

2016 BDO RISKFACTOR REPORT FOR REITS



REITs Poised for Growth, but Credit Risks Swell Amid Market Volatility



96%

cite risks related to **indebtedness**, up from 92% in 2015



87%

mention **credit risks**, including **credit rating and ability to secure credit**, an increase from 80% last year and 55% in 2014



96%

highlight risks related to their **access to capital, financing and liquidity**

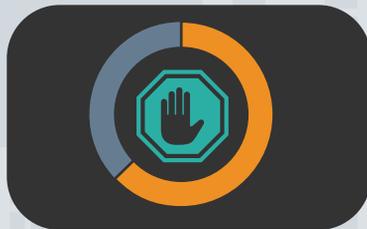
Foreign Investment Takes a Bigger Slice of the Pie



Foreign investors purchased a record

\$91.1B

in U.S. properties last year, **more than double** the amount they purchased in 2014*



63%

of REITs cite **impediments to U.S. expansion and growth**, a figure that has more than doubled since 2014



Notices filed with the **Committee on Foreign Investment in the United States** increased by

126%

in volume from 2009 to 2014

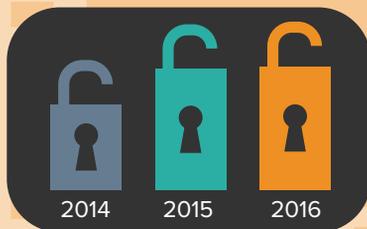
In a Digital World, Cyber and IT Risks Escalate



Roughly

156M

phishing emails are sent every day. Of those that are opened, 10% lure the recipient into clicking on a **fraudulent link***



91%

of REITs cite **security breaches**, up from 89% last year and 63% in 2014



72%

mention **IT operational risks**, a figure that has more than doubled since 2012

BDO's RiskFactor Report for REITs examines the risk factors noted in the most recent SEC 10-K filings of the 100 largest publicly traded REITs; the factors were analyzed and ranked by order of frequency cited.

*Sources: REITcfe, Symantec Security

For more information, visit:
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