



Table Of Contents

REIT 3Q16 preview .....	3
Set up into 3Q better than it's been in a long time.....	3
...but catalysts remain elusive .....	4
Data Centers remain our favorite property type .....	4
Strip REIT valuations looking better, but Sports Authority optics could be a challenge .....	5
Slowing trends expected in the Apartments, Malls, and Office sectors.....	5
...Healthcare fundamentals healthy, but investment volumes remain soft .....	5
3Q16 earnings call schedule .....	6
REIT outlook .....	7
Macro outlook calling for sub 2.0% GDP growth and continued low yields.....	7
CRE fundamental slowing, but still growing.....	8
Pricing in the private markets proving resilient .....	9
Unsecured markets remain healthy .....	10
DB REIT coverage trading at a 7.1% discount to consensus NAV meaningfully below the 5.0% premium seen in July.....	11
Rising yields weighing on REIT stocks .....	12
REIT performance trends.....	13
DB REIT coverage returns.....	13
Index level performance .....	14
Sector Previews.....	15
Apartment: Slowing job growth and new supply continue to impede rent growth .....	15
Malls: Rising demand headwinds and slowing SS NOI growth expected .....	22
Shopping Centers: Store closures to hit 3Q internal growth, but progress for re-tenanting more important.....	27
Office: Valuations remain attractive, but specter of recession remains an overhang.....	37
Data Centers: Measuring growth in years not quarters .....	43
Industrial: Fundamentals remain solid, backed by e-commerce and retail demand.....	47
Healthcare: Rents continue upward climb as primary markets mostly shrug off new supply .....	49
Summary of ratings and estimate changes.....	54
Valuation and risks .....	56
DB REIT comp sheet.....	57