

Performance Analysis on the REITs and REOCs

Listed real estate companies can be divided into two categories: real estate operating companies (REOCs) and real estate investment trusts (REITs). REOCs have been around for quite a while, whereas REITs are a somewhat new phenomenon in Europe. The main differences between REITs and REOCs are management regulations and taxation. This project aims at comparing the performance of REITs and REOCs.

Expectation:

- Review of the governance and regulation difference between REITs and REOCs.
- Collecting data on European REITs and REOCs from SNL database.
- Quantitative analysis on the performance (including stock return, market beta, liquidity and volatility) between REITs and REOCs.

Suggested Literature:

Natalya Delcoure & Ross Dickens (2004) REIT and REOC Systematic Risk Sensitivity, *Journal of Real Estate Research*, 26:3, 237-254, DOI: 10.1080/10835547.2004.12091140

Niskanen, J. (2012). Liquidity of European real estate equities: REITs and REOCs. *International Journal of Strategic Property Management*, 16(2), 173-187.

Betreuung: Jan Muckenhaupt

