



*Growth & income from institutional
real estate*

REAL ESTATE STRATEGY (“REAL”)

KCM’s REAL Strategy can combine several REITs and ETFs into a single, coordinated portfolio designed to provide our clients:

- Potential appreciation in portfolio value
- Attractive current income, often higher than that available from quality debt securities
- Exposure to timberlands, office buildings, public storage facilities, warehouses, and apartment complexes so as to reduce risk through diversification
- Active management of exposure to each type of real estate represented in the strategy
- Liquidity

PORTFOLIO MANAGEMENT PROCESS

KCM employs a proprietary combination of quantitative, fundamental, and technical tools to evaluate the REITs and ETFs that may be employed in the strategy. Our process establishes:

- Which secular trends are most important, e.g. demand for apartments
- Which specific real estate is currently most attractive, e.g. retail versus offices
- The soundness each investment’s cash flow and dividend
- The level of exposure to specific REITs and ETFs we wish to hold now

Periodically our process may generate signals to make adjustments to portfolio holdings. KCM believes that its process limits risk and maintains appropriate diversification without incurring high turnover.

KCM’s process predominantly employs REITs augmented with selected ETFs from various providers such as Barclays, State Street, PowerShares, Rydex, and others.

Contact us for more information as well as the REAL performance history:

Kelly Capital Management, LLC
1204 Baltimore Pike
Suite 305
Chadds Ford, PA 19317-7374
Phone: 610-558-1159
Fax: 610-558-1192
E-mail: jkelly@kcm-invest.com

