International Real Estate Securities Fact Sheet & Commentary

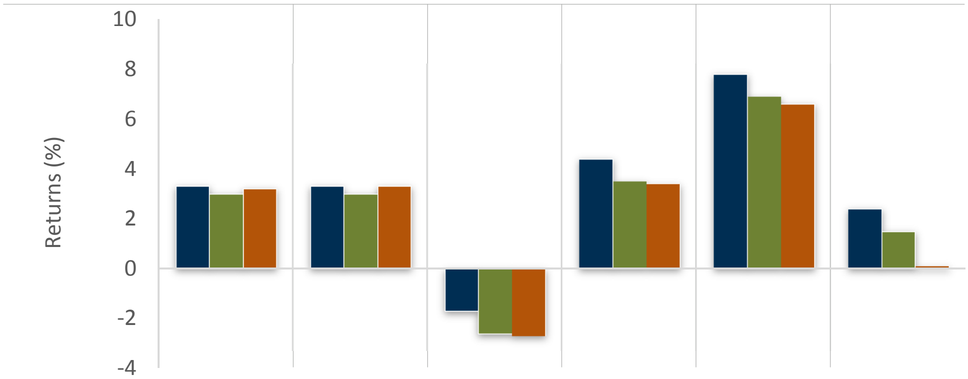
Quarter Ending March 31, 2017

DUFF & PHELPS INVESTMENT MANAGEMENT CO.
A VIRTUS INVESTMENT PARTNER

PORTFOLIO STRATEGY

Holdings	40-60 securities
Single Security Limit	< 500 bps of relative exposure
Historical Turnover	< 50%
Cash	< 5%
Benchmark	FTSE EPRA/NAREIT Developed Rental ex-US Index (Net)

PERFORMANCE (%)[1]



	QTD	YTD	1Year	3 Years	5 Years	Since Inception
Composite Gross Return	**3.3%**	**3.3%**	**-1.7%**	**4.4%**	**7.8%**	**2.4%**
Composite Net Return	3.0%	3.0%	-2.6%	3.5%	6.9%	1.5%
FTSE EPRA/NAREIT Dev Rental ex-US Index (Net)	3.2%	3.2%	-2.7%	3.4%	6.6%	0.1%

INVESTMENT PHILOSOPHY

We believe a rigorous fundamentally driven investment process will produce superior risk-adjusted returns.

We focus on high quality owner/operators with a "rental" business model because our research shows they have offered stable cash flows and attractive risk-adjusted returns.

Our experience shows that the value of listed real estate securities is a compilation of not only the underlying asset values but also the value of management's ability to capitalize on opportunities.

We believe successful real estate investing requires patience to take advantage of multi-year value creation opportunities.

Our investment strategy focuses exclusively on companies with a "Rental" business profile. "Rental" companies derive 70% or more of total revenue from rental income and are most similar in business profile to U.S. REITs. Importantly, over the 5-year period ending March 31, 2017, Global "Rental" companies have generated superior risk-adjusted returns versus Global "Non-Rental" companies.[4]

PORTFOLIO CHARACTERISTICS

	Portfolio	Benchmark
FFO Multiple (P/E), 2017 est.	19.1x	18.8x
Earnings Growth Rate, 5-year est.	6.5%	4.7%
Dividend Yield	4.2%	4.4%
Dividend Growth, 5-year est.	6.1%	4.8%
Median Market Cap (bn)	$3.8	$1.8

Sources: Bloomberg, FTSE, SNL Financial

TOP TEN HOLDINGS[3]

	Portfolio (%)[2]
Unibail-Rodamco Se	6.3
Link REIT	5.3
Scentre Group	4.9
Westfield Corp	4.3
Vonovia SE	4.2
Klepierre	3.8
Deutsche Wohnen Ag	3.2
Riocan Reit	3.1
Allied Pptys Real Estate Inv	2.8
National Storage REIT	2.7

RISK/RETURN (Since Inception)

	Composite	Benchmark
Alpha	2.2%	0.0%
Total Return Beta	1.0	1.0
Sharpe Ratio	0.1	0.0
Standard Deviation	20.0%	20.2%
Information Ratio	0.7	0.0
Tracking Error	3.0	0.0

Source: eVestment

CONTACT INFORMATION

Sarah Honold
Consultant Relations
312-917-6548 | sarah.honold@dpimc.com

Robert Hiebert
Senior Relationship Manager
312-917-6560 | robert.hiebert@dpimc.com

[1]Composite Inception Date: 10/31/2007. Time periods over one year are annualized.
[2]Portfolio information is based on a representative institutional account excluding cash. Material is supplemental to the Institutional Performance & Disclosure. Holdings are subject to change.
[3]It should not be assumed that securities identified were or will be profitable. The top ten holdings list represents the largest percentage holdings at quarter end of a representative institutional account excluding cash and does not represent all of the securities held in client portfolios. The securities identified may no longer be held in client portfolios and the holdings of any particular client portfolio may vary. The list is provided for illustrative purposes and should not be considered a recommendation to purchase or sell a particular security. A complete list of holdings and transactions for the previous twelve months is available upon request.
[4]As measured by the FTSE EPRA/NAREIT Developed Rental Index and the FTSE EPRA/NAREIT Developed Non-Rental Index (sub-sets of the FTSE EPRA/NAREIT Developed Index.) Risk adjusted returns are calculated by dividing annualized total return by annualized standard deviation.

Market Environment

What a difference a year makes. While it may be hard for some to recall at this point given the positive euphoria in the global equity markets of late, last year's first quarter featured heightened global volatility and one of the worst calendar year starts to global equity markets in history. A slowing Chinese economy and concerns regarding a potential major devaluation in the Chinese yuan were a major driving force behind the negative environment at the time. Fast forward to this year's first quarter and the environment is nearly 180 degrees different.

Measures of market volatility such as the CBOE's volatility index, the VIX, averaged 11.7 during the first quarter. To put that in historical context, that is the second lowest quarterly average since the index's inception in 1990, according to Krag Gregory of Goldman Sachs. As for China, economic growth has remained healthy thanks to on-going fiscal stimulus and the benefit of a depreciating Chinese yuan for the third year in a row in 2016. To date, perhaps to dampen political noise, the Chinese yuan has been kept rather stable. Against this benign market back-drop, global equities continued their post U.S. election rally during the first quarter to new all-time highs.

However, while the waters were calm, it wasn't completely smooth sailing once we reached mid-March, as global bonds rallied and growth was questioned. The Trump administration and the Republican controlled Congress experienced a notable setback half way through the first 100 days as their efforts to repeal and replace Obama Care collapsed. As a result, the market began questioning if and to what degree President Trump's initiatives of tax reform, infrastructure spending and tax repatriation would materialize. If additional signs emerge that Congress will not be able to move forward on these growth oriented policies this will have a very negative impact on confidence and we would expect global equities markets to retrace some of their recent gains.

On the global monetary policy front, the U.S. FOMC increased the Federal Funds target range by 25 basis points in March as was widely expected following several committee member speeches in the weeks leading up to their March meeting. Moreover, the minutes of that meeting signaled that at least a couple more rate increases are likely in 2017 assuming economic conditions remain on their current trajectory. Importantly, these minutes also discussed the possibility that the FOMC will begin the process of shrinking it's roughly $4 trillion balance sheet towards the end of 2017. While the Fed will attempt to make this process as painless as possible, the ultimate impact to the fixed-income markets and the overall economy remain uncertain at this time. From a global context, the Fed's moves continue to diverge from the more accommodative ECB, BOE and BOJ. We will continue to monitor potential changes in rates, whether tied to deposits or borrowings, along with the growing balance sheets of the central banks.

Market Review

The positive momentum shift that occurred in the broader global equities markets post the November U.S. presidential election continued apace during the first quarter. For a second quarter in a row, international real estate meaningfully trailed international equities as demonstrated by the 3.2% increase in the FTSE EPRA NAREIT Developed Rental ex U.S. Index ("the Benchmark") versus the 7.2% increase in the MSCI EAFE Index, both expressed in U.S. dollar terms. International real estate equities also trailed U.S equities during the quarter, as represented by the 6.1% rise in the S&P 500 Index during the quarter.

The movement of the U.S. dollar during the quarter was a positive tailwind for international real estate equity returns in U.S. dollar terms, given its 1.8% decline as measured by the U.S. Dollar Spot Index. One notable currency move to highlight would be the 10.7% appreciation of the Mexican peso relative to the U.S. dollar during the quarter. The softening tone from the new U.S. administration on the potential changes they will seek to NAFTA provided the necessary catalyst for the peso to recover to pre-election levels.

Taking a closer look at the performance of the individual countries that are represented within the FTSE EPRA NAREIT Developed Rental ex U.S. Index, the top-performing countries during the first quarter on a total return basis measured in U.S. dollars included Austria, Singapore, Italy, Hong Kong, and Norway. Following underperformance during the fourth quarter of 2016 on the back of higher interest rates, Singapore and Hong Kong both rebounded strongly during the quarter. Interest rates were less of a headwind during the quarter and continued healthy China economic growth benefited Hong Kong in particular. Norway also rebounded from poor performance in the prior quarter as positive Oslo office fundamentals continued to drive good operating performance for the two Norwegian real estate companies represented in the Benchmark.

The five bottom-performing countries during the first quarter were Finland, France, Sweden, the Netherlands and Japan. Continental Europe broadly underperformed during the quarter as elevated risk premiums associated with political elections in the Netherlands and France weighed on performance. Additional pressure was put on Swedish real estate shares as concerns regarding potential tax changes that would hurt the real estate industry caused concern. The defeat of the candidate locally known as the "Dutch Trump" in the Netherlands election in March provided some relief to equities late in the quarter, containing the underperformance of the Netherlands and France. Following the end of the quarter, the Swedish tax proposals were shelved for the time being, which is a positive for the real estate industry.

Portfolio Review

Overall, our international real estate securities strategy performed in line with the Benchmark in the first quarter. Country allocation detracted from relative performance, whereas security selection was a benefit.

What Helped First Quarter Performance:

Combining country allocation and security selection, the top positive contributors to performance for the quarter were Spain, the U.K. and Germany. In all three cases, security selection was the dominant driver of relative performance.

From a country allocation perspective, our out of Benchmark exposure to Mexico was the most positive driver of performance. Our two Mexican industrial real estate holdings, which presented challenges in 2016 due to the depreciation of the Mexican peso, benefited from the rebound in the peso during the first quarter as well as from local market appreciation. The next most positive contributor to country allocation for the quarter was our overweight exposure to Norway. Our lone Norwegian office real estate holding performed strongly for the quarter on the back of healthy Oslo office fundamentals.

At the security level, our overweight exposure to a diversified Spanish REIT, with holdings in resort hotels, offices and residential, performed exceptionally well following a positive strategic update provided by the company during the quarter. The next most positive contributor to security selection for the quarter was our out of benchmark exposure to a Singapore listed owner/operator of modern logistic warehouse real estate, which was the largest positive contributor for the quarter. In early December 2016 the company announced to the market that it was undertaking a strategic review to enhance shareholder value at the request of its largest shareholder, the Government of Singapore Investment Corporation. One month later, in early January 2017, the company announced that it had formally begun soliciting offers for the company from a targeted list of suitors. This announcement drove a further positive re-rating in the shares.

What Hurt First Quarter Performance:

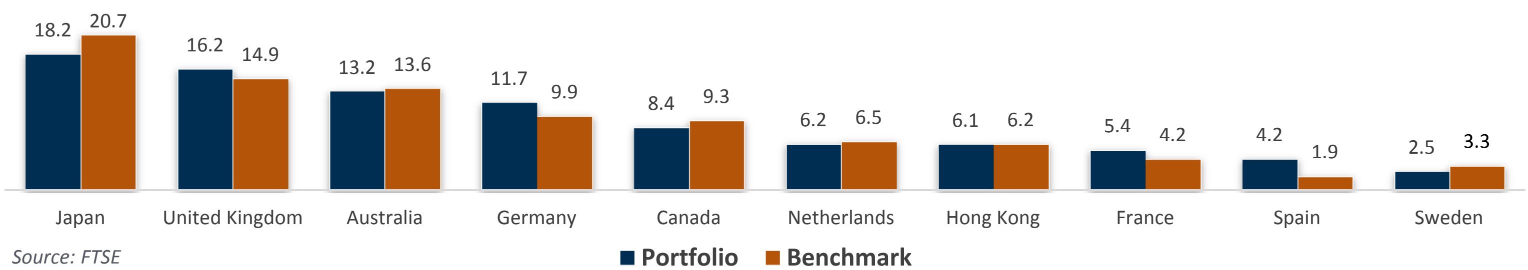
Combining country allocation and security selection, the top detractors were Canada, Singapore and Hong Kong. Our underweight allocation to Singapore was the larger detractor, whereas security selection hurt more in Canada.

From a country allocation viewpoint, our underweight exposure to Singapore was the largest detractor from performance. Singapore was one of the worst performing countries within the Benchmark during the fourth quarter of 2016 as shares retreated alongside the increase in interest rates during the quarter. Singapore real estate shares rebounded from these lows during the first quarter as interest rates were range bound and the Singapore dollar rallied against U.S. dollar. The second largest country allocation detractor was Finland given our overweight exposure and the underperformance of the country during the quarter.

At the security level, our lack of exposure to a Hong Kong based diversified real estate company with large retail exposures in both Hong Kong and mainland China was the largest negative contributor for the quarter. The shares have re-rated alongside an improvement in luxury retail spending in China, which may help the performance of some of their China based malls.

The next largest security level detractor during the quarter was our overweight exposure to a Japanese lodging/residential REIT, which is focused on budget-oriented hotels and apartments primarily in the Tokyo area. The company delivered disappointing earnings results during the quarter and materially revised down its future hotel operating results guidance. At the margin it appears the strength of the Japanese yen is having a negative impact on lodging demand and new supply is impacting hotel pricing.

Top Ten Country Weights vs. Benchmark (%)



Source: FTSE

Investment Outlook

From our perspective the global real estate space market cycle still has room for further growth as we expect overall space market demand to exceed supply across most property sectors and major cities. The private real estate asset market varies by property type and location, but is further along in the cycle in terms of valuations. However, we believe the global weight of capital looking for a home in high-quality, core real estate, is meaningful enough to continue to support current real estate asset pricing. Nonetheless, we believe additional price appreciation will likely be driven largely by cash flow growth, as opposed to continued cap rate compression. With the significant amount of private real estate equity capital that has been raised but unspent, we expect M&A activity to continue in 2017.

In aggregate, we view a backdrop of low, but positive global economic growth and manageable new real estate supply as positive fundamental tailwinds for global real estate securities going forward. Should global economic growth continue to improve, this would facilitate further increases in real estate operating cash flows and dividends through higher property occupancies and, in cases where occupancy has reached equilibrium, higher rents. In effect, higher rents represent pricing power, a hard-to-find attribute in today's investment climate. Combined with the supportive tailwind to real estate asset pricing, our base case remains for another positive total return year for global real estate securities in 2017.

Global real estate 2017 total return drivers

- 2017E global cash flow growth of approximately 5-6%
- Dividend yield of approximately 4.0%; with above average growth expected in the U.S. given lower payout ratios
- Healthy demand and moderate new supply driving cash flow and dividend growth
- On a country basis, real estate fundamentals remain more attractive in Ireland, Spain, the Nordics, Germany and the U.S.

Global real estate upside drivers

- 2017E global cash flow growth of approximately 5-6%
- Dividend yield of approximately 4.0%; with above average growth expected in the U.S. given lower payout ratios
- Healthy demand and moderate new supply driving cash flow and dividend growth
- On a country basis, real estate fundamentals remain more attractive in Ireland, Spain, the Nordics, Germany and the U.S.

Global real estate downside risks

- Greater than expected global economic growth, leading to more robust employment and income growth, key drivers of higher occupancies and rents at company owned properties
- Inflow on rotation from bonds to listed real estate
- Increased potential for M&A and privatization given listed discounts to private real estate market prices, robust bids, and the on-going appetite for high quality, core real estate among institutional investors

Global macro risks

- Diverging monetary and fiscal policies and on-going political risks, particularly in Europe with a number of high profile elections taking place in 2017 and the U.K. still sorting through Brexit

As always, thank you for your continued support of our team and investment strategy.

GEOFFREY DYBAS, CFA
Senior Portfolio Manager

FRANK HAGGERTY, CFA
Portfolio Manager

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INSTITUTIONAL PERFORMANCE AND DISCLOSURE

Year-end (12/31)	Annual Composite Return (%)		Annual Benchmark Return (%)	3-Year Annualized Standard Deviation (%)		Number of Accounts	Asset-weighted Dispersion (%)	Composite Assets (US $M)	Firm Total Assets (US $B)
	Gross	Net		Composite	Benchmark				
2016	1.74	0.85	1.86	12.62	12.28	<5	n.a.	30.1	10.3
2015	1.19	0.33	-0.76	12.40	12.19	<5	n.a.	40.2	9.2
2014	12.60	11.65	9.62	12.86	12.47	<5	n.a.	40.2	10.8
2013	2.99	2.07	3.33	16.67	15.58	<5	n.a.	41.0	9.2
2012	35.95	34.76	30.76	19.45	18.61	<5	n.a.	40.6	8.9
2011	-9.35	-10.17	-8.86	24.20	23.51	<5	n.a.	20.2	8.6
2010	20.45	19.39	19.97	28.16	29.15	<5	n.a.	26.4	7.2
2009	40.67	39.44	39.09			<5	n.a.	29.9	6.5
2008	-45.88	-46.39	-50.94			<5	n.a.	44.9	5.8
2007*	-10.65	-10.80	-12.30			<5	n.a.	11.7	7.3

**Partial year return. Composite inception is October 31, 2007.*

Duff & Phelps Investment Management Co. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Duff & Phelps Investment Management Co. has been independently verified for the periods January 1, 1993 through September 30, 2016. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

1. Organization – Duff & Phelps Investment Management Co. ("Duff & Phelps" or the "firm") is a registered investment adviser and a wholly owned subsidiary of Virtus Investment Partners. Duff & Phelps manages assets on behalf of institutional separate accounts and open-end and closed-end funds. Registration of an investment adviser does not imply any level of skill or training.

2. Composite Description – The International Real Estate Securities Composite includes all fully discretionary accounts that focus their investments in international real estate equity securities. The inception date of the Composite is October 31, 2007 and the Composite was created on January 1, 2008. The Composite contains less than 5 portfolios.

From September 1, 2014 to June 30, 2016, Composite policy required the creation of a temporary account for a single client initiated inflow or outflow of cash or securities expected to exceed 10% at the time of notification of beginning period assets (a "significant cash flow"). Effective July 1, 2016, Composite policy does not, and prior to September 1, 2014 did not, include the use of temporary accounts or define significant cash flows.

3. Benchmark – The Composite Benchmark is the FTSE EPRA/NAREIT Developed Rental ex U.S. Index (Net), a free-float market capitalization index measuring developed market international real estate securities, which meet minimum size, liquidity and investment focus criteria. The Benchmark is a sub-set of the FTSE EPRA/NAREIT Investment Focus Index Series, which separates the existing constituents into both Rental and Non-Rental Indices. A company is classified as Rental if the rental revenue from properties is greater than or equal to 70% of total revenue. The classification is based on revenue sources as disclosed in the latest published financial statement. The Benchmark is a custom benchmark as the Rental Index utilized is ex U.S. Exchange rates used for the Benchmark are WM/Reuters Closing Spot Rates™ collected at 16:00 hours London time; the Composite uses WM/Reuters Closing Spot Rates™ collected at 16:00 hours New York time. Prior to 2012, the Composite utilized a systematic fair value methodology triggered by significant events (such as significant movements in U.S. markets following international markets' closings). The Benchmark does not utilize a systematic fair value methodology, and effective 2012, the Composite does not utilize such a methodology. The withholding tax rates used in the calculation of the Benchmark are those applied to dividends received by a Luxembourg based UCIT fund; the withholding tax rates used in the calculation of the Composite are those applied to dividends received by account domicile.

4. Calculations - Returns are total, time-weighted rates of return expressed in U.S. dollars and include accrued income. The Composite and Benchmark results reflect the reinvestment of dividends and other earnings. Portfolios are valued on a trade date basis. Monthly performance is calculated by linking daily returns. The Composite return is an asset weighted average of the performance results of all the portfolios in the Composite based on beginning of month values. Composite dispersion is not presented for periods with 5 or fewer portfolios. The 3-year annualized ex-post standard deviation measures the variability of the Composite and the Benchmark returns over the preceding 36-month time period and is not presented for performance periods of less than 36 months.

5. Performance and Fee Information - Investment performance returns are presented on both a gross of fee and net of fee basis. Gross composite returns are calculated net of trading costs, but do not reflect any deduction for investment advisory fees, custodial charges or other costs that a client might incur in connection with the management of an account. The firm's fee schedule for management of institutional separate International Real Estate Securities accounts is: .85% on assets up to $10 million, .80% on the next $15 million, .75% on the next $25 million, and .65% on amounts in excess of $50 million. Returns realized by clients will be reduced by these costs. Actual investment advisory fees incurred by clients may vary. Initial minimum account size for institutional accounts is $5 million. Effective October 1, 2016, net composite returns are calculated by subtracting actual separate account investment management fee rates from gross account returns based on month-end assets. Previously, net composite returns were calculated by subtracting the highest separate account investment management fee (.90% through 2013 and .85% thereafter) in effect for the period. Index returns do not reflect the deduction of any fees.

6. Additional Information – Duff & Phelps's policies for valuing portfolios, calculating performance and preparing compliant presentations, as well as a complete list of composite descriptions, are available upon request.

Past performance is not indicative of future results.

This material has been prepared using sources of information generally believed to be reliable; however, its accuracy is not guaranteed. Opinions represented are subject to change and should not be considered investment advice or an offer of securities. Forward-looking statements are necessarily speculative in nature. It can be expected that some or all of the assumptions or beliefs underlying the forward-looking statements will not materialize or will vary significantly from actual results or outcomes.