

Market Update

A Monthly Performance Report

July 2021

GPR 250 Index closes at a record high

Property stocks snag sixth-consecutive monthly win

- The GPR 250 Index finished 4.0 higher for the month, closing at a record high of 655.83 in local currency terms. Most notably, the flagship index series nabbed its sixth-straight monthly win, despite losses in Asia (-0.7%), Africa (-1.6%) and Oceania (-3.0%). At country level, Sweden (12.2%) ranked top spot while and China (-14.1%) recorded the biggest loss.

Vonovia SE/Deutsche Wohnen SE – take three

- Vonovia SE revealed that it was planning to submit another takeover offer to Deutsche Wohnen SE shareholders in the near future after its recent attempt failed to reach sufficient backing from the targeted company's shareholders by the 21 July 2021 deadline. Vonovia SE released a statement indicating that the company had decided to try another attempt for Deutsche Wohnen SE, maintaining the key parameters of the existing business combination agreement. The terms of the bid will include 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. The minimum acceptance threshold will be 50%.

The Monmouth Real Estate Investment Corp. battle

- Monmouth Real Estate Investment Corp. received an unsolicited sweetened proposal to acquire the company's shares for USD 18.88 per share, compared with USD 18.70 apiece previously, which could upend the company's plans to be acquired by Equity Commonwealth. The management board of Monmouth Real Estate Investment Corp. reaffirmed its support for the bid by Equity Commonwealth, determining that the pending transaction with Equity Commonwealth would represent the best opportunity to maximize value for its shareholders.

Founder to privatize Fragrance Group Limited

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



Analysts

Jeroen Vreeker

j.vreeker@gpr.nl

Floris van Dorp

f.van.dorp@gpr.nl

Global Property Research

Beethovenstraat 300

P.O. Box 75666

1070 AR Amsterdam

The Netherlands

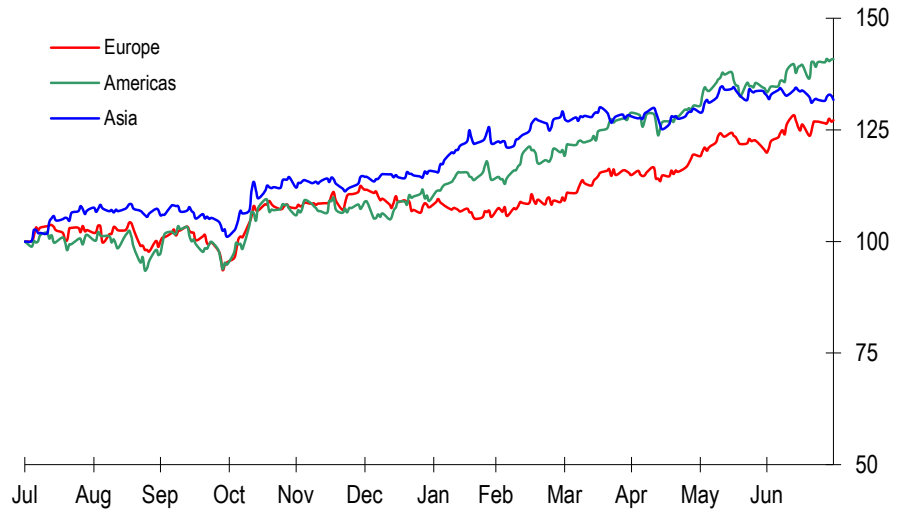
Phone: +31 20 3488 451/452

Fax: +31 20 3488 962

Email: info@gpr.nl

www.globalpropertyresearch.com

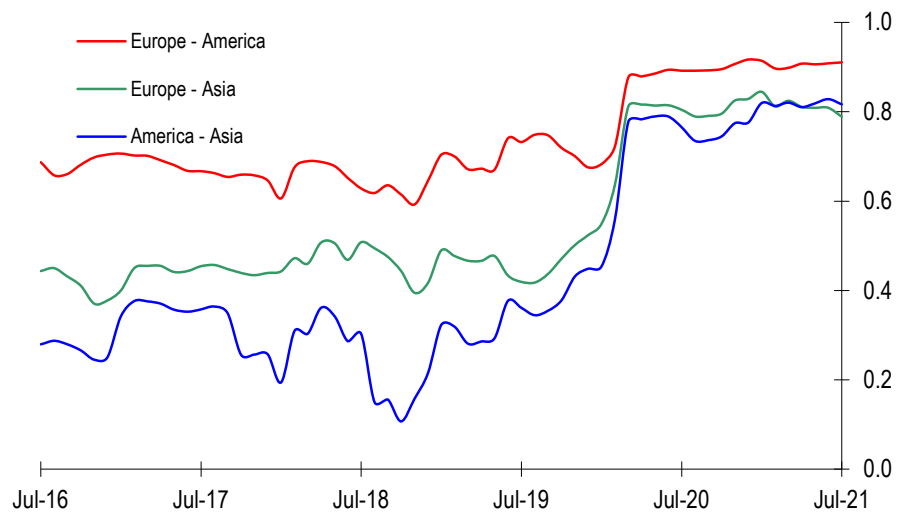
Graph 1:
Continental performance of GPR 250 Index (local returns)



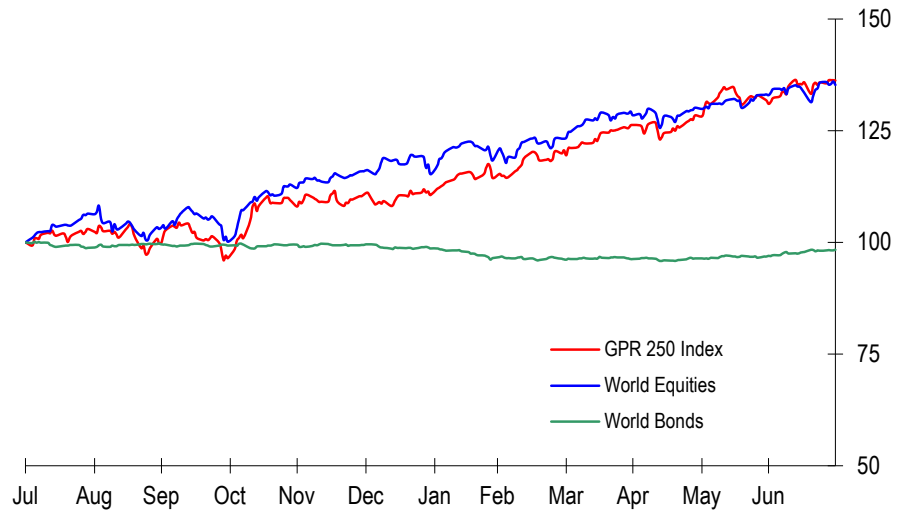
Graph 2:
Return and volatility of the major countries in the GPR 250 Index based on 5 year figures (local currency)



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)

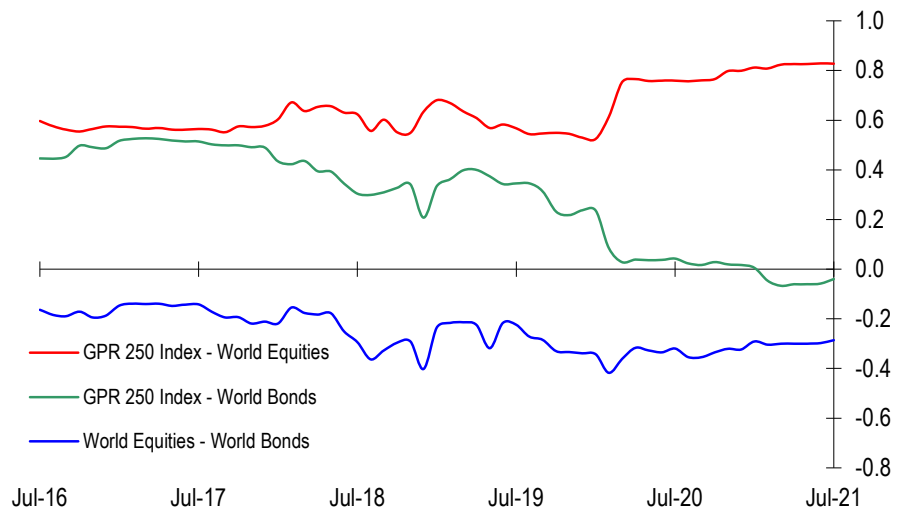


Table 1: Performance of property
shares and other asset classes

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Index	4.0%	23.2%	22.7%	36.3%	8.7%	5.8%	0.19
GPR 250 Africa Index	-1.6%	20.6%	17.7%	22.0%	-9.6%	-9.1%	0.35
GPR 250 Americas Index	5.6%	29.1%	29.3%	40.8%	11.6%	6.1%	0.20
GPR 250 Asia Index	-0.7%	13.7%	15.0%	31.7%	4.7%	6.5%	0.17
GPR 250 Europe Index	6.0%	18.1%	14.0%	27.2%	3.9%	4.7%	0.19
GPR 250 Oceania Index	-3.0%	8.7%	5.4%	30.5%	8.1%	5.1%	0.27
Global Bonds (JP Morgan)	1.4%	-0.3%	-1.2%	-1.7%	3.9%	1.7%	0.04
Global Equities (MSCI)	1.7%	17.3%	16.5%	35.3%	14.8%	14.8%	0.17

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

Vonovia SE/Deutsche Wohnen SE – Take-Three

Vonovia SE revealed that it was planning to submit another takeover offer to Deutsche Wohnen SE shareholders in the near future after its recent attempt failed to reach sufficient backing from the targeted company's shareholders by the 21 July 2021 deadline

The GPR 250 Europe Index climbed to a record after adding 6.0% in July 2021, with the gains led by Sweden (12.2%), Norway (9.5%) and Belgium (9.3%).

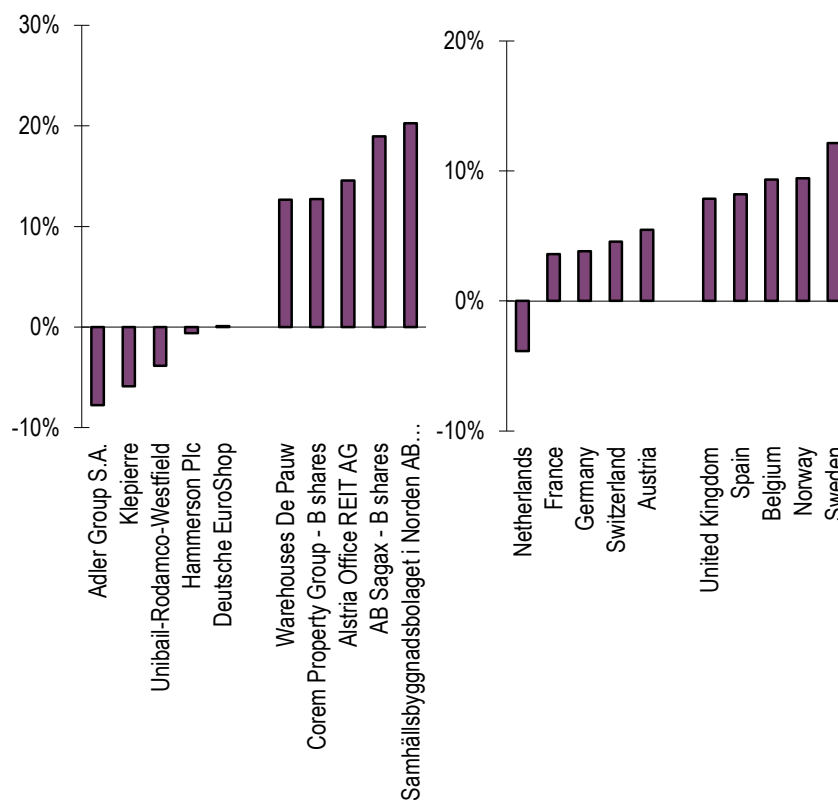
Vonovia SE revealed that it was planning to submit another takeover offer to Deutsche Wohnen SE shareholders in the near future after its recent attempt failed to reach sufficient backing from the targeted company's shareholders by the 21 July 2021 deadline. Vonovia SE went on to confirm that it had only received tender commitments for 47.6% of the shares, and said that the acceptance period would not be extended. Vonovia SE released a statement indicating that the company had decided to try another attempt for Deutsche Wohnen SE, maintaining the key parameters of the existing business combination agreement. The Deutsche Wohnen SE management board said it supported the latest move, with the management of both companies agreeing that the combination was 'strategically compelling'. The latest takeover offer requires exemption from the one-year blocking period from the "Bundesanstalt für Finanzdienstleistungsaufsicht" (BaFin) to do so. If and as soon as BaFin gives the go-ahead, Vonovia SE will duly announce the bid, submit a new voluntary takeover offer to the shareholders of Deutsche Wohnen SE to BaFin for review and, once approved, present it to the shareholders. The terms of the bid will include 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. The minimum acceptance threshold will be 50%.

Brookfield Asset Management Inc. is working with advisers as it considers a potential bid to take Alstria Office REIT-AG private, media reported

Brookfield Asset Management Inc. is working with advisers as it considers a potential bid to take Alstria Office REIT-AG private, media reported. Alstria Office REIT-AG's share price jumped, and a buyout of the company would be the biggest take-private deal in Germany in 2021. The targeted company was made aware that Brookfield Asset Management Inc. might explore a potential takeover offer but is currently not in negotiations about a potential bid.

A consortium, backed by Dutch pension fund manager APG Asset Management N.V. and The Blackstone Group, Inc., has made a takeover offer for GCP Student Living plc. Gemini Jersey JV L.P., a new company created by APG Asset Management, N.V.-backed Scape Living PLC and The Blackstone Group, Inc.'s UK student housing platform iQSA Holdco Limited, is offering 213.00 pence for each (1) share held. GCP Student Living plc currently has a GBP 1.13bn portfolio of 11 assets located primarily in London and the South East. The GCP Student Living plc management board intends to recommend unanimously that shareholders vote in favor of the scheme at the court meeting and the resolutions relating to the acquisition at the company's EGM.

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



Graph 7:
Top and bottom performing
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	6.0%	18.1%	14.0%	27.2%	3.9%	4.7%	0.19
Austria	5.5%	14.8%	17.8%	42.5%	-2.7%	6.3%	0.33
Belgium	9.3%	21.9%	25.1%	30.2%	19.1%	14.1%	0.14
Finland	7.7%	20.8%	17.4%	0.7%	N/A	N/A	N/A
France	3.6%	19.2%	14.6%	36.5%	-1.1%	-1.7%	0.31
Germany	3.8%	14.2%	6.4%	17.7%	9.8%	10.2%	0.19
Netherlands	-3.9%	1.5%	9.4%	58.8%	-24.2%	-17.9%	0.57
Norway	9.5%	14.4%	12.4%	73.5%	N/A	N/A	N/A
Spain	8.2%	19.9%	20.3%	33.8%	-2.8%	4.5%	0.33
Sweden	12.2%	33.1%	27.3%	50.5%	22.6%	19.2%	0.25
Switzerland	4.6%	11.5%	9.1%	18.7%	8.0%	6.3%	0.16
United Kingdom	7.9%	20.9%	18.0%	25.4%	2.3%	3.6%	0.20
Europe Bonds	1.9%	-0.6%	-1.1%	-0.9%	2.2%	0.6%	0.04
Europe Equities	1.5%	17.8%	16.7%	31.0%	7.5%	9.4%	0.16

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

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

The Monmouth Real Estate Investment Corp. Battle

The Americas continent property stocks extended their gains, adding 5.6% in July 2021, implying that the GPR 250 Americas Index rose for a ninth consecutive month. The monthly performances were led by United States (5.7%) followed by Canada (3.7%) and Mexico (0.8%) with Brazil (-1.2%) down.

The Blackstone Group Inc. struck a deal to buy QTS Realty Trust Inc. and take the data centre operator private

Monmouth Real Estate Investment Corp. received an unsolicited sweetened proposal to acquire the company's shares for USD 18.88 per share, compared with USD 18.70 apiece previously, which could upend the company's plans to be acquired by Equity Commonwealth. The increase results from the bidder's decision that the purchase price would no longer be reduced by a USD 0.18 per share dividend distribution Monmouth Real Estate Investment Corp. announced earlier this month. The bidder is Starwood Capital Group, which took part in the targeted company's review of strategic process that resulted in a merger deal announced in May 2021 with Equity Commonwealth for a 0.67-for-1 all-share transaction. This is the third takeover offer Monmouth Real Estate Investment Corp. has received in recent months to sell its business. In December 2020, Blackwells Capital LLC made an all-cash bid to buy the company but it was rejected after a one-month review. Most recently, Starwood Capital Group confirmed its revised all-cash bid to buy Monmouth Real Estate Investment Corp. Under the proposal, Starwood Capital Group affiliate Starwood Real Estate Income Trust Inc. will acquire Monmouth for USD 19.51 per share reduced by the termination fee owed to Equity Commonwealth of USD 62.2m or USD 0.63 per share, implying a net consideration of USD 18.88 per share. Starwood Capital Group is urging the targeted company to declare its proposal superior to the terms of the merger deal with Equity Commonwealth. The management board of Monmouth Real Estate Investment Corp. reaffirmed its support for the bid by Equity Commonwealth, determining that the pending transaction with Equity Commonwealth would represent the best opportunity to maximize value for its shareholders.

Kite Realty Group Trust and Retail Properties of America Inc. agreed to a share-for-share business combination

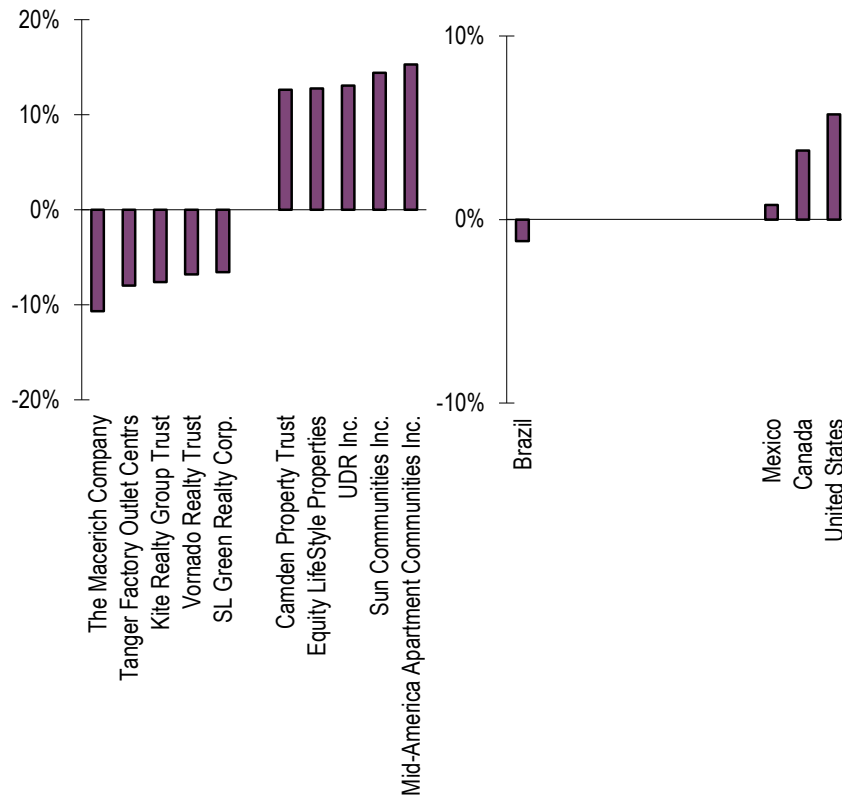
Kite Realty Group Trust and Retail Properties of America Inc. agreed to a share-for-share business combination. Under the terms of the merger agreement, Retail Properties of America Inc. will merge into a subsidiary of Kite Realty Group Trust and the latter will continue as the surviving public company. Each (1) Retail Properties of America Inc. share will convert into 0.6230 newly issued Kite Realty Group Trust shares.

Vinebrook Homes Trust Inc., an owner of single-family properties across the United States, held talks with advisers for a potential IPO that could take place in 2021. The company could wait to launch the planned stock exchange listing until 2022 or beyond or decide to stay private.

AMERICAS – DATA

July 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	5.6%	29.1%	29.3%	40.8%	11.6%	6.1%	0.20
Brazil	-1.2%	7.5%	0.6%	6.5%	4.2%	0.6%	0.39
Canada	3.7%	25.7%	28.2%	42.3%	8.1%	6.1%	0.23
Mexico	0.8%	-2.7%	-1.0%	28.3%	0.4%	-4.2%	0.36
United States	5.7%	29.6%	29.6%	41.0%	11.9%	6.2%	0.20
North American Bonds	1.3%	-0.4%	-1.6%	-3.5%	5.4%	2.4%	0.05
North American Equities	2.3%	18.7%	17.6%	37.3%	18.5%	17.4%	0.18

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

Founder To Privatize Fragrance Group Limited

Africa (4.0%), Oceania (3.6%) and Asia (2.9%) recorded gains in June 2021, as a result of which the quarterly wins were 13.6%, 6.3% and 4.1% respectively.

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

Mr Koh Wee Meng, the founder, executive chairman and CEO of property developer Fragrance Group Limited is offering to take the company private. Mr Koh, through JK Global Treasures Pte. Ltd., intends to make a voluntary conditional cash bid for all the issued and paid-up shares of the company priced at SGD 0.138 per share. JK Global Treasures Pte. Ltd. and parties acting in concert with it currently hold 5.76 billion shares, representing an 85.8% stake in the company. Mr Koh, who is JK Global Treasures Pte. Ltd.'s sole shareholder and director, currently owns a 74.7% stake, while his wife Mrs Lim Wan Looi, an executive director of Fragrance Group Limited, owns a 10.9% stake in the company. They have provided an irrevocable undertaking to tender all of their respective shares in acceptance of the takeover offer.

A sale and purchase agreement reached between Dasin Retail Trust and two ARA Asset Management subsidiaries has fallen through. The company announced that its chairman, Mr Zhang Zhencheng, and Aqua Wealth Holdings, have formally terminated the agreement with the two subsidiaries of ARA Asset Management.

Filinvest REIT Corp. set the final subscription price for its IPO at PHP 7.00 per share, at the mid-point of the subscription price range

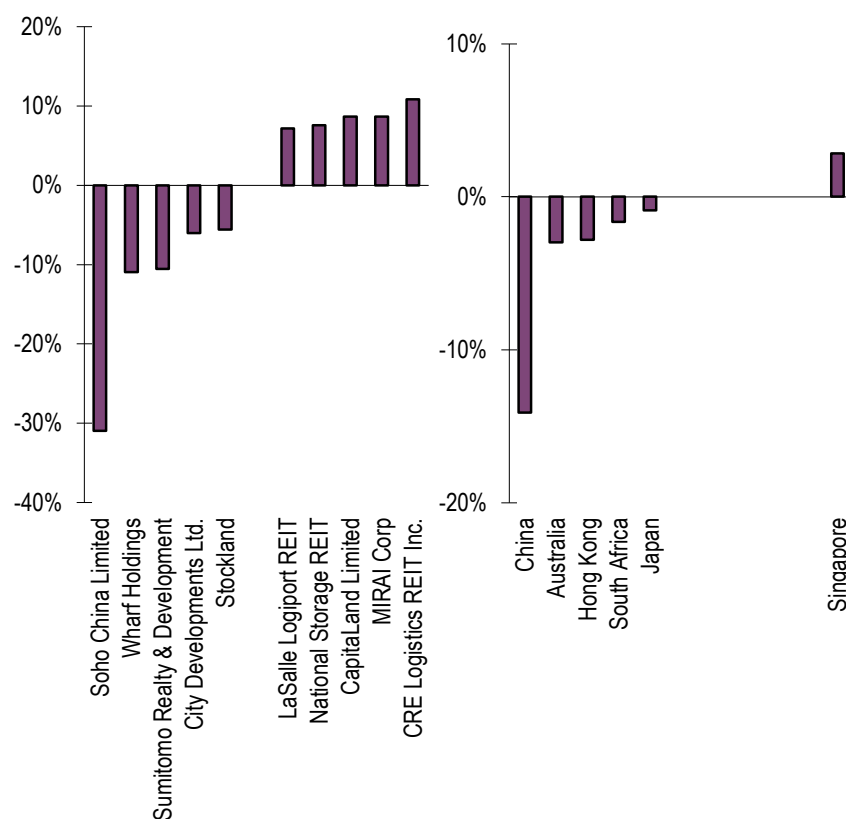
Filinvest REIT Corp. set the final subscription price for its IPO at PHP 7.00 per share, at the mid-point of the subscription price range. Formerly Cyberzone Properties, Inc., Filinvest REIT Corp. is the REIT unit sponsored by Filinvest Land, Inc. The initial share sale is comprised of 1,634,187,850 shares owned by the sponsor, with an over-allotment option of 163,418,785 shares. Filinvest Land, Inc. will receive all proceeds from the IPO. Filinvest Land, Inc. and Filinvest REIT Corp. told newspaper articles in an interview in June 2021 that proceeds from the IPO will be used according to its reinvestment plan. This includes funding for its capital expenditures (capex) for office buildings, industrial warehouses, and raw land acquisition. Proceeds may also be used for Filinvest Land, Inc.'s capex for retail malls and the expansion of its district cooling system. The IPO subscription period will run until 3 August 2021, with the tentative listing date on the Philippine Stock Exchange scheduled for 12 August 2021.

In response to questions from dedicated media, ESR-REIT has addressed rumours about purported merger negotiations with AIMS APAC REIT, and has further articulated its overseas acquisition plans for the next few years.

AFRICA, ASIA & OCEANIA – DATA

July 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	-1.6%	20.6%	17.7%	22.0%	-9.6%	-9.1%	0.35
Asia	-0.7%	13.7%	15.0%	31.7%	4.7%	6.5%	0.17
Oceania	-3.0%	8.7%	5.4%	30.5%	8.1%	5.1%	0.27
Australia	-3.0%	8.7%	5.4%	30.5%	8.1%	5.1%	0.27
China	-14.1%	N/A	N/A	N/A	N/A	N/A	N/A
Hong Kong	-2.8%	12.8%	11.0%	38.2%	2.7%	8.2%	0.23
Japan	-0.9%	16.2%	18.3%	35.8%	5.2%	5.5%	0.18
Singapore	2.8%	5.3%	6.9%	11.1%	5.4%	8.2%	0.17
South Africa	-1.6%	20.6%	17.7%	22.0%	-9.6%	-9.1%	0.35
Japan Bonds	1.3%	-0.4%	-1.6%	-3.5%	5.4%	2.4%	0.05
Australia Bonds	2.1%	0.4%	-0.3%	-0.3%	5.2%	3.3%	0.05
Asia Pacific Equities	-1.6%	7.5%	8.2%	29.4%	6.8%	10.1%	0.15

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

GPR 250 REIT INDEX – DATA

July 2021

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

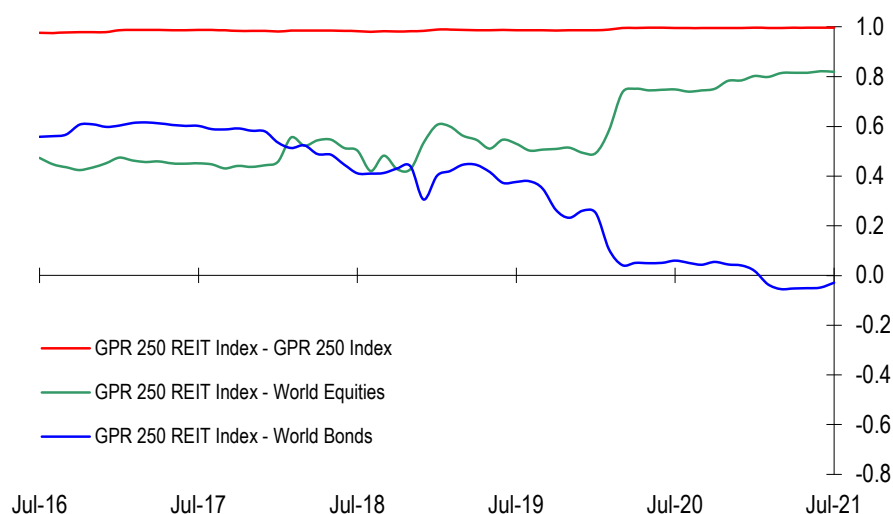


Table 5:
Long and short-term returns of
of REITs

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	4.7%	25.2%	25.5%	37.7%	9.8%	5.5%	0.19
Africa	-1.2%	26.7%	23.4%	23.1%	-12.5%	-10.6%	0.38
Americas	5.7%	29.4%	29.4%	40.9%	11.8%	6.2%	0.20
Asia	1.1%	14.2%	17.2%	26.9%	9.7%	7.5%	0.15
Europe	6.4%	19.0%	18.1%	32.3%	-2.9%	-0.9%	0.24
Oceania	-3.0%	8.7%	5.4%	30.5%	8.1%	5.1%	0.27
Australia	-3.0%	8.7%	5.4%	30.5%	8.1%	5.1%	0.27
Belgium	9.3%	21.9%	25.1%	30.2%	19.1%	14.1%	0.14
Canada	4.8%	28.5%	28.7%	39.9%	9.7%	7.6%	0.23
China	2.2%	N/A	N/A	N/A	N/A	N/A	N/A
France	3.6%	19.2%	14.6%	36.5%	-1.1%	-1.7%	0.31
Germany	14.6%	30.4%	25.1%	52.4%	14.9%	11.8%	0.25
Hong Kong	-1.3%	11.9%	7.3%	28.5%	2.2%	9.1%	0.23
Japan	0.7%	18.6%	23.2%	34.3%	10.9%	6.5%	0.17
Mexico	0.8%	-2.7%	-1.0%	28.3%	0.4%	-4.2%	0.36
Netherlands	-3.9%	1.5%	9.4%	58.8%	-24.2%	-17.9%	0.57
Singapore	3.4%	2.8%	4.5%	6.3%	10.5%	10.6%	0.16
South Africa	-1.2%	26.7%	23.4%	23.1%	-12.5%	-10.6%	0.38
Spain	8.2%	19.9%	20.3%	33.8%	-2.8%	4.0%	0.34
United Kingdom	7.9%	21.2%	18.5%	27.1%	3.0%	4.0%	0.20
United States	5.7%	29.6%	29.6%	41.0%	11.9%	6.1%	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	3.76%
2	France	Klepierre	2.98%
3	Germany	Aroundtown SA	6.85%
4	Germany	Deutsche Wohnen SE	13.23%
5	Germany	LEG Immobilien AG	6.66%
6	Germany	TAG Immobilien AG	2.30%
7	Germany	Vonovia SE	21.80%
8	Netherlands	Unibail-Rodamco-Westfield	7.30%
9	Sweden	Fastighets AB Balder	4.45%
10	Sweden	Samhällsbyggnadsbolaget i Norden B	2.87%
11	Switzerland	Swiss Prime Site	5.03%
12	United Kingdom	British Land Company Plc	3.35%
13	United Kingdom	Derwent London Plc	2.95%
14	United Kingdom	Land Securities Plc	4.38%
15	United Kingdom	Segro Plc	12.08%

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

- Global Property Research removed Brookfield Property Partners L.P. (Canada) from the GPR 250 Indices and GPR General Indices as from 27 July 2021 following the closing of the acquisition by Brookfield Asset Management Inc.
- Global Property Research removed Brookfield Property REIT Inc. (United States) from the GPR 250 Indices and GPR General Indices as from 28 July 2021 following the closing of the acquisition by Brookfield Asset Management 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 August 2021. Open-ended funds, which are indicated with an asterisk, are not part of the GPR General Quoted Index.

Inclusions

China	Kerry Properties Ltd.
France	M.R.M.
United Kingdom	Home REIT plc
United Kingdom	Panther Securities plc
United States	Transcontinental Realty Investors Inc

Exclusions

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 © 2021 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.