

# Market Update

A Monthly Performance Report

July 2023

## European listed real estate sector rises nearly 10%

### GPR 250 Index adds 3.3% in July 2023

- The GPR 250 Index (3.3%) posted a consecutive gain in July 2023, with the European listed real estate sector putting out a strong performance (9.7%). Admittedly, the other continents contributed positively too, with wins for Oceania (4.6%), Africa (2.7%), Americas (2.6%) and Asia (1.8%). At national level, Germany (18.4%) and Sweden (13.5%) were the biggest contributors, with only Brazil (-2.7%) on the negative side.

### Life Storage, Inc. announces closing of merger

- After announcing merger plans in April 2023, Extra Space Storage completed the acquisition of Life Storage, Inc. The merger of two industry-leading platforms gives Extra Space Storage the title of the biggest self-storage operator by store count, adding over 1,200 new locations and bringing the new combined company store count to 3,500 properties across 43 states. Under the terms of the agreement, Life Storage, Inc. shareholders received 0.8950 Extra Space Storage shares for each (1) Life Storage, Inc. share owned. Extra Space Storage and Life Storage, Inc. shareholders are expected to own approximately 65% and 35% of the combined company, respectively.

### The UNITE Group plc raised GBP 300m

- The UNITE Group plc has raised GBP 300m through a placing, subscription and retail offer of shares to fund two new development schemes. The company sold 32,693,930 shares priced at 905.00 pence per share.

### Shanghai Bailian plans shopping mall REIT IPO

- Chinese state-owned Shanghai Bailian, is poised to make China's first public offering of a shopping mall REIT. The company plans to seed the trust with its *Shanghai Festival Walk* shopping centre project, located in Shanghai's Yangpu District (China).



For further information:

**Jeroen Vreeker**

E: [j.vreeker@gpr.nl](mailto:j.vreeker@gpr.nl)

M: +31 6 51189481

**Floris van Dorp**

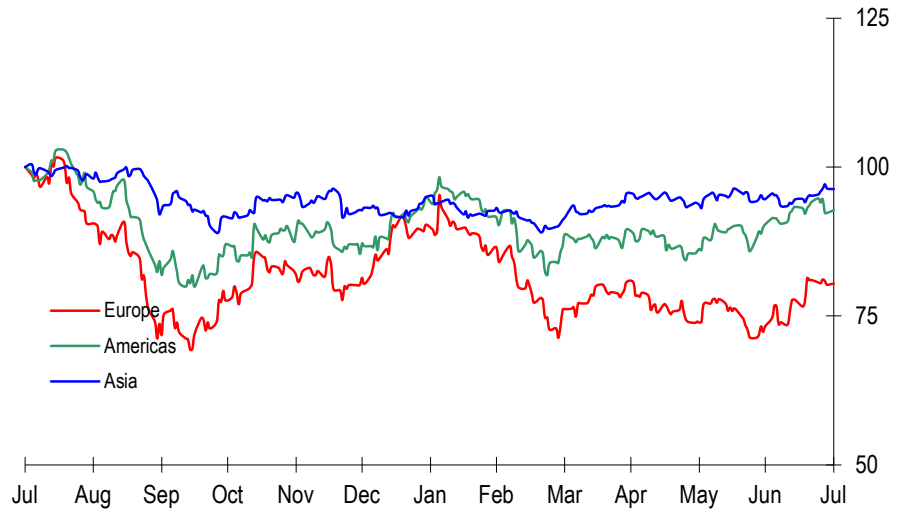
E: [f.van.dorp@gpr.nl](mailto:f.van.dorp@gpr.nl)

M: +31 6 45456211

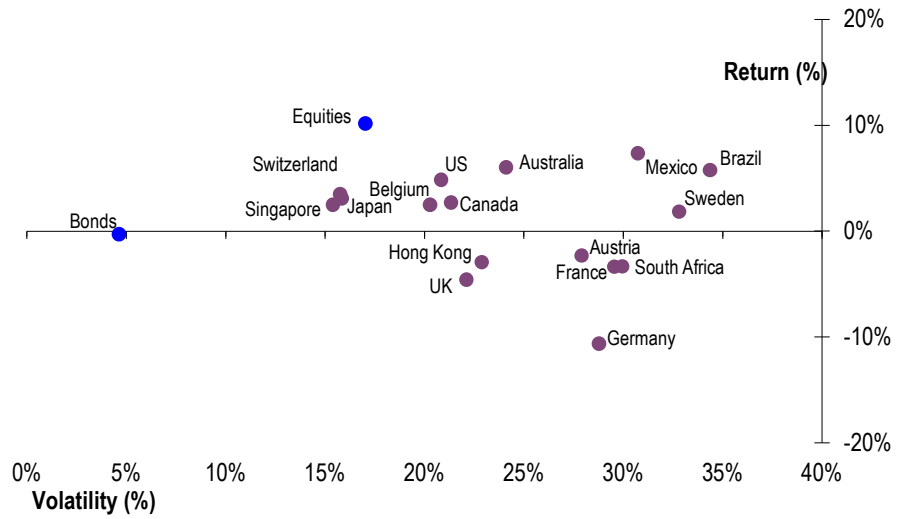
Global Property Research  
World Trade Center Amsterdam  
Strawinskylaan 1327, B1305  
1077 XW Amsterdam  
The Netherlands  
E: [info@gpr.nl](mailto:info@gpr.nl)

[www.globalpropertyresearch.com](http://www.globalpropertyresearch.com)

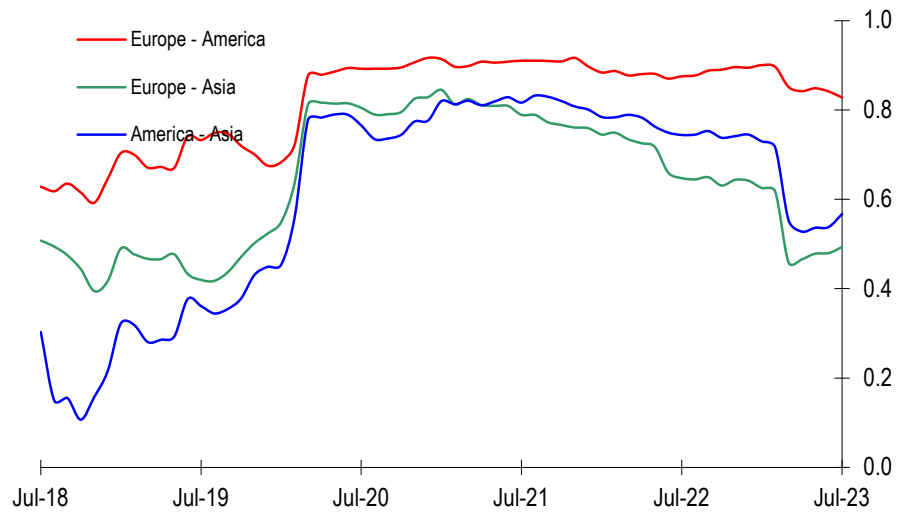
Graph 1:  
Continental performance of GPR 250 Index (local returns)



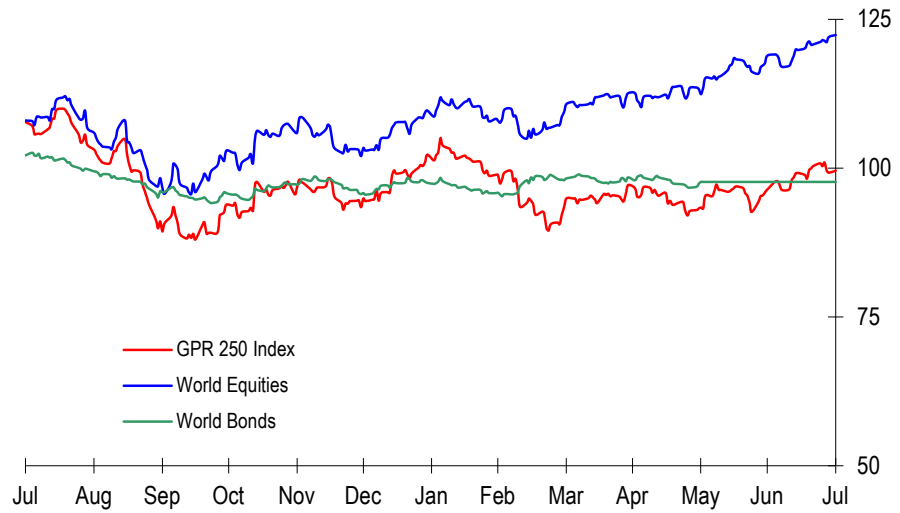
Graph 2:  
Return and volatility of the major countries in the GPR 250 Index based on 5 year figures (local currency)



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)

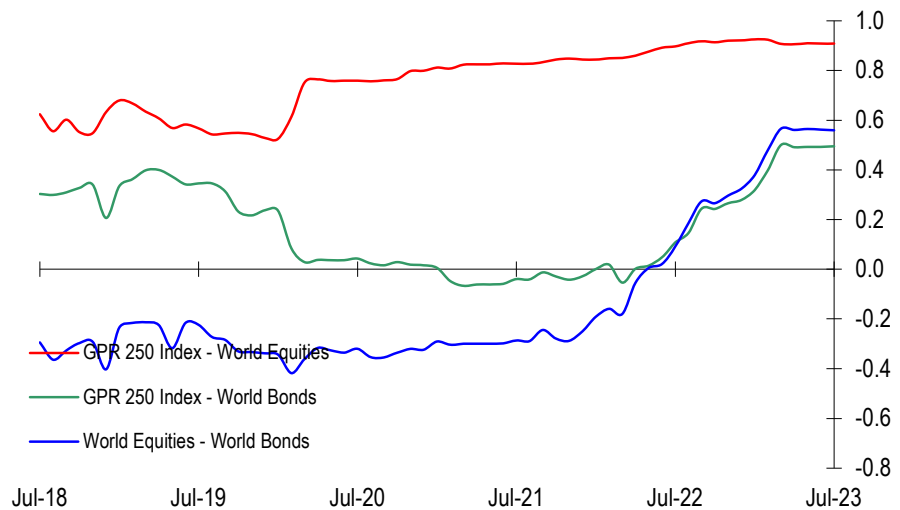


Table 1: Performance of property  
shares and other asset classes

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Index	3.3%	-2.5%	5.4%	-7.6%	6.4%	2.6%	0.17
GPR 250 Africa Index	2.7%	-1.2%	-1.6%	12.4%	11.7%	-3.3%	0.27
GPR 250 Americas Index	2.6%	-3.0%	6.9%	-7.3%	8.5%	4.8%	0.20
GPR 250 Asia Index	1.8%	2.7%	3.4%	-3.7%	8.2%	2.0%	0.12
GPR 250 Europe Index	9.7%	-9.2%	0.1%	-19.6%	-6.3%	-6.2%	0.24
GPR 250 Oceania Index	4.6%	-0.1%	5.2%	2.3%	11.4%	6.0%	0.20
Global Bonds (JP Morgan)	0.0%	0.2%	2.2%	-4.4%	-4.8%	-0.3%	0.05
Global Equities (MSCI)	2.9%	11.6%	18.9%	13.3%	13.3%	10.2%	0.16

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

### The UNITE Group Plc Raised GBP 300m

In July 2023, there was some more cheerful news to report about the European listed real estate sector as the GPR 250 Europe Index recorded a 9.7% gain. Nine of nine countries contributed positively last month, with Germany (18.4%) and Sweden (13.5%) as biggest winners.

*The UNITE Group plc has raised GBP 300m through a placing, subscription and retail offer of shares to fund two new development schemes*

The UNITE Group plc has raised GBP 300m through a placing, subscription and retail offer of shares to fund two new development schemes. The company sold 32,693,930 shares priced at 905.00 pence per share. Proceeds will be used to commit to two additional development schemes in Bristol and London, both United Kingdom, and accelerate asset management initiatives through a further GBP 50m of projects for delivery in 2024 and 2025. The newly issued shares were included in the index calculations on 28 July 2023.

Wellness Unity Limited, a wholly-owned indirect subsidiary of CK Asset Holdings Limited, announced that the 80.00 pence per share takeover offer for Civitas Social Housing PLC had been declared unconditional, with the cancellation of listing and trading of the Civitas Social Housing PLC shares expected to be on 4 August 2023.

*Carmila SA has signed an agreement with the controlling shareholders of Galimmo SCA to acquire 93% of the latter company's capital*

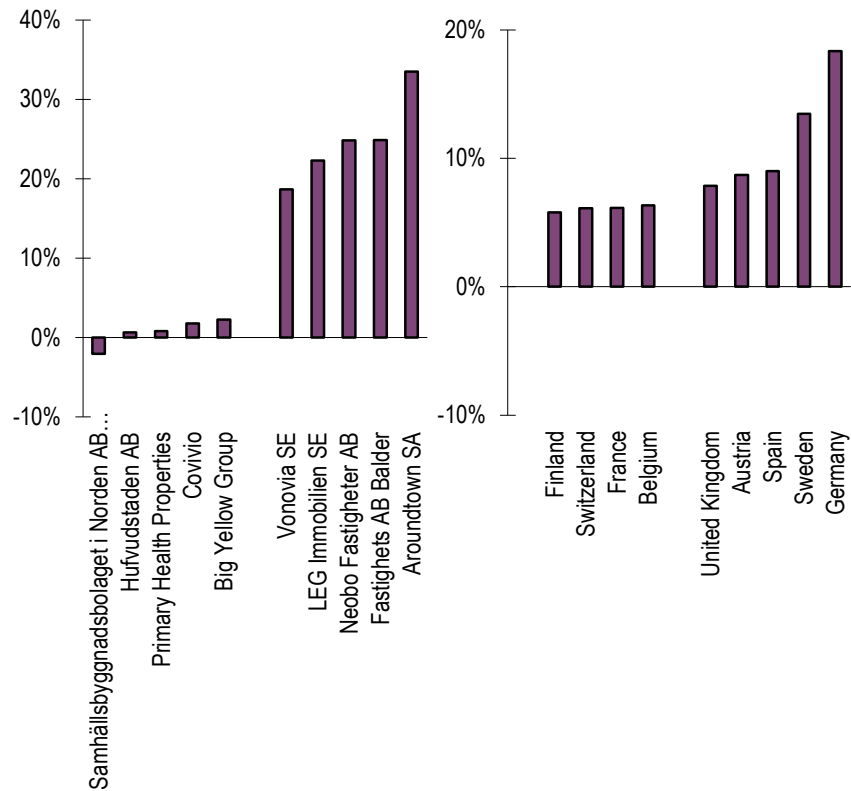
Carmila SA has signed an agreement with the controlling shareholders of Galimmo SCA to acquire 93% of the latter company's capital. Galimmo SCA owns and operates 52 shopping centres in France, all anchored to Cora hypermarkets. The potential acquisition of Galimmo SCA will be completed simultaneously with the acquisition of Cora France by Carrefour. Galimmo SCA's 52 assets, mostly located in the northeast of France, were valued at EUR 688m at the end of December 2022. The sites will be managed according to the existing and successful rules of the Carrefour/Carmila SA ecosystem.

WDP's Dutch branch has recently received its corporation tax assessment for the 2021 accounting year, following the previous submission of its tax return under the Dutch FBI regime. This confirms that the company has met all the requirements set for FBIs for the 2021 accounting year. On that basis, and with the facts and circumstances remaining unchanged for the time being, WDP concludes that the company continues to meet all conditions under the current legislative framework. At present, WDP expects that the Dutch FBI regime will remain applicable for the 2022, 2023 and 2024 accounting years before lapsing, given the Dutch government's intention to exclude real estate from the Dutch FBI regime as of 1 January 2025 through a legislative amendment.

# EUROPE – DATA

July 2023

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	9.7%	-9.2%	0.1%	-19.6%	-6.3%	-6.2%	0.24
Austria	8.7%	15.7%	18.2%	1.6%	11.2%	-2.3%	0.28
Belgium	6.3%	-6.8%	-0.4%	-24.5%	-4.4%	2.5%	0.24
Finland	5.8%	-30.1%	-28.3%	-43.0%	-21.2%	N/A	0.26
France	6.1%	-3.7%	7.3%	0.6%	6.0%	-3.3%	0.31
Germany	18.4%	-14.0%	0.8%	-31.7%	-20.2%	-10.6%	0.33
Spain	9.0%	-4.9%	0.6%	-6.8%	6.0%	-3.9%	0.30
Sweden	13.5%	-13.6%	-4.7%	-16.7%	-3.6%	1.8%	0.38
Switzerland	6.1%	2.4%	5.7%	-0.5%	3.2%	3.1%	0.15
United Kingdom	7.9%	-8.9%	-1.3%	-23.0%	-2.5%	-4.6%	0.23
Europe Bonds	0.0%	0.2%	2.2%	-9.2%	-6.3%	-2.4%	0.07
Europe Equities	1.5%	5.4%	12.8%	12.6%	12.9%	6.4%	0.15

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

## Life Storage, Inc. Announces Closing Of Merger

Powered by optimism surrounding softening inflation, the GPR 250 Americas Index added 2.6% in July 2023, attributable to wins for Mexico (Fibra Uno Administracio SA; 0.6%), Canada (2.3%) and heavyweight United States (2.6%). Brazil made an opposite move and lost 2.7%.

*Under the terms of the agreement, Life Storage, Inc. shareholders received 0.8950 Extra Space Storage shares for each (1) Life Storage, Inc. share owned*

After announcing merger plans in April 2023, Extra Space Storage completed the acquisition of Life Storage, Inc. The merger of two industry-leading platforms gives Extra Space Storage the title of the biggest self-storage operator by store count, adding over 1,200 new locations and bringing the new combined company store count to 3,500 properties across 43 states. Under the terms of the agreement, Life Storage, Inc. shareholders received 0.8950 Extra Space Storage shares for each (1) Life Storage, Inc. share owned. Extra Space Storage and Life Storage, Inc. shareholders are expected to own approximately 65% and 35% of the combined company, respectively.

*Public Storage Inc. entered a deal to buy Simply Self Storage from Blackstone Real Estate Income Trust for USD 2.2bn*

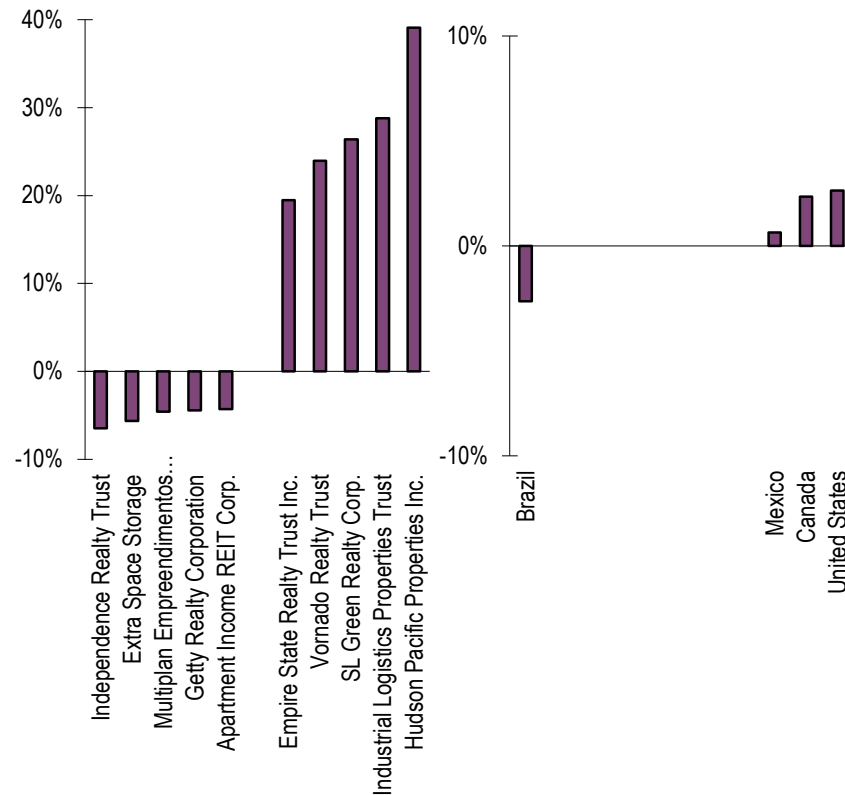
Public Storage Inc. entered a deal to buy Simply Self Storage from Blackstone Real Estate Income Trust for USD 2.2bn. Public Storage Inc., will expand further through Simply Self Storage 's portfolio, which comprises 127 wholly-owned properties spread across 18 states and in highly populated markets. The deal is expected to close in the third quarter of 2023.

Global Net Lease Inc.'s proposed merger with The Necessity Retail REIT Inc. has passed an important milestone as the Securities and Exchange Commission declared effective the companies' relevant filings. Both Global Net Lease, Inc. and The Necessity Retail REIT, Inc. have fixed dates for their respective EGMs to approved the proposed merger, which will be held on 8 September 2023.

# AMERICAS – DATA

July 2023

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	2.6%	-3.0%	6.9%	-7.3%	8.5%	4.8%	0.20
Brazil	-2.7%	26.7%	35.6%	37.7%	7.6%	5.8%	0.30
Canada	2.3%	-5.7%	4.6%	-0.8%	8.8%	2.7%	0.19
Mexico	0.6%	4.7%	16.3%	34.6%	21.8%	7.4%	0.25
United States	2.6%	-3.0%	6.9%	-7.8%	8.5%	4.8%	0.20
North American Bonds	0.0%	-0.1%	2.5%	-2.8%	-4.9%	0.8%	0.05
North American Equities	3.4%	13.1%	20.6%	13.0%	13.2%	11.9%	0.18

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

### Shanghai Bailian Plans Shopping Mall REIT IPO

Asia (1.8%), Africa (2.7%) and Oceania (4.6%) all advanced in July 2023, with also none of the Asian countries in negative territory.

*ESR Group, the sponsor of Sabana Industrial REIT, has filed a court application to prevent activist investor Quarz Capital ASIA (Singapore) Pte. Limited from convening an upcoming EGM*

ESR Group, the sponsor of Sabana Industrial REIT, has filed a court application to prevent activist investor Quarz Capital ASIA (Singapore) Pte. Limited from convening an upcoming EGM. Quarz Capital ASIA (Singapore) Pte. Limited had requisitioned the EGM, which was slated to take place on 4 August 2023, to vote on two resolutions. The first would be for the removal of the company's manager Sabana Real Estate Investment Management (SREIM), while the second concerns the internalization of the REIT management function of Sabana Industrial REIT. According to the bourse filing, ESR Group – which is also the owner of SREIM – has filed an originating application to the High Court that the EGM requisitioned to vote on the two proposed resolutions is “invalid and/or ineffectual”. This is on the grounds, first, that the second resolution being proposed as an ordinary resolution is reportedly “in breach of the trust deed constituting Sabana Industrial REIT. Second, the first resolution is “being proposed as a stand-alone resolution and not contingent on the passing of Resolution 2”, and “does not accord with the requisition, which is for the purpose of internalization of Sabana Industrial REIT”. Third, the requisition “contains false and/or misleading statements”, SREIM added. No date has been scheduled yet for the hearing of the originating application.

*Liberty Two Degrees Limited and Liberty Group Limited entered into an implementation agreement in terms of which Liberty Two Degrees Limited will propose a scheme of arrangement between the company and its shareholders*

Liberty Two Degrees Limited and Liberty Group Limited entered into an implementation agreement in terms of which Liberty Two Degrees Limited will propose a scheme of arrangement between the company and its shareholders. Pursuant to the scheme of arrangement, if implemented, Liberty Group Limited will acquire all of the targeted company's issued shares, excluding shares already owned, in exchange for a cash consideration of ZAR 5.55 per share.

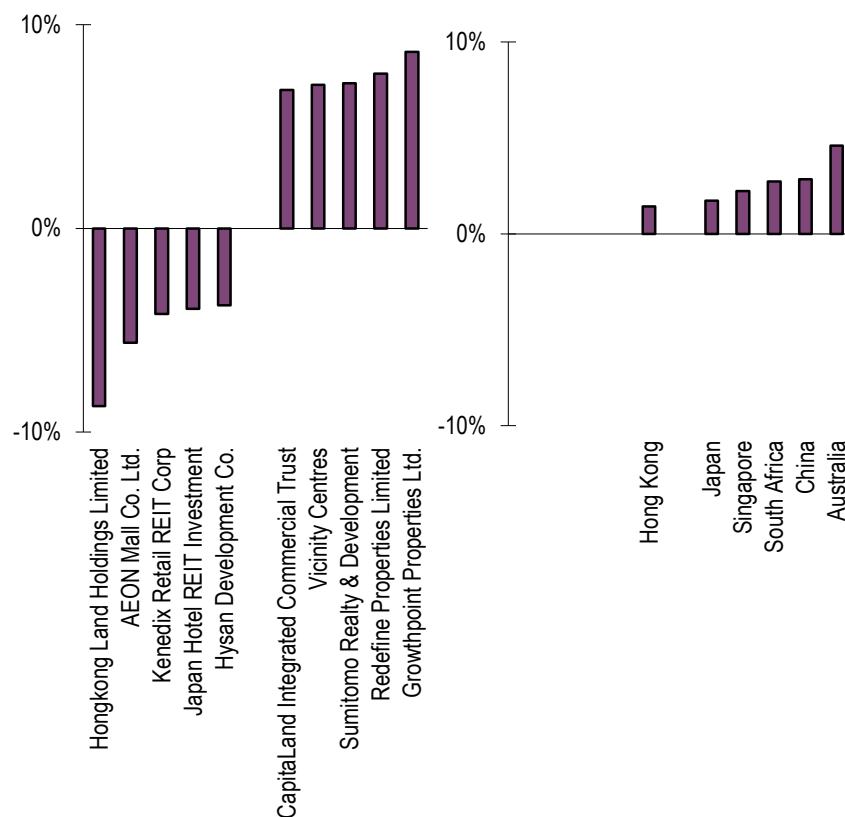
Chinese state-owned Shanghai Bailian, is poised to make China's first public offering of a shopping mall REIT. The company plans to seed the trust with its *Shanghai Festival Walk* shopping centre project, located in Shanghai's Yangpu District (China). The company's CNY 80bn property portfolio, includes department stores, supermarkets, shopping malls, convenience stores and speciality retail outlets. Shanghai Bailian said the IPO was still in the “application stage”, which meant it needed to be reviewed and approved by relevant regulatory agencies. Since the first batch of C-REITs, consisting mostly of infrastructure and logistics-industrial parks, were listed, Chinese authorities have allowed companies owning rental property to go public. So far, 25 REITs have been listed on the Shanghai and Shenzhen stock exchanges. Collectively, they had raised more than CNY 80bn as of the end of February 2023.



# AFRICA, ASIA & OCEANIA – DATA

July 2023

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	2.7%	-1.2%	-1.6%	12.4%	11.7%	-3.3%	0.27
Asia	1.8%	2.7%	3.4%	-3.7%	8.2%	2.0%	0.12
Oceania	4.6%	-0.1%	5.2%	2.3%	11.4%	6.0%	0.20
Australia	4.6%	-0.1%	5.2%	2.3%	11.4%	6.0%	0.20
China	2.9%	-12.2%	0.7%	-3.4%	N/A	N/A	N/A
Hong Kong	1.4%	-16.0%	-12.8%	-12.2%	3.2%	-2.9%	0.23
Japan	1.7%	10.4%	8.5%	-0.3%	11.5%	3.5%	0.13
Singapore	2.2%	-3.6%	2.2%	-6.3%	2.4%	2.5%	0.13
South Africa	2.7%	-1.2%	-1.6%	12.4%	11.7%	-3.3%	0.27
Japan Bonds	0.0%	-0.1%	2.5%	-2.8%	-4.9%	0.8%	0.05
Australia Bonds	0.0%	0.5%	3.6%	-0.6%	-3.6%	0.8%	0.07
Asia Pacific Equities	1.9%	12.3%	18.0%	17.6%	15.3%	7.6%	0.12

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

## GPR 250 REIT INDEX – DATA

July 2023

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

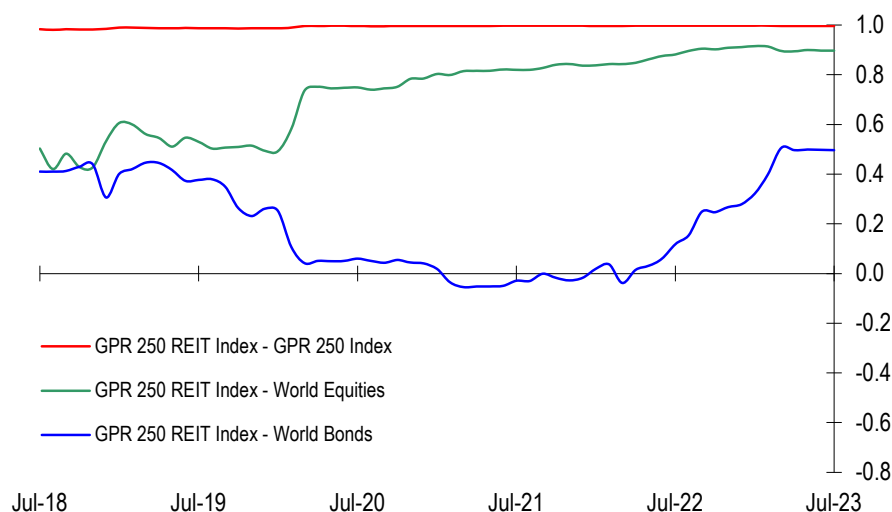


Table 5:  
Long and short-term returns of  
of REITs

**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	2.9%	-3.0%	5.3%	-7.7%	7.4%	3.5%	0.18
Africa	8.4%	-5.5%	-9.3%	1.2%	9.2%	-6.6%	0.30
Americas	2.6%	-3.1%	6.8%	-7.4%	8.5%	4.8%	0.20
Asia	1.6%	-0.3%	0.1%	-6.6%	4.8%	3.6%	0.11
Europe	7.2%	-8.4%	0.4%	-18.1%	-0.1%	-7.1%	0.24
Oceania	4.6%	-0.1%	5.2%	2.3%	11.4%	6.0%	0.20
Australia	4.6%	-0.1%	5.2%	2.3%	11.4%	6.0%	0.20
Belgium	6.0%	-8.8%	-3.6%	-25.3%	-4.8%	2.3%	0.24
Canada	2.2%	-6.2%	3.8%	-0.6%	8.3%	3.7%	0.19
China	2.0%	-14.4%	-4.5%	-6.1%	N/A	N/A	N/A
France	6.1%	-3.7%	7.3%	0.6%	6.0%	-3.3%	0.31
Hong Kong	0.3%	-26.5%	-19.6%	-27.8%	-5.0%	-6.6%	0.25
Japan	1.3%	5.0%	1.5%	-3.8%	7.9%	5.0%	0.12
Mexico	0.6%	4.7%	16.3%	34.6%	21.8%	7.4%	0.25
Singapore	3.0%	-0.3%	6.1%	-3.6%	0.7%	5.4%	0.13
South Africa	8.4%	-5.5%	-9.3%	1.2%	9.2%	-6.6%	0.30
Spain	9.0%	-4.9%	0.6%	-6.8%	6.0%	-3.9%	0.32
United Kingdom	7.7%	-9.2%	-1.4%	-23.4%	-2.3%	-4.3%	0.23
United States	2.6%	-3.0%	6.9%	-7.8%	8.5%	4.9%	0.20

*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 more than 50% 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	5.37%
2	France	Klepierre	5.85%
3	France	Unibail-Rodamco-Westfield	9.06%
4	Germany	LEG Immobilien AG	5.56%
5	Germany	Vonovia SE	19.65%
6	Spain	MERLIN Properties SOCIMI S.A.	3.46%
7	Sweden	Castellum AB	5.01%
8	Sweden	Samhällsbyggnadsbolaget i Norden B	0.54%
9	Switzerland	PSP Swiss Property	6.13%
10	Switzerland	Swiss Prime Site	8.41%
11	United Kingdom	British Land Company Plc	3.97%
12	United Kingdom	Land Securities Plc	6.67%
13	United Kingdom	Segro Plc	12.34%
14	United Kingdom	The UNITE Group plc	4.39%
15	United Kingdom	Tritax Big Box REIT plc	3.59%

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

- Global Property Research removed Life Storage Inc. (United States) from the GPR 250 Indices and the GPR General Indices as from 21 July 2023 following the closing of the merger with and into Extra Space Storage (United States).

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

- Global Property Research removed INDUS Realty Trust Inc. (United States) from the GPR General Indices as from 14 July 2023 following the completion of the previously announced merger with affiliates of GIC Real Estate, Inc. and Centerbridge Partners, L.P.
- Global Property Research added Abacus Storage King (Australia) to the GPR General Indices as from 1 August 2023 following the demerger of Abacus Property Group (Australia).

**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 August 2023. Open-ended funds, which are indicated with an asterisk, are not part of the GPR General Quoted Index.

*Inclusions*

Australia      Abacus Storage King

*Exclusions*

South Africa      Texton Property Fund Ltd

## 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”

---

Copyright © 2023 Global Property Research. All rights reserved. No part of this publication may be reproduced, used or transmitted in whole or in part, in any form or by any means - whether graphic, electronic or mechanical, including photocopying, recording, taping or information storage and retrieval systems - without prior written permission from the publisher.