

# Market Update

A Monthly Performance Report

August 2021

## Breaking further into uncharted territory

### GPR 250 Index hits another all-time high

- The GPR 250 Index added 1.5% in August 2021, breaking further into uncharted territory during a seventh straight month of positive total return performances with the index series recording fresh all-time highs. Oceania (7.7%) was the leading continental carve-out with Asia (-1.2%) the only one losing, while Austria (7.9%) and Brazil (-10.5%) were the extremes among countries.

### Shareholders reject Equity Commonwealth bid

- Equity Commonwealth decided to terminate the merger as Monmouth Real Estate Investment, Inc. failed to obtain the requisite shareholder support for the merger at its EGM whereas the bidder did receive shareholder approval for the transaction.. Earlier, Blackwells Capital LLC came out against the sweetened terms of a proposed takeover by Mr Sam Zell's Equity Commonwealth. Also, independent proxy advisory firm Institutional Shareholder Services Inc. reaffirmed its prior recommendation calling on Monmouth Real Estate Investment Corp. shareholders to vote against the planned merger with Equity Commonwealth following the recently increased Starwood Capital Group affiliate Starwood Real Estate Income Trust Inc.'s all-cash proposal offering USD 19.93 per share, up from USD 19.51 per share

### Castellum AB launches bid for Kungsleden AB

- Castellum AB launched a takeover offer for Kungsleden AB valued at SEK 124.00 per share, with the bidder offering 70% in shares (0.525 shares in Castellum AB per (1) Kungsleden AB share) and 30% in cash (SEK 121.00 per Kungsleden AB share). The acceptance period for the takeover offer is expected to commence on or around 30 September 2021 and end on or around 29 October 2021.

### Dexus takeover of APN Property Group approved

- Shareholders have overwhelmingly approved the Dexus buyout of APN Property Group that would will give Australia's largest office landlord a funds management portfolio of AUD 23.9bn. The parties struck a AUD 320m agreement in May 2021 as Dexus set about expanding its funds under management.



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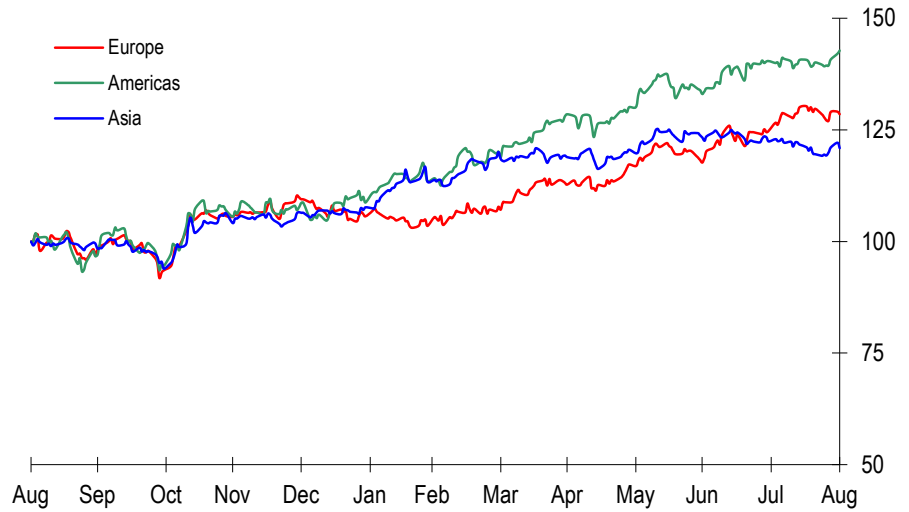
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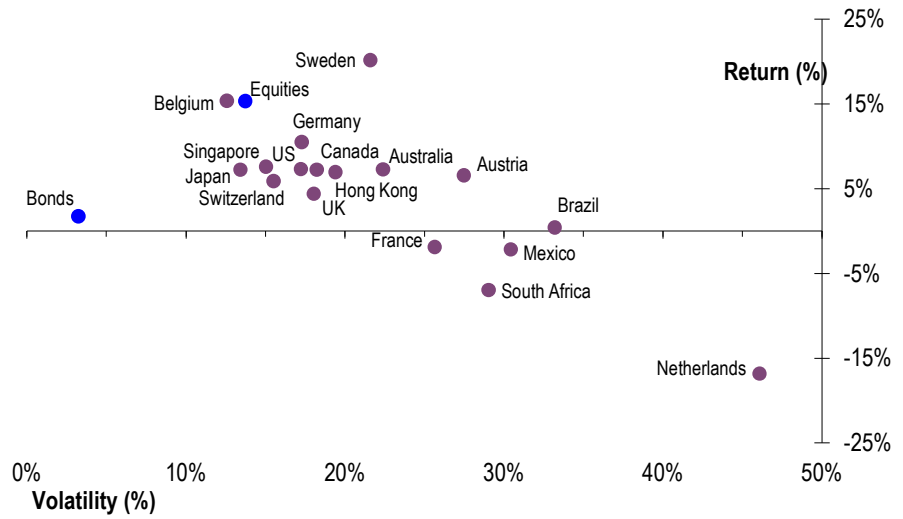
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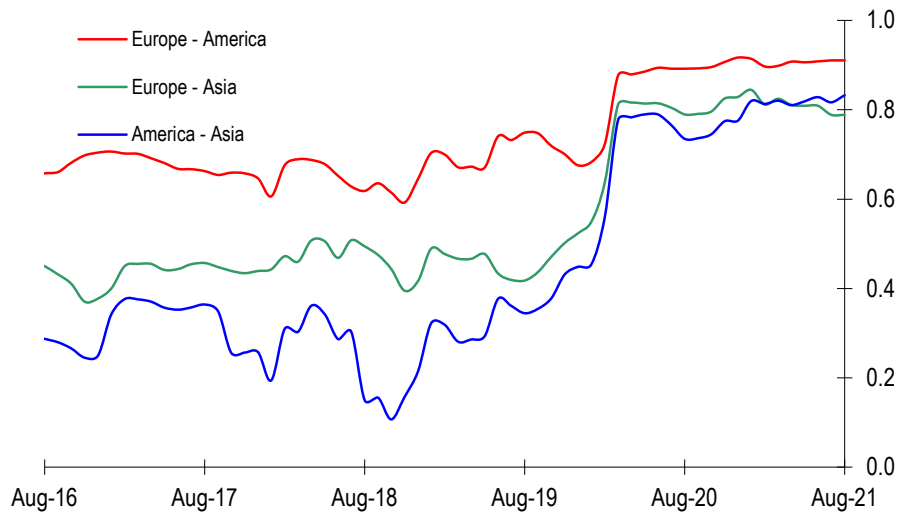
Graph 1:  
Continental performance of GPR 250 Index (local returns)



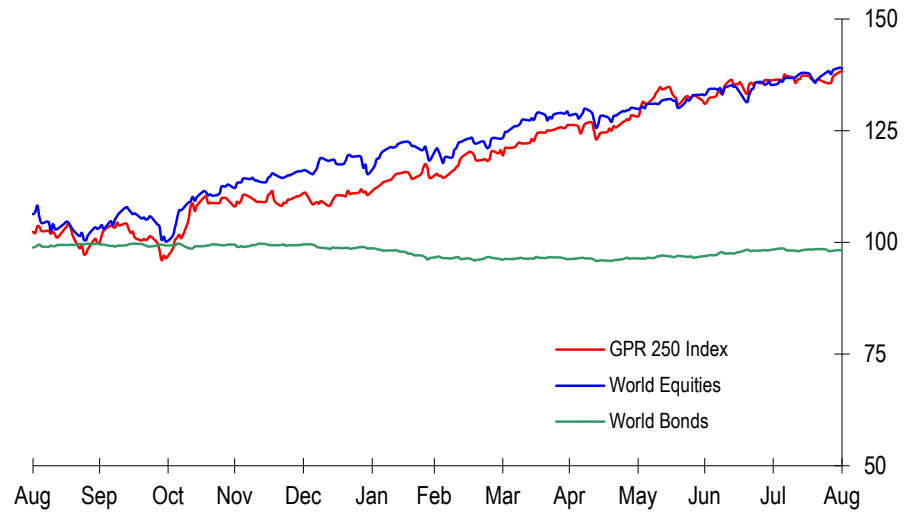
Graph 2:  
Return and volatility of the major countries in the GPR 250 Index based on 5 year figures (local currency)



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)

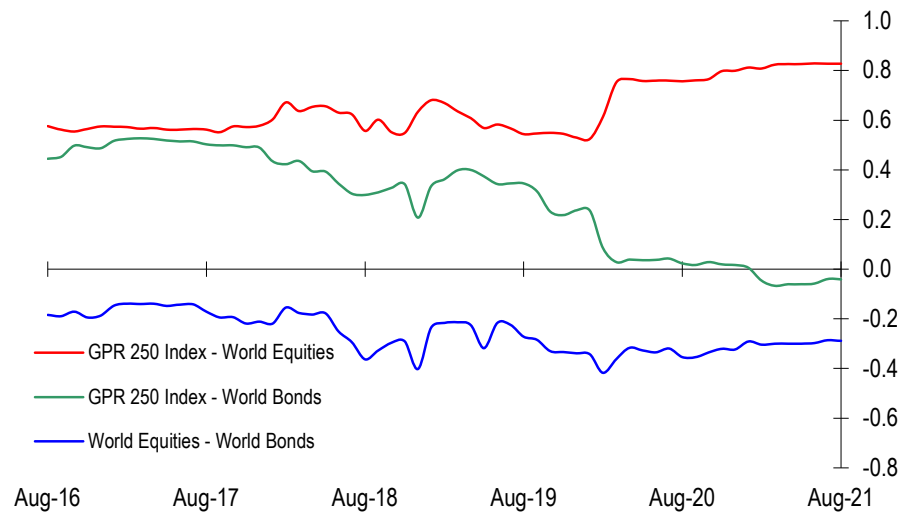


Table 1: Performance of property  
shares and other asset classes

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Index	1.5%	20.9%	24.5%	35.1%	8.8%	6.7%	0.19
GPR 250 Africa Index	6.1%	16.4%	24.9%	46.8%	-8.6%	-6.9%	0.35
GPR 250 Americas Index	1.7%	25.8%	31.4%	42.8%	11.1%	7.3%	0.20
GPR 250 Asia Index	-1.2%	6.6%	13.6%	20.9%	5.5%	6.5%	0.16
GPR 250 Europe Index	3.0%	24.1%	17.4%	28.5%	4.8%	5.3%	0.19
GPR 250 Oceania Index	7.7%	16.8%	13.6%	30.3%	9.5%	7.3%	0.27
Global Bonds (JP Morgan)	-0.3%	1.6%	-1.5%	-0.8%	3.8%	1.7%	0.04
Global Equities (MSCI)	2.7%	17.4%	19.6%	30.7%	15.3%	15.3%	0.17

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

## Castellum AB Launches Bid For Kungsleden AB

The GPR 250 Europe Index further advanced by 3.0% in August 2021, with Austria (7.9%), Sweden (6.5%) and Netherlands (5.7%) taking the podium while Norway (Enra ASA; -8.6%) lost most.

Further to the “Bundesanstalt für Finanzdienstleistungsaufsicht” (BaFin) granting Vonovia SE clearance for a new public takeover offer to the shareholders of Deutsche Wohnen SE, Vonovia SE acted accordingly at the end of August 2021. The terms of the bid included a cash offer of EUR 53.00 per share, with closing of the deal expected to take place in the fourth quarter and thus at the end of the current financial year.

*Inmobiliaria Colonial SOCIMI SA has bought out most of the minority shareholders in its French subsidiary SFL, raising its stake to 98.33%*

Inmobiliaria Colonial SOCIMI SA has bought out most of the minority shareholders in its French subsidiary SFL, raising its stake to 98.33% after the company said that the tender offer for the 5% shares in SFL held by minority shareholders had closed with an acceptance of 4.2% of the share capital corresponding to 1,801,231 shares of SFL. The favourable outcome of the tender offer culminates a transaction initiated during the first semester of 2021, when Inmobiliaria Colonial SOCIMI SA’s shareholders approved reinforcing its stake in SFL. This was primarily achieved through the acquisition of an additional 12.9% stake held by Prédica, a subsidiary of Crédit Agricole Assurances, and the launch of a mixed, voluntary tender offer for the remaining shares held by minority shareholders. This tender offer consisted of a consideration of EUR 46.66 and five (5) newly issued Inmobiliaria Colonial SOCIMI SA shares for each (1) SFL share that will result in the issuance of 9,006,155 newly issued Inmobiliaria Colonial SOCIMI SA shares.

*Atrium European Real Estate Limited confirmed that majority shareholder Gazit Globe Limited has launched a fresh takeover offer, at EUR 3.35 per share for the shares it does not own yet*

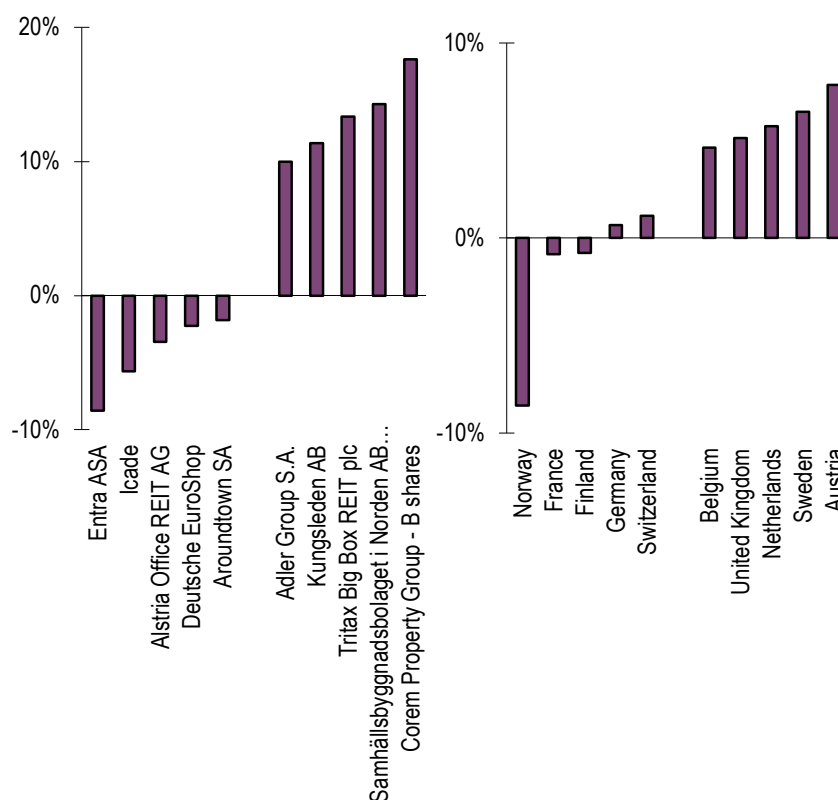
Atrium European Real Estate Limited confirmed that majority shareholder Gazit Globe Limited has launched a fresh takeover offer, at EUR 3.35 per share for the shares it does not own yet. The targeted company's management board said that it would relay its position once the bid was formally received. Gazit Globe Limited also revealed its intention to turn Atrium European Real Estate Limited into a wholly owned privately held company, with a subsequent delisting from the stock exchange.

Castellum AB launched a takeover offer for Kungsleden AB valued at SEK 124.00 per share, with the bidder offering 70% in shares (0.525 shares in Castellum AB per (1) Kungsleden AB share) and 30% in cash (SEK 121.00 per Kungsleden AB share). The acceptance period for the takeover offer is expected to commence on or around 30 September 2021 and end on or around 29 October 2021. The bid is conditional upon Castellum AB becoming the owner of more than 90% of the shares in Kungsleden AB, plus any necessary clearances from the competition authorities.

# EUROPE – DATA

August 2021

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	3.0%	24.1%	17.4%	28.5%	4.8%	5.3%	0.19
Austria	7.9%	29.8%	27.0%	55.1%	-0.8%	6.6%	0.33
Belgium	4.6%	26.7%	30.9%	29.2%	20.8%	15.4%	0.14
Finland	-0.8%	32.8%	16.5%	3.8%	N/A	N/A	N/A
France	-0.8%	18.7%	13.6%	34.5%	-1.2%	-1.9%	0.31
Germany	0.7%	18.9%	7.1%	11.8%	7.9%	10.5%	0.19
Netherlands	5.7%	21.2%	15.7%	90.2%	-21.6%	-16.8%	0.57
Norway	-8.6%	10.6%	2.7%	70.2%	N/A	N/A	N/A
Spain	3.3%	17.7%	24.3%	31.8%	-0.9%	5.3%	0.33
Sweden	6.5%	47.3%	35.6%	67.7%	24.3%	20.2%	0.26
Switzerland	1.1%	16.8%	10.4%	19.0%	8.4%	7.3%	0.16
United Kingdom	5.1%	24.5%	24.1%	31.9%	5.0%	4.4%	0.20
Europe Bonds	-0.5%	0.9%	-1.6%	-0.1%	1.8%	0.6%	0.04
Europe Equities	2.2%	17.6%	19.2%	30.3%	9.2%	9.6%	0.16

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

## Shareholders Reject Equity Commonwealth Bid

*Equity Commonwealth decided to terminate the merger as Monmouth Real Estate Investment, Inc. failed to obtain the requisite shareholder support for the merger at its EGM whereas the bidder did receive shareholder approval for the transaction*

The GPR 250 Americas Index added another (1.7%) in August 2021, rising for a tenth consecutive month. The wins were led by Mexico (6.9%) followed by United States (1.8%) and Canada (0.5%), with Brazil (-10.5%) again lower.

Equity Commonwealth decided to terminate the merger as Monmouth Real Estate Investment, Inc. failed to obtain the requisite shareholder support for the merger at its EGM whereas the bidder did receive shareholder approval for the transaction. Earlier, Blackwells Capital LLC came out against the sweetened terms of a proposed takeover by Mr Sam Zell's Equity Commonwealth. Also, independent proxy advisory firm Institutional Shareholder Services Inc. reaffirmed its prior recommendation calling on Monmouth Real Estate Investment Corp. shareholders to vote against the planned merger with Equity Commonwealth following the recently increased Starwood Capital Group affiliate Starwood Real Estate Income Trust Inc.'s all-cash proposal offering USD 19.93 per share, up from USD 19.51 per share.

The respective shareholders of Realty Income Corp. and VEREIT Inc. approved the companies' proposed merger. The deal is expected to close during the fourth quarter, subject to customary closing conditions.

Blackstone Real Estate Income Trust Inc. agreed to acquire all the outstanding units of WPT Industrial REIT in a series of transactions worth USD 3.1bn including the assumption of debt, as it looks to capitalize on the e-commerce-driven boom in demand for logistics properties. The unitholders will receive USD 22.00 apiece in an all-cash deal. The committee of independent members of the management board of WPT Industrial REIT unanimously recommended that unitholders vote in favor of the transaction. The deal, which is structured as a statutory plan of arrangement, is expected to close in the fourth quarter, subject to customary conditions.

*QTS Realty Trust Inc.'s shareholders approved the merger agreement*

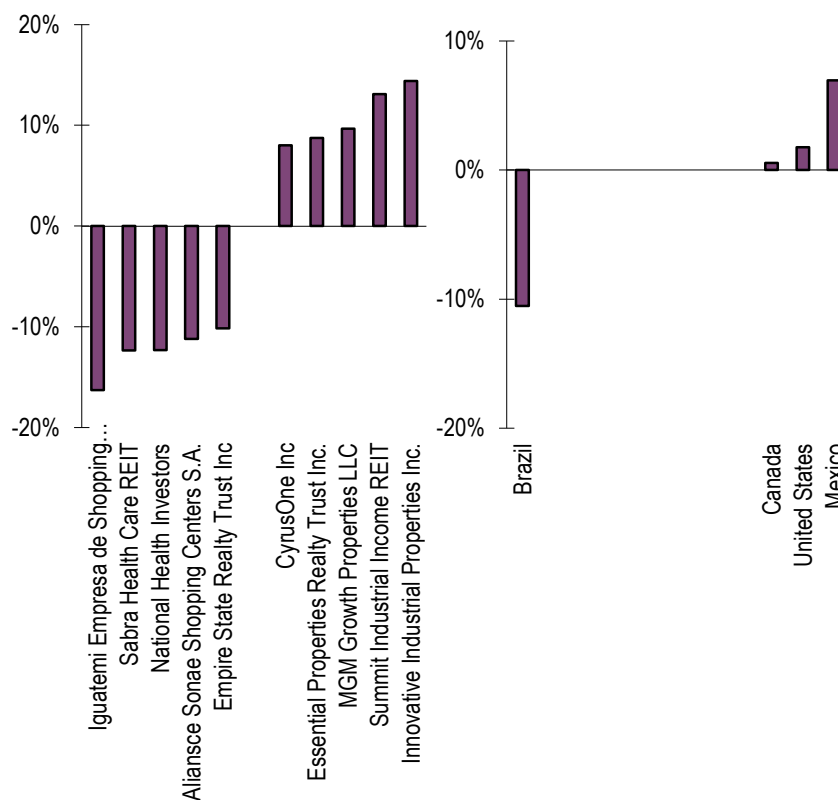
QTS Realty Trust Inc. said that the company's shareholders approved the merger agreement with Blackstone Infrastructure Partners LP, Blackstone Real Estate Income Trust Inc. and other long-term perpetual capital vehicles managed by The Blackstone Group Inc. for USD 78.00 per share. The company's share were delisted with effect from 31 August 2021.

Triple-net lease cannabis REIT NewLake Capital Partners Inc. completed its roughly USD 102m IPO and started trading its shares on 20 August 2021 on the OTC Markets Group Inc.'s OTCQX Best Market. The company issued 3,905,950 shares priced at USD 26.00 apiece. It will use the capital to expand its cannabis property portfolio.

# AMERICAS – DATA

August 2021

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	1.7%	25.8%	31.4%	42.8%	11.1%	7.3%	0.20
Brazil	-10.5%	7.8%	-10.0%	-0.6%	3.2%	0.4%	0.39
Canada	0.5%	21.5%	28.9%	45.0%	7.5%	7.2%	0.23
Mexico	6.9%	-0.6%	5.9%	42.1%	4.4%	-2.1%	0.36
United States	1.8%	26.3%	31.9%	42.9%	11.3%	7.3%	0.20
North American Bonds	-0.1%	1.8%	-1.7%	-2.4%	5.1%	2.5%	0.05
North American Equities	2.9%	18.9%	21.0%	31.7%	18.4%	18.0%	0.18

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

### Dexus Takeover Of APN Property Group Approved

Africa (6.1%) and Oceania (7.7%) were up in August 2021, while Asia (-1.2%) ended in negative territory.

*Mr Koh Wee Meng, the founder, executive chairman and CEO of property developer Fragrance Group Limited is offering to take the company private*

Shareholders have overwhelmingly approved the Dexus buyout of APN Property Group that would give Australia's largest office landlord a funds management portfolio of AUD 23.9bn. The parties struck a AUD 320m agreement in May 2021 as Dexus set about expanding its funds under management. Dexus has also been successful in securing a merger between its wholesale property fund and AMP Capital Diversified Property Fund, creating a AUD 15bn property player. APN Property Group securityholders will be paid the scheme consideration of AUD 0.90 per stapled security by way of a scheme of arrangement and a trust scheme. The interim distribution of AUD 0.015 per security was paid to securityholders, irrespective of whether the schemes become effective. APN Property Group's AUD 2.9bn funds under management portfolio includes AUD 134m of co-investments via managed vehicles, and will bring along the stock exchange listed pair APN Property Convenience Retail Trust and APN Industria REIT.

Resilient REIT Limited has proposed to Dipula Income Fund Limited, subject to conditions including execution of formal agreements, that it will invest in and support the latter company, provided that Dipula Income Fund Limited first simplifies its dual share capital structure. Dipula Income Fund Limited has resolved to proceed with the proposal and the agreements have been concluded.

*Jollibee Foods Corporation and DoubleDragon Properties Corporation teamed up to create the Philippines' first industrial REIT, CentralHub Industrial Centers, with the company set to go public in 2022*

Jollibee Foods Corporation and DoubleDragon Properties Corporation teamed up to create the Philippines' first industrial REIT, CentralHub Industrial Centers, with the company set to go public in 2022. In a stock exchange filing, the companies said they signed a PHP 3.97bn binding agreement to transform DoubleDragon Properties Corporation's industrial leasing subsidiary called CentralHub Industrial Centers into a REIT, which will eventually go public in 2022. CentralHub Industrial Centers is envisioned to be a company developing industrial warehouse complexes which will house cold storage and logistics centers for commissaries.

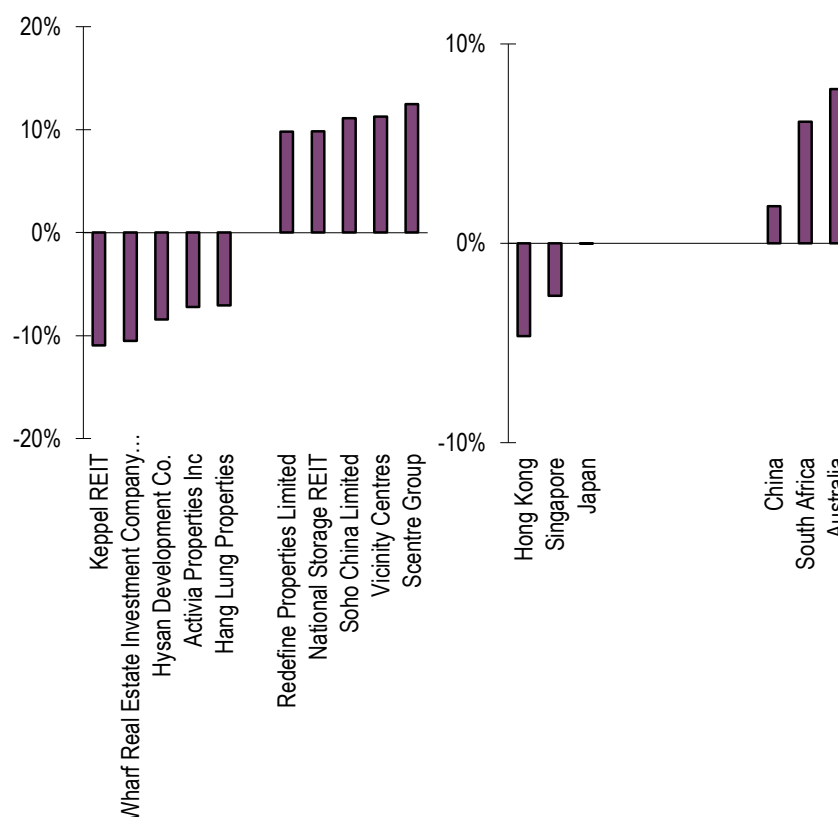
Powerlong Real Estate Holdings Limited proposes to spin-off and separately list the units of Powerlong REIT, a collective investment scheme which will be constituted as a unit trust, on the Main Board of the Hong Kong Stock Exchange and subject to the authorization by the Securities and Futures Commission of Hong Kong of Powerlong REIT. The Hong Kong Stock Exchange confirmed that Powerlong Real Estate Holdings Limited may proceed with the proposed spin-off.



# AFRICA, ASIA & OCEANIA – DATA

August 2021

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)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Africa	6.1%	16.4%	24.9%	46.8%	-8.6%	-6.9%	0.35
Asia	-1.2%	6.6%	13.6%	20.9%	5.5%	6.5%	0.16
Oceania	7.7%	16.8%	13.6%	30.3%	9.5%	7.3%	0.27
Australia	7.7%	16.8%	13.6%	30.3%	9.5%	7.3%	0.27
China	1.9%	N/A	N/A	N/A	N/A	N/A	N/A
Hong Kong	-4.7%	-0.6%	5.9%	21.1%	2.4%	7.0%	0.23
Japan	0.0%	8.9%	18.3%	24.0%	6.7%	5.9%	0.18
Singapore	-2.6%	5.3%	4.1%	8.7%	4.6%	7.6%	0.17
South Africa	6.1%	16.4%	24.9%	46.8%	-8.6%	-6.9%	0.35
Japan Bonds	-0.1%	1.8%	-1.7%	-2.4%	5.1%	2.5%	0.05
Australia Bonds	0.2%	5.3%	-0.1%	0.7%	4.9%	3.3%	0.05
Asia Pacific Equities	2.5%	6.9%	10.8%	24.4%	7.8%	10.5%	0.15

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

## GPR 250 REIT INDEX – DATA

August 2021

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

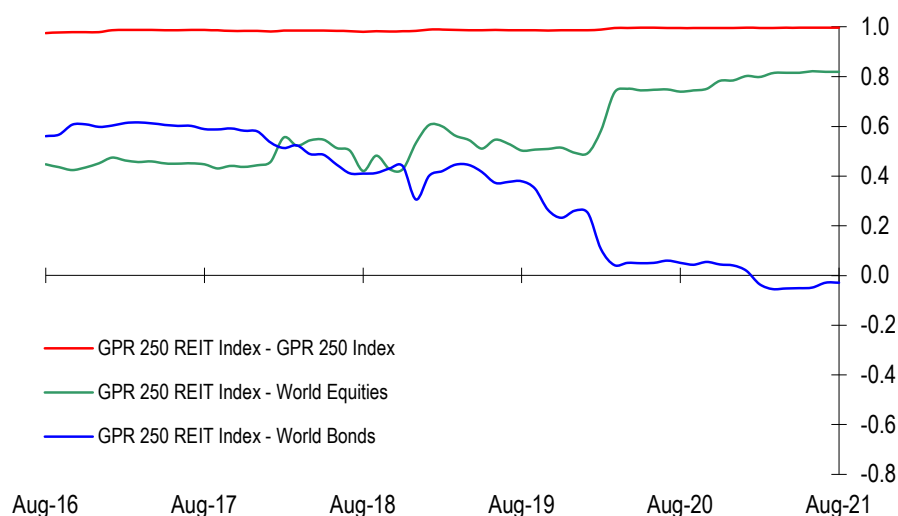


Table 5:  
Long and short-term returns of  
of REITs

**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	1.7%	22.8%	27.6%	38.4%	9.6%	6.5%	0.19
Africa	6.3%	16.2%	31.1%	49.3%	-10.7%	-8.3%	0.38
Americas	1.7%	26.1%	31.7%	42.9%	11.3%	7.3%	0.20
Asia	-1.1%	9.5%	15.9%	20.7%	9.3%	7.6%	0.15
Europe	3.8%	23.6%	22.6%	37.6%	-0.7%	-0.3%	0.24
Oceania	7.7%	16.8%	13.6%	30.3%	9.5%	7.3%	0.27
Australia	7.7%	16.8%	13.6%	30.3%	9.5%	7.3%	0.27
Belgium	4.6%	26.7%	30.9%	29.2%	20.8%	15.4%	0.14
Canada	0.6%	23.9%	29.5%	44.2%	8.9%	8.9%	0.23
China	-4.2%	N/A	N/A	N/A	N/A	N/A	N/A
France	-0.8%	18.7%	13.6%	34.5%	-1.2%	-1.9%	0.31
Germany	-3.5%	29.7%	20.8%	49.0%	14.2%	11.0%	0.26
Hong Kong	-3.7%	-0.3%	3.3%	20.6%	0.7%	8.9%	0.23
Japan	-0.2%	12.9%	23.0%	26.6%	11.0%	6.8%	0.17
Mexico	6.9%	-0.6%	5.9%	42.1%	4.4%	-2.1%	0.36
Netherlands	5.7%	21.2%	15.7%	90.2%	-21.6%	-16.8%	0.57
Singapore	-2.7%	4.3%	1.7%	4.3%	9.4%	9.7%	0.16
South Africa	6.3%	16.2%	31.1%	49.3%	-10.7%	-8.3%	0.38
Spain	3.3%	17.7%	24.3%	31.8%	-0.9%	4.4%	0.34
United Kingdom	5.1%	24.7%	24.6%	33.7%	5.6%	4.8%	0.20
United States	1.8%	26.3%	31.9%	42.8%	11.4%	7.3%	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 around 60% 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	4.06%
2	France	Klepierre	3.04%
3	Germany	Aroundtown SA	6.78%
4	Germany	Deutsche Wohnen SE	10.02%
5	Germany	LEG Immobilien AG	6.79%
6	Germany	TAG Immobilien AG	2.38%
7	Germany	Vonovia SE	22.35%
8	Netherlands	Unibail-Rodamco-Westfield	7.78%
9	Sweden	Fastighets AB Balder	4.66%
10	Sweden	Samhällsbyggnadsbolaget i Norden B	3.33%
11	Switzerland	Swiss Prime Site	5.11%
12	United Kingdom	British Land Company Plc	3.48%
13	United Kingdom	Derwent London Plc	3.08%
14	United Kingdom	Land Securities Plc	4.37%
15	United Kingdom	Segro Plc	12.77%

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

- Global Property Research removed Weingarten Realty Investors (United States) from the GPR 250 Indices and GPR General Indices as from 4 August 2021 following the closing of the merger with and into Kimco Realty Corp. (United States)
- Global Property Research removed QTS Realty Trust Inc. (United States) from the GPR 250 Indices and GPR General Indices as from 31 August 2021 following the closing of the acquisition by affiliates of Blackstone Infrastructure Partners, Blackstone Real Estate Income Trust, Inc. and Blackstone Property Partners

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 will become effective as of 20 September 2021.

<i>Inclusions</i>		<i>Exclusions</i>	
Austria	CA Immobilien AG	Canada	Cominar REIT *
Canada	NorthWest Healthcare Properties REIT *	Sweden	Corem Property Group – B shares
China	Kerry Properties Ltd.		
Japan	Heiwa Real Estate REIT Inc. *		
Sweden	Nyfosa AB		
United Kingdom	Big Yellow Group *		
United States	Ashford Hospitality Trust *		

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

- Global Property Research removed New Century REIT (China) from the GPR General Indices as from 31 August 2021 following the closing of the proposed termination, proposed liquidation, proposed delisting and proposed deauthorisation by Huge Harvest International Limited

## 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 September 2021. Open-ended funds, which are indicated with an asterisk, are not part of the GPR General Quoted Index.

<i>Inclusions</i>		<i>Exclusions</i>	
South Africa	Dipula Income Fund B		
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”

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