

REIT PREFERRED MARKET SCORECARD

January 2021

Total Return as of 12/31/2020

REIT Preferreds	Dec 2020	2020	2019	2018	2017	2016	2015	2014
Overall universe*	2.3%	2.8%	19.3%	-7.4%	11.5%	3.7%	6.1%	20.4%
5-6% coupon	1.6%	6.9%	22.6%	-8.1%	12.6%	-2.0%	11.4%	26.6%
6-7% coupon	3.7%	-0.1%	15.9%	-4.9%	8.7%	3.4%	7.4%	18.5%
7-8% coupon	4.7%	-1.9%	16.0%	-5.5%	8.5%	9.0%	3.2%	16.3%
8%+ coupon	4.6%	-4.5%	16.9%	-2.5%	8.5%	12.0%	2.3%	12.4%

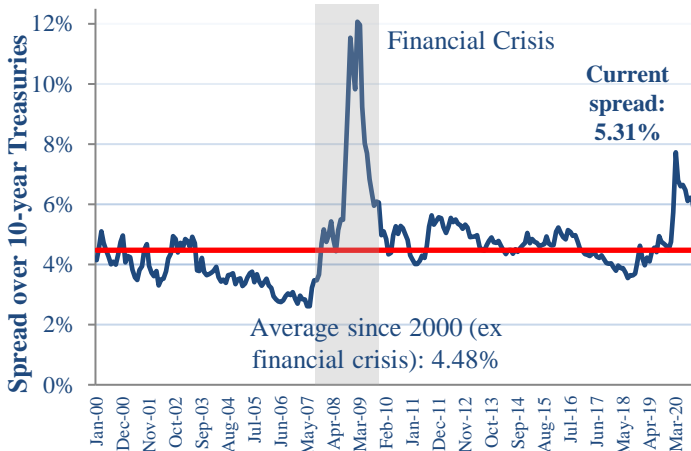
Percent of REIT Preferreds Trading Above/Below Par

	Dec 2020	Dec 2019	Dec 2018	Dec 2017	Dec 2016	Dec 2015
Trading below par	49%	17%	80%	17%	56%	39%
Trading at par	11%	5%	8%	24%	17%	10%
Trading above par	39%	78%	12%	59%	27%	51%

*Overall REIT preferred universe total returns based on Wells Fargo Hybrid & Preferred Securities REIT Index. Overall universe returns may not match returns by coupon breakdown due to different composition of the index. All other data based on proprietary database of REIT preferreds. Source: LDR Capital Management, Bloomberg.

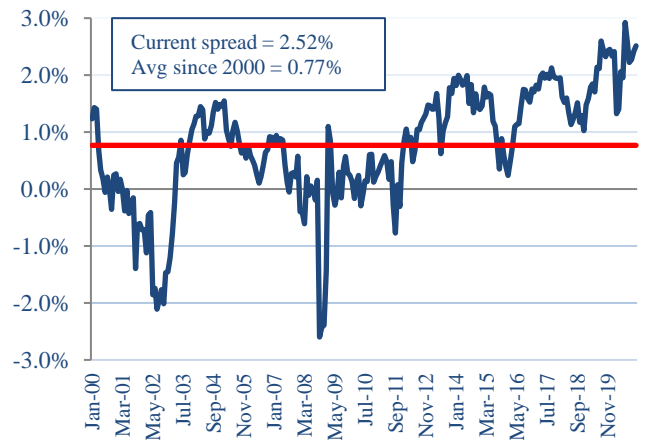
Based on price less accrued dividend. As of 12/31/2020. Source: LDR Capital Management, Bloomberg.

REIT Preferred Yield vs. 10-Year Treasury



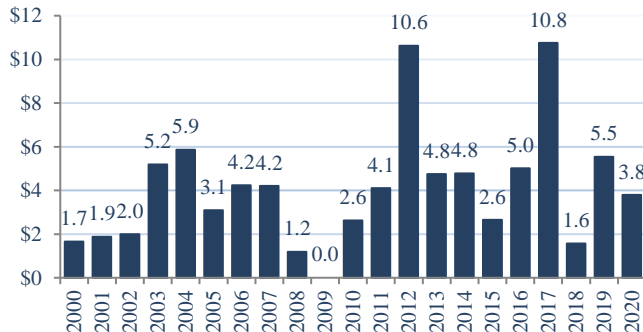
REIT preferred yield based on Wells Fargo Hybrid & Preferred Securities REIT Index. Source: Wells Fargo, Bloomberg. As of 12/31/20.

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 12/31/20.

REIT Preferred Issuance by Year (\$B)



Source: NAREIT, LDR Capital Management. As of 12/31/20.

Strip Yield as of 12/31/2020

REIT Preferreds	Dec 2020	Dec 2019	Dec 2018	Dec 2017	Dec 2016	Dec 2015	Dec 2014
Overall universe	6.3%	6.4%	7.5%	6.7%	6.9%	6.9%	6.8%
5-6% coupon	5.0%	5.2%	6.2%	5.4%	5.9%	5.5%	5.7%
6-7% coupon	6.5%	6.3%	7.3%	6.3%	6.6%	6.4%	6.5%
7-8% coupon	7.2%	7.5%	9.0%	7.6%	7.7%	7.8%	7.5%
8%+ coupon	8.0%	7.9%	8.4%	8.7%	8.4%	8.5%	8.2%

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

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
Sachem Capital 7.75% Senior Unsecured*	12/18/2020	\$25	7.75%	6.80%	\$25.05	7.76%	6.85%	0.05%
American Finance Trust Series C	12/18/2020	\$80	7.38%	6.47%	\$24.93	7.41%	6.49%	0.02%
Vornado Realty Trust Series N	11/24/2020	\$300	5.25%	4.42%	\$26.71	4.95%	4.04%	-0.38%
Public Storage Series O	11/17/2020	\$170	3.90%	2.98%	\$25.60	3.83%	2.91%	-0.06%
Sachem Capital 7.75% Senior Unsecured (Baby Bond) *	10/23/2020	\$14	7.75%	6.91%	\$25.05	7.76%	6.85%	-0.06%
Public Storage Series N	10/06/2020	\$283	3.88%	3.23%	\$25.82	3.76%	2.85%	-0.37%
Sachem Capital 7.75 Senior Unsecured (Baby Bond)	09/04/2020	\$13	7.75%	7.03%	\$25.05	7.76%	6.85%	-0.18%
DiamondRock Hospitality Series A	08/31/2020	\$119	8.25%	7.60%	\$26.85	7.69%	6.77%	-0.83%
Armada Hoffer Series A *	08/20/2020	\$50	6.75%	6.10%	\$26.06	6.56%	5.65%	-0.45%
Public Storage Series M	08/14/2020	\$200	4.13%	3.48%	\$27.13	3.83%	2.92%	-0.56%

Source: LDR Capital Management, Bloomberg. Current pricing as of 12/31/20.

* Represents a re-opening of an existing issue.

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