.00	4.57	0.01	0.3	0.5	18.7	18.7	19.8	187	5.9	(6.7)
Essex Property	2	219.97	(3.0)	(2.6)	(3.1)	(3.6)	(6.8)	18.7	2.9	11.03	0.02	11.89	0.05	12.3	7.8	20.0	18.5	22.3	373	4.9	(7.2)
UDR	2	34.49	(3.2)	(4.8)	(4.7)	(6.6)	(5.9)	25.4	3.4	1.78	0.00	1.90	0.01	6.5	6.7	19.4	18.2	22.8	328	5.3	(4.6)
AMICO	2	43.83	(3.8)	(4.3)	(3.0)	(0.7)	12.0	10.9	3.0	2.34	0.03	2.49	0.01	5.4	6.2	18.7	17.6	19.1	230	5.6	(5.3)
Mid-America Apt.	N/A	92.51	(2.6)	(3.5)	(1.6)	(13.1)	4.6	25.7	3.5	5.92		6.23		7.4	5.2	15.6	14.8	15.9	N/A	6.0	(4.6)
Apartment Tot/Wtd. Avg.			(3.1)	(3.5)	(3.1)	(5.9)	(4.2)	16.5	3.2					3.1	6.2	19.5	18.4	20.9	305	5.3	(8.5)
Apartment Tot/Str. Avg.			(3.1)	(3.8)	(3.0)	(4.1)	1.7	14.8	3.2					3.6	7.9	20.1	18.5	21.1		5.4	(6.5)
EDR	2	43.38	(3.3)	(5.0)	(4.3)	(6.0)	17.5	7.5	3.5	1.79	0.02	1.97	(0.04)	(2.1)	10.3	24.2	22.0	27.0	311	5.0	5.4
American Campus	2	48.57	(4.2)	(4.7)	(3.1)	(8.1)	20.5	3.8	3.5	2.27	0.02	2.46	0.04	(3.6)	8.4	21.4	19.7	22.3	264	5.1	7.7
Student Apts. Tot/Wtd. Avg.			(3.9)	(4.8)	(3.4)	(7.5)	19.5	4.8	3.5					(3.1)	9.0	22.2	20.4	23.5	278	5.1	6.9
Student Apts. Tot/Str. Avg.			(3.7)	(4.9)	(3.7)	(7.1)	19.0	5.6	3.5					(2.9)	9.3	22.8	20.8	24.6		5.1	6.5
Equity Lifestyle	2	77.25	(2.7)	(2.0)	(0.4)	(3.5)	17.1	32.2	2.2	3.30	(0.00)	3.49	(0.04)	8.6	5.9	23.4	22.1	22.9	66	4.6	20.8
Sun Comm	1	76.60	(2.0)	(0.6)	(0.1)	(0.1)	13.7	17.6	3.4	3.75	(0.04)	4.29	0.02	1.8	14.4	20.4	17.9	23.9	85	5.3	9.0
Mfd Home Tot/Wtd. Avg.			(2.4)	(1.4)	(0.2)	(2.1)	15.8	26.4	2.7					5.6	9.6	22.0	20.0	23.4	75	4.9	15.6

theHunter Set I (Continued)

Tckr	Model Port. Weight	Model Hedge Weight	REIT Index Weight	Adjusted Funds From Operations (AFFO)				FFO Mult Prem		Hist. FFO Multiples			Net Asset Value		Balance Sheet								
				Est. '16E	Est. '17E	Est. '18E	Est. '19E	Current vs. Sector	20 Yr. Sector Avg	High	Low	20 Yr. Avg	Spot NAV	Cap Rate	Debt/ GAV	Net Debt/ Fwd Cash/ EBITDA	Fixed Cov Ratio	Market Capitalization					
				(\$/sh)	(\$/sh)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(\$/sh)	(%)	(%)	(x)	(x)	(\$ mil)	(\$ mil)				
TCO	0.6			0.6	2.59	3.10	29.5	24.6	12.1	19.9	20.4	8.9	22.8	7.9	14.1	93.31	4.40	34	8.3	2.7	4,612	11,025	
MAC	1.4			1.4	3.42	3.71	23.4	21.6	7.4	8.2	13.2	(1.8)	21.8	3.8	12.8	85.81	4.50	35	7.2	3.7	11,746	20,043	
SPG	10.2	5.3		8.0	9.67	10.48	21.7	20.0	11.3	8.4	13.0	(1.7)	18.8	6.7	12.7	229.35	4.50	26	5.4	4.0	65,404	105,599	
GGP	3.5	4.9		1.7	1.37	1.44	20.5	19.6	7.9	4.6	9.6	(10.2)	19.6	0.5	11.7	35.67	4.60	36	8.4	2.6	26,769	46,871	
SKT				0.5	2.03	2.22	19.3	17.6	3.3	9.1	(2.4)	(6.4)	19.9	5.6	12.1	38.15	6.25	31	5.8	4.4	3,755	5,729	
PEI				0.2	1.31	1.39	18.2	17.1	1.8	6.4	(24.6)	(33.3)	12.2	2.3	8.5	28.55	6.75	44	7.9	2.4	1,650	3,965	
WPG				0.3	1.32	1.34	N/A	N/A	N/A	N/A	(55.4)					16.57	7.84	N/A	N/A	N/A	2,400	6,689	
CBL				0.3	1.81	1.85	7.4	7.2	4.9	2.0	(65.5)	(28.5)	13.7	2.1	8.9	18.93	8.40	52	6.6	2.5	2,278	8,381	
SRG				0.0	2.02	1.88	N/A	N/A	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	1,600	2,741	
	15.6	10.2	12.9				20.8	19.4	9.7	7.8	5.0	(7.5)	17.8	5.3	12.0		4.88	31	6.5	3.5	120,214	211,043	
							20.0	18.3	7.0	8.4								37	7.1	3.2			
FRT				1.3	4.68	5.17	33.0	29.9	7.9	10.4	57.5	24.1	25.5	7.2	16.1	133.42	4.69	22	5.1	4.6	11,033	13,826	
REG				1.0	2.67	2.87	28.8	27.0	12.4	6.6	40.3	6.3	22.7	6.8	13.7	73.88	5.15	24	5.2	3.1	7,698	10,460	
AKR	1.1	1.4		0.3	1.28	1.42	28.2	25.4	5.2	10.8	34.4	6.3	21.8	5.4	14.0	34.38	4.60	24	5.1	4.9	2,699	3,702	
EQY	0.3			0.3	0.92	0.99	33.0	30.7	11.0	7.5	28.6	10.2	20.8	9.1	15.5	28.71	5.25	26	5.4	4.6	4,317	5,743	
ROIC				0.3	0.87	0.97	25.1	22.6	16.0	11.4	25.2	12.6	20.3	15.5	17.9	18.50	5.00	36	7.3	3.5	2,229	3,693	
BFS				0.1	2.22	2.45	29.0	26.2	7.2	10.4	23.2	6.0	20.6	7.4	13.6	64.78	5.58	36	N/A	N/A	1,350	2,406	
KIM	1.5	2.9		1.5	1.16	1.29	24.9	22.5	4.5	11.0	14.8	3.3	18.6	8.4	13.0	28.85	5.65	32	5.7	2.9	12,163	19,062	
UBA				0.1	1.24	0.90	17.7	24.4	19.2	(27.4)	9.1					25.00	5.98	22	N/A	N/A	791	1,303	
RPAI	2.0			0.5	0.78	0.77	21.3	21.5	(3.6)	(0.8)	(0.0)	(9.8)	16.2	12.7	14.3	18.61	6.20	34	6.1	3.1	3,041	6,263	
WRI		1.4		0.6	1.87	2.02	21.0	19.4	6.7	7.8	0.9	(0.9)	16.5	7.1	12.3	40.53	5.60	28	5.6	3.6	5,009	7,125	
DDR	0.7			0.7	1.06	1.06	17.2	17.3	8.1	(0.7)	(10.6)	(16.4)	16.2	1.8	10.8	19.28	6.10	42	7.0	2.6	6,681	12,403	
KRG	0.9	1.2		0.3	1.73	1.86	16.1	15.0	1.7	7.1	(19.4)	(19.6)	15.2	5.4	12.0	30.05	5.99	40	6.9	3.4	2,331	4,113	
CDR				0.1	0.46	0.49	16.5	15.4	3.4	7.3	(19.9)	(24.4)	13.0	11.2	12.0	7.74	6.75	44	7.6	N/A	642	1,520	
RPT				0.2	1.19	1.26	15.5	14.6	3.5	6.4	(20.1)	(30.3)	14.3	2.6	10.7	19.12	6.66	40	6.6	N/A	1,458	2,672	
BRX	1.7			0.7	1.53	1.66	17.9	16.5	13.9	8.3	(20.7)	(23.3)	12.8	11.2	12.2	28.13	6.30	41	7.2	3.5	8,228	14,334	
	8.3	6.9	8.2				23.3	21.9	8.2	7.3	10.5	(0.9)	17.9	7.3	12.6		5.66	31	5.9	3.5	72,426	112,783	
							23.3	22.1	8.0	5.2								33	6.2	3.6			
O		-3.1	2.0	2.88	2.98	22.3	21.6	21.6	5.2	3.3	34.8	4.7	21.8	7.9	13.2	38.93	6.70	32	5.1	3.8	16,576	21,919	
NNN	2.3			0.9	2.44	2.60	19.9	18.7	6.7	6.6	20.4	(3.0)	19.5	6.3	12.5	33.74	6.70	28	4.5	3.4	7,094	9,787	
EPR	2.2	3.2		0.6	4.65	4.88	16.5	15.7	8.6	5.0	(3.8)	(19.7)	15.6	4.5	10.5	57.29	7.37	35	5.2	3.5	4,874	7,363	
GTY				0.1	1.42	1.44	N/A	N/A	N/A	N/A	(7.0)	(5.6)	16.1	7.5	13.6	N/A	N/A	N/A	6.2	4.6	783	1,114	
SRC				0.7	0.87	0.92	14.8	14.2	1.8	4.9	(11.8)					11.41	6.81	45	7.1	2.5	5,735	9,828	
WPC	-2.5			0.7	5.14	5.13	12.6	12.6	2.9	(0.3)	(14.9)					58.46	7.10	43	6.3	3.5	6,799	11,381	
GPT				0.5	1.00	1.28	9.3	7.3	34.8	28.0	(19.1)					N/A	7.17	N/A	7.1	3.3	3,911	6,776	
LXP				0.3	0.86	0.81	11.9	12.6	10.0	(5.8)	(38.9)					10.80	7.49	45	7.7	3.2	2,416	4,773	
	4.5	-2.4	7.6				15.7	15.0	5.5	4.3	(1.5)	(8.6)	15.9	6.7	11.6		6.90	37	5.9	3.3	62,170	98,481	
							15.7	14.9	7.8	5.8								38	6.0	3.4			
MORE				0.2	0.35	0.45	28.5	22.5	(13.8)	26.9	43.0					N/A	N/A	N/A	N/A	2.4	1,678	3,200	
AVB	4.5			2.8	7.19	7.77	23.6	21.8	11.0	8.1	21.0	31.7	26.8	9.7	17.0	182.81	4.70	21	5.0	4.3	23,267	30,103	
PFS	N/A			0.4	2.76	2.92	23.6	22.3	6.4	6.0	20.1	22.8	24.3	9.4	15.8	65.56	5.12	22	6.2	5.0	3,485	4,519	
EQR	2.7	3.9		2.7	2.65	2.79	22.6	21.4	(12.6)	5.4	22.4	14.4	21.7	8.7	14.7	74.86	4.65	23	6.9	3.7	22,957	32,428	
CPT				2.6	0.9	3.74	3.76	22.8	22.7	1.3	0.5	15.4	4.2	19.4	8.0	13.4	91.40	5.55	24	5.9	4.1	7,670	10,476
ESS	2.7	3.0		1.7	9.92	10.74	22.2	20.5	13.8	8.4	16.4	19.8	24.2	7.2	15.4	237.15	4.60	28	6.1	4.2	14,403	21,151	
UDR				1.1	1.88	1.69	21.8	20.4	8.0	7.0	13.9	1.8	19.3	6.6	13.1	36.14	5.10	29	6.3	4.5	9,211	14,507	
AIV	2.2	3.3		0.8	1.99	2.13	22.0	20.6	6.6	6.6	10.5	(10.7)	17.9	4.4	11.4	46.26	5.41	33	5.8	2.6	6,848	11,295	
MAA	N/A			0.8	5.18	5.40	17.9	17.1	9.7	4.3	(7.1)	(8.0)	16.0	7.2	11.7	96.95	5.58	31	5.5	5.4	6,987	10,861	
	12.1	12.8	11.7				22.3	21.0	3.7	6.6	16.4	11.8	20.7	8.6	14.3		4.92	25	6.0	4.1	96,506	138,540	
							22.8	21.0	3.4	8.1								26	6.0	4.0			
EDR				0.4	1.56	1.73	27.8	25.1	0.0	10.8	38.9	5.1	22.5	7.3	15.8	41.17	5.30	15	2.1	5.3	3,113	3,658	
ACC	1.2	2.1		0.8	1.96	2.15	24.8	22.6	(3.6)	9.6	24.2	22.1	21.9	13.1	17.8	45.11	5.40	29	5.6	4.2	6,336	8,887	
	1.2	2.1	1.2				25.7	23.4	(2.4)	10.0	28.7	17.9	20.8	12.1	17.3		5.37	24	4.4	4.5	9,449	12,544	
							26.3	23.8	(1.8)	10.2								22	3.8	4.8			
ELS				0.7	2.90	3.08	26.6	25.1	9.3	6.2	38.5	14.6	22.4	10.4	14.1	63.94	5.30	26	4.9	3.6	6,589	9,397	
SUI	1.8			0.6	3.21	3.75	23.8	20.4	(4.5)	16.8	14.0	(7.2)	18.5	5.0	11.4	70.25	5.60	39	6.8	2.9	5,175	9,078	
	1.8	0.0	1.3				25.3	22.8	3.2	10.9	26.5	3.9	20.5	8.7	12.9		5.45	32	5.7	3.3	11,764	18,475	
							25.2	22.7	2.4	11.5								32	5.8	3.3			
SBY				0.1	0.65	0.72																	

theHunter Set I (Continued)

Citi Research—theHunter Set I Ranked by 2017E FFO Multiple										Funds From Operations (FFO)										TEV/ EBITDA		Implied		Prem/ Disc
Company	Rating	Price 9-Sep	Price Change					Total Return			Div Yld	Citi Est. 2016E	vs. Cons.	Citi Est. 2017E	vs. Cons.	Growth		Multiple		Mult.	Unit or Sq. Ft.	Cap Rate	Value (\$/sf)	Spot
			Day	Wk	Mnth	QTD	YTD	%	%	%						%	%	%	'16E					
New York REIT		9.21	(3.3)	(4.5)	(4.7)	(0.4)	(16.9)	12.9	5.0	0.38		0.40			(22.4)	5.3	24.2	23.0	42.7	N/A	N/A	(23.6)		
Boston Prop.	1	135.22	(4.7)	(5.0)	(3.5)	2.5	7.0	2.1	1.9	5.94	(0.04)	6.22	(0.17)	11.0	4.6	22.7	21.7	18.7	765	4.8	(9.7)			
Empire State Realty		21.28	(3.3)	(2.6)	(0.9)	12.1	18.8	4.7	2.0	0.96		1.02		2.1	6.3	22.2	20.9	22.1	N/A	N/A	(2.8)			
Paramount Group		17.29	(3.7)	(3.7)	(3.9)	8.5	(3.4)	(0.4)	2.2	0.84		0.89		3.7	6.0	20.6	19.4	15.6	N/A	N/A	(18.3)			
Douglas Emmett	2	36.72	(3.7)	(3.4)	(2.2)	3.4	19.2	12.8	2.4	1.79	(0.00)	1.92	0.01	9.5	7.7	20.6	19.1	25.1	656	4.4	6.4			
Kilroy Realty	2	69.18	(4.9)	(4.4)	(4.8)	4.4	10.5	(6.4)	2.2	3.40	0.00	3.65	0.02	0.3	7.5	20.3	18.9	21.3	521	5.5	(13.7)			
Vornado Realty	1	99.45	(3.6)	(4.1)	(3.7)	(0.7)	1.4	(3.9)	2.5	4.87	(0.03)	5.35	(0.07)	(10.3)	9.7	20.4	18.6	21.6	839	5.7	(21.4)			
Alexandria R.E.	2	106.31	(6.4)	(5.0)	(3.4)	2.7	19.4	5.3	3.0	5.50	(0.02)	6.00	(0.01)	4.6	9.2	19.3	17.7	33.8	718	5.3	(0.4)			
SL Green	1	111.00	(4.8)	(4.9)	(5.7)	4.3	(0.5)	(3.0)	2.6	8.27	(0.03)	6.96	0.18	29.6	N/A	13.4	15.9	16.9	765	4.9	(18.2)			
CBD/Urban Office Tot/Wtd. Avg.			(4.5)	(4.5)	(3.8)	2.9	6.0	(0.2)	2.4					5.4	7.5	19.5	18.9	20.3	750	5.1	(12.6)			
CBD/Urban Office Tot/Str. Avg.			(4.3)	(4.2)	(3.7)	4.7	7.2	2.0	2.6					3.5	7.6	20.2	19.2	23.1	5.1	5.1	(12.0)			
Equity Commonwealth	2	31.04	(2.2)	(2.0)	(0.8)	6.6	11.9	8.0	0.0	1.14	0.00	1.06	0.08	(25.6)	N/A	27.2	29.2	10.9	169	7.0	(0.2)			
Easterly Government Prop.	2	19.10	(4.0)	(2.4)	(2.0)	(3.2)	15.1	18.1	4.8	1.19	0.00	1.25	(0.01)	N/A	4.6	16.0	15.3	26.2	495	5.2	3.6			
Highwoods	2	51.09	(4.1)	(4.6)	(3.7)	(3.2)	20.1	2.3	3.4	3.24	(0.02)	3.42	(0.02)	5.1	5.7	15.8	14.9	18.2	253	5.9	6.7			
Columbia Property Trust		23.45	(4.0)	(1.1)	(0.6)	9.6	3.7	(2.6)	5.1	1.62		1.60		(18.6)	(1.2)	14.5	14.7	15.5	N/A	N/A	(16.3)			
Parkway Prop.	2	17.68	(3.5)	(2.8)	(1.8)	5.7	16.7	(10.9)	4.2	1.31	0.03	1.33	(0.02)	(2.0)	1.5	13.5	13.3	11.3	247	6.5	(1.9)			
Corporate Office Prop.	2	27.84	(4.4)	(3.4)	(2.4)	(5.9)	30.1	(19.2)	4.0	2.00	(0.01)	2.11	(0.01)	11.4	5.3	13.9	13.2	15.7	228	7.5	(9.8)			
Piedmont Office Realty		21.19	(3.6)	(2.8)	(1.9)	(1.6)	15.6	4.7	4.0	1.64		1.70		2.5	3.7	12.9	12.5	16.3	N/A	N/A	(0.8)			
Mack-Call Realty	1	27.73	(4.2)	(2.8)	(0.1)	2.7	20.7	25.7	2.2	2.11	0.00	2.29	0.08	12.7	8.2	13.1	12.1	18.7	200	7.2	(7.9)			
Franklin Street Prop.		12.30	(5.1)	(4.3)	(2.1)	0.2	24.3	9.0	6.2	1.05		1.06		(1.9)	1.0	11.7	11.6	16.3	N/A	N/A	(1.5)			
Cousins Prop.		10.84	(3.6)	(3.0)	(1.6)	4.2	17.5	(14.6)	3.0	0.87		0.94		(2.2)	3.0	12.5	11.5	15.7	N/A	N/A	(5.7)			
Brandywine Rlty.	2	15.78	(4.7)	(4.0)	(2.2)	(6.1)	18.9	(10.8)	4.1	1.31	0.01	1.41	(0.00)	(9.9)	7.8	12.1	11.2	15.7	270	6.8	(2.7)			
TIER REIT		15.45	(5.3)	(4.3)	(3.6)	0.8	7.2	31.0	4.7	1.56		1.45		N/A	(7.1)	9.9	10.7	15.9	N/A	N/A	N/A			
Government Properties		22.93	(5.6)	(4.5)	(1.6)	(0.6)	52.6	(23.0)	7.5	2.38		2.28		(0.4)	(4.2)	9.6	10.1	17.2	N/A	N/A	15.9			
Sub Office Tot/Wtd. Avg.			(4.0)	(3.2)	(1.9)	0.6	18.2	(3.4)	3.6					(3.3)	3.8	14.0	13.6	15.8	245	6.7	(2.0)			
Sub Office Tot/Str. Avg.			(4.2)	(3.2)	(1.9)	0.7	19.6	1.4	4.1					(2.6)	2.8	14.0	13.9	16.4	6.6	6.6	(1.7)			
Office Tot/Wtd. Avg.			(4.3)	(4.1)	(3.3)	2.3	9.1	(1.0)	2.7					3.1	6.5	18.7	18.0	19.5	641	5.5	(9.8)			
Office Tot/Str. Avg.			(4.2)	(3.6)	(2.6)	2.5	14.2	1.6	3.4					0.3	4.8	16.7	16.2	19.3	5.9	5.9	(6.4)			
Terreno Realty Corp.		26.52	(2.8)	(2.4)	(0.9)	2.5	18.8	12.8	3.0	0.96		1.15		14.3	19.8	27.6	23.1	29.1	N/A	N/A	5.4			
Rexford Industrial	2	21.67	(4.4)	(5.0)	(3.0)	2.8	34.1	7.4	2.5	0.86	(0.00)	0.96	0.01	8.5	11.6	25.3	22.7	28.8	136	5.0	3.6			
Duke Realty	2	26.77	(4.4)	(5.4)	(4.8)	0.4	29.9	8.5	2.7	1.20	0.01	1.28	0.02	10.0	7.0	22.3	20.8	22.6	103	5.1	12.9			
DCT Industrial Trust	2	47.46	(3.8)	(3.5)	(2.6)	(1.2)	28.6	8.0	2.4	2.19	0.01	2.33	0.01	11.9	6.3	21.6	20.4	22.9	86	4.8	16.7			
Prologis	2	51.49	(4.7)	(4.6)	(3.1)	5.0	21.9	3.3	3.4	2.57	0.00	2.66	0.02	15.2	3.4	20.0	19.4	18.1	93	5.2	5.9			
PS Business	2	108.43	(4.2)	(4.2)	(2.1)	2.2	25.7	12.7	2.8	5.39	0.03	5.78	0.12	13.1	7.3	20.1	18.8	19.2	181	5.6	11.8			
First Industrial		27.79	(5.2)	(4.6)	(3.4)	(0.1)	27.3	10.1	2.7	1.45		1.52		14.2	4.8	19.2	18.3	21.1	N/A	N/A	7.9			
EastGroup Prop.	1	70.62	(4.6)	(5.4)	(3.8)	2.5	29.1	(8.5)	3.5	3.98	(0.01)	4.23	0.02	8.7	6.1	17.7	16.7	20.4	N/A	N/A	(0.9)			
Liberty Prop.	2	39.87	(4.3)	(4.7)	(3.3)	0.4	31.5	(12.4)	4.8	2.32	(0.03)	2.51	0.02	(13.6)	8.1	17.2	15.9	16.5	81	6.5	1.4			
First Potomac Realty		9.44	(6.6)	(9.1)	(6.3)	2.6	(14.1)	(2.9)	4.2	1.00		0.84		(2.0)	(16.0)	9.4	11.2	15.4	N/A	N/A	(24.4)			
Industrial/Mixed Tot/Wtd. Avg.			(4.5)	(4.7)	(3.3)	2.6	25.1	2.1	3.3					10.3	5.5	19.8	18.9	19.4	99	5.3	6.7			
Industrial/Mixed Tot/Str. Avg.			(4.5)	(4.9)	(3.4)	1.5	24.2	1.8	3.4					7.7	6.0	19.6	18.3	21.3	5.4	3.7				
Equinix	2	362.78	(2.7)	(2.3)	(1.6)	(6.4)	21.7	41.2	1.9	11.63	(3.30)	16.57	(1.88)	N/A	42.5	31.2	21.9	19.8	N/A	N/A	N/A			
QTS Realty		54.10	(3.1)	(0.8)	(0.2)	(3.4)	21.5	37.1	2.7	2.59		2.91		13.1	12.4	20.9	18.6	27.0	N/A	N/A	22.8			
Coresite Realty	2	78.90	(2.5)	(0.9)	1.1	(11.0)	41.0	49.8	2.7	3.58	(0.04)	4.31	0.10	25.3	20.5	22.0	18.3	23.6	2,251	5.8	12.1			
Digital Realty Trust	2	96.27	(4.2)	(3.8)	(2.8)	(11.7)	29.6	19.2	3.7	5.68	(0.01)	6.08	0.06	7.8	7.0	16.9	15.8	20.2	998	6.2	12.9			
CyrusOne	2	49.49	(3.6)	(2.6)	(2.7)	(11.1)	34.2	40.5	3.1	2.52	(0.05)	3.15	0.11	15.8	25.1	19.6	15.7	21.2	2,448	6.6	18.4			
DuPont Fabros Tech.	2	42.96	(2.4)	(0.1)	1.3	(9.6)	38.1	0.8	4.4	2.79	0.01	3.11	0.00	13.4	11.7	15.4	13.8	19.4	1,652	7.1	0.5			
Data Center Tot/Wtd. Avg.			(3.2)	(2.5)	(1.7)	(8.6)	26.7	30.6	2.7					11.7	26.8	22.4	18.3	20.4	1,423	6.3	13.0			
Data Center Tot/Str. Avg.			(3.1)	(1.8)	(0.8)	(8.9)	31.0	31.4	3.1					15.1	19.8	21.0	17.4	21.8	6.4	13.4				
American Assets Trust		42.87	(3.9)	(3.7)	(3.2)	1.0	13.1	(1.3)	2.3	1.86		2.07		5.7	11.3	23.0	20.7	23.7	N/A	N/A	(4.0)			
Alexander's		425.53	(2.8)	(1.3)	(1.0)	4.0	13.9	(8.9)	3.8	23.23		24.18		N/A	4.1	18.3	17.6	22.8	N/A	N/A	(13.2)			
Forest City Realty Trust	1	23.05	(3.8)	(4.2)	(2.6)	3.3	6.9	3.0	1.0	1.40	0.01	1.45	(0.04)	2.7	3.6	16.5	15.9	17.7	N/A	6.5	(24.4)			
Select Income REIT		26.25	(5.2)	(5.3)	(3.8)	1.0	40.1	(9.9)	7.8	2.89		2.91		0.3	0.7	9.1	9.0	14.5	N/A	N/A	(17.4)			
NorthStar Realty Finance		13.01	(4.3)	(3.6)	(2.5)	13.8	(16.6)	(17.6)	12.3	2.55		3.10		N/A	21.6	N/A	4.2	16.4	N/A	N/A	(45.5)			
Diversified Tot/Wtd. Avg.			(4.1)	(4.0)	(2.9)	3.5	8.3	(6.5)	4.4					2.8	6.5	15.4	11.0	28.1	N/A	6.5	(19.5)			
Diversified Tot/Str. Avg.			(4.2)	(3.9)	(3.0)	3.6	12.3	(5.4)	5.2					2.9	7.2	16.9	14.1	19.0	6.5	17.2				
Iron Mountain		36.41	(4.9)	(6.1)	(5.2)	(8.6)	40.2	(25.2)	5.3	2.29		2.57		9.0	12.2	15.9	14.2	14.6	N/A	N/A	N/A			
MGM Growth Properties	2	25.04	(3.3)	(2.3)	(0.7)	(6.1)	15.0	N/A	4.2	1.21	(0.08)	1.84	(0.16)	N/A	52.1	20.7	13.6	N/A	N/A	7.5	N/A			
Lamar Advertising Co	2	60.25	(3.3)	(4.3)	(3.3)	(9.2)	3.9	16.9	5.0	4.96		5.21		N/A										

theHunter Set I (Continued)

Tckr	Model Port. Weight	Model Hedge Weight	REIT Index Weight	Adjusted Funds From Operations (AFFO)				FFO Mult Prem		Hist. FFO Multiples		Net Asset Value		Net Debt/		Fixed		Balance Sheet				
				Est. '16E	Est. '17E	Mult. '16E	Mult. '17E	Grwth '16E	Grwth '17E	Current vs. Sector	20 Yr. Avg	High	Low	20 Yr. Avg	NAV	Cap Rate	Debt/ GAV	Fwd Cash EBITDA	Cov Ratio	Float	Capitalization	
				(%)	(\$/sh)	(x)	(x)	(%)	(%)	(%)	(%)	(x)	(x)	(x)	(\$/sh)	(%)	(%)	(x)	(x)	(x)	(x)	(\$ mil)
NYRT				0.2	0.32	0.35	29.2	26.7	N/A	9.5	44.0	25.7	N/A	N/A	N/A	12.05	4.50	37	9.2	1.1	1,521	2,920
BXP	3.9	4.0	2.5	4.35	4.58	31.1	29.5	17.6	5.3	35.8	24.1	25.1	9.5	16.2	149.68	4.42	28	5.2	3.4	20,780	33,656	
ESRT				0.3	0.76	0.84	27.9	25.5	3.0	9.7	30.8	31.5	N/A	N/A	N/A	21.90	4.72	22	4.8	4.5	2,602	7,300
PGRE				0.3	0.32	0.46	53.6	37.8	(9.8)	41.9	21.7	27.9	N/A	N/A	N/A	21.16	4.70	36	9.0	2.5	3,683	7,689
DEI		1.9	0.6	1.39	1.53	26.4	24.0	8.5	9.9	20.1	7.1	25.2	9.6	15.9	34.52	4.60	43	10.3	3.2	5,423	11,265	
KRC	0.8		0.8	1.84	2.11	37.6	32.7	12.4	14.8	19.0	12.3	24.8	8.1	14.8	80.19	4.75	20	4.4	2.8	6,382	8,696	
VNO	3.3	3.0	2.0	1.62	2.51	61.5	39.6	(22.6)	55.3	17.5	18.1	22.4	8.9	15.1	126.53	4.60	27	6.9	2.4	20,065	30,943	
ARE	1.5	2.8	1.0	3.24	5.14	32.8	20.7	(27.6)	58.5	11.7	8.4	18.1	9.0	13.9	106.79	5.30	32	7.8	2.9	8,940	13,599	
SLG	3.3	2.9	1.4	4.48	5.35	24.8	20.7	37.9	19.4	(5.9)	3.7	25.8	4.9	13.5	135.62	4.25	39	8.0	2.7	11,104	21,716	
	12.8	14.6	9.5			34.8	28.1	2.3	28.5	17.5	13.8	23.2	9.3	15.5		4.61	30	6.8	2.9	83,729	144,909	
				35.7	28.3		2.4	25.1									31	7.2	2.9			
EQC			0.5	0.68	0.61	45.4	51.1	(34.7)	(11.2)	77.1	(29.2)	28.7	3.2	9.0	31.10	7.00	28	N/A	2.5	3,897	5,577	
DEA	0.1	0.0	1.12	1.18	17.1	16.1	N/A	5.8	(4.5)	(4.5)	N/A	N/A	N/A	N/A	18.43	6.75	19	4.9	6.9	644	1,491	
HIW	0.6		0.6	2.25	2.45	22.7	20.9	6.3	8.6	(6.4)	(12.5)	17.0	6.3	11.1	47.87	6.25	30	5.5	3.6	5,036	7,338	
CXP			0.4	0.86	0.73	27.3	32.3	(35.7)	(15.7)	(9.8)	(16.4)	14.6	12.9	N/A	28.03	4.86	38	8.2	3.6	2,895	4,981	
PKY			0.2	0.79	0.81	22.3	21.9	10.5	2.2	(17.8)	(23.9)	13.5	4.9	9.7	18.02	6.40	41	6.9	4.1	2,061	3,508	
OFC			0.3	1.57	1.67	17.7	16.7	22.1	6.3	(17.4)	(2.2)	22.7	7.3	12.4	30.87	6.97	39	6.8	2.9	2,625	4,961	
PDM			0.4	1.24	1.25	17.1	17.0	2.1	0.6	(22.3)	(23.5)	12.6	11.3	12.0	21.37	6.14	39	7.3	3.9	3,075	5,078	
CLI	1.7		0.3	1.13	1.43	24.4	19.3	0.4	26.3	(23.7)	(15.6)	14.6	6.9	10.5	30.11	6.84	46	9.3	2.3	2,486	5,297	
FSP			0.1	0.77	0.77	16.1	16.0	N/A	0.5	(28.2)					12.49	6.81	41	6.8	4.9	1,232	2,115	
CUZ			0.3	0.49	0.64	22.2	17.0	(3.5)	30.8	(27.4)	22.4	23.7	10.7	15.1	11.49	7.10	29	4.7	4.6	2,278	3,270	
BDN			0.3	0.83	0.92	19.0	17.1	(4.1)	11.4	(29.5)	(28.7)	12.9	3.5	9.1	16.22	6.70	45	8.1	2.2	2,786	5,853	
TIER			0.1	0.57	0.46	N/A	N/A	N/A	N/A	(35.4)					N/A	NA	N/A	10.3	1.8	738	1,382	
GOV			0.2	1.65	1.58	13.9	14.6	(4.9)	(4.3)	(38.6)	(27.8)	13.9	9.9	11.3	19.79	7.74	47	7.4	4.4	1,631	2,864	
	2.4	0.0	3.7			21.6	20.5	(5.1)	4.6	(15.1)	(18.8)	17.2	8.3	11.3		6.53	37	7.0	3.4	31,383	53,716	
				22.1	21.7		(4.1)	5.1									37	7.2	3.7			
	15.2	14.6	13.2			29.9	25.5	0.3	22.1	1.8	(0.2)	19.9	7.8	12.8		5.10	32	6.9	3.0	115,112	198,625	
				28.3	24.7		(1.2)	14.2									34	7.2	3.3			
TRNO			0.1	0.73	0.92	36.1	29.0	1.3	24.8	48.6	31.3	24.1	19.1	N/A	25.16	5.07	25	5.9	3.4	1,153	1,580	
REXR			0.2	0.76	0.84	28.5	25.8	21.8	10.5	43.7	20.0	N/A	N/A	N/A	20.92	5.10	26	5.4	5.2	1,423	2,079	
DRE	2.2		1.1	1.02	1.12	26.1	23.9	(13.9)	9.4	30.9	(5.2)	21.2	4.5	12.0	23.70	5.56	29	6.0	3.2	9,562	12,956	
DCT			0.5	1.53	1.64	31.1	28.9	13.1	7.6	27.7	0.3	20.7	9.4	14.6	40.66	5.40	30	6.3	4.8	4,215	6,057	
PLD	3.6		3.3	2.09	2.17	24.7	23.7	14.0	4.0	20.7	19.0	25.8	6.8	15.3	48.61	5.46	31	6.1	5.5	26,968	40,077	
PSB			0.3	3.72	4.10	29.1	26.5	21.9	10.1	17.9	(2.3)	19.1	8.3	12.5	97.01	6.10	1	0.2	3.8	2,973	4,739	
FR			0.4	1.11	1.19	25.0	23.4	16.6	6.7	14.2	(12.5)	18.5	5.2	11.1	25.75	6.04	32	6.3	3.1	3,247	4,847	
EGP	1.5	1.5	0.3	3.31	3.51	21.4	20.1	8.0	6.1	4.7	(2.0)	18.1	7.4	12.5	71.27	5.60	29	5.9	3.9	2,323	3,291	
LPT	1.9		0.7	1.74	2.06	22.9	19.4	(3.1)	18.1	0.0	(7.6)	16.2	7.8	11.6	39.34	6.53	29	4.7	3.4	5,845	8,371	
FPO			0.1	0.79	0.63	12.0	15.1	24.0	(20.3)	(33.7)	(23.9)	14.1	10.7	12.0	12.48	7.32	47	8.9	2.3	548	1,438	
	9.1	1.5	7.2			24.7	23.1	7.9	7.4	17.9	6.8	19.1	7.3	13.6		5.72	29	5.6	4.5	59,878	88,278	
				24.7	22.7		9.8	7.6									28	5.6	3.8			
EQIX	3.8		3.1	16.72	18.40	21.7	19.7	N/A	10.1	46.2					N/A	N/A	N/A	N/A	N/A	26,166	32,439	
QTS			0.3	2.48	2.89	21.8	18.7	10.9	16.6	18.1					44.05	7.85	29	5.0	4.0	2,231	3,470	
COR			0.3	3.22	3.91	24.5	20.2	34.4	21.2	18.0	0.1	19.1	13.4	15.8	70.36	6.46	13	2.8	7.2	2,559	4,377	
DLR	2.2	2.5	1.7	5.26	5.65	18.3	17.0	2.7	7.4	(0.6)	(4.8)	17.9	10.0	13.8	85.28	6.80	29	5.3	3.4	15,519	23,402	
CONE	0.4		0.5	2.35	2.69	21.1	18.4	2.4	14.4	2.1	(6.4)	16.5	13.9	14.8	41.80	7.82	23	2.7	4.1	4,327	5,242	
DFT	0.9	1.6	0.4	2.84	2.83	15.1	15.2	11.0	(0.1)	(12.5)	(16.3)	14.2	10.6	12.9	42.74	7.10	23	3.5	3.3	3,246	5,273	
	7.4	4.1	6.3			20.4	18.2	7.2	9.8	18.8	(3.0)	19.2	10.0	14.1		7.01	26	4.4	3.9	54,048	74,383	
				20.4	18.2		12.3	11.6									23	3.8	4.4			
AAT			0.2	1.42	1.65	30.2	26.0	16.4	16.0	31.3	27.3	23.3	16.7	20.1	44.66	4.84	10	6.0	2.8	1,947	3,774	
ALX			0.1	2.24	23.50	18.9	18.1	17.9	4.3	9.8	15.9	21.7	13.5	18.2	490.20	N/A	30	N/A	5.0	2,173	3,226	
FCEA	2.5	2.4	0.7	0.86	0.91	26.9	25.3	1.3	6.2	(0.7)	(7.0)	25.1	7.0	14.5	30.49	5.37	40	8.3	2.9	6,145	11,607	
SIR			0.2	2.50	2.49	10.5	10.5	15.2	(0.4)	(44.2)					31.79	6.85	46	7.4	N/A	2,346	4,721	
NRF			0.3	2.48	1.95	5.2	6.7	(30.4)	(21.5)	N/A					23.87	N/A	66	N/A	N/A	2,399	13,933	
	2.5	2.4	1.8			14.5	15.3	2.6	1.9	(30.6)	3.6	20.5	7.9	12.9		5.68	39	7.6	3.2	17,124	40,542	
				19.0	18.0		3.6	1.3									38	7.2	3.4			
IRM			1.1	2.56	2.75	14.2	13.3	16.2	7.4	(10.0)					N/A	N/A	N/A	N/A	N/A	7,701	12,547	
MGP			0.0	1.16	1.81	21.2	13.8	N/A	N/A	(6.2)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6,081	9,219	
LAMR			0.6	N/A	5.23	N/A	N/A	N/A	N/A	(27.7)					N/A	N/A	N/A	N/A	N/A	5,524	7,926	
GLPI			0.8	2.89	3.09	11.4	10.7	7.1	6.7	(33.4)					N/A	N/A	N/A					

theHunter Set II (Continued)

Citi Research theHunter Set II Company (alphabetically)	Rating	Balance Sheet														GAV and Development					Income Statement		
		52 Week		Debt	Int.	Debt	Int.	Debt	Int.	Wtd	Floating	Shrs. &	Total	Prof.	Total	Total	Gross	Assets	Dvlt	SF/Units	TTM	LRQ	
		Low	High	Mat.	Rate	Mat.	Rate	Mat.	Rate	Avg Int	Rate	Units	Equity	Equity	Debt	Market	Asset	Under	as a %	Owned	EBITDA	NOI	
		(\$)	(\$)	(\$ mil)	(%)	(\$ mil)	(%)	(\$ mil)	(%)	(%)	(%)	(\$ mil)	(\$ mil)	(\$ mil)	(\$ mil)	(\$ mil)	(\$ mil)	(\$ mil)	(%)	(mil)	(\$ mil)	(\$ mil)	
Malls & Outlets																							
CBL & Associates	2H	8.86	15.59	298	6.0	441	6.1	654	3.6	4.5	25.5	200.0	2,669	626	5,086	8,381	9,499	134	1	59	824	196	
General Growth	1	24.23	32.10	0	N/A	528	5.4	306	3.3	4.1	18.4	958.8	26,953	418	19,499	46,871	51,623	3,842	7	64	2,114	532	
Macerich Co.	2	71.82	94.51	115	4.3	166	2.4	1,418	2.4	3.5	20.3	157.6	12,613	0	7,431	20,043	20,775	847	4	24	1,002	209	
Pennsylvania REIT	2H	16.42	25.67	10	N/A	173	5.5	195	3.2	4.0	7.1	77.8	1,848	201	1,916	3,965	4,338	444	10	11	247	61	
Seritage Growth Properties		33.34	57.31	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	33.2	1,600	0	1,141	2,741	N/A	N/A	N/A	N/A	N/A	41
Simon Property	1	174.12	229.10	1967	3.1	3,285	4.1	940	1.5	3.8	7.7	361.8	75,934	88	29,577	105,599	114,463	3,056	3	124	5,057	1,140	
Tanger Factory	2	29.45	42.20	0	N/A	213	2.3	104	2.3	3.4	34.9	101.1	3,952	0	1,777	5,729	5,634	152	3	13	298	83	
Taubman Centers	2	63.32	81.68	118	2.3	327	2.5	470	2.8	3.4	21.2	86.6	6,621	363	4,042	11,025	12,488	1,663	13	15	479	112	
Washington Prime Group		7.41	14.15	347	6.5	202	4.2	22	5.6	3.8	26.3	185.3	2,400	195	4,094	6,689	N/A	N/A	N/A	N/A	540	150	
Malls & Outlets Tot/Wtd. Avg.				2,855	3.9	5,335	4.2	4,109	2.6	3.9	15.5	134,589	1,892	74,562	211,043	218,822	10,138	4		10,561	2,522		
Shopping Centers																							
Acadia Realty	1	28.38	38.01	43	6.1	80	5.5	407	2.6	3.6	22.5	79.1	2,856	0	846	3,702	3,566	410	11	5	144	28	
Brixmor Prop. Group	1	19.91	28.98	699	5.4	350	6.4	1,019	2.2	4.3	10.1	304.9	8,367	0	5,967	14,334	14,579	259	2	87	864	225	
Cedar Realty Trust		5.86	8.08	125	N/A	61	5.5	19	6.0	3.7	18.9	85.3	644	199	677	1,520	N/A	N/A	N/A	N/A	88	27	
DDR Corp	2	14.71	19.92	129	3.4	783	5.8	747	4.1	4.2	19.0	365.9	6,689	350	5,364	12,403	12,767	258	2	56	727	179	
Equity One	2	22.72	33.46	3	N/A	187	5.9	139	4.8	3.6	40.6	143.0	4,334	0	1,409	5,743	5,515	634	12	12	234	63	
Federal Realty	2	125.43	171.08	13	1.4	223	4.8	291	2.9	4.0	3.9	72.2	11,151	10	2,665	13,826	12,306	1,252	10	22	513	125	
Kimco Realty	2	22.12	32.24	238	6.3	858	5.8	547	4.6	4.1	17.0	422.3	12,230	800	6,032	19,062	19,016	755	4	69	942	232	
Kite Realty Group	1	22.90	30.45	204	3.8	22	5.9	68	5.9	3.9	8.4	85.3	2,386	0	1,727	4,113	4,291	218	5	15	234	59	
Ramco-Gershenson		14.74	20.24	33	5.9	126	5.5	158	3.8	4.2	8.1	81.2	1,495	92	1,085	2,672	N/A	N/A	N/A	N/A	157	47	
Regency Centers	2	57.71	85.35	3	N/A	423	5.9	62	6.2	4.6	15.6	99.6	7,710	325	2,425	10,460	10,111	341	3	29	456	120	
Retail Opp Inv Corp	2	15.69	23.05	0	N/A	8	3.3	20	3.6	2.9	N/A	114.5	2,502	0	1,191	3,693	3,309	0	0	9	153	40	
Retail Prop. of America	1	13.22	17.78	35	4.1	227	5.1	212	2.2	4.2	22.0	231.4	3,848	135	2,280	6,263	6,832	15	0	28	371	104	
Saul Centers		46.46	68.75	6	N/A	39	N/A	26	N/A	N/A	5.2	21.0	1,350	180	875	2,406	N/A	N/A	N/A	N/A	N/A	41	
Urstadt Riddle		17.60	25.19	30	N/A	57	N/A	54	N/A	N/A	N/A	36.0	791	204	308	1,303	N/A	N/A	N/A	N/A	N/A	65	
Weingarten Realty	2	30.30	43.70	80	5.5	95	5.7	52	5.4	4.0	6.1	129.3	5,067	0	2,058	7,125	7,298	303	4	28	386	96	
Shp Ctr Tot/Wtd. Avg.				1,657	5.1	3,557	5.7	3,922	3.4	4.1	14.7	74,345	2,296	36,143	112,783	99,589	4,446	5		5,523	1,455		
Triple Net																							
EPR Properties	2	49.55	84.67	43	5.9	163	4.9	12	6.2	4.6	20.0	65.8	5,037	211	2,115	7,363	6,093	478	8	17	395	93	
Getty Realty		15.16	24.24	0	N/A	0	N/A	0	N/A	4.6	56.3	33.7	783	0	331	1,114	N/A	N/A	N/A	N/A	61	21	
Gramercy Property Trust		6.34	10.03	163	3.1	125	3.1	109	3.1	3.1	57.2	422.4	3,924	175	2,677	6,776	N/A	N/A	N/A	N/A	148	52	
Lexington Realty		6.52	11.02	114	5.8	69	5.6	18	6.0	N/A	8.0	239.0	2,455	97	2,221	4,773	N/A	N/A	N/A	N/A	355	93	
National Retail	2	33.90	53.60	0	N/A	253	6.9	0	N/A	4.5	7.0	146.0	7,094	575	2,118	9,787	7,619	0	0	26	454	128	
Realty Income	3	43.88	72.29	280	5.9	325	5.4	436	2.1	4.7	18.0	258.0	16,576	395	4,948	21,919	15,384	0	0	79	956	259	
Spirit Realty		8.89	13.97	266	7.3	711	5.8	570	2.8	4.7	7.8	441.8	5,735	0	4,093	9,828	N/A	N/A	N/A	N/A	583	157	
W.P. Carey	3	51.12	72.89	211	5.0	788	4.2	845	2.4	3.9	26.2	105.4	6,813	0	4,567	11,381	10,728	0	0	93	646	169	
R-Strnd Rtl Tot/Wtd. Avg.				1,345	5.6	4,208	5.1	4,356	2.6	4.1	17.0	62,652	2,524	33,304	98,481	39,825	478	1		4,900	1,378		
Apartments																							
AIMCO	2	34.81	46.95	269	4.7	403	5.9	231	4.3	4.9	6.4	165.0	7,231	246	3,817	11,295	11,696	191	2	46	570	148	
AvalonBay	2	160.66	192.29	977	3.8	93	3.8	593	3.8	3.9	17.6	137.1	23,269	0	6,834	30,103	31,902	4,067	13	78	1,261	325	
Camden Prop	2	67.27	90.91	0	N/A	247	5.8	176	1.3	4.4	8.3	91.8	7,831	0	2,645	10,476	11,037	919	8	50	510	138	
Equity Res	2	62.44	82.39	4	N/A	606	6.2	181	3.6	4.3	13.0	380.3	23,880	37	8,511	32,428	37,013	2,659	7	103	1,624	392	
Essex Property	2	191.25	244.71	228	2.5	581	3.2	334	5.4	3.7	9.2	67.8	14,909	0	6,243	21,151	22,316	611	3	54	937	246	
Mid-America Apt.	N/A	75.00	110.01	76	6.1	427	3.0	391	4.1	3.7	8.6	79.7	7,371	0	3,489	10,861	11,158	69	1	80	681	162	
Monogram Residential		7.67	10.80	77	4.0	164	3.0	181	3.1	3.3	31.1	166.6	1,678	0	1,522	3,200	N/A	N/A	N/A	N/A	124	36	
Post Properties	N/A	52.08	69.39	2	6.0	153	4.8	0	N/A	3.8	5.1	53.6	3,493	43	983	4,519	4,527	362	8	20	205	56	
UDR	2	31.05	38.61	4	5.3	276	4.1	511	3.9	3.7	20.7	296.3	10,221	0	4,286	14,507	14,996	1,045	7	41	634	177	
Apartment Tot/Wtd. Avg.				1,636	3.9	2,949	4.6	2,598	3.9	4.0	13.2	99,884	327	38,330	138,540	144,644	9,923	7		6,546	1,680		
S. Apts.																							
American Campus	2	32.12	54.56	120	6.0	318	3.5	163	4.2	4.1	14.3	132.6	6,442	0	2,445	8,887	8,427	788	9	29	387	98	
EdR	2	28.01	48.87	0	N/A	61	2.5	0	N/A	3.8	18.5	72.0	3,125	0	533	3,658	3,498	395	11	10	127	36	
Student Apts. Tot/Wtd. Avg.				120	6.0	379	3.3	163	4.2	4.0	15.1	9,566	0	2,978	12,544	11,925	1,184	10		514	134		
M.H.																							
Equity Lifestyle	2	53.82	83.19	67	5.8	58	5.8	201	6.0	4.7	9.4	92.5	7,146	136	2,115	9,397	8,166	80	1	143	406	102	
Sun Comm	1	61.65	85.98	82	4.4	160	4.4	106	4.4	4.4	15.5	72.9	5,583	155	3,340	9,078	8,691	23	0	101	3		

theHunter Set II (Continued)

Tckr	2016E AFFO Adjustments							Dividends			Short Interest as % of S/O	Vol Wk (\$ mil)	17 FFO Mult to Growth Ratio	Lease Rollover in 2017 (%)	S&P Index	Russell Index	Citi Inv Res Target Price (\$/sh)	Expected Total Return (%)		
	FFO Est. '16E	Cap'l Exp.	Cap'l Int.	Strght Line Rent	Total Acct. Adj.	Other	AFFO Est. '16E	Payout Ratio '16	Ann. Div	Ex-Date										
	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(%)	(\$/sh)											
Malls & Outlets																				
CBL	2.37	(0.48)	(0.00)	(0.02)	(0.05)	0.00	(0.56)	1.81	45	59	1.06	06/28/2016	5.0	230	5.1	14.1	R 1000	11.50	(5.8)	
GGP	1.53	(0.15)	(0.00)	(0.03)	0.06	(0.03)	(0.16)	1.37	52	58	0.80	07/13/2016	1.6	480	3.7	11.2	S&P 500	R 1000	35.00	27.4
MAC	4.12	(0.37)	(0.07)	(0.07)	(0.18)	0.00	(0.69)	3.42	66	79	2.72	08/17/2016	1.9	439	2.2	13.2	S&P 500	R 1000	86.00	10.9
PEI	1.87	(0.50)	(0.02)	(0.04)	(0.01)	0.00	(0.56)	1.31	45	64	0.84	08/30/2016	6.4	53	2.3	12.0	S&P 600	R 2000	26.00	13.0
SRG	N/A						N/A	2.02	N/A	N/A	2.00	06/28/2016	18.7	88	N/A	N/A				N/A
SPG	10.84	(0.96)	(0.06)	(0.19)	0.04	0.00	(1.17)	9.67	61	68	6.60	08/15/2016	1.8	1,395	2.3	11.1	S&P 500	R 1000	252.00	23.2
SKT	2.35	(0.29)	(0.02)	(0.06)	0.06	0.00	(0.32)	2.03	55	64	1.30	07/27/2016	4.6	80	2.1	11.7	S&P 400	R 1000	39.00	3.1
TCO	3.59	(0.86)	(0.15)	0.02	(0.01)	0.00	(1.00)	2.59	66	92	2.38	06/13/2016	3.0	131	1.5	10.5	S&P 400	R 1000	79.00	6.5
WPG	1.78						(0.46)	1.32	56	76	1.00	09/07/2016	4.1	134	N/A	N/A	S&P 400			N/A
Malls & Outlets Tot/Wtd. Avg.									59	68			2.8	3,031	2.6	11.4				20.9
Shipping Centers																				
AKR	1.58	(0.16)	(0.05)	(0.03)	(0.06)	0.00	(0.30)	1.28	63	78	1.00	06/28/2016	5.5	90	3.3	9.7	S&P 600	R 2000	41.50	17.8
BRX	2.05	(0.25)	(0.00)	(0.04)	(0.23)	0.00	(0.52)	1.53	48	64	0.98	07/01/2016	1.7	306	2.3	12.7		R 1000	31.00	16.5
CDR	0.56						(0.10)	0.46	N/A	44	0.20	08/10/2016	9.3	18	2.4	N/A	S&P 600	R 2000		N/A
DDR	1.25	(0.14)	(0.01)	(0.01)	(0.03)	0.00	(0.19)	1.06	61	71	0.76	06/07/2016	0.8	200	N/A	12.3		R 1000	20.00	12.0
EQY	1.38	(0.34)	(0.01)	(0.03)	(0.08)	0.00	(0.47)	0.92	64	96	0.88	06/14/2016	1.4	125	3.0	N/A	S&P 400	R 2000	33.00	11.8
FRT	5.66	(0.64)	(0.19)	(0.12)	(0.03)	0.00	(0.98)	4.68	66	80	3.76	06/20/2016	1.8	370	2.6	10.6	S&P 500	R 1000	160.00	6.1
KIM	1.36	(0.22)	(0.01)	(0.04)	0.07	0.00	(0.20)	1.16	75	88	1.02	07/01/2016	3.5	432	0.9	11.9	S&P 400	R 1000	32.00	14.0
KRG	2.07	(0.12)	(0.03)	(0.07)	(0.11)	0.00	(0.33)	1.73	56	66	1.15	07/05/2016	1.5	62	2.6	10.2	S&P 600	R 2000	31.00	15.0
RPT	1.37						(0.18)	1.19	58	67	0.80	06/16/2016	6.8	77	2.5	N/A		R 2000		N/A
REG	3.26	(0.45)	(0.03)	(0.07)	(0.02)	0.00	(0.57)	2.69	61	74	2.00	08/15/2016	2.7	183	3.7	12.2	S&P 400	R 1000	81.00	7.3
ROIC	1.06	(0.30)	0.02	(0.04)	(0.11)	0.00	(0.43)	0.87	68	83	0.72	06/13/2016	2.2	79	7.5	N/A		R 2000	21.50	1.6
RPAI	1.06	(0.26)	0.00	(0.01)	(0.00)	0.00	(0.28)	0.78	62	85	0.66	06/23/2016	0.6	85	N/A	9.3		R 1000	20.00	24.2
BFS	3.08						(0.86)	2.22	61	85	1.88	07/13/2016	0.8	9	3.2	N/A	S&P 600	R 2000		N/A
UBA	1.20						0.04	1.24	85	82	1.02	06/29/2016	1.0	16	3.5	N/A	S&P 600	R 2000		N/A
WRL	2.29	(0.35)	(0.01)	(0.05)	(0.01)	0.00	(0.42)	1.87	64	78	1.46	09/06/2016	1.5	139	2.6	14.9	S&P 400	R 1000	42.00	10.9
Shp Ctr Tot/Wtd. Avg.									64	78			2.6	2,273	2.7	11.8				11.9
Triple Net																				
EPR	4.74	(0.10)	0.00	(0.20)	0.21	0.00	(0.09)	4.65	81	83	3.84	08/29/2016	5.3	127	3.0	N/A	S&P 400	R 2000	80.00	9.5
GTY	1.53						(0.11)	1.42	65	N/A	1.00	06/21/2016	2.6	17	11.5	N/A	S&P 600	R 2000		N/A
GPT	0.72						0.28	1.00	61	44	0.44	06/28/2016	4.8	111	N/A	N/A		R 2000		N/A
LXP	1.09						(0.23)	0.86	62	79	0.68	06/28/2016	1.7	58	N/A	N/A	S&P 600	R 2000		N/A
NNN	2.38	0.00	0.00	0.00	0.06	0.00	0.06	2.44	77	75	1.82	07/27/2016	4.9	191	2.9	2.3	S&P 400	R 1000	51.00	8.5
O	2.85	(0.00)	0.00	(0.04)	0.08	0.00	0.04	2.88	85	84	2.42	08/30/2016	6.4	545	4.6	2.0	S&P 500	R 1000	60.00	(2.9)
SRC	0.87						(0.00)	0.87	80	80	0.70	06/28/2016	2.2	355	2.7	N/A		R 1000		N/A
WPC	4.88	0.00	0.00	(0.31)	0.33	0.24	0.26	5.14	80	76	3.92	06/28/2016	1.5	108	N/A	N/A		R 1000	59.00	(2.7)
Fr-Stnd Rtl Tot/Wtd. Avg.									77	76			2.9	2,228	3.7	2.1				1.1
Apartments																				
AIV	2.34	(0.30)	(0.04)	0.00	0.00	0.00	(0.35)	1.99	56	66	1.32	08/17/2016	2.4	424	2.8	N/A	S&P 500	R 1000	48.00	12.5
AVB	8.20	(0.45)	(0.46)	0.00	(0.10)	0.00	(1.01)	7.19	66	75	5.40	06/28/2016	3.2	740	2.6	N/A	S&P 500	R 1000	190.00	15.2
CPT	4.55	(0.66)	(0.15)	0.00	0.00	0.00	(0.81)	3.74	66	80	3.00	06/28/2016	4.7	289	38.7	N/A	S&P 400	R 1000	88.00	6.7
EQR	3.07	(0.32)	(0.10)	0.00	0.00	0.00	(0.42)	2.65	66	76	2.02	06/23/2016	2.3	835	4.3	N/A	S&P 500	R 1000	72.00	17.9
ESS	11.03	(0.97)	(0.14)	0.00	0.00	0.00	(1.11)	9.92	58	65	6.40	06/28/2016	2.5	358	2.4	N/A	S&P 500	R 1000	245.00	14.3
MAA	5.92						(0.75)	5.18	55	63	3.28	07/13/2016	2.6	333	2.8	N/A	S&P 400	R 1000	N/A	N/A
MORE	0.36						N/A	0.35	83	85	0.30	06/28/2016	4.1	42	N/A	N/A		R 1000		N/A
PPS	3.23						(0.47)	2.76	58	68	1.88	06/28/2016	2.1	175	3.9	N/A	S&P 400	R 1000	N/A	N/A
UDR	1.78	(0.16)	(0.04)	0.00	0.00	0.00	(0.20)	1.58	66	75	1.18	07/07/2016	2.7	335	2.7	N/A	S&P 500	R 1000	38.00	13.6
Apartment Tot/Wtd. Avg.									63	73			2.9	3,530	6.0					14.6
S. Apts.																				
ACC	2.27	(0.17)	(0.07)	0.00	(0.08)	0.00	(0.32)	1.96	74	86	1.68	08/11/2016	2.1	187	2.4	N/A	S&P 400	R 1000	52.00	10.5
EDR	1.79	(0.13)	(0.10)	0.00	0.00	0.00	(0.23)	1.56	85	97	1.52	07/27/2016	2.8	153	2.1	N/A	S&P 400	R 2000	46.00	9.5
Student Apts. Tot/Wtd. Avg.									78	90			2.3	339	2.3					10.2
M.H.																				
ELS	3.49	(0.40)	0.00	0.00	0.00	0.00	(0.40)	2.90	52	59	1.70	06/22/2016	1.1	96	3.8	N/A		R 1000	80.00	5.8
SUI	4.29	(0.53)	0.00	0.00	0.00	0.00	(0.53)	3.21	69	81	2.60	06/28/2016	1.5	138	1.2	N/A		R 2000	86.00	15.7
Mfd Home Tot/Wtd. Avg.									59	68			1.3	234	2.7					10.1
S.F.																				
AMH	0.96						(0.15)	0.81	21	25	0.20	06/13/2016	3.1	482	1.6	N/A		R 1000		N/A
SBY	0.81						(0.16)	0.65	64	N/A	0.52	06/29/2016	2.6	30	1.5	N/A		R 2000		N/A
SFR	1.72						(0.42)	1.30	51	68	0.88	06/28/2016	8.1	88	N/A	N/A				N/A
Single Family Tot/Wtd. Avg.									34	40			4.4	600	1.6					N/A
Storage																				
CUBE	1.44	(0.10)	(0.01)	0.00	0.00	0.00	(0.11)	1.34	58	63	0.84	06/29/2016	2.2	217	1.6	N/A		R 2000	32.00	21.0
EXR	3.76	(0.25)	0.00	0.00	0.00	0.00	(0.25)	3.51	83											

theHunter Set II (Continued)

Tckr	2016E AFFO Adjustments								Dividends			Short Interest as % of S/O	Vol Wk	17 FFO Mult to Growth Ratio	Lease Rollover in 2017	S&P Index	Russell Index	Citi Inv Res Target Price	Expected Total Return			
	FFO Est. '16E	Cap'l Exp.	Cap'l Int.	Strght Line Rent	Total Acct. Adj.	Other	Total	AFFO Est. '16E	Payout Ratio '16	Ann. Div	Ex-Date											
	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(\$/sh)	(%)	(\$/sh)												
CBD / Urban Office	ARE	5.50	(0.23)	(0.48)	(0.59)	0.41	(1.37)	(2.26)	3.24	58	99	3.20	06/28/2016	12.0	257	1.9	6.4	S&P 400	R 1000	106.00	2.7	
	BXP	5.94	(1.05)	(0.17)	(0.28)	(0.09)	0.00	(1.59)	4.35	44	60	2.60	06/28/2016	1.9	513	4.7	7.8	S&P 500	R 1000	147.00	10.6	
	DEI	1.79	(0.36)	0.00	(0.10)	0.06	0.00	(0.39)	1.39	49	63	0.88	06/28/2016	2.1	121	N/A	15.3		R 1000		35.50	(0.9)
	ESRT	0.96						(0.20)	0.76	N/A	N/A	0.42	06/13/2016	3.0	127	N/A	N/A		R 2000			N/A
	KRC	3.40	(0.87)	(0.39)	(0.49)	(0.02)	0.21	(1.56)	1.84	44	81	1.50	06/28/2016	5.5	154	2.5	8.7	S&P 400	R 1000	76.00	12.0	
	NYRT	0.38						(0.07)	0.32	121	146	0.46	09/06/2016	3.0	46	4.4	N/A					N/A
	PGRE	0.84						(0.52)	0.32	45	118	0.38	06/28/2016	1.1	61	3.3	N/A					N/A
	SLG	8.27	(1.00)	(0.09)	0.18	(1.90)	(0.98)	(3.79)	4.48	35	64	2.88	06/28/2016	5.3	392	N/A	6.6	S&P 500	R 1000	122.00	12.5	
	VNO	4.87	(2.04)	(0.18)	(0.81)	(0.29)	0.06	(3.26)	1.62	52	156	2.52	08/05/2016	1.6	433	1.9	6.3	S&P 500	R 1000	116.50	19.7	
	CBD/Urban Office Tot/Wtd. Avg.									48	95			3.1	2,215	3.1	7.7					11.7
Suburban Office	BDN	1.31	(0.26)	(0.05)	(0.16)	(0.01)	0.00	(0.48)	0.83	49	77	0.64	07/01/2016	3.3	96	1.4	9.4		R 1000		16.50	8.6
	CXP	1.62						(0.76)	0.86	74	140	1.20	08/30/2016	0.7	62	N/A	N/A		R 1000			N/A
	OFC	2.00	(0.47)	(0.04)	(0.05)	0.14	0.00	(0.43)	1.57	55	70	1.10	06/28/2016	1.7	97	2.5	9.2	S&P 400	R 1000	26.00	(2.7)	
	CUZ	0.87						(0.38)	0.49	37	N/A	0.32	08/19/2016	7.3	112	1.4	N/A	S&P 600	R 2000		N/A	
	DEA	1.19	(0.05)	0.00	(0.00)	(0.03)	0.00	(0.08)	1.12	77	82	0.92	08/24/2016	6.0	40	N/A	4.7				19.00	4.3
	EQC	1.14	(0.41)	0.00	(0.15)	0.10	0.00	(0.46)	0.68	0	0	0.00	N/A	1.4	230	N/A	6.9				31.00	(0.1)
	GOV	2.38						(0.74)	1.65	72	105	1.72	07/20/2016	9.7	57	N/A	N/A	S&P 600	R 2000		N/A	
	HIW	3.24	(0.78)	(0.05)	(0.24)	0.09	0.00	(0.98)	2.25	54	77	1.73	08/11/2016	1.8	161	2.6	9.0	S&P 400	R 2000	52.00	5.2	
	CLI	2.11	(0.57)	(0.11)	(0.16)	(0.14)	0.00	(0.98)	1.13	28	53	0.80	07/01/2016	6.7	108	1.5	12.7	S&P 400	R 2000	31.50	15.8	
	PKY	1.31	(0.35)	0.00	(0.23)	0.06	0.00	(0.52)	0.79	57	95	0.75	08/19/2016	1.4	34	9.1	7.4	S&P 600	R 2000	17.00	0.4	
	FSP	1.05						(0.28)	0.77	72	99	0.76	07/20/2016	1.8	26	12.2	N/A					N/A
	TIER	1.56						(0.99)	0.57	46	126	0.72	06/28/2016	3.1	13	N/A	N/A					N/A
	PDM	1.64						(0.40)	1.24	51	68	0.84	08/24/2016	3.2	60	3.4	N/A		R 1000			N/A
	Sub Office Tot/Wtd. Avg.									47	74			3.6	1,096	3.5	8.8					4.4
	Office Tot/Wtd. Avg.									48	90			3.3	3,311	3.2	7.9					10.1
Industrial/Mixed	DCT	2.19	(0.39)	(0.08)	(0.24)	0.05	0.00	(0.67)	1.53	53	76	1.16	06/29/2016	2.6	159	3.2	10.9	S&P 400	R 2000	47.00	1.5	
	DRE	1.20	(0.15)	(0.04)	(0.04)	0.05	0.00	(0.18)	1.02	60	70	0.72	08/12/2016	2.3	362	3.0	10.0	S&P 400	R 1000	27.00	3.5	
	EGP	3.98	(0.69)	(0.09)	(0.00)	0.11	0.00	(0.68)	3.31	62	75	2.48	06/15/2016	4.2	73	2.7	18.0	S&P 600	R 2000	78.00	14.0	
	FR	1.45						(0.34)	1.11	52	68	0.76	06/28/2016	4.5	98	3.8	N/A		R 2000			N/A
	PLD	2.57	(0.41)	(0.08)	(0.19)	0.00	0.20	(0.48)	2.09	65	80	1.68	06/09/2016	1.7	667	5.7	9.3	S&P 500	R 1000	50.00	0.4	
	REXR	0.86	(0.14)	0.00	(0.03)	0.08	0.00	(0.10)	0.76	63	71	0.54	06/28/2016	2.2	31	2.0	0.0		R 2000		22.00	4.0
	TRNO	0.96						(0.23)	0.73	83	109	0.80	07/05/2016	2.1	23	1.2	N/A		R 2000			N/A
	FPO	1.00						(0.21)	0.79	40	51	0.40	08/04/2016	2.1	8	N/A	N/A		R 2000			N/A
	LPT	2.32	(0.54)	(0.10)	(0.09)	0.13	0.01	(0.58)	1.74	83	110	1.92	06/29/2016	1.1	160	2.0	14.4	S&P 400	R 1000	41.00	7.6	
	PSB	5.39	(1.58)	0.00	(0.04)	(0.04)	0.00	(1.67)	3.72	56	81	3.00	06/13/2016	2.0	49	2.6	25.1	S&P 600	R 2000	107.00	1.4	
	Industrial Tot/Wtd. Avg.									65	81			2.4	1,683	4.0	11.1					2.6
Data Center	COR	3.58	(0.14)	(0.09)	(0.10)	(0.04)	0.01	(0.36)	3.22	59	66	2.12	06/28/2016	5.7	158	0.9	14.0	S&P 600	R 2000	88.00	14.2	
	CONE	2.52	(0.12)	(0.10)	(0.21)	0.21	0.05	(0.17)	2.35	60	65	1.52	06/22/2016	7.6	254	0.6	30.0		R 2000		54.00	12.2
	DLR	5.68	(0.40)	(0.07)	(0.16)	0.19	0.02	(0.42)	5.26	62	67	3.52	06/13/2016	15.9	685	2.3	7.8	S&P 500	R 1000	108.00	15.8	
	DFT	2.79	(0.01)	(0.07)	(0.06)	0.09	0.10	0.05	2.84	67	66	1.88	06/29/2016	4.1	208	1.2	2.1		R 2000		47.00	13.8
	EQIX	11.63						5.09	16.72	60	42	7.00	08/22/2016	6.6	1,243	N/A	N/A	S&P 500	R 1000	400.00	12.2	
	QTS	2.59						(0.11)	2.48	56	58	1.44	06/15/2016	4.3	129	1.5	N/A		R 2000			N/A
	Data Center Tot/Wtd. Avg.									61	54			8.4	2,679	1.7	11.4					13.5
Diversified	ALX	23.23						(0.69)	22.54	69	71	16.00	08/05/2016	0.9	14	4.3	N/A		R 2000			N/A
	AAT	1.86						(0.44)	1.42	54	70	1.00	06/08/2016	1.2	29	1.8	N/A	S&P 600	R 2000		N/A	
	FCE.A	1.40	(0.47)	(0.04)	(0.03)	0.00	0.00	(0.54)	0.86	N/A	N/A	0.24	08/31/2016	0.8	116	4.5	N/A		R 1000		27.00	18.2
	NRF	2.55						N/A	2.48	N/A	N/A	1.60	08/11/2016	2.2	N/A	N/A	N/A		R 1000			N/A
	SIR	2.89						(0.39)	2.50	N/A	N/A	2.04	07/20/2016	1.4	43	13.0	N/A		R 2000			N/A
	Diversified Tot/Wtd. Avg.									64	77			1.4	267	5.9	N/A					18.2
Specialty	CXW	2.66						(0.13)	2.53	81	85	2.16	06/29/2016	8.7	188	N/A	N/A	S&P 400	R 1000			N/A
	GLPI	2.95						(0.06)	2.89	81	83	2.40	09/08/2016	3.3	195	2.1	N/A		R 1000			N/A
	GEO	2.82						0.07	2.89	92	90	2.60	07/28/2016	2.1	169	4.2	N/A	S&P 600	R 2000		N/A	
	IRM	2.29						0.27	2.56	85	76	1.94	09/08/2016	3.5	365	N/A	N/A	S&P 500	R 1000		N/A	
	LAMR	4.96						#VALUE!	N/A	60	N/A	3.00	06/14/2016	6.6	180	N/A	N/A		R 1000		63.00	9.5
	MGP	1.21						0.08	1.29	86	81	1.04	06/28/2016	2.8	42	N/A	N/A				26.00	8.0
	OUT	2.22						(0.15)	2.07	N/A	N/A	1.36	09/07/2016	2.1	67	N/A	N/A				26.00	29.5
	Specialty Tot/Wtd. Avg.									80	80			4.0	1,207	N/A	N/A					12.9
Lodging REIT	AHP	1.78						(0.62)	1.17	27	41	0.48	06/28/2016	3.4	13	1.2	N/A		R 2000			N/A
	AHT	1.55						(0.60)	0.95	31	51	0.48	06/28/2016	2.3	18	2.0	N/A		R 2000			N/A
	CLDT	2.30						(0.35)	1.95	57	68	1.32	08/29/2016	1.6	21	2.7	N/A		R 2000			N/A
	CHSP	2																				

Lodging Stocks Valuation Summary

TRADING AND VALUATION MULTIPLES		Adjusted Total Enterprise Value															
(\$ millions except per share amounts)		Price 09/09/16	Diluted Shares	Equity Mkt Cap	Cur. Total Enterprise Value	Price To:				As a Multiple of:					2016 FCF Yield After		
Ticker	Rating					2017E EPS	2016E EPS	2015A EPS	2016E Cash EPS	2017E EBITDA	2016E EBITDA	2015A EBITDA	LTM EBITDA	Div'd Yld	M. CapEx	All CapEx	
Lodging C-Corps.																	
HILTON WORLDWIDE	HLT	1	\$ 22.73	991	\$22,525	\$ 31,101	21.7x	25.8x	28.0x	17.1x	9.7x	10.2x	11.0x	10.5x	1.2%	6.2%	5.9%
WYNDHAM WORLDWIDE	WYN	NR	66.88	112	7,491	12,897	10.6	11.7	13.1	NM	9.0	9.4	9.6	9.8	2.5%	NA	NA
HYATT HOTELS	H	2	50.44	135	6,804	7,153	34.6	33.5	55.7	19.2	9.8	10.6	12.1	9.7	0.0%	4.8%	3.6%
EXTENDED STAY AMERICA	STAY	2	13.87	202	2,799	4,906	15.3	15.4	14.6	9.3	8.2	8.7	8.5	8.4	4.8%	11.2%	5.9%
CHOICE HOTELS INTERNATIONAL	CHH	NR	46.79	58	2,726	3,420	17.9	19.4	21.1	NM	12.9	13.6	14.5	14.2	1.7%	NA	NA
* INTERCONTINENTAL HOTELS GROU	IHG-GB	2	42.03	198	8,336	9,231	19.1	21.9	24.3	28.9	11.1	11.7	11.9	11.8	2.5%	NA	NA
LA QUINTA	LQ	2	10.87	117	1,276	2,940	19.9	19.7	NM	7.5	8.2	7.9	7.7	7.7	0.0%	17.9%	9.5%
BELMOND LTD.	BEL	NR	10.87	103	1,119	1,570	NM	NM	NM	NM	11.3	11.9	13.2	13.0	0.0%	NA	NA
MORGANS HOTEL GROUP	MHGC	NR	1.86	35	65	687	NM	NM	NM	NM	15.4	16.0	14.6	14.1	0.0%	NA	NA
S&P 500							16.4	18.0	18.2								
SIMPLE AVERAGE							19.8	21.3	26.5	17.4	10.7	11.2	11.6	11.5	1.4%	9.2%	5.7%
MKT CAP WTD AVERAGE							20.4	23.1	28.0	20.0	10.2	10.8	11.6	11.9	1.5%	6.5%	4.8%
Lodging REITs																	
						FFO		AFFO						'16 NOI Cap		EV / Room	
HOST HOTELS & RESORTS	HST	1	\$ 16.20	771	\$ 12,482	\$ 15,254	9.5x	9.8x	10.5x	12.5x	10.2x	10.7x	11.8x	10.5x	4.9%	9.9%	\$ 270,610
RLJ LODGING TRUST	RLJ	NR	21.85	124	2,708	4,070	8.2	8.1	8.7	10.0	10.2	10.4	11.1	10.4	6.0%	10.5%	195,676
LASALLE HOTEL PROPERTIES	LHO	2	25.16	113	2,850	4,208	9.0	8.6	8.9	10.3	10.9	10.1	10.8	10.5	7.2%	9.3%	367,831
RYMAN HOSPITALITY PROPERTIES	RHP	2H	49.82	51	2,553	3,914	8.9	9.3	9.4	11.9	11.1	11.6	12.6	12.5	6.0%	9.4%	472,208
DIAMONDROCK HOSPITALITY	DRH	2	9.34	202	1,883	2,552	9.7	9.2	9.2	10.5	10.3	9.8	10.5	10.0	5.4%	10.7%	265,027
SUNSTONE HOTEL INVESTORS	SHO	2	12.33	216	2,657	3,132	10.1	10.5	9.4	13.1	10.0	10.1	9.4	9.5	5.3%	10.2%	240,700
XENIA HOTELS & RESORTS	XHR	NR	16.07	108	1,736	2,640	6.8	7.3	9.3	9.0	9.1	9.3	NA	8.9	5.2%	11.8%	210,422
PEBBLEBROOK HOTEL TRUST	PEB	NR	27.36	72	1,979	2,950	10.2	10.1	10.9	12.9	12.9	12.6	14.0	10.5	4.5%	8.0%	356,072
HERSHA HOSPITALITY TRUST	HT	NR	18.18	44	797	1,561	7.2	7.3	7.7	9.9	10.1	10.2	13.0	8.7	6.2%	9.5%	197,662
ASHFORD HOSPITALITY TRUST	AHT	NR	6.01	114	683	4,175	3.8	3.9	4.3	7.4	9.4	9.6	10.7	9.6	8.0%	11.4%	149,240
ASHFORD HOSPITALITY PRIME	AHP	NR	15.06	32	488	1,156	9.3	9.1	10.3	13.2	11.4	11.2	12.6	11.4	2.3%	10.4%	332,984
CHESAPEAKE LODGING TRUST	CHSP	NR	24.31	59	1,431	2,148	9.8	9.7	11.0	12.3	10.9	11.1	12.4	11.3	6.2%	9.6%	320,631
CHATHAM LODGING TRUST	CLDT	NR	19.28	39	747	1,307	8.1	8.4	8.4	10.9	9.8	10.1	10.3	10.1	6.2%	10.8%	188,218
HOSPITALITY PROPERTIES	HPT	NR	29.18	151	4,419	8,119	NA	NA	NA	(36.2)	9.9	10.6	12.0	11.4	6.9%	9.6%	177,019
FELCOR LODGING TRUST	FCH	NR	6.34	139	879	2,584	7.0	7.0	7.6	10.5	10.2	10.1	10.3	10.9	2.8%	9.6%	207,631
SUMMIT HOTEL PROPERTIES	INN	NR	13.25	87	1,157	1,889	9.3	9.8	10.6	12.6	11.0	11.5	13.0	11.3	3.5%	8.6%	165,454
S&P 500							16.4	18.0	18.2								
SIMPLE AVERAGE							8.5	8.5	9.1	8.2	10.5	10.6	11.6	10.5	5.4%	10.0%	\$ 257,337
MKT CAP WTD AVERAGE							9.0	9.2	9.7	11.6	10.4	10.6	11.6	10.6	5.5%	9.9%	\$ 267,369

*InterContinental Hotels Group (IHG) is covered by James Ainley (Travel & Leisure)

Source: Citi Research except for Not Rated (NR) stocks where First Call estimates were used.

Lodging Stocks Key Operating and Balance Sheet Data

KEY OPERATING DATA (LAST TWELVE MONTHS) AND BALANCE SHEET DATA

(\$ millions except per share amounts)

	Operating Efficiency Statistics								Capital Structure Statistics									
	Revenue	EBITDA	EBITDA/Revenue	G&A Expense	G&A/Revenue	Net Income	Net Inc./Equity	EBITDA/Total Cap	Book Equity	Price/Book Value	Debt	PFD Stock	Cash	Total Capital	Net Debt/TEV	Net Debt/EBITDA	Debt + PFD / EBITDA	EBITDA / Interest
Lodging C-Corps.																		
HILTON WORLDWIDE	7,196	2,962	41.2%	446	6.2%	866	13.6%	18.5%	6,346	3.5	9,657	-	1,081	16,003	27.6%	2.9	2.9	5.2
WYNDHAM WORLDWIDE	5,581	1,312	23.5%	819	14.7%	581	57.2%	20.4%	1,016	7.4	5,406	-	N.A.	6,422	41.9%	3.9	3.9	11.0
HYATT HOTELS	2,577	737	28.6%	304	11.8%	184	4.6%	15.2%	4,004	1.7	849	-	501	4,853	4.9%	0.5	0.5	10.0
EXTENDED STAY AMERICA	1,277	586	45.9%	98	7.7%	185	12.9%	15.1%	1,437	1.9	2,412	21	327	3,870	42.5%	3.6	3.6	3.9
CHOICE HOTELS INTERNATIONAL	901	242	26.8%	136	15.1%	130	NM	45.7%	(374)	NM	902	-	208	528	20.3%	2.8	2.8	5.8
* INTERCONTINENTAL HOTELS GROU	1,726	780	45.2%	227	13.2%	1,055	NM	124.5%	(1,040)	NM	1,666	-	771	626	9.7%	1.1	1.1	8.6
LA QUINTA	1,019	382	37.5%	107	10.5%	72	11.5%	16.4%	622	2.0	1,706	-	41	2,328	56.6%	4.6	4.6	4.2
BELMOND LTD.	543	120	22.2%	206	38.0%	18	2.7%	9.5%	670	1.7	600	-	149	1,271	28.7%	3.4	3.4	3.8
MORGANS HOTEL GROUP	214	49	22.7%	62	28.9%	27	NM	14.0%	(299)	NM	576	71	24	348	80.2%	12.8	14.5	N.A.
SIMPLE AVERAGE			30.5%		15.5%		17.1%	68.5%		3.0					32.9%	3.8	3.9	7.1
Lodging REITs																		
HOST HOTELS & RESORTS	5,419	1,448	26.7%	101	1.9%	777	10.8%	13.8%	7,214	1.7	3,308	-	536	10,522	18.2%	1.9	1.9	9.3
RLJ LODGING TRUST	1,139	392	34.4%	38	3.3%	191	8.9%	10.5%	2,151	1.3	1,583	-	221	3,734	33.5%	3.5	3.5	6.5
LASALLE HOTEL PROPERTIES	1,227	400	32.6%	26	2.1%	129	5.6%	10.6%	2,286	1.2	1,148	329	118	3,762	24.5%	2.6	3.5	8.8
RYMAN HOSPITALITY PROPERTIES	1,118	314	28.1%	29	2.6%	143	40.1%	17.2%	357	7.2	1,464	-	102	1,821	34.8%	4.2	4.2	5.1
DIAMONDROCK HOSPITALITY	921	254	27.6%	25	2.7%	102	5.6%	9.2%	1,838	1.0	933	-	263	2,771	26.2%	2.6	2.6	6.1
SUNSTONE HOTEL INVESTORS	1,222	330	27.0%	26	2.1%	347	15.1%	9.8%	2,299	1.2	952	115	593	3,366	11.5%	1.1	1.5	5.5
XENIA HOTELS & RESORTS	994	298	30.0%	26	2.6%	96	6.0%	10.4%	1,614	1.1	1,266	-	362	2,880	34.2%	3.2	3.2	5.5
PEBBLEBROOK HOTEL TRUST	825	281	34.1%	28	3.4%	147	8.4%	10.2%	1,750	1.1	805	210	44	2,765	25.8%	2.8	3.6	6.2
HERSHA HOSPITALITY TRUST	588	180	30.6%	21	3.5%	129	16.5%	10.0%	780	1.0	939	76	252	1,795	44.0%	3.9	4.3	3.6
ASHFORD HOSPITALITY TRUST	1,493	433	29.0%	53	3.6%	(20)	NM	9.2%	800	0.9	3,759	158	424	4,716	79.9%	7.6	8.0	2.2
ASHFORD HOSPITALITY PRIME	391	102	26.0%	23	5.9%	(11)	NM	8.9%	303	1.6	776	62	170	1,142	52.4%	5.9	6.5	2.6
CHESAPEAKE LODGING TRUST	621	190	30.6%	18	2.9%	80	6.7%	9.4%	1,200	1.2	767	50	100	2,016	31.0%	3.4	3.7	5.9
CHATHAM LODGING TRUST	296	130	43.8%	12	4.0%	34	5.0%	10.1%	685	1.1	598	-	38	1,284	42.9%	4.3	4.3	4.6
HOSPITALITY PROPERTIES	2,004	715	35.7%	47	2.3%	150	6.0%	11.3%	2,514	1.8	3,501	280	82	6,296	42.1%	4.5	4.9	4.5
FELCOR LODGING TRUST	880	236	26.9%	27	3.1%	1	NM	14.0%	(93)	NM	1,434	353	82	1,693	52.3%	5.7	7.1	3.0
SUMMIT HOTEL PROPERTIES	479	167	34.9%	21	4.5%	168	17.4%	9.3%	966	1.2	622	211	102	1,800	27.6%	3.2	4.4	5.5
SIMPLE AVERAGE			31.1%		3.2%		11.7%	10.9%		1.6					36.3%	3.8	4.2	5.3

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*InterContinental Hotels Group (IHG) is covered by James Ainley (Travel & Leisure)

Source: Citi Research except for Not Rated (NR) stocks where First Call estimates were used.

Lodging Stocks Forecast Data

FORECAST DATA

(\$ millions except per share amounts)

	EPS						EBITDA				Corporate Expense				2016E	'16 Growth	# of System
	2017E	2016E	2015A	LTM	Upcoming	Prev. Yr.	2017E	2016E	2015A	LTM	2017E	2016E	2015A	LTM	FCF	CapEx	Rooms
					Qtr.	Qtr.											
Lodging C-Corps.																	
HILTON WORLDWIDE	1.05	0.88	0.81	0.87	0.24	0.23	3,115	2,980	2,877	2,962	440	448	436	446	1,397	60	768,221
WYNDHAM WORLDWIDE	6.28	5.72	5.11	5.20	1.40	1.32	1,436	1,374	1,297	1,312	863	837	813	819	N.A.	N.A.	702,042
HYATT HOTELS	1.46	1.51	0.91	1.41	0.29	0.30	816	774	727	737	321	312	306	304	326	81	164,383
EXTENDED STAY AMERICA	0.91	0.90	0.95	0.91	0.34	0.33	609	586	595	586	102	99	99	98	314	148	69,383
CHOICE HOTELS INTERNATIONAL	2.61	2.41	2.22	2.20	0.71	0.62	270	252	237	242	148	141	134	136	N.A.	N.A.	N.A.
* INTERCONTINENTAL HOTELS GROU	2.20	1.92	1.73	N/A	N/A	N/A	834	788	776	780	188	187	241	227	N.A.	N.A.	N.A.
LA QUINTA	0.55	0.55	0.54	0.58	0.19	0.19	346	361	394	382	110	108	104	107	228	106	87,900
BELMOND LTD.	0.29	0.25	0.18	0.21	0.04	0.07	139	132	120	120	206	206	206	206	N.A.	N.A.	N.A.
MORGANS HOTEL GROUP	(1.35)	(1.34)	(1.30)	(1.14)	(0.30)	(0.31)	45	43	47	49	62	62	62	62	N.A.	N.A.	4,394
Lodging REITs																	
	FFO														'16	'16 Growth	# of Owned
	2017E	2016E	2015A	LTM	Qtr.	Qtr.	2017E	2016E	2015A	LTM	2017E	2016E	2015A	LTM	NOI	CapEx	Rooms
HOST HOTELS & RESORTS	1.70	1.65	1.54	1.64	0.36	0.34	1,475	1,442	1,410	1,448	100	107	94	101	1,548	36	56,370
RLJ LODGING TRUST	2.67	2.69	2.50	2.57	0.82	0.74	398	393	380	392	39	39	38	38	432	N.A.	20,800
LASALLE HOTEL PROPERTIES	2.79	2.93	2.83	2.97	0.86	0.87	378	389	384	400	27	26	25	26	416	68	11,440
RYMAN HOSPITALITY PROPERTIES	5.61	5.37	5.33	4.97	1.18	1.07	341	327	304	314	30	29	27	29	356	20	8,289
DIAMONDROCK HOSPITALITY	0.96	1.02	1.01	1.00	0.27	0.26	248	261	265	254	26	25	24	25	287	54	9,630
SUNSTONE HOTEL INVESTORS	1.22	1.18	1.31	1.25	0.32	0.36	321	318	341	330	26	26	26	26	343	99	13,010
XENIA HOTELS & RESORTS	2.35	2.21	1.73	0.94	0.65	-	291	284	293	298	27	26	26	26	311	N.A.	12,548
PEBBLEBROOK HOTEL TRUST	2.69	2.71	2.50	2.73	0.81	0.72	264	270	260	281	29	28	28	28	298	N.A.	8,284
HERSHA HOSPITALITY TRUST	2.54	2.48	2.35	2.38	0.89	0.76	176	176	177	180	21	21	21	21	197	N.A.	7,896
ASHFORD HOSPITALITY TRUST	1.58	1.55	1.41	1.46	0.60	0.49	442	436	406	433	55	54	53	53	490	N.A.	27,977
ASHFORD HOSPITALITY PRIME	1.62	1.65	1.46	1.59	0.60	0.60	101	103	91	102	24	23	23	23	126	N.A.	3,472
CHESAPEAKE LODGING TRUST	2.47	2.50	2.21	2.37	0.75	0.68	196	193	173	190	19	18	18	18	212	N.A.	6,699
CHATHAM LODGING TRUST	2.37	2.30	2.29	2.35	0.69	0.71	134	130	126	130	12	12	12	12	141	N.A.	6,946
HOSPITALITY PROPERTIES	-	-	-	-	-	-	819	763	675	715	49	48	47	47	810	N.A.	45,864
FELCOR LODGING TRUST	0.90	0.90	0.83	0.82	0.32	0.28	237	239	235	236	28	28	27	27	267	N.A.	12,443
SUMMIT HOTEL PROPERTIES	1.42	1.35	1.25	1.30	0.42	0.34	171	165	154	167	22	22	21	21	186	N.A.	11,420

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*InterContinental Hotels Group (IHG) is covered by James Ainley (Travel & Leisure)

NOTES

Adjusted Total Enterprise Value projects future debt necessary to generate forward EBITDA.

Cash EPS = GAAP EPS + Depreciation and Amortization/Share - Maintenance Cap Ex/Share.

REIT AFFO = (FFO - Property Maintenance Costs) / Share.

Source: Citi Research except for Not Rated (NR) stocks where First Call estimates were used.

Lodging Stocks Price Performance and Valuation Summary

Company	Ticker	Equity Mkt Cap	52 Week		Price 09/09/16	Price Performance										EPS or FFO/shr			P/E or P/FFO		
			High	Low		YTD	Aug'16	2015	2014	2013	2012	2011	2010	2009	2008	2015A	2016E	2017E	2015A	2016E	2017E
Lodging C-Corps.																					
Hilton Worldwide	HLT	\$22,525	\$26.27	- \$16.16	\$ 22.73	6.2%	2.9%	-18.0%	17.3%	N/A	N/A	N/A	N/A	N/A	N/A	\$ 0.81	\$ 0.88	\$ 1.05	28.0x	25.8x	21.7x
Wyndham Worldwide	WYN	7,491	82.99	- 60.59	66.88	-7.9%	-0.3%	-15.3%	16.4%	38.5%	40.7%	26.3%	48.5%	207.9%	-72.2%	5.11	5.72	6.28	13.1	11.7	10.6
Hyatt Hotels	H	6,804	54.82	- 34.06	50.44	7.3%	6.0%	-21.9%	21.7%	28.2%	2.5%	-17.7%	53.5%	N/A	N/A	0.91	1.51	1.46	55.7	33.5	34.6
Extended Stay	STAY	2,840	19.86	- 10.56	13.87	-12.8%	-0.1%	-17.7%	-26.5%	N/A	N/A	N/A	N/A	N/A	N/A	0.95	0.90	0.91	14.6	15.4	15.3
Choice Hotels International	CHH	2,726	54.66	- 40.78	46.79	-7.2%	0.4%	-10.0%	14.1%	46.1%	17.5%	-0.6%	20.9%	5.3%	-9.5%	2.22	2.41	2.61	21.1	19.4	17.9
InterContinental Hotels Group	IHG	8,336	50.56	- 34.63	42.03	8.5%	6.3%	-4.3%	12.0%	20.2%	44.0%	-7.6%	34.9%	N/A	N/A	1.73	1.92	2.20	24.3	21.9	19.1
La Quinta	LQ	1,276	19.22	- 9.42	10.87	-20.1%	-6.6%	-5.1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.55	0.55	NA	19.7	19.9
Belmond Ltd	BEL	1,119	11.90	- 7.31	10.87	14.4%	-2.8%	-23.2%	-18.1%	29.3%	56.5%	-42.5%	28.1%	32.4%	-86.7%	0.18	0.25	0.29	60.4	43.5	37.5
Morgans Hotel Group	MHGC	65	4.35	- 0.79	1.86	-44.8%	-12.5%	-57.0%	-3.6%	46.8%	-6.1%	-35.0%	98.5%	-1.9%	-75.8%	(1.30)	(1.34)	(1.35)	NA	NA	NA
Equally Weighted C-Corp Index						-4.5%	-0.9%	-13.1%	9.3%	35.0%	27.2%	-17.4%	53.9%	67.4%	-60.0%						
Market Cap Weighted C-Corp Index						1.7%	2.4%	3.8%	23.3%	35.1%	25.0%	-13.6%	54.8%	82.0%	-51.8%						
S&P 500 INDEX	.SPX-UT				2,127.81	4.1%	-0.1%	-0.7%	11.4%	29.6%	13.4%	0.0%	12.8%	23.5%	-38.5%	\$117.12	\$117.92	\$129.74	18.2x	18.0x	16.4x
Lodging REITs																					
Host Hotels & Resorts	HST	\$12,482	\$18.56	- \$12.17	\$ 16.20	5.6%	0.5%	-35.5%	22.3%	24.1%	6.1%	-17.3%	53.1%	54.2%	-55.6%	\$ 1.54	\$ 1.65	\$ 1.70	10.5x	9.8x	9.5x
RLJ Lodging Trust	RLJ	2,708	28.96	- 16.15	21.85	1.0%	-1.7%	-35.5%	37.9%	25.6%	15.1%	N/A	N/A	N/A	N/A	2.50	2.69	2.67	8.7	8.1	8.2
LaSalle Hotel Properties	LHO	2,850	32.37	- 19.01	25.16	0.0%	1.9%	-37.8%	31.1%	21.5%	4.9%	-8.3%	24.4%	92.1%	-65.4%	2.83	2.93	2.79	8.9	8.6	9.0
Ryman Hospitality Properties	RHP	2,553	61.02	- 41.50	49.82	-3.5%	-4.1%	-2.1%	26.2%	8.6%	59.3%	-32.8%	82.0%	82.2%	-73.2%	5.33	5.37	5.61	NA	NA	NA
DiamondRock	DRH	1,883	12.84	- 7.28	9.34	-3.2%	7.8%	-35.1%	28.7%	28.3%	-6.6%	-19.7%	41.7%	67.1%	-66.2%	1.01	1.02	0.96	9.2	9.2	9.7
Sunstone Hotel Investors	SHO	2,657	15.08	- 9.52	12.33	-1.3%	4.4%	-24.3%	23.2%	25.1%	31.4%	-21.1%	16.3%	43.5%	-66.2%	1.31	1.18	1.22	9.4	10.5	10.1
Hersha Hospitality Trust	HT	797	25.63	- 15.36	18.18	-16.5%	3.4%	-22.6%	26.2%	11.4%	2.5%	-26.1%	110.2%	4.7%	-68.4%	2.35	2.48	2.54	7.7	7.3	7.2
Pebblebrook Hotel Trust	PEB	1,979	39.31	- 20.51	27.36	-2.4%	1.3%	-38.6%	48.3%	33.2%	20.4%	-5.6%	-7.7%	N/A	N/A	2.50	2.71	2.69	10.9	10.1	10.2
Xenia Hotels & Resorts	XHR	1,736	19.74	- 12.10	16.07	4.8%	-6.2%	-37.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.73	2.21	2.35	9.3	7.3	6.8
Ashford Hospitality Trust	AHT	683	8.07	- 4.15	6.01	-4.8%	16.9%	-35.5%	18.1%	-21.2%	31.4%	-17.1%	108.0%	303.5%	-84.0%	1.41	1.55	1.58	4.3	3.9	3.8
Ashford Hospitality Prime	AHP	488	17.64	- 8.37	15.06	3.9%	3.1%	-15.5%	-5.7%	-9.0%	N/A	N/A	N/A	N/A	N/A	1.46	1.65	1.62	10.3	9.1	9.3
Chesapeake Lodging Trust	CHSP	1,431	30.00	21.55	24.31	-3.4%	0.8%	-32.4%	47.1%	21.1%	35.1%	-17.8%	N/A	N/A	N/A	2.21	2.50	2.47	11.0	9.7	9.8
Chatham Lodging Trust	CLDT	747	24.80	16.12	19.28	-5.9%	-13.6%	-29.3%	41.7%	33.0%	42.7%	-37.5%	N/A	N/A	N/A	2.29	2.30	2.37	8.4	8.4	8.1
Hospitality Properties	HPT	4,419	32.32	20.69	29.18	11.6%	-4.5%	-15.6%	14.7%	15.4%	1.9%	-0.3%	-2.8%	59.4%	-53.8%	-	-	-	NA	NA	NA
FelCor Lodging Trust	FCH	879	8.66	- 5.47	6.34	-13.2%	12.0%	-32.5%	32.6%	74.7%	53.1%	-56.7%	95.6%	95.7%	-88.2%	0.83	0.90	0.90	7.6	7.0	7.0
Summit Hotel Properties	INN	1,157	14.58	- 9.00	13.25	10.9%	0.8%	-3.9%	38.2%	-5.3%	0.6%	N/A	N/A	N/A	N/A	1.25	1.35	1.42	10.6	9.8	9.3
Equally Weighted REIT Index						-1.0%	1.4%	-27.1%	28.7%	19.1%	18.3%	-20.7%	48.7%	90.0%	-68.5%						
Market Cap Weighted REIT Index						2.2%	0.3%	-29.0%	25.7%	20.6%	14.1%	-14.3%	47.5%	59.9%	-59.7%						
MSCI REIT INDEX (RMZ)	RMZ				1,185.90	7.7%	-3.9%	-1.5%	25.3%	-1.4%	13.6%	4.7%	23.5%	21.0%	-41.5%						
Equally Weighted Lodging Index						-2.4%	0.5%	-21.4%	21.0%	24.6%	21.7%	-19.2%	51.3%	79.5%	-64.5%						
Market Cap Weighted Lodging Index						2.6%	1.5%	-4.5%	25.9%	31.4%	19.8%	-14.6%	53.5%	75.4%	-54.2%						

*InterContinental Hotels Group (IHG) is covered by James Ainley (Travel & Leisure)

Source: Citi Research except for Not Rated (NR) stocks where First Call estimates were used.

theHunter — Footnotes

- **Note:** Sector and REIT universe straight and weighted averages do not include C-Corps.
- **Rating Key:** 1=Buy, 2=Neutral, 3=Sell. Risk: H=High.
- **Price Change** — Percentage price changes: Week is from the close on the previous Friday, Month is from the last trading day of the prior month, and QTD is from last trading day of the prior quarter, to the most recent closing price.
- **Total Return** — Stock price change and dividends paid.
- **Dividend Yield** — The return on investment for a stock, or the annual dividend income per share received from a company. Dividend yield is calculated by dividing the most recently paid dividend annualized, by the most recent share price.
- **Funds from Operations (FFO)** — Defined as GAAP Net Income excluding gains and losses from sales of depreciable property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.
- **Est 2016E** — Citi Research's 2016 FFO estimates are our estimates for covered companies, which appear in bold font. If we do not cover the company, the estimates are consensus estimates from First Call.
- **Est 2017E** — Citi Research's 2017 FFO estimates are our estimates for covered companies, which appear in bold font. If we do not cover the company, the estimates are consensus estimates from First Call.
- **Citi Research Est. vs. Cons** — For covered companies, we show the difference between our FFO estimate and First Call consensus. Positive numbers represent where our estimates are above consensus.
- **Growth '16E** — Percentage change in FFO per share from 2015 actuals to 2016 estimates. For covered companies, we show the growth in bold font based on our estimates. If we do not cover the company, the growth is based on consensus estimates from First Call.
- **Growth '17E** — Percentage change in FFO per share from 2016 estimates to 2017 estimates. For covered companies, we show the growth in bold font based on our estimates. If we do not cover the company, the growth is based on consensus estimates from First Call.
- **Multiple '16E** — The valuation ratio of the current share price divided by 2016 estimated FFO per share. For covered companies our FFO estimates are used. If we do not cover the company, consensus estimates are used.
- **Multiple '17E** — The valuation ratio of the current share price divided by 2017 estimated FFO per share. For covered companies our FFO estimates are used. If we do not cover the company, consensus estimates are used.
- **TEV/EBITDA Mult** — The valuation ratio that eliminates a company's financing decisions. The multiple is calculated using total market capitalization plus debt less cash (Total Enterprise Value) divided by earnings before interest, tax, depreciation, and amortization (EBITDA) for the last reported quarter, annualized.
- **Implied Cap Rate** — Measures the cap rate or yield on the rental real estate owned by annualizing the most recent quarter's net operating income divided by the current TEV. Non-rental income assets are valued separately and the TEV is reduced by our estimate for non-income producing assets to arrive at an implied cap rate.
- **Implied Value/Unit or Sq Ft** — Measures the implied rental value per unit or square foot based on the current TEV after backing out value for non-rental income producing assets. Apartments are measured using units, manufactured homes are measured using home sites, and all other property types are measured using square feet.
- **Prem (Disc.) to NAV** is the premium or discount of the current share price to our estimate of Net Asset Value per share using our spot cap rate estimate of current market conditions. Spot cap rate is the cap rate at which real estate is currently trading.
- **Model Port. Weight** — The weight we assign for the company in our Citi Research model portfolio.
- **Model Hedge Weight** — The weight assigned for each company in our Citi Research model hedge portfolio.

- **REIT Index Weight** — Our approximation of the weight assigned to each company in a prominent industry Index.
- **Adjusted Funds from Operations (AFFO)** is FFO (defined above) less non-revenue generating capital expenditures, land sales, the equity portion of capitalized interest and straight-line rents, as outlined in *theHunter* Set II. AFFO also adjusts for EITF D-42, FAS 141/142 and other non-cash accounting adjustments. Citi estimates are used for covered companies and SNL consensus is used for uncovered companies.
- **Est '16E** — Discussed above in FFO section (pertains to AFFO).
- **Est '17E** — Discussed above in FFO section (pertains to AFFO).
- **Mult '16E** — Discussed above in FFO section (pertains to AFFO).
- **Mult '17E** — Discussed above in FFO section (pertains to AFFO).
- **Growth '16E** — Discussed above in FFO section (pertains to AFFO).
- **Growth '17E** — Discussed above in FFO section (pertains to AFFO).
- **FFO Mult Prem Current vs. Sector** is the premium or discount of the current forward FFO multiple for a stock to the sector weighted average forward FFO multiple. For sectors, this represents a premium/discount that the sector trades at relative to the REIT universe based on the forward FFO multiple.
- **FFO Mult Prem 20 Yr. Sector Avg** for companies is the 20 year average of the premium or discount forward FFO multiple to the sector weighted average forward FFO multiple. For sectors, this represents a premium/discount that the sector trades at relative to the REIT universe based on the forward FFO multiple.
- **Historical FFO Multiples** are calculated using year-end stock prices and full year FFO estimates for the following year. The average, high, and low multiples for the past 15 years are shown.
- **NAV CAGR** — is the compounded annual growth rate in NAV per share over a specified time period.
- **Cap Rate** is the rate used to estimate the value of a company's net assets by using annualized income streams.
- **Net Asset Value** is our estimate of the private market value of the company's real estate net of liabilities on a per share basis. We use the current spot cap rate for the net operating income to derive NAV. NAV is calculated using the most recently reported quarterly results. NAV calculations for covered lodging companies are based upon estimated full-year operating data. Net asset value estimates for companies not covered by Citi Research reflect SNL estimates. Spot NAV estimates not in italics reflect most recent reported financial results; estimates in italics reflect the prior quarter.
- **Debt/GAV** is the measure of a company's leverage and is the ratio of Total Debt to Gross Asset Value which is Net Asset Value plus Debt using current spot cap rates.
- **Net Debt / Fwd 12 mo. Cash EBITDA** is the ratio of total net debt to cash EBITDA produced by the business.
- **FC Coverage** is the ratio indicating the ability to satisfy financing costs and is calculated as follows: $EBITDA / [Interest Expense + Capitalized Interest + Preferred Dividends]$. The most recent reported quarter data is used for the calculation.
- **Float** represents the market value based on the current share price of all common shares outstanding, but does not include equity operating partnership units.
- **Total Market Capitalization** represents the market value based on the current share price of all common shares and operating partnership units outstanding plus debt and preferred stock outstanding as of the end of the most recent reported quarter.

Citi REIT and Lodging Coverage Universe

Citi Research – REITs and Lodging Coverage Universe Summary									
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REIT Team Contact Information									
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			Qiu Xia Cheok (admin)	qiu.xia.cheok@citi.com	(212) 816-1823				
OFFICE / INDUSTRIAL- Manny Korchman (Analyst) / Jill Sawyer (Associate)			RETAIL - Christy McElroy (Analyst) / Katy McConnell (Associate)						
CBD / Urban Office:	Alexandria R.E.	ARE	\$106.31	2	Malls & Outlets:	CBL & Associates	CBL	\$13.34	2H
	Boston Prop.	BXP	\$135.22	1		General Growth	GGP	\$28.11	1
	Douglas Emmett	DEI	\$36.72	2		Macerich Co.	MAC	\$80.03	2
	Kilroy Realty	KRC	\$69.18	2		Pennsylvania REIT	PEI	\$23.75	2H
	SL Green	SLG	\$111.00	1		Simon Property	SPG	\$209.90	1
	Vornado Realty	VNO	\$99.45	1		Tanger Factory	SKT	\$39.09	2
						Taubman Centers	TCO	\$76.42	2
Suburban Office:	Brandywine Rlty.	BDN	\$15.78	2	Shopping Centers:	Acadia Realty	AKR	\$36.09	1
	Corporate Office Prop.	OFC	\$27.84	2		Brixmor Prop. Group	BRX	\$27.44	1
	Easterly Government Prop.	DEA	\$19.10	2		DDR Corp	DDR	\$18.28	2
	Equity Commonwealth	EQC	\$31.04	2		Equity One	EQY	\$30.30	2
	Highwoods	HIW	\$51.09	2		Federal Realty	FRT	\$154.48	2
	Mack-Cali Realty	CLI	\$27.73	1		Kite Realty Group	KRG	\$27.96	1
	Parkway Prop.	PKY	\$17.68	2		Kimco Realty	KIM	\$28.96	2
Focused Industrial:	DCT Industrial Trust	DCT	\$47.46	2		Regency Centers	REG	\$77.38	2
	Duke Realty	DRE	\$26.77	2		Retail Opp Inv Corp	ROIC	\$21.86	2
	EastGroup Prop.	EGP	\$70.62	1		Retail Prop. of America	RPAL	\$16.63	1
	Prologis	PLD	\$51.49	2		Weingarten Realty	WRI	\$39.19	2
	Rexford Industrial	REXR	\$21.67	2	Diversified	Forest City Realty Trust	FCE.A	\$23.05	1
Mixed:	Liberty Prop.	LPT	\$39.87	2					
	PS Business	PSB	\$108.43	2					
DATA CENTERS - Manny Korchman (Analyst) / Abhishek Kastiya (Associate)			RESIDENTIAL - Nick Joseph (Analyst) / John Ellwanger (Associate)						
Data Centers:	Coresite Realty	COR	\$78.90	2	Apartments:	AIMCO	AIV	\$43.83	2
	Digital Realty Trust	DLR	\$96.27	2		AvalonBay	AVB	\$169.69	2
	DuPont Fabros Tech.	DFT	\$42.96	2		Camden Prop	CPT	\$85.29	2
	CyrusOne	CONE	\$49.49	2		Equity Res	EQR	\$62.80	2
	Equinix*	EQIX	\$362.78	2		Essex Property	ESS	\$219.97	2
						Mid-America Apt.	MAA	\$92.51	N/A
						Post Properties	PPS	\$65.16	N/A
						UDR	UDR	\$34.49	2
LODGING - Smedes Rose (Analyst) / Abhishek Kastiya (Associate)			NET LEASE - Nick Joseph (Analyst) / John Ellwanger (Associate)						
Lodging REITs:	DiamondRock	DRH	\$9.34	2	Free-Stnd Retail:	National Retail	NNN	\$48.59	2
	Host Hotels & Resorts	HST	\$16.20	1		EPR Properties	EPR	\$76.60	2
	LaSalle Hotel	LHO	\$25.16	2		Realty Income	O	\$64.26	3
	Ryman Hospitality Prop.	RHP	\$49.82	2H		W.P. Carey	WPC	\$64.65	3
	Sunstone Hotel	SHO	\$12.33	2					
Lodging C-Corps:	Hyatt Hotels	H	\$50.44	2					
	Hilton	HLT	\$22.73	1					
	La Quinta	LQ	\$10.87	2					
	Extended Stay America	STAY	\$13.87	2					
HEALTHCARE - Smedes Rose (Analyst) / Abhishek Kastiya (Associate)			SPECIALTY - Citi Analysts						
Health Care:	HCP	HCP	\$38.13	2	Gaming:	MGM Growth Properties**	MGP	\$25.04	2
	Ventas	VTR	\$68.86	2	Outdoor Advertising:	Lamar Advertising Co***	LAMR	\$60.25	2
	Welltower Inc.	HCN	\$73.75	2		OUTFRONT Media***	OUT	\$21.12	1
	Sabra Healthcare	SBRA	\$24.36	2	Towers:	American Tower*	AMT	\$110.19	1
						Crown Castle*	CCI	\$93.31	2
					Infrastructure:	Communications Sales & Leasing*	CSAL	\$30.29	1
SELF STORAGE - Smedes Rose (Analyst) / John Ellwanger (Associate)									
Self-Storage:	CubeSmart	CUBE	\$27.15	2					
	Public Storage	PSA	\$218.58	2					
	Extra Space Storage	EXR	\$79.92	2					
	Life Storage	LSI	\$91.17	1					

Pricing and ratings as of: 9/9/2016

*Michael Rollins covers Equinix (Data Centers), American Tower (Towers), Crown Castle (Towers) and Communications Sales & Leasing (Infrastructure)

**Anil Daswani and George Choi cover MGM Growth Properties (Gaming)

***Jason Bazinet covers Lamar Advertising Co (Outdoor Advertising) and OUTFRONT Media (Outdoor Advertising)

Source: Citi Research

Appendix A-1

Analyst Certification

The research analysts primarily responsible for the preparation and content of this research report are either (i) designated by “AC” in the author block or (ii) listed in bold alongside content which is attributable to that analyst. If multiple AC analysts are designated in the author block, each analyst is certifying with respect to the entire research report other than (a) content attributable to another AC certifying analyst listed in bold alongside the content and (b) views expressed solely with respect to a specific issuer which are attributable to another AC certifying analyst identified in the price charts or rating history tables for that issuer shown below. Each of these analysts certify, with respect to the sections of the report for which they are responsible: (1) that the views expressed therein accurately reflect their personal views about each issuer and security referenced and were prepared in an independent manner, including with respect to Citigroup Global Markets Inc. and its affiliates; and (2) no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by that research analyst in this report.

IMPORTANT DISCLOSURES

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Piedmont Office Realty Trust Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Wyndham Worldwide Corp

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Equinix Inc. Citigroup Global Markets Inc. is acting as Joint Bookrunner in Equinix Inc.'s recently announced follow-on offering.

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of General Growth Properties Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of AvalonBay Communities Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of SL Green Realty Corp

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of OUTFRONT Media Inc

Due to Citi's involvement Sun Communities Inc.'s (the Company'), acquisition of Carefree Communities, Citi Research restricted publication of new research reports on the Company, and suspended its rating and target price of the Company on March 22nd, 2016 (the Suspension Date). Please note that the Company's price chart available on Citi Research's disclosure website, does not reflect that Citi Research did not have a rating or target price between the Suspension Date and April 5th, 2016 when Citi Research resumed full coverage. Due to Citi's involvement as advisor to Sun Communities Inc (the Company) in the announced agreement to acquire a portfolio of real estate assets from Green Courte Partners, Citi Research suspended its ratings and target prices on the company on July 31st, 2014 (the 'Suspension Date'). Please note that the Company price chart that appears in this report and available on Citi Research's disclosure website does not reflect that Citi Research did not have a rating or target price between the Suspension Date and November 17th 2014 when Citi resumed full coverage. Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Sun Communities Inc

Citigroup Global Markets Inc. has entered into a sales agreement with Retail Properties of America Inc. pursuant to which Retail Properties of America Inc. may sell shares of its common stock from time to time through its Sales Agents.

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Host Hotels & Resorts Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Healthcare Realty Trust Inc

Due to Citi's involvement as an advisor to Essex Property Trust Inc. in its non-binding proposal to acquire BRE Properties Inc., Citi Research suspended its ratings and target prices for both companies on December 9th, 2013 (the 'Suspension Date'). Please note that the Company price chart that appears in this report and available on Citi Research's disclosure website does not reflect that Citi Research did not have a rating or target price between the Suspension Date and April 2nd, 2014, when Citi resumed full coverage. Citigroup Global Markets Inc. is acting as sole bookrunner in Essex Property Trust Inc's., recently announced 'at-the-market' equity offering program.

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Equity LifeStyle Properties Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Spirit Realty Capital Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Vornado Realty Trust

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Ashford Hospitality Prime Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Gaming and Leisure Properties Inc

Due to Citi's involvement in Extra Space Storage Inc.'s (the Company') acquisition of assets from Smartstop Self Storage Inc., Citi Research restricted publication of new research reports on the Company, and suspended its rating and target price of the Company on June 15, 2015 (the Suspension Date). Please note that the Company's price chart available on Citi Research's disclosure website, does not reflect that Citi Research did not have a rating or target price between the Suspension Date and October 1, 2015 when Citi Research resumed full coverage.

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Welltower Inc

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Kilroy Realty Corp

Citigroup Global Markets Inc. owns a position of 1 million USD or more in the debt securities of Simon Property Group Inc

Citigroup Global Markets Inc. is acting as an underwriter for the announced equity offering for Equity One Inc

Citigroup Global Markets Inc. is acting as a manager in Prologis, Inc.'s 'at-the-market' equity offering program.

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