



REIT Primer

July 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

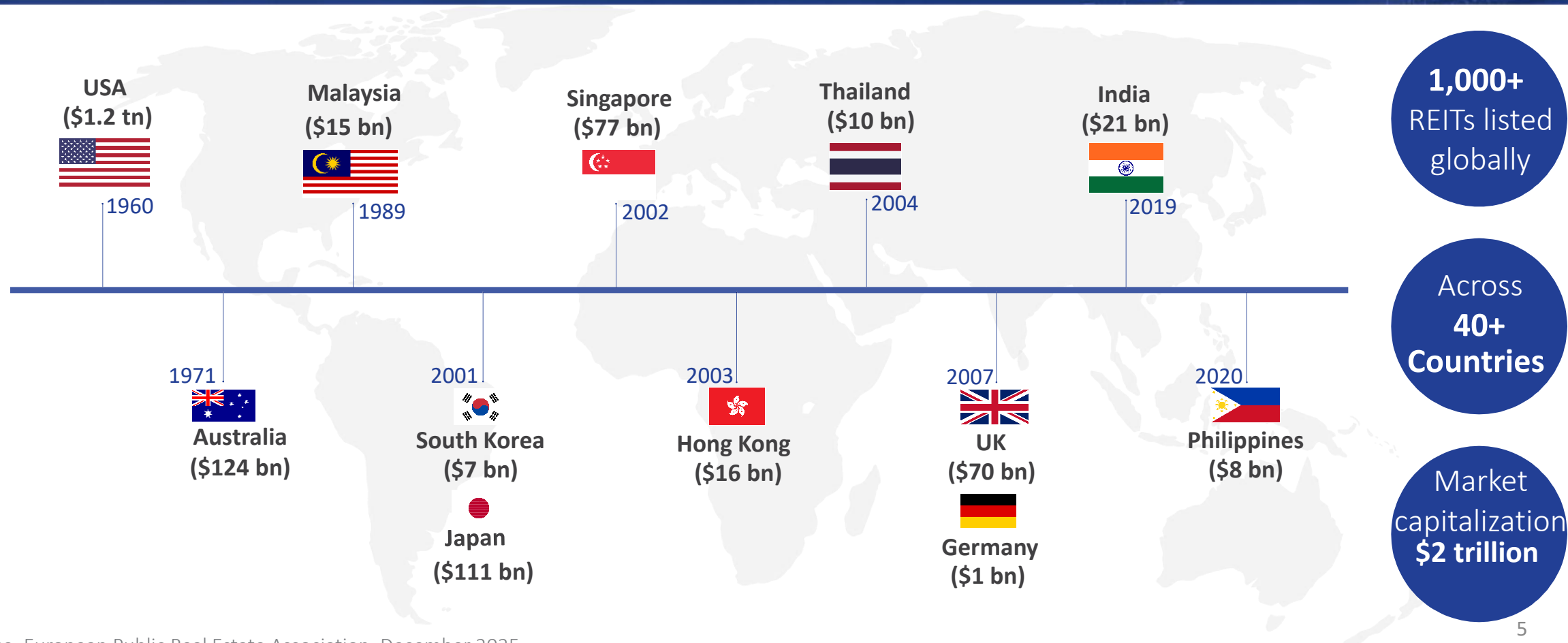
Knowledge Realty Trust

Equity Classification for
Purpose of Mutual Fund
Investments

2026

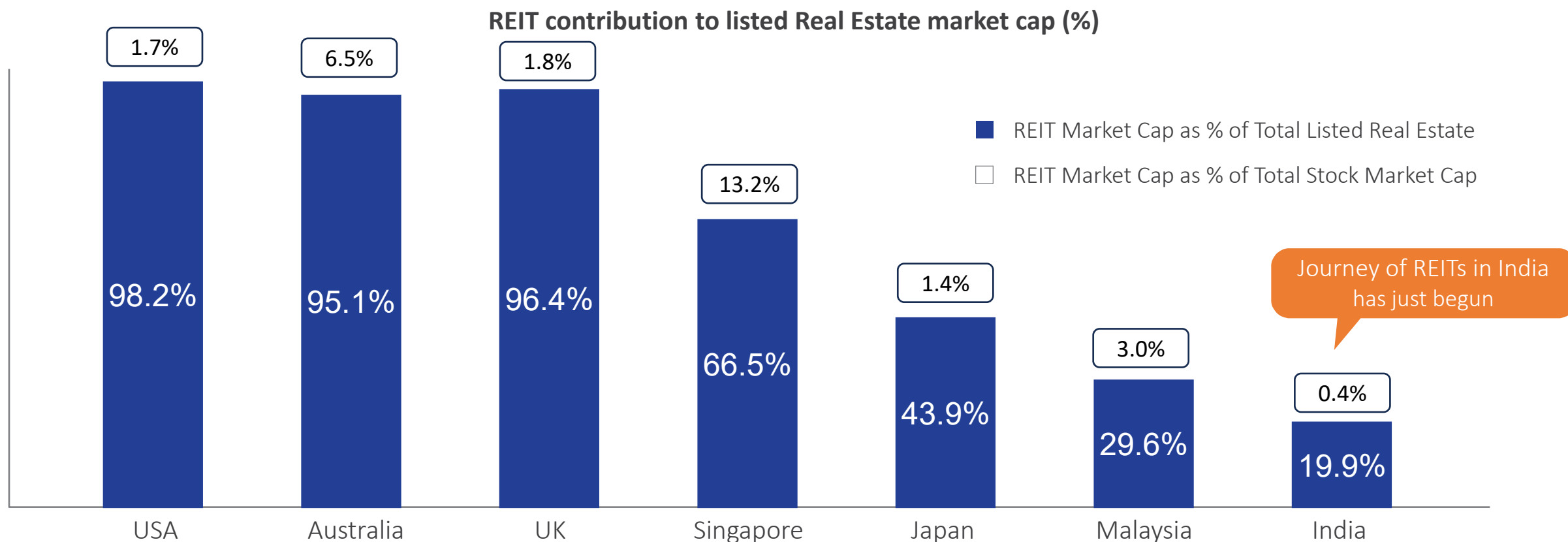
Bagmane REIT

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 23,000 Crore Invested



Insurance companies
> INR 9,000 Crore Invested



Retail Participation

2026
~4.6 Lac



Pension Funds
> INR 950 Crore Invested



Mutual Funds
> INR 24,000 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

● **₹3,10,000 Cr+**
Gross AUM⁽¹⁾

● **AAA**
Credit Ratings

● **6**
Listed REITs in India

● **₹46,400 Cr+**
Equity Raised since Listing

● **₹2,10,000 Cr+**
Market Capitalization

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

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

● **4.6 lakh+**
Unitholders

● **₹31,700 Cr+**
Distributed more than Entire Nifty Realty Index Combined

Source: Market capitalization based on the closing price on NSE as on June 30, 2026. All other data based on the latest available results (Q4 FY2026) and filings on respective REIT websites. For Bagmane REIT data is considered as per their final offer document

Notes: (1) Valuation as of March 2026. Valuation as on 31st December 2025 considered for Bagmane REIT

(2) Total area (under construction, development potential, and completed area) pertains to the 5 listed Indian REITs as of Q4 FY2026 disclosures and for Bagmane as of Q3 FY2026.

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

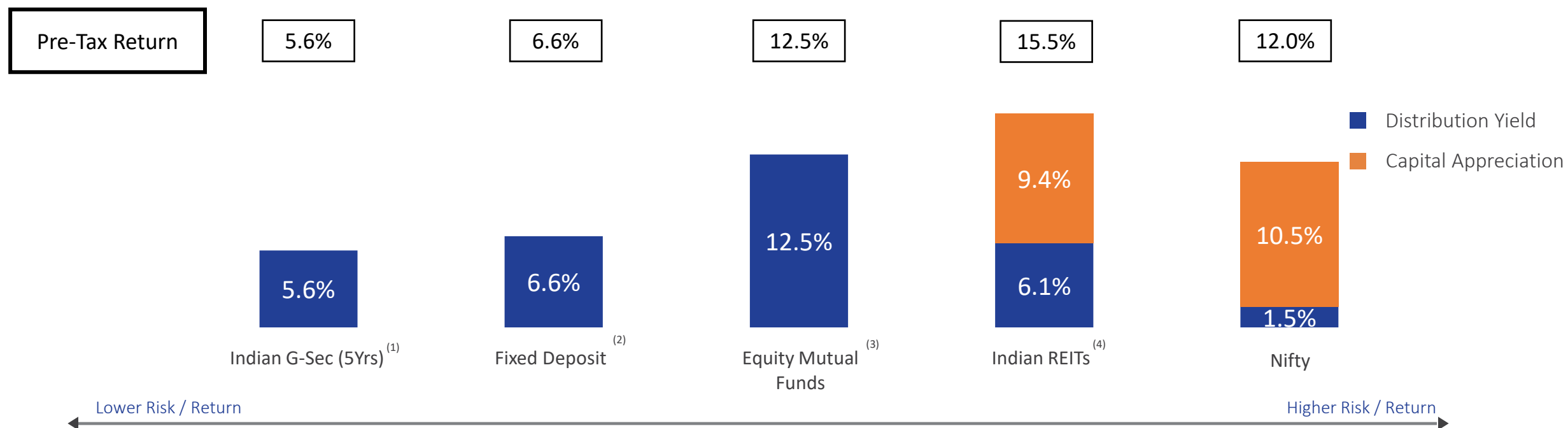


Diversification

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 – May 15, 2026.

(1) Refers to 5-year India G-Sec yield as on May 15, 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 May 15, 2019

(3) Refers to the average 5-year returns of all open-ended Large Cap Mutual funds as on May 15, 2026

(4) Refers to the median performance of all 5 listed Indian REITs from the time of listing – annualized considering period of respective listing. Distribution yields and capital appreciation computed basis respective prices of the REITs and the NSE closing price as on May 15, 2026

Why REITs should be preferred over Traditional Real Estate?

	REITs	Physical Real Estate
Minimum Investment	Low-entry investment threshold	Requires a significant capital outlay
Liquidity	High – traded on stock exchanges	Low – takes months to sell
Diversification	Offers instant access across multiple properties and locations	Limited diversification unless one owns multiple properties
Maintenance and Management	Professional management companies handle all operational aspects.	Requires active involvement in tenant management, property maintenance and vacancy periods
Transparency & Regulation	Highly regulated by SEBI; periodic disclosures	Less transparency; fragmented regulation

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 REIT/InvITs?

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

Listed On



Eligible Investors

Domestic

Foreign

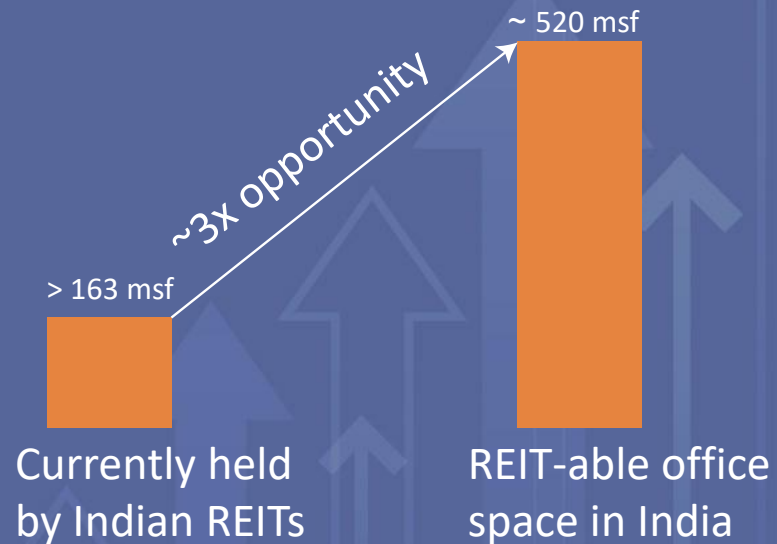
Retail

Institutional

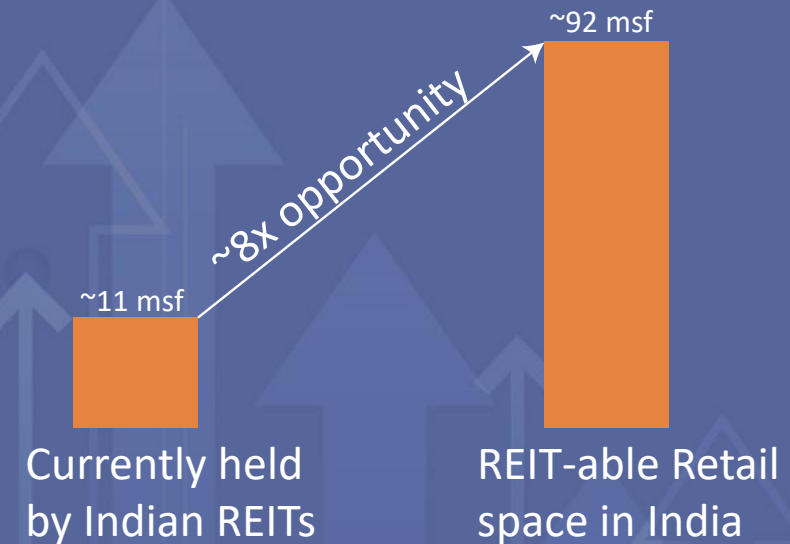
Robust Growth Potential

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!