

U.S. Withholding Tax Rates on Ordinary REIT Dividends to Non-U.S. Investors

AS OF JULY 1, 2004

NOTE: The withholding rate is 30% if the non-U.S. shareholder does not reside in the countries listed. Under recently passed U.S. tax legislation, the tax rates in the chart apply to REIT capital gain distributions so long as the non-U.S. investor owns 5% or less of a REIT listed in the U.S.

FOOTNOTES

- ¹ 30% tax rate if the shareholder owns 10% or more of the REIT's stock, or, in the case of residents in Australia, Ireland, Mexico, Japan, Slovenia, the U.K., and Venezuela, if the shareholder owns more than 10% of the REIT's stock.
- ² 5% tax rate if corporate shareholder owns at least 10% of the REIT's voting stock and in the case of REIT dividends paid to a corporation resident in Cyprus, Egypt, or Iceland no more than 25% of the REIT's gross income consists of interest and dividends.
- ³ 15% rate (10% rate in Japan) only if: the dividend is paid with respect to a class of stock that is publicly traded and the shareholder owns no more than 5% of any class of the paying REIT's stock; or the stockholder holds no more than 10% of the REIT's stock if the REIT's property portfolio is diversified, i.e. no property is worth more than 10% of the REIT's real estate holdings. Otherwise the withholding rate is 30%. For these purposes, a publicly traded Australian Property Trust is deemed owned by its investors.
- ⁴ 0% if: (1) the dividend is paid with respect to a class of stock that is publicly traded and the shareholder owns no more than 5% of any class of the paying REIT's stock; or (2) the stockholder holds no more than 10% of the REIT's stock, and in the case of Canada and the Netherlands, the dividend is not from a related person.
- ⁵ 10% tax rate if shareholder owns at least 25% of the REIT's voting stock.
- ⁶ 5% tax rate if shareholder owns more than 50% of the REIT's shares for the 12 months before the dividend is declared.
- ⁷ 10% if shareholder owns at least 10% of the REIT's voting stock (except in the case of Jamaica), and no more than 25% of the REIT's income consists of dividends and interest.
- ⁸ 30% tax rate if shareholder owns 25% or more of the REIT's stock.
- ⁹ 15% tax rate applies to a shareholder that is a belegingsinstelling (roughly, a Dutch counterpart to a REIT). Under a Protocol passed by the Dutch Parliament on June 18, 2004, a 15% rate would apply to REIT dividends to institutional Dutch investors other than pension plans under the rules set forth in footnote 3. The Protocol cannot go into effect until the U.S. Senate approves it and it is officially ratified.
- ¹⁰ 15% tax rate if shareholder owns more than 50% of the REIT's voting stock.
- ¹¹ 20% tax rate if shareholder owns at least 10% of the REIT's voting stock.
- ¹² The U.S. Senate has approved a new treaty that contains the same withholding rates as in footnote 3, but the Italian legislature has not ratified it yet.
- ¹³ To qualify for this exemption, the Swiss pension trust must convince the IRS that it "generally corresponds" to a tax-exempt U.S. pension trust.
- ¹⁴ Currently, there is no tax treaty in effect between the U.S. and Sri Lanka. The U.S. and Sri Lanka governments both have approved a new tax treaty that would adopt the REIT dividend policy described in footnote 3. The new treaty will go into effect upon the exchange of instruments of ratification, which is expected to occur in early July 2004. Once in effect, the treaty will lower the U.S. withholding rate to 15% with respect to REIT dividends paid or credited after the first day of the second month following the exchange of instruments of ratification.

U.S. Income & Capital Tax Treaties					Governmental Entity (I.R.C. §892)
	Individual	Non-Individual Entity	Pension Trust	Tax-Exempt Charity	
Armenia	30%	30%	30%	30%	0%
Australia	15% ¹	15% ³	15% ³	15% ³	0%
Austria	15% ¹	30%	30%	30%	0%
Azerbaijan	30%	30%	30%	30%	0%
Barbados	15% ¹	15% ²	30%	30%	0%
Belarus	30%	30%	30%	30%	0%
Belgium	15%	15% ²	15% ²	15% ²	0%
Canada	15% ¹	30%	0% ⁴	0% ⁴	0%
People's Rep. of China	10%	10%	10%	10%	0%
Cyprus	15%	15% ²	15% ²	15% ²	0%
Czech Republic	15% ¹	30%	30%	30%	0%
Denmark	15%	15% ³	15% ³	15% ³	0%
Egypt	15%	15% ²	15% ²	15% ²	0%
Estonia	15% ¹	30%	30%	30%	0%
Finland	15% ¹	30%	30%	30%	0%
France	15% ¹	30%	30%	30%	0%
Georgia	30%	30%	30%	30%	0%
Germany	15% ¹	30%	30%	0%	0%
Greece	30%	30%	30%	30%	0%
Hungary	15%	15% ²	15% ²	15% ²	0%
Iceland	15%	15% ²	15% ²	15% ²	0%
India	15% ¹	30%	30%	30%	0%
Indonesia	15%	15% ⁵	15% ⁵	15% ⁵	0%
Ireland	15% ¹	15% ³	15% ³	15% ³	0%
Israel	25% ¹	30%	30%	30%	0%
Italy ¹²	15%	15% ^{6&7}	15% ^{6&7}	15% ^{6&7}	0%
Jamaica	15%	15% ⁷	15% ⁷	15% ⁷	0%
Japan	10% ¹	10% ³	0% ⁴	10% ³	0%
Kazakstan	30%	30%	30%	30%	0%
Republic of Korea	15%	15% ⁷	15% ⁷	15% ⁷	0%
Kyrgyzstan	30%	30%	30%	30%	0%
Latvia	15% ¹	30%	30%	30%	0%
Lithuania	15% ¹	30%	30%	30%	0%
Luxembourg	15% ¹	15% ³	15% ³	15% ³	0%
Mexico ¹⁴	10% ¹	10% ⁴	0% ⁴	0%	0%
Moldova	30%	30%	30%	30%	0%
Morocco	15%	15% ⁷	15% ⁷	15% ⁷	0%
Netherlands	15% ⁸	30% ⁹	0% ⁴	0% ⁴	0%
New Zealand	15%	15%	15%	15%	0%
Norway	15%	15%	15%	15%	0%
Pakistan	30%	30% ¹⁰	30% ¹⁰	30% ¹⁰	0%
Philippines	25%	25% ¹¹	25% ¹¹	25% ¹¹	0%
Poland	15%	15% ²	15% ²	15% ²	0%
Portugal	15% ⁸	30%	30%	30%	0%
Romania	10%	10%	10%	10%	0%
Russia	30%	30%	30%	30%	0%
Slovakia	15% ¹	30%	30%	30%	0%
Slovenia	15% ¹	15% ³	15% ³	15% ³	0%
South Africa	15% ¹	30%	30%	30%	0%
Spain	15% ⁸	30%	30%	30%	0%
Sri Lanka ¹⁴	30%	30%	30%	30%	0%
Sweden	15% ¹	30%	30%	30%	0%
Switzerland	15% ¹	15% ³	0% ¹³	15% ³	0%
Tajikistan	30%	30%	30%	30%	0%
Thailand	15% ⁸	30%	30%	30%	0%
Trinidad and Tobago	25%	25% ⁷	25% ⁷	25% ⁷	0%
Tunisia	20% ⁸	30%	30%	30%	0%
Turkey	20% ¹	30%	30%	30%	0%
Turkmenistan	30%	30%	30%	30%	0%
Ukraine	30%	30%	30%	30%	0%
United Kingdom	15% ¹	15% ³	0% ⁴	15% ³	0%
Uzbekistan	30%	30%	30%	30%	0%
Venezuela	15% ¹	15% ³	0%	15% ³	0%