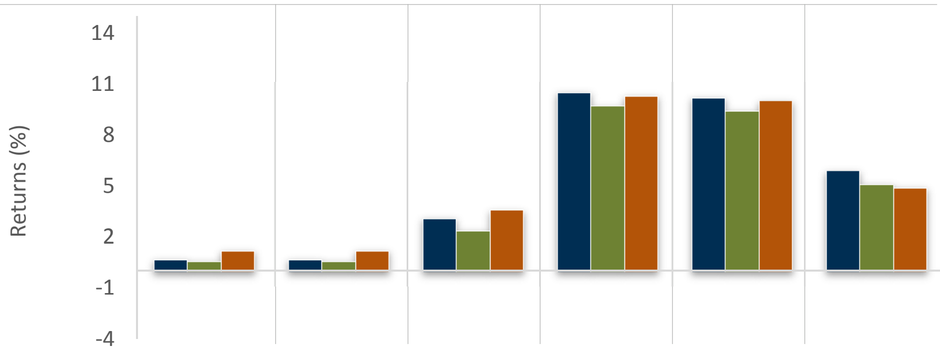
PORTFOLIO STRATEGY

- **Holdings** — 25-45 securities
- **Sector Exposure** — Greater of 2x benchmark holdings or 5% of total portfolio
- **Single Security Limit** — Greater of 10% of portfolio or 2% over benchmark
- **Expected Turnover** — < 50%
- **Cash** — Typically fully invested
- **Benchmark** — FTSE NAREIT Equity REITs Index

PERFORMANCE (%)[1]



	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Composite Gross Return	**0.7%**	**0.7%**	**3.1%**	**10.5%**	**10.2%**	**5.9%**
Composite Net Return	0.6%	0.6%	2.4%	9.7%	9.4%	5.1%
FTSE NAREIT Equity REITs Index	1.2%	1.2%	3.6%	10.3%	10.0%	4.9%

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.

Capping AUM at 1% of the investment universe's free float preserves our trading flexibility, liquidity, and potential for maximizing risk-adjusted returns.

PORTFOLIO CHARACTERISTICS

	Portfolio[2]	Benchmark
FFO Multiple (P/E), 2017 est.	18.2x	17.2x
Earnings Growth Rate, 5-year est.	6.6%	5.3%
Dividend Yield	3.5%	4.1%
Dividend Growth, 5-year est.	6.2%	5.1%
Weighted Avg. Market Cap (bn)	$16.0	$15.8

Sources: FTSE, Bloomberg, Duff & Phelps.

TOP TEN HOLDINGS[3]

	Portfolio (%)[2]
Simon Property Group Inc.	7.9
Prologis Inc.	5.1
Vornado Realty Trust	4.2
Digital Realty Trust Inc.	3.8
Avalonbay Communities Inc	3.4
Regency Centers Corp	3.3
DCT Industrial Trust Inc	3.3
Cubesmart	3.1
Public Storage	3.0
Alexandria Real Estate Equity	2.9

RISK/RETURN (10 YEARS)

	Composite	Benchmark
Alpha	1.0%	0.0%
Total Return Beta	1.0	1.0
Sharpe Ratio	0.2	0.2
Standard Deviation	24.9%	25.4%
Information Ratio	0.5	0.0
Tracking Error	2.0	0.0

Source: eVestment

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[1]Inception date is January 1, 1995. 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.

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 equities markets post the November U.S. presidential election continued apace during the first quarter. For a second quarter in a row, real estate equities trailed broader equities as demonstrated by the 1.16% increase in the FTSE NAREIT Equity REITs Index ("the Benchmark") versus the 6.07% increase in the S&P 500 Index.

Taking a closer look at the performance of the individual property sectors that are represented within the FTSE NAREIT Equity REITs Index, the top-performing property sector during the first quarter on a total return basis, was the Specialty sector with a return of 13.24%, as prison REITs continued to rally post the election. It was followed by Single Family Homes, Data Centers, Health Care and Manufactured Homes. On-going positive fundamentals continued to drive Single Family Homes, Data Centers and Manufactured Homes. Health Care REITs outperformed during the quarter, largely from mid-March forward, as U.S. economic growth estimates for the first quarter softened, bonds rallied and the repeal and replace of Obama Care by Congress fell apart.

The bottom-performing property sectors during the first quarter were Shopping Centers, Regional Malls, Lodging, Self-Storage, and Industrial. Retail REITs underperformed given poor sentiment across the retail industry from the on-going competitive dynamics with ecommerce retail and the associated store closing announcements that typically occur during the quarter. The softening tone from the new U.S. administration on the potential changes they will seek to NAFTA and trade overall provided the necessary catalyst for the Mexican peso to recover to pre-election levels and Industrial to recover from some of the relative pressure experienced in late January.

REIT fourth quarter earnings were solid and reinforced our constructive view on the asset class. In a number of cases, management teams set earnings guidance at levels which should allow for beats and raises in 2017 in our view.

The REIT sector, as measured by Evercore ISI, overall posted 4.3% same store net operating income growth in 4Q16 which was healthy, and a bit of an acceleration from the 3Q16 pace. These results reflect the REIT sector's current pricing power which has resulted from several years of low supply growth and solid tenant demand. Naturally, some property sectors continue to demonstrate better fundamentals such as a few of the outperforming sectors, while others are experiencing some fundamental deceleration.

REIT Portfolio Review

Overall, our U.S. REIT strategy lagged the Benchmark during the first quarter, largely on the mid-March performance forward as U.S. economic growth estimates for the first quarter softened, bonds rallied and the repeal and replace of Obama Care by Congress fell apart.

Security selection helped while property sector allocation was a detractor.

What Helped First Quarter Performance:

Considering both property sector allocation and security selection, Data Centers, Regional Malls and Lodging were among the largest contributors.

Data Centers benefited from our overweight allocation as it outperformed and from our security selection. Regional Malls benefited from our underweight allocation as it underperformed and our security selection. Lodging benefited from our underweight allocation as it underperformed and our security selection.

From a pure allocation perspective, our overweight in Data Centers, Single Family Homes and Manufactured Homes were the largest positive contributors. The strong growth in IT infrastructure outsourcing and the rapid adoption of cloud computing continue to lift Data Center demand. In particular, healthy demand is being driven by hyperscale users such as Amazon's AWS and Microsoft's Azure.

At the security level, our security positioning across several Shopping Center REITs was the most positive contributor for the quarter. Additional positive security positioning contributors were our overweight exposure to a west coast focused Office REIT and our lack of exposure to a small-cap Data Center REIT.

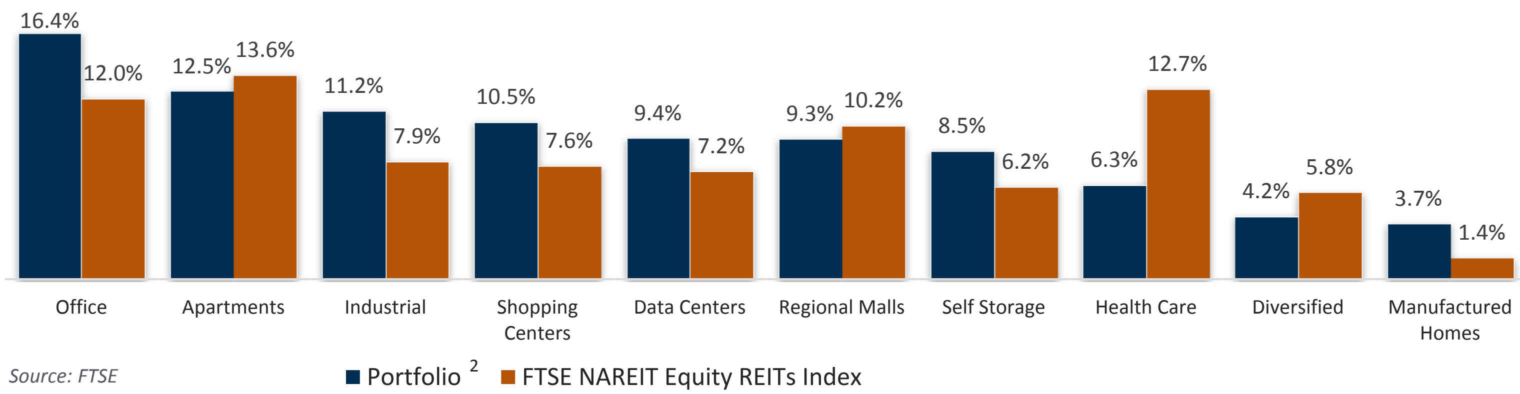
What Hurt First Quarter Performance:

Considering both property sector allocation and security selection, Specialty, Health Care and Diversified were among the largest detractors.

Our underweights to Specialty and Health Care, given their aforementioned outperformance caused them to be our largest detractors from both an allocation and total perspective. Diversified was our third largest detractor due to security selection. The U.S. economic growth outlook was questioned, bonds rallied and Health Care REITs fared better.

At the security level, our overweight exposure to a Freestanding REIT was the largest detractor for the quarter as this company was impacted by negative headlines related to one of their top tenants. However, the expected revenue impact from this tenant issue is expected to be relatively minimal. Our overweight exposure to a Diversified REIT with geographic exposures to primarily New York City and Washington, D.C. was the second largest detractor for the quarter. An overweight to a national oriented Shopping Center REIT, our lack of exposure to a suburban market focused Apartment REIT, and our overweight to a west coast focused Office REIT were the next largest detractors.

Top 10 Portfolio Sector Weights vs. Benchmark(%)



Source: FTSE

Investment Outlook

From our perspective the U.S. 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 and has continued 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 overseas buyers and private real estate equity capital that has been raised but unspent, we expect M&A activity to continue in 2017.

In aggregate, we view moderate and potentially accelerating U.S. economic growth, combined with manageable new real estate supply as positive fundamental tailwinds for U.S. REITs going forward. Should U.S. 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 U.S. 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

- 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 real estate downside risks

- Cessation of real estate cap rate compression and potential expansion
- An acceleration in the pace of new commercial real estate supply
- Increases in interest rates at a faster pace than a lift in net operating income growth and replacement costs

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

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	8.00	7.22	8.52	14.92	14.80	7	0.2	1,814	10.3
2015	3.63	2.86	3.20	14.30	14.37	10	0.1	1,757	9.2
2014	33.08	32.11	30.14	13.27	13.08	10	0.0	2,088	10.8
2013	1.76	1.00	2.47	16.92	16.51	8	0.1	1,648	9.2
2012	18.12	17.25	18.06	18.37	18.00	11	0.1	1,716	8.9
2011	11.13	10.30	8.29	30.34	31.28	11	0.1	1,457	8.6
2010	29.37	28.43	27.96	37.65	39.20	13	0.1	1,427	7.2
2009	30.30	29.34	27.99	37.82	39.14	13	0.2	1,275	6.5
2008	-36.19	-36.69	-37.73	29.24	29.64	11	0.1	912	5.8
2007	-14.83	-15.48	-15.69	17.57	16.66	13	0.1	1,658	7.3

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 U.S. REIT Composite includes all fully discretionary accounts managed by the firm with account market values greater than $1 million at the time of initial investment that focus their investments in U.S. real estate investment trust securities with the objective of producing excess returns above the FTSE NAREIT Equity REITs benchmark over a full market cycle (i.e., three to seven year horizon). The inception date of the U.S. REIT Composite (formerly the Real Estate Investment Trust (REIT) Composite) was January 1, 1995 and the Composite was created on January 1, 2001. Prior to October 2013, the Composite did not reference its objective relative to the Benchmark. This reference was added to distinguish the Composite from other products; there was no change in the benchmark or the strategy.

Composite policy requires the temporary removal of any account incurring a significant cash flow. Effective July 1, 2016, a significant cash flow is defined as a client initiated inflow or outflow of cash or securities of 25% or more of beginning period assets. From April 1, 2014 through June 30, 2016, temporary accounts were utilized to remove the impact of significant cash flows of 10% or more. From August 1, 2009 through March 31, 2014, Composite policy required the temporary removal of any account incurring a significant cash flow of 10% or more. Prior to August 2009, accounts incurring significant cash flows of 10% or more were reviewed for discretion.

A carve-out of a larger portfolio was included in the Composite and performance for the period of inclusion reflects total segment plus cash returns using a pro rata cash allocation based on beginning of period segment market values. The carve-out was 11% of the Composite as of December 2006, 8% as of December 2007 and 0% as of December 2008.

3. Benchmark – The Composite Benchmark is the FTSE NAREIT Equity REITs Index, a free-float market capitalization-weighted index measuring equity tax-qualified real estate investment trusts, which meet minimum size and liquidity criteria and are traded on the New York Stock Exchange, the American Stock Exchange, and the NASDAQ National Market System.

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. The annual dispersion is asset-weighted and measures the deviation of individual portfolio returns around the Composite returns for portfolios in the Composite for the entire year. 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.

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 separate institutional REIT accounts is: .75% on assets up to $10 million, .65% on the next $15 million, .60% on the next $25 million, and .50% 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 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.

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