

Income Investing

By

Frank Erzinger

AAII Houston

Retirement Solutions SIG

October 2022

- A. Introduction / Background
- B. CASH and T-Bill Ladder
- C. ENERGY – Majors and Mid
- D. MLPs - Master Limited Partnerships
- E. REITs

A. **INTRO - Income SIG - History & Future**

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- ▶ Started January 2020 as part of Houston Investment Association
 - ▶ Impacted by Covid starting March 2020
 - ▶ Strong performance for 2020-21
 - ▶ Went to cash in 2022
- ▶ Run as a SIG under a board of advisors
- ▶ Advisors include SIG participants & leadership
- ▶ SIG Leader: Frank Erzinger
- ▶ Monthly SIG meetings & investment decisions
- ▶ Meetings held 45 minutes prior to Chapter meetings

Propose we continue with similar approach

SIG Mission - Demonstrate methods to earn decent returns with a low risk profile

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- ▶ AAll/Income SIG are NOT Broker Dealers or Investment Advisors
- ▶ SIG purpose is for didactic discussion & educational purposes only
- ▶ Futures & Currencies are avoided due to added risk
- ▶ Past Performance is NOT Indicative of Future Results, but likely rhymes
- ▶ Presentation is For Personal, Non-Commercial Use Only
- ▶ DYOA - In all investment analysis ... trust, but verify ... & do your own analysis

- Consider all Asset Classes Based on Risk / Reward
 - Equities will have primarily US Focus
- Target Returns – High Single Digits
- Target Time Frame – 3 months to 3 years
- Taxation – All Pre Tax
- Advisory/Trading Expenses
 - None incurred or charged against performance

Income SIG - Methodology

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- ▶ \$500k with max 20 positions at \$25-50k each starting Jan 2020
- ▶ MS 3+ Min, Max 2 Companies per Industry Segment
- ▶ Selection/Retention – Financials > Top quartile
Income St. – Rev Growth, Margin, Earnings Key Ratios
EPS, CFPS
- ▶ Bal Sheet – Debt Leverage, Interest Coverage D/E, DSCR
RoA>2.5%, RoE>6%
- ▶ Cash Flow – Free Cash Flow, Stock Buy Back DPS, Payout ratio
- ▶ Valuation parameters Price to: S, E, B, CF
EV/EBITDA

- ▶ Stay with what's working
 - ▶ Portfolio up 22% with market down
- ▶ Shift to Momentum now that Fed has cancelled market "put"
- ▶ Step in/out
 - ▶ Rigorous set points to enter & exit the market
 - ▶ Set positions in thirds (?)
- ▶ Sustain by prioritizing Capital Preservation over Income
- ▶ Sleep well
 - ▶ Fund managers have pressure to trade
 - ▶ We do NOT

Income Generating Vehicles

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- ▶ Historically Focus - US Dividend Stocks
- ▶ Certificates of Deposit (CDs)
- ▶ Inflation Adjusted Notes
- ▶ Public Bonds, notes
- ▶ Master Limited Partnerships (MLPs)
- ▶ Real Estate Investment Trusts (REITs)
- ▶ Business Development Companies (BDCs)
- ▶ ETFs & Mutual funds
- ▶ Private Investments
- ▶ Hedge Funds – Uncorrelated Assets

Inclusion of Alternative Investments?

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PROS

- ▶ Draws attention to benefits of private market diversification/mitigation of Bear market pain
- ▶ Demonstrates trade-off of XS returns to limited liquidity

▶ **CONS**

- ▶ Fall outside of 3-year window
- ▶ Too easy to game the performance by assuming an 8% low-risk debt in majority of portfolio
- ▶ No easy way to simulate the amount of due diligence for privates

Income Sig – Typical Data Sources

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ECONOMICS

- A1 LEI Leading Econ Indicators
- A2 GDP – QoQ, YoY “GDP Now”
- A3 Inflation – CPI, PPI, CIE
- A4 Credit Markets & Spreads
- A5 Sector Drivers

SENTIMENT

- B1 Sentiment – 75dma
- B2 “ - Investors
- B3 “ - Fund Mgrs
- B4 “ - CNNvB

ASSET ROTATION

- C1 Relative Rotation
- C2 Prospect->Best Few
- C3 DJ – 128 Industrial Groups

VALUATIONS

- C1 Schiller Market Val
- C1 Morningstar
- C2 ValueLine
- C3 Compustat
- C4 Options

INSIDER TRADES

- Institutional Investors 13f Filings

Source

Publisher (timing)

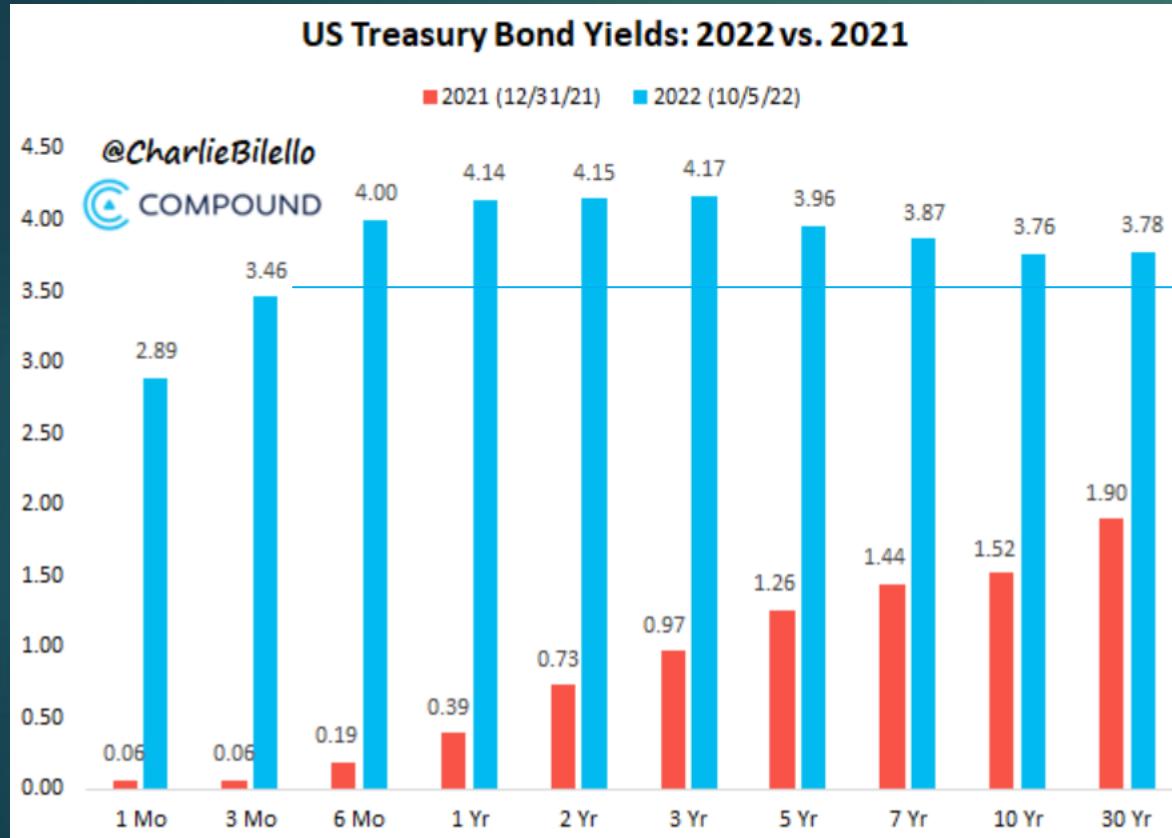
Inc Sig Use

A1	Conference Board	Fed (monthly updates)	LT Risk On/ Off by Asset Class
A2	Fed – Atlanta, Survey	Fed Web Site(s) (monthly)	ST Risk On/Off by Asset Class
A3	Fed – Cleveland	“ “ “ “ “	
A4	Moodys	Market Outlook	Credit Spreads
A5	CB		
B1	Delta Mgmt Group	Barrons (wkly)	Entry / Exit Alerts – On, 2/3, 1/3,Off
B2	AAll National Web Site	Web and Magazine (wkly)	“ “ “
B3	BoAmerica – Survey	Monthly	“ “ “
B4	CNN – Fear / Greed	SS- Seven Sentiments	Entry or Exit, Risk On / Off
C1	etfdb.com, RRG's	etfdb, stockcharts	Fund Flow – Momo & Return
C2	Sector Surfer	sumgrowth.com	Asset-> Market->Sector->ETFs
C3	Dow Jones	Barrons Dloads	->Ind.Groups-> Companies
C1	multipl.com/CAPE	Schiller	Asset Valuation History
C1	finra.com		Company Valuation History/Fcst
C2	fidelity.com		“
C3	optionsplay.com		“
C4	docoh.com	Quarterly	Entry / Exit Economics

- ▶ Portfolio Overview & Update
- ▶ Market Outlook (highlights of appendix)
- ▶ High Grading Positions
- ▶ Asset Rotation / Prospects
- ▶ Next Steps

B. CASH – Demonstrate Oct/Feb Rung of Tbill Ladder for 11/21

- IncSig Cash – Not Applied (in 13 weeks)
- IncSig Risk Free Floor – All other Investments



Low Risk

Q4-22 – Three Sequential (Oct, Nov, Dec) 13week TBills of \$25k each

Mid Risk

Q4-22 – Three Sequential (Oct, Nov, Dec) 13week TBills of \$37.5k each

Highest Risk/Return (avoided cost if Cash is in Ladder, not available)

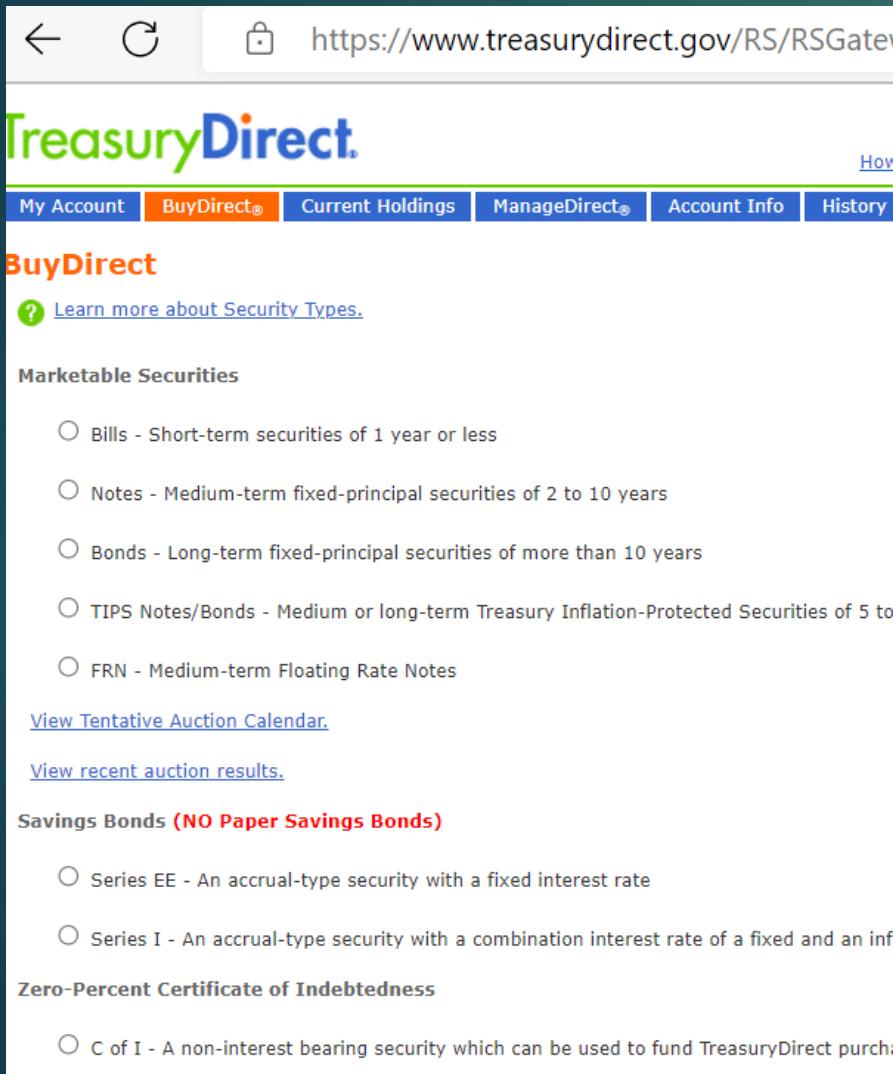
Q4-22 – Three Sequential (Oct, Nov, Dec) 13week TBills of \$50k each

*** All cases assume an additional \$20 in iBonds**

CASH – iBonds and Tbill Ladder Sign Up at .gov Web Site

- Select Bill or Note, Specify Issue Date
- Treas will w/Draw fr Account, up to ~\$50mm

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The screenshot shows the 'BuyDirect' section of the TreasuryDirect website. It includes a list of security types with radio buttons, links to the auction calendar and recent auction results, and a section for savings bonds.

Security Types:

- Bills - Short-term securities of 1 year or less
- Notes - Medium-term fixed-principal securities of 2 to 10 years
- Bonds - Long-term fixed-principal securities of more than 10 years
- TIPS Notes/Bonds - Medium or long-term Treasury Inflation-Protected Securities of 5 to 30 years
- FRN - Medium-term Floating Rate Notes

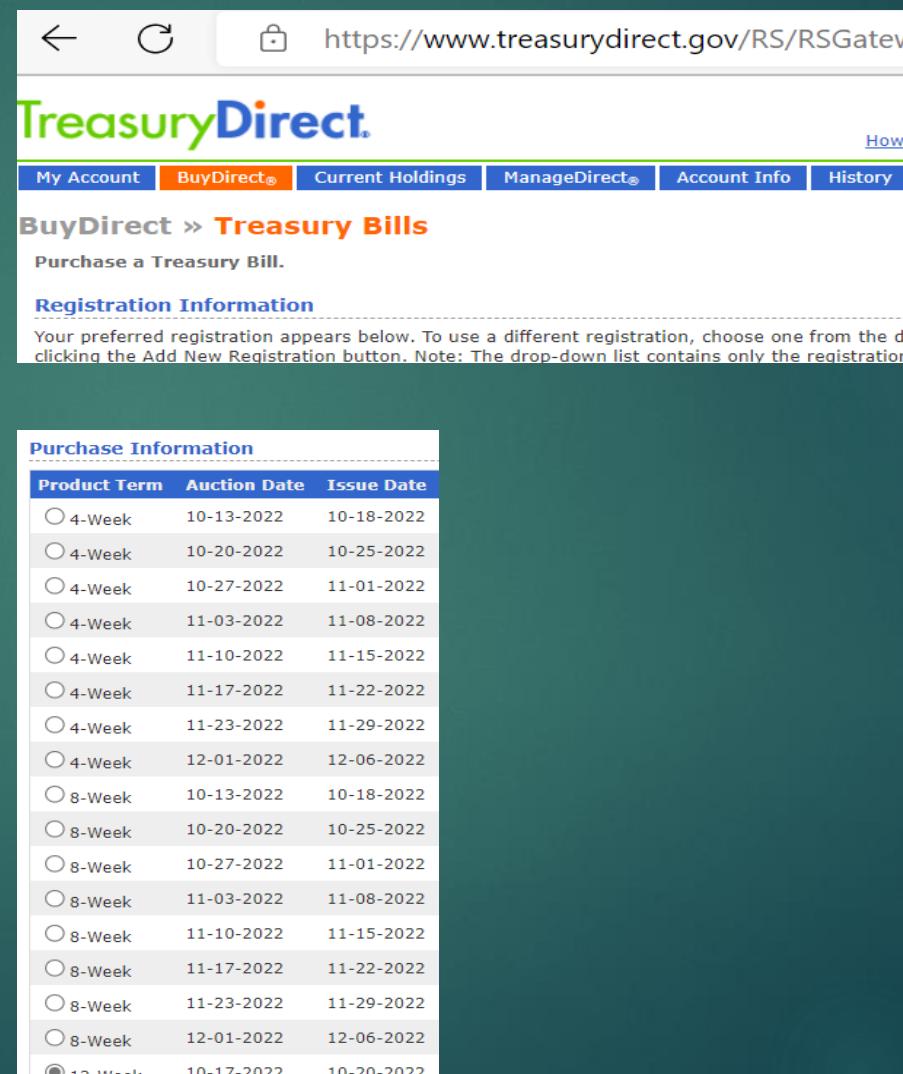
[View Tentative Auction Calendar.](#)
[View recent auction results.](#)

Savings Bonds (NO Paper Savings Bonds):

- Series EE - An accrual-type security with a fixed interest rate
- Series I - An accrual-type security with a combination interest rate of a fixed and an inflation component

Zero-Percent Certificate of Indebtedness:

- C of I - A non-interest bearing security which can be used to fund TreasuryDirect purchases



The screenshot shows the 'Purchase Information' table on the TreasuryDirect website, listing various auction dates and issue dates for Treasury Bills.

Product Term	Auction Date	Issue Date
<input type="radio"/> 4-Week	10-13-2022	10-18-2022
<input type="radio"/> 4-Week	10-20-2022	10-25-2022
<input type="radio"/> 4-Week	10-27-2022	11-01-2022
<input type="radio"/> 4-Week	11-03-2022	11-08-2022
<input type="radio"/> 4-Week	11-10-2022	11-15-2022
<input type="radio"/> 4-Week	11-17-2022	11-22-2022
<input type="radio"/> 4-Week	11-23-2022	11-29-2022
<input type="radio"/> 4-Week	12-01-2022	12-06-2022
<input type="radio"/> 8-Week	10-13-2022	10-18-2022
<input type="radio"/> 8-Week	10-20-2022	10-25-2022
<input type="radio"/> 8-Week	10-27-2022	11-01-2022
<input type="radio"/> 8-Week	11-03-2022	11-08-2022
<input type="radio"/> 8-Week	11-10-2022	11-15-2022
<input type="radio"/> 8-Week	11-17-2022	11-22-2022
<input type="radio"/> 8-Week	11-23-2022	11-29-2022
<input type="radio"/> 8-Week	12-01-2022	12-06-2022
<input checked="" type="radio"/> 13-Week	10-17-2022	10-20-2022

CASH –Tbill Ladder Auction History

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 <https://www.treasurydirect.gov/auctions/announcements-data-results/announcement-results-press-releases/auction-results...>

Announcement Date	Auction Date	CUSIP	Security Term	Announcement	Noncomp Results	Competitive Results	Special Announcement
				PDF	XML	PDF	PDF
 Bill							
 Term: 4-Week							
 Term: 8-Week							
 Term: 13-Week							
10/06/2022	10/11/2022	912796XR5	13-Week	 PDF	 XML	 PDF	 PDF
09/29/2022	10/03/2022	912796X95	13-Week	 PDF	 XML	 PDF	 PDF
09/22/2022	09/26/2022	912796R27	13-Week	 PDF	 XML	 PDF	 PDF
09/15/2022	09/19/2022	912796X87	13-Week	 PDF	 XML	 PDF	 PDF
09/08/2022	09/12/2022	912796X79	13-Week	 PDF	 XML	 PDF	 PDF
09/01/2022	09/06/2022	912796X61	13-Week	 PDF	 XML	 PDF	 PDF
08/25/2022	08/29/2022	912796P94	13-Week	 PDF	 XML	 PDF	 PDF
08/18/2022	08/22/2022	912796W70	13-Week	 PDF	 XML	 PDF	 PDF
08/11/2022	08/15/2022	912796W62	13-Week	 PDF	 XML	 PDF	 PDF

TREASURY NEWS

Department of the Treasury • Bureau of the Fiscal Service



For Immediate Release
July 25, 2022

CONTACT: Treasury Auctions
202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	91-Day Bill
CUSIP Number	912796V71
High Rate ¹	2.520%
Allotted at High	40.14%
Price	99.363000
Investment Rate ²	2.571%
Median Rate ³	2.490%
Low Rate ⁴	2.200%
Issue Date	July 28, 2022
Maturity Date	October 27, 2022

**Buy: July 28
Mature: Oct 27
Rate: 2.57%**

For Immediate Release
August 29, 2022

CONTACT: Treasury Auctions
202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	91-Day Bill
CUSIP Number	912796P94
High Rate ¹	2.880%
Allotted at High	93.34%
Price	99.272000
Investment Rate ²	2.941%
Median Rate ³	2.850%
Low Rate ⁴	2.600%
Issue Date	September 01, 2022
Maturity Date	December 01, 2022

**Buy: Sept 01
Mature: Dec 01
Rate: 2.94%**

For Immediate Release
September 19, 2022

CONTACT: Treasury Auctions
202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	91-Day Bill
CUSIP Number	912796X87
High Rate ¹	3.270%
Allotted at High	7.06%
Price	99.173417
Investment Rate ²	3.343%
Median Rate ³	3.210%
Low Rate ⁴	2.900%
Issue Date	September 22, 2022
Maturity Date	December 22, 2022

**Buy: Sept 22
Mature: Dec 22
Rate: 3.43%**

For Immediate Release
October 12, 2022

CONTACT: Treasury Auctions
202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	119-Day Bill
CUSIP Number	912796ZU6
High Rate ¹	3.890%
Allotted at High	40.25%
Price	98.714139
Investment Rate ²	3.995%
Median Rate ³	3.850%
Low Rate ⁴	3.500%
Issue Date	October 18, 2022
Maturity Date	February 14, 2023
Tendered	Accepted
\$106,426,325,000	\$32,882,532,100
\$17,709,000	\$17,709,000
\$100,000,000	\$100,000,000
Subtotal ⁵	\$33,000,241,100⁶

**Buy: Oct 18
Mature: Feb 14
Rate: 3.99%**

CASH – Demonstrate Oct/Feb Rung of Tbill Ladder for 11/21

- IncSig Cash – Not Applied (in 13 weeks)
- **IncSig Risk Free Floor – All other Investments**

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Today Agenda – the “Alts” vs 13wk Tbill

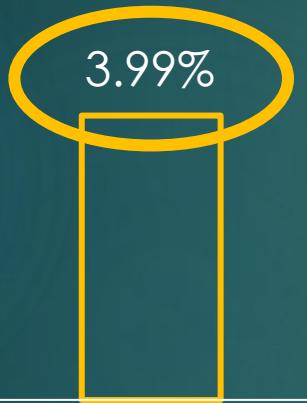
Managed Futures

MLPs – Pipelines

REIT's

Energy – Large Cap

Next Week:
Bonds Open Ended
Closed End etfs, mfs
Commodities
Allocation Funds



Buy: Oct 13 wk TBill
Due: Feb
Inc Sig Kick Off

Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – \$50k in XLE, 25k to XOM, CVX , PBR ->\$125k, Opt In Dec

Q1-23 – Additional Position Option In “ “ “

Mid Risk –

Q4-22 – \$25k in XLE, PBR, (\$25k each to Major Int, Oil, Gas Mids), OptNov, Dec

Q1-23 – One Position Option In “ “ “

Higher Risk – \$25k in PBR, \$50k to < Mid Companies, Opt in Nov & Dec, esp Gas

Q2-23 – Add \$50k to Position Best Available (Major, Mid, Small)

Energy Data Sets: Finra, Morningstar

Value & Growth Measures	Investment	Cat. Average	Index
Price/Earnings	8.04	7.10	7.61
Price/Book	2.02	1.99	1.99
Price/Sales	0.79	0.78	0.80
Price/Cash Flow	3.43	3.14	3.30
Dividend Yield %	4.81	3.50	4.38
Long-Term Earnings %	17.69	17.92	18.37
Historical Earnings %	101.37	22.62	69.67
Sales Growth %	2.14	0.78	2.67
Cash-Flow Growth %	16.00	11.93	16.07
Book-Value Growth %	-4.92	-6.11	-5.78

Investment as of Oct 11, 2022 | Category: Equity Energy as of Aug 31, 2022 | Index: Morningstar US Enrg Capped TR USD as of Sep 30, 2022 | Data is based on the long position of the equity holdings.

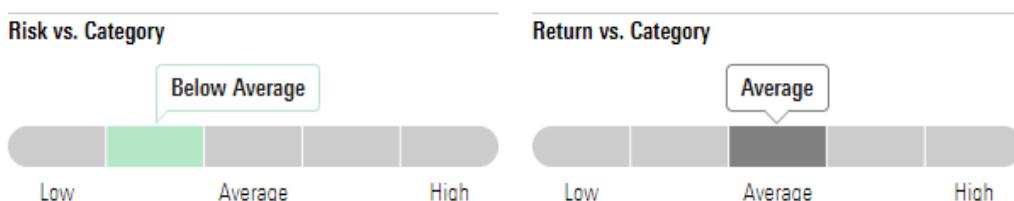
Market Volatility Measures i

Capture Ratios	Investment	Category	Index
Upside	145	162	151
Downside	114	143	117
Drawdown	Investment %	Category %	Index %
Maximum	-50.46	-54.38	-51.94
Drawdown Peak Date	Drawdown Valley Date		Max Drawdown Duration
Jan 01, 2020	Mar 31, 2020		3 Months

USD | As of Sep 30, 2022 | Category: Equity Energy | Index: Morningstar US Enrg Capped TR USD | Calculation Benchmark: MSCI ACWI NR USD | Drawdown as of Sep 30, 2022

Risk 3-Yr 5-Yr 10-Yr

Morningstar Risk & Return i



Category: Equity Energy as of Sep 30, 2022 | Rankings are out of 68 investments.

Risk & Volatility Measures i

Trailing	Investment	Category	Index
Alpha	14.29	13.57	15.31
Beta	1.49	1.74	1.54
R ²	43.85	47.87	45.40
Sharpe Ratio	0.49	0.45	0.51
Standard Deviation	43.76	49.18	44.51

USD | Investment as of Sep 30, 2022 | Category: Equity Energy as of Sep 30, 2022 | Index: Morningstar US Enrg Capped TR USD as of Sep 30, 2022 | Calculation Benchmark: MSCI ACWI NR USD

XLE Energy Select Sector SPDR Fund NYSE + BATS

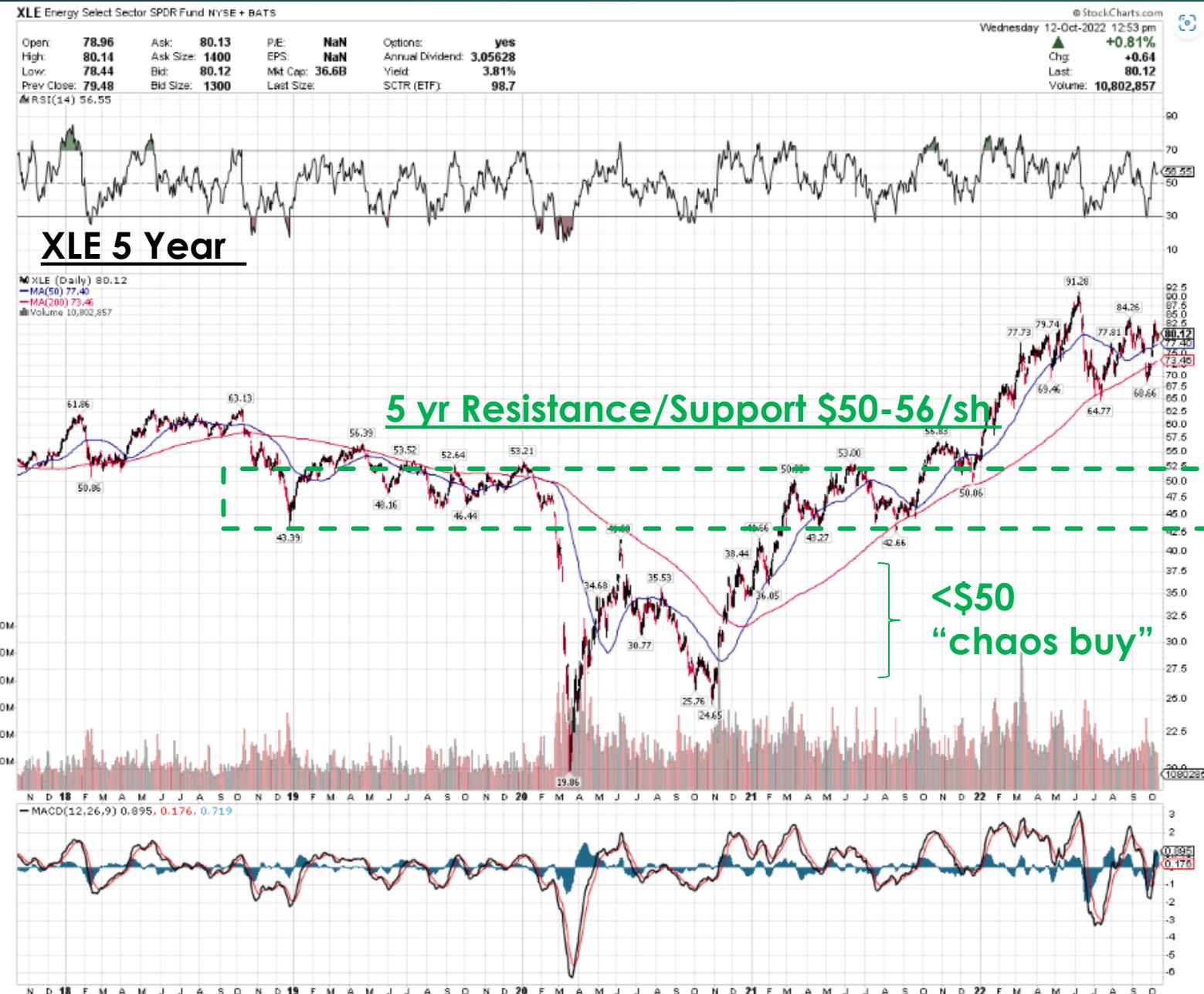
Open: 78.96 Ask: 79.76 P/E: NaN Options: yes
 High: 80.03 Ask Size: 1800 EPS: NaN Annual Dividend: 3.05628
 Low: 78.44 Bid: 79.75 Mkt Cap: 36.4B Yield: 3.83%
 Prev Close: 79.48 Bid Size: 1401 Last Size: SCTR (ETF) 98.7
 RSI(14) 55.74

© StockCharts.com
 Wednesday 12-Oct-2022 12:45 pm
 +0.33%
 Chg: +0.26
 Last: 79.74
 Volume: 10,505,316

XLE 1 Year**RSI = 55**

Trends \$/sh
 Today = \$79.5
 50dma = \$77.4
 200 dma = \$73.4

MACD (12,26,9)
 -0.86, -0.17, -0.695



RSI = 55

Trends \$/sh
 Today = \$79.5
 50dma = \$77.4
 200 dma = \$73.4

Additional Recommendation B

Covered Call , Generate 5% per 6 weeks

Potential Gain 5% X 4 + 3% Div => \$18, /80, or 19% pa

Break Even Time = 1+ option cycles

Risk Stop Out at \$70, loss of \$5

Calls									
Strike	Symbol	Last	Chg	Bid	Ask	Volume	Open Interest	Greeks	Trade Date

XLE – 221014C00080 – Bid \$1.44, %

XLE – 221014C00081 - Bid \$1.3, % discount in < 1 weeks

80	221014C00080000	1.4300	+0.1300	1.4400	1.4900	181	1,977 View		10/12/2022, 12:55:42 EDT
80.5	221014C00080500	1.0500	+0.0100	1.1100	1.2300	19	343 View		10/12/2022, 11:54:03 EDT

XLE – 221118C00080 – Bid \$4.60, 5.75%

XLE – 221118C00081 - Bid \$4.05, 5.00% discount in < 5 weeks

80	221118C00080000	4.6400	+0.3900	4.5500	4.7000	161	9,455 View		10/12/2022, 13:03:49 EDT
81	221118C00081000	3.9500	-0.5000	4.0500	4.1500	51	3,699 View		10/12/2022, 12:30:52 EDT

Energy – A number of Excellent IncSig Dividend Candidates - by Cap, or Operations (Scale, Oil, Gas)

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Petrobras Dividend Policy

(Copied from SEC filings)

Petrobras has mandatory minimum dividends corresponding to 25% of Adjusted Net Income. In addition, preferred shares are entitled to a minimum dividend of 5% (five percent) calculated on the share of the capital represented by that type of shares, or 3% (three percent) of the equity value of the share – always prevailing the largest.

In addition, the Company's Shareholder Compensation Policy provides that when gross indebtedness, including commitments related to market leases, exceeds US\$60 billion, the Company may distribute to its shareholders the mandatory minimum dividends provided for by law and bylaws, as mentioned above. **Debt at 6/30/22 was US\$53.4B.**

When gross indebtedness, including commitments related to market leases, is less than US\$ 60 billion, the Company may distribute to its shareholders 60% of the difference between operating cash flow and investments: Remuneration = 60% x (FCO - CAPEX). In this formula are not considered as CAPEX: (a) the resources derived from the sale of assets; (b) payments in the participation of bidding rounds for exploration and production of oil and natural gas; and (c) payments relating to the acquisition of companies or equity interests.

Petrobras may also, in exceptional cases, pay extraordinary dividends, exceeding the annual amount established above.

Energy – Valuation Favors Large VALUE, XOM, OXY?, PBR

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1. OVERVIEW		5. VALUATION				2. GROWTH (3-Year Annualized)					
	Last Close	Price/Book	Price/Cash Flow	Price/Sales	Price/Earnings	As of Oct 09, 2022	Revenue %	Operating Income %	Net Income %	Diluted EPS %	
Exxon Mobil	\$ 98.0	XOM	2.3	6.6	1.2	10.7	XOM	-0.32	2.78	3.4	3.37
Shell PLC ADR	\$ 50.0	SHEL	0.9	3.3	0.6	5.3	SHEL	-12.35	-10.60	-4.87	-2.82
BP PLC ADR	\$ 30.0	BP	1.4	3.2	0.5	–	BP	-19.18	-13.24	-6.93	-7.17
Phillips 66	\$ 90.0	PSX	1.8	5.9	0.3	7.7	PSX	0	-55.17	-38.29	-36.86
Occidental	\$ 64.0	OXY	3.3	4.3	1.9	6.3	OXY	13.35	-3.04	-17.47	-33.57
Petrobras	–	PBB	1.2	2.1	0.8	2.9	PBB	-4.23	11.78	40.45	40.33
x											
Large VALUE AVErage ->			1.8	4.2	0.9	6.6		6.7	7.3	21.9	21.9
x											
Valero	\$ 110.0	VLO	2.1	4.3	0.3	6.3	VLO	-0.88	-22.48	-33.21	-32.22
Chevron	\$ 157.0	CVX	2.0	7.6	1.5	10.5	CVX	-0.70	3.85	1.77	1.69
Conoco Phillips	\$ 116.0	COP	2.9	6.4	2.3	9.5	COP	7.96	9.73	8.89	4.43
Enron O&G	\$ 123.0	EOG	3.2	8.7	2.7	12.6	EOG	4.62	16.56	10.91	10.7
Pioneer	\$ 246.0	PXD	2.5	6.3	2.7	10.1	PXD	23.97	53.49	29.38	14.74
Schulmberger	\$ 42.0	SLB	3.6	16.9	2.4	22.8	SLB	-11.26	-4.66	-4.18	-4.80
Marathon Petrol	\$ 103.0	MPC	2.0	5.1	0.4	7.2	MPC	7.53	-9.62	51.87	42.38
Devon	\$ 69.0	DVN	4.5	5.9	2.6	8.7	DVN	4.38	26.54	-2.81	-11.77
x											
Large CORE AVErage ->			2.8	7.7	1.9	11.0		9.7	22.0	20.6	14.8
x											
Baker Hughes	\$ 22.0	BKR	1.5	13.0	1.0	–	BKR	-3.59	7.05	–	–
Marathon Oil	\$ 27.0	MRO	1.6	4.3	2.9	6.4	MRO	-1.73	12.62	-4.79	-2.38
EQT Corp	\$ 44.0	EQT	1.8	6.5	1.5	–	EQT	13.03	43.25	–	–
APA Corp	\$ 40.0	APA	22.6	3.4	1.4	4.6	APA	2.81	14.04	205.01	186.62
Coterra	\$ 29.0	CTRA	1.9	6.0	3.0	6.9	CTRA	16.38	28.56	27.63	22.69
Diamondback	\$ 139.0	FANG	1.9	4.7	2.8	6.5	FANG	46.17	57.32	37.16	15.13
Halliburton	\$ 30.0	HAL	3.8	16.4	1.5	18.6	HAL	-13.94	-13.37	-4.18	-4.81
x											
Mid VAL & CORE AVErage ->			5.0	7.8	2.0	8.6		19.6	27.1	89.9	74.8

Integrated Energy – Large VALUE Recommend – XOM, PBR, OXY?

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1. OVERVIEW	3. FINANCIAL HEALTH						4. PROFITABILITY							
	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity	Return on Assets %			Return on Equity %			Invested Capital %	Net Margin %		
	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity	vs index	vs index	vs index	vs index	vs index	vs index	Invested Capital %	Net Margin %		
	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼	▼		
Exxon Mobil	XOM	0.84	1.16	68.1	0.3	0.47	XOM	11.05	8.37	23.19	21.3	17.84	11.06	10.6
Shell PLC ADR	SHEL	0.89	1.39	14.2	0.4	0.47	SHEL	8.55	8.37	20.18	21.3	14.21	10.97	10.6
BP PLC ADR	BP	0.66	1.16	1.0	0.9	0.47	BP	-3.89	8.37	-15.61	21.3	-7.11	-5.57	10.6
Phillips 66	PSX	0.92	1.28	13.0	0.5	1.03	PSX	9.04	8.75	25.53	30.0	16.64	3.67	3.89
Occidental	OXY	0.79	1.07	9.5	1.3	0.66	OXY	13.14	13.8	76.29	33.2	26.12	30.02	23.4
Petrobras	PBR	0.78	1.31	13.4	0.7	0.47	PBR	16.41	8.37	41.71	21.3	25.28	28.57	10.6
	Large VALUE AVERAGE ->		20	0.7			11.6		37.4		20.0	16.9		

Integrated Energy – Large CORE

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	1. OVERVIEW		3. FINANCIAL HEALTH				4. PROFITABILITY					
	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity			Return on Assets %		Return on Equity %		Invested Capital %	Net Margin %
Valero	0.9	1.25	17	0.61			11.8		36.49		22.73	4.53 3.89
Chevron	CVX 1	1.31	69	0.17	0.47		CVX 11.6	8.37	20.26	21.3	16.56	14.09 10.6
Conoco Phillips	COP 1.34	1.54	22	0.34	0.66		COP 17.8	13.8	33.68	33.2	25.34	24.34 23.4
Enron O&G	EOG 1.18	1.41	41	0.24	0.66		EOG 15.2	13.8	26.43	33.2	21.72	21.51 23.4
Pioneer	PXD 1.18	1.33	58	0.25	0.66		PXD 16.7	13.8	26.59	33.2	21.03	26.06 23.4
Schlumberger	SLB 0.86	1.35	7	0.85	0.65		SLB 6.3	2.44	18.01	5.86	10.22	10.56 3.61
Marathon Petrol	MPC 1.08	1.49	11	1.07	1.03		MPC 8.6	8.75	29.63	30.0	16.13	5.13 3.89
Devon	DVN 1.38	1.55	18	0.67	0.66		DVN 24.2	13.8	56.65	33.2	34.66	30.49 23.4
Large CORE AVErage ->			30	0.5			14.0		31.0		21.0	17.1

Integrated Energy – Mid VALUE & CORE

28

1. OVERVIEW	3. FINANCIAL HEALTH						4. PROFITABILITY					
	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity	as of 12/31		Return on Assets %	Return on Equity %		Invested Capital %	Net Margin %	
Baker Hughes	BKR	0.91	1.51	2.51	0.45	0.65	BKR	-1.32	2.44	-3.24	5.86	-1.40
Marathon Oil	MRO	1.12	1.18	—	0.35	0.66	MRO	17.2	13.8	28	33.2	19.98
EQT Corp	EQT	0.29	0.57	-2.45	0.56	0.66	EQT	-3.89	13.8	-9.33	33.2	-4.14
APA Corp	APA	0.77	1.1	13.85	9.26	0.66	APA	23.29	13.8	—	33.2	—
Coterra	CTRA	1.75	1.8	47.38	0.28	0.66	CTRA	22.48	13.8	39.18	33.2	30.55
Diamondback	FANG	0.66	0.73	34.67	0.41	0.66	FANG	16.75	13.8	31.63	33.2	21.3
Halliburton	HAL	1.39	2.15	3.88	1.34	0.65	HAL	6.6	2.44	22.82	5.86	10.43
Mid VAL & CORE AVERAGE ->			20.5	1.6			17.3		30.4		20.6	33.1

Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – \$75k in XLE, 25k to XOM, CVX ->\$125k, Opt In Dec

Q1-23 – Additional Position Option In “ “ “

Mid Risk –

Q4-22 – \$50k in XLE, (\$25k each to Major, Oil, Gas Mids), Opt in Nov, Dec

Q1-23 – One Position Option In “ “ “

Higher Risk – \$25k in XLE, \$50k to < Mid Companies, Opt in Nov & Dec, esp Gas

Q2-23 – Add \$50k to Position Best Available (Major, Mid, Small)

Energy Data Sets: Finra, Morningstar

D. MLPs - Demonstrate “Opt In” Alternatives for the 11/22 Meeting

30

Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – Half Position Option In AMLP (\$12.5k)

Q1-23 – Half Position Option In “ “

Mid Risk – Two Positions ~\$50k acq.

Q4-22 – One Position Option In EPD, KMI

Q1-23 – One Position Option In “ “

Higher Risk – The Above and Small Cap Growth MLP

Q2-23 – Add 3rd Position Best Available

MLP Data Sets: Finra, Morningstar

MLPs – Alerian MLP etf

31

Value & Growth Measures	Investment	Cat. Average	Index
Price/Earnings	9.06	12.38	8.04
Price/Book	2.08	2.32	2.21
Price/Sales	0.45	0.40	0.50
Price/Cash Flow	4.42	4.26	4.71
Dividend Yield %	6.81	5.75	7.87
Long-Term Earnings %	5.02	6.30	4.47
Historical Earnings %	6.79	10.00	15.30
Sales Growth %	5.30	1.60	5.10
Cash-Flow Growth %	3.94	2.49	2.88
Book-Value Growth %	-9.11	-7.05	-7.40

Investment as of Oct 10, 2022 | Category: Energy Limited Partnership as of Aug 31, 2022 | Index: Morningstar MLP Composite TR USD as of Sep 30, 2022 | Data is based on the long position of the equity holdings.

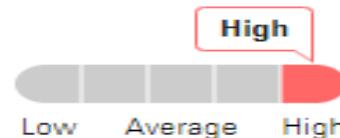
Market Volatility Measures ⁱ

Capture Ratios	Investment	Category	Index
Upside	125	122	133
Downside	133	121	134
Drawdown	Investment %	Category %	Index %
Maximum	-60.23	-51.36	-63.27
Drawdown Peak Date	Drawdown Valley Date	Max Drawdown Duration	
Oct 01, 2019	Mar 31, 2020	6 Months	

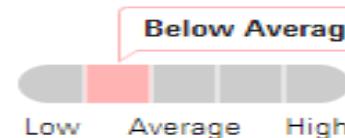
USD | As of Sep 30, 2022 | Category: Energy Limited Partnership | Index: Morningstar MLP Composite TR USD | Calculation Benchmark: MSCI ACWI NR USD |

Morningstar Risk & Return ⁱ

Risk vs. Category



Return vs. Category



Category: Energy Limited Partnership as of Sep 30, 2022 | Rankings are out of 99 investments.

Risk & Volatility Measures ⁱ

Trailing	Investment	Category	Index
Alpha	5.53	5.50	8.67
Beta	1.74	1.52	1.83
R ²	48.09	55.20	46.23
Sharpe Ratio	0.29	0.32	0.34
Standard Deviation	48.72	40.18	52.52

USD | Investment as of Sep 30, 2022 | Category: Energy Limited Partnership as of Sep 30, 2022 | Index: Morningstar MLP Composite TR USD as of Sep 30, 2022 | Calculation Benchmark: MSCI ACWI NR USD

AMLP Alerian MLP ETF NYSE

Open:	37.02	Ask:	NaN	PE:	NaN	Options:	yes
High:	38.31	Ask Size:		EPS:	NaN	Annual Dividend:	2.18
Low:	36.78	Bid:		Mkt Cap:	6.27B	Yield:	5.74%
Prev Close:	37.30	Bid Size:		Last Size:		SCTR (ETF):	96.4
AM RSI(14) 49.09							

© StockCharts.com
 Tuesday 11-Oct-2022
 +1.80%
 Chg: +0.67
 Last: 37.97
 Volume: 2,909,750

AMLP 1 Year – at Resistance/Support \$35 to \$36



RSI = 49

Energy Midstream – Large and Core Value

Recommend – EPD, KMI

33

1. OVERVIEW															
Ticker	Company	Last Close	Investment Style	Market Cap	Forward Div Yield	Trailing Div Yield	Price/Sales	Price/Book	Beta (5-Year)	Consensus Forward P/E	Trailing 12-mo Rev				
ET	Energy Transfer	\$ 11	Large Value	35.5928 Bil	8.1%	6.7%	0.41	1.07	1.81	6.61	81.76				
EPD	Enterprise Products	\$ 25	Large Value	54.0890 Bil	7.7%	7.6%	1.05	2.07	1.15	9.42	51.27				
TRP	TC Energy	\$ 40	Large Value	40.5382 Bil	6.4%	6.8%	3.94	1.88	0.79	12.67	13.96				
WMB	Williams PL	\$ 29	Large Value	36.2513 Bil	5.8%	5.7%	3.33	3.2	1.2	16.98	10.75				
KMI	Kinder Energy	\$ 17	Large Value	38.8423 Bil	6.5%	6.4%	2.19	1.26	0.93	14.31	17.69				
ENB	Enbridge	\$ 36	Large Core	72.9532 Bil	7.2%	7.3%	1.95	1.85	0.82	15.9	—				
PBA	Pembina PL	\$ 31	Large Core	17.0100 Bil	6.2%	6.3%	2.18	1.61	1.26	15.06	10.84				
Large Core & Value				6.8%	6.7%	2.2	1.8			13.0					

Energy Midstream – Large and Core Value

Recommend – EPD, KMI

34

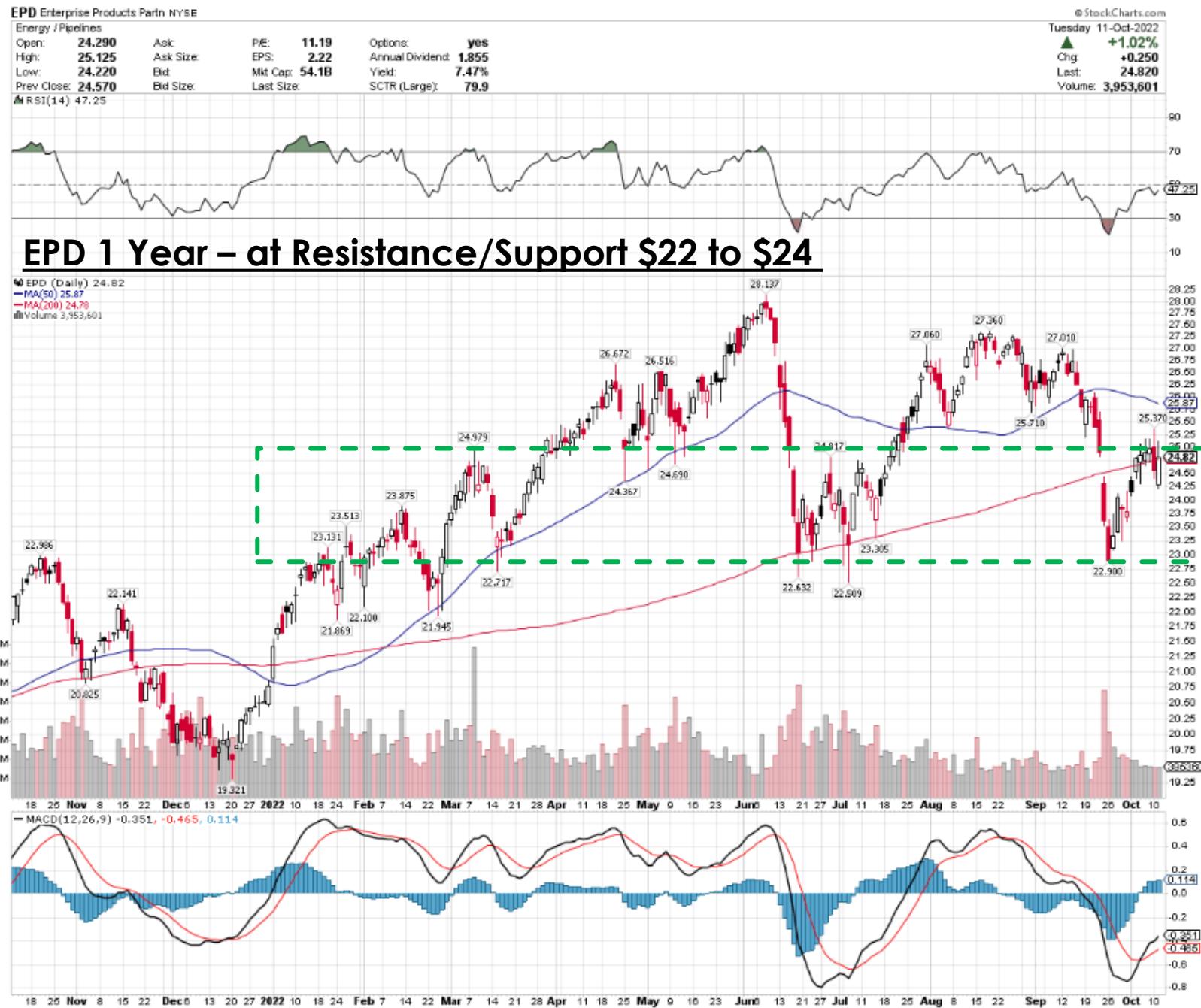
	5. VALUATION					2. GROWTH (3-Year Annualized)				
	Price/Book	Price/Cash Flow	Price/Sales	Price/Earnings		Revenue %	Operating Income %	Net Income %	Diluted EPS %	
ET	1.07	3.81	0.41	9.07		ET	7.62	15.1	47.81	18.01
EPD	2.07	6.17	1.05	11.06		EPD	3.76	3.85	3.59	3.21
TRP	1.88	8.91	3.94	17.42		TRP	-0.72	1.3	-19.17	-22.00
WMB	3.2	8.63	3.33	22.94		WMB	6.95	10.08	—	—
KMI	1.27	7.67	2.19	16.1		KMI	5.5	4.68	3.5	5.73
ENB	1.85	10.56	1.95	20.92		ENB	0.5	4	29.02	25.27
PBA	1.61	8.25	2.18	16.58		PBA	5.48	8.61	-0.95	-4.43
	7.7			16.3			5.0	6.8	21.0	13.1
AMLP	2.08	4.42	0.45	9.06	AMLP	5.3			6.79	
Cat.Ave	2.32	4.26	0.4	12.4	Cat.Ave	1.6			10	
Index	2.21	4.71	0.5	8.04	Index	5.1			15.3	

Energy Midstream – Large and Core Value

Recommend – EPD, KMI

35

3. FINANCIAL HEALTH								4. PROFITABILITY							
	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity	vs indx	AS of J u n y		Return on Assets %	vs indx	Return on Equity %	vs indx	Invested Capital %	Net Margin %	vs indx	
ET	0.8	1.15	3.38	1.5	1.64			ET	3.65	3.16	12.49	11+	7.62	4.57	5.47
EPD	0.58	0.87	5	1.11	1.64			EPD	7.17	3.16	19.14	11+	11.29	9.46	5.47
TRP	0.45	0.64	2.74	1.89	1.64			TRP	2.99	3.16	10.72	11+	5.74	22.52	5.47
WMB	0.5	0.65	2.67	2.03	1.64			WMB	3.36	3.16	13.8	11+	7.36	14.55	5.47
KMI	0.31	0.52	—	1.02	1.64			KMI	3.47	3.16	7.9	11+	3.85	13.68	5.47
ENB	0.49	0.58	3.32	1.43	1.64			ENB	2.94	3.16	8.95	11+	5.65	9.37	5.47
PBA	0.3	1.28	5.61	0.8	1.64			PBA	4.54	3.16	9.88	11+	6.69	13.2	5.47
			3.8	1.4				4.0		11.8		6.9		12.5	

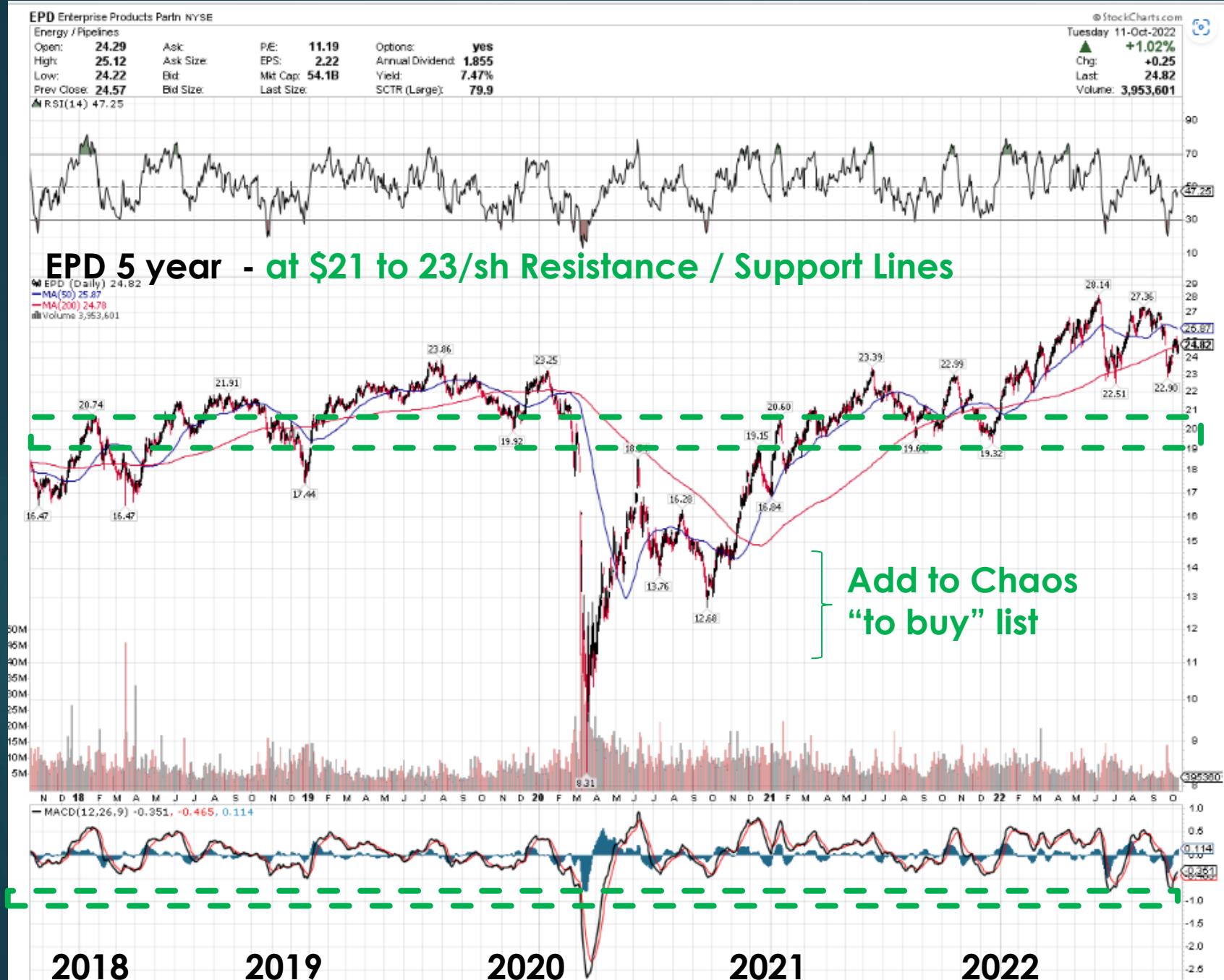


RSI = 47

Trends \$/sh
 50dma = 25.87

Today = \$24.70
 200 dma = \$24.80

MACD (12,26,9)
 -0.35, -0.46, -0.114



Energy Midstream – Large and Core Value Recommend – Growth Cos, CQP+

38

1. OVERVIEW																
Ticker	Company	Last Close		Investment Style	Market Cap		Forward Div Yield	Trailing Div Yield	Price/Sales	Price/Book	Beta (5-Year)	Consensus Forward P/E	Trailing 12-mo Rev			
MMP	Magellan	\$ 47		Mid Value	9.9439 Bil		8.8%	8.8%	3.46	5.55	0.92	10.09	2.91	MMP		
WES	Western Midstream	\$ 25		Mid Value	9.9356 Bil		8.0%	6.6%	3.27	3.06	2.96	7	3.12	WES		
MPLX	MPLX Partnerships	\$ 31		Mid Value	31.6576 Bil		9.2%	9.2%	3.03	2.4	1.5	9.39	10.33	MPLX		
PAA	Plains All Am	\$ 11		Mid Value	7.7864 Bil		8.0%	7.3%	0.14	0.77	1.71	8.2	53.82	PAA		
DCP	DCP Midstream	\$ 37		Mid Value	7.9061 Bil		4.6%	4.3%	0.56	1.27	2.65	7.75	13.95	DCP		
SHLX	Shell	\$ 16		Mid Value	6.2218 Bil		7.6%	7.6%	12.7	12.86	1.26	8.98	0.55	SHLX		
OKE	OneOk	\$ 53		Mid Value	23.9473 Bil		7.0%	7.0%	1.12	3.89	1.7	12.36	21.4	OKE		
CQP	Chenier	\$ 55		Mid Core	26.7233 Bil		6.3%	6.3%	2.04	38.06	0.84	12.72	13.09	CQP		
ENLC	Enlink MdStream	\$ 9		Small Value	4.5978 Bil		4.8%	4.6%	0.52	3.5	2.63	15.95	8.92	ENLC		
NS	NuStar	\$ 14		Small Value	1.5653 Bil		11.5%	11.5%	0.92	0.98	1.97	—	1.67	NS		
GEL	Genesis	—		Small Value	—		6.1%	6.1%	0.49	0.87	2.26	—	2.45	GEL		
HESM	Hess Energy Ptnr	\$ 26		Small Value	1.1775 Bil		8.2%	8.2%	0.71	4.63	1.65	11.47	1.25	HESM		
HEP	Holly Energy Ptnrs	\$ 17		Small Value	2.1558 Bil		8.3%	8.3%	3.79	2.54	0.88	7.55	0.5	HEP		
CEQP	Crestwood Ptnrs	\$ 28		Small Core	3.0371 Bil		9.3%	9.0%	0.4	1.54	2.67	—	5.64	CEQP		
DTM	DT Midstream	\$ 53		Small Core	5.1985 Bil		4.8%	4.7%	5.89	1.31	—	13.12	0.88	DTM		
				Mid & Small			7.5%	7.3%	2.6	5.5			10.4			
				AMLP			6.8					AMLP				
				Cat.Ave			5.75					Cat.Ave				
				Index			7.87					Index				

Additional Recommendation B

Covered Call , Generate 3% per 6 weeks

Potential Gain 3% X 4 + 7% Div => \$4.75, /25, or 19% pa

Break Even Time = 2 option cycles

Risk Stop Out at \$22,

Calls									
Strike	Symbol	Last	Chg	Bid	Ask	Volume	Open Interest	Greeks	Trade Date

EPD – 221118C0024 – Bid \$1.33, 5%

EPD – 221118C0025 - Bid \$0.74, 3% discount in < 5 weeks

24	221118C00024000	1.3700	+0.2100	1.2500	1.3300	37	241	View	10/11/2022, 14:42:51 EDT
25	221118C00025000	0.7100	+0.1400	0.6600	0.7400	123	1,406	View	10/11/2022, 14:48:15 EDT

D. MLPs - Demonstrate “Opt In” Alternatives for the 11/22 Meeting

40

Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – Half Position Option In AMLP (\$12.5k)

Q1-23 – Half Position Option In “ “

Mid Risk – Two Positions ~\$50k acq.

Q4-22 – One Position Option In EPD, KMI

Q1-23 – One Position Option In “ “

Higher Risk – The Above and Small Cap Growth MLP

Q2-23 – Add 3rd Position Best Available

MLP Data Sets: Finra, Morningstar

E. REITs

- Demonstrate Alternatives for the 11/21 Meeting
- Update Target Company Evaluation fr Earnings Releases

Low Risk

Q4-22 – Half Position Option In VNQ or RWR

Q1-23 – Half Position Option In “ “

Mid Risk

Q4-22 – Half Position Option In 2 Specialty and Industrial Cos

Q1-23 – Half Position Option In “ “

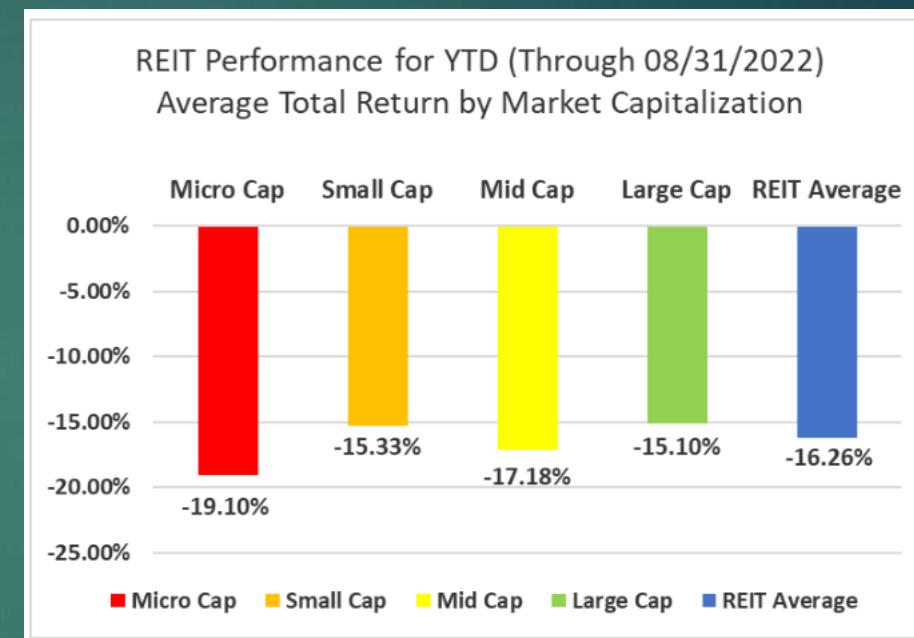
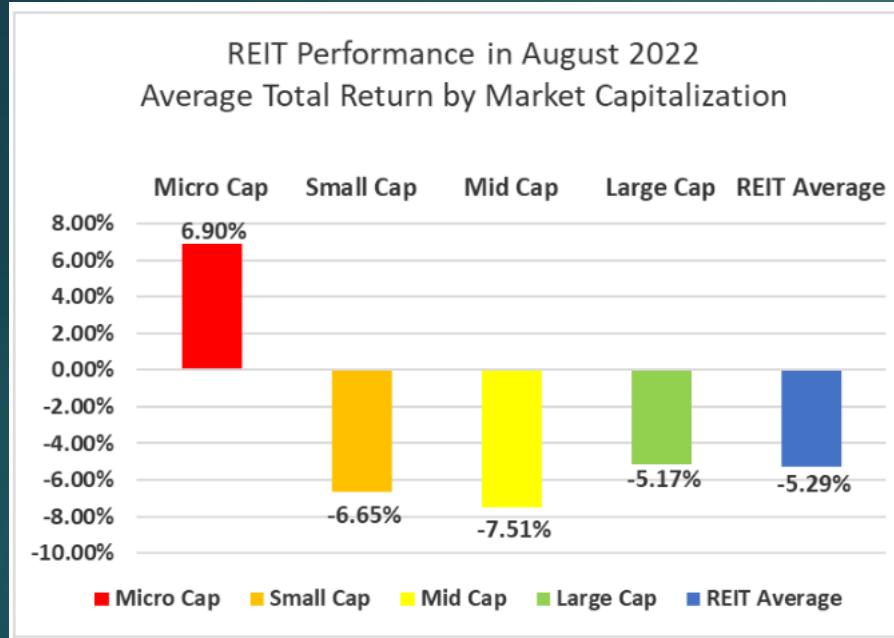
Highest Risk/Return

Q4-22 – Single Position in Best Specialty and Industry Cos

REIT Data Sets;

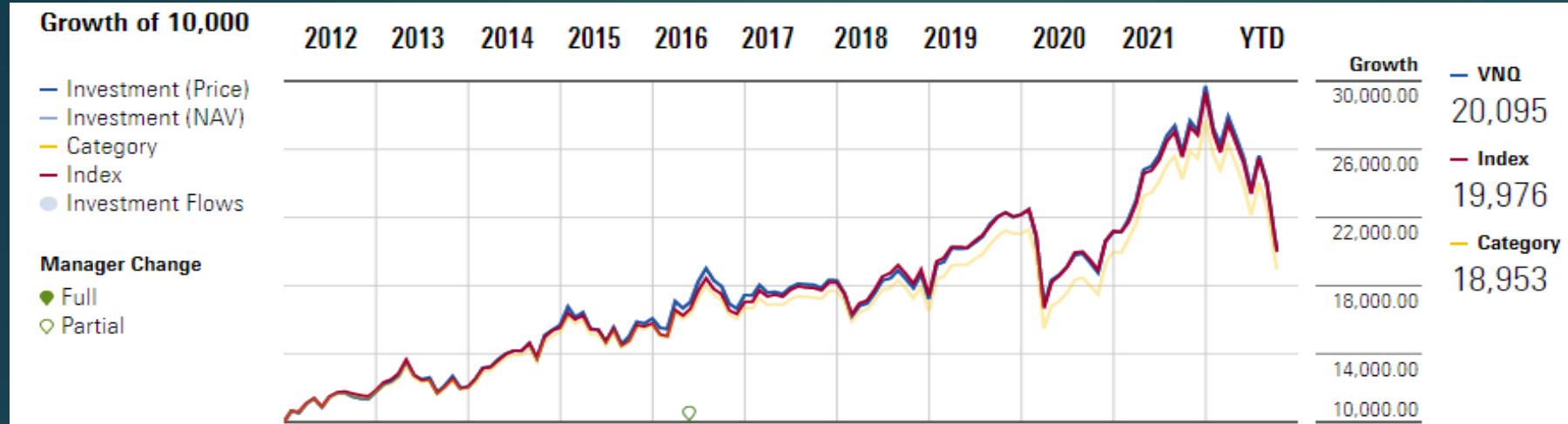
SeekingAlpha – Bowler
NAREIT Assn
Morningstar
DJUS – REIT Indices

REITS by MARKET CAP – Down Year Independent of Cap

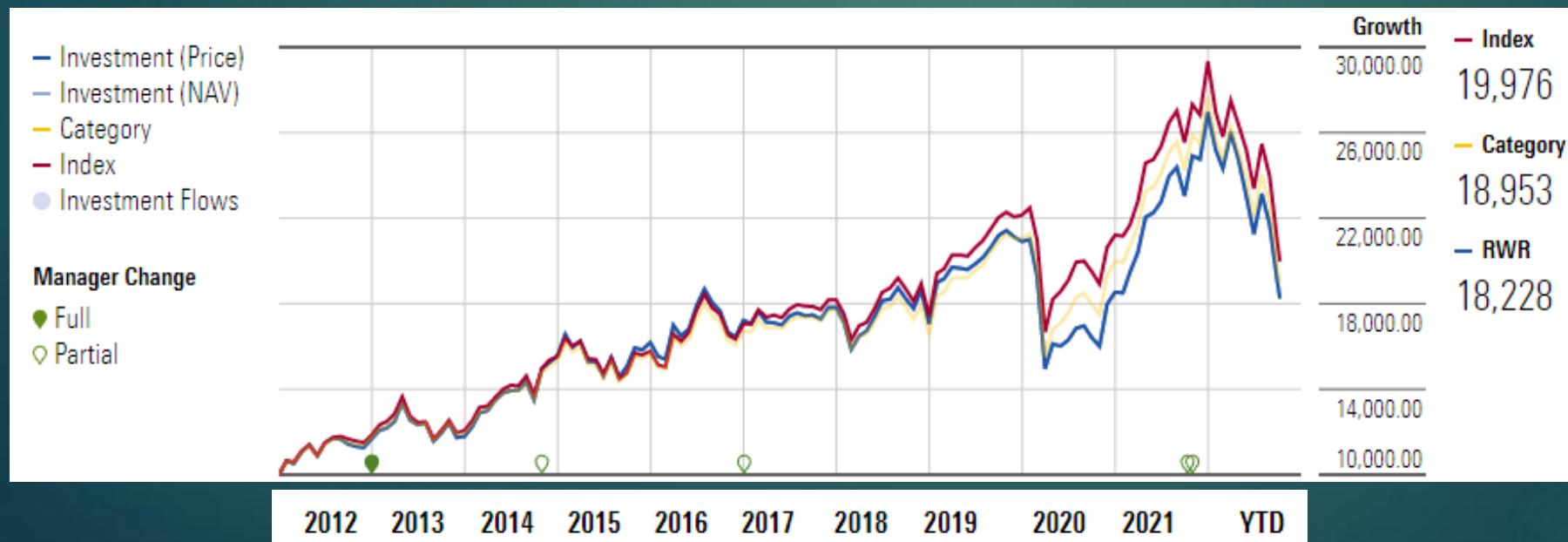


VNQ – Vanguard Real Estate Index Fund

43



RWR – SPDR Dow Jones REIT eff



VNQ – Vanguard Real Estate Index Fund

Risk

3-Yr

5-Yr

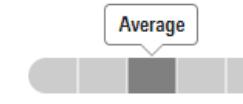
10-Yr

Morningstar Risk & Return ①

Risk vs. Category



Return vs. Category



Category: Real Estate as of Sep 30, 2022 | Rankings are out of 234 investments.

Risk & Volatility Measures ①

Trailing	Investment	Category	Index
Alpha	-4.84	-4.90	-4.97
Beta	1.04	1.05	1.04
R ²	81.20	76.85	80.59
Sharpe Ratio	0.01	0.02	0.01
Standard Deviation	22.30	23.29	22.57

USD | Investment as of Sep 30, 2022 | Category: Real Estate as of Sep 30, 2022 | Index: Morningstar US Real Est TR USD as of Sep 30, 2022 | Calculation Benchmark: MSCI ACWI NR USD

Market Volatility Measures ①

Capture Ratios	Investment	Category	Index
Upside	93	92	93
Downside	113	114	114
Drawdown	Investment %	Category %	Index %
Maximum	-29.25	-28.55	-28.84
Drawdown Peak Date	Drawdown Valley Date	Max Drawdown Duration	
Jan 01, 2022	Sep 30, 2022	9 Months	

USD | As of Sep 30, 2022 | Category: Real Estate | Index: Morningstar US Real Est TR USD | Calculation Benchmark: MSCI ACWI NR USD | Drawdown as of Sep 30, 2022

RWR – SPDR Dow Jones REIT etf

Risk

3-Yr

5-Yr

10-Yr

Morningstar Risk & Return ①

Risk vs. Category



Return vs. Category



Category: Real Estate as of Sep 30, 2022 | Rankings are out of 234 investments.

Risk & Volatility Measures ①

Trailing	Investment	Category	Index
Alpha	-6.65	-4.90	-4.97
Beta	1.08	1.05	1.04
R ²	78.22	76.85	80.59
Sharpe Ratio	-0.06	0.02	0.01
Standard Deviation	23.79	23.29	22.57

USD | Investment as of Sep 30, 2022 | Category: Real Estate as of Sep 30, 2022 | Index: Morningstar US Real Est TR USD as of Sep 30, 2022 | Calculation Benchmark: MSCI ACWI NR USD

Market Volatility Measures ①

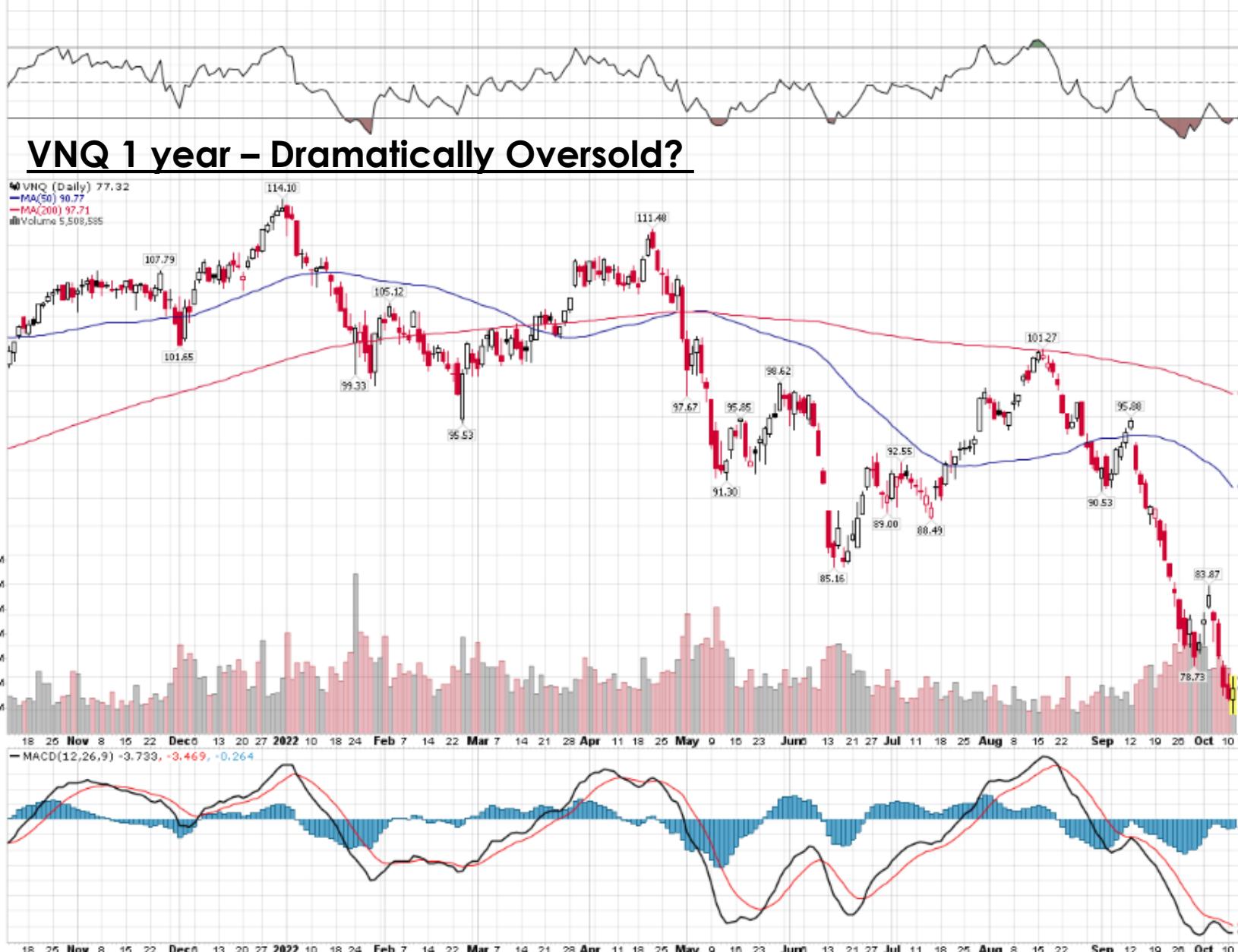
Capture Ratios	Investment	Category	Index
Upside	90	92	93
Downside	117	114	114
Drawdown	Investment %	Category %	Index %
Maximum	-30.15	-28.55	-28.84
Drawdown Peak Date	Drawdown Valley Date	Max Drawdown Duration	
Nov 01, 2019	Mar 31, 2020	5 Months	

USD | As of Sep 30, 2022 | Category: Real Estate | Index: Morningstar US Real Est TR USD | Calculation Benchmark: MSCI ACWI NR USD | Drawdown as of Sep 30, 2022

Open: **76.66** Ask: **77.27** P/E: **NaN** Options: **yes**
 High: **78.01** Ask Size: **400** EPS: **NaN** Annual Dividend: **2.75754**
 Low: **75.76** Bid: **77.26** Mkt Cap: **32.0B** Yield: **3.57%**
 Prev Close: **76.71** Bid Size: **500** Last Size: **SCTR (ETF)** **8.4**
 RSI(14): **29.68**

Tuesday 11-Oct-2022 3:25 pm
 +0.80%
 Chg: +0.61
 Last: 77.32
 Volume: 5,508,585

45

**RSI = 29.68**

Trends \$/sh
200 dma = **97.91**
50dma = **90.77**

Today = **\$77.32**

MACD (12,26,9)
-3.733, -3.469, -0.264

Open: 76.66 Ask: 77.25 P/E: NaN Options: yes
 High: 78.01 Ask Size: 200 EPS: NaN Annual Dividend: 2.75754
 Low: 75.76 Bid: 77.24 Mkt Cap: 32.0B Yield: 3.57%
 Prev Close: 76.71 Bid Size: 500 Last Size: SCTR (ETF): 8.5
 RSI(14): 29.38

Tuesday 11-Oct-2022 3:32 pm

+0.69%
 Chg: +0.53
 Last: 77.24
 Volume: 5,698,674

46

**RSI = 29.68**

Trends \$/sh
 200 dma = 97.91
 50dma = 90.77

Today = \$77.32
 Stdev = \$22
 Stop Out = 77 - 22 - (91 - 77) = \$69
 Chaos Floor \$60's

MACD (12,26,9)
 -3.733, -3.469, -0.264

REC A.

Covered Call for etfs, Generate 2.5% per 6 weeks

Pot Gain 2.5% X 4 + 3% Div => \$10, or 13% pa,

Break Even Time = 2 option cycles

Risk Stop Out at \$69, 77.50-3-69 => \$ 5

47

Calls									
Strike	Symbol	Last	Chg	Bid	Ask	Volume	Open Interest	Greeks	Trade Date
VNQ - 221118C00075 - Bid \$4.50									
VNQ - 221118C00080 - Bid \$2.00, 2.5% discount in < 5 weeks									
75	221118C00075000	4.0600	-2.8400	4.7000	5.0000	1	31	View	10/11/2022, 10:13:51
80	221118C00080000	2.1200	+0.1800	2.0500	2.2500	7	262	View	10/11/2022, 13:45:39

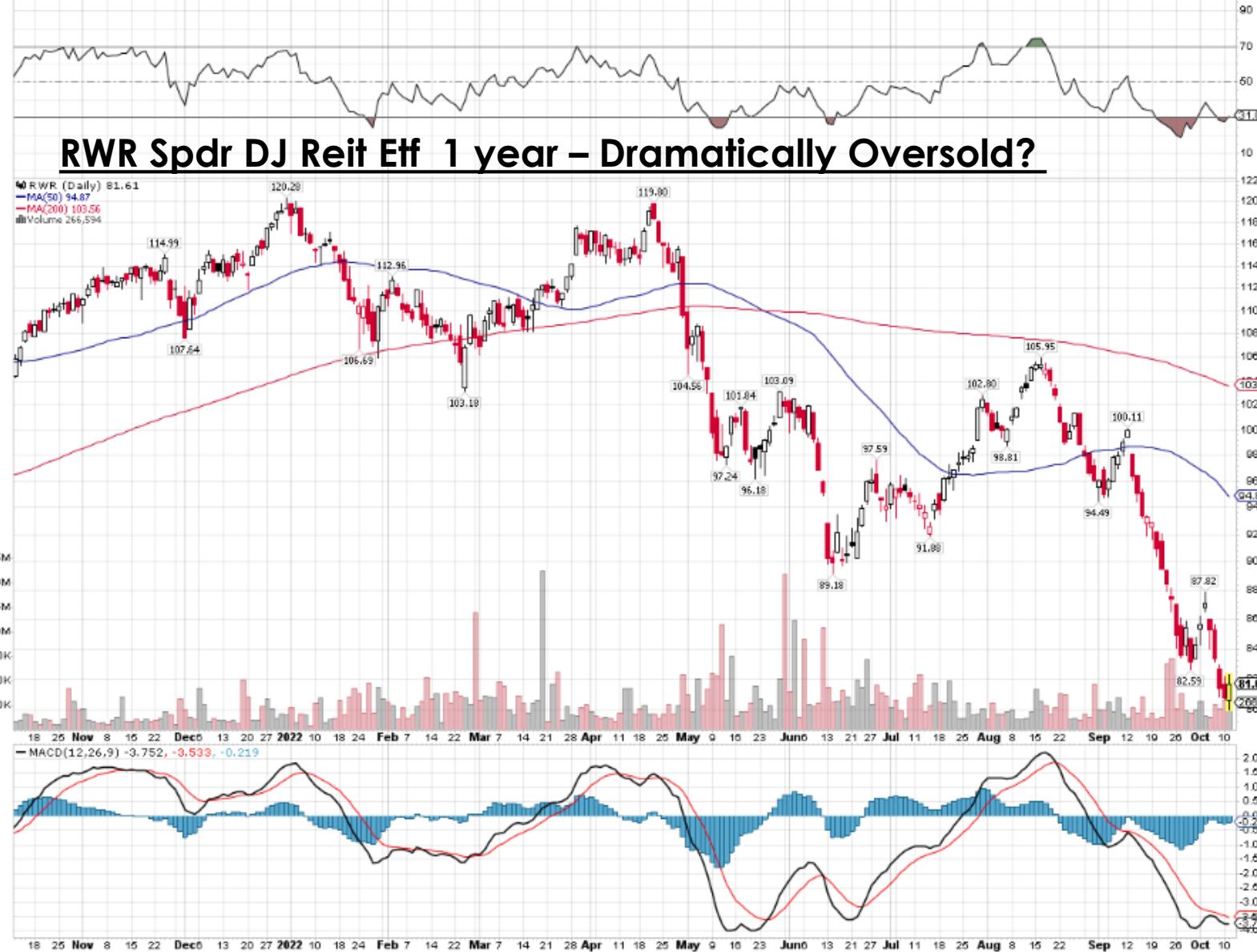
Value & Growth Measures	Cat.	Investment	Average	Index
Price/Earnings		30.94	31.41	29.95
Price/Book		2.32	2.66	2.35
Price/Sales		4.32	6.97	5.04
Price/Cash Flow		14.87	16.87	13.14
Dividend Yield %		3.43	3.13	3.54
Long-Term Earnings %		8.55	9.93	8.11
Historical Earnings %		17.80	20.47	17.75
Sales Growth %		2.70	0.22	2.30
Cash-Flow Growth %		6.10	5.57	7.04
Price/Earnings Yield %		4.72	3.85	4.24

RWR SPDR Dow Jones REIT ETF NYSE + BATS

Open: **80.60** Ask: **81.67** P/E: **NaN** Options: **yes**
 High: **82.26** Ask Size: **1600** EPS: **NaN** Annual Dividend: **3.40863**
 Low: **79.96** Bid: **81.62** Mkt Cap: **1.39B** Yield: **4.18%**
 Prev Close: **80.74** Bid Size: **1100** Last Size: **SCTR (ETF): 8.5**

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 Tuesday 11-Oct-2022 3:43 pm
 +1.08%
 Chg: +0.87
 Last: **81.61**
 Volume: **266,594**

RSI(14) 31.04







REIT DJIG (Dow Jones Industrial Groups)

- Difficult Year (for either ytd or 1 year)
- Net Positive w/ Long Term or “Opt In” Position
- IG’s are at or close to 52 wk lows

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Industry	IG - Sym	Close	Weekly Net Chg	YTD Net Chg	% CHANGE wkly	RANK wkly	% Change Yr Ago	Rank Yr Ago	% Change Yr to Date	Rank Yr to Date	<u>3 Yr</u>	52 Week High	pct < 52 h	52 Week Low
Real Estate Inv Trusts	DJUSRI	126.53	-5.25	-60.55	-3.98	[134]	-23.15	[87]	-32.36	[104]	-6.01	187.08	126.53	100%
Industrial & Office RE	DJUSIO	96.58	-2.52	-60.03	-2.54	[127]	-26.61	[99]	-38.33	[127]	-5.44	156.62	96.58	100%
Retail REITs	DJUSRL	76.06	0.35	-32.58	0.46	[106]	-21.35	[80]	-29.99	[95]	-10.6	110.51	74.89	102%
Residential REITs	DJUSRN	218.17	-14.22	-106.67	-6.12	[136]	-24.57	[97]	-32.84	[107]	-5.01	324.95	218.17	100%
Diversified REITs	DJUSDT	63.39	0.86	-8.35	1.37	[87]	-5.09	[34]	-11.64	[36]	-10.8	72.62	61.92	102%
Specialty REITs	DJUSSR	216.77	-11.82	-97.59	-5.17	[135]	-21.64	[82]	-31.04	[101]	-3.25	314.36	216.77	100%
Mortgage REITs	DJUSMR	25.57	-0.7	-15.65	-2.67	[129]	-41.04	[131]	-37.97	[123]	-21.5	44.96	25.57	100%

NAREIT 2021 and 2022 Positive “Sectors”

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Sector	Number of Constituents	Total Return (%)				Dividend Yield (%)		Market Capitalization (\$) ¹		
		2021	September	2022: YTD	2021 less 22ytd	Equity	Implied	L/E		
1 Self Storage	5	79.43	-11.89	-21.44	57.99	3.29	Self Storage	90,294,427	93,470,480	3.5%
1 Regional Malls	3	92.05	-10.86	-41.94	50.12	7.66	Regional Malls	31,595,557	35,876,992	13.6%
1 Shopping Centers	18	65.05	-12.45	-25.67	39.38	4.86	Shopping Centers	52,647,676	53,482,497	1.6%
1 Apartments	15	63.61	-7.51	-26.68	36.93	3.49	Apartments	126,090,995	129,920,017	3.0%
1 Residential	20	58.29	-7.94	-27.09	31.20	3.20	Residential	184,949,386	191,490,056	3.5%
1 Specialty	9	41.69	-10.84	-12.03	29.66	5.73	Specialty	65,835,233	66,196,347	0.5%
1 Single Family Homes	2	52.79	-7.04	-24.06	28.74	2.47	Single Family Homes	30,497,810	32,480,846	6.5%
1 Industrial	12	62.03	-16.39	-35.50	26.53	3.09	Industrial	133,471,182	136,123,177	2.0%
1 Retail	33	51.91	-11.11	-26.19	25.72	5.68	Retail	153,333,747	158,879,261	3.6%
1 FTSE Nareit Equity REITs	141	43.24	-12.18	-28.13	15.10	4.21	FTSE Nareit Equity REITs	923,770,926	948,581,609	2.7%
1 FTSE Nareit All Equity REITs	148	41.30	-12.72	-27.93	13.37	3.95	FTSE Nareit All Equity REITs	1,146,339,237	1,171,178,858	2.2%
1 Manufactured Homes	3	41.98	-10.74	-31.79	10.19	2.67	Manufactured Homes	28,360,581	29,089,193	2.6%
1 Infrastructure	4	34.41	-14.85	-27.19	7.23	2.91	Infrastructure	193,751,079	193,780,018	0.0%
1 Free Standing	12	19.72	-10.20	-15.28	4.44	5.40	Free Standing	69,090,515	69,519,772	0.6%
1 Diversified	11	29.25	-16.79	-25.29	3.95	6.43	Diversified	23,779,315	24,690,372	3.8%
1 Timber	3	28.82	-15.22	-26.50	2.32	2.91	Timber	28,817,232	28,817,232	0.0%
1 Lodging/Resorts	14	18.22	-12.78	-19.55	-1.33	2.32	Lodging/Resorts	31,180,453	31,545,188	1.2%
1 Commercial Financing	12	22.48	-20.23	-28.98	-6.50	11.00	Commercial Financing	19,343,600	19,725,179	2.0%
1 Health Care	15	16.32	-14.53	-24.76	-8.44	5.26	Health Care	94,013,530	94,664,723	0.7%
1 Data Centers	2	25.47	-15.48	-35.08	-9.61	3.15	Data Centers	79,734,828	80,674,406	1.2%
1 Office	20	22.00	-8.97	-36.69	-14.69	5.44	Office	67,178,825	70,847,599	5.5%
1 FTSE Nareit Mortgage REITs	31	15.64	-24.18	-35.40	-19.76	15.03	FTSE Nareit Mortgage REITs	44,348,917	44,748,922	0.9%
1 Home Financing	19	11.51	-26.96	-39.67	-28.15	18.14	Home Financing	25,005,317	25,023,743	0.1%

REITs On Hold

– Mortgage, Residential, Retail, Check in Q1-23

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OVERVIEW							GROWTH (3-Year Annualized)				
Ticker	Company	Last Close	Sector	Industry	Investment Style	Market Cap	Growth (3-Year Annualized)	Revenue %	Operating Income %	Net Income %	Diluted EPS %
WELL	Welltower OP LLC	\$ 57	Real Estate	REIT - Healthcare Facilities	Mid Core	26.8245 Bil	WELL	0.27	-13.05	-25.26	-27.18
VTR	Ventas	\$ 37	Real Estate	REIT - Healthcare Facilities	Mid Core	14.7434 Bil	VTR	0.73	-24.59	-50.72	-51.51
□	Realty Income Grp	—	Real Estate	REIT - Retail	Large Core	—	0	16.15	14.3	-0.38	-11.61
SPG	Simon Property	\$ 93	Real Estate	REIT - Retail	Mid Core	30.8406 Bil	SPG	-3.30	-6.06	-2.67	-4.57
AIRC	Apt Income	\$ 36	Real Estate	REIT - Residential	Mid Core	5.6001 Bil	AIRC	-8.67	-20.80	-12.42	-18.69
NLY	Annaly Capital	\$ 15	Real Estate	REIT - Mortgage	Mid Value	7.1753 Bil	NLY	113.08	—	252.84	—
INCSIG Composite											

REIT Suspects – Industrial and Office Cos Rec – PLD, PSA, ARE?

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OVERVIEW														
		Last Close	Sector	Industry	Investment Style	Market Cap	Forward Div Yield	Trailing Div Yield	Price/Sales	Price/Book	Beta (5-Year)	Consensus Forward P/E	Trailing 12-mo Rev	
Ticker	Company													
PLD	Prologis Inc.	\$ 99	Real Estate	REIT - Industrial	Large Cap	91.6232 Bil	3.2%	3.0%	15.4	2.65	0.95	36.1	4.93	PLD
EXR	Extra Space Stg	\$166	Real Estate	REIT - Industrial	Mid Cap	22.5039 Bil	3.6%	3.5%	13.2	6.93	0.53	25.58	1.76	EXR
COLD	Americold	\$ 24	Real Estate	REIT - Industrial	Mid Cap	6.4351 Bil	3.7%	3.7%	2.22	1.65	0.35	119.05	2.86	COLD
PSA	Public Storage	—	Real Estate	REIT - Industrial	Large Cap	50.5964 Bil	2.8%	2.8%	13.2	9.01	0.38	26.04	3.82	PSA
ARE	Alexandria Real Estate	\$132	Real Estate	REIT - Office	Mid Cap	21.7748 Bil	3.6%	3.5%	8.67	1.26	0.93	14.68	2.38	ARE

REIT Suspects – Industrial and Office Cos

Rec – PLD, PSA, ARE?

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OVERVIEW						GROWTH (3-Year Annualized)				FINANCIAL HEALTH							
Ticker	Company	Last Close	Sector	Industry	Investment Style	Market Cap	Growth (3-Year Annualized)		Net Income %		Diluted EPS %		Financial Health		P/E Ratio		
							Revenue %	Operating Income %	Net Income %	Diluted EPS %	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity			
PLD	Prologis Inc.	\$ 99	Real Estate	REIT - Industrial	Large Cap	91.6232 Bil	PLD	19.28	24.06	21.24	11.14	PLD	0.26	0.51	18.7	0.52	0.69
EXR	Extra Space Stg	\$166	Real Estate	REIT - Industrial	Mid Cap	22.5039 Bil	EXR	9.65	12.35	25.84	23.7	EXR	0.16	0.17	6.53	1.95	0.69
COLD	Americold	\$ 24	Real Estate	REIT - Industrial	Mid Cap	6.4351 Bil	COLD					COLD					
PSA	Public Storage	—	Real Estate	REIT - Industrial	Large Cap	50.5964 Bil	PSA	7.44	5.97	4.51	4.94	PSA	2.07	2.07	19.79	1.39	0.69
ARE	Alexandria Restate	\$132	Real Estate	REIT - Office	Mid Cap	21.7744 Bil	ARE	16.78	11.05	14.62	2.76	ARE	0.29	0.38	4.35	0.62	1.05

REIT Suspects –Specialty Companies

Rec – DLR, WY, pending - CCI, AMT?

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OVERVIEW						GROWTH (3-Year Annualized)				FINANCIAL HEALTH				
Ticker	Company	Last Close	Sector	Industry	Investment Style	Market Cap	Revenue %	Operating Income %	Net Income %	Diluted EPS %	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity
DLR	Digital Realty	\$ 90	Real Estate	REIT - Specialty	Mid Core	26.0578 Bil	DLR	13.27	8.48	72.8	69.95	DLR	0.29	0.29
LAMR	Lamar Adv	\$ 84	Real Estate	REIT - Specialty	Mid Core	8.4913 Bil	LAMR	3.18	3.53	8.33	7.53	LAMR	0.57	0.64
CCI	Crown Castle	\$ 133	Real Estate	REIT - Specialty	Large Cap	57.1482 Bil	CCI	5.35	10.86	17.77	23.6	CCI	0.46	0.71
AMT	American Tower	\$ 190	Real Estate	REIT - Specialty	Large Grd	87.7771 Bil	AMT	7.94	20.44	27.58	26.9	AMT	0.43	0.5
IRM	Iron Mountain	\$ 45	Real Estate	REIT - Specialty	Mid Core	13.2872 Bil	IRM	2.05	3.74	7.41	6.87	IRM	0.71	0.87
WY	Weyerhaeuser	\$ 29	Real Estate	REIT - Specialty	Mid Core	21.8467 Bil	WY	10.92	36.38	51.62	51.9	WY	2.42	3.2

E. REITs

- Demonstrate Alternatives for the 11/21 Meeting
- Update Target Company Evaluation fr Earnings Releases

Low Risk

Q4-22 – Half Position Option In VNQ or RWR

Q1-23 – Half Position Option In “ “

Mid Risk

Q4-22 – Half Position Option In 2 Specialty and Industrial Cos

Q1-23 – Half Position Option In “ “

Highest Risk/Return

Q4-22 – Single Position in Best Specialty and Industry Cos

REIT Data Sets;

SeekingAlpha – Bowler
NAREIT Assn
Morningstar
DJUS – REIT Indices

REIT Specific Metrics – Required for Final Company Selections

REIT Price / NAV by Market CAP

REIT Price/ FFO by Market Cap

Performance by Market Type

Median Store NOI Change

Leading and Lagging Company NOI Change