

iShares FTSE NAREIT Residential Plus Capped Index Fund



All data as of June 30, 2010

Fund Description

The iShares FTSE NAREIT Residential Plus Capped Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the FTSE NAREIT All Residential Capped Index.

Index Description

The FTSE NAREIT All Residential Capped Index measures the performance of the residential real estate, healthcare and self-storage sectors of the U.S. equity market.

On March 2, 2009, the iShares FTSE NAREIT Residential Plus Capped Index Fund (Ticker: REZ) began tracking the FTSE NAREIT All Residential Capped Index.

Fund Performance History as of June 30, 2010

	Quarter	1 Year	3 Year	5 Year	10 Years	Since Fund Inception
Fund	1.30%	57.37%	-7.40%	n/a	n/a	-6.64%
Index	1.45%	58.35%	-7.81%	n/a	n/a	-7.04%
After Tax Held	n/a	55.99%	-8.94%	n/a	n/a	-8.18%
After Tax Sold	n/a	37.26%	-7.09%	n/a	n/a	-6.45%
Market Price Returns	1.42%	57.59%	-7.17%	n/a	n/a	-6.72%

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling toll-free 1-800-iShares (1-800-474-2737) or by visiting www.iShares.com.

After Tax Held Returns represent return after taxes on distributions. Assumes shares have not been sold. After Tax Sold Returns represent the return after taxes on distributions and the sale of fund shares. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. Market returns are based upon the midpoint of the bid/ask spread at 4:00 PM Eastern time (when NAV is normally determined for most iShares Funds), and do not represent the returns you would receive if you traded shares at other times.

Performance information for the Index assumes reinvestment of all income and excludes management fees, transaction costs and expenses. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

Fund Details

Ticker	REZ
Inception Date	05/01/07
Management Fees	0.48%
Acquired Fund Fees & Expenses†	0.00%
Total Annual Fund Operating Expenses	0.48%
IOPV Ticker	REZ.IV

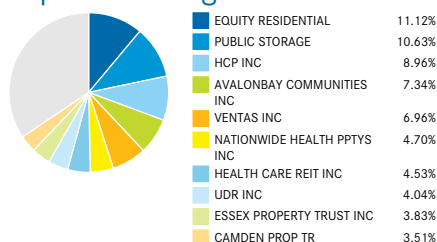
IOPV, or Indicative Optimized Portfolio Value, is a calculation disseminated by the stock exchange that approximates the Fund's NAV every fifteen seconds throughout the trading day.

CUSIP	464288562
Stock Exchange	NYSE Arca
Net Assets	\$43.31 Million
Price To Earnings	45.09
Price To Book	2.36
# of Holdings	33
Beta vs S&P 500	1.04

Beta is a measure of an investment's volatility relative to the market or an asset class. A beta above 1 is more volatile than the market, while a beta below 1 is less volatile. For stocks, the market is usually taken to be the S&P 500 index. Beta is sometimes referred to as systemic risk.

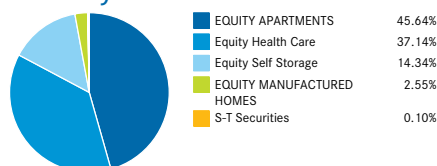
† "Acquired Fund Fees and Expenses" reflect the Fund's pro rata share of the indirect fees and expenses incurred by investing in one or more acquired funds, such as mutual funds, business development companies or other pooled investment vehicles. Acquired Fund Fees and Expenses are reflected in the prices of the acquired funds and thus included in the total returns of the Fund.

Top Ten Holdings



Holdings are subject to change.

Industry Breakdown



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The iShares Funds ("Funds") are distributed by SEI Investments Distribution Co. ("SEI"). BlackRock Fund Advisors ("BFA") serves as the investment advisor to the Funds. BFA is a subsidiary of BlackRock Institutional Trust Company, N.A., neither of which is affiliated with SEI.

Investing involves risk, including possible loss of principal. In addition to the normal risks associated with investing, narrowly focused investments typically exhibit higher volatility. REIT investments are subject to changes in economic conditions, credit risk and interest rate fluctuations.

The iShares Funds are not sponsored, endorsed, issued, sold or promoted by FTSE International Limited ("FTSE") or National Association of Real Estate Investment Trusts ("NAREIT"). None of these companies make any representation regarding the advisability of investing in the Funds. Neither SEI, nor BlackRock Institutional Trust Company, N.A., nor any of their affiliates, are affiliated with the companies listed above.

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Carefully consider the iShares Funds' investment objectives, risk factors and charges and expenses before investing. This and other information can be found in the Funds' prospectuses, which may be obtained by calling 1-800-iShares (1-800-474-2737) or by visiting www.iShares.com. Read the prospectus carefully before investing.

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