



Investment Philosophy

Adelante's investment philosophy is founded on the belief that the values of the underlying real estate assets will ultimately drive stock performance over the long term. In the short term, the stock's price may diverge from the real estate operating value due to a variety of factors, including broader equity trends, interest rate measures and corporate events. The portfolio management team attempts to take advantage of these arbitrage opportunities, buying at a discount to fair value and selling at a large premium.

Investment Selection Process

Adelante adheres to specific investment guidelines to achieve performance objectives and to manage portfolio risk. Adelante maintains a preference for "core" institutional real estate property types (e.g. apartments, office, industrial and retail), avoiding securities in narrowly focused specialty real estate companies that they believe will not deliver adequate long-term returns in relation to the level of risk assumed. As a diversification measure, accounts must be exposed to at least three property types. In addition, companies with a market capitalization of less than \$100 million are screened out to avoid illiquid securities.

Firm/Product Info

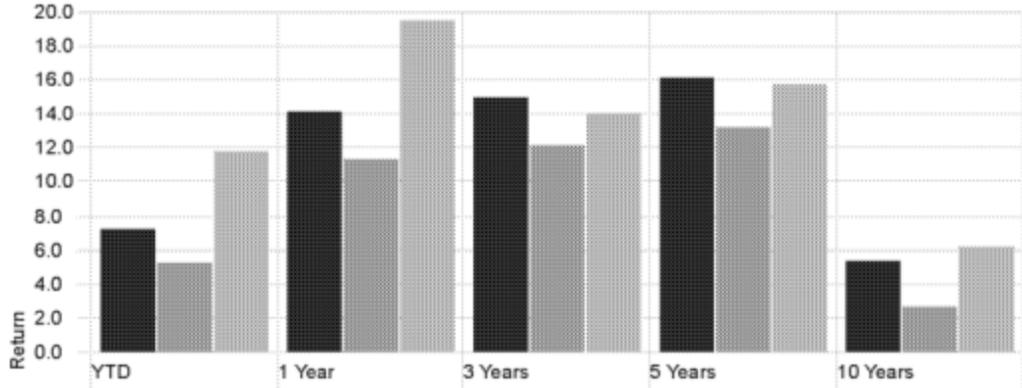
Date Founded	9/3/1993	US Equity %	97.65
Firm Assets (\$B)	2.3	Non-US Equity %	0.00
Firm Employee Ownership (%)	100.00	US Bond %	0.00
Inception Date	4/3/2000	Non-US Bond %	0.00
Product AUM (\$B)	0.1	Cash %	2.35

Portfolio Characteristics

Display Benchmark 1: S&P US REIT

	Inv	Bmk1
Inception Date	4/3/2000	—
Product AUM (\$B)	0.1	—
# of Holdings	35	157
Avg Market Cap (\$B)	14.7	10.3
Portfolio Turnover (%)	47	—
Div Yld	3.28	4.34
P/E	30.89	28.79
P/B	3.04	2.43
P/S	6.77	6.87
CF Growth	4.92	14.45
LT Earn Growth	6.78	5.73
Sales Growth	4.77	1.50
Hist Earn Growth	26.49	19.62
ROA % (TTM)	4.96	4.05
ROE % (TTM)	14.32	11.96
Debt to Capital % (trailing)	52.43	51.95
Net Margin % (trailing)	28.79	25.81

Annualized Returns (%)

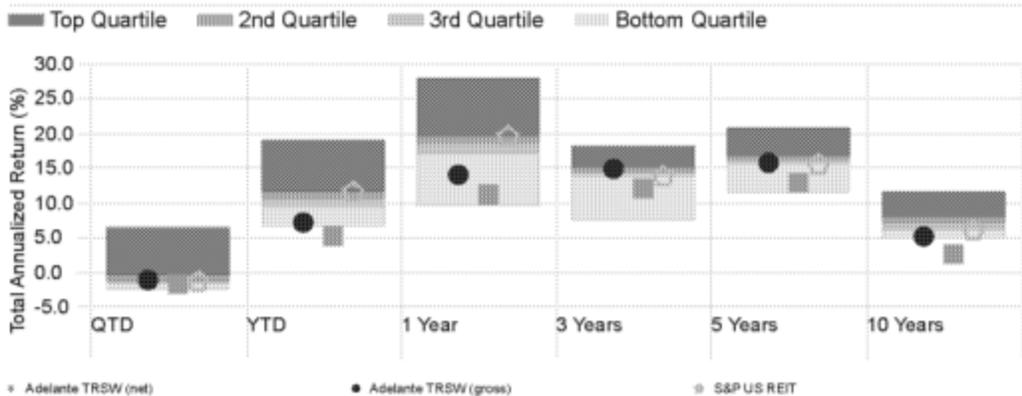


	Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Adelante TRSW (gross)	-1.0	7.3	14.2	15.0	16.1	5.3
Adelante TRSW (net)	-1.6	5.3	11.3	12.2	13.2	2.7
S&P US REIT	-1.3	11.8	19.6	14.0	15.8	6.1

	2015	2014	2013	2012	2011	2010
Adelante TRSW (gross)	5.9	33.7	2.8	17.1	9.7	29.6
Adelante TRSW (net)	3.3	30.4	0.3	14.2	7.0	26.4
S&P US REIT	2.5	30.3	2.4	18.0	8.5	28.5

Manager vs. Peer Universe

Peer Group (1-100%): eA US REIT



Performance is shown both gross and net of fees. Net of fee returns reflect deduction of the maximum 2.5% annual fee. Data frequency is monthly and all performance data and analysis is for the period ending as of current quarter end unless otherwise indicated.