

Total Return as of 1/31/2017

REIT Preferreds	Jan 2017	2016	2015	2014	2013	2012
Overall universe	1.9%	3.7%	6.1%	20.4%	-6.0%	11.4%
5-6% coupon	3.4%	-2.5%	11.0%	26.1%	-15.9%	4.8%
6-7% coupon	2.0%	3.1%	7.8%	19.1%	-7.0%	5.5%
7-8% coupon	1.0%	10.4%	3.2%	17.5%	0.2%	10.9%
8%+ coupon	0.7%	13.7%	2.6%	12.3%	4.8%	14.2%

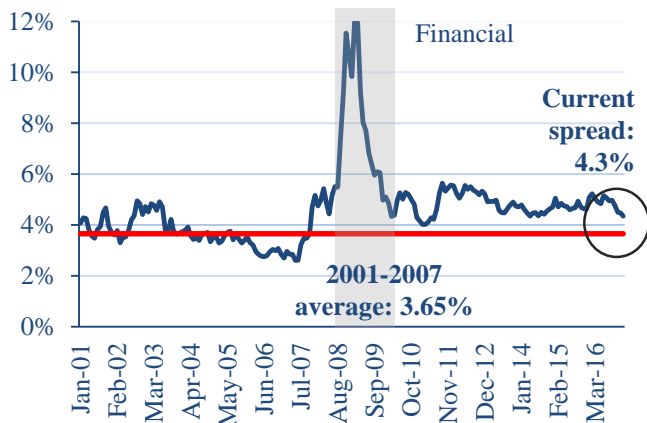
*Overall REIT preferred universe total returns based on Wells Fargo Hybrid & Preferred Securities REIT Index. All other data based on proprietary database of REIT preferreds. Source: LDR Capital Management, Bloomberg.

Strip Yield as of 1/31/2017

REIT Preferreds	Jan 2017	Dec 2016	Dec 2015	Dec 2014	Dec 2013	Dec 2012
Overall universe	6.9%	6.9%	6.9%	6.8%	7.6%	6.9%
5-6% coupon	5.7%	5.9%	5.5%	5.7%	6.7%	5.4%
6-7% coupon	6.5%	6.6%	6.4%	6.5%	7.3%	6.3%
7-8% coupon	7.7%	7.7%	7.8%	7.5%	8.2%	7.5%
8%+ coupon	8.4%	8.4%	8.5%	8.2%	8.5%	8.2%

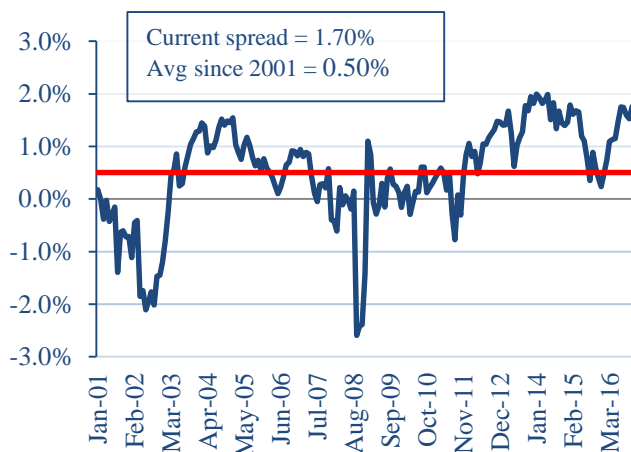
Data, including overall universe, based on proprietary database of REIT preferreds. Source: LDR Capital Management, Bloomberg.

REIT Preferred Yield vs. 10-Year Treasury



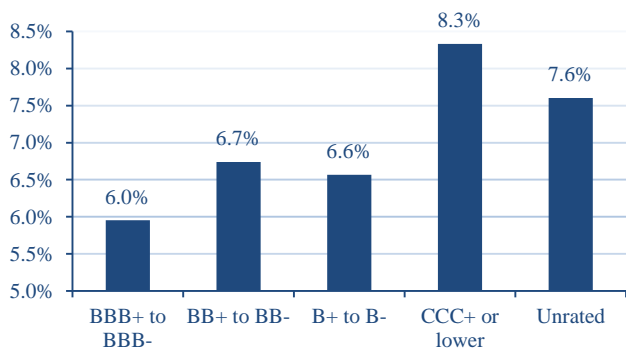
REIT preferred yield based on Wells Fargo Hybrid & Preferred Securities REIT Index. Source: Wells Fargo, Bloomberg. As of 1/31/17.

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 1/31/17.

REIT Preferred Strip Yield by Credit Rating



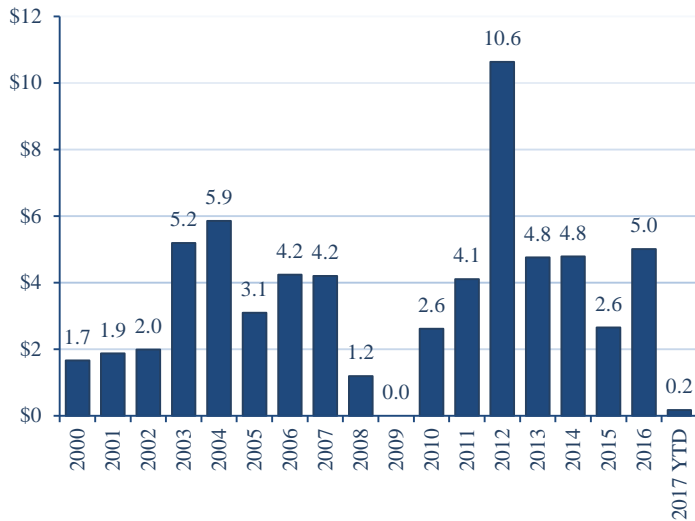
Source: LDR Capital Management, Bloomberg. As of 1/31/17.

Percent of REIT Preferreds Trading Above/Below Par

	Jan 2017	Dec 2016	Dec 2015	Dec 2014	Dec 2013	Dec 2012
Trading below par	41%	52%	36%	28%	72%	18%
Trading at par	9%	14%	8%	12%	9%	17%
Trading above par	50%	34%	56%	60%	19%	65%

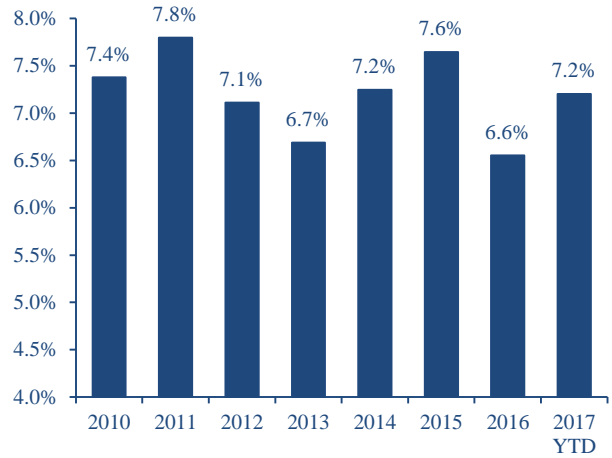
Source: LDR Capital Management, Bloomberg.

REIT Preferred Issuance by Year (\$B)



Source: NAREIT, LDR Capital Management. As of 1/31/17.

Average Coupon at Issue, by Issuance Year



Average based on simple average coupon of preferreds issued. Data as of 1/31/17. 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
Penn REIT Series C	01/27/2017	\$173	7.20%	4.72%	\$25.15	7.18%	4.73%	0.01%
Hersha Hospitality Series E	11/07/2016	\$100	6.50%	4.67%	\$22.90	7.12%	4.67%	-0.01%
PS Business Parks Series W	10/20/2016	\$190	5.20%	3.44%	\$22.24	5.89%	3.44%	-0.01%
Ashford Hospitality Series G	10/18/2016	\$155	7.38%	5.64%	\$23.40	7.91%	5.45%	-0.18%
Chimera Investment Corp Series A	10/14/2016	\$145	8.00%	6.20%	\$25.56	7.89%	5.44%	-0.77%
Public Storage Series E	10/14/2016	\$350	4.90%	3.10%	\$21.72	5.68%	3.23%	0.12%
Bluerock Residential Growth REIT Series D	10/13/2016	\$68	7.13%	5.38%	\$24.37	7.36%	4.91%	-0.47%
National Retail Properties Series F	10/11/2016	\$345	5.20%	3.44%	\$22.22	5.92%	3.46%	0.03%
City Office REIT Series A	10/04/2016	\$100	6.63%	5.01%	\$25.20	6.61%	4.15%	-0.85%
Wheeler REIT Series D	09/21/2016	\$40	8.75%	7.10%	\$24.86	8.85%	6.40%	-0.70%

Source: LDR Capital Management, Bloomberg. Current pricing as of 1/31/17.

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