

Part I

An Introduction to REITs

Part I of this book begins with very basic information that will be helpful to individuals with little or no prior knowledge of REITs. Chapter 1 addresses industry size, the different ways REITs are classified, and on-line resources for learning more about the industry and individual companies. Chapter 2 provides an overview of the benefits of investing in REITs. Chapter 3 discusses REIT dividends in great detail, in terms of yield, ways to quickly assess if a dividend is safe, and how dividends generally are taxed at the investor level. Chapter 4 provides an overview of different lease structures used by the REITs that own various property types, followed by a discussion of the REIT property sectors and subsectors tracked by NAREIT in Chapter 5. This includes the “major food groups” of office, industrial, retail, residential, and hotel properties, as well as specialized assets, such as data centers and timber.