

Market Update

A Monthly Performance Report

December 2022

An annus horribilis for the listed property sector

GPR 250 Index falls 21.9% in 2022

- The 2022 calendar year was a tumultuous one, characterized by geopolitical tensions, interest rate hikes and inflation concerns across continents. A turnaround that began in October 2022 turned out to short-lived, leaving the GPR 250 Index with an annual loss of 21.9%. At continental level, Africa (4.7%) was the positive exception as Asia (-2.8%), Oceania (-10.2%), Americas (-24.7%) and Europe (-35.6%) suffered losses. Mexico (17.5%) ranked top spot at national level, Germany (-52.9%) was at the bottom end. The listed property sector underperformed versus equities (-21.9% versus -15.6%) and versus bonds (-21.9% versus -13.0%).

GPR 250 Index	EUR	LOC	USD
Africa	4.7%	4.7%	-1.8%
Americas	-20.0%	-24.7%	-24.9%
Asia	-4.9%	-2.8%	-10.7%
Europe	-37.1%	-35.6%	-41.0%
Oceania	-10.7%	-10.2%	-16.2%
World	-19.3%	-21.9%	-24.3%

Industrial and Residential suffer most

- Most GPR 250 Index sectors posted losses, but Other (7.2%) and Hotel (3.6%) recorded a gain while at the bottom, Industrial (-30.0%) and Residential (-33.2%) suffered most.

GPR 250 Index	EUR	LOC	USD
Diversified	-6.7%	-5.5%	-12.4%
Healthcare	-17.1%	-21.7%	-22.2%
Hotel	6.5%	3.6%	-0.0%
Industrial	-26.9%	-30.0%	-31.4%
Office	-26.5%	-28.5%	-31.0%
Other	14.2%	7.2%	7.2%
Residential	-30.6%	-33.2%	-34.9%
Retail	-4.5%	-8.5%	-10.4%



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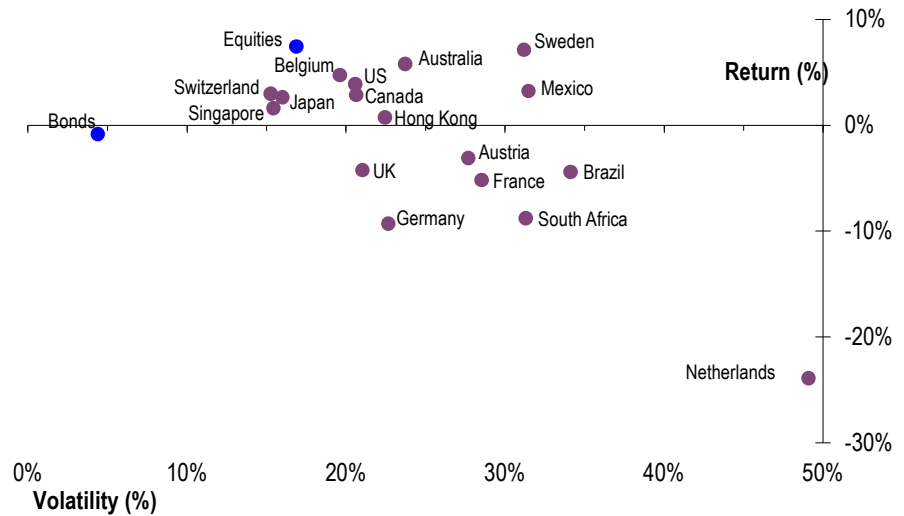
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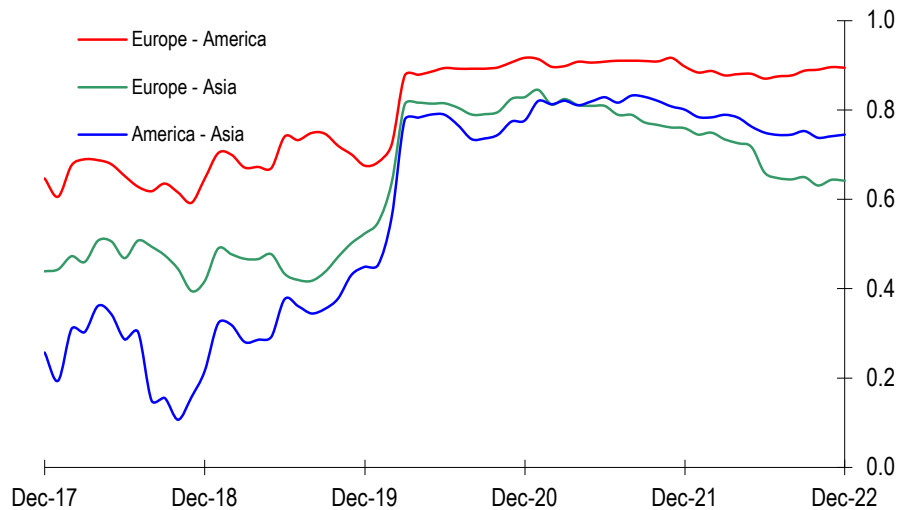
Graph 1:
Continental performance of GPR 250 Index (local returns)



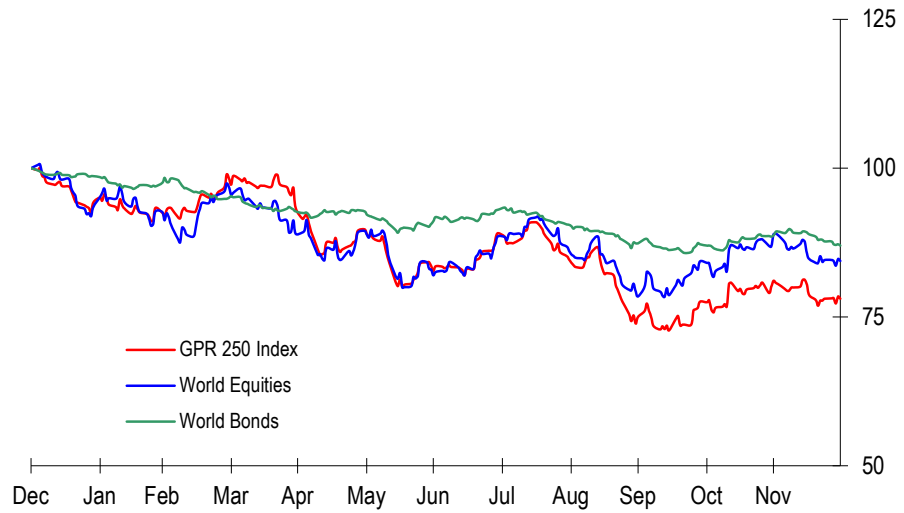
Graph 2:
Return and volatility of the major countries in the GPR 250 Index based on 5 year figures (local currency)



Graph 3:
Rolling 36-month correlation on continental level of the GPR 250 Index (local currency)



Graph 4:
Performance of property shares
to other asset classes (local
returns)



Graph 5:
Rolling 36-months correlation
between different asset classes
(local returns)

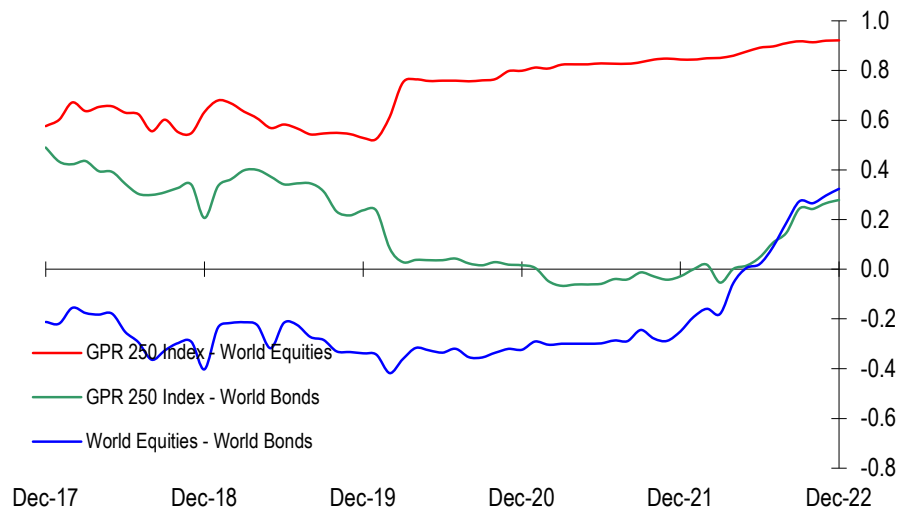


Table 1: Performance of property
shares and other asset classes

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Index	-3.7%	-5.5%	-21.9%	-21.9%	-2.4%	2.0%	0.21
GPR 250 Africa Index	1.8%	23.5%	4.7%	4.7%	-4.6%	-8.8%	0.37
GPR 250 Americas Index	-4.7%	-5.6%	-24.7%	-24.7%	-0.2%	3.8%	0.24
GPR 250 Asia Index	-2.6%	-5.1%	-2.8%	-2.8%	-1.2%	2.0%	0.16
GPR 250 Europe Index	-0.4%	-10.8%	-35.6%	-35.6%	-12.9%	-5.4%	0.24
GPR 250 Oceania Index	-1.5%	6.7%	-10.2%	-10.2%	1.8%	5.8%	0.29
Global Bonds (JP Morgan)	-1.9%	-4.5%	-13.0%	-13.0%	-3.6%	-0.8%	0.05
Global Equities (MSCI)	-5.0%	2.9%	-15.6%	-15.6%	6.3%	7.4%	0.19

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

Neobo Fastigheter AB Demerger Nearly Settled

The GPR 250 Europe Index capped a dismal calendar year with a 0.4% drop in December 2022. None of the underlying countries finished 2022 in the black in local currency terms, with Germany (-52.9%) being the major laggard.

Samhällsbyggnadsbolaget i Norden AB shares in Amasten Fastighets AB were distributed to Samhällsbyggnadsbolaget i Norden AB's class A and class B shareholders, whereby ten (10) class A shares or class B shares entitle to one (1) Amasten Fastighets AB share

Samhällsbyggnadsbolaget i Norden AB resolved to propose that the EGM held on 21 December 2022 resolves to distribute all Samhällsbyggnadsbolaget i Norden AB's shares in the new stand-alone company focused on residential properties, whose parent company will be Amasten Fastighets AB. Samhällsbyggnadsbolaget i Norden AB's shareholders subsequently approved that the Samhällsbyggnadsbolaget i Norden AB shares in Amasten Fastighets AB are distributed to Samhällsbyggnadsbolaget i Norden AB's class A and class B shareholders, whereby ten (10) class A shares or class B shares entitle to one (1) Amasten Fastighets AB share. As previously announced, the intention is to list the Amasten Fastighets AB shares on Nasdaq First North Premier Growth Market in the first quarter of 2023. Amasten Fastighets AB was renamed Neobo Fastigheter AB.

Brookfield Asset Management, Inc.'s Brookfield Super-Core Infrastructure Partners fund has sealed the largest social infrastructure transaction of the calendar year in the Nordics with the acquisition of a 49% stake in Samhällsbyggnadsbolaget i Norden AB's educational portfolio mostly located in Sweden and Norway. The deal is valued at for SEK 9.2bn in cash to be paid up front, plus up to SEK 1.2bn in cash through earn-outs.

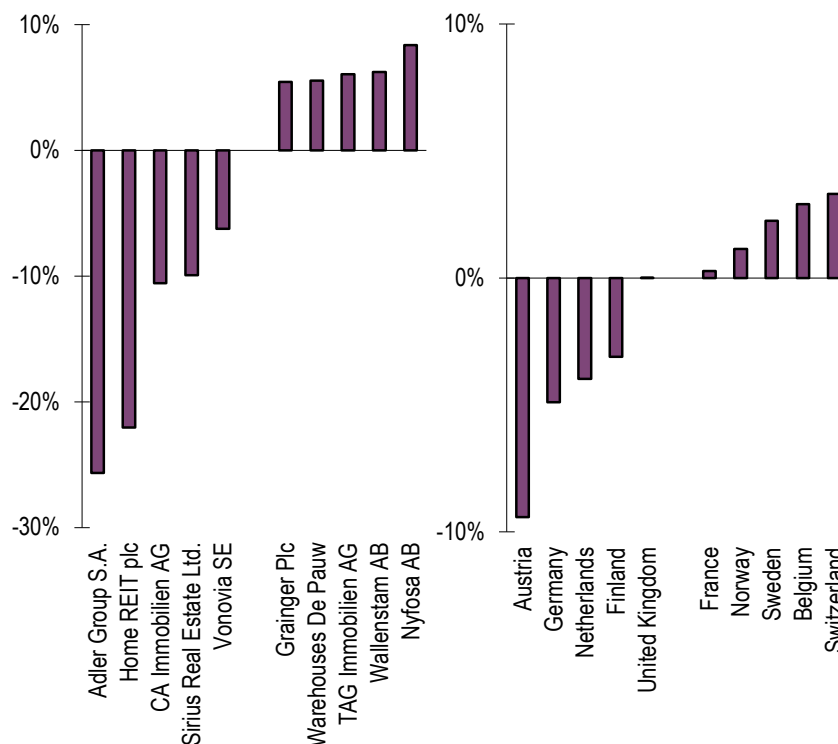
Intervest Offices & Warehouses NV successfully completed a capital increase through an accelerated bookbuilding process, selling 2,657,733 shares priced at EUR 18.50 apiece

Intervest Offices & Warehouses NV successfully completed a capital increase through an accelerated bookbuilding process, selling a maximum 2,657,733 shares, equivalent to 10% of the outstanding capital prior to the capital increase, to international qualified and/or institutional investors priced at EUR 18.50 per share. The newly issued shares were included in the index calculations on 6 December 2022.

Shareholders of Shurgard Self Storage SA approved all proposed resolutions relating to the company's plan to migrate the company to Guernsey and become a UK REIT for its United Kingdom operations in March 2023 as announced on 3 November 2022. As announced earlier, the company's shares will continue to be listed and traded on Euronext Brussels stock exchange.

Custodian REIT plc changed its company name to Custodian Property Income REIT plc with effect from 8 December 2022.

Graph 6:
Top and bottom performing
European companies (local
returns)



Graph 7:
Top and bottom performing
European countries (local
returns)

Table 2:
Long and short-term returns of
European countries (local returns)

TABLE 2. Local Total Returns of European Countries (GPR 250 Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Europe	-0.4%	-10.8%	-35.6%	-35.6%	-12.9%	-5.4%	0.24
Austria	-9.4%	-9.9%	-24.3%	-24.3%	-11.9%	-3.1%	0.33
Belgium	2.9%	-17.1%	-36.1%	-36.1%	-1.8%	4.7%	0.24
Finland	-3.1%	-14.2%	-33.7%	-33.7%	N/A	N/A	N/A
France	0.3%	8.7%	-12.1%	-12.1%	-11.9%	-5.2%	0.35
Germany	-4.9%	-26.1%	-52.9%	-52.9%	-19.7%	-9.3%	0.25
Netherlands	-4.0%	0.0%	-21.1%	-21.1%	-27.7%	-23.9%	0.59
Norway	1.1%	-11.9%	-44.2%	-44.2%	N/A	N/A	N/A
Spain	0.2%	4.1%	-9.1%	-9.1%	-10.7%	-1.3%	0.36
Sweden	2.2%	6.8%	-44.3%	-44.3%	-8.0%	7.1%	0.38
Switzerland	3.3%	-2.0%	-7.8%	-7.8%	-6.8%	3.0%	0.17
United Kingdom	0.0%	-14.6%	-31.9%	-31.9%	-10.6%	-4.2%	0.24
Europe Bonds	-4.2%	-7.3%	-17.4%	-17.4%	-6.1%	-2.7%	0.06
Europe Equities	-2.7%	5.9%	-8.0%	-8.0%	3.7%	4.6%	0.18

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

First Capital REIT Faces Mounting Pressure

The Americas listed property sector ended 2022 in negative territory, with Canada (-3.2%), Brazil (-3.8%), Mexico (-4.2%) and United States (-4.8%) falling in December 2022. The GPR 250 Americas Index recorded an annual total return performance of -24.7%. Mexico (17.5%) and Brazil (6.6%) finished higher while Canada (-17.7%) and United States (-25.2%) declined.

Activist investor Sandpiper Group Holdings Inc. has launched a fight for control at First Capital REIT

Activist investor Sandpiper Group Holdings Inc. has launched a fight for control at First Capital REIT, including replacing its chairman and altering the company's plans to sell assets. Sandpiper Group Holdings Inc. is the investment vehicle of Mr Samir Manji, who has previously launched successful proxy fights at other Canadian property companies, including one that saw him take control of Artis REIT, which owns part of the 9% stake in First Capital REIT. Artis REIT's previous management board accused him of a "smear campaign" but he won the fight, took over as CEO and began to sell assets. Sandpiper Group Holdings Inc. is now turning its attention to First Capital REIT and argued that the management board has overseen a long period of underperformance. Sandpiper Group Holdings Inc. is the second investor to publicly push for changes at First Capital REIT in recent months. Another firm, Ewing Morris & Co., has also sought to replace chairman Mr Bernard McDonell. Ewing Morris & Co. said in October 2022 that changes were necessary to improve the company's performance, refocus its strategy and rein in executive pay.

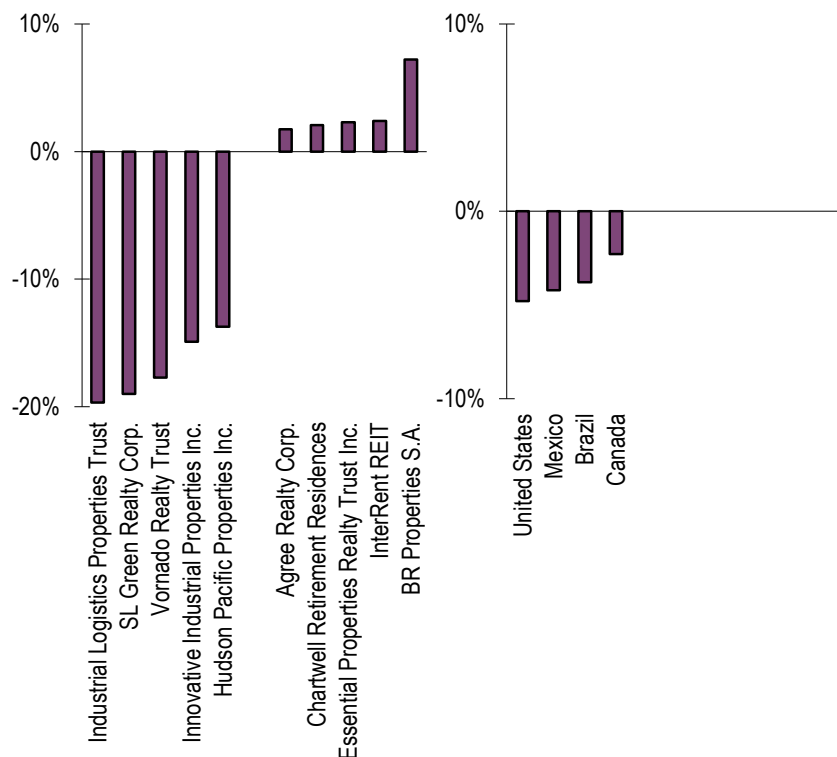
Summit Industrial Income REIT unitholders approved a CAD 23.50 per unit plan of arrangement pursuant to which a joint venture between GIC and Dream Industrial REIT will acquire all of the assets and assume all of the liabilities

Summit Industrial Income REIT announced that at its EGM unitholders voted to approve the previously announced plan of arrangement pursuant to which a joint venture between GIC and Dream Industrial REIT will acquire all of the assets and assume all of the liabilities of Summit Industrial Income REIT and the unitholders will receive CAD 23.50 for each outstanding unit owned in cash by way of a special distribution and a redemption of units, subject to applicable withholdings. Subject to the satisfaction or waiver of all of the conditions to the closing of the plan of arrangement, the plan of arrangement is expected to be completed in the first quarter of 2023.

Aliansce Sonae Shopping Centers S.A. and Br Malls Participações S.A. informed their shareholders and the market in general that the Brazilian Administrative Council for Economic Defense (CADE) approved the merger transaction without restrictions.

Veris Residential Inc.'s management board knocked back another takeover bid from Kushner Cos., saying it wanted a higher share price and more insight into the financing sources the company would use for the acquisition. Veris Residential Inc.'s management board said that the USD 18.50 per share takeover offer would continue to undervalue the company.

Graph 8:
Top and bottom performing
American companies (local
returns)



Graph 9:
Top and bottom performing
American countries (local
returns)

Table 3:
Long and short-term returns of
American countries (local
returns)

TABLE 3. Local Total Returns of American Countries (GPR 250 Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Americas	-4.7%	-5.6%	-24.7%	-24.7%	-0.2%	3.8%	0.24
Brazil	-3.8%	7.4%	6.6%	6.6%	-18.7%	-4.4%	0.37
Canada	-2.3%	0.5%	-17.7%	-17.7%	-1.8%	2.9%	0.26
Mexico	-4.2%	20.3%	17.5%	17.5%	-0.5%	3.2%	0.34
United States	-4.8%	-6.0%	-25.2%	-25.2%	0.0%	3.9%	0.24
North American Bonds	-0.7%	-3.6%	-12.2%	-12.2%	-2.5%	0.0%	0.06
North American Equities	-5.8%	2.2%	-18.8%	-18.8%	7.5%	9.2%	0.21

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

China To Expand REITs Pilot Programme

Africa (1.8%) was up in December 2022, while Oceania (-1.5%) and Asia (-2.6%) declined. Africa (4.7%) also finished the calendar year higher, whereas both Asia (-2.8%) and Oceania (-10.2%) were in negative territory.

The Securities and Exchange Board of India (Sebi) is planning to allow "micro" real estate investment trusts (REITs), according to a senior official, to bring a wider set of property companies to the nascent market as India emerges from a pandemic-induced lull

The Securities and Exchange Board of India (Sebi) is planning to allow "micro" real estate investment trusts (REITs), according to a senior official, to bring a wider set of property companies to the nascent market as India emerges from a pandemic-induced lull. According to newspaper article, the regulator is considering reducing the size of REITs, allowing them to hold just a single asset or a diversified portfolio, to increase supply and flexibility for investors. The possibility that Sebi may lower the minimum has not been reported previously. Sebi's plan comes amid a sweetening post-pandemic outlook for Indian commercial properties, with demand and prices expected to rise steadily over the next few years, as employees head back to offices and shoppers flock to malls.

Nippon Prologis REIT, Inc. issued 76,570 investment units (as well as 3,830 investment units in a secondary offering) in a private placement priced at JPY 318,990 apiece with the newly issued investment units being included in the index calculations on 16 December 2022. The company will use the proceeds from the private placement to partially fund the acquisition of the *Prologis Park Inagawa 1*, *Prologis Park Kobe 3* and *Prologis Park Ogori* properties.

China will expand the pilot scheme for REITs to cover more fields, with the efforts to be expedited to develop REITs products in new energy, water conservancy, new infrastructure, and other infrastructure fields

China will expand the pilot scheme for real estate investment trusts (REITs) to cover more fields, with the efforts to be expedited to develop REITs products in new energy, water conservancy, new infrastructure, and other infrastructure fields. Moreover, China will accelerate the development of affordable rental housing projects via REITs, and reportedly mull expanding the REITs pilot programme to cover market-oriented long-term rental and commercial property sectors.

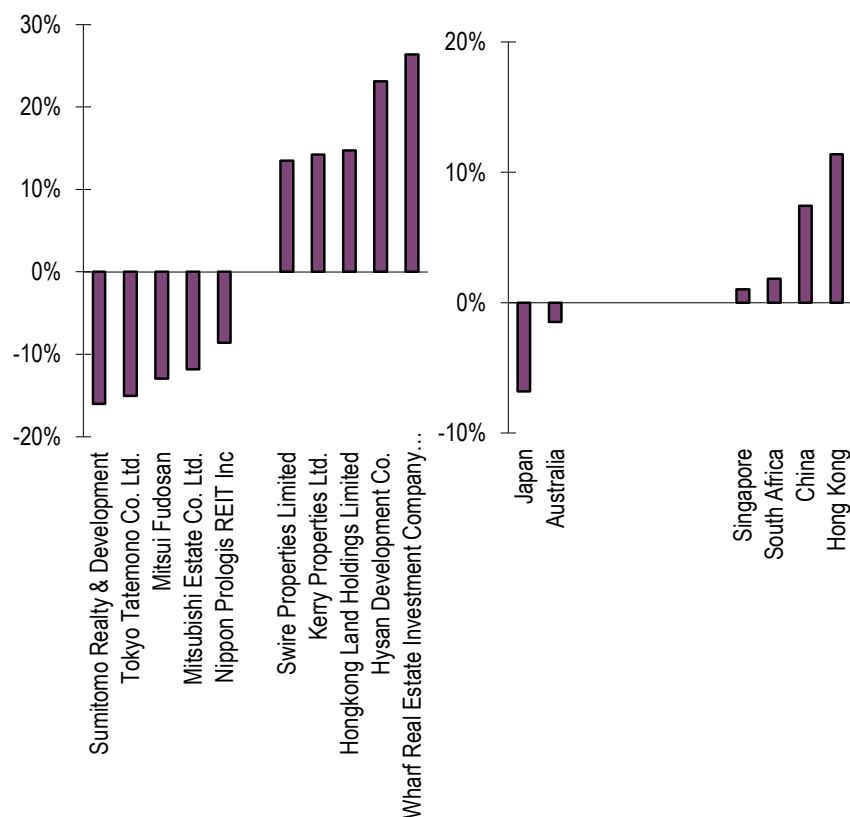
Country Garden Holdings Company Limited sold 1,780,000,000 shares in a private placement priced at HKD 2.70 per share, with the company considering that the private placement represents an opportunity to raise capital for the company while broadening its shareholder base and capital base. The private placement will strengthen the financial position and liquidity of Country Garden Holdings Company Limited and provide funding for refinancing existing offshore indebtedness and general working capital. The newly issued shares started trading on 14 December 2022.

Fortress REIT Limited will change its company name to Fortress Real Estate Investments Limited with effect from 4 January 2023.

AFRICA, ASIA & OCEANIA – DATA

December 2022

Graph 10:
Top and bottom performing
Asian and Oceanian
companies (local returns)



Graph 11:
Top and bottom performing
Asian and Oceanian countries
(local returns)

Table 4:
Long and short-term
performance of African, Asian
and Oceanian countries (local
returns)

TABLE 4. Local Total Returns of African, Asian and Oceanian Countries (GPR 250 Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Africa	1.8%	23.5%	4.7%	4.7%	-4.6%	-8.8%	0.37
Asia	-2.6%	-5.1%	-2.8%	-2.8%	-1.2%	2.0%	0.16
Oceania	-1.5%	6.7%	-10.2%	-10.2%	1.8%	5.8%	0.29
Australia	-1.5%	6.7%	-10.2%	-10.2%	1.8%	5.8%	0.29
China	7.4%	-11.6%	-7.8%	-7.8%	N/A	N/A	N/A
Hong Kong	11.4%	-0.6%	0.0%	0.0%	0.2%	0.7%	0.26
Japan	-6.8%	-5.6%	-2.3%	-2.3%	-1.3%	2.6%	0.18
Singapore	1.0%	-5.8%	-5.5%	-5.5%	-1.1%	1.6%	0.17
South Africa	1.8%	23.5%	4.7%	4.7%	-4.6%	-8.8%	0.37
Japan Bonds	-0.7%	-3.6%	-12.2%	-12.2%	-2.5%	0.0%	0.06
Australia Bonds	-2.5%	-0.5%	-10.6%	-10.6%	-3.4%	0.5%	0.06
Asia Pacific Equities	-3.5%	3.2%	-3.4%	-3.4%	4.9%	4.0%	0.15

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

GPR 250 REIT INDEX – DATA

December 2022

Graph 12:
Rolling 36-months correlation
between different asset classes
(local returns)

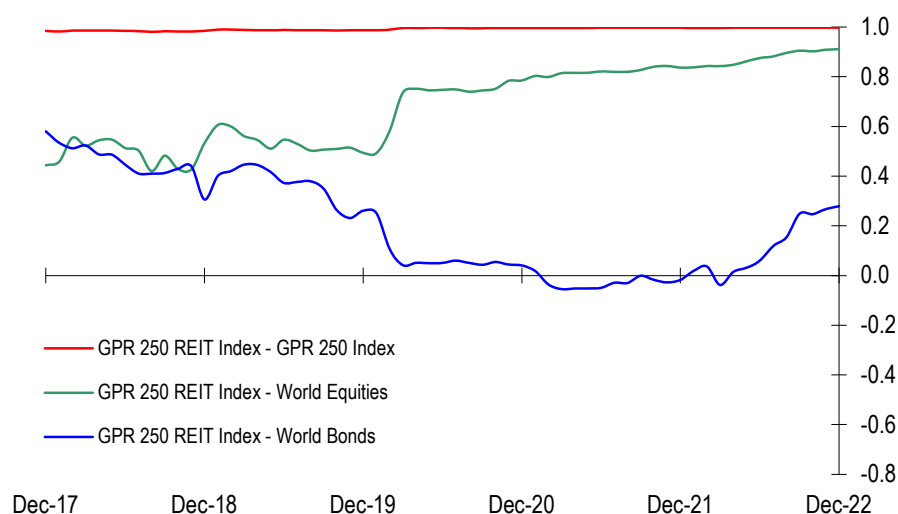


Table 5:
Long and short-term returns of
of REITs

TABLE 5. Local Total Returns of REITs (GPR 250 REIT Index)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Global	-3.8%	-5.0%	-22.3%	-22.3%	-1.4%	2.9%	0.23
Africa	3.1%	22.9%	4.2%	4.2%	-6.5%	-9.4%	0.41
Americas	-4.7%	-5.5%	-24.8%	-24.8%	-0.1%	3.9%	0.24
Asia	-1.8%	-3.8%	-6.5%	-6.5%	-1.4%	5.1%	0.16
Europe	-0.1%	-9.5%	-27.8%	-27.8%	-13.1%	-7.2%	0.28
Oceania	-1.5%	6.7%	-10.2%	-10.2%	1.8%	5.8%	0.29
Australia	-1.5%	6.7%	-10.2%	-10.2%	1.8%	5.8%	0.29
Belgium	2.9%	-15.2%	-34.7%	-34.7%	-1.1%	5.2%	0.23
Canada	-2.5%	1.6%	-17.4%	-17.4%	-1.3%	4.4%	0.25
China	-0.9%	0.9%	-1.1%	-1.1%	N/A	N/A	N/A
France	0.3%	8.7%	-12.1%	-12.1%	-11.9%	-5.2%	0.35
Hong Kong	9.1%	-7.9%	-12.2%	-12.2%	-7.4%	-0.7%	0.27
Japan	-3.8%	-2.2%	-5.1%	-5.1%	-0.4%	6.5%	0.18
Mexico	-4.2%	20.3%	17.5%	17.5%	-0.5%	3.2%	0.34
Netherlands	-4.0%	0.0%	-21.1%	-21.1%	-27.7%	-23.9%	0.59
Singapore	-0.5%	-6.2%	-7.0%	-7.0%	-0.8%	4.0%	0.17
South Africa	3.1%	22.9%	4.2%	4.2%	-6.5%	-9.4%	0.41
Spain	0.2%	4.1%	-9.1%	-9.1%	-10.7%	-1.3%	0.38
United Kingdom	-0.2%	-14.8%	-32.4%	-32.4%	-10.4%	-3.8%	0.25
United States	-4.8%	-5.9%	-25.2%	-25.2%	0.0%	3.9%	0.24

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

GPR 15 Index serves as a representative benchmark for the European market

As of 30 June 2000, Global Property Research has launched the GPR 15 Index. The index tracks the performances of the 15 most liquid European property companies taking into account the country weight of the GPR 250 Europe Index. It covers around 55% of the European market in terms of market capitalization. The number of stocks per company is fixed, so it is easy for investors to hedge the portfolio. The correlation between the GPR 15 Index and the GPR 250 Europe Index is about 0.99 over the past three years and since inception.

	<i>Country</i>	<i>Company</i>	<i>Weight</i>
1	Belgium	Warehouses De Pauw	5.69%
2	France	Klepierre	5.65%
3	Germany	Aroundtown SA	2.73%
4	Germany	LEG Immobilien AG	5.69%
5	Germany	Vonovia SE	21.55%
6	Netherlands	Unibail-Rodamco-Westfield	9.23%
7	Spain	MERLIN Properties SOCIMI S.A.	3.88%
8	Sweden	Castellum AB	4.18%
9	Sweden	Neobo Fastigheter AB	0.27%
10	Sweden	Samhällsbyggnadsbolaget i Norden B	2.32%
11	Switzerland	Swiss Prime Site	8.37%
12	United Kingdom	British Land Company Plc	4.85%
13	United Kingdom	Land Securities Plc	6.69%
14	United Kingdom	LondonMetric Property Plc	2.39%
15	United Kingdom	Segro Plc	12.75%
16	United Kingdom	Tritax Big Box REIT plc	3.77%

Global Property Research has observed the following changes in the GPR 250

- Global Property Research added Neobo Fastigheter AB (Sweden) to the GPR 250 Indices and the General Indices as from 27 December 2022 following the demerger of Samhällsbyggnadsbolaget i Norden AB - Class B (Sweden).

Global Property Research will adjust the constituents of the GPR 250 Index and the GPR 250 REIT Index on a quarterly basis. The table below summarizes the inclusions and exclusions of the GPR 250 Index and the GPR 250 REIT Index (indicated with an asterisk), which have become effective as of 19 December 2022.

<i>Inclusions</i>		<i>Exclusions</i>	
Singapore	Lendlease Global Commercial REIT *	Japan	MIRAI Corp *
United Kingdom	Home REIT plc *	Japan	SOSiLA Logistics REIT, Inc. *
United Kingdom	Urban Logistics REIT Plc *	United States	Ashford Hospitality Trust *
United States	InvenTrust Properties Corp. *	United States	Orion Office REIT Inc. *
United States	Kennedy-Wilson Holdings Inc.		

Global Property Research has observed the following changes in the GPR General

-

Global Property Research has observed the following changes in the GPR General

Global Property Research will adjust the constituents of the GPR General Index on a monthly basis, further to chapter 7 of the GPR Index Construction & Maintenance Procedures. The table below summarizes the inclusions and exclusions of the GPR General Index and the GPR General Quoted Index, which have become effective as of 1 January 2023. Open-ended funds, which are indicated with an asterisk, are not part of the GPR General Quoted Index.

<i>Inclusions</i>		<i>Exclusions</i>	
		Malaysia	Al-Salam REIT
		United States	New York City REIT Inc

GPR Indices on Data Systems

Bloomberg: GPRI <GO>

DeltaOne Solutions: Search for “GPR”

EcoWin: Graphics: Select Country → Stock Market
Pro: Financial Database → Select Country → Equity Indices → GPR
Graphics and Pro: text search “GPR”

FactSet Research Systems, Inc.: Structured as: GPCC# , where
CC is country code
is currency (*LOC* for local; *EUR* for euro; *USD* for US dollar)

Financial Express: Search for “GPR”

Fininfo: Search for “GPR”

Macrobond Financial Search for “GPR”

Morningstar, Inc.: Search for “GPR”

Reuters: NXT/Indices9 (in quote browser window)
0#.GPR (in quote browser window)

Rimes Technologies Ltd.: Search for “Global Property Research”

StatPro Search for “GPR”

ThomsonReuters/Datastream: Mnemonics structured as: GPRXCC# , where
X is 2 for GPR 250 or G for GPR General
CC is country code
is currency (*L* for local; *E* for euro; *\$* for US dollar)

ThomsonReuters/Vestek: Search for “GPR”

ThomsonReuters/EIKON: Search for “GPR”

Wilshire Associates, Inc.: Search for “GPR”

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