

# Market Update

A Monthly Performance Report

January 2024

## GPR 250 Index starts calendar year on the back foot

### Listed real estate sector 3.4% down in January 2024

- The GPR 250 Index (-3.4%) suffered a setback in January 2024 after consecutive gains in November 2023 (9.4%) and December 2023 (9.1%). Only Africa (2.0%) and Oceania (1.8%) closed higher. The other three continents contracted, with losses for Asia (-0.1%), Europe (-3.0%) and Americas (-4.6%). At national level, Japan (3.6%) had a good start of the 2024 calendar year, while China (-11.9%) and Hong Kong (-11.0%) suffered as a Hong Kong court ordered the liquidation of China Evergrande Group, the world's most indebted real estate developer at the heart of the real estate crisis in Asia's biggest economy.

### LXi REIT PLC agrees all-share merger

- LondonMetric Property PLC and LXi REIT PLC said to have agreed to an all-share merger pursuant to which LXi REIT PLC shareholders are to receive 0.55 LondonMetric Property PLC shares for each (1) LXi REIT PLC share owned.

### Tricon Residential Inc. to be taken private

- The Blackstone Group Inc. agreed to take Canadian real estate company Tricon Residential Inc. private. Under the deal, The Blackstone Group Inc. will acquire all outstanding shares of Tricon Residential Inc., which provides single-family rental housing and rental development in the United States and Canada, for USD 11.25 per share in cash.

### BWP Trust to acquire Newmark Property REIT

- Newmark Property REIT securities surged over 31.9% in January 2024 after the company revealed that BWP Trust – which counts 75 mostly Bunnings Warehouses as tenants – offered Newmark Property REIT security holders 0.4 BWP Trust shares for every (1) Newmark Property REIT share owned.



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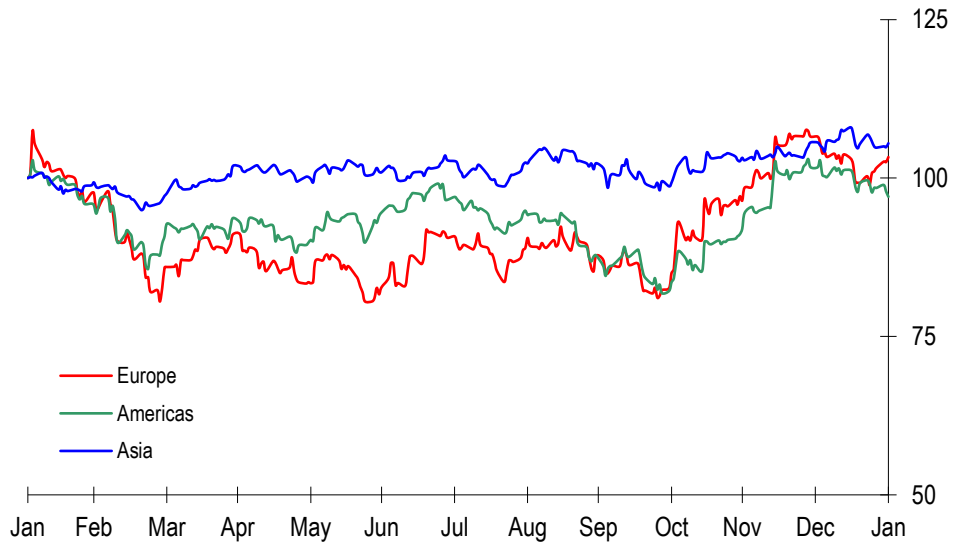
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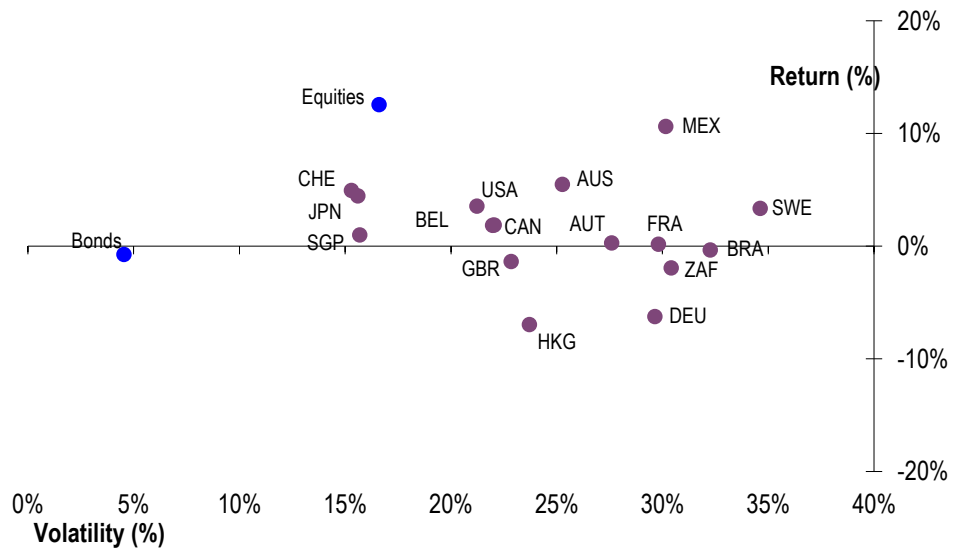
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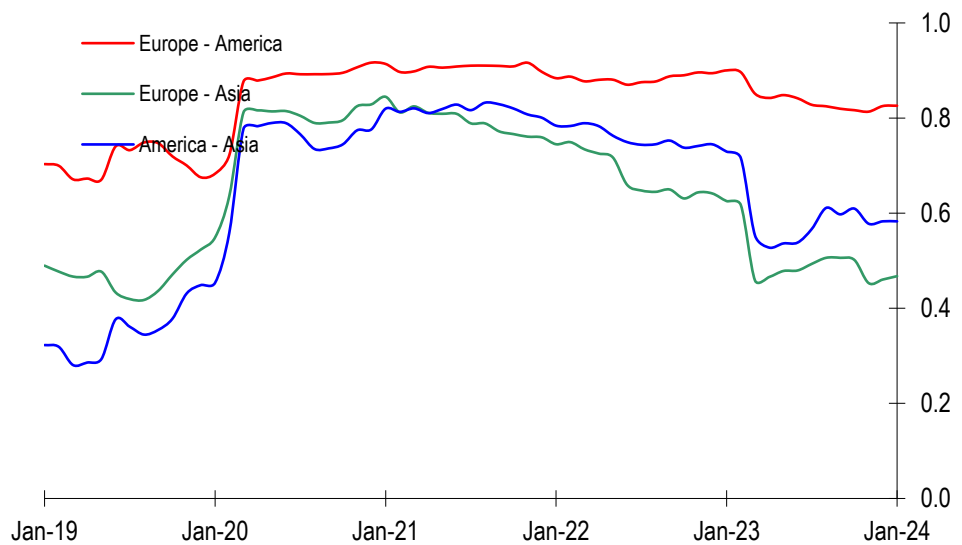
**Graph 1:**  
Continental performance of GPR 250 Index (local returns)



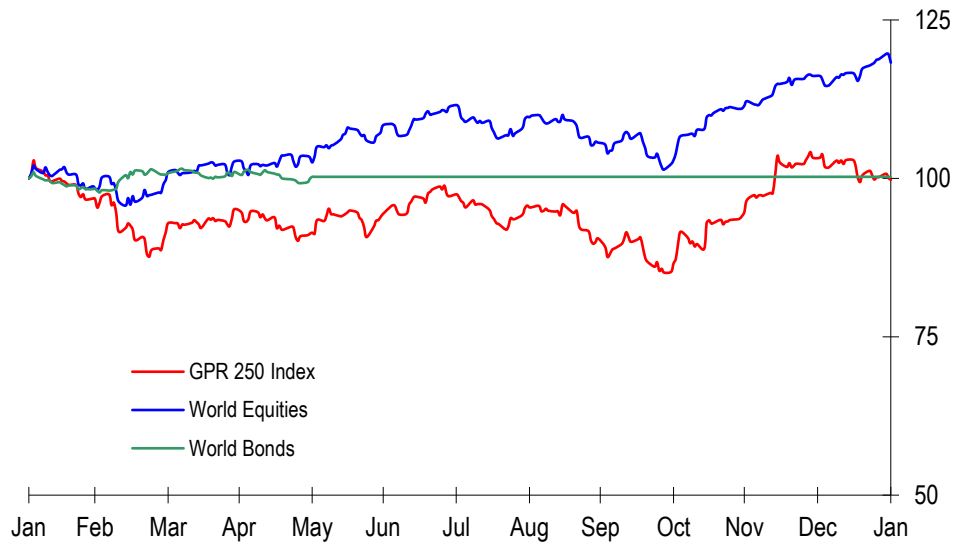
**Graph 2:**  
Return and volatility of the major countries in the GPR 250 Index based on 5 year figures (local currency)



**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)

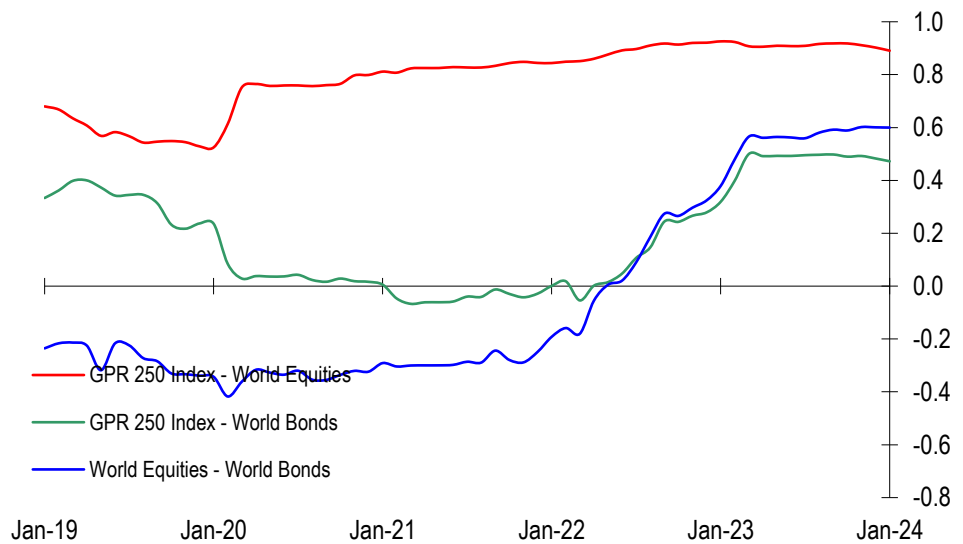


Table 1: Performance of property  
shares and other asset classes

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Index	-3.4%	2.4%	-3.4%	-0.2%	3.7%	2.2%	0.18
GPR 250 Africa Index	2.0%	14.9%	2.0%	13.5%	16.6%	-1.9%	0.21
GPR 250 Americas Index	-4.6%	0.0%	-4.6%	-2.9%	5.4%	3.5%	0.21
GPR 250 Asia Index	-0.1%	2.7%	-0.1%	5.5%	4.0%	2.0%	0.09
GPR 250 Europe Index	-3.0%	13.8%	-3.0%	3.3%	-4.5%	-3.0%	0.25
GPR 250 Oceania Index	1.8%	5.0%	1.8%	4.9%	6.5%	5.5%	0.19
Global Bonds (JP Morgan)	0.0%	0.0%	0.0%	0.2%	-4.4%	-0.7%	0.05
Global Equities (MSCI)	1.8%	6.0%	1.8%	18.3%	10.1%	12.5%	0.15

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

### LXi REIT PLC Agrees All-Share Merger

The GPR 250 Europe Index started the calendar year on the wrong foot, losing 3.0%. All countries closed the month in the red, with Spain (-8.5%), Finland (-7.1%), Sweden (-5.1%), Belgium (-3.7%) and France (-3.4%) contributing most negatively to the pan-European benchmark.

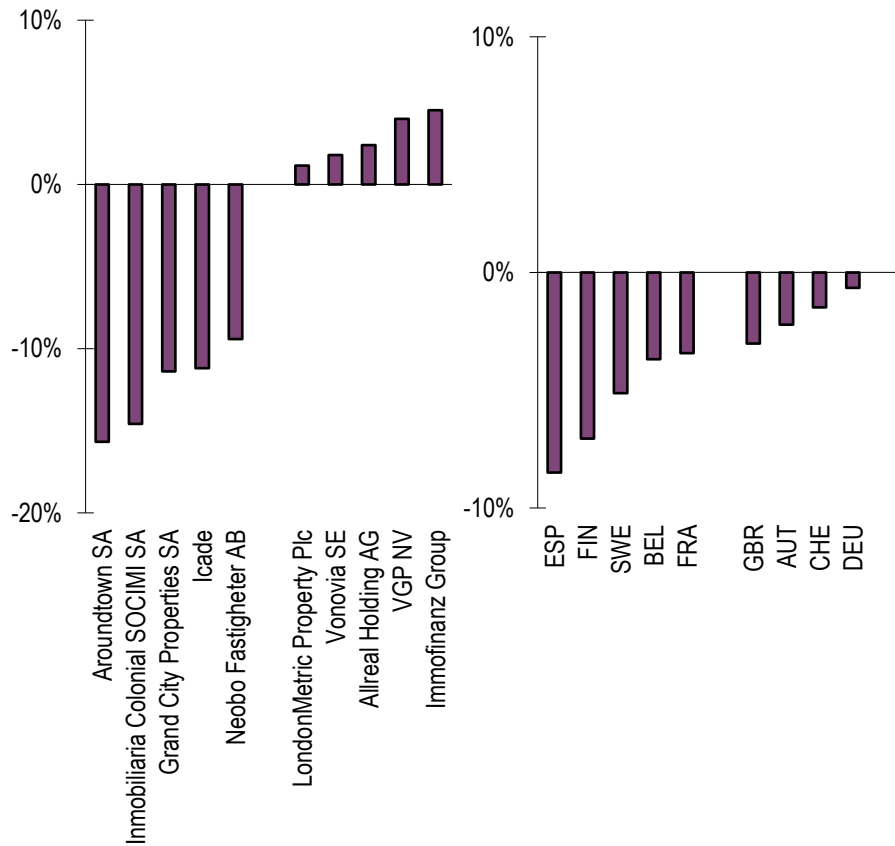
*LondonMetric Property PLC and LXi REIT PLC said to have agreed to an all-share merger pursuant to which LXi REIT PLC shareholders are to receive 0.55 LondonMetric Property PLC shares for each (1) LXi REIT PLC share owned*

LondonMetric Property PLC and LXi REIT PLC said to have agreed to an all-share merger pursuant to which LXi REIT PLC shareholders are to receive 0.55 LondonMetric Property PLC shares for each (1) LXi REIT PLC share owned. The management boards of LondonMetric Property plc and LXi REIT plc see the potential to bring together two companies with complementary strategic approaches and a key focus on delivering compounding income-led total shareholder returns through the cycle. The LXi REIT plc management board intends to recommend unanimously that shareholders vote in favour of the deal. LondonMetric Property PLC said that it had received acceptances for the takeover offer from shareholders representing 13.1% of LXi REIT PLC shares. The combination is expected to be completed by the end of March 2024. Irish Residential Properties REIT plc's management board decided to commence a strategic review to consider and evaluate all strategic options that may be available to maximize and unlock value for shareholders in the company. This strategic review will commence as soon as practicable following the release of the company's FY 2023 results on 23 February 2024. The strategic review will include, but not be limited to, new strategic initiatives, consolidation, combinations, mergers or other corporate action, a review of the company's status as a listed REIT, the sale of the entire issued share capital of the company and selling the company's assets and returning value to shareholders.

*Custodian Property Income REIT plc and Abrdn Property Income Trust Limited have reached an agreement of an all-share merger*

Custodian Property Income REIT plc and Abrdn Property Income Trust Limited have reached an agreement of an all-share merger, to create a larger UK REIT with a GBP 1.0bn portfolio of around 200 assets. The companies' management boards believe the merger would bring together two complementary portfolios to create a differentiated REIT with enhanced diversification and share liquidity and a fully covered and sustainable dividend for the combined company's shareholders. Under the terms of the merger, Abrdn Property Income Trust Limited shareholders will receive 0.78 newly issued Custodian Property Income REIT plc shares for each (1) share owned. It is currently expected that the merger, to be implemented by means of a court-sanctioned scheme of arrangement, will become effective in early April 2024.

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%	13.8%	-3.0%	3.3%	-4.5%	-3.0%	0.25
Austria	-2.2%	17.0%	-2.2%	35.3%	9.0%	0.3%	0.17
Belgium	-3.7%	0.0%	-3.7%	-6.8%	-6.5%	1.9%	0.26
Finland	-7.1%	24.5%	-7.1%	-13.0%	-9.9%	N/A	0.33
France	-3.4%	9.5%	-3.4%	5.5%	4.4%	0.2%	0.25
Germany	-0.7%	32.6%	-0.7%	14.0%	-13.2%	-6.3%	0.34
Spain	-8.5%	8.0%	-8.5%	2.7%	4.9%	-1.5%	0.25
Sweden	-5.1%	17.9%	-5.1%	1.9%	-2.2%	3.4%	0.38
Switzerland	-1.5%	5.8%	-1.5%	8.3%	3.0%	4.5%	0.14
United Kingdom	-3.0%	9.8%	-3.0%	0.0%	-0.6%	-1.4%	0.24
Europe Bonds	0.0%	0.0%	0.0%	0.2%	-6.2%	-2.8%	0.06
Europe Equities	1.3%	3.3%	1.3%	8.9%	10.1%	8.9%	0.13

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

## Tricon Residential Inc. To Be Taken Private

The GPR 250 Americas Index dropped 4.6% in January 2024, due to negative contributions from Mexico (-6.3%), Brazil (-5.3%), United States (-4.7%) and Canada (-1.2%).

*The Blackstone Group Inc. agreed to take Canadian real estate company Tricon Residential Inc. private*

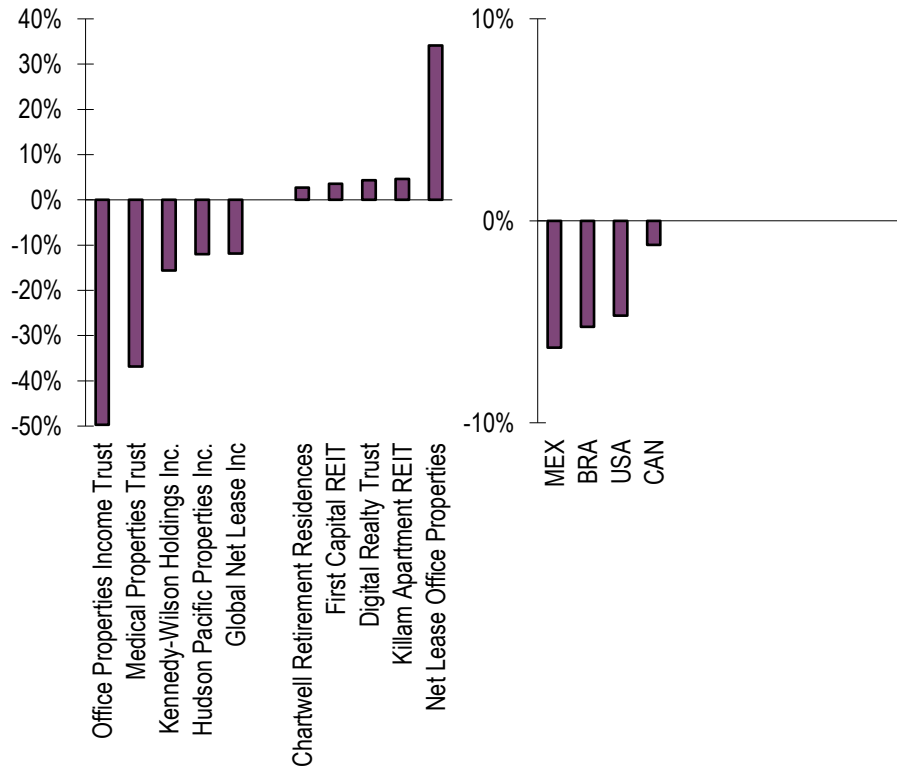
The Blackstone Group Inc. agreed to take Canadian real estate company Tricon Residential Inc. private. Under the deal, The Blackstone Group Inc. will acquire all outstanding shares of Tricon Residential Inc., which provides single-family rental housing and rental development in the United States and Canada, for USD 11.25 per share in cash. After the acquisition, the targeted company plans to complete its USD 1.0bn development pipeline of new single-family rental homes in the United States and USD 2.5bn of new apartments in Canada. The transaction, expected to close in the second quarter of this calendar year, comes at a time when Canada is facing an affordable housing crisis. In a bid to boost supply, the Canadian government said last year it would remove the federal 5% consumption tax on the construction of new rental apartment buildings. The Blackstone Group Inc. in turn is betting some of the money from a record-breaking fund on rental housing, a corner of the real estate market it knows well. The company's deal to buy Tricon Residential Inc. will plunge the asset manager deeper into a single-family rental industry it helped create more than a decade ago. The transaction signals that the undersupplied housing market remains an attractive target for investors as dealmaking picks up.

*Realty Income Corporation closed the Spirit Capital Realty Inc. merger on 22 January 2024*

Realty Income Corporation closed the Spirit Capital Realty Inc. merger, a deal that was announced in late October 2023, on 22 January 2024. Under the terms of the agreement, Spirit Capital Realty Inc. shareholders received 0.762 newly issued Realty Income Corporation shares for each (1) Spirit Capital Realty Inc. share owned.

American Healthcare REIT Inc. is seeking to raise about USD 840m in an IPO. The senior housing and assisted living property owner could start gauging investor interest in the flotation shortly. The company's primary operating partner is Trilogy Health Services, which is one of the nation's largest skilled nursing and senior living providers. The IPO of 56 million shares is expected to be listed on the New York Stock Exchange (NYSE) with a subscription price per share of USD 12.00 to USD 15.00. American Healthcare REIT Inc. intends to use the net IPO proceeds to repay around USD 703.8m of the amount outstanding under its credit facility, assuming pricing at the midpoint of the IPO subscription price range.

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	-4.6%	0.0%	-4.6%	-2.9%	5.4%	3.5%	0.21
Brazil	-5.3%	3.8%	-5.3%	31.5%	9.3%	-0.4%	0.28
Canada	-1.2%	-0.4%	-1.2%	-6.1%	4.2%	1.9%	0.18
Mexico	-6.3%	18.7%	-6.3%	24.3%	17.6%	10.6%	0.22
United States	-4.7%	-0.1%	-4.7%	-3.1%	5.4%	3.6%	0.21
North American Bonds	0.0%	0.0%	0.0%	-0.1%	-3.9%	0.3%	0.05
North American Equities	1.5%	6.5%	1.5%	20.4%	10.1%	14.1%	0.17

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

## BWP Trust To Acquire Newmark Property REIT

Africa (2.0%) and Oceania (1.8%) were the positive outliers on a continental note, while Asia (-0.1%) lost marginally. The drawdown for Hong Kong (-11.0%) and China (-11.9%) real estate securities deepened after a Hong Kong court ordered the liquidation of China Evergrande Group, the world's most indebted real estate developer at the heart of the real estate crisis in Asia's biggest economy.

*BWP Trust offers Newmark Property REIT security holders 0.4 BWP Trust shares for every (1) Newmark Property REIT share owned*

Newmark Property REIT securities surged over 31.9% in January 2024 after the company revealed that BWP Trust – which counts 75 mostly Bunnings Warehouses as tenants – offered Newmark Property REIT security holders 0.4 BWP Trust shares for every (1) Newmark Property REIT share owned. BWP Trust said that the combination of two Wesfarmers landlords would create an 84-asset portfolio and boost its exposure to Victoria and Tasmania. Newmark Property REIT's management board recommended shareholders accepting the bid. But some Newmark Property REIT security holders criticized the AUD 22.5m payment BWP Trust's responsible entity is to pay Newmark Property REIT's asset manager rather than to Newmark Property REIT's security holders, saying it should not be recompensed for a company trading well below its AUD 1.89 per security IPO subscription price.

*Aspen Group (is preparing for a second tilt at Eureka Group Holdings Limited in less than twelve months with the bidder offering shareholders 0.26 stapled securities in Aspen Group for every (1) Eureka Group Holdings Limited security owned*

Aspen Group is preparing for a second tilt at Eureka Group Holdings Limited in less than twelve months with the bidder offering shareholders 0.26 stapled securities in Aspen Group for every (1) Eureka Group Holdings Limited security owned. The takeover offer represents a sharp increase from the bid offered in March 2023 in an unsolicited merger proposal - 0.225 stapled securities in Aspen Group for every (1) Eureka Group Holdings Limited security - that Aspen Group subsequently withdrew. Aspen Group already has a 13.67% stake in Eureka Group Holdings Limited.

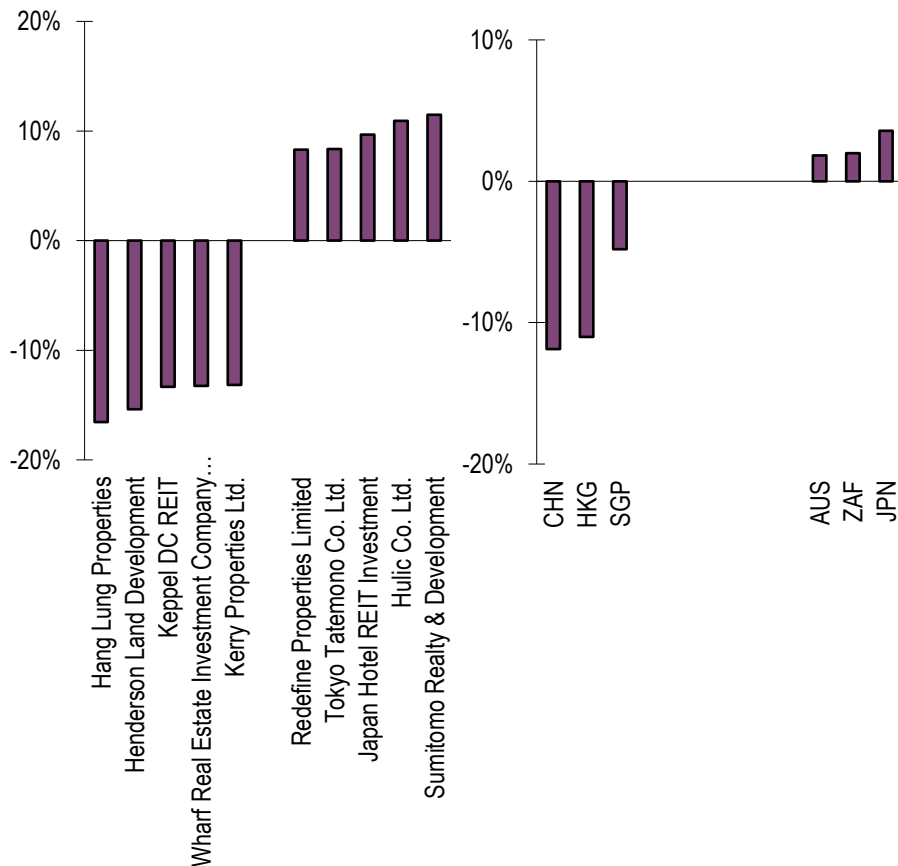
Kyoritsu Maintenance Co., Ltd. announced that to have entered into a capital and business partnership agreement with Daiwa House Industry Co., Ltd. and Cosmos Initia Co., Ltd. and to acquire all shares of Cosmos Initia Co., Ltd. held by Daiwa House Industry Co., Ltd. in connection with such agreement. Kyoritsu Maintenance Co., Ltd. is to acquire 8,480,000 shares of the 21,428,616 shares of Cosmos Initia Co., Ltd. held by Daiwa House Industry Co., Ltd. for JPY 6,029m. As a result, the number of Cosmos Initia Co., Ltd. held by held by Kyoritsu Maintenance Co., Ltd. will be 8,480,000 shares (representing 25.05% of the total number of voting rights). Through this share acquisition, which is scheduled to be completed on 26 February 2024, Cosmos Initia Co., Ltd. will become an affiliated company by application of the equity method.



# AFRICA, ASIA & OCEANIA – DATA

January 2024

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	2.0%	14.9%	2.0%	13.5%	16.6%	-1.9%	0.21
Asia	-0.1%	2.7%	-0.1%	5.5%	4.0%	2.0%	0.09
Oceania	1.8%	5.0%	1.8%	4.9%	6.5%	5.5%	0.19
Australia	1.8%	5.0%	1.8%	4.9%	6.5%	5.5%	0.19
China	-11.9%	-21.0%	-11.9%	-30.6%	N/A	N/A	N/A
Hong Kong	-11.0%	-16.4%	-11.0%	-29.7%	-9.1%	-6.9%	0.23
Japan	3.6%	9.1%	3.6%	20.4%	8.9%	4.9%	0.11
Singapore	-4.8%	-2.7%	-4.8%	-6.2%	-0.4%	1.0%	0.14
South Africa	2.0%	14.9%	2.0%	13.5%	16.6%	-1.9%	0.21
Japan Bonds	0.0%	0.0%	0.0%	-0.1%	-3.9%	0.3%	0.05
Australia Bonds	0.0%	0.0%	0.0%	0.5%	-3.4%	0.1%	0.07
Asia Pacific Equities	5.2%	7.4%	5.2%	20.5%	11.0%	10.6%	0.11

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

# GPR 250 REIT INDEX – DATA

January 2024

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

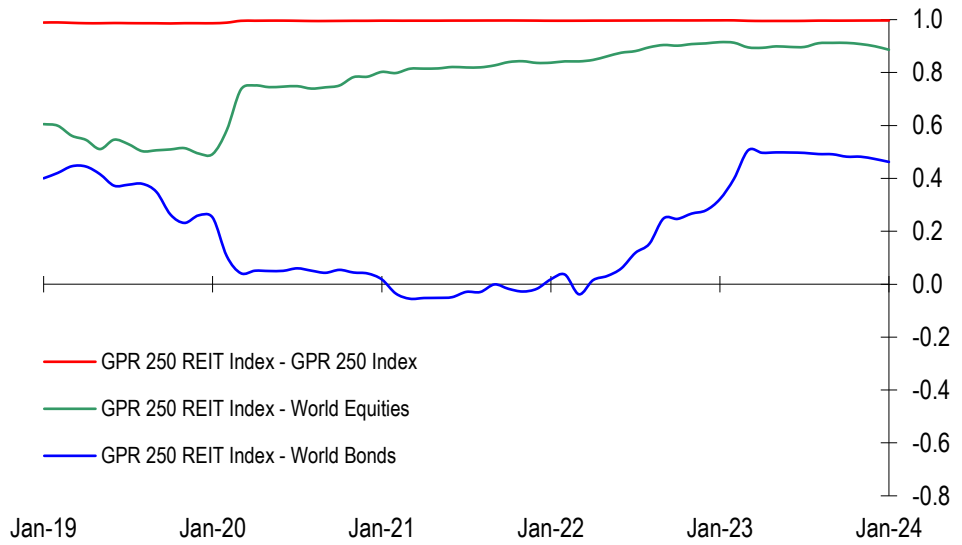


Table 5:  
Long and short-term returns of  
of REITs

**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	-4.0%	0.5%	-4.0%	-2.5%	4.2%	2.6%	0.19
Africa	4.2%	7.6%	4.2%	1.7%	13.0%	-6.5%	0.26
Americas	-4.6%	0.0%	-4.6%	-3.1%	5.4%	3.5%	0.21
Asia	-2.4%	-2.5%	-2.4%	-2.7%	0.4%	1.5%	0.10
Europe	-3.7%	8.3%	-3.7%	-0.8%	-1.0%	-3.8%	0.23
Oceania	1.8%	5.0%	1.8%	4.9%	6.5%	5.5%	0.19
Australia	1.8%	5.0%	1.8%	4.9%	6.5%	5.5%	0.19
Belgium	-4.7%	-1.6%	-4.7%	-10.2%	-7.4%	1.3%	0.25
Canada	-1.4%	-1.6%	-1.4%	-7.7%	4.7%	2.1%	0.18
China	-10.2%	-16.7%	-10.2%	-28.7%	N/A	N/A	N/A
France	-3.4%	9.5%	-3.4%	5.5%	4.4%	0.2%	0.25
Hong Kong	-10.6%	-7.2%	-10.6%	-31.8%	-11.5%	-10.1%	0.27
Japan	-0.2%	-2.2%	-0.2%	2.6%	2.7%	3.1%	0.10
Mexico	-6.3%	18.7%	-6.3%	24.3%	17.6%	10.6%	0.22
Singapore	-4.1%	-1.0%	-4.1%	-1.3%	-0.7%	3.3%	0.14
South Africa	4.2%	7.6%	4.2%	1.7%	13.0%	-6.5%	0.26
Spain	-8.5%	8.0%	-8.5%	2.7%	4.9%	-1.5%	0.25
United Kingdom	-3.1%	10.0%	-3.1%	-0.2%	-0.7%	-1.1%	0.24
United States	-4.7%	-0.1%	-4.7%	-3.1%	5.4%	3.6%	0.21

*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	5.05%
2	France	Klepierre	5.67%
3	France	Unibail-Rodamco-Westfield	8.44%
4	Germany	LEG Immobilien AG	6.10%
5	Germany	Vonovia SE	21.48%
6	Spain	MERLIN Properties SOCIMI S.A.	3.34%
7	Sweden	Castellum AB	5.21%
8	Sweden	Samhällsbyggnadsbolaget i Norden B	0.50%
9	Switzerland	PSP Swiss Property	6.00%
10	Switzerland	Swiss Prime Site	7.66%
11	United Kingdom	British Land Company Plc	4.06%
12	United Kingdom	Land Securities Plc	5.73%
13	United Kingdom	Segro Plc	12.51%
14	United Kingdom	The UNITE Group plc	4.31%
15	United Kingdom	Tritax Big Box REIT plc	3.92%

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

- Global Property Research removed Spirit Realty Capital Inc. (United States) from the GPR 250 Index and the GPR General Indices as from 23 January 2024 following closing of the merger with and into Realty Income Corporation (United States).

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

- Global Property Research removed Ediston Property Investment Company plc (United Kingdom) from the GPR General Indices as from 12 January 2024 following completion of the sale of the entirety of its property portfolio to RI UK 1 Limited, a wholly owned subsidiary of Realty Income Corporation (United States).

**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 February 2024. Open-ended funds, which are indicated with an asterisk, are not part of the GPR General Quoted Index.

*Inclusions*

Israel	Amot Investments Ltd
Israel	Melison Ltd
Japan	Kyoritsu Maintenance Co Ltd
Sweden	Akelius Residential Property AB

*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”

**Refinitiv/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)

**Refinitiv /EIKON:** Search for “GPR”

**Refinitiv /Vestek:** 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”

**Wilshire Associates, Inc.:** Search for “GPR”

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