

# Wilshire Global REIT Index<sup>SM</sup>

# Wilshire Global RESI Index<sup>SM</sup>

The Wilshire Global Real Estate Indexes measure the performance of publicly-traded real estate securities. The Wilshire Global Real Estate Securities Index<sup>SM</sup> (Wilshire Global RESI<sup>SM</sup>), the Wilshire Global Real Estate Investment Trust Index<sup>SM</sup> (Wilshire Global REIT<sup>SM</sup>), the Wilshire exUS Real Estate Securities Index<sup>SM</sup> (Wilshire exUS RESI<sup>SM</sup>), and the Wilshire exUS Real Estate Investment Trust Index<sup>SM</sup> (Wilshire exUS REIT<sup>SM</sup>) are derived from the broader Wilshire Global Total Market Index<sup>SM</sup>, and are designed to serve as proxies for direct real estate investment by institutions. The Wilshire Global RESI is a measure of the types of global real estate securities that represent the ownership and operation of commercial or residential real estate. The global index is an expansion of the original U.S. index, developed in 1991. The Wilshire Global REIT is a subset of the Wilshire Global RESI and is comprised only of those REITs and REIT-like securities in the larger index. The US and exUS indexes together make up the global indexes.

## Membership

To be included in the Real Estate Indexes, an issue must be for a company that:

- Is both an equity owner and operator of commercial and/or residential real estate. Businesses excluded from these indexes include: mortgage REITs, net-lease REITs, real estate finance companies, mortgage brokers and bankers, commercial and residential real estate brokers and estate agents, home builders, large land owners and sub-dividers of unimproved land, hybrid REITs, and timber REITs, as well as companies that have more than 25 percent (25%) of their assets in direct mortgage investments;
- Has a minimum total market capitalization of at least \$200 million at the time of its inclusion;
- Has at least 75 percent (75%) of the company's total revenue derived from ownership and operation of real estate assets; and
- Has liquidity of its stock commensurate with that of other institutionally-held real estate securities.

## Adjustments & Maintenance

- Routine additions and deletions to the indexes as well as share updates, are made quarterly after the close of trading on the third Friday of March, June, September, and December. The changes become effective at the opening of trading on the next business day;
- During the quarter a component company's shares outstanding will be adjusted whenever and at the same time as a change in that company is made in the Wilshire Global Total Market Index;
- A company will be removed from the indexes if direct mortgage investments represent more than 25 percent (25%) of the company's assets for two consecutive quarters or if the company is reclassified as a mortgage or hybrid REIT;
- An equity REIT that elects to drop its REIT status and become taxed as a C corporation will be removed from the REIT index but will remain in the RESI if it continues to meet the qualifications for a real estate operating company; and
- For the exUS and global real estate indexes, the index values use each stock's closing price on its primary market and the official WM closing currency spot rates as of 11 AM Eastern time.

A company will be removed from the Real Estate Indexes if:

- Less than 50 percent (50%) of its total revenue is generated from ownership and operation of real estate assets for two consecutive quarters;
- Its stock becomes illiquid or has more than ten non-trading days during the previous quarter;
- Its stock is delisted by its primary market due to failure to meet financial or regulatory requirements;
- Its total market capitalization falls below \$100 million and remains at that level for two consecutive quarters;
- If a component company enters bankruptcy proceedings, it will be removed from the indexes and will remain ineligible for re-inclusion until has emerged from bankruptcy. However, the Wilshire Index Oversight Committee may, following a review of the bankrupt company and the issues involved in the filing, decide to keep the company in the index; and

- The Wilshire Index Oversight Committee may, at its discretion and if it has determined a company to be in extreme financial distress, remove the company from a Wilshire Index to which that company belongs if the committee deems the removal necessary to protect the integrity of the index and interests of investors in products linked to that index:

## Weighting

The indexes are weighted by float-adjusted market capitalization.

## For Further Information

Please visit [wilshire.com](http://wilshire.com) or email [wilshireindexes@wilshire.com](mailto:wilshireindexes@wilshire.com).

The Wilshire Indexes<sup>SM</sup> are calculated and distributed by Wilshire. It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments derived from that index. Wilshire makes no representations regarding the advisability of investing in investment products based on the Wilshire Indexes not sponsored, endorsed, sold or promoted by Wilshire. Index returns do not reflect payment of certain sales charges or fees an investor may pay to purchase the securities underlying the Index or investment vehicles intended to track the performance of the Index. The imposition of these fees and charges would cause actual performance of the securities/vehicles to be lower than the Index performance shown. Inclusion of a company in the Wilshire Indexes does not in any way reflect an opinion of Wilshire on the investment merits of the company.

This material is based upon information generally available to the public and from third party sources believed to be reliable. Wilshire does not independently verify any of the information it receives. Wilshire gives no representations or warranties as to the accuracy of such information, and accepts no responsibility or liability (including for indirect, consequential or incidental damages) for any error, omission or inaccuracy in such information and for results obtained from its use. Information is as of the date indicated, and is subject to change without notice. This material is intended for informational purposes only and should not be construed as legal, accounting, tax, investment, or other professional advice. Wilshire receives compensation in connection with licensing of its indices to third parties.

Wilshire Advisors LLC (Wilshire) is an investment advisor registered with the SEC. Wilshire® is a registered service mark. All other trade names, trademarks, and/or service marks are the property of their respective holders. Copyright © 2021 Wilshire. All rights reserved.

21-0829-IXMEIM-24