



REIT Primer

August 2026

Introduction To REITs

Real Estate Investment Trusts (REITs) are vehicles that own or operate income generating real estate, allowing investors to earn a share of income produced without directly buying the properties



REIT is similar to a **Mutual Fund**
in terms of structure



A “DECADE” Of SUCCESS

Introduced
REIT Regulations

2014

First REIT Listed
Embassy REIT

2019

2020

Mindspace REIT

2021

Brookfield REIT

Trading Lot
reduced to 1 Unit

2023

First Mall REIT
Nexus REIT

2025

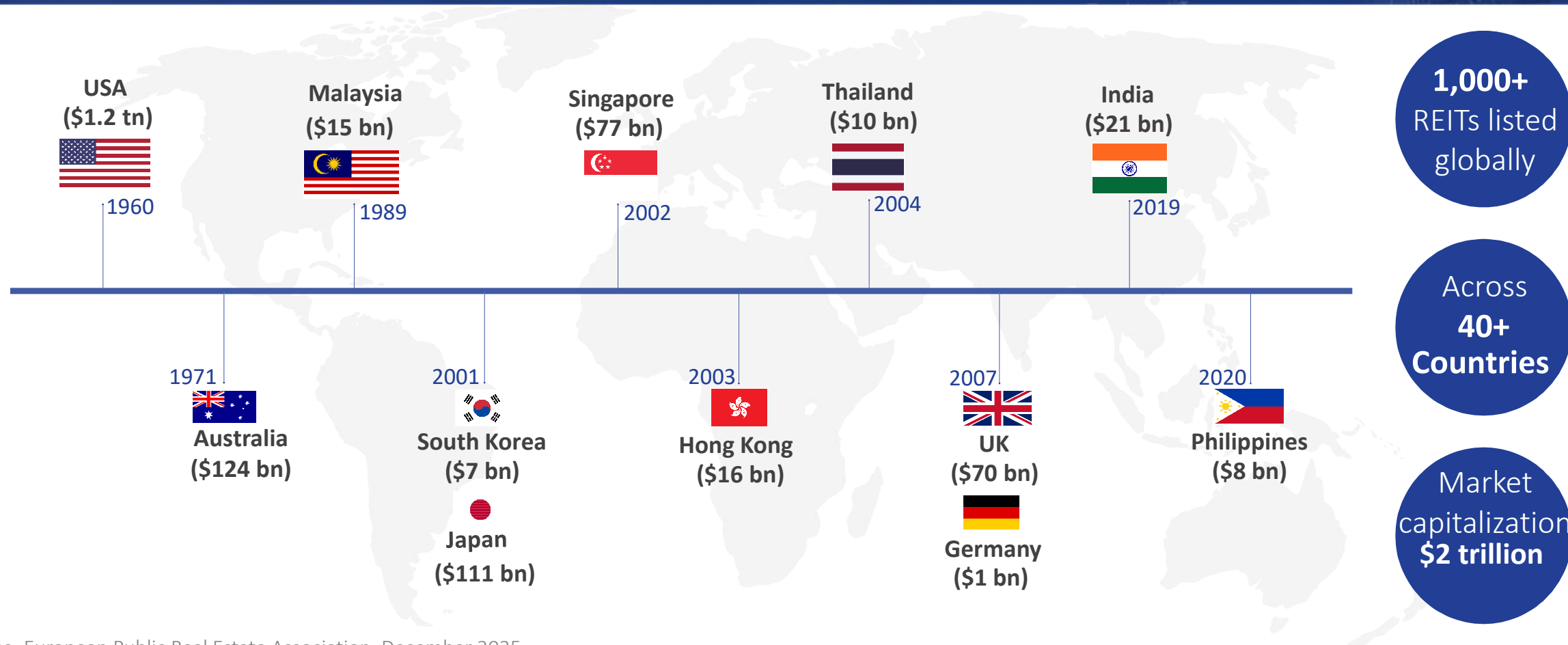
Knowledge Realty Trust

Equity Classification for
Purpose of Mutual Fund
Investments

2026

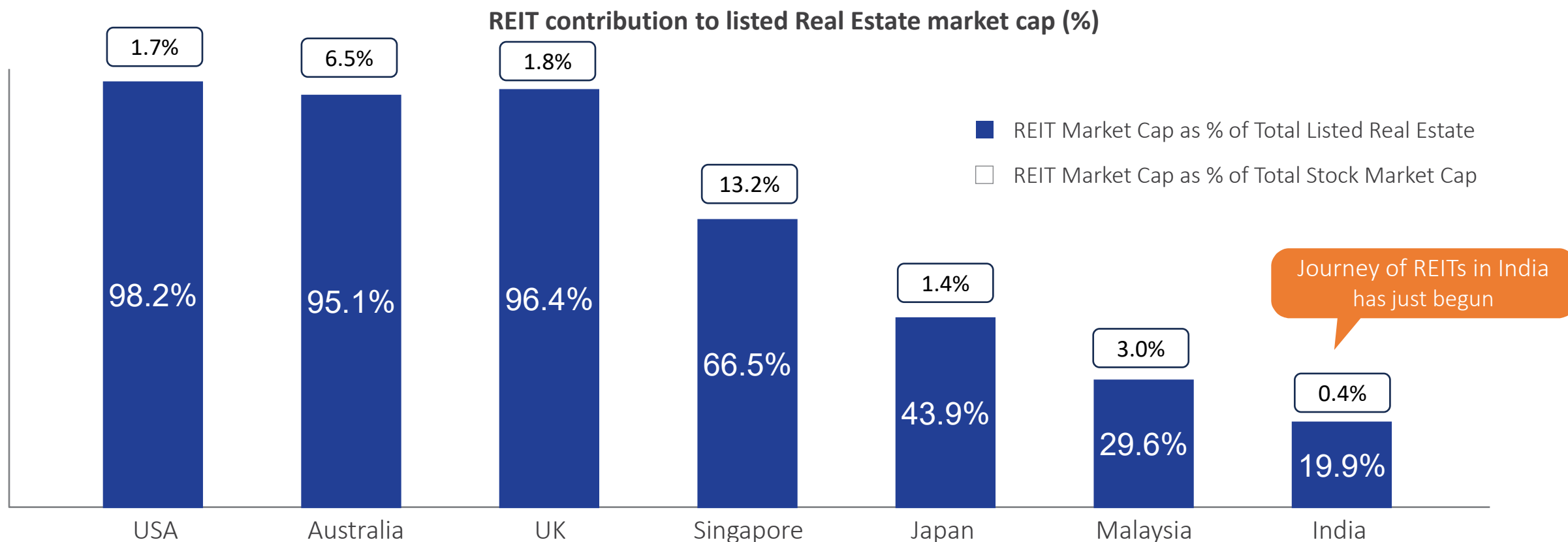
Bagmane REIT

REITs: Globally Running Successfully For 60+ Years



REITs: Significant Contributors to Global Listed Real Estate Market capitalization

Globally, around 57% of the listed real estate value is attributable to REITs vs 20% in India



Source:
European Public Real Estate Association, December 2025

Participation Across Investor Classes

Foreign Portfolio Investors
> INR 25,000 Crore Invested



Insurance companies
> INR 10,000 Crore Invested



Retail Participation

2026
~4.8 Lac



Pension Funds
> INR 1,000 Crore Invested



Mutual Funds
> INR 26,000 Crore Invested



2019
~6,000

Indian REIT Landscape

Grown significantly in a short span since the listing of India's first REIT in April 2019

● **₹3,15,000 Cr+**
Gross AUM⁽¹⁾

● **AAA**
Credit Ratings

● **6**
Listed REITs in India

● **₹49,000 Cr+**
Equity Raised since Listing

● **₹2,15,000 Cr+**
Market Capitalization

● **214 msf**
Across India's Top Commercial and Retail Markets⁽²⁾

● **FTSE, MSCI, S&P**
Included in Multiple Global Equity Indices

● **4.8 lakh+**
Unitholders

● **₹34,800 Cr+**
Distributed more than Entire Nifty Realty Index Combined

Source: Market capitalization based on the closing price on NSE as on August 11, 2026. All other data based on the latest available results (Q1 FY2027) and flings on respective REIT websites.

Notes: (1) Valuations are as of March 2026 for five listed Indian REITs. For Bagmane REIT, the valuation as of 31 December 2025 has been considered. In the case of Mindspace REIT, the valuation of Commerzone Pallikaranai is as of 31 December 2025, while the valuation of One Radial is as of 15 March 2026.

(2) Total area (under construction, development potential, and completed area) pertains to the 6 listed Indian REITs as of Q1 FY2027

Why Invest In Indian REITs?



Professional Management

Participation in
professionally managed
real assets



Liquidity

Easy entry and exit in
real estate through buying and
selling on stock exchanges



Corporate Governance

Strong governance
framework & disclosure
requirements



Regular Income Generation

90% minimum cash flows
to be distributed



Growth

Potential for capital
appreciation

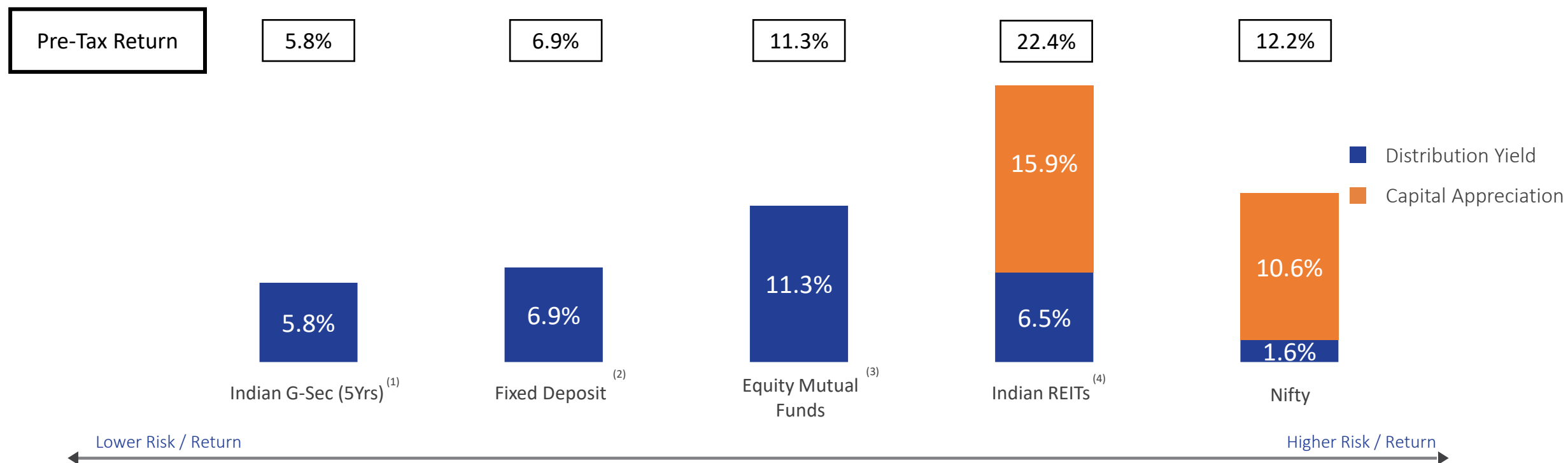


Diversification

Investment in a diversified portfolio
across sectors & cities

Attractive Pre-Tax Yield Coupled With Capital Appreciation

REITs are a 'total-return' product; play a crucial role in asset allocation



Source: Bloomberg, SBI.

NIFTY, FDs and REITs Period: Mar 31, 2019 – Aug 11, 2026.

(1) Refers to 5-year India G-Sec yield as on Aug 11, 2021

(2) Refers to the SBI bank domestic fixed deposit rate for 5 years and upto 10 years (for amount less than ₹2 crores) as on Aug 11, 2019

(3) Refers to the average 5-year returns of all open-ended Large Cap Mutual funds as on Aug 11, 2026

(4) Refers to the average annualized performance of all six listed Indian REITs since their respective listing dates. Distribution yield and capital appreciation have been computed based on the respective REIT prices and the NSE closing price as on 11 August 2026. The average return excluding Bagmane REIT (listed on 14 May 2026) is 17.5%, comprising a 6.5% distribution yield and 10.9% capital appreciation.

Taxation For Investors

Income earned by Unitholder

Nature of Income	Taxation for REIT	Taxation for Unitholders
Dividend	Exempt	Exempt ⁽¹⁾
Interest Income	Exempt	Taxable at applicable tax rates Withholding tax to be deducted by the REIT (Non-residents - 5%, others - 10%)
Amortization of SPV debt	Exempt	Reduced from Acquisition cost ⁽²⁾
Capital gains on the sale of REIT units	NA	Taxable ⁽³⁾

Notes (1) There is no further tax on dividends in the hands of the unitholders provided the SPVs opt for tax under the old tax regime

(2) Not taxable upon receipt, however such proceeds need to be reduced from the cost of acquisition of the units

(3) Assuming on- market sale - LTCG 12.5%, STCG 20% subject to taxability under applicable DTAA for non-residents

How One Can Invest In Indian REITs?

Any investor with a demat account can invest in Indian REIT units which are freely traded on the Indian stock exchanges

Listed On



Eligible Investors

Domestic

Foreign

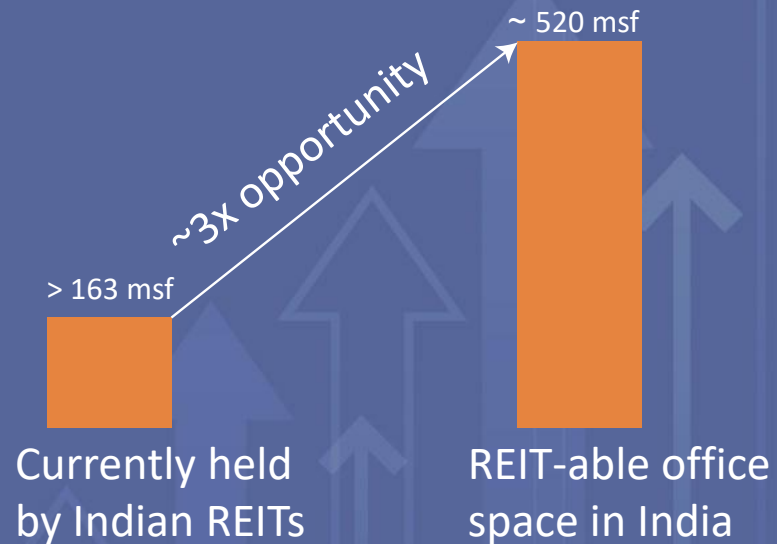
Retail

Institutional

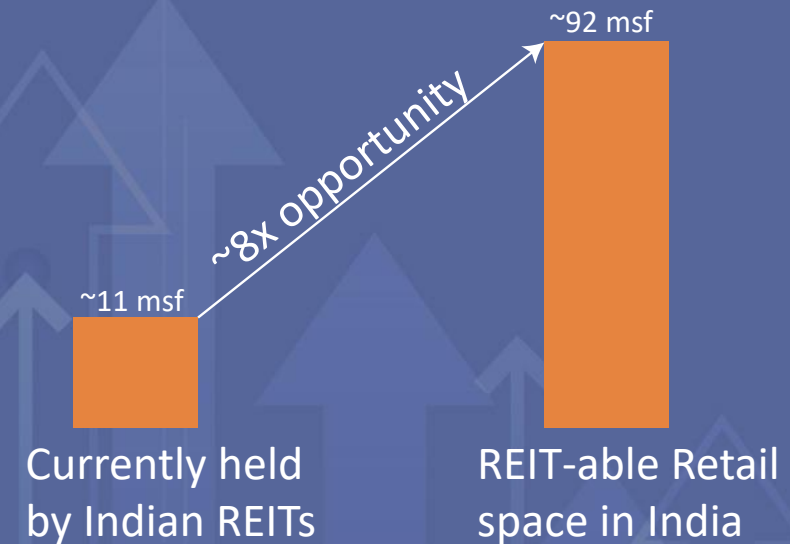
Robust Growth Potential

Economic growth to aid growth of REITs in India

Grade A REIT-able Office Stock in India (msf)



Grade A REIT-able Retail Stock in India (msf)



Potential asset classes under REITs

Healthcare

Industrial

Datacentres

Hospitality

Thank You!