

REIT PREFERRED SCORECARD

January 2017

Total Return as of 12/31/2016

REIT Preferreds	Dec 2016	2016 YTD	2015	2014	2013	2012
Overall universe	0.3%	3.7%	6.1%	20.4%	-6.0%	11.4%
5-6% coupon	-0.5%	-2.5%	11.0%	26.1%	-15.9%	4.8%
6-7% coupon	0.3%	3.1%	7.8%	19.1%	-7.0%	5.5%
7-8% coupon	1.1%	10.4%	3.2%	17.5%	0.2%	10.9%
8%+ coupon	2.2%	13.7%	2.6%	12.3%	4.8%	14.2%

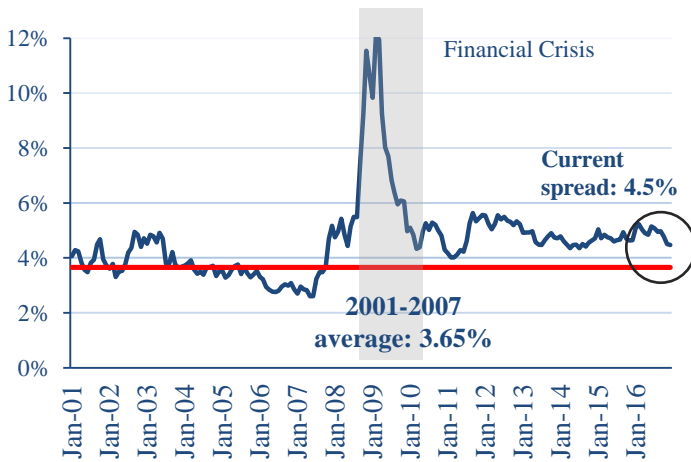
*Overall REIT preferred universe total returns based on Wells Fargo Hybrid & Preferred Securities REIT Index. All other data based on proprietary database of REIT preferreds. Source: LDR Capital Management, Bloomberg.

Strip Yield as of 12/31/2016

REIT Preferreds	Dec 2016	Dec 2015	Dec 2014	Dec 2013	Dec 2012	Dec 2011
Overall universe	6.9%	6.9%	6.8%	7.6%	6.9%	7.7%
5-6% coupon	5.9%	5.5%	5.7%	6.7%	5.4%	5.0%
6-7% coupon	6.6%	6.4%	6.5%	7.3%	6.3%	6.4%
7-8% coupon	7.7%	7.8%	7.5%	8.2%	7.5%	8.1%
8%+ coupon	8.4%	8.5%	8.2%	8.5%	8.2%	8.9%

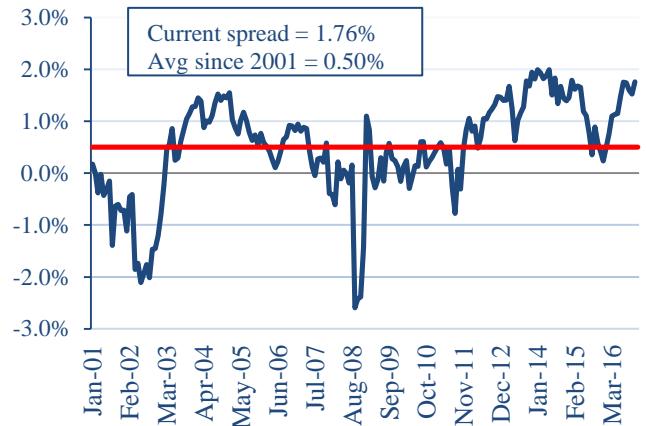
Data, including overall universe, based on proprietary database of REIT preferreds. Source: LDR Capital Management, Bloomberg.

REIT Preferred Yield vs. 10-Year Treasury



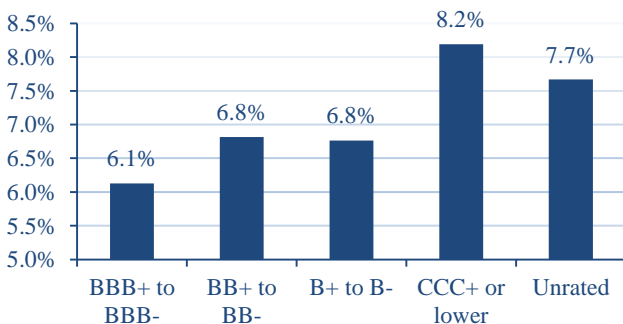
REIT preferred yield based on Wells Fargo Hybrid & Preferred Securities REIT Index. Source: Wells Fargo, Bloomberg. As of 12/31/16.

REIT Preferred Yield vs. BB-Rated Corporate Bonds



REIT preferred yield based on Wells Fargo Hybrid & Preferred Securities REIT Index. Corporate bonds based on Bank of America Merrill Lynch US High Yield BB Option -Adjusted Spread. Source: Wells Fargo, Federal Reserve of St. Louis. As of 12/31/16.

REIT Preferred Strip Yield by Credit Rating



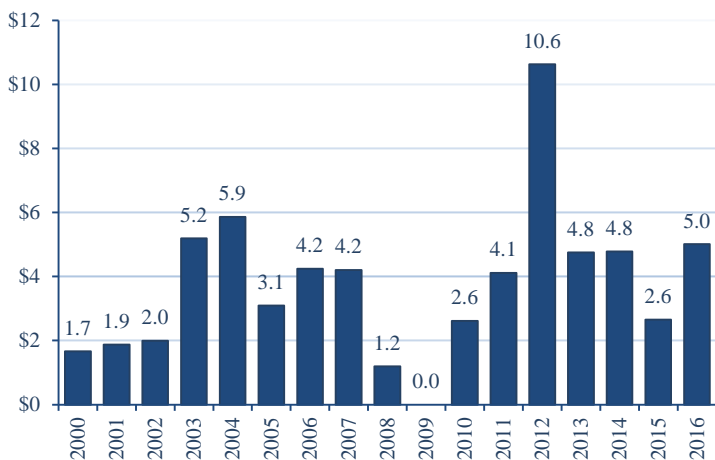
Source: LDR Capital Management, Bloomberg. As of 12/31/16.

Percent of REIT Preferreds Trading Above/Below Par

	Dec 2016	Dec 2015	Dec 2014	Dec 2013	Dec 2012	Dec 2011
Trading below par	52%	36%	28%	72%	18%	41%
Trading at par	14%	8%	12%	9%	17%	14%
Trading above par	34%	56%	60%	19%	65%	45%

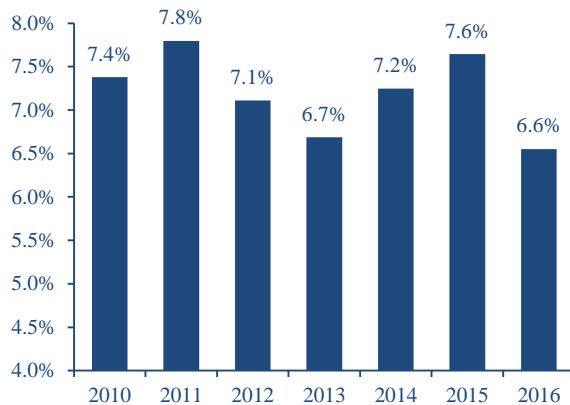
Source: LDR Capital Management, Bloomberg.

REIT Preferred Issuance by Year (\$B)



Source: NAREIT, LDR Capital Management. As of 12/31/16.

Average Coupon at Issue, by Issuance Year



Average based on simple average coupon of preferreds issued. Data as of 12/31/16. Source: LDR Capital Management.

10 Most Recent Real Estate Preferred Offerings

	At Issuance				Current Pricing			
	Date of Issuance	Issue Size (\$M)	Coupon	Spread to 10-year	Current Price	Current Strip Yield	Current Spread to 10-year	Change in Spread
Hersha Hospitality Series E	11/07/2016	\$100	6.50%	4.67%	\$22.51	7.22%	4.78%	0.11%
PS Business Parks Series W	10/20/2016	\$190	5.20%	3.44%	\$21.56	6.05%	3.61%	0.16%
Ashford Hospitality Series G	10/18/2016	\$155	7.38%	5.64%	\$23.14	7.98%	5.54%	-0.10%
Chimera Investment Corp Series A	10/14/2016	\$145	8.00%	6.20%	\$25.02	8.05%	5.61%	-0.60%
Public Storage Series E	10/14/2016	\$350	4.90%	3.10%	\$21.10	5.81%	3.37%	0.26%
Bluerock Residential Growth REIT Series D	10/13/2016	\$68	7.13%	5.38%	\$23.29	7.68%	5.23%	-0.15%
National Retail Properties Series F	10/11/2016	\$345	5.20%	3.44%	\$21.58	6.05%	3.60%	0.17%
City Office REIT Series A	10/04/2016	\$100	6.63%	5.01%	\$22.80	7.37%	4.93%	-0.08%
Wheeler REIT Series D	09/21/2016	\$40	8.75%	7.10%	\$23.50	9.35%	6.90%	-0.19%
Monmouth REIT Series C	09/13/2016	\$135	6.13%	4.40%	\$23.59	6.57%	4.12%	-0.27%

Source: LDR Capital Management, Bloomberg. Current pricing as of 12/31/16.

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