

## **Global Index Group Launches duETS: New Index-Based Investment Tools for U.S. Commercial Real Estate**

*CBRE Capital Advisors to Be Exclusive Broker for New Securities*

Tacoma, Wash., March 29, 2017— Global Index Group (GIG), a developer and sponsor of innovative, index-based financial products, announced today that it has signed an agreement with CBRE Capital Advisors—the investment banking arm of CBRE - to be the exclusive broker for a new type of real estate index-based securities known as duETS (Down/Up Equity Trust Securities). duETS U.S. Commercial Property 2X, the first series of the Global Index Group Real Estate Trust, will offer institutional investors securities tied to the change in market value of a leading U.S. commercial real estate index—the NCREIF NPI.

duETS are composed of two classes of synthetic securities – Down and Up - that allow institutional investors to invest, either long or short, on commercial real estate values. At the end of a two-year valuation period, the securities will be valued based on the performance of the index, with gains on Up Securities mirrored by losses on Down Securities and vice versa with a 2X multiplier effect based on the index movement. In between valuation dates, the price of Down and Up Securities will fluctuate based on market sentiment regarding the value of the index at the next valuation date.

duETS are alternative investments for Qualified Institutional Buyers (QIBs) and offshore investors, which can be traded under Rule 144A and Regulation S. Primary and secondary market transactions and pricing will be tracked and posted on the GIG website. Each series issuing duETS will be open-ended and duETS can be created or redeemed to meet demand.

Under the agreement, CBRE Capital Advisors will be the exclusive broker for the new product, facilitating the aggregation of pricing and trade execution. Additionally, CBRE Capital Advisors will also be the source for arranging secondary trade pricing, facilitating rollovers at the end of the valuation periods, and facilitating the ongoing creation and redemption of duETS in response to market demand.

duETS offer institutional investors:

- Exposure to core U.S. private real estate—an illiquid, less-frequently traded market—without necessarily having to transact in the underlying assets.

- A 2X multiplier effect tied to the index value.
- National, not geographic or sector, exposure to commercial real estate.
- The ability to hedge current real estate pricing exposure and lock-in appreciation.
- Flexibility to actively control market exposure when some funds or investment vehicles aren't open or able to provide exit liquidity, enhancing portfolio management.
- Low-risk, stable assets held by each series, consisting of cash and treasuries with nominal counterparty risk.
- Interest earned by assets that are captured in the daily NAV.

“Commercial real estate is a strategic component in many institutional portfolios due to its large size, healthy yields, and relatively low correlation with other asset classes,” said Kelly Haughton, chief executive officer of GIG. “Until now, however, investment options have been limited to direct investment, open-end diversified core equity and other private funds, and public and private REITs. Often, the ability to get in and out of these private investments is constrained by the illiquidity of the underlying properties, resulting in situations where investors are unable to deploy their capital fully. duETS will provide new tools for investors, including the ability to easily hedge their positions.”

CBRE anticipates that more than \$1.7 trillion in capital is available for global commercial real estate investment this year. Commenting on the agreement and the new securities, Philip Barker, Senior Managing Director, CBRE Capital Advisors, Inc., said: “We’re extremely pleased to be able to offer the broader investment community this innovative vehicle for managing and hedging their commercial real estate exposure. duETS can provide an efficient allocation tool for institutional investors that want to adjust or rebalance their real estate portfolio without making a major commitment or changes to new or existing investments. In addition, we expect duETS to be the foundation for further product innovation in the real estate space.”

### **About Global Index Group**



Global Index Group (GIG) develops and sponsors index-based synthetic financial products that provide new investment options in illiquid asset classes, such as real estate. The group's first offering, Down/Up Equity Trust Securities (duETS) for Commercial Real Estate, is an example of its innovation and the securities' structure is patent-pending. Prior to founding GIG, its management team successfully developed and launched other industry leading products and indexes, including the Russell 2000 Index. For more information about GIG, go to [www.globalindexgroup.com](http://www.globalindexgroup.com).

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*This communication shall not constitute an offer to sell or the solicitation of an offer to buy securities. Before you invest in duETS, you should read the private placement memorandum for the series issuing securities as well as the other information about the Global Index Group Real Estate Trust, any series of the Trust, and the securities issued by any series that is available on GIG's website or through CBRE Capital Advisors, Inc. None of GIG, the Trust, any series of the Trust, or the securities issued by any series are registered with the Securities and Exchange Commission or any other regulator.*