

VALUE FOCUS

REAL ESTATE

Sector Focus: The U.S. Hotel Industry



Fourth Quarter 2017

The U.S. Hotel Industry	1
U.S. Economic Macro Indicators	4
Industry Performance and M&A Activity	7
Publicly Traded Companies	10
Hospitality	10
Residential	12
Healthcare	13
Commercial Real Estate	17
About Mercer Capital	23

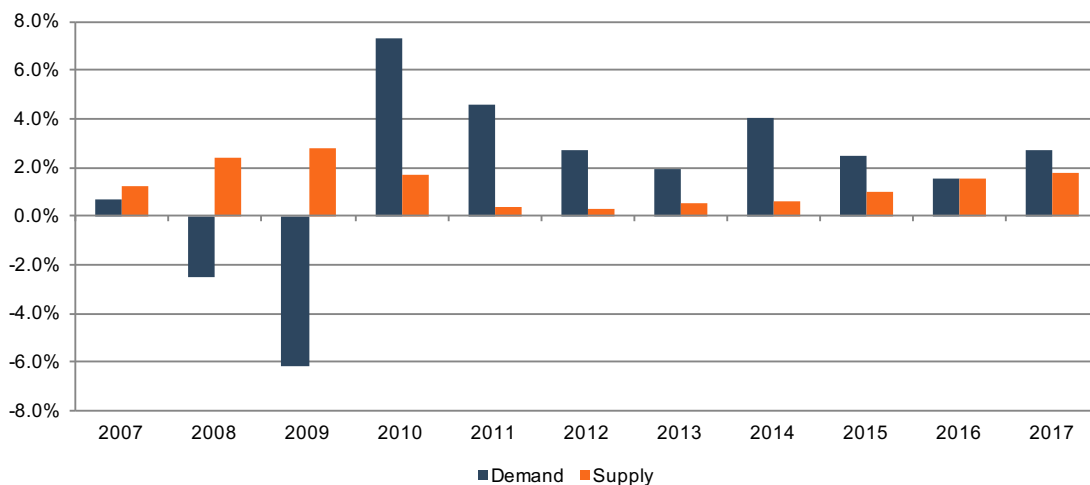
SECTOR FOCUS

The U.S. Hotel Industry

Following positive growth in nearly all fundamental industry measures during 2017, players in the hotel industry turn to less tangible measures of performance such as customer relationship improvement for 2018. With the industry operating at peak performance in the past twelve months, hotels will need to differentiate in order to continue to command higher rates and drive demand, with many seeking to collect and analyze a wealth of customer data in order to anticipate needs and create personalized experiences. The use of data analytics and customer relationship management platforms are likely to play a central role in the hospitality industry in the next year.

According to year-end data from Smith Travel Research (STR), the U.S. hotel industry experienced a record year in 2017. Supply rose 1.8% to 1.87 billion available roomnights, the largest increase since 2009. However, demand growth of 2.7% outpaced supply growth. Improvements in economic fundamentals such as rising levels of employment and discretionary income, as well as the occurrence of several large natural disasters that forced many people into temporary lodging, contributed to growth in demand during the year.

Change in Hotel Industry Supply & Demand



U.S. Hotel Industry (continued)

Occupancy grew 0.9% to 65.9%, with approximately 1.23 billion roomnights sold during the year. Demand growth and improving occupancy rates allowed hotels to realize increases in the average daily rate (ADR), which grew 2.1% to \$126.72. Despite the growth in room supply, revenue per available room (RevPAR) also increased, growing 3.0% to \$83.57.

The following chart reflects key performance **measures** compiled by PwC and Smith Travel Research for the years 2007 to projected 2017.

U.S. Hotel Industry Historical Fundamentals

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Occupancy	62.8%	59.8%	54.6%	57.6%	60.0%	61.4%	62.3%	64.4%	65.4%	65.4%	65.9%
ADR	\$104.31	\$107.37	\$98.16	\$98.02	\$101.75	\$106.04	\$110.03	\$115.14	\$120.33	\$124.12	\$126.72
% change	6.6%	2.9%	-8.6%	-0.1%	3.8%	4.2%	3.8%	4.6%	4.5%	3.1%	2.1%
RevPAR	\$65.54	\$64.24	\$53.55	\$56.45	\$61.05	\$65.12	\$68.51	\$74.12	\$78.64	\$81.16	\$83.57
% change	6.1%	-2.0%	-16.6%	5.4%	8.1%	6.7%	5.2%	8.2%	6.1%	3.2%	3.0%

Source: Hospitality Net / PwC

The industry's positive performance was reflected in the Baird/STR Hotel Stock Index, a market-weighted index of the 20 largest publicly-traded hotel companies in the U.S., which **increased** 32.0% over 2016. This outpaced the broader market, compared to the S&P 500 index return of 19.4% for the year.

New hotel **construction** slowed toward year-end 2017, with flat or negative growth in the last three months of the year. The number of hotel rooms under construction in December 2017 was 179,979, a decline of 3.7% from December 2016. However, a slowdown in new construction growth combined with continued demand growth could contribute to an improvement in the occupancy rate.

Investment demand in the hotel industry fell, as **investment sales** declined 23.9% to \$16.8 billion through third quarter 2017. Cap rates increased 10 basis points over third quarter 2016 to 7.4%, as investors evaluate the industry's current position in the hotel cycle with more uncertainty. The largest single asset transaction year-to-date was the \$375 million purchase of Bacara Resort and Spa Santa Barbara by a private equity firm, which implied a price per room of \$1.05 million.

U.S. Hotel Industry (continued)

Hotel Industry Fundamentals Forecast

	2017	Change	2018P	Change	2019P	Change
Supply (roomnights)	1.87B	1.8%	1.91 B	2.0%	1.95 B	1.9%
Demand (roomnights)	1.23 B	2.7%	1.26 B	2.3%	1.29 B	2.0%
Occupancy	66.1%	0.4%	66.1%	0.3%	66.2%	0.1%
ADR	\$129.77	2.1%	\$129.77	2.4%	\$132.81	2.3%
RevPAR	\$85.82	3.0%	\$85.82	2.7%	\$87.89	2.4%

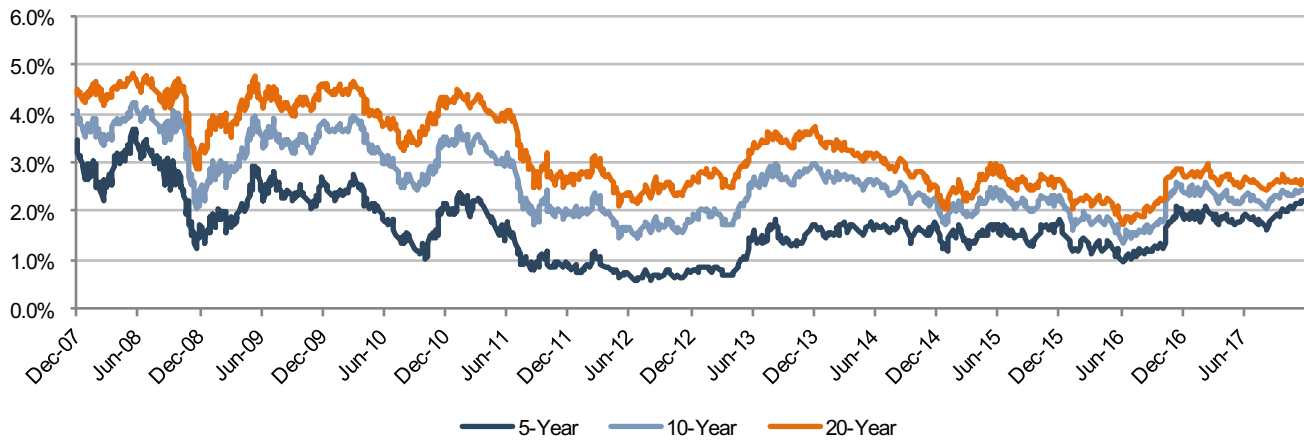
Source: STR/Tourism Economics and Hospitality Net / PWC

Industry fundamentals are **projected** to improve through 2019, with supply and demand increases on the order of 2.0% annually. While occupancy is expected to rise modestly to 66.2% in 2019, increases in rates are expected to spur growth in ADR and RevPAR to \$132.81 and \$87.89, respectively. Although fundamental performance is expected to remain strong, a slowdown in investor activity may indicate that the industry is due for a correction.

U.S. Economic Macro Indicators

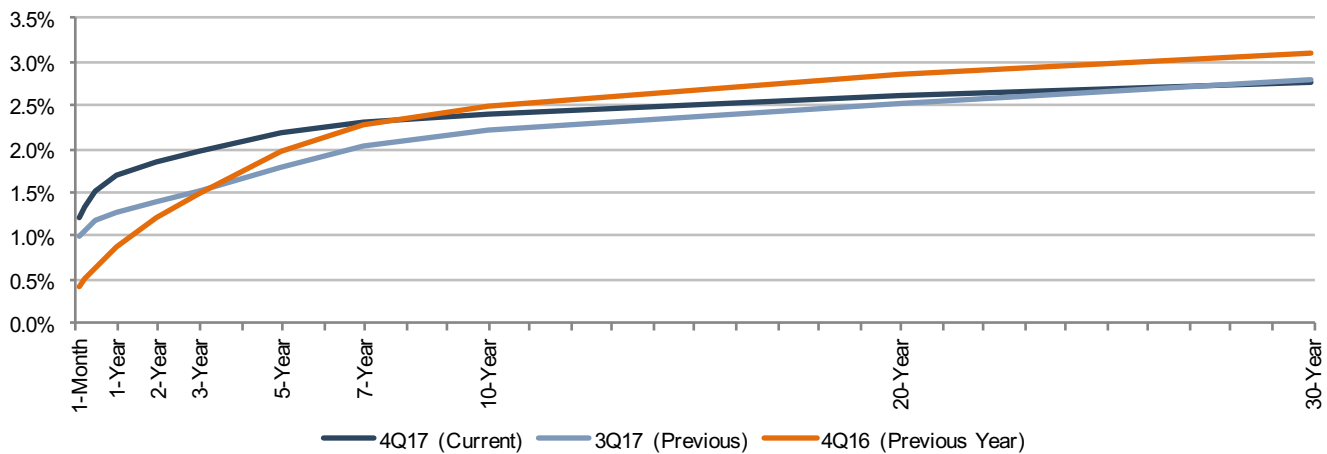
Treasury yields increased during the fourth quarter of 2017. For shorter-term Treasuries, this reflected a continuation of a year-long trend, while the increase in yields generally reflected a reversal in trend among longer-term Treasuries. Bond prices are negatively correlated with their respective yields. Bond prices can shift abruptly due to investor reactions to major variances in reported economic data versus market expectations (e.g., expected inflation, growth, monetary policy, and other Federal Reserve actions). Economists surveyed by *The Wall Street Journal* anticipate yields to rise steadily over the next several years.

U.S. Treasury Yields



Source: Federal Reserve Statistical Release H.15

U.S. Treasury Yield Curve



Source: Federal Reserve Statistical Release H.15

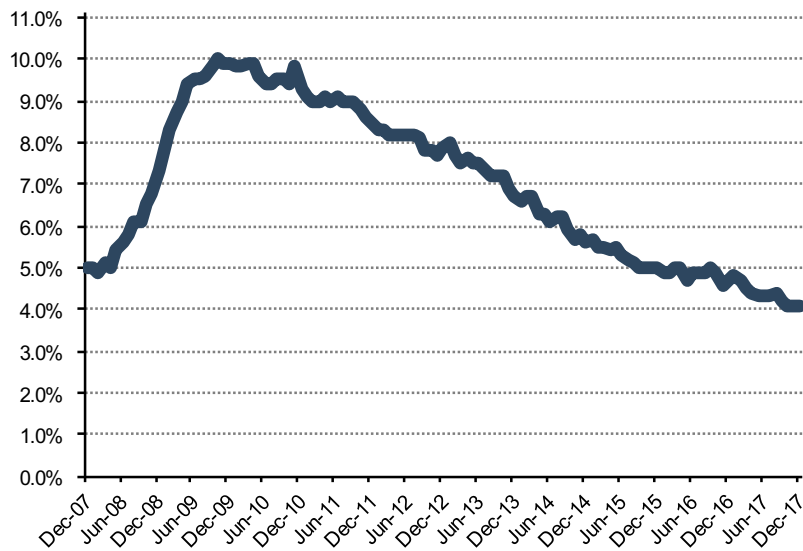
Note: Figures shown are the average yield for the last month of the quarter.

U.S. Economic Macro Indicators (continued)

Unemployment

According to the BLS, the unemployment rate (U-3) was 4.1% in December 2017, unchanged from October and November. The **U-3 unemployment rate** matches the lowest rate since December 2000 for three months in a row. The **underemployment rate (U-6)**, which includes workers who are involuntarily working part-time positions, rose to 8.1%, compared to 8.0% in both October and November. Economists surveyed by *The Wall Street Journal* anticipate unemployment rates of 4.0% and 3.9% in June 2018 and December 2018, respectively.

In December 2017, the **labor force participation rate** stood at 62.7% (relative to mid- to high- 60s prior to the recession). Excluding the recent trend, the last time the labor force participation rate was lower than its current level was 1978. The number of nonfarm payroll jobs increased by 148,000 in December 2017. **December's gain** follows increases of 211,000 and 252,000 jobs in October and November, respectively. During 2017, 2.1 million jobs were added to the economy, the seventh straight year of payroll gains in excess of 2 million. The only other time the economy has made **similar payroll growth** was during the 1990s. **Population growth** adds approximately 106,000 individuals to the workforce per month. Economists surveyed by *The Wall Street Journal* anticipate payroll gains of approximately 181,000 jobs per month over the next year.



Source: Bureau of Labor Statistics

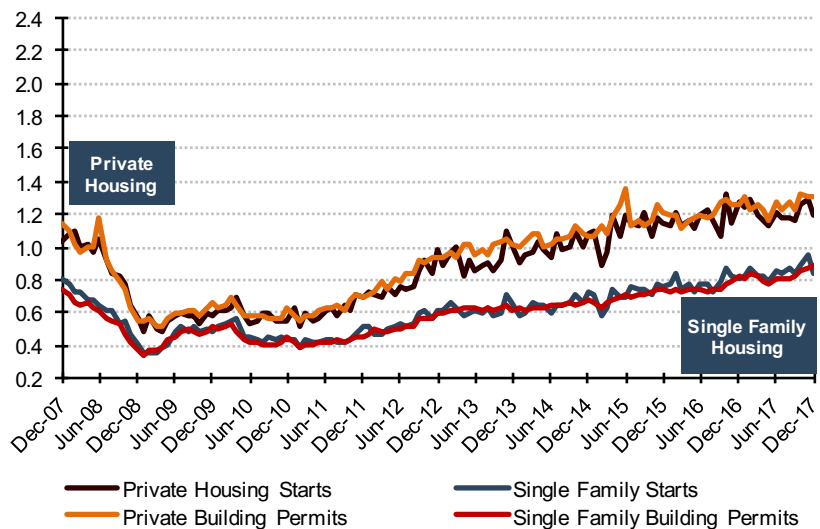
U.S. Economic Macro Indicators (continued)

Seasonally Adjusted Annualized Rates of New Housing Starts and Building Permits

(Millions of Units)

According to the U.S. Census Bureau, new privately owned housing starts were at a seasonally adjusted annualized rate of 1,192,000 units in December 2017, 6.0% below the December 2016 rate. The seasonally adjusted annual rate of private housing units authorized by building permits (considered the best indicator of future housing starts) was 1,302,000 units in December 2017, 2.8% above the December 2016 rate.

According to the National Association of Realtors (“NAR”), existing-home sales (at a seasonally adjusted annual rate) totaled 5.57 million in December 2017, 1.1% above the December 2016 level. During the entire year of 2017, existing home sales increased 1.1%, reaching 5.51 million, the highest rate since 2006. First-time home buyers purchased 32% of existing homes. Housing inventory stood at 1.48 million existing homes, representing 3.2 months of supply at the current sales pace, which is down from 3.6 months in December 2016 and is the lowest level of inventory since data tracking began in 1999. Properties stayed on the market an average of 40 days in December 2017, down from 52 days in December 2016. The national median existing-home price increased 5.8% relative to December 2016. Distressed sales, which include foreclosures and short sales, accounted for approximately 5% of sales in December 2017, down from 7% in December 2016.



Source: U.S. Census Bureau

Note: Permits at a given date are generally a leading indicator of future starts.

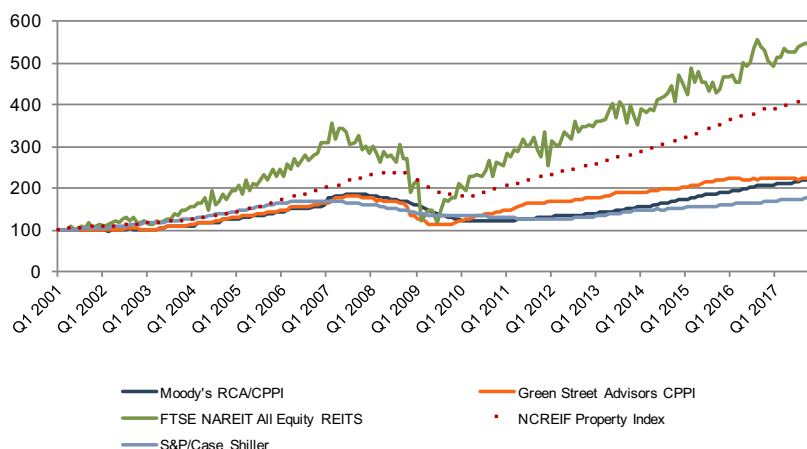
Beginning with January 2004, building permit data reflects the change to the 20,000 place series.

Industry Performance and M&A Activity

The real estate industry showed steady growth in fourth quarter 2017.

Commercial Property Price Indices

The real estate industry showed steady growth in fourth quarter 2017. All commercial real estate price indices improved over 2016, except Green Street Advisors CPPI which declined 0.6%. Year-over-year, improvements in these indices ranged from 6.2% to 8.7%, with FTSE NAREIT All Equity REITS posting the largest increase. Quarterly change was more modest, with growth in a tight range of 1.8% to 2.5%, except Green Street which declined 0.8%.



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

REIT Performance Through December 31, 2017

REIT returns varied widely in the fourth quarter, ranging from negative 5.3% to positive 6.8%. The retail sector posted the highest quarterly return, while health care continued to show the lowest return. Overall equity REITS had a return of 2.5% for the quarter. For the 2017 year, the industrial sector posted the only double digit return (20.6%). On a one year return basis, retail did not fare as well and posted the only negative sector return (-4.8%).

Quarterly and one year returns were positive across the broad market benchmark indices. Quarterly benchmark returns ranged from 3.3% to 11.0%, while one year returns were more robust at 14.7% to 29.6%.

	Total Return			Dividend Yield (%)
	Most Recent Quarter	One Year	Three Years	
FTSE NAREIT Sectors				
Industrial	1.8%	20.6%	59.4%	2.9%
Office	3.3%	5.2%	na	3.2%
Retail	6.8%	-4.8%	0.5%	4.6%
Residential	-0.2%	6.6%	21.2%	3.1%
Lodging/Resorts	5.4%	7.1%	0.7%	6.0%
Health Care	-5.3%	0.9%	-0.4%	5.8%
All Equity REITS	2.5%	8.7%	20.9%	3.9%
US Benchmarks				
S&P 500	6.6%	21.8%	11.4%	1.86%
Russell 2000	3.3%	14.7%	10.0%	na
NASDAQ Composite ¹	6.6%	29.6%	14.7%	na
Dow Jones Industrial Average ¹	11.0%	28.1%	28.1%	na

¹ Price only Returns | Source: NAREIT

Industry Performance and M&A Activity (continued)

Change in Mortgage Origination Volume by Sector

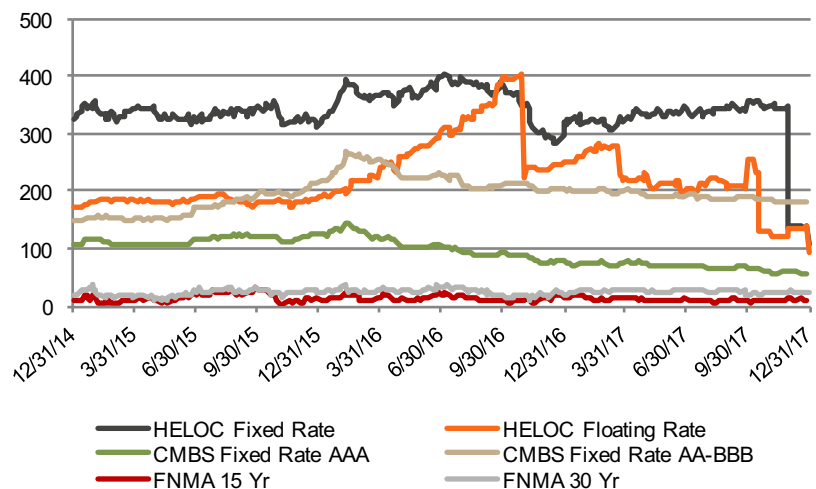
Mortgage originations varied significantly across sectors for both the fourth quarter and the year overall. For the quarter, changes in origination volume ranged from a decline of 28.2% in the healthcare segment to growth of 31.2% in the hotel sector. Year-over-year, the healthcare and retail segments showed the greatest declines in originations of 36.4% and 40.0%, respectively. Hotel showed the largest origination growth for the year as well, at 39.6%.

	Multifamily	Office	Retail	Industrial	Hotel	Healthcare	Single Family
YOY Change	15.9%	7.5%	-40.0%	-17.3%	39.6%	-36.4%	-11.7%
QOQ Change	17.0%	9.6%	-21.0%	24.9%	31.2%	-28.2%	-11.9%

Source: Mortgage Bankers Association

CMBS Spreads to Swaps

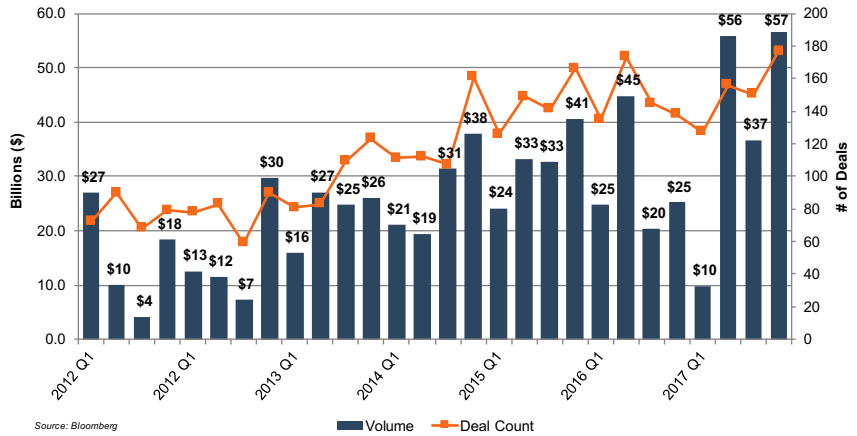
The spreads over U.S. Treasuries in CMBS and other structured real estate product generally fell during the fourth quarter 2017. The exceptions were FNMA 15-Year and 30-Year, which remained approximately the same. The spreads on both fixed and floating HELOCs tightened considerably, decreasing 251 and 162 bps, respectively.



Industry Performance and M&A Activity (continued)

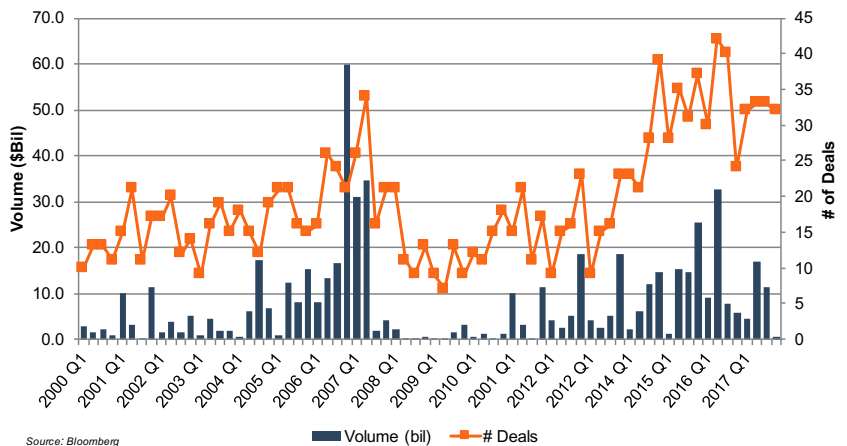
Global M&A Deals in Real Estate

The number of global M&A deals rose in fourth quarter 2017, accompanied by a rise in reported deal volume. The quarterly average in 2017 increased to \$39.7 billion, from \$28.8 billion during 2016.



U.S. M&A Deals in Real Estate

Unlike the global market, M&A growth in the U.S. remained flat in fourth quarter 2017. Although M&A deal count steadily climbed through 2016 following the recession, the number of deals slowed in 2017.



Publicly Traded Companies

Hospitality

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Hotel/Hospitality Companies																	
Choice Hotels International Inc	CHH	\$77.60	24.0%	38.4%	\$4,392	\$0	\$562	\$4,954	11%	\$1,007	\$281	\$115	4.9x	17.6x	38.2x	16.8x	26.9x
Hyatt Hotels Corp	H	\$73.54	36.2%	33.1%	\$8,748	\$0	\$1,373	\$10,121	14%	\$2,767	\$675	\$249	3.7x	15.0x	35.1x	12.5x	41.8x
InterContinental Hotels Group PLC	IHG	\$63.78	24.8%	36.0%	\$11,955	\$0	\$2,130	\$14,085	15%	\$1,784	\$859	\$592	7.9x	16.4x	20.2x	16.5x	26.6x
Marcus Corp/The	MCS	\$27.35	-14.8%	-13.2%	\$761	\$0	\$348	\$1,109	31%	\$623	\$126	\$65	1.8x	8.8x	11.7x	8.8x	18.7x
Marriott International Inc/MD	MAR	\$135.73	44.1%	64.2%	\$49,485	\$0	\$8,161	\$57,646	14%	\$5,129	\$2,933	\$1,372	11.2x	19.7x	36.1x	18.1x	31.9x
Red Lion Hotels Corp	RLH	\$9.85	39.7%	18.0%	\$233	\$0	\$106	\$339	31%	na	na	na	nm	nm	nm	15.0x	nm
Vail Resorts Inc	MTN	\$212.47	10.7%	31.7%	\$8,598	\$0	\$1,368	\$9,966	14%	\$1,907	\$590	\$211	5.2x	16.9x	40.8x	16.7x	43.4x
Wyndham Worldwide Corp	WYN	\$115.87	37.5%	51.7%	\$11,741	\$0	\$5,618	\$17,359	32%	\$4,613	\$1,231	\$871	3.8x	14.1x	13.5x	12.5x	19.2x
Hilton Worldwide Holdings Inc	HLT	\$79.86	36.6%	-2.1%	\$25,551	\$0	\$5,957	\$31,508	19%	\$3,467	\$1,642	\$1,259	9.1x	19.2x	20.3x	16.3x	41.7x
Median			36.2%	33.1%					15.1%				5.1x	16.7x	27.7x	16.3x	29.4x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Hospitality (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Real Estate Investment Trusts: Hospitality																	
Ashford Hospitality Prime Inc	AHP	\$9.73	-8.3%	-28.7%	\$313	\$106	\$820	\$1,239	66%	\$414	\$98	\$23	3.0x	12.7x	13.6x	12.1x	nm
Ashford Hospitality Trust Inc	AHT	\$6.73	5.7%	-13.3%	\$656	\$0	\$3,423	\$4,079	84%	na	na	na	nm	nm	nm	9.7x	nm
Chatham Lodging Trust	CLDT	\$22.76	15.2%	10.8%	\$1,032	\$0	\$597	\$1,629	37%	\$298	\$107	\$29	5.5x	15.2x	35.0x	12.9x	34.5x
Chesapeake Lodging Trust	CHSP	\$27.09	13.1%	4.8%	\$1,600	\$0	\$834	\$2,433	34%	\$598	\$184	\$76	4.1x	13.2x	21.0x	14.2x	28.6x
DiamondRock Hospitality Co	DRH	\$11.29	1.3%	-2.1%	\$2,261	\$0	\$774	\$3,036	26%	\$870	\$237	\$92	3.5x	12.8x	24.6x	12.3x	26.0x
Hersha Hospitality Trust	HT	\$17.40	-7.4%	-19.1%	\$724	\$0	\$1,080	\$1,804	60%	\$496	\$143	\$100	3.6x	12.6x	7.2x	11.4x	9.1x
Hospitality Properties Trust	HPT	\$29.85	-5.3%	-6.0%	\$4,906	\$0	\$4,006	\$8,912	45%	\$2,172	\$763	\$215	4.1x	11.7x	22.8x	11.6x	26.9x
Host Hotels & Resorts Inc	HST	\$19.85	6.4%	5.4%	\$14,691	\$0	\$3,358	\$18,049	19%	\$5,417	\$1,448	\$564	3.3x	12.5x	26.0x	12.2x	25.1x
LaSalle Hotel Properties	LHO	\$28.07	-3.0%	-7.9%	\$3,178	\$0	\$698	\$3,876	18%	\$1,105	\$328	\$195	3.5x	11.8x	16.3x	11.2x	17.8x
Pebblebrook Hotel Trust	PEB	\$37.17	27.3%	24.9%	\$2,563	\$0	\$863	\$3,426	25%	\$769	\$229	\$100	4.5x	15.0x	25.7x	14.8x	34.3x
RLJ Lodging Trust	RLJ	\$21.97	-6.6%	-10.3%	\$3,825	\$367	\$2,531	\$6,723	38%	\$1,356	\$344	\$75	5.0x	19.6x	50.8x	16.1x	35.4x
Ryman Hospitality Properties Inc	RHP	\$69.02	11.6%	9.5%	\$3,496	\$0	\$1,504	\$5,000	30%	\$1,180	\$327	\$176	4.2x	15.3x	19.9x	14.1x	22.7x
Sotherly Hotels Inc	SOHO	\$6.45	0.8%	-5.0%	\$89	\$0	\$330	\$419	79%	\$154	\$35	\$0	2.7x	12.1x	nm	12.5x	nm
Summit Hotel Properties Inc	INN	\$15.23	-4.7%	-5.0%	\$1,588	\$0	\$723	\$2,312	31%	\$515	\$169	\$99	4.5x	13.6x	16.0x	13.2x	18.7x
Sunstone Hotel Investors Inc	SHO	\$16.53	7.8%	8.4%	\$3,725	\$190	\$596	\$4,511	13%	\$1,194	\$342	\$145	3.8x	13.2x	25.6x	13.4x	25.4x
Median			1.3%	-5.0%					34%				3.9x	13.0x	22.8x	12.5x	25.7x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Residential

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Real Estate Investment Trusts: Multi-Family																	
American Campus Communities, Inc.	ACC	\$41.03	-13.8%	-17.6%	\$5,598	\$0	\$2,876	\$8,474	34%	\$796	\$390	\$69	10.6x	21.7x	81.1x	21.6x	69.4x
Apartment Investment and Management Company	AIV	\$43.71	-1.4%	-3.8%	\$6,863	\$125	\$4,420	\$11,408	39%	\$992	\$588	\$316	11.5x	19.4x	21.7x	19.1x	31.7x
Preferred Apartment Communities, Inc.	APTS	\$20.25	53.3%	35.8%	\$761	\$0	\$1,628	\$2,389	68%	\$294	\$173	\$28	8.1x	13.8x	27.5x	13.0x	nm
Avalonbay Communities Inc.	AVB	\$178.41	-2.8%	0.7%	\$24,636	\$0	\$7,101	\$31,737	22%	\$2,189	\$1,413	\$877	14.5x	22.5x	28.1x	22.3x	38.4x
Brookfield Real Estate Services Inc.	BRE	\$13.17	8.5%	12.2%	\$125	\$0	\$51	\$176	29%	na	na	na	nm	nm	nm	nm	nm
Camden Property Trust	CPT	\$92.06	14.4%	9.5%	\$8,532	\$0	\$1,934	\$10,465	18%	\$919	\$515	\$196	11.4x	20.3x	43.4x	20.7x	54.1x
EdR	EDR	\$34.92	-14.5%	-17.4%	\$2,645	\$0	\$820	\$3,465	24%	\$331	\$150	\$47	10.5x	23.1x	55.8x	21.9x	63.6x
Equity Residential	EQR	\$63.77	2.5%	-0.9%	\$23,435	\$37	\$9,556	\$33,028	29%	\$2,471	\$1,597	\$603	13.4x	20.7x	38.8x	20.8x	38.3x
Essex Property Trust Inc.	ESS	\$241.37	4.2%	3.8%	\$15,939	\$0	\$5,723	\$21,663	26%	\$1,395	\$947	\$433	15.5x	22.9x	36.8x	21.9x	39.5x
Independence Realty Trust, Inc.	IRT	\$10.09	7.7%	13.1%	\$840	\$0	\$740	\$1,580	47%	\$161	\$81	\$30	9.8x	19.5x	27.8x	19.6x	24.3x
Mid-America Apartment Communities Inc.	MAA	\$100.56	-1.2%	2.7%	\$11,426	\$0	\$4,679	\$16,106	29%	\$1,529	\$869	\$328	10.5x	18.5x	34.8x	18.4x	46.8x
UDR, Inc.	UDR	\$38.52	6.2%	5.6%	\$10,314	\$46	\$4,624	\$14,984	31%	\$992	\$622	\$122	15.1x	24.1x	84.8x	23.1x	141.3x
Median			3.4%	3.3%					29%				11.4x	20.7x	36.8x	20.8x	43.2x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Healthcare

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Healthcare Facilities																	
Community Health Systems, Inc.	CYH	\$4.26	-52.0%	-23.8%	\$477	\$0	\$14,010	\$14,487	97%	\$15,353	\$1,075	-\$2,459	0.9x	13.5x	nm	8.6x	nm
HCA Holdings, Inc.	HCA	\$87.84	-1.3%	18.7%	\$31,100	\$0	\$33,899	\$64,999	52%	\$43,614	\$8,188	\$2,216	1.5x	7.9x	14.0x	8.1x	13.4x
LifePoint Health, Inc.	LPNT	\$49.80	-24.0%	-12.3%	\$1,963	\$0	\$2,904	\$4,867	60%	\$6,291	\$670	\$102	0.8x	7.3x	19.2x	6.5x	13.7x
Tenet Healthcare Corp.	THC	\$15.16	-14.4%	2.2%	\$1,530	\$0	\$16,939	\$18,469	92%	\$19,179	\$2,259	-\$704	1.0x	8.2x	nm	7.7x	22.3x
Universal Health Services Inc.	UHS	\$113.35	-8.9%	6.6%	\$10,758	\$0	\$4,047	\$14,805	27%	\$10,410	\$1,728	\$752	1.4x	8.6x	14.3x	8.8x	15.4x
AdCare Health Systems, Inc.	ADK	\$0.09	-18.5%	-1.5%	\$16	\$0	\$3	\$18	14%	\$1	-\$1	-\$2	13.6x	-13.6x	nm	nm	nm
Brookdale Senior Living Inc.	BKD	\$9.70	-27.8%	-21.9%	\$1,808	\$0	\$4,977	\$6,785	73%	\$3,856	\$662	-\$571	1.8x	10.2x	nm	10.3x	nm
Capital Senior Living Corp.	CSU	\$13.49	-4.1%	-16.0%	\$411	\$0	\$995	\$1,406	71%	\$465	\$87	-\$44	3.0x	16.2x	nm	14.5x	nm
Five Star Quality Care Inc.	FVE	\$1.50	-30.2%	-44.4%	\$75	\$0	\$30	\$105	29%	na	na	na	nm	nm	nm	8.2x	nm
Quest Diagnostics Inc.	DGX	\$98.49	0.3%	7.2%	\$13,424	\$0	\$3,602	\$17,026	21%	\$7,709	\$1,552	\$772	2.2x	11.0x	17.4x	11.0x	17.4x
Laboratory Corp. of America Holdings	LH	\$159.51	11.2%	24.2%	\$16,238	\$0	\$6,836	\$23,074	30%	\$10,206	\$2,048	\$1,268	2.3x	11.3x	12.8x	11.3x	16.7x
RadNet, Inc.	RDNT	\$10.10	71.2%	56.6%	\$481	\$0	\$618	\$1,099	56%	na	na	na	nm	nm	nm	7.8x	33.7x
DaVita HealthCare Partners Inc.	DVA	\$72.25	6.3%	12.5%	\$13,246	\$0	\$9,326	\$22,573	41%	\$10,884	\$2,409	\$664	2.1x	9.4x	20.0x	9.2x	21.0x
Fresenius Medical Care AG & Co. KGAA	FME	\$105.40	24.7%	24.1%	\$32,331	\$0	\$9,531	\$41,863	23%	\$21,354	\$3,639	\$1,537	2.0x	11.5x	21.0x	10.7x	21.9x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Healthcare (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
AmerisourceBergen Corporation	ABC	\$91.82	3.8%	17.4%	\$20,024	\$0	\$1,359	\$21,383	6%	\$153,144	\$2,444	\$364	0.1x	8.7x	54.9x	9.4x	15.6x
Cardinal Health, Inc.	CAH	\$61.27	-24.9%	-14.9%	\$19,276	\$0	\$8,851	\$28,127	31%	\$129,976	\$3,069	\$1,288	0.2x	9.2x	15.0x	9.2x	11.4x
Henry Schein, Inc.	HSIC	\$69.88	-17.8%	-7.9%	\$10,968	\$0	\$2,223	\$13,191	17%	\$12,462	\$1,058	\$406	1.1x	12.5x	27.0x	12.6x	19.4x
McKesson Corporation	MCK	\$155.95	5.2%	11.0%	\$32,512	\$0	\$7,532	\$40,044	19%	\$198,533	\$4,354	\$5,070	0.2x	9.2x	6.4x	8.9x	12.5x
Patterson Companies, Inc.	PDCO	\$36.13	-20.1%	-11.9%	\$3,347	\$0	\$997	\$4,344	23%	\$5,593	\$408	\$171	0.8x	10.6x	19.6x	10.1x	15.8x
InfuSystem Holdings, Inc.	INFU	\$2.30	0.0%	-9.8%	\$52	\$0	\$29	\$82	36%	na	na	na	nm	nm	nm	nm	nm
Addus HomeCare Corporation	ADUS	\$34.80	8.7%	-0.7%	\$400	\$0	-\$2	\$398	0%	na	na	na	nm	nm	nm	10.9x	22.5x
Almost Family Inc.	AFAM	\$55.35	13.9%	25.5%	\$773	\$0	\$150	\$923	16%	\$797	\$35	\$20	1.2x	26.3x	37.9x	13.8x	26.1x
Amedisys Inc.	AMED	\$52.71	3.2%	23.6%	\$1,789	\$0	\$25	\$1,814	1%	\$1,509	\$126	\$30	1.2x	14.4x	59.0x	12.7x	23.7x
Chemed Corp.	CHE	\$243.02	33.0%	51.5%	\$3,880	\$0	\$64	\$3,944	2%	\$1,667	\$245	\$98	2.4x	16.1x	39.5x	14.8x	29.0x
LHC Group, Inc.	LHCG	\$61.25	13.6%	34.0%	\$1,120	\$0	\$173	\$1,293	13%	\$1,063	\$90	\$50	1.2x	14.4x	22.3x	13.2x	25.4x
Diversicare Healthcare Services Inc.	DVCR	\$10.01	-4.5%	-3.8%	\$65	\$0	\$84	\$149	57%	na	na	na	nm	nm	nm	nm	nm
The Ensign Group, Inc.	ENSG	\$22.20	18.1%	0.0%	\$1,136	\$0	\$254	\$1,390	18%	\$1,849	\$139	\$40	0.8x	10.0x	28.1x	8.2x	15.9x
Kindred Healthcare Inc.	KND	\$9.70	16.2%	23.6%	\$887	\$0	\$3,320	\$4,207	79%	\$6,034	\$421	-\$698	0.7x	10.0x	nm	5.7x	32.6x
National Healthcare Corp.	NHC	\$60.94	-14.5%	-19.6%	\$926	\$0	-\$65	\$861	-8%	\$967	\$102	\$56	0.9x	8.5x	16.5x	nm	nm
CVS Health Corporation	CVS	\$72.50	-7.6%	-8.1%	\$73,449	\$0	\$23,234	\$96,683	24%	\$184,765	\$12,526	\$6,622	0.5x	7.7x	11.1x	7.7x	12.3x
Express Scripts Holding Company	ESRX	\$74.64	13.2%	8.5%	\$42,274	\$0	\$11,518	\$53,792	21%	\$100,065	\$7,296	\$4,517	0.5x	7.4x	9.4x	7.3x	10.6x
PharMerica Corporation	PMC	\$1.58	38.2%	36.8%	\$450	\$0	-\$363	\$87	-416%	\$60	na	\$38	1.4x	nm	11.7x	nm	nm

Source: S&P Global Market Intelligence

Publicly Traded Companies

Healthcare (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
MEDNAX, Inc.	MD	\$53.44	-23.0%	-19.8%	\$4,954	\$0	\$1,767	\$6,721	26%	\$3,458	\$583	\$320	1.9x	11.5x	15.5x	11.6x	16.2x
Envision Healthcare Holdings, Inc.	EVHC	\$34.56	-43.6%	-45.4%	\$4,127	\$0	\$6,896	\$11,023	63%	\$7,819	\$1,192	-\$228	1.4x	9.2x	nm	12.4x	12.6x
Acadia Healthcare Company, Inc.	ACHC	\$32.63	-25.2%	-1.4%	\$2,867	\$0	\$3,212	\$6,079	53%	\$2,836	\$581	\$200	2.1x	10.5x	14.3x	10.1x	14.6x
Magellan Health, Inc.	MGLN	\$96.55	39.8%	28.3%	\$2,319	\$0	\$289	\$2,608	11%	\$5,839	\$288	\$110	0.4x	9.1x	21.0x	8.7x	22.6x
Providence Service Corp.	PRSC	\$59.34	33.5%	56.0%	\$790	\$0	-\$15	\$775	-2%	na	na	na	nm	nm	nm	12.3x	42.4x
Encompass Health Corporation	EHC	\$49.41	15.4%	19.8%	\$4,858	\$0	\$3,013	\$7,870	38%	\$3,919	\$838	\$256	2.0x	9.4x	19.0x	9.6x	18.2x
Select Medical Holdings Corporation	SEM	\$17.65	32.2%	33.2%	\$2,362	\$0	\$3,422	\$5,784	59%	\$4,364	\$519	\$177	1.3x	11.2x	13.3x	10.8x	20.8x
Median			55.5%	56.3%					26%				1.2x	10.0x	18.2x	9.8x	17.8x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Healthcare (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Real Estate Investment Trusts: Healthcare																	
Welltower, Inc. (Health Care REIT)	HCN	\$62.77	-8.1%	0.2%	\$23,618	\$719	\$12,187	\$36,523	33%	\$4,243	\$1,980	\$523	8.6x	18.4x	45.2x	17.4x	nm
HCP, Inc.	HCP	\$26.08	-16.6%	-12.2%	\$12,234	\$0	\$7,658	\$19,892	38%	\$1,848	\$940	\$414	10.8x	21.2x	29.5x	17.2x	22.2x
Healthcare Realty Trust Incorporated	HR	\$32.12	-1.2%	5.9%	\$4,011	\$0	\$969	\$4,981	19%	\$424	\$236	\$23	11.7x	21.1x	173.7x	20.5x	56.4x
LTC Properties Inc.	LTC	\$43.55	-9.1%	-7.3%	\$1,723	\$0	\$634	\$2,357	27%	na	na	na	nm	nm	nm	15.5x	19.7x
Omega Healthcare Investors Inc.	OHI	\$27.54	-16.5%	-11.9%	\$5,455	\$0	\$4,956	\$10,411	48%	\$908	\$636	\$100	11.5x	16.4x	54.3x	12.3x	43.1x
Ventas, Inc.	VTR	\$60.01	-7.7%	-4.0%	\$21,373	\$0	\$11,578	\$32,951	35%	\$3,565	\$1,901	\$1,356	9.2x	17.3x	15.8x	17.0x	38.2x
Median			-8.6%	-5.7%					34%				10.8x	18.4x	45.2x	17.1x	38.2x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Commercial Real Estate

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Diversified REITs																	
Armada Hoffer Properties, Inc.	AHH	\$15.53	11.8%	6.6%	\$971	\$0	\$470	\$1,441	33%	\$303	\$67	\$30	4.8x	21.7x	32.4x	19.4x	31.4x
Brandywine Realty Trust	BDN	\$18.19	12.1%	10.2%	\$3,173	\$0	\$1,885	\$5,058	37%	\$515	\$242	\$121	9.8x	20.9x	26.3x	17.6x	56.5x
Cousins Properties Incorporated	CUZ	\$9.25	11.9%	8.7%	\$3,885	\$7	\$1,085	\$4,977	22%	\$466	\$271	\$216	10.7x	18.3x	18.0x	17.1x	20.3x
Douglas Emmett Inc	DEI	\$41.06	6.9%	12.3%	\$6,961	\$0	\$5,197	\$12,158	43%	\$818	\$506	\$94	14.9x	24.0x	73.7x	23.4x	72.1x
Investors Real Estate Trust	IRET	\$5.68	-4.2%	-20.3%	\$682	\$111	\$943	\$1,737	54%	\$206	\$100	\$43	8.4x	17.4x	15.7x	17.1x	142.0x
Lexington Realty Trust	LXP	\$9.65	-3.3%	-10.6%	\$2,322	\$94	\$1,965	\$4,381	45%	\$392	\$306	\$86	11.2x	14.3x	27.1x	14.4x	36.5x
National Retail Properties, Inc.	NNN	\$43.13	-1.1%	-2.4%	\$6,558	\$633	\$2,455	\$9,646	25%	\$585	\$528	\$265	16.5x	18.3x	24.7x	18.3x	32.3x
PS Business Parks Inc.	PSB	\$125.09	9.0%	7.4%	\$3,409	\$1,090	\$85	\$4,583	2%	\$401	\$266	\$155	11.4x	17.2x	22.0x	17.1x	48.2x
Public Storage	PSA	\$209.00	-4.5%	-6.5%	\$36,375	\$4,025	\$755	\$41,154	2%	\$2,744	\$1,945	\$1,442	15.0x	21.2x	25.2x	21.8x	29.5x
Retail Properties of America, Inc.	RPAI	\$13.44	-6.8%	-12.3%	\$3,051	\$0	\$1,687	\$4,738	36%	\$536	\$325	\$251	8.8x	14.6x	12.1x	14.9x	nm
Vornado Realty Trust	VNO	\$78.18	-22.1%	-25.1%	\$14,845	\$892	\$9,935	\$25,672	39%	\$2,088	\$1,068	\$227	12.3x	24.0x	65.3x	22.2x	67.4x
W. P. Carey Inc.	WPC	\$68.90	10.7%	16.6%	\$7,366	\$0	\$4,369	\$11,735	37%	\$861	\$747	\$277	13.6x	15.7x	26.6x	16.4x	28.6x
Median			2.9%	-6.5%					36%				11.3x	18.3x	25.7x	17.4x	36.5x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Commercial Real Estate (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Industrial REITs																	
CubeSmart	CUBE	\$28.92	11.4%	8.0%	\$5,231	\$0	\$1,670	\$6,901	24%	\$558	\$340	\$134	12.4x	20.3x	39.0x	20.6x	40.2x
DCT Industrial Trust Inc.	DCT	\$58.78	22.2%	22.8%	\$5,474	\$0	\$1,780	\$7,254	25%	\$430	\$295	\$103	16.9x	24.6x	52.9x	24.7x	57.4x
Duke Realty Corporation	DRE	\$27.21	3.6%	2.4%	\$9,691	\$0	\$2,148	\$11,838	18%	\$790	\$441	\$1,634	15.0x	26.9x	5.9x	22.2x	70.6x
EastGroup Properties Inc.	EGP	\$88.38	20.2%	19.7%	\$3,029	\$0	\$1,081	\$4,110	26%	\$274	\$168	\$83	15.0x	24.4x	36.4x	22.7x	49.7x
Extra Space Storage Inc.	EXR	\$87.45	17.6%	13.2%	\$11,020	\$0	\$4,586	\$15,605	29%	\$1,120	\$749	\$479	13.9x	20.8x	23.0x	21.0x	31.6x
First Industrial Realty Trust Inc.	FR	\$31.47	18.2%	12.2%	\$3,772	\$0	\$1,406	\$5,178	27%	\$396	\$262	\$201	13.1x	19.8x	18.7x	19.7x	32.3x
Prologis, Inc.	PLD	\$64.51	24.3%	22.2%	\$34,325	\$69	\$12,177	\$46,571	26%	\$2,867	\$1,899	\$1,652	16.2x	24.5x	20.8x	28.8x	22.2x
Life Storage, Inc.	LSI	\$89.07	8.5%	4.5%	\$4,115	\$0	\$1,753	\$5,868	30%	\$498	\$305	\$96	11.8x	19.2x	42.7x	19.7x	37.8x
STAG Industrial, Inc.	STAG	\$27.33	9.2%	14.5%	\$2,571	\$145	\$1,188	\$3,905	30%	\$301	\$208	\$31	13.0x	18.8x	82.3x	18.9x	158.6x
Median			17.6%	13.2%					26%				13.9x	20.8x	36.4x	21.0x	40.2x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Commercial Real Estate (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Office REITs																	
American Assets Trust, Inc.	AAT	\$38.24	-8.6%	-11.2%	\$1,802	\$0	\$1,239	\$3,042	41%	\$311	\$174	\$29	9.8x	17.5x	62.0x	16.7x	57.5x
Boston Properties Inc.	BXP	\$130.03	-1.8%	3.4%	\$20,067	\$200	\$12,016	\$32,283	37%	\$2,613	\$1,537	\$462	12.4x	21.0x	43.4x	21.0x	45.2x
CoreSite Realty Corporation	COR	\$113.90	26.5%	43.5%	\$3,900	\$0	\$1,044	\$4,944	21%	\$482	\$253	\$75	10.3x	19.5x	52.1x	18.7x	61.0x
Corporate Office Properties Trust	OFC	\$29.20	-11.8%	-6.5%	\$2,909	\$0	\$1,967	\$4,876	40%	\$616	\$291	\$70	7.9x	16.8x	41.5x	16.6x	38.7x
Digital Realty Trust Inc.	DLR	\$113.90	7.1%	15.9%	\$23,400	\$1,250	\$9,047	\$33,697	27%	\$2,483	\$1,188	\$248	13.6x	28.4x	94.3x	23.5x	95.4x
Empire State Realty Trust, Inc.	ESRT	\$20.53	-0.5%	1.7%	\$3,278	\$0	\$1,975	\$5,254	38%	\$699	\$350	\$64	7.5x	15.0x	51.6x	14.7x	102.7x
Equity Commonwealth	EQC	\$30.51	-2.3%	0.9%	\$3,786	\$119	-\$1,380	\$2,525	-55%	\$341	\$153	\$30	7.4x	16.5x	127.7x	15.4x	75.0x
First Potomac Realty Trust	FPO	\$0.65	6.3%	5.6%	\$76	\$0	\$153	\$229	67%	\$30	\$15	\$10	7.7x	14.8x	7.7x	13.9x	9.3x
Franklin Street Properties Corp.	FSP	\$10.74	-11.5%	-17.1%	\$1,152	\$0	\$1,046	\$2,198	48%	\$272	\$136	-\$16	8.1x	16.2x	nm	15.6x	nm
Government Properties Income Trust	GOV	\$18.54	-11.4%	-2.8%	\$1,838	\$20	\$1,511	\$3,369	45%	\$317	\$145	\$12	10.6x	23.2x	152.0x	16.6x	29.6x
Highwoods Properties Inc.	HIW	\$50.91	3.6%	-0.2%	\$5,256	\$29	\$2,127	\$7,413	29%	\$710	\$389	\$185	10.4x	19.0x	28.4x	17.3x	34.6x
Hudson Pacific Properties, Inc.	HPP	\$34.25	-1.1%	-1.5%	\$5,317	\$0	\$2,663	\$7,980	33%	\$728	\$331	\$69	11.0x	24.1x	76.8x	19.0x	114.4x
Kilroy Realty Corp.	KRC	\$74.65	3.6%	2.0%	\$7,340	\$0	\$2,576	\$9,916	26%	\$719	\$412	\$165	13.8x	24.1x	44.6x	22.1x	72.5x
Liberty Property Trust	LPT	\$43.01	11.6%	8.9%	\$6,340	\$0	\$2,869	\$9,210	31%	\$720	\$426	\$282	12.8x	21.6x	22.5x	19.5x	37.4x
Mack-Cali Realty Corp.	CLI	\$21.56	-20.0%	-25.7%	\$1,939	\$0	\$3,148	\$5,086	62%	\$610	\$298	\$23	8.3x	17.1x	83.6x	16.3x	109.4x
Piedmont Office Realty Trust Inc.	PDM	\$19.61	-8.3%	-6.2%	\$2,831	\$0	\$1,673	\$4,504	37%	\$578	\$262	\$134	7.8x	17.2x	21.2x	14.2x	15.7x
Select Income REIT	SIR	\$25.13	-2.6%	-0.3%	\$2,249	\$0	\$2,508	\$4,757	53%	\$468	\$309	\$67	10.2x	15.4x	33.6x	14.8x	26.6x
Median			-1.8%	-0.2%					37%				10.2x	17.5x	48.1x	16.6x	51.4x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Commercial Real Estate (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Retail REITs																	
Alexander's Inc.	ALX	\$395.85	-8.3%	-7.3%	\$2,022	\$0	\$960	\$2,982	32%	\$231	\$138	\$81	12.9x	21.7x	25.1x	nm	nm
CBL & Associates Properties Inc.	CBL	\$5.66	-40.7%	-50.8%	\$968	\$0	\$4,296	\$5,265	82%	\$927	\$593	\$121	5.7x	8.9x	8.0x	7.9x	11.5x
Cedar Realty Trust, Inc.	CDR	\$6.08	21.1%	-6.9%	\$555	\$208	\$575	\$1,338	43%	\$146	\$82	\$19	9.2x	16.3x	29.0x	16.6x	nm
DDR Corp.	DDR	\$8.96	-28.5%	-41.3%	\$3,280	\$525	\$4,008	\$7,813	51%	\$911	\$608	-\$242	8.6x	12.9x	nm	13.6x	nm
EPR Properties	EPR	\$65.46	-11.1%	-8.8%	\$4,822	\$0	\$2,983	\$7,805	38%	\$576	\$496	\$263	13.6x	15.7x	18.3x	15.1x	18.9x
Federal Realty Investment Trust	FRT	\$132.81	-0.5%	-6.5%	\$9,635	\$160	\$3,518	\$13,313	26%	\$857	\$544	\$290	15.5x	24.5x	33.2x	24.4x	32.8x
General Growth Properties, Inc	GGP	\$23.39	0.9%	-6.4%	\$22,351	\$242	\$13,720	\$36,314	38%	\$2,525	\$1,757	\$657	14.4x	20.7x	34.0x	16.4x	38.2x
Getty Realty Corp.	GTY	\$27.16	7.5%	6.6%	\$1,076	\$0	\$301	\$1,377	22%	\$120	\$83	\$47	11.5x	16.6x	22.8x	17.0x	21.9x
Hospitality Properties Trust	HPT	\$29.85	-5.3%	-6.0%	\$4,906	\$0	\$4,006	\$8,912	45%	\$2,172	\$763	\$215	4.1x	11.7x	22.8x	11.6x	26.9x
Kimco Realty Corporation	KIM	\$18.15	-17.8%	-27.9%	\$7,726	\$0	\$5,606	\$13,331	42%	\$1,201	\$751	\$426	11.1x	17.8x	18.1x	15.9x	28.7x
Kite Realty Group Trust	KRG	\$19.60	-8.8%	-16.5%	\$1,638	\$0	\$1,723	\$3,362	51%	\$359	\$227	\$12	9.4x	14.8x	138.0x	13.9x	135.2x
Pennsylvania Real Estate Investment Trust	PEI	\$11.89	-21.5%	-37.3%	\$831	\$0	\$1,641	\$2,473	66%	\$377	\$206	-\$29	6.6x	12.0x	nm	13.2x	nm
Ramco-Gershenson Properties Trust	RPT	\$14.73	5.1%	-11.2%	\$1,169	\$92	\$1,097	\$2,359	47%	\$265	\$164	\$69	8.9x	14.3x	16.9x	14.4x	27.0x
Realty Income Corporation	O	\$57.02	-4.2%	-0.8%	\$16,067	\$0	\$5,809	\$21,876	27%	\$1,216	\$1,102	\$319	18.0x	19.9x	50.4x	20.2x	47.9x
Regency Centers Corporation	REG	\$69.18	4.2%	0.3%	\$11,768	\$0	\$3,531	\$15,299	23%	\$1,028	\$583	\$176	14.9x	26.2x	66.8x	22.5x	83.1x
Retail Opportunity Investments Corp.	ROIC	\$19.95	-5.1%	-5.6%	\$2,189	\$0	\$1,478	\$3,667	40%	\$273	\$173	\$38	13.4x	21.2x	56.9x	19.4x	65.9x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Commercial Real Estate (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Saul Centers Inc.	BFS	\$61.75	0.2%	-7.3%	\$1,352	\$180	\$1,013	\$2,545	40%	\$227	\$154	\$48	11.2x	16.6x	28.0x	16.5x	nm
Simon Property Group Inc.	SPG	\$171.74	-0.2%	-3.3%	\$53,387	\$43	\$23,646	\$77,076	31%	\$5,539	\$4,105	\$1,948	13.9x	18.8x	27.4x	18.0x	27.0x
SL Green Realty Corp.	SLG	\$100.93	-5.3%	-6.2%	\$9,918	\$222	\$7,351	\$17,491	42%	\$1,533	\$841	\$113	11.4x	20.8x	87.9x	20.3x	99.3x
Tanger Factory Outlet Centers Inc.	SKT	\$26.51	-19.1%	-25.9%	\$2,483	\$0	\$1,792	\$4,275	42%	\$490	\$276	\$68	8.7x	15.5x	36.5x	15.0x	25.9x
Taubman Centers, Inc.	TCO	\$65.43	-0.9%	-11.5%	\$3,972	\$0	\$3,241	\$7,214	45%	\$615	\$308	\$78	11.7x	23.4x	50.7x	21.4x	52.7x
The Macerich Company	MAC	\$65.68	2.0%	-7.3%	\$9,246	\$0	\$5,270	\$14,516	36%	\$1,057	\$639	\$146	13.7x	22.7x	63.3x	25.4x	80.6x
Urstadt Biddle Properties Inc.	UBA	\$21.74	5.7%	-9.8%	\$780	\$190	\$374	\$1,343	28%	\$123	\$75	\$53	10.9x	18.0x	14.7x	18.1x	32.0x
Washington Real Estate Investment Trust	WRE	\$31.12	-0.5%	-4.8%	\$2,442	\$0	\$1,162	\$3,604	32%	\$325	\$186	\$20	11.1x	19.4x	124.2x	19.1x	80.7x
Weingarten Realty Investors	WRI	\$32.87	-1.6%	-8.2%	\$4,221	\$0	\$2,351	\$6,573	36%	\$572	\$361	\$335	11.5x	18.2x	12.6x	17.3x	21.2x
Median			-1.6%	-7.3%					40%				11.4x	18.0x	29.0x	16.8x	32.4x

Source: S&P Global Market Intelligence

Publicly Traded Companies

Commercial Real Estate (continued)

Company Name	Ticker	Price at 12/29/17	% Change		Market Cap	Pref. Stock	Debt	Ent. Value	Debt/ Total Cap.	LTM			LTM Multiple			Forward Multiples	
			QTD	YTD						Rev.	EBITDA	Net Income	EV / Rev	EV / EBITDA	Price / Earn.	EV / EBITDA	Price / Earn.
Property Management Companies																	
Acadia Realty Trust	AKR	\$27.36	-9.0%	-16.3%	\$2,290	\$0	\$2,232	\$4,522	49%	\$258	\$140	\$61	17.5x	32.3x	37.3x	27.2x	50.6x
CBRE Group, Inc.	CBG	\$43.31	24.5%	37.5%	\$14,492	\$0	\$3,069	\$17,561	17%	\$14,210	\$1,448	\$691	1.2x	12.1x	21.0x	10.5x	16.3x
Jones Lang LaSalle Incorporated	JLL	\$148.93	33.6%	47.4%	\$6,756	\$0	\$1,268	\$8,024	16%	\$7,932	\$776	\$254	1.0x	10.3x	26.6x	11.3x	17.6x
Kennedy-Wilson Holdings, Inc.	KW	\$17.35	-21.8%	-15.4%	\$2,628	\$0	\$5,777	\$8,405	69%	\$880	\$318	\$101	9.6x	26.4x	26.1x	24.6x	110.7x
Realty Holdings Corp.	RLGY	\$26.50	-11.0%	3.0%	\$3,567	\$0	\$3,399	\$6,966	49%	\$6,114	\$716	\$431	1.1x	9.7x	8.3x	9.5x	16.6x
Median			-9.0%	3.0%					49%				1.2x	12.1x	26.1x	11.3x	17.6x

Source: S&P Global Market Intelligence

Mercer Capital

Real Estate
Industry Services

Mercer Capital has expertise providing business valuation and financial advisory services to companies in the real estate industry.

Industry Segments

Mercer Capital serves the following industry segments:

- Residential/Multi-family
- Commercial, Retail, Industrial, & Office
- Agricultural
- Hospitality
- Healthcare

Services Provided

- Valuation of real estate industry companies
- Transaction advisory for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and valuation and shareholder disputes

Contact a Mercer Capital professional to discuss your needs in confidence.

Contact Us

Travis W. Harms, CFA, CPA/ABV

901.322.9760
harmst@mercercapital.com

Timothy R. Lee, ASA

901.322.9740
leet@mercercapital.com

Madeleine G. Davis

901.322.9788
davism@mercercapital.com

Megan E. Richards

901.322.9767
richardsm@mercercapital.com

MERCER CAPITAL

Memphis

5100 Poplar Avenue, Suite 2600
Memphis, Tennessee 38137
901.685.2120

Dallas

12201 Merit Drive, Suite 480
Dallas, Texas 75251
214.468.8400

Nashville

102 Woodmont Blvd., Suite 231
Nashville, Tennessee 37205
615.345.0350

www.mercercapital.com