

VALUE FOCUS

# REAL ESTATE

Second Quarter 2018 | Sector Focus: Healthcare Facilities

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## SEGMENT FOCUS

# Healthcare Facilities

According to the most recent data (2016), annual **healthcare spending** in the United States was \$3.3 trillion. Average annual growth in national healthcare expenditures from 2016 to 2026 is expected to be approximately 5.5%. As a share of gross domestic product, national healthcare expenditure is expected to increase from 17.9% in 2016 to 19.7% by 2026.

## Healthcare Facilities Construction

Construction activity picked up in 2017, with 20.5 million square feet of completions, an increase of 27% over 2016. At year-end 2017, the number of medical offices and hospital properties under construction exceeded 360 and 490, respectively. Project costs rose as well, with labor and material costs increasing the median unit price of construction approximately 19%. Returns on medical office buildings remain high. The **yield for this sector** has lowered in recent years, but is expected to continue to exceed benchmark returns at 6.7% in 2018.

As an alternative to new construction, many medical offices are **taking advantage of vacant retail spaces** that become available as retailers downsize or eliminate their brick-and-mortar presence. This trend further supports a move towards accessible, convenient offerings outside of hospital hubs. Even larger healthcare systems have begun developing off-site clinics, urgent care, and emergency centers as outpatient services take over inpatient services as primary revenue drivers.

## Real Estate Transactions

Healthcare real estate transaction volumes rose from 2014 to 2017, driven by stable industry fundamentals. In 2017, transaction volume increased approximately 14% over the prior year from \$19.3 billion to \$21.8 billion. Medical offices accounted for 72% of total volume, with hospitals transactions representing the remainder.

## SEGMENT FOCUS

# Healthcare Facilities

(continued)

## Medical Office Buildings

Demand for medical office buildings (MOBs) is **driven primarily by demographic characteristics**, rather than economic trends. The future of healthcare policy in the U.S. has the potential to significantly affect the medical office industry. However, the opportunities created by the aging of the general population continue to offset this political uncertainty for investors. The outlook for medical offices depends on size. As large healthcare systems seek accessibility and efficiency, acquisitions of smaller, regional offices becomes more common. Remaining small offices may find it difficult to compete as larger competitors continue to grow.

The **vacancy rate for medical office buildings** fell to a historical low in 2017. Vacancy rates fell in most markets, with rates in supply-constrained markets (such as Boston and Seattle) falling to below 10%. The decrease in availability has allowed owners to increase rents, with rent per square foot rising to over \$30 in some west coast markets.

### Total Construction Pipeline

	MOB	Hospital	Total
Number of Properties	366	490	856
Total SF	29.7M	77.5M	107.2M
Total Construction Value	\$13.3B	\$56.4B	\$69.7B
Median SF / Project	50.0k	76.7k	60.0k
Median Construction Value / Project	\$17.8M	\$42.5M	\$26.7M

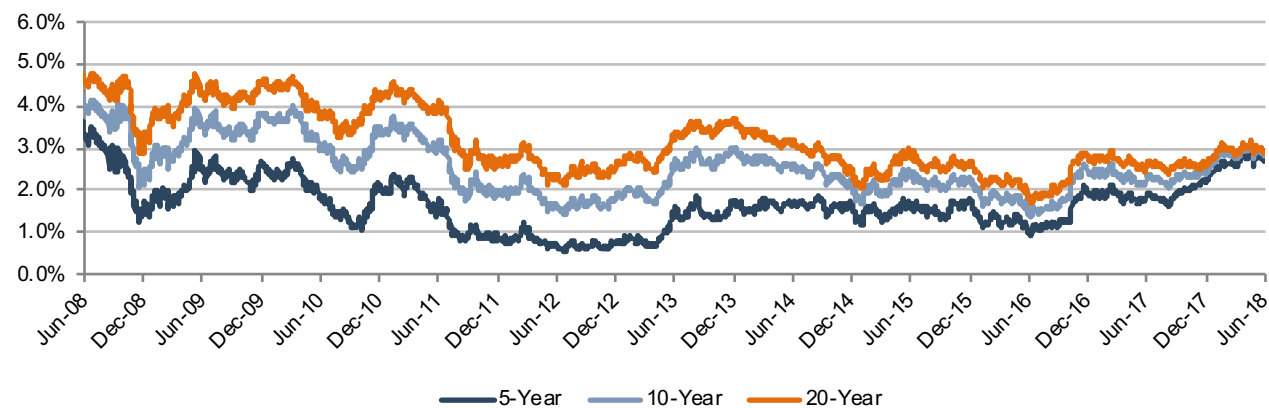
Source: Colliers

# Macro Indicators

Treasury yields increased during the second quarter of 2018. The spread between 2-year and 10-year Treasury note yields narrowed significantly as growth in the 2-year note's yield far outpaced that of the 10-year note. At the end of the first quarter of 2018, the spread between the two yields was 56 basis points. This spread had fallen to 38 basis points by the end of the second quarter, suggesting a flattening yield curve. Investors generally view the slope of the yield curve as an indicator of the direction of the economy. Steeper sloped yield curves imply greater future economic growth.

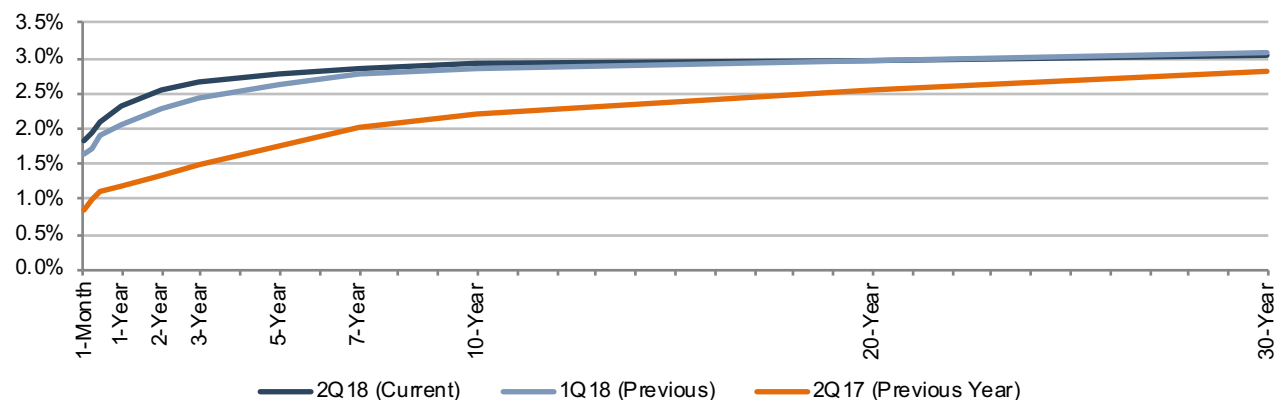
Economists surveyed by *The Wall Street Journal* anticipate yields will continue to rise in upcoming years.

## U.S. Treasury Yields



Source: Federal Reserve Statistical Release H.15

## U.S. Treasury Yield Curve



Source: Federal Reserve Statistical Release H.15

Note: Figures shown are the average yield for the last month of the quarter.

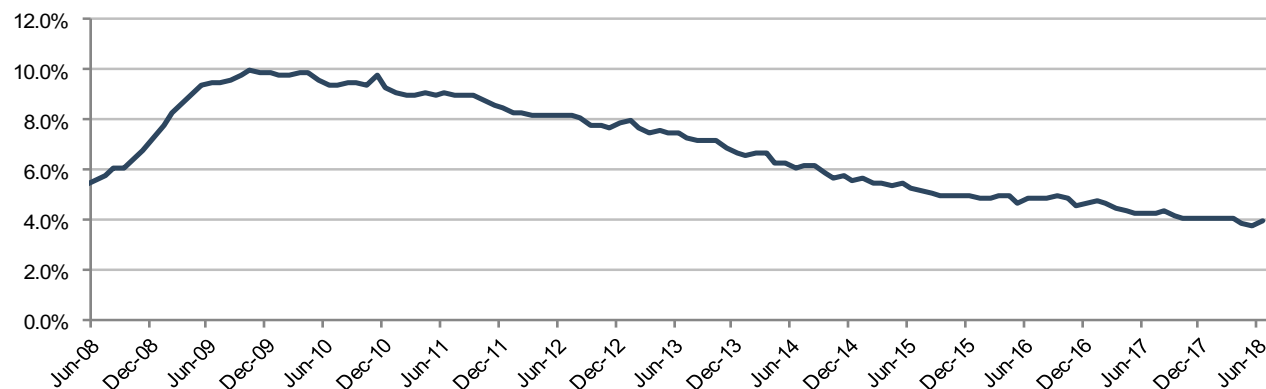
# Macro Indicators

## Unemployment

According to the BLS, the unemployment rate (U-3) was 4.0% in June 2018, which is down from 4.1% in March and 4.3% in June 2017. The May 2018 U-3 unemployment rate of 3.8% matched an 18-year low. Economists surveyed by *The Wall Street Journal* anticipate unemployment rates of 3.7% and 3.6% in December 2018 and June 2019, respectively. The underemployment rate (U-6, seasonally adjusted), which includes workers who are involuntarily working part-time positions, was 7.8% in June, compared to 8.0% in March and 8.5% in June 2017.

In June 2018, the labor force participation rate stood at 62.9% (relative to mid-to-high 60s prior to the recession). The number of nonfarm payroll jobs increased by 213,000 in June 2018, and June's gain follows increases of 175,000 and 244,000 jobs in April and May, respectively. The Federal Reserve estimates that 17 million jobs have been created during the current economic expansion. Population growth alone adds approximately 94,000 individuals to the workforce per month. Economists surveyed by *The Wall Street Journal* anticipate payroll gains of approximately 170,000 jobs per month over the next year.

### Civilian Unemployment Rate



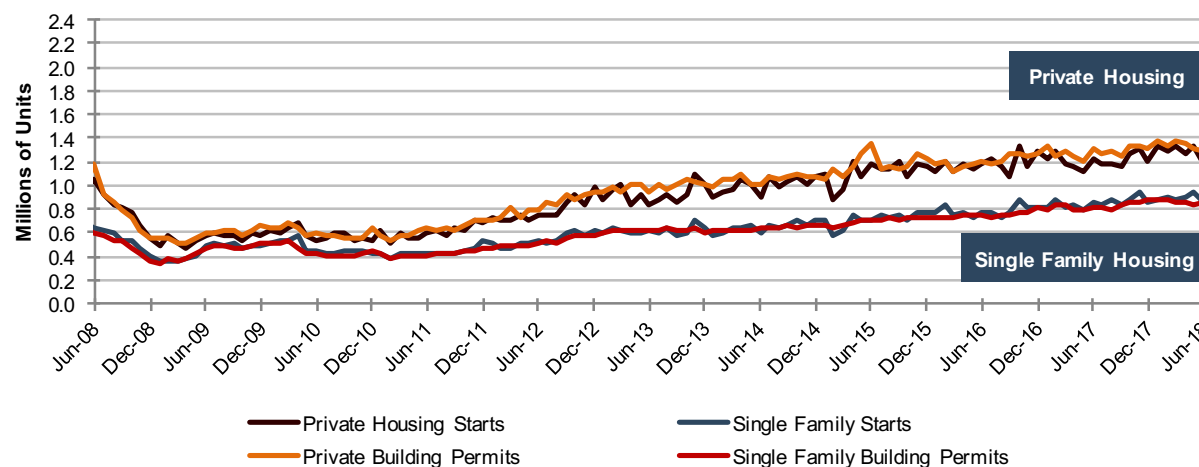
Source: Bureau of Labor Statistics

# Macro Indicators

## Housing Starts

According to the U.S. Census Bureau, new privately owned housing starts were at a seasonally adjusted annualized rate of 1,273,000 units in June 2018, 3.0% below the June 2017 rate.<sup>1</sup> The seasonally adjusted annual rate of private housing units authorized by building permits (considered the best indicator of future housing starts) was 1,173,000 units in June 2018, 4.2% below the June 2017 rate.

According to the National Association of Realtors, existing-home sales (at a seasonally adjusted annual rate) totaled 5.38 million in June 2018, which is 2.2% below the June 2017 level. First-time home buyers purchased 31% of existing homes. Housing inventory stood at 1.95 million existing homes, representing 4.3 months of supply at the current sales pace, which is up slightly from 4.2 months in June 2017. Properties stayed on the market an average of 26 days in June 2018, down from 28 days in June 2017. The national median existing-home price, \$276,900, increased 5.2% relative to June 2017 and surpassed the May 2018 figure as the new all-time high. Distressed sales, which include foreclosures and short sales, accounted for approximately 3% of sales in June 2018, down from 4% in June 2017.



Source: U.S. Census Bureau, Seasonally Adjusted Data  
 Note: Permits at a given date are generally a leading indicator of future starts.  
 Beginning with January 2004, building permit data reflects the change to the 20,000 place series.

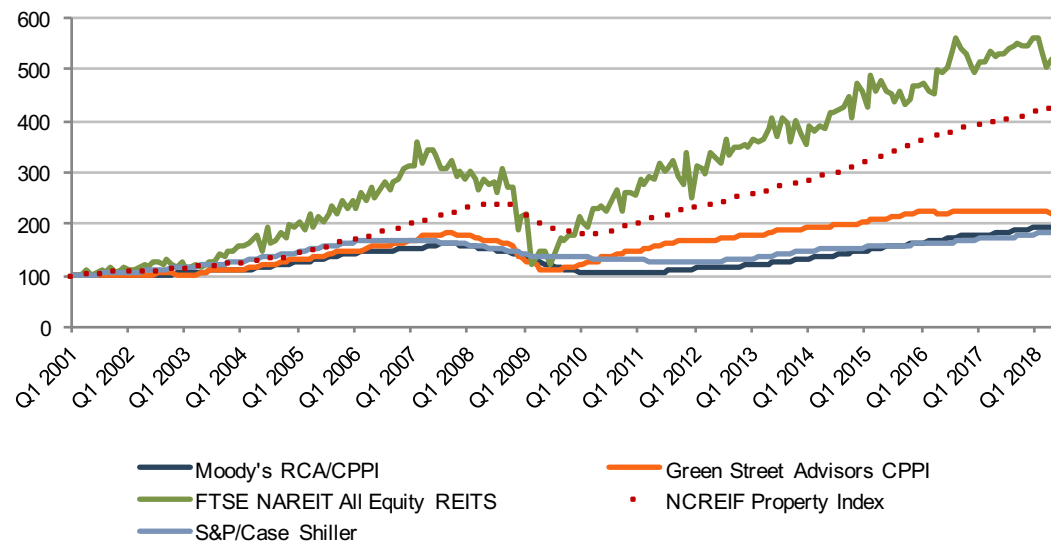
<sup>1</sup> The Census Bureau revised both seasonally adjusted and unadjusted estimates of building permits and starts. The revised data covers January 2012 through the current release. The Census Bureau intends to revise data on an annual basis in future years.

# Industry Performance

## Commercial Property Price Indices

The real estate industry showed modest growth in second quarter 2018 for all indices, with stronger growth observed for the FTSE NAREIT All Equity REIT which posted growth of 8.5% over the prior quarter. Growth in the other indices ranged from approximately 1.0% to 2.0%.

Year-over-year changes were generally stronger. NCREIF Property index posted the strongest growth at 7.2%. The Moody's and S&P/Case Shiller Indices showed strong increases as well, with growth of 6.5% and 6.3%, respectively. Green Street Advisors CPPI showed the weakest growth year-over-year at just 1.0%.



Sources: Real Capital Analytics, Green Street Advisors, NAREIT, NCREIF

# Industry Performance

REIT Performance  
Through June 30, 2018

Returns in all real estate sectors picked back up in second quarter 2018, following a disappointing first quarter. The total return for all equity REITs was 8.5%, while individual sector returns ranged from 6.3% for residential to 26.2% for lodging/resorts. In general, real estate sectors outpaced the broad market indices, which ranged from 1.3% for the DJIA to 7.8% for the Russell 2000.

Year-to-date returns varied, however, as the positive returns in second quarter were not enough to offset large negative returns from the prior quarter for some sectors. For the year-to-date period, the all equity REITs return was a more modest 1.3% while individual sectors posted returns from *negative* 2.5% (health care) to 19.9% (lodging/resorts). The broad market indices again showed a tighter range of year-to-date returns ranging from *negative* 0.7% to 9.4%.

	Total Return				Dividend Yield (%)
	Most Recent Quarter	YTD	One Year	Three Years	
<b>FTSE NAREIT Sectors</b>					
Industrial	9.4%	5.6%	14.5%	81.4%	3.0%
Office	7.2%	-0.5%	2.0%	na	3.1%
Retail	10.2%	-2.2%	5.9%	6.0%	4.9%
Residential	6.3%	1.3%	0.4%	21.6%	3.2%
Lodging/Resorts	26.2%	19.9%	29.9%	34.7%	4.8%
Health Care	9.8%	-2.5%	-12.6%	9.9%	5.9%
All Equity REITS	8.5%	1.3%	4.9%	30.0%	4.0%
<b>US Benchmarks</b>					
S&P 500	3.4%	2.7%	14.4%	11.9%	1.95%
Russell 2000	7.8%	7.7%	17.6%	11.0%	na
NASDAQ Composite <sup>1</sup>	6.6%	9.4%	23.6%	16.0%	na
Dow Jones Industrial Average <sup>1</sup>	1.3%	-0.7%	16.3%	14.1%	na

<sup>1</sup> Price only Returns | Source: NAREIT



# Industry Performance

## Change in Mortgage Origination Volume by Sector

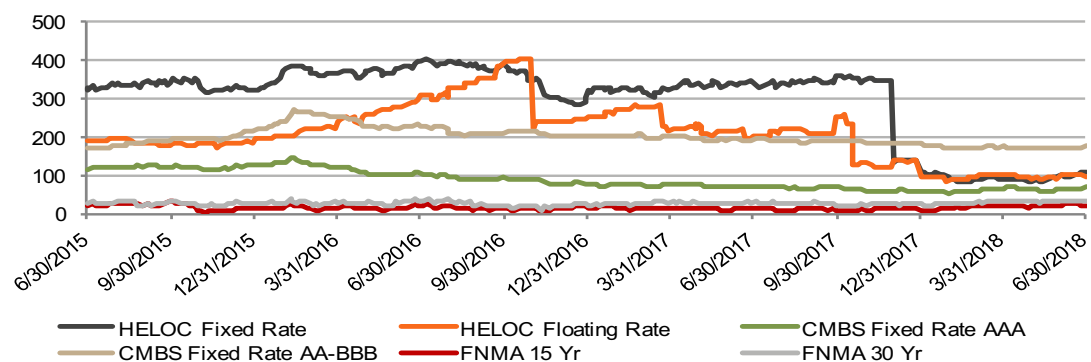
Mortgage origination volume increased across all sectors with the exception of healthcare in second quarter 2018. The largest increase was observed in the hotel sector, which grew 88% after a 53% decline in the prior quarter. The retail sector also saw a strong increase in originations, up 87% over last quarter. However, the trend was more varied across sectors relative to second quarter 2017. Compared to second quarter 2017, office and industrial originations were 4.3% and 10.3%, respectively, in second quarter 2018. The healthcare sector posted both quarterly and year-over-year declines in originations.

	Multifamily	Office	Retail	Industrial	Hotel	Healthcare
YOY Change	17.1%	-4.3%	1.1%	-10.3%	21.8%	-16.7%
QOQ Change	25.0%	35.3%	87.1%	9.4%	88.2%	-9.1%

Source: Mortgage Bankers Association

## CMBS Spreads to Swaps

The spreads over U.S. Treasuries in CMBS and other structured real estate product remained generally flat during second quarter of 2018. The spreads on the various product categories moved within a tight range of a 5 bps decline to 2 bps increase.



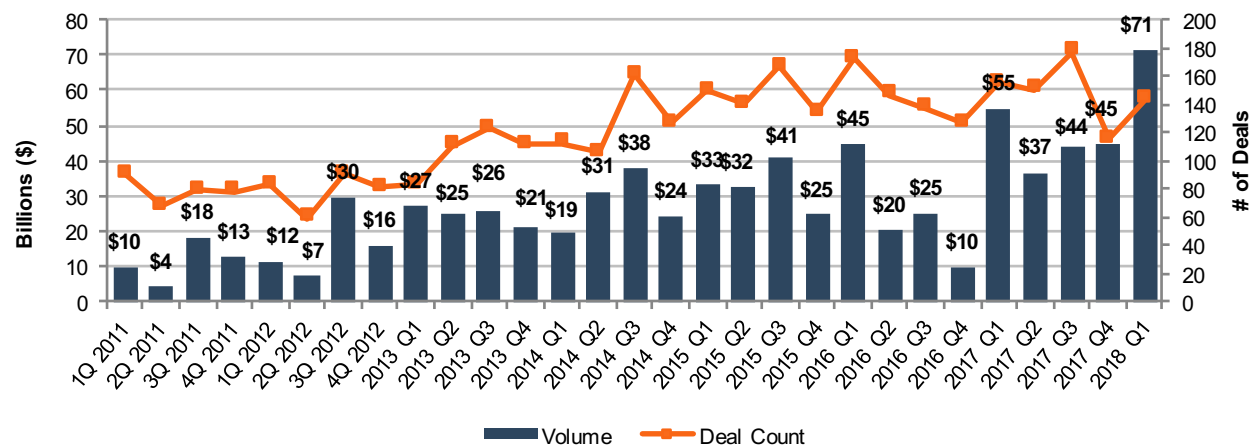
Source: ICE Global Index System

# Real Estate M&A Activity

## Global M&A Deals

The number of global M&A deals reported in second quarter 2018 increased 24% over the first quarter from 115 to 143. However, reported deal value increased even more, rising 59% over the prior quarter. On a trailing twelve month basis, deal volume and deal value increased 3.7% and 79%, respectively.

### Global M&A

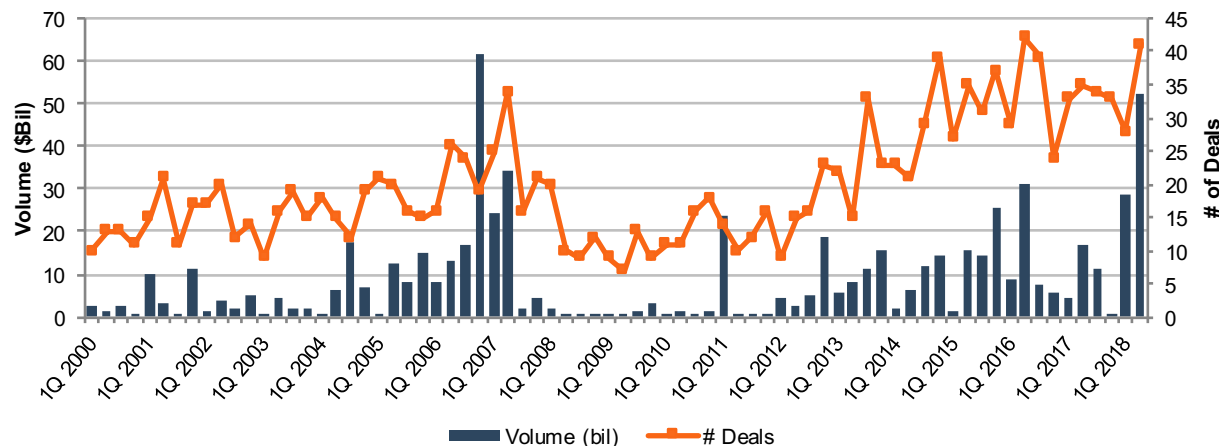


Source: Bloomberg

## U.S. M&A Deals

The M&A trend in the U.S. was even more pronounced with a 46% increase in the number of reported deals and an 83% increase in reported deal value. Compared to second quarter 2017, the number of deals increased only 17% but the deal value increased more than twofold.

### U.S. M&A



Source: Bloomberg

# Publicly Traded Companies

## Hospitality

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Hotel/Hospitality Companies</b>																	
Choice Hotels International, Inc.	CHH	\$75.60	-5.7%	17.6%	\$4,284	\$0	\$760	\$5,044	15%	\$1,062	\$336	\$145	4.7x	15.0x	29.6x	15.1x	20.1x
Hyatt Hotels Corporation	H	\$77.15	1.2%	36.7%	\$8,647	\$0	\$159	\$8,806	2%	\$2,649	\$693	\$579	3.3x	12.7x	14.9x	11.3x	47.7x
InterContinental Hotels Group PLC	IHG	\$62.28	4.0%	12.7%	\$11,696	\$0	\$1,798	\$13,495	13%	\$1,872	\$843	\$578	7.2x	16.0x	20.2x	14.9x	21.3x
The Marcus Corporation	MCS	\$32.50	7.1%	5.9%	\$910	\$0	\$325	\$1,234	26%	\$657	\$140	\$74	1.9x	8.8x	12.3x	8.7x	18.5x
Marriott International, Inc.	MAR	\$126.60	-6.9%	26.3%	\$44,735	\$0	\$8,145	\$52,880	15%	\$5,263	\$2,853	\$1,520	10.0x	18.5x	29.4x	15.2x	21.6x
Red Lion Hotels Corporation	RLH	\$11.65	19.5%	61.8%	\$282	\$0	\$81	\$364	22%	\$157	\$18	\$5	2.3x	20.2x	62.4x	21.3x	nm
Wynnstay Group plc	WYN	\$6.60	14.1%	-12.3%	\$130	\$0	\$9	\$139	7%	\$566	\$16	\$6	0.2x	9.0x	21.8x	9.5x	14.5x
Hilton Worldwide Holdings Inc.	HLT	\$79.16	0.5%	27.2%	\$23,781	\$0	\$6,000	\$29,781	20%	\$3,617	\$1,763	\$1,440	8.2x	16.9x	16.5x	14.3x	29.3x
<b>Median</b>			<b>2.6%</b>	<b>22.0%</b>					<b>15.2%</b>				<b>4.0x</b>	<b>15.5x</b>	<b>21.0x</b>	<b>14.6x</b>	<b>21.3x</b>

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Hospitality (continued)

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Real Estate Investment Trusts: Hospitality</b>																	
Ashford Hospitality Trust, Inc.	AHT	\$8.10	25.4%	31.3%	\$799	\$0	\$3,548	\$4,347	82%	\$1,424	\$375	-\$96	3.1x	11.6x	nm	10.4x	nm
Apple Hospitality REIT, Inc.	APLE	\$17.88	1.8%	-5.1%	\$4,118	\$0	\$1,311	\$5,430	24%	\$1,257	\$441	\$170	4.3x	12.3x	24.2x	12.1x	nm
Chatham Lodging Trust	CLDT	\$21.22	10.8%	4.8%	\$973	\$0	\$533	\$1,506	35%	\$305	\$106	\$36	4.9x	14.2x	27.0x	11.6x	32.2x
Chesapeake Lodging Trust	CHSP	\$31.64	13.8%	28.6%	\$1,882	\$0	\$794	\$2,676	30%	\$599	\$187	\$77	4.5x	14.3x	24.5x	15.2x	21.0x
DiamondRock Hospitality Company	DRH	\$12.28	17.6%	9.8%	\$2,463	\$0	\$869	\$3,331	26%	\$850	\$218	\$79	3.9x	15.3x	31.3x	12.9x	28.2x
Hersha Hospitality Trust	HT	\$21.45	19.8%	14.3%	\$844	\$0	\$1,118	\$1,962	57%	\$487	\$134	\$0	4.0x	14.7x	nm	11.3x	nm
Hospitality Properties Trust	HPT	\$28.61	12.9%	-3.2%	\$4,702	\$0	\$4,061	\$8,763	46%	\$2,253	\$819	\$295	3.9x	10.7x	16.0x	10.4x	20.7x
Host Hotels & Resorts, Inc.	HST	\$21.07	13.0%	14.0%	\$15,620	\$0	\$4,128	\$19,748	21%	\$5,496	\$1,480	\$658	3.6x	13.3x	23.7x	12.8x	23.1x
LaSalle Hotel Properties	LHO	\$34.23	18.0%	12.4%	\$3,778	\$0	\$857	\$4,635	18%	\$1,068	\$307	\$80	4.3x	15.1x	47.3x	14.7x	68.2x
Pebblebrook Hotel Trust	PEB	\$38.80	13.0%	17.9%	\$2,679	\$0	\$1,032	\$3,711	28%	\$769	\$232	\$125	4.8x	16.0x	21.5x	15.0x	33.4x
Park Hotels & Resorts Inc.	PK	\$30.63	13.4%	13.5%	\$6,161	\$0	\$2,862	\$9,023	32%	\$2,813	\$734	\$529	3.2x	12.3x	11.6x	12.0x	13.4x
RLJ Lodging Trust	RLJ	\$22.05	13.4%	10.1%	\$3,841	\$367	\$2,260	\$6,468	35%	\$1,719	\$495	\$99	3.8x	13.1x	38.6x	12.0x	26.6x
Ryman Hospitality Properties, Inc.	RHP	\$83.15	7.4%	28.0%	\$4,216	\$0	\$1,590	\$5,807	27%	\$1,228	\$342	\$179	4.7x	17.0x	23.5x	14.8x	26.5x
Sotherly Hotels Inc.	SOHO	\$6.98	0.9%	3.3%	\$94	\$38	\$351	\$483	73%	\$168	\$40	\$1	2.9x	12.0x	136.7x	11.7x	nm
Summit Hotel Properties, Inc.	INN	\$14.31	5.1%	-23.3%	\$1,498	\$0	\$935	\$2,433	38%	\$561	\$184	\$79	4.3x	13.2x	18.9x	12.3x	31.1x
Sunstone Hotel Investors, Inc.	SHO	\$16.62	9.2%	1.8%	\$3,750	\$190	\$591	\$4,531	13%	\$1,182	\$331	\$119	3.8x	13.7x	31.5x	14.1x	22.4x
Xenia Hotels & Resorts, Inc.	XHR	\$24.36	23.5%	25.0%	\$2,603	\$0	\$1,086	\$3,689	29%	\$1,024	\$274	\$106	3.6x	13.5x	24.6x	12.4x	nm
<b>Median</b>			<b>13.0%</b>	<b>12.4%</b>					<b>30%</b>				<b>3.9x</b>	<b>13.5x</b>	<b>24.5x</b>	<b>12.3x</b>	<b>26.5x</b>

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Residential

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Real Estate Investment Trusts: Multi-Family</b>																	
American Campus Communities, Inc.	ACC	\$42.88	11.0%	-10.1%	\$5,858	\$0	\$3,229	\$9,088	36%	\$846	\$418	\$110	10.7x	21.8x	53.4x	20.8x	51.7x
Apartment Investment & Management Company	AIV	\$42.30	3.8%	-0.9%	\$6,656	\$125	\$4,280	\$11,061	39%	\$996	\$591	\$373	11.1x	18.7x	17.9x	19.0x	55.4x
American Homes 4 Rent	AMH	\$22.18	10.5%	-0.5%	\$6,562	\$0	\$3,374	\$9,936	34%	\$1,012	\$505	\$103	9.8x	19.7x	63.5x	18.3x	212.7x
Preferred Apartment Communities, Inc.	APTS	\$16.99	19.7%	6.5%	\$666	\$0	\$1,879	\$2,545	74%	\$343	\$205	\$4	7.4x	12.4x	160.3x	10.3x	nm
AvalonBay Communities, Inc.	AVB	\$171.89	4.5%	-10.5%	\$23,757	\$0	\$7,468	\$31,225	24%	\$2,251	\$1,446	\$872	13.9x	21.6x	27.2x	21.3x	32.6x
BRT Apartments Corp.	BRT	\$12.75	8.5%	64.7%	\$183	\$0	\$842	\$1,025	82%	\$113	\$50	\$34	9.1x	20.3x	5.4x	18.8x	8.4x
Bluerock Residential Growth REIT, Inc.	BRG	\$8.92	4.9%	-31.8%	\$213	\$471	\$1,081	\$1,765	61%	\$163	\$44	-\$42	10.8x	39.9x	nm	16.6x	nm
BRT Apartments Corp.	BRT	\$12.75	8.5%	64.7%	\$183	\$0	\$842	\$1,025	82%	\$113	\$50	\$34	9.1x	20.3x	5.4x	18.8x	8.4x
Clipper Realty Inc.	CLPR	\$8.54	0.8%	-31.7%	\$152	\$0	\$950	\$1,102	86%	\$107	\$45	-\$5	10.3x	24.5x	nm	22.5x	nm
Camden Property Trust	CPT	\$91.13	8.3%	6.1%	\$8,715	\$0	\$2,177	\$10,892	20%	\$945	\$532	\$200	11.5x	20.5x	43.5x	20.2x	51.5x
Education Realty Trust, Inc.	EDR	\$41.50	26.7%	6.2%	\$3,344	\$0	\$1,008	\$4,352	23%	\$339	\$155	\$130	12.9x	28.0x	25.8x	24.6x	37.7x
Equity Residential	EQR	\$63.69	3.4%	-3.9%	\$23,452	\$37	\$9,200	\$32,689	28%	\$2,528	\$1,627	\$589	12.9x	20.1x	39.8x	20.0x	39.6x
Essex Property Trust, Inc.	ESS	\$239.07	-0.7%	-8.1%	\$15,790	\$0	\$5,754	\$21,544	27%	\$1,442	\$982	\$375	14.9x	21.9x	42.1x	20.9x	45.9x
Invitation Homes Inc.	INVH	\$23.06	1.0%	8.3%	\$12,001	\$0	\$9,564	\$21,564	44%	\$1,430	\$758	-\$100	15.1x	28.4x	nm	22.6x	nm
Independence Realty Trust, Inc.	IRT	\$10.31	12.3%	3.8%	\$893	\$0	\$890	\$1,783	50%	\$175	\$89	\$14	10.2x	20.1x	62.4x	18.5x	34.5x
Mid-America Apartment Communities, Inc.	MAA	\$100.67	10.3%	-4.7%	\$11,455	\$0	\$4,665	\$16,120	29%	\$1,543	\$879	\$347	10.4x	18.3x	33.0x	17.9x	52.5x
NexPoint Residential Trust, Inc.	NXRT	\$28.45	14.5%	14.0%	\$591	\$0	\$731	\$1,322	55%	\$143	\$63	\$58	9.3x	21.0x	10.2x	20.8x	149.7x
Sun Communities, Inc.	SUI	\$97.88	7.1%	11.7%	\$7,839	\$32	\$3,189	\$11,060	29%	\$1,036	\$493	\$86	10.7x	22.4x	91.5x	20.2x	70.4x
UDR, Inc.	UDR	\$37.54	5.4%	-4.2%	\$10,046	\$46	\$4,557	\$14,649	31%	\$1,012	\$634	\$188	14.5x	23.1x	53.5x	21.8x	72.6x
<b>Median</b>			<b>8.3%</b>	<b>-0.5%</b>					<b>36%</b>				<b>10.7x</b>	<b>21.0x</b>	<b>41.0x</b>	<b>20.2x</b>	<b>51.5x</b>

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Healthcare

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			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	Price / Earn.	EV / EBITDA	Price / Earn.	
<b>Healthcare Facilities</b>																	
Community Health Systems, Inc.	CYH	\$3.32	-16.2%	-67.0%	\$375	\$0	\$14,069	\$14,444	97%	\$13,975	\$806	-\$2,259	1.0x	17.9x	nm	9.0x	nm
HCA Healthcare, Inc.	HCA	\$102.60	5.8%	18.2%	\$35,838	\$0	\$33,971	\$69,809	49%	\$45,210	\$8,443	\$2,864	1.5x	8.3x	12.5x	8.0x	11.2x
LifePoint Health, Inc.	LPNT	\$48.80	3.8%	-27.5%	\$1,892	\$0	\$2,950	\$4,842	61%	\$6,239	\$661	\$44	0.8x	7.3x	43.4x	6.5x	10.6x
Tenet Healthcare Corporation	THC	\$33.57	38.4%	72.5%	\$3,426	\$0	\$16,538	\$19,964	83%	\$18,769	\$2,512	-\$471	1.1x	7.9x	nm	7.7x	19.4x
Universal Health Services, Inc.	UHS	\$111.44	-5.9%	-8.6%	\$10,521	\$0	\$3,917	\$14,438	27%	\$10,554	\$1,701	\$811	1.4x	8.5x	13.0x	8.2x	11.8x
Brookdale Senior Living Inc.	BKD	\$9.09	35.5%	-38.5%	\$1,705	\$0	\$4,625	\$6,330	73%	\$3,705	\$589	-\$1,022	1.7x	10.7x	nm	11.8x	nm
Capital Senior Living Corporation	CSU	\$10.67	-0.7%	-30.4%	\$332	\$0	\$994	\$1,326	75%	\$462	\$79	-\$31	2.9x	16.8x	nm	14.2x	nm
Five Star Senior Living Inc.	FVE	\$1.50	15.4%	-6.3%	\$76	\$0	-\$38	\$38	-101%	\$1,119	-\$13	-\$36	0.0x	-2.9x	nm	-1.2x	nm
Diversicare Healthcare Services, Inc.	DVCR	\$6.80	-9.6%	-26.9%	\$44	\$0	\$82	\$126	65%	\$573	\$27	-\$7	0.2x	4.7x	nm	nm	nm
The Ensign Group, Inc.	ENSG	\$35.82	36.2%	62.2%	\$1,867	\$0	\$250	\$2,117	12%	\$1,948	\$161	\$71	1.1x	13.2x	26.5x	10.9x	19.4x
National HealthCare Corporation	NHC	\$70.38	18.0%	-0.8%	\$1,071	\$0	-\$52	\$1,019	-5%	\$975	\$102	\$52	1.0x	10.0x	20.4x	nm	nm
Acadia Healthcare Company, Inc.	ACHC	\$40.91	4.4%	-17.5%	\$3,610	\$0	\$3,209	\$6,818	47%	\$2,949	\$594	\$225	2.3x	11.5x	16.1x	10.7x	16.2x
Encompass Health Corporation	EHC	\$67.72	18.5%	39.5%	\$6,692	\$0	\$2,933	\$9,625	30%	\$4,109	\$865	\$302	2.3x	11.1x	22.2x	10.9x	19.2x
Select Medical Holdings Corporation	SEM	\$18.15	5.2%	17.9%	\$2,433	\$0	\$4,123	\$6,556	63%	\$4,719	\$561	\$200	1.4x	11.7x	12.2x	10.2x	17.6x
<b>Median</b>			<b>38.4%</b>	<b>72.5%</b>					<b>61%</b>				<b>1.2x</b>	<b>10.4x</b>	<b>18.2x</b>	<b>9.6x</b>	<b>16.9x</b>

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Healthcare (continued)

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Real Estate Investment Trusts: Healthcare</b>																	
CareTrust REIT, Inc.	CTRE	\$16.69	24.6%	-9.6%	\$1,271	\$0	\$580	\$1,851	31%	\$147	\$110	\$41	12.6x	16.9x	30.7x	14.0x	23.3x
Physicians Realty Trust	DOC	\$15.94	2.4%	-19.5%	\$2,901	\$4	\$1,660	\$4,565	36%	\$403	\$263	\$44	11.3x	17.3x	65.4x	16.7x	52.7x
Welltower Inc.	WELL	\$62.69	15.2%	-15.9%	\$23,320	\$718	\$12,037	\$36,075	33%	\$4,348	\$1,992	\$601	8.3x	18.1x	38.8x	17.0x	24.9x
HCP, Inc.	HCP	\$25.82	11.1%	-19.3%	\$12,130	\$0	\$8,156	\$20,286	40%	\$1,846	\$958	\$64	11.0x	21.2x	190.1x	19.1x	40.8x
Healthcare Realty Trust Incorporated	HR	\$29.08	4.9%	-14.2%	\$3,641	\$0	\$1,303	\$4,943	26%	\$438	\$241	\$13	11.3x	20.5x	281.6x	19.9x	54.2x
Healthcare Trust of America, Inc.	HTA	\$26.96	1.9%	-13.6%	\$5,532	\$0	\$2,811	\$8,342	34%	\$700	\$446	\$81	11.9x	18.7x	67.9x	18.9x	75.2x
LTC Properties, Inc.	LTC	\$42.74	12.5%	-16.9%	\$1,694	\$0	\$687	\$2,381	29%	\$166	\$148	\$130	14.4x	16.1x	13.1x	15.8x	12.8x
Medical Properties Trust, Inc.	MPW	\$14.04	8.0%	8.8%	\$5,119	\$0	\$4,774	\$9,894	48%	\$799	\$715	\$351	12.4x	13.8x	14.6x	13.8x	12.1x
Omega Healthcare Investors, Inc.	OHI	\$31.00	14.6%	-5.9%	\$6,157	\$0	\$4,904	\$11,061	44%	\$881	\$599	\$93	12.6x	18.5x	65.9x	13.7x	19.7x
Senior Housing Properties Trust	SNH	\$18.09	15.5%	-11.1%	\$4,299	\$0	\$3,774	\$8,072	47%	\$1,098	\$545	\$459	7.3x	14.8x	9.4x	14.1x	10.6x
New Senior Investment Group Inc.	SNR	\$7.57	-7.5%	-24.5%	\$622	\$0	\$1,782	\$2,404	74%	\$428	\$160	-\$33	5.6x	15.0x	nm	16.8x	nm
Ventas, Inc.	VTR	\$56.95	15.0%	-17.7%	\$20,292	\$0	\$11,143	\$31,435	35%	\$3,646	\$1,866	\$1,252	8.6x	16.9x	16.2x	16.8x	46.3x
<b>Median</b>			<b>11.8%</b>	<b>-15.0%</b>					<b>35%</b>				<b>11.3x</b>	<b>17.1x</b>	<b>38.8x</b>	<b>16.7x</b>	<b>24.9x</b>

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Commercial Real Estate

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Diversified REITs</b>																	
American Assets Trust, Inc.	AAT	\$38.29	14.6%	-4.0%	\$1,807	\$0	\$1,227	\$3,034	40%	\$325	\$185	\$19	9.3x	16.4x	96.2x	16.4x	nm
Armada Hoffer Properties, Inc.	AHH	\$14.90	8.8%	15.1%	\$934	\$0	\$571	\$1,505	38%	\$230	\$66	\$29	6.6x	22.8x	32.0x	19.0x	29.8x
Empire State Realty Trust, Inc.	ESRT	\$17.10	1.8%	-17.1%	\$2,830	\$8	\$2,016	\$4,854	42%	\$709	\$329	\$63	6.8x	14.7x	44.6x	14.2x	81.4x
Forest City Realty Trust, Inc.	FCE.A	\$22.81	12.6%	-5.5%	\$6,095	\$0	\$3,236	\$9,331	35%	\$891	\$435	\$377	10.5x	21.4x	16.2x	17.0x	nm
Gramercy Property Trust	GPT	\$27.32	25.7%	-7.7%	\$4,393	\$84	\$2,851	\$7,328	39%	\$587	\$434	\$120	12.5x	16.9x	36.7x	16.5x	78.1x
Investors Real Estate Trust	IRET	\$5.53	6.6%	-10.8%	\$660	\$99	\$771	\$1,530	50%	\$211	\$81	\$55	7.2x	19.0x	12.0x	17.0x	5.5x
Liberty Property Trust	LPT	\$44.33	11.6%	8.4%	\$6,551	\$0	\$2,848	\$9,399	30%	\$759	\$342	\$348	12.4x	27.5x	18.8x	23.5x	23.7x
Lexington Realty Trust	LXP	\$8.73	10.9%	-11.6%	\$2,095	\$94	\$1,927	\$4,116	47%	\$408	\$332	\$20	10.1x	12.4x	102.8x	12.6x	116.4x
PS Business Parks, Inc.	PSB	\$128.50	13.7%	-2.5%	\$3,510	\$960	\$169	\$4,639	4%	\$407	\$270	\$221	11.4x	17.2x	15.9x	17.0x	42.1x
Select Income REIT	SIR	\$22.47	15.3%	-6.3%	\$2,011	\$0	\$2,402	\$4,412	54%	\$473	\$299	\$78	9.3x	14.7x	25.6x	14.8x	22.0x
Spirit Realty Capital, Inc.	SRC	\$8.03	3.5%	8.2%	\$3,441	\$166	\$3,730	\$7,337	51%	\$651	\$567	\$89	11.3x	12.9x	38.7x	16.7x	37.3x
iStar Inc.	STAR	\$10.79	6.1%	-10.0%	\$733	\$0	\$2,889	\$3,622	80%	\$771	\$156	\$86	4.7x	23.2x	8.6x	nm	4.8x
STORE Capital Corporation	STOR	\$27.40	10.4%	20.0%	\$5,426	\$0	\$2,690	\$8,116	33%	\$488	\$437	\$182	16.6x	18.6x	29.9x	16.8x	28.6x
W. P. Carey Inc.	WPC	\$66.35	7.0%	0.9%	\$7,113	\$0	\$4,439	\$11,551	38%	\$849	\$743	\$296	13.6x	15.5x	24.0x	15.2x	24.3x
Washington Real Estate Investment Trust	WRE	\$30.33	11.1%	-5.5%	\$2,385	\$0	\$1,324	\$3,709	36%	\$336	\$194	\$19	11.1x	19.2x	124.1x	18.6x	91.7x
<b>Median</b>			<b>10.9%</b>	<b>-5.5%</b>					<b>39%</b>				<b>10.5x</b>	<b>17.2x</b>	<b>29.9x</b>	<b>16.7x</b>	<b>29.8x</b>

Source: S&amp;P Global Market Intelligence



# Publicly Traded Companies

## Commercial Real Estate (continued)

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Industrial REITs</b>																	
Americold Realty Trust	COLD	\$22.02	15.4%	nm	\$3,140	\$0	\$1,364	\$4,503	30%	\$1,577	\$268	\$24	2.9x	16.8x	130.0x	15.3x	nm
CoreSite Realty Corporation	COR	\$110.82	10.5%	7.6%	\$3,818	\$0	\$1,214	\$5,032	24%	\$515	\$270	\$78	9.8x	18.6x	48.7x	17.0x	50.2x
CubeSmart	CUBE	\$32.22	14.3%	35.2%	\$5,873	\$0	\$1,748	\$7,621	23%	\$577	\$352	\$150	13.2x	21.6x	39.2x	21.6x	38.5x
Duke Realty Corporation	DRE	\$29.03	9.6%	5.0%	\$10,365	\$0	\$2,383	\$12,748	19%	\$863	\$443	\$620	14.8x	28.8x	16.7x	23.0x	62.0x
EastGroup Properties, Inc.	EGP	\$95.56	15.6%	14.2%	\$3,328	\$0	\$1,106	\$4,433	25%	\$286	\$178	\$80	15.5x	24.9x	41.4x	22.3x	40.0x
EPR Properties	EPR	\$64.79	16.9%	-10.7%	\$4,815	\$6	\$3,107	\$7,928	39%	\$608	\$526	\$250	13.0x	15.1x	19.3x	13.4x	19.4x
Extra Space Storage Inc.	EXR	\$99.81	14.3%	28.7%	\$12,591	\$0	\$4,790	\$17,381	28%	\$1,163	\$775	\$493	14.9x	22.4x	25.5x	22.1x	34.1x
First Industrial Realty Trust, Inc.	FR	\$33.34	14.1%	17.2%	\$4,180	\$0	\$1,416	\$5,596	25%	\$400	\$263	\$223	14.0x	21.3x	18.8x	20.9x	32.9x
Industrial Logistics Properties Trust	ILPT	\$22.35	9.9%	nm	\$1,453	\$0	\$332	\$1,784	19%	\$158	\$111	\$76	11.3x	16.1x	19.1x	15.5x	19.1x
Monmouth Real Estate Investment Corporation	MNR	\$16.53	9.9%	9.3%	\$1,309	\$277	\$774	\$2,360	33%	\$125	\$97	\$51	18.8x	24.3x	25.5x	19.0x	32.4x
National Storage Affiliates Trust	NSA	\$30.82	22.9%	31.9%	\$1,554	\$173	\$1,488	\$3,214	46%	\$298	\$170	\$16	10.8x	18.9x	94.8x	17.9x	68.5x
Prologis, Inc.	PLD	\$65.69	4.3%	11.9%	\$35,032	\$69	\$12,110	\$47,212	26%	\$2,794	\$1,847	\$1,882	16.9x	25.6x	18.6x	27.6x	30.6x
Rexford Industrial Realty, Inc.	REXR	\$31.39	9.0%	15.2%	\$2,545	\$159	\$660	\$3,364	20%	\$190	\$113	\$38	17.8x	29.9x	66.5x	25.7x	114.0x
Public Storage	PSA	\$226.86	13.2%	9.3%	\$39,526	\$4,025	\$1,105	\$44,655	2%	\$2,821	\$1,989	\$1,493	15.8x	22.5x	26.5x	23.2x	30.8x
Life Storage, Inc.	LSI	\$97.31	16.5%	30.3%	\$4,518	\$0	\$1,762	\$6,280	28%	\$504	\$314	\$130	12.5x	20.0x	34.8x	19.9x	29.9x
Terreno Realty Corporation	TRNO	\$37.67	9.2%	12.6%	\$2,079	\$0	\$494	\$2,573	19%	\$143	\$81	\$62	18.0x	31.7x	33.6x	27.4x	43.9x
Life Storage, Inc.	SOV	\$97.30	17.3%	28.6%	\$4,518	\$0	\$1,762	\$6,280	28%	\$504	\$314	\$130	12.5x	20.0x	34.8x	19.9x	nm
STAG Industrial, Inc.	STAG	\$27.23	13.8%	-0.1%	\$2,648	\$145	\$1,226	\$4,018	31%	\$328	\$231	\$68	12.2x	17.4x	38.7x	16.2x	68.1x
<b>Median</b>			<b>13.9%</b>	<b>13.4%</b>					<b>25%</b>				<b>14.0x</b>	<b>21.6x</b>	<b>34.8x</b>	<b>20.4x</b>	<b>36.3x</b>

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Commercial Real Estate (continued)

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
<b>Office REITs</b>																	
Alexandria Real Estate Equities, Inc.	ARE	\$126.17	1.0%	6.0%	\$12,993	\$74	\$5,521	\$18,589	30%	\$1,232	\$775	\$284	15.1x	24.0x	45.8x	21.1x	41.9x
Brandywine Realty Trust	BDN	\$16.88	6.3%	-2.2%	\$3,014	\$0	\$1,746	\$4,760	37%	\$525	\$247	\$149	9.1x	19.3x	20.2x	15.8x	35.6x
Boston Properties, Inc.	BXP	\$125.42	1.8%	1.8%	\$19,360	\$200	\$12,350	\$31,910	39%	\$2,647	\$1,544	\$536	12.1x	20.7x	36.1x	20.1x	48.0x
Mack-Cali Realty Corp.	CLI	\$20.28	21.4%	-25.6%	\$1,828	\$0	\$2,995	\$4,823	62%	\$568	\$271	\$82	8.5x	17.8x	22.2x	19.3x	47.1x
Cousins Properties Inc.	CUZ	\$9.69	11.6%	10.4%	\$4,072	\$7	\$1,036	\$5,115	20%	\$462	\$270	\$81	11.1x	19.0x	50.4x	18.7x	66.8x
Columbia Property Trust, Inc.	CXP	\$22.71	11.0%	2.4%	\$2,693	\$0	\$1,622	\$4,316	38%	\$280	\$125	\$98	15.4x	34.6x	27.4x	20.3x	567.8x
Easterly Government Properties, Inc.	DEA	\$19.76	-3.1%	-5.4%	\$1,193	\$0	\$694	\$1,886	37%	\$143	\$79	\$5	13.2x	23.8x	229.9x	19.5x	116.2x
Douglas Emmett, Inc.	DEI	\$40.18	9.3%	5.2%	\$6,827	\$0	\$5,284	\$12,111	44%	\$855	\$528	\$115	14.2x	22.9x	59.3x	21.6x	57.2x
Equity Commonwealth	EQC	\$31.50	2.7%	-0.4%	\$3,826	\$119	-\$2,158	\$1,788	-121%	\$257	\$102	\$236	7.0x	17.5x	16.2x	15.5x	16.6x
Franklin Street Properties Corp.	FSP	\$8.56	1.8%	-21.9%	\$918	\$0	\$1,029	\$1,947	53%	\$268	\$134	-\$1	7.3x	14.5x	nm	14.2x	285.3x
CIM Commercial Trust Corp.	CMCT	\$15.10	19.4%	-0.3%	\$661	\$279	\$588	\$1,529	38%	\$208	\$82	\$97	7.3x	18.6x	6.8x	nm	nm
Government Properties Income Trust	GOV	\$15.85	16.0%	-13.4%	\$1,572	\$0	\$2,248	\$3,819	59%	\$394	\$217	\$29	9.7x	17.6x	53.7x	15.9x	56.1x
Highwoods Properties, Inc.	HIW	\$50.73	15.8%	1.0%	\$5,247	\$29	\$2,220	\$7,495	30%	\$722	\$399	\$199	10.4x	18.8x	26.3x	17.0x	34.9x
Hudson Pacific Properties, Inc.	HPP	\$35.43	8.9%	3.8%	\$5,503	\$0	\$2,466	\$7,969	31%	\$729	\$341	\$110	10.9x	23.4x	50.1x	19.7x	47.6x
JBG Smith Properties	JBGS	\$36.47	8.2%	nm	\$4,302	\$0	\$2,537	\$6,839	37%	\$629	\$249	-\$73	10.9x	27.5x	nm	26.7x	nm
Kilroy Realty Corp.	KRC	\$75.64	6.6%	0.8%	\$7,575	\$0	\$2,753	\$10,328	27%	\$729	\$408	\$163	14.2x	25.3x	46.4x	23.0x	58.3x
Corporate Office Properties Trust	OFC	\$28.99	12.2%	-16.8%	\$2,961	\$0	\$1,939	\$4,901	40%	\$627	\$292	\$68	7.8x	16.8x	43.5x	16.7x	39.5x
Piedmont Office Realty Trust, Inc.	PDM	\$19.93	13.3%	-4.8%	\$2,554	\$0	\$1,684	\$4,239	40%	\$540	\$230	\$164	7.9x	18.5x	15.6x	15.0x	nm

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Commercial Real Estate (continued)

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Paramount Group, Inc.	PGRE	\$15.40	8.1%	-4.8%	\$3,704	\$0	\$4,243	\$7,946	53%	\$735	\$388	-\$51	10.8x	20.5x	nm	19.1x	142.0x
SL Green Realty Corp.	SLG	\$100.53	3.8%	-4.9%	\$8,889	\$222	\$5,980	\$15,091	40%	\$1,358	\$745	\$299	11.1x	20.2x	29.8x	24.4x	35.2x
Vornado Realty Trust	VNO	\$73.92	9.8%	-20.8%	\$14,057	\$891	\$9,983	\$24,931	40%	\$2,102	\$970	\$165	11.9x	25.7x	85.1x	23.7x	49.9x
<b>Median</b>			<b>8.9%</b>	<b>-1.3%</b>					<b>38%</b>				<b>10.9x</b>	<b>20.2x</b>	<b>39.8x</b>	<b>19.4x</b>	<b>49.0x</b>

### Retail REITs

Alexander's, Inc.	ALX	\$382.63	0.4%	-9.1%	\$1,954	\$0	\$922	\$2,876	32%	\$232	\$137	\$46	12.4x	21.0x	42.4x	nm	nm
Saul Centers, Inc.	BFS	\$53.58	5.1%	-9.3%	\$1,184	\$180	\$1,015	\$2,379	43%	\$226	\$145	\$48	10.5x	16.4x	24.6x	15.5x	nm
Brixmor Property Group Inc.	BRX	\$17.43	14.3%	-5.5%	\$5,278	\$0	\$5,566	\$10,844	51%	\$1,265	\$824	\$295	8.6x	13.2x	17.9x	13.0x	18.7x
CBL & Associates Properties, Inc	CBL	\$5.57	33.6%	-34.5%	\$962	\$0	\$4,286	\$5,247	82%	\$895	\$579	\$23	5.9x	9.1x	42.7x	9.3x	nm
Cedar Realty Trust, Inc.	CDR	\$4.72	19.8%	-6.0%	\$417	\$160	\$621	\$1,197	52%	\$152	\$85	\$5	7.9x	14.1x	84.2x	13.7x	nm
DDR Corp.	DDR	\$17.90	22.1%	-3.1%	\$3,282	\$525	\$3,725	\$7,532	49%	\$871	\$569	-\$275	8.7x	13.2x	nm	19.4x	nm
Federal Realty Investment Trust	FRT	\$126.55	9.0%	-0.9%	\$9,266	\$160	\$3,534	\$12,960	27%	\$891	\$567	\$282	14.6x	22.9x	32.8x	22.0x	39.7x
Greatland Gold plc	GGP	\$0.02	202.0%	248.1%	\$72	\$0	-\$6	\$66	-9%	\$0	-\$2	-\$2	nm	-35.9x	nm	nm	nm
Getty Realty Corp.	GTY	\$28.17	11.7%	12.2%	\$1,121	\$0	\$354	\$1,475	24%	\$130	\$86	\$46	11.4x	17.1x	24.4x	16.1x	23.6x
Kimco Realty Corporation	KIM	\$16.99	18.0%	-9.4%	\$7,219	\$0	\$4,973	\$12,192	41%	\$1,208	\$755	\$515	10.1x	16.1x	14.0x	15.0x	18.4x
Kite Realty Group Trust	KRG	\$17.08	12.1%	-11.5%	\$1,429	\$0	\$1,667	\$3,096	54%	\$358	\$221	-\$18	8.7x	14.0x	nm	13.3x	nm
Macerich Company	MAC	\$56.83	1.4%	-3.6%	\$8,013	\$0	\$5,435	\$13,447	40%	\$1,042	\$639	\$24	12.9x	21.1x	327.2x	23.9x	181.9x
Realty Income Corporation	O	\$53.79	4.0%	-3.6%	\$15,297	\$0	\$6,609	\$21,906	30%	\$1,265	\$1,151	\$328	17.3x	19.0x	46.6x	18.5x	42.0x
Pennsylvania Real Estate Investment Trust	PEI	\$10.99	13.9%	-4.5%	\$773	\$0	\$1,656	\$2,430	68%	\$370	\$204	-\$14	6.6x	11.9x	nm	12.8x	nm
Ramco-Gershenson Properties Trust	RPT	\$13.21	6.9%	0.7%	\$1,057	\$92	\$1,030	\$2,179	47%	\$263	\$164	\$61	8.3x	13.3x	17.2x	13.9x	80.1x
Regency Centers Corporation	REG	\$62.08	5.3%	-1.4%	\$10,517	\$0	\$3,771	\$14,288	26%	\$1,122	\$732	\$248	12.7x	19.5x	42.3x	18.7x	43.3x

Source: S&amp;P Global Market Intelligence

# Publicly Traded Companies

## Commercial Real Estate (continued)

Company Name	Ticker	Price at 6/29/18	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	LTM						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Retail Opportunity Investments Corp.	ROIC	\$19.16	8.4%	-1.7%	\$2,160	\$0	\$1,598	\$3,758	43%	\$287	\$185	\$38	13.1x	20.3x	56.8x	18.2x	63.7x
Retail Properties of America, Inc.	RPAI	\$12.78	9.6%	3.4%	\$2,798	\$0	\$1,572	\$4,371	36%	\$502	\$295	\$198	8.7x	14.8x	14.1x	15.1x	59.7x
Simon Property Group, Inc.	SPG	\$170.19	10.3%	4.7%	\$52,707	\$43	\$24,010	\$76,760	31%	\$5,620	\$4,174	\$2,256	13.7x	18.4x	23.4x	18.1x	22.6x
Tanger Factory Outlet Centers, Inc.	SKT	\$23.49	6.8%	-11.3%	\$2,199	\$0	\$1,790	\$3,990	45%	\$492	\$276	\$62	8.1x	14.5x	35.4x	14.1x	24.4x
Taubman Centers, Inc.	TCO	\$58.76	3.3%	-2.4%	\$3,584	\$0	\$3,411	\$6,995	49%	\$640	\$343	\$82	10.9x	20.4x	43.9x	19.6x	53.4x
Urstadt Biddle Properties Inc.	UBA	\$22.63	17.3%	13.0%	\$821	\$190	\$383	\$1,394	27%	\$131	\$84	\$39	10.6x	16.6x	21.1x	17.2x	29.4x
<b>Median</b>			<b>9.9%</b>	<b>-3.3%</b>					<b>42%</b>				<b>10.5x</b>	<b>16.3x</b>	<b>34.1x</b>	<b>15.8x</b>	<b>40.9x</b>
<b>Property Management Companies</b>																	
Acadia Realty Trust	AKR	\$27.37	11.3%	-2.6%	\$2,233	\$0	\$2,118	\$4,351	49%	\$271	\$156	\$49	16.1x	28.0x	45.7x	30.4x	75.9x
CBRE Group, Inc.	CBRE	\$47.74	1.1%	30.3%	\$15,853	\$0	\$2,791	\$18,643	15%	\$15,504	\$1,517	\$732	1.2x	12.3x	21.7x	10.0x	15.2x
Jones Lang LaSalle Incorporated	JLL	\$165.99	-5.0%	34.2%	\$7,551	\$0	\$1,262	\$8,813	14%	\$8,496	\$824	\$301	1.0x	10.7x	25.1x	10.2x	16.2x
Kennedy-Wilson Holdings, Inc.	KW	\$21.15	21.6%	11.0%	\$3,074	\$0	\$5,680	\$8,754	65%	\$885	\$251	\$198	9.9x	34.8x	15.6x	14.0x	32.5x
Realogy Holdings Corp.	RLGY	\$22.80	-16.4%	-29.4%	\$2,907	\$0	\$3,606	\$6,513	55%	\$6,167	\$692	\$406	1.1x	9.4x	7.2x	9.1x	12.0x
Colliers International Group Inc.	CIGI	\$76.04	9.7%	36.5%	\$2,977	\$0	\$473	\$3,450	14%	\$2,443	\$248	\$65	1.4x	13.9x	45.5x	11.3x	20.0x
HFF, Inc.	HF	\$34.35	-30.9%	-0.7%	\$1,343	\$0	-\$1,343	\$0	nm	\$598	NA	\$97	0.0x	nm	13.8x	0.0x	14.4x
RE/MAX Holdings, Inc.	RMAX	\$52.45	-13.2%	-9.2%	\$931	\$0	-\$213	\$718	-30%	\$207	\$97	\$13	3.5x	7.4x	69.2x	6.8x	23.1x
FRP Holdings, Inc.	FRPH	\$64.75	15.6%	39.8%	\$648	\$0	\$131	\$779	17%	\$48	\$31	\$160	16.1x	25.1x	4.0x	nm	nm
American Realty Investors, Inc.	ARL	\$15.81	-18.4%	82.8%	\$251	\$2	\$1,053	\$1,305	81%	\$126	\$43	\$13	10.3x	30.2x	18.8x	nm	nm
<b>Median</b>			<b>-1.9%</b>	<b>20.6%</b>					<b>17%</b>				<b>2.4x</b>	<b>13.9x</b>	<b>20.2x</b>	<b>10.1x</b>	<b>18.1x</b>

Source: S&amp;P Global Market Intelligence

# Mercer Capital

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